



DIRECTORS

Mark Foster
Chairman

Philip Re
*Managing Director
Company Secretary*

Paul Lloyd
Non-Executive Director

Nick Revell
Non-Executive Director

7 September 2010

SOUTH AMERICAN FERRO METALS (SAFM) RECEIVES BRAZILIAN ENVIRONMENTAL MINING LICENSE APPROVAL

SHARE INFORMATION

ASX Codes: RVE, RVEO

CAPITAL STRUCTURE.

Issued capital:
62.0m Fully Paid Ordinary Shares (RVE)
36.0m Options (RVEO)

CONTACT INFORMATION

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HIGHLIGHTS:

- **SAFM has advised Riviera that it has achieved a key milestone towards becoming an iron ore producer in Brazil after receiving Brazilian State Environmental Committee approval for 'Installation and Operational' licensing at its Ponte Verde Iron Ore Project in Brazil**
- Riviera's shareholder meeting to be held on 13th September 2010 to approve the transaction to acquire 100% of SAFM
- Consideration for SAFM to be paid in Riviera shares based on three performance milestones. No cash consideration required
- Exploration target of 140 – 150 million tonnes¹ of Haematite rich Itabirite at a range of 33.3% to 41.1% Fe in situ, upgradeable to +60% Fe
- Project shares a common boundary to ground held and to be developed by Brazilian mining giant Vale, and located within a framework of established infrastructure
- An established and experienced management team in Brazil already in place
- Riviera will be one of the few ASX listed companies offering exposure to the growing iron ore industry in Brazil

Riviera Resources Limited (ASX: RVE) has been advised by South American Ferro Metals Limited (SAFM) that it has received Brazilian State Environmental Committee approval for 'Installation and Operational' licensing at its Ponte Verde Iron Ore project in Brazil.

Riviera reports that the granting of the license is a further positive step towards its goal of being an iron ore producer in Brazil.

Riviera confirms that the progress being made by SAFM is consistent with the agreement with SAFM and the notice of the meeting sent to RVE shareholders for approval of the transaction to acquire 100% of SAFM. The shareholders' meeting is due to be held on 13 September 2010.

SAFM owns 100% of the mineral rights, management and property at Ponte Verde, located in the heart of the world-class 'Iron Ore Quadrilateral', some 40 kilometres from the town of Belo Horizonte in Minas Gerais State, Southern Brazil. The project is close to existing infrastructure and neighbours a number of established mining operations.

Riviera has the potential to create significant shareholder value with SAFM's Ponte Verde Iron Ore project given the well established Brazilian iron ore industry.

The project has an initial exploration target of 140 – 150 million tonnes¹ of Haematite rich Itabirite at a range of 33.3% to 41.1% Fe in situ, upgradeable to +60% Fe. A further drilling programme is anticipated in order to define a resource. This drilling programme is expected to commence upon settlement of the transaction.

The proposed transaction with SAFM includes the existing plant which has a current production capacity of 1.8 million tonnes per annum and therefore no significant capital expenditure is required to move the project into production.

Global demand for iron ore remains strong, with initial production expected to be sold to domestic steel mills or large producers with Brazilian operations such as Vale.

The Ponte Verde project will continue to be managed by the existing experienced and proven SAFM management team based in Brazil.



Haematite rich Itabirite



Existing on Site Plant - plant capacity 1.8mtpa – No significant Capital Expenditure Required



Aerial View of Project Area – adjacent to Brazilian iron Ore Giant Vale in Iron Ore Quadrilateral

For further information in respect to Riviera Resources Limited, please contact:

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 Managing Director
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Competent Persons: The information within this report relating to exploration activities on the Company's projects is based on information compiled by Nicholas Revell who is a member of the Australasian Institute of Mining and Metallurgy. Mr Revell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Revell has consented to the inclusion in the report of the information on the SAFM Project in the form and context represented above.

1- The potential quality and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.