



18 December 2017

Dear Shareholder

RIVA RESOURCES LIMITED – NON-RENOUNCEABLE ENTITLEMENT ISSUE

On 6 December 2017, Riva Resources Limited (ACN 119 992 175) (**Company**) announced that it had executed a binding terms sheet (**Acquisition Agreement**) pursuant to which the Company has agreed to acquire 100% of the issued share capital of Providence Metals Pty Ltd (ACN 612 933 981) (**Providence**) free from encumbrances, from the shareholders of Providence (**Providence Shareholders**) (**Acquisition**).

Providence is a proprietary exploration company and is the legal and beneficial owner of the Hylea Project, a cobalt, nickel, platinum and scandium project located in central NSW (**Hylea Project**).

Pursuant to the terms of the Acquisition Agreement, the Company intend to raise \$4,013,783 via:

- a) a placement of 450,000,000 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.004 per Share to raise \$1.8 million (**Placement**); and
- b) a three (3) for four (4) pro rata non-renounceable entitlement offer of approximately 553,445,811 Shares at an offer price of \$0.004 per Share to raise approximately \$2,213,783 (**Entitlement Offer**),

(together the **Capital Raising**).

The Capital Raising is fully underwritten by Neon Capital Ltd (ACN 002 796 974) (**NEN**). Subject to shareholder approval at the general meeting scheduled for 23 January 2018 (**General Meeting**), the Company will issue to NEN (or its nominees) 200,000,000 options to acquire Shares (**Options**) exercisable at \$0.01 expiring on or before the date which is two (2) years from their date of issue (**Underwriter Options**).

The Company lodged an offer document for the Entitlement Offer (**Offer Document**) with ASX on 15 December 2017.

The Company intends to apply the funds raised from the Capital Raising upon completion of the Acquisition towards payment of the cash consideration for the Acquisition, payment of cost associated with the Acquisition and the Capital Raising, expenditure on the Hylea Project, expenditure on the Company's existing projects, corporate administration costs and working capital. If Shareholder approval for the Acquisition is not obtained at the General Meeting, the Company intend to allocate funds raised under the Entitlement Offer to expenditure on the Company's existing projects. This is a statement of the Board's current intentions as at the date of the Offer Document. However, the Board reserves the right to alter the way the funds are applied.

The Entitlement Offer is being made to all shareholders of the Company named on its register of members at 5.00pm (Western Standard Time) on 20 December 2017 (**Record Date**), whose registered address is in Australia, New Zealand or Hong Kong (**Eligible Shareholders**).

Shares issued under the Entitlement Offer will rank equally with all Shares already on issue.

Following completion of the Entitlement Offer (assuming full subscription), the Company will have issued 553,445,811 Shares resulting in total Shares on issue of approximately 1,291,373,559. Subject to shareholder approval at the General Meeting, the Company is also proposing to issue up to a further 450,000,000 Shares under the Placement, 1,000,000,000 Shares in consideration for the Acquisition (**Consideration Shares**), 62,500,000 Shares in consideration for the introduction of the Acquisition (**Introduction Shares**) and the 200,000,000 Underwriter Options. The Company intends to issue the Shares the subject of the Placement, the Consideration Shares, the Introduction Shares and the Underwriter Options at the same time as Shares offered under the Entitlement Offer.

A copy of the Offer Document is available on ASX's and the Company's website.

Ineligible Shareholders

The Entitlement Offer is being made to all shareholders of the Company named on its register of members at 5.00pm (Western Standard Time) on 20 December 2017, whose registered address is in Australia, New Zealand or Hong Kong.

As you are a Shareholder registered with an address outside Australia, New Zealand and Hong Kong (**Ineligible Shareholder**) you are not eligible to participate in the Entitlement Offer and you will not be sent a copy of the Offer Document. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia, New Zealand and Hong Kong, the number of Ineligible Shareholders and the number and value of Shares to which they would otherwise be entitled.

If you require further information, please contact the Company Secretary, Mr Keong Chan on +61 8 9322 6009.

Yours sincerely

TIM KESTELL
NON-EXECUTIVE DIRECTOR
RIVA RESOURCES LIMITED
