

Kalgoorlie Gold Project Tenement Package Increases by 20%

Highlights

- Riversgold to acquire 100% of granted tenement P25/2850, continuing to enlarge its Kalgoorlie Gold Project.
- Kalgoorlie Gold Project is located 25km east of Kalgoorlie.
- The tenement purchase brings the total Kalgoorlie Gold project area to 10.2 km² representing a 20% increase in the project area.
- New area is important for securing future access routes to processing plants and waste dump placement.

Riversgold Limited (ASX: RGL, RGLO, Riversgold or the Company) is pleased to announce that it has signed a binding agreement to become the sole legal and beneficial owner of granted tenement P25/2850 (see Figure 1), which adjoins the Company's Kalgoorlie Gold Project located 25 km east of Kalgoorlie in Western Australia (see Figure 2 for location).

The tenement is contiguous to the north of the Company's Northern Zone porphyry gold project and will increase the overall size of the Kalgoorlie Gold Project by ~20% to 10.22 km² (from 8.36km²). This tenement will add valuable acreage close to our known gold mineralisation and provides important space for key site infrastructure, potential sites for waste dumps and processing facilities and provide further links to well established transport routes.

This strategic acquisition will be a joint benefit to our partners in Northern Zone - Oracle Power Plc and MEGA Resources. The Northern Zone intrusive hosted gold project is located on P25/2651, 25 km east of Kalgoorlie in Western Australia (refer to Figure 1 for location).

Ed Mead, Technical Director for Riversgold, commented;

"It is great to secure this additional tenure, and it provides us with further strategic optionality for the potential future gold mining plans for our Northern Zone Gold Project. This deal, like our previous deal announced on 20th April, continues to increase our overall tenement footprint in the immediate Northern Zone Project area. We also feel there is excellent potential to identify additional gold targets on this new ground, and we look forward to exploring the tenement in the coming months."

Key terms of the purchase agreement are:

- Consideration of AUD\$75,000 (excl. GST);
- Retained interest by the vendors of the right to prospect for minerals to a depth of 10 metres ("Retained Interest");
- Any minerals recovered by the vendors under the Retained Interest will be split 80 / 20 between the vendors and Riversgold; and
- A 2% Royalty payable in respect of all minerals extracted by Riversgold (or another party on behalf of Riversgold) from the Tenement other than gold extracted by the sellers under the Retained Interest.

The Company notes that the vendors are unrelated third parties.

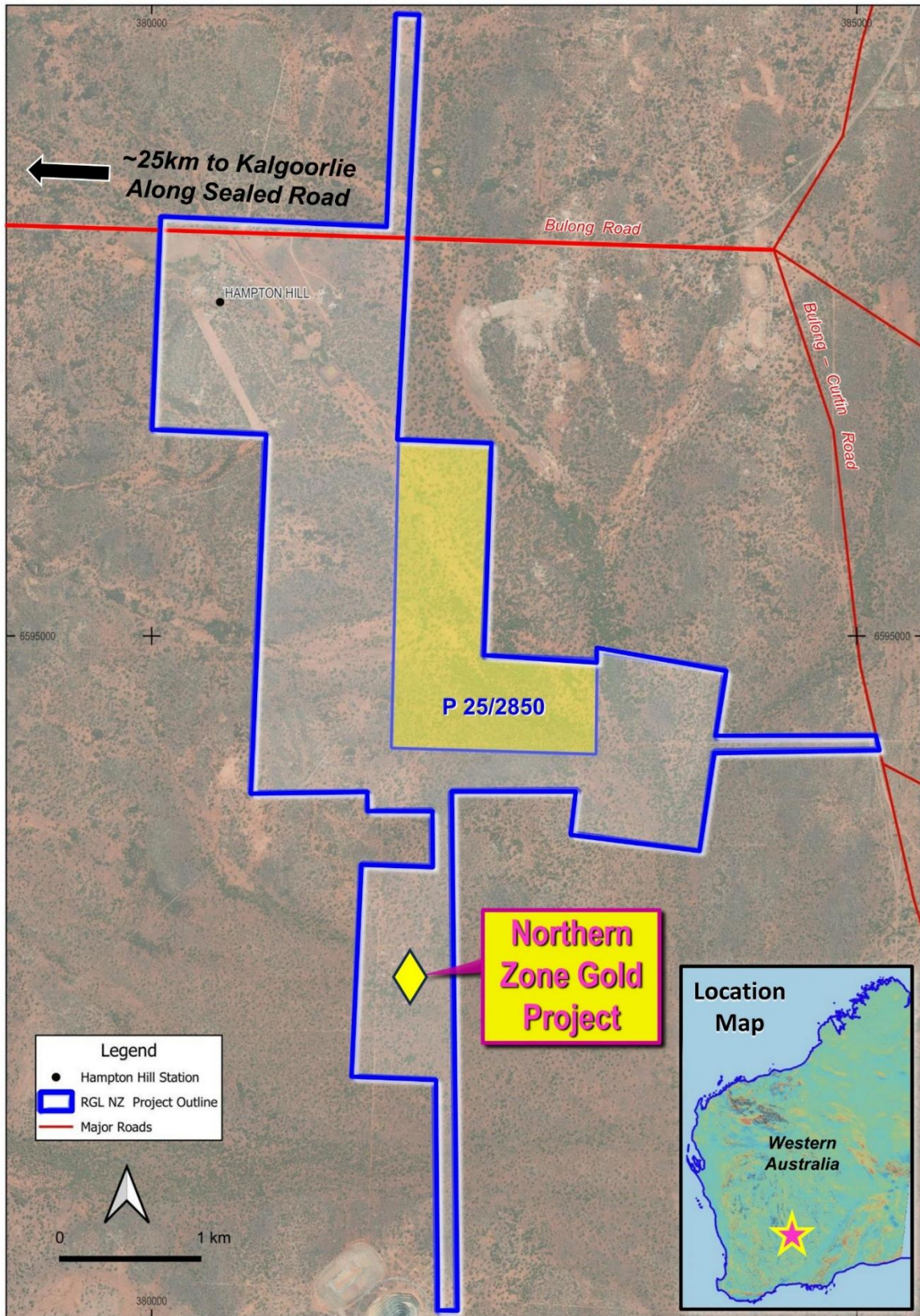


Figure 1: Northern Zone Project Outline Map, illustrating the existing gold project and the new tenement purchase.

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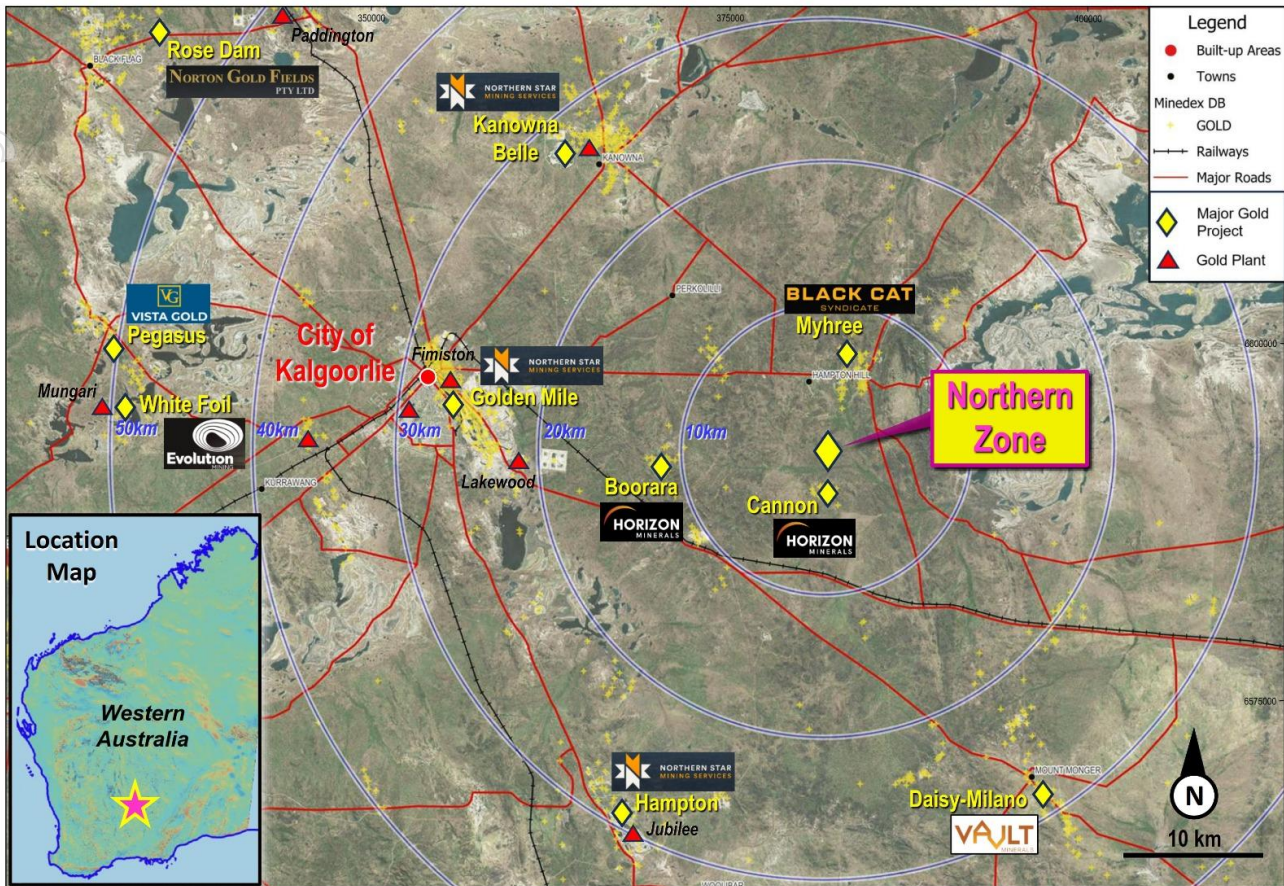


Figure 2: Northern Zone Project Map showing proximity to the Kalgoorlie "Super Pit".

-ENDS-

This announcement has been authorised for release by the Board of Riversgold Ltd.

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