

HANCOCK PROSPECTING PTY LTD

Bidder's Statement

containing a Cash Offer by

Hancock Prospecting Pty Ltd

ACN 008 676 417

through its wholly-owned subsidiary
Hancock Corporation Pty Ltd ACN 615 809 740

to acquire all of your shares in

Riversdale Resources Limited

ACN 152 669 291

for \$2.20 per share
(which will increase to \$2.50 per share if Hancock Corporation's voting power in Riversdale exceeds 50%, calculated on a fully diluted basis, prior to the end of the Offer Period)¹ subject to the terms and conditions of the Offer.

ACCEPT THIS CASH OFFER

This is an important document and requires your attention.

If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser.

Further Information

If you have any queries in relation to the Offer, please contact the Offer information line on +618 9429 8222 between 12.00pm and 8.00pm (Sydney time) Monday to Friday.

¹ Details in relation to the Increased Offer Price and voting power are set out in section 12.10.

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1 Important information

1.1 Key Dates

Announcement Date	27 February 2019
Date that the Original Bidder's Statement was lodged with ASIC	27 February 2019
Date that the First Supplementary Bidder's Statement and Replacement Bidder's Statement were lodged with ASIC	11 March 2019
Date of the Offer	13 March 2019
Offer closes (unless extended or withdrawn)*	7.00pm (Sydney time), 14 April 2019

*Note that this date may change as permitted by the Corporations Act

1.2 How to Accept the Offer

To accept the Offer, you must complete and sign the Acceptance Form enclosed with this Bidder's Statement and return it to the address indicated on the form before the end of the Offer Period. You must accept the Offer for all Your Shares.

Acceptances of the Offer must be received in sufficient time to be acted upon before the close of the Offer Period.

Full details on how to accept the Offer are set out in section 13.4 of this Bidder's Statement and on your Acceptance Form.

1.3 Important notice

This Replacement Bidder's Statement is given by Hancock Corporation Pty Ltd ACN 615 809 740 (**Hancock Corporation**), a wholly-owned subsidiary of Hancock Prospecting Pty Ltd ACN 008 676 417 (**HPPL**), to Riversdale Resources Limited ACN 152 669 291 (**Riversdale**) under Part 6.5 of the Corporations Act and sets out certain disclosures required by the Corporations Act, together with the terms of the Offer to acquire Your Shares.

This Replacement Bidder's Statement is dated 11 March 2019. It includes an Offer dated 13 March 2019 on the same terms to the Offer set out in the Original Bidder's Statement.

A copy of this Replacement Bidder's Statement was lodged with ASIC on 11 March 2019. Neither ASIC nor its officers take any responsibility for the content of this Replacement Bidder's Statement.

1.4 Further Information.

If you have any queries in relation to the Offer, please contact the Offer information line on +618 9429 8222 between 12.00pm and 8.00pm (Sydney time) Monday to Friday. If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser.

1.5 Defined terms

A number of defined terms are used in this Replacement Bidder's Statement. Unless the contrary intention appears, the context requires otherwise or words are defined in section 14 of this Bidder's Statement, words and phrases in this Bidder's Statement have the same meaning and interpretation as in the Corporations Act. All subsequent references to the Bidder's Statement in this document are a reference to this Replacement Bidder's Statement.

1.6 Investment decisions

In preparing this Bidder's Statement, the HPPL Group has not taken into account the individual objectives, financial situation or particular needs of individual Riversdale Shareholders. Accordingly, before making a decision whether or not to accept the Offer, you should consider seeking independent financial and taxation advice.

1.7 Disclaimer as to forward looking statements

This Bidder's Statement contains forward looking statements. Forward looking statements are not based on historical facts, but are based on current expectations of future results or events. These forward looking statements are subject to risks, uncertainties and assumptions which could cause actual results or events to differ materially from the expectations described in such forward looking statements. While Hancock Corporation believes that the expectations reflected in the forward looking statements in this document are reasonable, no assurance can be given that such expectations will prove to be correct. Matters as yet not known to Hancock Corporation or not currently considered material by Hancock Corporation, may cause actual results or events to be materially different from those expressed, implied or projected in any forward looking statements. Any forward looking statement contained in this document is qualified by this cautionary statement.

1.8 Notice to foreign Riversdale Shareholders

The Bidder's Statement has been prepared having regard to Australian disclosure requirements. These requirements may be different from those in other jurisdictions. The distribution of the Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of the Bidder's Statement should inform themselves of, and observe, those restrictions.

1.9 Information on Riversdale

The information on Riversdale and Riversdale Shares contained in this Bidder's Statement has been prepared by Hancock Corporation using information contained in documents lodged by Riversdale with ASIC, information made generally available to Riversdale Shareholders and information contained on public registers. None of the information in this Bidder's Statement concerning Riversdale's business has been verified by Riversdale or the Riversdale Board or independently verified by HPPL or Hancock Corporation or their directors for the purposes of this Bidder's Statement. Accordingly, subject to the Corporations Act, neither HPPL nor Hancock Corporation makes any representation or warranty, express or implied, as to the accuracy or completeness of this information. The information on Riversdale in this Bidder's Statement should not be considered comprehensive.

Further information relating to Riversdale's business may be included in Riversdale's Target's Statement which Riversdale must provide to Riversdale Shareholders in response to this Bidder's Statement.

1.10 Privacy

Hancock Corporation has collected your information from the Riversdale Register of security holders for the purpose of making the Offer and, if accepted, administering your holding of Riversdale Shares. The Corporations Act requires the name and address of security holders to be held in a public register. Your information may be disclosed on a confidential basis to Hancock Corporation's related bodies corporate and external service providers, and may be required to be disclosed to regulators such as ASIC. The registered address of Hancock Corporation is Level 3, HPPL House, 28-42 Ventnor Ave, West Perth WA 6005.

1.11 Internet

Both HPPL and Riversdale maintain internet sites.

The HPPL internet site is <https://www.hancockprospecting.com.au>

The Riversdale internet site is <http://www.rivresources.com/site/content/>

Information contained in, or otherwise accessible through, these internet sites is not a part of this Bidder's Statement. All references in this Bidder's Statement to these internet sites are inactive textual references to these sites and are for your information only.

Director's Letter

27 February 2019

Dear Riversdale Shareholder,

On behalf of the directors of Hancock Corporation Pty Ltd (**Hancock Corporation**), a wholly-owned subsidiary of Hancock Prospecting Pty Ltd (**HPPL**), I am pleased to provide you with this all-cash Offer to acquire all of Your Shares.

If you accept the Offer and the Offer becomes unconditional, you will receive \$2.20 cash (**Base Offer Price**) for each of Your Shares.² The Offer is conditional only on "prescribed occurrences".

Hancock Corporation has indicated that if it obtains control of Riversdale (by its voting power in Riversdale exceeding 50%, calculated on a fully diluted basis) prior to the end of the Offer Period, the Offer Price will be increased to \$2.50 cash for each of Your Shares (**Increased Offer Price**).³

For the reasons detailed below and throughout this Bidder's Statement, Hancock Corporation considers that the Offer provides an opportunity for Riversdale Shareholders to realise liquidity and certainty of value for their Riversdale Shares at a compelling premium to the prices of recent Riversdale Share placements negotiated and approved by the Riversdale Board.

Specifically, the Base Offer Price of \$2.20 represents a premium of almost 29% to the weighted average cost of Hancock Corporation's recent share subscriptions,⁴ and almost 26% to the highest price at which Riversdale Shares were issued in the last 12 months.⁵ The Increased Offer Price of \$2.50 represents a premium on an equivalent basis of 47% and almost 43% respectively.

In each case the premium is provided despite the Grassy Mountain Project continuing to be unpermitted and undeveloped, and still requiring substantial project development financing.

The premium in the Base Offer Price of \$2.20 will be paid to acquire Your Shares even if Hancock Corporation does not obtain control of Riversdale. Hancock Corporation considers that this makes the Base Offer Price all the more attractive.

The premium in the Increased Offer Price of \$2.50 reflects the requirement for Hancock Corporation to obtain control before the Increased Offer Price becomes payable. RCF controls approximately 48% of issued shares of Riversdale. If RCF does not accept the Offer, then it will be challenging for Hancock Corporation to secure control of Riversdale through the Offer. There is no guarantee that the Increased Offer Price will become payable.

Riversdale's founding shareholders: Mr Michael O'Keeffe (former Riversdale Chairman), Mr Steve Mallyon (former Riversdale Managing Director) and Mr Anthony Martin (Riversdale Chief Financial Officer) (collectively, the **Founding Shareholders**) have each provided a Statement of Intent⁶ to accept the Offer in respect of all of the shares held by them, representing approximately 16.5% of the

² The Offer Price will be reduced by any Right that you or any previous holder of Your Shares receive or become entitled to receive in respect of the Riversdale Shares on or after the Announcement Date.

³ Details in relation to the Offer Price, the Increased Offer Price and how voting power will be calculated is set out in sections 12.10 and 13.2.

⁴ These subscriptions were completed during August and September 2018. Details are set out in section 12.2.

⁵ Based on ASIC records, the highest issue price for Shares in the last 12 months was \$1.75 per share.

⁶ See section 3.1 and Annexure B for the full form of and further information in relation to the Shareholder Statements of Intent.

total Riversdale Shares on issue, in the absence of a superior proposal. Each Founding Shareholder has reserved the right to alter their position at any time. Collectively, the Founding Shareholders have extensive experience in the acquisition, development and sale of natural resources projects, and each has intimate knowledge of the Grassy Mountain Project, its potential and the risks and uncertainties that pertain to realising that potential.

Hancock Corporation's Offer also provides any shareholder who has been considering selling their shares with an opportunity to do so, and without any direct selling or transaction costs involved (subject only to taxes payable). And as an all-cash Offer, shareholders who accept the Offer will receive certain consideration (if the Offer becomes unconditional).

The Offer is subject only to no "prescribed occurrences" occurring during the Bid Period. This is a typical condition for a bid of this nature and (other than in respect of certain insolvency events), is almost entirely within the control of the Riversdale Board. Hancock Corporation considers it likely that this Condition will be satisfied.

If you validly accept the Offer before it is unconditional, you will be paid within seven days after it becomes unconditional, assuming it does. If the Offer is unconditional when you accept, you will be paid within seven days of receipt of your valid acceptance. If the Offer Price is increased to \$2.50, and you accept the Offer while it remains conditional (whether you accept before or after the increase) you will be entitled to receive Offer consideration based on the Increased Offer Price,⁷ should the Offer become unconditional.

Accepting the Offer (provided the Offer becomes unconditional) will also remove your exposure to the risks and uncertainties associated with a continued investment in Riversdale. These risks include risks associated with Riversdale's focus on the development of a single project; risks posed by the need to transition to a new Managing Director, which may cause some level of instability within Riversdale, may have impacts to reputation and relationships and other adverse consequences detrimental to the smooth and timely progression of the Grassy Mountain Project; that the timing of development permits for the Grassy Mountain Project may be delayed or the conditions may be onerous, or that permitting may not be secured; that adequate funding may not be secured on favourable terms; that development may be delayed or prolonged, or its construction costs increased; that production rates, costs, product quality and prices received, may not achieve forecast levels; and that other unforeseen impacts may adversely impact the results and/or viability of Riversdale.

Against these risks, the Offer is the only proposal that has been publicly announced as at the date of this Bidder's Statement and it provides you with an opportunity to sell Your Shares at a compelling premium. Alternatively, holding the shares through to completion of development of the project (which completion may result in potential value growth upside), may result in Australian taxation resident shareholders of Riversdale being subject to an effective taxation rate on distributed Riversdale's earnings of 51.5% (for corporate taxpayers) or 63.3% (for individual taxpayers on the top marginal rate and inclusive of Medicare Levy).⁸

The Offer is open for acceptance until 7.00 pm, Sydney time on 14 April 2019 unless extended or withdrawn in accordance with the Corporations Act. To accept the Offer, please follow the instructions in section 13.4 of this Bidder's Statement and on the enclosed Acceptance Form.

⁷ Details in relation to the Increased Offer Price are set out in section 12.10

⁸ See section 8.6 for further details.

Hancock Corporation is an Australian proprietary company limited by shares and a wholly-owned and funded subsidiary of HPPL. HPPL is a privately held Australian company that has a long and important association with the Australian mining and resources industry. More information about Hancock Corporation and HPPL is provided in section 7 of this Bidder's Statement.

The Hancock Corporation Board acknowledges the excellent work done by the current and past directors, management and employees of Riversdale to progress the Grassy Mountain Project to its current state, including the contribution of Steve Mallyon and Michael O'Keeffe. It is Hancock Corporation's intention, should the Offer result in control of Riversdale passing to Hancock Corporation, to continue to support progress of the permitting, development and ultimately operation of the Grassy Mountain Project. Please see section 9 of the Bidder's Statement for details of Hancock Corporation's intentions.

On behalf of Hancock Corporation, we trust that you will see the benefits of the Offer and urge you to accept the Offer as soon as possible.

Yours sincerely

A handwritten signature in black ink, appearing to be 'J Newby', written in a cursive style.

Mr Jay Newby
Hancock Corporation Pty Ltd
Director

2 Features of the Offer

This summary provides an overview of the Offer and is qualified by the detailed information contained in this Bidder's Statement. You should read this Bidder's Statement in full before deciding whether or not to accept the Offer.

Bidder	Hancock Corporation Pty Ltd, a wholly-owned subsidiary of Hancock Prospecting Pty Ltd.
Offer Price	<p>The Base Offer Price is \$2.20 cash for each of Your Shares.</p> <p>If Hancock Corporation's voting power in Riversdale exceeds 50% prior to the end of the Offer Period, the Offer Price will be increased to \$2.50 cash for each of Your Shares. Voting power will be calculated on a fully-diluted basis.⁹</p> <p>Hancock Corporation will deduct from the consideration under the Offer the cash amount or value of any dividends, distributions or other Rights attaching to Your Shares on or after the Announcement Date and which you or a previous holder of Your Shares receives or is entitled to receive. Hancock Corporation will not deduct the value of any franking credits attaching to those Rights.</p>
Closing date	The Offer closes at 7.00 pm (Sydney time) on 14 April 2019 , unless it is extended or withdrawn by Hancock Corporation in accordance with Corporations Act.
Payment timing	<p>If you validly accept the Offer:</p> <ul style="list-style-type: none"> a) before the Offer is or becomes unconditional, Hancock Corporation will pay you for Your Shares within seven days from the date that the Condition to the Offer is satisfied or waived; or b) after the Condition to the Offer is satisfied or waived, Hancock Corporation will pay you within seven days after you accept the Offer. <p>Hancock Corporation has undertaken to pay you for Your Shares within the seven day periods referred to above. This is more prompt than the period required by the Corporations Act, but the timing for payment will still depend on the date on which the Offer becomes unconditional.</p> <p>Full details of the payment for Your Shares are set out in section 13.7.</p> <p>If Hancock Corporation increases the Offer Price to \$2.50,¹⁰ Riversdale Shareholders who subsequently accept the Offer (or who have accepted but have not been paid) will be paid in accordance with the payment arrangements above. Riversdale Shareholders who accepted before the increase and have been paid the Base Offer Price will be paid the</p>

⁹ Details in relation to the Increased Offer Price and the calculation of voting power are set out in section 12.10.

¹⁰ Details in relation to the Increased Offer Price are set out in section 12.10.

	additional consideration of \$0.30 per share immediately after the increase in the Offer.
Condition	The Offer is subject only to no “prescribed occurrences” occurring from the date of the Bidder’s Statement. The list of “prescribed occurrences” are set out in Annexure A to this Bidder’s Statement.

3 Why Riversdale Shareholders should ACCEPT the Offer

For the reasons outlined below and throughout this Bidder's Statement, Hancock Corporation considers that the Offer provides an opportunity for Riversdale Shareholders to realise liquidity and certainty of value at a compelling premium to recent prices for Riversdale Shares.

3.1 Founding Shareholders' Statements of Intent support the Offer

*The Offer is supported by Statements of Intent from each of Riversdale founding shareholders Mr Michael O'Keeffe (former Riversdale Chairman), Mr Steve Mallyon (former Riversdale Managing Director) and Mr Anthony Martin (Riversdale Chief Financial Officer) (collectively, the **Founding Shareholders**).*

Each Founding Shareholder has provided the following statement with respect to the Offer for all of their shares and consented to its inclusion in the Bidder's Statement:¹¹

"I confirm that I regard your proposed offer price (of \$2.20) as fair. My present intention would be to accept an offer on those terms, subject to no superior proposal being made. However, I reserve the right to alter my position, in which case I will inform you as soon as practicable."

Each of the Founding Shareholders has extensive experience in the acquisition, development and sale of natural resources projects, and each has an intimate knowledge of the Grassy Mountain Project, its potential and the risks and uncertainties which pertain to realising that potential.

Following his departure from the role of Managing Director of Riversdale, Steve Mallyon approached HPPL regarding a potential sale of his Riversdale Shares. During these discussions he confirmed he would be willing to sell his Riversdale Shares if an offer was made at a fair price and he suggested he would make a public statement confirming his intention to accept such an offer, subject to appropriate qualifications. Following discussions between Mr Mallyon and the other Founding Shareholders, each have provided the Statement of Intent referred to above and consented to including those statements in this Bidder's Statement.

The Founding Shareholders collectively hold (directly or indirectly) 48,750,068 Riversdale Shares, representing approximately 16.5% of the total Riversdale Shares on issue.

Hancock Corporation does not consider the Statements of Intent made by the Founding Shareholders in this Bidder's Statement to be enforceable by Hancock Corporation under ASIC's 'truth in takeovers' policy or otherwise.

3.2 The Offer Price represents a compelling premium to recent issue prices

The Offer Price is compelling compared to recent share issues.

¹¹ The full form of the Statements of Intent is set out in Annexure B.

Compared to the highest price (of \$1.75 per share) at which Riversdale Shares were issued in the last 12 months:¹²

- the Base Offer Price of \$2.20 represents a premium of almost 26%; and
- the Increased Offer Price of \$2.50 represents a premium of almost 43%.
The Increased Offer Price only becomes payable if Hancock Corporation obtains control of Riversdale (where its voting power in Riversdale exceeds 50%, calculated on a fully diluted basis) prior to the end of the Offer Period.¹³

Compared to the weighted average cost of the Hancock Corporation share subscriptions (of \$1.70 per share) which were completed during August and September 2018:

- the Base Offer Price of \$2.20 represents a premium of almost 29%; and
- the Increased Offer Price of \$2.50 represents a premium of 47%.
The Increased Offer Price only becomes payable if Hancock Corporation's obtains control of Riversdale prior to the end of the Offer Period.

The premium in each case should be considered in the context that the Grassy Mountain Project continues to be unpermitted and undeveloped, and still requires substantial project development financing.

Hancock Corporation is not aware of prices for recent sales of Riversdale Shares (if any).

The Offer Price represents a compelling premium compared to the price of recent share placements approved by the Riversdale Board.

All of Hancock Corporation's Riversdale Shares were acquired by way of subscriptions for new shares directly from Riversdale in August and September 2018.

The subscription prices for those shares were negotiated at arms-length with the Riversdale Board and represent the fair value at which the Riversdale Board agreed to issue a substantial, but minority, shareholding in Riversdale, in the circumstances prevailing at that time.

Given the short time since they were negotiated, Hancock Corporation believes that recent subscription prices provide support for how compelling the premium in the Base Offer Price and any Increased Offer Price is for Riversdale Shareholders.

The premium will be increased if a controlling interest is acquired.

The premium in the Base Offer Price of \$2.20 is compelling and will be paid to acquire Riversdale Shares even if Hancock Corporation does not obtain control of Riversdale. Hancock Corporation considers that this makes the Base Offer Price all the more attractive.

The premium in any Increased Offer Price of \$2.50 is even more compelling and reflects the requirement for Hancock Corporation to obtain control before the Increased Offer Price applies. Given it is uncertain whether Hancock Corporation will obtain control, there is no guarantee that the Increased Offer Price will become payable.

¹² Based on ASIC records and the Riversdale 2018 Annual Report, this included the initial subscription for Riversdale Shares by Hancock Corporation in August 2018 and the issue of shares to RCF upon conversion of its Convertible Notes in September 2018.

¹³ Details in relation to the Increased Offer Price and the calculation of voting power are set out in section 12.10.

3.3 The Offer provides shareholders with liquidity

Hancock Corporation's offer provides any Riversdale Shareholder wanting to sell their shares with an opportunity to do so.

Because Riversdale is an unlisted public company, Riversdale Shareholders do not have a transparent and readily available market for their shares. Instead, any shareholder wanting to sell Riversdale Shares must, in the absence of any offers, solicit offers and negotiate the terms of a sale transaction. For larger shareholders, finding a counterparty willing to make the substantial investment may be difficult. Similarly, the lack of public knowledge about Riversdale makes it more difficult to find a buyer than would be the case if Riversdale was a disclosing entity.

In contrast, the Offer provides any shareholder wanting to sell their shareholding with an opportunity to do so, and to do so without any direct selling or transaction costs involved (subject only to taxes payable).

3.4 The Offer is for all cash consideration

The Offer is an all-cash offer, meaning you will receive certain consideration provided the Condition to the bid is satisfied or waived.

Hancock Corporation is offering an all-cash consideration for Your Shares. This means that, provided the Condition to the Offer is satisfied or waived, you will not need to undertake any additional transactions or incur any additional brokerage or other incidental costs to realise the cash proceeds from this Offer (except as otherwise detailed in section 11).

Should the Offer become unconditional, Hancock Corporation has committed to paying for Your Shares within seven days if you have already accepted the Offer or within seven days of receipt from you of a subsequent effective acceptance (see section 13.4 – "How to accept this Offer").

If Hancock Corporation increases the Offer Price to \$2.50 for each of Your Shares,¹⁴ Riversdale Shareholders who subsequently accept the Offer (or who have accepted but have not yet been paid) will be paid in accordance with the payment arrangements above. Any Riversdale Shareholder who accepted before the increase and has been paid the Base Offer Price will be paid the additional consideration of \$0.30 for each of Your Shares immediately after the increase in the Offer.

3.5 The Offer is subject to a low level of conditionality

The Offer for Your Shares is subject only to no "prescribed occurrences" occurring from the date of the this Bidder's Statement. The list of "prescribed occurrences" is set out in the Annexure A – Condition to the Offer.

In summary, the prescribed occurrences condition will be satisfied unless Riversdale is impacted by any of the events listed in Annexure A which includes insolvency events, or where the Riversdale Board elects to undertake certain transactions, such as the sale of major assets, or restructuring Riversdale's share capital, such as by issuing new shares.

Importantly, there is no minimum acceptance condition pertaining to the Base Offer Price, meaning that if you accept the Offer, but other Riversdale Shareholders do not, you will still

¹⁴ Details in relation to the Increased Offer Price are set out in section 12.10

be paid the Base Offer Price, provided the prescribed occurrences Condition is either satisfied or waived.

The low level of conditionality should provide Riversdale Shareholders with a high level of certainty that they will be paid at least the Base Offer Price for their Riversdale Shares following their acceptance of the Offer.

The Offer is not subject to any minimum acceptance condition, however, the increase of the Offer Price to \$2.50 is effectively conditional on Hancock Corporation obtaining control of Riversdale prior to the end of the Offer Period.¹⁵

3.6 The Offer removes your exposure to the risks and uncertainties associated with a continued investment in Riversdale

The certainty of the Offer Price should be compared to the external and Riversdale specific risks and uncertainties that may affect Riversdale and its business and therefore the value of Your Shares if the Condition is not satisfied or waived, or you do not accept the Offer and no alternative offer or proposal emerges. Risks and uncertainties include the following:

(a) **Management transition period**

In February 2019 Riversdale announced that Mr Steve Mallyon would be stepping down from his position as Managing Director.

Mr Mallyon is one of the Founding Shareholders in Riversdale and Hancock Corporation considers that he has been instrumental in progressing the Grassy Mountain Project to its current state, including through the recruitment of a highly skilled and motivated management, employee and consultant group, and through the development of strong relationships with key stakeholders including First Nations groups, the local community, local, state and federal governments, regulators and potential product off-takers.

There is the risk that the transition period to a new Managing Director may result in some level of instability within Riversdale, possible impacts to reputation, loss of relationships and other adverse consequences which may be detrimental to the smooth and timely progression of the Grassy Mountain Project.

(b) **Permitting**

Riversdale has yet to secure permitting for its Grassy Mountain project. Benga originally submitted an Environmental Impact Statement for the Grassy Mountain Project to the Canadian Environmental Assessment Agency (CEAA) on 10 November 2015. Following submissions from various parties regarding that Environmental Impact Statement, on 15 August 2016 Benga submitted an updated Environmental Impact Assessment. Again, following comments on that submission and as a result of requests for additional information from various government agencies, the company has submitted a total of 9 addendums.

(c) **Funding**

The development of Riversdale's only material development asset, the Grassy Mountain Project, will require a significant amount of funding. Riversdale is yet to

¹⁵ Details in relation to the Increased Offer Price and when it becomes payable are set out in section 12.10.

secure any formal commitments from financiers and there is no certainty that Riversdale will be able to obtain the funding required on reasonable commercial terms.

(d) **Development risks**

Riversdale's future financial performance and prospects should be considered in light of the risks, delays, expenses and challenges typically associated with mining development projects. For example there is a risk that the economic and technical estimates and assumptions on which a development decision may be made prove to be inaccurate. Similarly, unforeseen factors may result in outcomes that are materially less favourable than those estimated or assumed in a feasibility study or at the time of any development approval. This could result in development of the project being delayed and result in higher costs, or lower production or product quality, which may adversely impact Riversdale's financial performance, or even result in the project ceasing to be economic.

(e) **Operating risks**

Operational and technical risk factors which may impact the financial results of Riversdale include: unexpected operational and technical difficulties encountered in production; labour and equipment shortages; industrial and environmental disputes; insufficient or unreliable infrastructure (such as power, water, rail transport and port operations); adverse weather conditions (local storms or heavy rains) and natural disasters.

(f) **Exploration risks**

Riversdale is reliant upon exploration activities for any extension to the potential life of its single identified project at Grassy Mountain. Exploration activities are speculative by nature. Failure to identify, secure, permit and progress through to development of adequate exploration areas may result in Riversdale being unable to extend its operating life beyond that of Grassy Mountain.

(g) **Fluctuations in commodity prices**

Coking coal prices may fluctuate materially in the future as a result of changing supply and demand dynamics, technological advancements, regulatory imposts and other macro-economic factors. These fluctuations may adversely impact the value of Riversdale Shares.

(h) **Actions by governments**

Riversdale and its business could be adversely impacted by new government regulations, such as controls on imports, exports and/or prices. A number of national governments have already introduced, or are contemplating the introduction of, regulatory responses to greenhouse gas emissions, including from the extraction and combustion of fossil fuels, to address the impacts of climate change. This includes customer markets such as China, India and Europe. Increased climate change regulation (such as carbon taxes or other charges) may adversely affect coal miners – either directly or indirectly, through suppliers and customers.

(i) **Single project focus**

Riversdale is focused solely on a single project, the Grassy Mountain Project, increasing the risk that any of the above permitting, development, operating, regulatory or other impacts will materially adversely impact the value of Riversdale Shares.

3.7 No competing offer has emerged for Your Shares

As far as Hancock Corporation is aware, the Offer is the only proposal that has been publicly announced as at the date of this Bidder's Statement that provides you with an opportunity to sell Your Shares.

As at the date of this Bidder's Statement, Hancock Corporation is not aware of any other party intending to make a competing proposal that includes an offer for Riversdale Shares and there is no certainty that any such offer will be made.

3.8 Risks associated with being a minor shareholder of Riversdale

If you do not accept the Offer and Hancock Corporation acquires more than 50% of all Riversdale Shares, but does not achieve the threshold necessary for it to proceed with compulsory acquisition, you will be a minority shareholder in Riversdale with limited influence on the operation of Riversdale business.

If Hancock Corporation achieves a material increase in its shareholding but does not achieve control, including because RCF does not accept the Offer, then Riversdale's share register will be heavily concentrated. Although it is Hancock Corporation's intention (as detailed in section 9) to continue to support the development of the Grassy Mountain Project, there is potential that lack of agreement between RCF, Hancock Corporation and/or other major shareholders with respect to the development, financing or operating strategies of the business may impact Riversdale's financial performance, or serve to delay its development.

3.9 Taxation considerations for Australian resident shareholders

The Grassy Mountain Project is held by Benga, a wholly owned subsidiary of Riversdale. If the operating profits of Benga are remitted to Riversdale by way of dividends payments, then in addition to Canadian provincial and federal taxation, Canadian dividend withholding taxes will be deducted prior to receipt by Riversdale (an Australian incorporated company). Although Riversdale will not incur additional Australian corporate income taxes, dividends paid by Riversdale to its Australian resident shareholders out of Benga's distributed profits will likely be fully taxable in the hands of the recipient (that is, those dividends will likely be unfranked). This may result in additional taxation at the Australian shareholder's marginal taxation rate. For Australian taxation resident shareholders, the effective total Canadian and Australian taxation impost on Benga's source income could be up to 51.5% (for corporate taxpayers) or 63.3% (for individual taxpayers on the top marginal rate and inclusive of Medicare Levy).

Riversdale Shareholders should consult their own, independent and qualified taxation advisor to fully assess the taxation considerations associated with an investment in Riversdale and in relation to the Offer.

4 Frequently asked questions in relation to the Offer

The table below answers some key questions that you may have about the Offer and is qualified by, and should be read in conjunction with, the detailed information contained in this Bidder's Statement. You should read the Bidder's Statement in full before deciding whether or not to accept the Offer.

If you have any queries in relation to the Offer, please contact the Offer information line on +618 9429 8222 between 12.00pm and 8.00pm (Sydney time) Monday to Friday.

What is the Offer?	<p>Hancock Corporation is offering to buy all of Your Shares by way of an off-market takeover.</p> <p>The Base Offer Price is \$2.20 cash for each Riversdale Share.</p> <p>You may only accept the Offer for all of Your Shares.</p> <p>Hancock Corporation will deduct from the consideration under the Offer the cash amount or value of any dividends, distributions or other Rights attaching to Your Shares on or after the Announcement Date and which you or a previous holder of Your Shares receives or is entitled to receive. Hancock Corporation will not deduct the value of any franking credits attaching to those Rights.</p>
What is the Increased Offer Price?	<p>Hancock Corporation has indicated that if it obtains control of Riversdale (by its voting power in Riversdale exceeding 50%) prior to the end of the Offer Period, the Offer Price will be increased to \$2.50 cash for each of Your Shares. Voting power will be calculated on a fully diluted basis.¹⁶ Hancock Corporation will be obliged by ASIC policy to vary the Offer to give effect to this increase if that requirement is met.</p> <p>There is no guarantee that the requirement for the Increased Offer Price will be met.</p>
What is the Bidder's Statement?	<p>This Bidder's Statement sets out the terms of Hancock Corporation's Offer and information relating to the Offer and the Offer consideration you will receive.</p>
Who is making the Offer?	<p>The Offer is being made by Hancock Corporation, a wholly owned subsidiary of, and a company Controlled by, HPPL.</p> <p>Please refer to section 7 of this Bidder's Statement for further information on Hancock Corporation.</p>
Who is HPPL?	<p>HPPL is one of Australia's most successful private companies and is a diversified company group with interests in iron ore, coal, beef, dairy as well as continuing mineral exploration and development.</p>

¹⁶ Details in relation to the Increased Offer Price are set out in section 12.10.

What is Hancock Corporation's current interest in Riversdale Shares?	<p>For detailed information on HPPL and Hancock Corporation, please refer to section 7 of this Bidder's Statement.</p> <p>Hancock Corporation has a relevant interest in 19.8% of the Riversdale Shares as at the date of this Bidder's Statement.</p> <p>For detailed information about Hancock Corporation's current interests in Riversdale Shares, please refer to section 8.5 of this Bidder's Statement.</p>
How is Hancock Corporation funding the Offer?	<p>Hancock Corporation has secured funding, by way of a committed loan from HPPL, for sufficient amounts to fund the amounts required to pay the maximum aggregate consideration which Hancock Corporation can be required to pay in relation to the Offer, including if the Increased Offer Price becomes payable.</p> <p>HPPL holds cash reserves of over \$3 billion.</p> <p>For detailed information about the funding of the Offer consideration, including details in relation to the maximum amount that Hancock Corporation could be required to pay under the Offer, please refer to section 10 of this Bidder's Statement.</p>
What are the conditions to the Offer?	<p>The Offer is only conditional upon no "prescribed occurrences" during the Bid Period. The list of "prescribed occurrences" is set out in Annexure A to this Bidder's Statement.</p> <p>Hancock Corporation may waive the Condition at any time prior to three Business Days after the Offer Period.</p> <p>The Offer is not subject to any minimum acceptance condition, however, the increase of the Offer Price to \$2.50 is subject to Hancock Corporation obtaining control of Riversdale prior to the end of the Offer Period.¹⁷ There is no guarantee that this requirement will be met.</p>
When will I be notified of the status of the Condition?	<p>If the Condition is satisfied or waived, Hancock Corporation will, as soon as practicable, give Riversdale a notice that states that the Condition has been satisfied or waived.</p> <p>Hancock Corporation will also give a notice of status of the Condition to Riversdale on 6 April 2019.</p>
What happens if the Condition to the Offer is not satisfied or waived?	<p>If the Condition to the Offer is not satisfied or waived by the date which is three Business Days after the end of the Offer Period, the Offer will lapse. In this case, if you have accepted the Offer, Your Shares will not be acquired by Hancock Corporation and you will not be paid the Offer consideration.</p>

¹⁷ Details in relation to the Increased Offer Price are set out in section 12.10.

Are Shares issued upon exercise of existing Riversdale Options included?	Yes. Shares issued upon exercise of any Convertible Securities during the Offer Period are included in the Offer.
What choices do I have?	As a Riversdale Shareholder, you have the following choices: <ul style="list-style-type: none"> (a) accept the Offer for all of Your Shares and receive the all-cash Offer consideration for Your Shares; (b) sell Your Shares to someone else; or (c) do nothing.
How do I accept the Offer?	To accept this Offer you must complete and sign the Acceptance Form accompanying this Bidder's Statement and return it to the address set out on the form before the Offer closes. For the details of how to accept the Offer, please see section 13.4.
Can I accept the Offer for part of my holding?	No. You cannot accept the Offer for part of your holding. Your acceptance will be treated as being for all Your Shares (including any additional Riversdale Shares registered as held by you at the date your acceptance is processed).
What happens if I do not accept the Offer?	Subject to what is stated below, you will remain the holder of Your Shares if you do not accept the Offer. If it becomes entitled to do so, Hancock Corporation intends to proceed to compulsorily acquire Your Shares. You will receive consideration for Your Shares sooner if you accept the Offer.
When does the Offer close?	The Offer is currently scheduled to close at 7:00pm (Sydney time) on 14 April 2019, unless extended or withdrawn in accordance with the Corporations Act. You will be sent written notice of any extension, as required by the Corporations Act.
If I accept the Offer, when will I be paid the Offer consideration?	If you accept the Offer, and the Offer is unconditional, Hancock Corporation will pay you for Your Shares within seven days. If you accept the Offer before the Offer is unconditional, Hancock Corporation will pay you within seven days after the Offer becomes unconditional, assuming it does. If Hancock Corporation increases the Offer Price to \$2.50 for each of Your Shares, ¹⁸ Riversdale Shareholders who subsequently accept the Offer (or who have accepted but

¹⁸ Details in relation to the Increased Offer Price are set out in section 12.10

If I accept the Offer how will I be paid?

have not yet been paid) will be paid in accordance with the payment arrangements above.

Any Riversdale Shareholder who has been paid the Base Offer Price will be paid the additional consideration of \$0.30 for each of Your Shares immediately after the increase in the Offer.

Full details of the payment of the Offer consideration are set out in section 13.7.

Payment by Hancock Corporation of the consideration for Your Shares will be made by direct credit by electronic funds transfer to a nominated Australian bank account (denominated in Australian dollars) details of which are to be provided in the Acceptance Form. If you do not provide bank account details in the Acceptance Form, Hancock Corporation will issue a cheque drawn on an Australian bank (or as otherwise agreed with Hancock Corporation) for the relevant consideration payable to you and send it to your address as shown in Riversdale's register of members.

Full details of the payment of the Offer consideration are set out in section 13.7.

What if I accept the Offer and Hancock Corporation increases the Offer Price?

If Hancock Corporation increases the Offer Price (including an increase to \$2.50 where its voting power in Riversdale exceeds 50%, calculated on a fully diluted basis, prior to the end of the Offer Period),¹⁹ all Riversdale Shareholders who accept the Offer (whether they have accepted the Offer before or after the increase) will be entitled to the benefit of the increased Offer Price, should the Offer become unconditional.

If you have already received payment in respect of the Offer at the time the Offer Price is increased, you will be immediately paid the difference between the amount you have received and the higher Offer Price.

Full details of the Offer consideration are set out in section 13.2.

What is Riversdale's major shareholder's view regarding the Offer

RCF controls approximately 48% of issued shares of Riversdale.

Hancock Corporation will be seeking to engage with RCF to ascertain its willingness to accept the Offer. As at the time of lodgement of this Bidder's Statement, Hancock Corporation had not discussed the Offer with RCF.

¹⁹ Details in relation to the Increased Offer Price and voting power are set out in section 12.10.

Can I withdraw my acceptance?	<p>If RCF does not accept the Offer, then it will be challenging for Hancock Corporation to secure control of Riversdale through the Offer.</p> <p>As mentioned, if Hancock Corporation obtains control of Riversdale (by its voting power in Riversdale exceeding 50%, calculated on a fully diluted basis) prior to the end of the Offer Period, the Offer Price will be increased to \$2.50 cash for each of Your Shares.²⁰</p> <p>Once you accept the Offer (even while it remains subject to the Condition), you will not be able to revoke your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you have accepted the Offer, the bid remains conditional and Hancock Corporation varies the Offer in a way that postpones, for more than one month, the time when Hancock Corporation has to meet its obligations under the Offer.</p> <p>Full details on the effect of your acceptance are set out at 13.6.</p>
What are the tax consequences if I accept the Offer?	<p>A general summary of the likely Australian tax consequences of accepting the Offer is set out in section 11 of this Bidder's Statement. In addition, Hancock Corporation recommends that you seek independent professional advice in relation to your own particular circumstances.</p>
What if I am a foreign Riversdale Shareholder?	<p>Foreign Riversdale Shareholders will be paid the same Australian dollar denominated cash consideration for their Riversdale Shares as all Australian Riversdale Shareholders under the Offer, which will be paid via a cheque drawn on an Australian bank branch (or as otherwise agreed with Hancock Corporation) for the relevant consideration payable to you, and sent to your address as shown in Riversdale's register of members.</p> <p>The tax consequences under the Offer may be different for those foreign Riversdale Shareholders than for those who are Australian residents. Accordingly, foreign Riversdale Shareholders should seek advice in relation to tax implications of accepting the Offer in their jurisdiction.</p>

²⁰ Details in relation to the Increased Offer Price and voting power are set out in section 12.10.

5 What you should do next

- Step 1:** Carefully read the entire Bidder's Statement and consider the information provided.
- Step 2:** Read the Target's Statement to be provided by Riversdale.
- Step 3:** If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser.
- If you have any queries in relation to the Offer, please contact the Offer information line on +618 9429 8222 between 12.00pm and 8.00pm (Sydney time) Monday to Friday.
- Step 4:** If you wish to accept the Offer follow the instructions below.

6 How to accept the Offer

You may only accept the Offer for all of Your Shares.

To accept the Offer, you must complete and sign the Acceptance Form enclosed with this Bidder's Statement and return it to the address indicated on the form before the end of the Offer Period.

Full details on how to accept the Offer are set out in section 13.4 of this Bidder's Statement and on your Acceptance Form.

If you have any queries in relation to the Offer, please contact the Offer information line on +618 9429 8222 between 12.00pm and 8.00pm (Sydney time) Monday to Friday.

7 Information on Hancock Corporation and HPPL

7.1 Corporate Information

(a) Hancock Corporation Pty Ltd

Hancock Corporation is an Australian proprietary company limited by shares and is a wholly-owned subsidiary of HPPL.

Hancock Corporation was incorporated in Western Australia on 9 November 2016. Since 2018, Hancock Corporation has principally been used for the purpose of acquiring and holding Riversdale Shares and now for the purposes of this Offer.

(b) Hancock Prospecting Pty Ltd

HPPL is a privately held Australian company that has a long and important association with Australia's mining sector. It is one of Australia's most successful private companies with diversified interests in iron ore, coal, beef, dairy as well as continuing mineral exploration and development.

HPPL holds significant interests in iron ore mining projects in the Pilbara region of Western Australia including a 50% interest in the 45 million tonnes per annum Hope Downs Project (in a joint venture with Rio Tinto) and a 70% interest in the Roy Hill Project, a substantial integrated iron ore mine, railway and port project, which has ramped up production to a rate of 55 million tonnes per annum of iron ore to become Australia's single largest iron ore mine. In addition, the HPPL Group is conducting expansive mining exploration activities throughout Australia and overseas.

Recently, the HPPL Group acquired Atlas Iron Limited, at the time an ASX-listed iron ore company, mining and exporting direct shipping ore from its operations in the Northern Pilbara region of Western Australia. Since completing the acquisition, HPPL has commenced a strategic review of Atlas' business and mining assets so as to determine how best to integrate its business and mining assets into HPPL Group's operations.

The HPPL Group has considerable expertise in large-scale bulk commodity projects, infrastructure development, and well-established relationships with major Asian steelmakers.

(c) Directors of Hancock Corporation

The directors of Hancock Corporation at the date of this Bidder's Statement are:

- (i) Tadeusz Jozef Watroba, Executive Director of HPPL with 40 years' total experience in mining; including mining operations, exploration, project evaluation and development, as well as corporate affairs and investments. Mr Watroba has more than 20 years' experience managing the affairs of the HPPL Group, including its mining and agricultural operations. Mr Watroba is also a non-executive director of Riversdale.

Mr Watroba has signed a conflict protocol with Hancock Corporation to manage any conflicts of interest that might arise pursuant to the Offer. The protocol requires Mr Watroba not to participate in any deliberations or discussions of Riversdale Board relating to the Offer and provides that Mr Watroba must ensure that no confidential information he receives in his role as a director of Riversdale is provided to Hancock Corporation.

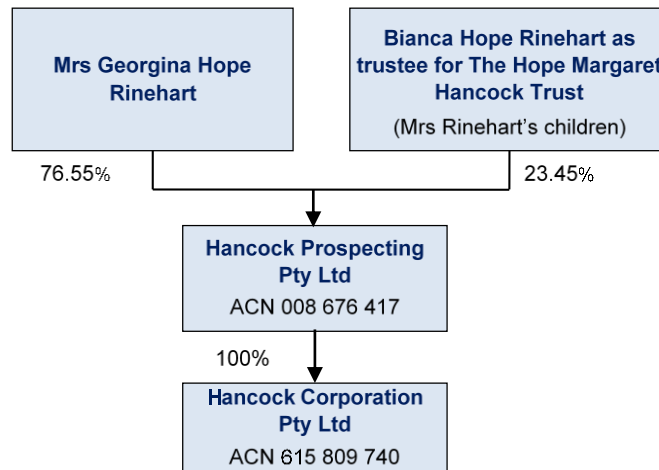
- (ii) Jay Eliot Newby, Executive Director of HPPL and a Chartered Accountant admitted to the Institute of Chartered Accountants in Australia in 1988. Mr Newby has broad experience in corporate finance, accounting and tax and commercial management and has more than 13 years' experience managing the affairs of the HPPL Group.

(d) **Ownership of HPPL**

HPPL's voting shares are owned by the following shareholders:

- (i) Mrs Georgina Hope Rinehart - 76.55%; and
- (ii) Bianca Hope Rinehart, as trustee for The Hope Margaret Hancock Trust (of which Mrs Rinehart's four children are the beneficiaries) - 23.45%.

The diagram below sets out the ownership structure of Hancock Corporation:



7.2 Publicly available information

A substantial amount of information about the HPPL Group, including further details about the qualifications and experience of the directors and executive officers of HPPL and Hancock Corporation is publicly available and may be accessed at:

<https://www.hancockprospecting.com.au>

Hancock Corporation is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Hancock Corporation may be obtained for a fee from, or inspected at, an office of ASIC.

8 Information on Riversdale

8.1 Disclaimer

This overview of Riversdale and all information concerning Riversdale contained in this Bidder's Statement has been prepared by Hancock Corporation using information contained in documents lodged by Riversdale with ASIC, information made generally available to Riversdale Shareholders and information contained on public registers.

The information in this Bidder's Statement concerning Riversdale has not been independently verified. Subject to the Corporations Act, no HPPL Group Member makes any representation or warranty, express or implied, as to the accuracy or completeness of this information.

Further information about Riversdale will also be contained in Riversdale's Target's Statement.

8.2 Overview of Riversdale and its principal activities

Overview

Riversdale is an Australian-incorporated coal development company focused on hard steel making coal projects with the potential to be developed into mines supplying steelmaking coal into the seaborne market. Riversdale's main asset and primary focus is its 100% interest in the Crowsnest Pass Complex located in southwest Alberta, Canada, and comprises:

- the Grassy Mountain Project, a hard coking coal development project with a proposed minimum 23-year mine life;
- exploration opportunities, including the Grassy South, Grassy North, Bellevue, Adanac and Lynx Creek properties; and
- substantial freehold land, including a significant area near the Grassy Mountain Project that is suitable for locating project related infrastructure.

Benga, a Canadian wholly-owned subsidiary of Riversdale, holds the Crowsnest Pass Complex assets.

Approvals and Status

In August 2018 the Federal and Alberta governments formed a Joint Review Panel (**JRP**) to assess the environmental and development approvals required for the Grassy Mountain Project. The period for public submissions to the JRP has closed and Hancock Corporation understands that Riversdale is awaiting advice as to whether it will be required to submit any additional information to the JRP in response to those submissions. The JRP has not yet

scheduled a public hearing commencement date. Riversdale estimates that the review will take approximately 12 months, and has aligned other key work streams with this process.

Riversdale is engaging with community stakeholders including First Nations, local land owners and the local municipalities surrounding Crowsnest Pass in relation to the Grassy Mountain Project.

Subject to the timing of permitting and the ability to commence construction in a timely manner thereafter, the Grassy Mountain Project is targeting first coal production during 2021.

Studies

Riversdale completed an Optimised Feasibility Study for the Grassy Mountain Project in 2017. Riversdale has since focused on design engineering and construction readiness to finalise the design of the various processing plants, industrial areas, and water infrastructure.

Financing and Offtake

Riversdale is progressing discussions with potential financiers and product off-takers.

Coal Resources and Reserves

During the financial year ending 30 June 2018, Riversdale reported that the Grassy Mountain coal resource is 195 Million Tonnes (Mt), and consists of three seams to a maximum depth of 400 metres. The resource is classified as 85 Mt Measured and 110 Mt Indicated. 160 Mt of the coal resource is less than 200 metres deep, with 15 Mt below 300 metres and 20 Mt between 200 metres and 300 metres.

A coal reserves report for the project resulted in Proved and Probable Reserves totalling 154 Mt and Marketable Proved and Probable Reserves of 88 Mt.

Coal Resources

Measured		Indicated		Inferred	
Mt	Raw Ash %	Mt	Raw Ash %	Mt	Raw Ash %
85	23	110	25	-	-
Total 195 Mt					

Coal Reserves

Proved		Probable		Marketable – Proved		Marketable - Probable	
Mt		Mt		Mt	Ash %	Mt	Ash %
65		89		37	9.7	51	9.7
Total 154 Mt				Total 88 Mt			

8.3 Riversdale Directors

As at the date of this Bidder's Statement, the Riversdale Board consists of 8 directors, including an independent Chairman. The Board consists of:

- Trudy Curran – Acting Managing Director
- Gary Lawler –Non-Executive Director and Chairman
- Tony Redman –Non-Executive Director
- Stephanie Sterling –Non-Executive Director
- Ronnie Beevor – Non-Executive Director
- Ryan Bennett – Non-Executive Director (nominee of RCF)
- James McClements – Non-Executive Director (nominee of RCF)
- Tad Watroba – Non-Executive Director (nominee of Hancock Corporation)²¹

Mr Michael O'Keefe stepped down as Chairman and Non-Executive Director of Riversdale on 27 February 2019.

Pursuant to the Subscription Agreement executed 28 August 2018, Hancock Corporation has a right to appoint one nominee to the board of Riversdale where Hancock Corporation's shareholding is greater than 15% and a further nominee if Hancock Corporation's shareholding exceeds 30%.

8.4 Senior management of Riversdale

According to the Riversdale website, the senior management team responsible for managing Riversdale as at the date of this Bidder's Statement is as follows:

- Anthony Martin – Chief Financial Officer;
- Alisdair Gibbons – General Manager, Grassy Mountain Project; and
- Mike Youl – Vice President, Resource Development.

Hancock Corporation notes that Mr Steve Mallyon, Managing Director of Riversdale since 15 August 2011, stepped down on 14 February 2019. After that time, Ms Trudy Curran was appointed Acting Managing Director, pending the appointment of a new Managing Director.

8.5 Riversdale's issued securities

According to documents provided by Riversdale to ASIC and provided to all Riversdale Shareholders, as at the date of this Bidder's Statement, Hancock Corporation understands that Riversdale's issued securities consist of 295,098,280 Riversdale Shares and 2,555,000 Riversdale Options.

²¹ Mr Garry Korte is an alternate director to Mr Tad Watroba.

Based on documents lodged with ASIC up to and including 22 February 2019 and the Statements of Intent from Founding Shareholders, Hancock Corporation understands the significant holders of Riversdale Shares are as follows:²²

Holder	Number of Riversdale Shares	% of Riversdale Shares
RCF	141,592,737	47.98%
Hancock Corporation	58,420,716	19.80%
Kingfisher Capital PTE LTD	22,537,999	7.64%
Steve Mallyon (via Stanhope Investments Pty Ltd)	19,201,225	6.51%
Michael O'Keeffe (via Prospect AG Trading Pty Ltd)	17,281,225	5.86%
Anthony Martin (via Mahonia Investments Pty Ltd)	12,267,618	4.16%

8.6 Tax regime for Australian Shareholders

Riversdale is an Australian resident company for tax purposes, and holds 100% of the shares of Benga, a Canadian resident company for tax purposes. Riversdale is not a member of a consolidated group for Australian tax purposes in accordance with section 703-5(1) in the Income Tax Assessment Act 1997. Hancock Corporation understands that Benga will be subject to Canadian company income tax – both Federal income tax and Albertan income tax – on its taxable income derived in Canada.

Hancock Corporation further understands that dividends paid by Benga to Riversdale may be subject to 5% Canadian dividend withholding tax. Riversdale, as a non-portfolio shareholder holding at least 10% of Benga, will not be subject to Australian company income tax on dividend income it receives from Benga. As a result, although Riversdale will not incur additional Australian corporate income taxes, dividends paid by Riversdale to its Australian resident shareholders out of Benga's distributed profits will likely be fully taxable in the hands of the recipient (that is, those dividends will likely be unfranked). This may result in additional taxation at the Australian shareholder's marginal taxation rate. For Australian taxation resident shareholders, the effective total Canadian and Australian taxation impost on Benga's source income could be up to 51.5% (for corporate taxpayers) or 63.3% (for individual taxpayers on the top marginal rate and inclusive of Medicare Levy).

8.7 Hancock Corporation interests in Riversdale Shares

As at the date of this Bidder's Statement and the Offer:

- Hancock Corporation currently directly holds 19.80% of Riversdale Shares;

²² Shareholding figures are based on publicly available information lodged with ASIC including, Annual Reports of Riversdale and ASIC Form 484s and the Statements of Intent.

- Hancock Corporation’s voting power in Riversdale is 19.80%; and
- Hancock Corporation has a relevant interest in 19.80% of the Riversdale Shares.

8.8 Anti-dilution rights

Hancock Corporation notes that, under the Subscription Agreement entered into with Riversdale on 28 August 2018, it has a right, but is not obliged, to participate in the any new issues of securities to achieve or maintain its ‘ownership percentage’ in Riversdale, subject to the exceptions in this section 8.8 (**Hancock Corporation Anti-dilution Right**).

The Hancock Corporation Anti-dilution Right provides Hancock Corporation with an ability to subscribe for new Riversdale securities on the same terms as other participants to allow Hancock Corporation to achieve or maintain the higher of:

- a shareholding of 19.99% in Riversdale; or
- its then current shareholding in Riversdale.

The Hancock Corporation Anti-dilution Right will not apply to:

- the issue of securities pursuant to any management, equity or share option plan adopted by Riversdale; or
- the issue of securities following conversion of any security issued prior to the date of the Subscription Agreement by Riversdale pursuant to any management, equity or share option plan,

to the extent that any other Riversdale Shareholder with an anti-dilution right, does not exercise anti-dilution rights in relation to that issue.

In respect of the issue price of any securities which are issued upon conversion of any convertible security on issue as at the date of the Subscription Agreement for the purposes of Hancock Corporation’s Anti-dilution Right, the issue price will be deemed to be \$1.60 and not the exercise price of the relevant convertible securities.

8.9 Publicly available information

Riversdale is not a “disclosing entity” for the purposes of the Corporations Act and as such is not subject to continuous reporting and disclosure obligations. However, Riversdale is required to lodge various documents with ASIC including the Target’s Statement and any independent expert’s report which Riversdale is obliged to provide to you under the Corporations Act. Copies of documents lodged with ASIC by Riversdale may be obtained for a fee from, or inspected at, an office of ASIC.

Information about Riversdale is also available from the company’s website:

<http://www.rivresources.com/site/content/>

The full list of comments to the Joint Review Panel, as well as the technical documents previously submitted by Riversdale can be found at the CEAA website at the following link:

<https://ceaa-acee.gc.ca/050/evaluations/proj/80101?culture=en-CA>

9 Hancock Corporation's intentions in relation to Riversdale

9.1 Introduction

This section 9 sets out the intentions of Hancock Corporation and HPPL in relation to:

- the continuation of the business and operations of Riversdale;
- any major changes to the business or operations of Riversdale and any redeployment of the fixed assets of Riversdale; and
- the future employment of the present employees of Riversdale.

Following the short and high level strategic and operational review which Hancock conducted in August 2018 ahead of its initial subscription for Riversdale Shares, Hancock Corporation and its advisers have reviewed new information that is publicly available concerning Riversdale and the current status of its business, operations and assets and plans for the future as well as other information made available by Riversdale to all shareholders, including by way of Quarterly Activity Reports.

In that context, the intentions set out in this section 9 have been formed on the basis of facts and information concerning Riversdale and the general business environment which are known to Hancock Corporation and prevailing market conditions at the time of preparing this Bidder's Statement.

The statements set out in this section are statements of current intention only and may change as new information becomes available or circumstances change, and the statements in this section should be read in this context.

9.2 Overview and rationale for Hancock Corporation's Offer

With a focus on long term investments, Hancock Corporation and HPPL are committed to taking interests in early stage resources projects and utilising the HPPL Group's expertise to assist the asset management teams to progressing those projects through evaluation and permitting to successful development, ramp-up and operational growth. If successful, increasing Hancock Corporation's shareholding, and therefore influence over Riversdale, will enable HPPL to bring its expertise to bear upon the activities and objectives of Riversdale. The Offer is also part of HPPL's focus on value creation which involves expanding and diversifying the HPPL Group into new commodities and new jurisdictions.

HPPL has a proven track record of success in mineral exploration, initial development, ramp-up and subsequent growth by way of the contribution of capital and practical project development and mining expertise.

9.3 Intentions generally

Subject to the above, Hancock Corporation and HPPL currently intend, on the basis of the facts and information concerning Riversdale which are known to them:

- to generally continue the operations of Riversdale;
- to seek to retain existing executive officers, management, employees and consultants, and administrative processes and structures of Riversdale;

- not to make any major changes to the operations of Riversdale or redeploy any of the fixed assets of Riversdale;
- to continue the process which Riversdale has commenced to recruit a new Managing Director, following Mr Steve Mallyon's departure. Hancock Corporation has not considered any potential candidates, and at this time has no intention to nominate any candidates, for the role; and
- to continue to provide Riversdale with reasonable support, to enable the management team to leverage off the HPPL Group's extensive experience in the permitting, financing, development and operation of large, complex natural resources projects.

In addition to these general intentions, Hancock Corporation has the following additional specific intentions depending on the level of shareholding achieved by Hancock Corporation.

9.4 Intentions if Hancock Corporation acquires a relevant interest in 90% or more of the Riversdale Shares

This section 9.4 sets out the current intentions of Hancock Corporation and HPPL if, at the end of the Offer Period, it has a relevant interest in 90% or more of the Riversdale Shares and it has acquired at least 75% of the Riversdale Shares the subject of the Offer, Hancock Corporation is entitled to proceed to compulsory acquisition of the outstanding Riversdale Shares.

If that occurs, it is intended that Hancock Corporation would:

- proceed with compulsory acquisition of the outstanding Riversdale Shares in accordance with Part 6A.1 of the Corporations Act;
- enter into negotiations with existing holders of Riversdale Convertible Securities with respect to the acquisition of those Convertible Securities which were not converted during the Offer Period;
- subject to the Corporations Act and Riversdale's constitution, replace all the members of the Riversdale Board, except Mr Tadeusz Jozef Watroba (the existing Hancock Corporation nominee), with Hancock Corporation nominees. The identity of all such nominee directors has not yet been finally determined, but it is expected they will be predominantly drawn from the current directors and management of HPPL. Any nominees selected will bring technical and managerial expertise to the Riversdale Board. The Hancock Corporation nominees will ensure that they comply with their fiduciary duties and obligations as directors of Riversdale, in particular in dealing with any potential conflicts of interest; and
- generally continue to operate and manage the assets of Riversdale in largely the same manner as they are currently operated.

9.5 Intentions if Hancock Corporation acquires a relevant interest in more than 50% but less than 90% of the Riversdale Shares

This section 9.5 sets out the current intentions of Hancock Corporation and HPPL if, at the end of the Offer Period, Hancock Corporation has a relevant interest in less than 90% but more than 50% of the Riversdale Shares.

If that occurs, it is intended that Hancock Corporation would:

- become actively involved in determining and controlling the strategic direction of the business of Riversdale. Additionally, if Hancock Corporation receives acceptances under the Offer that bring its security holding to more than 75% of Riversdale Shares, it will be in a position to cast the votes required to determine the outcome of a “special resolution” at a meeting of Riversdale members. This would enable it to pass resolutions, for example, to amend Riversdale’s constitution;
- procure the appointment of a majority of Hancock Corporation nominees to the Riversdale Board (see section 9.4 for further details). The Hancock Corporation nominees will ensure that they comply with their fiduciary duties and obligations as directors of Riversdale, in particular in dealing with any potential conflicts of interest; and
- encourage operation and management of the assets of Riversdale in line with the status quo, including existing management and employees.

The ability of Hancock Corporation to implement the intentions set out in this section 9.5 will be subject to the legal obligation of Riversdale Directors to have regard to the interests of Riversdale and all Riversdale Shareholders and the requirements of the Corporations Act including in relation to transactions between related parties. These rules may limit or modify the implementation of the intentions outlined above. The approval of minority Riversdale Shareholders for these intentions might be required to implement some of the intentions mentioned above, in which case minority shareholder approval will be sought in accordance with the Corporations Act.

9.6 Intentions if Hancock Corporation acquires a relevant interest in less than 50% of the Riversdale Shares

This section 9.6 sets out the current intentions of Hancock Corporation and HPPL if, at the end of the Offer Period, Hancock Corporation has a relevant interest in less than 50% of the Riversdale Shares.

If that occurs, it is intended that Hancock Corporation would:

- remain actively involved as a security holder in the same manner as it currently is, including by way of influencing the strategic direction of Riversdale;
- seek to obtain representation on the Riversdale Board so that the proportion of Hancock Corporation nominees is broadly in line with Hancock Corporation’s voting power in Riversdale. Although there is no guarantee that Hancock Corporation will be granted or otherwise obtain the representation on the Riversdale Board that it intends to seek, under the Subscription Agreement, Hancock Corporation has a right to appoint a nominee to the board of Riversdale where Hancock Corporation’s shareholding is greater than 15% and a further nominee where its shareholding is greater than 30%; and
- encourage operation and management of the assets of Riversdale in line with the status quo, including existing management and employees.

Hancock Corporation's ability to implement its intentions will be limited by its ability to influence the decisions of Riversdale in its capacity as a non-majority Riversdale Shareholder and through its representation on the Riversdale Board.

10 Funding

10.1 Background

The Offer is not subject to any financing condition. This section 10 sets out the means by which Hancock Corporation intends to fund the Offer as at the date of this Bidder's Statement. The actual source of funds used by Hancock Corporation to satisfy its obligations to pay the Offer consideration may ultimately differ from those set out in this section 10.

10.2 Maximum consideration payable

The Offer consideration for the acquisition of Your Shares under the Offer will be satisfied wholly by payment in cash.

The maximum amount of cash that Hancock Corporation would be required to pay under the Offer if acceptances are received in respect of all the Riversdale Shares on issue (other than those Riversdale Shares which Hancock Corporation or an associate already holds) as at the date of this Bidder's Statement and any Riversdale Shares issued on conversion of the Riversdale Options during the Bid Period and on the basis that the Increased Offer Price is payable, is \$598,956,410.

10.3 Hancock Corporation's funding arrangements

To fund the maximum amount that Hancock Corporation could be required to pay under the Offer (plus all transaction costs), HPPL will provide 100% of the funds required by Hancock Corporation by way of loan funds.

The loan funds to be provided by HPPL will be sourced from HPPL's existing cash reserves. At the date of this Bidder's Statement, HPPL holds cash reserves of over \$3 billion, sufficient to fund the amounts required to pay the maximum amount that Hancock Corporation could be required to pay in relation to the Offer.

The terms on which HPPL has agreed to provide funds to Hancock Corporation are set out in the Funding Agreement.

Under the Funding Agreement, at any time after the Offer has become unconditional, HPPL must make available to Hancock Corporation the funds required to enable Hancock Corporation to meet its obligations under this Bidder's Statement to pay the Offer consideration. Under the terms of the Funding Agreement, Hancock Corporation may serve one or multiple notices on HPPL to draw down amounts as may be necessary to:

- meet its obligations under the Offer to fund the Offer consideration to accepting Riversdale Shareholders; and
- pay any additional amounts required by Hancock Corporation to meet its payment obligations due to the Increased Offer Price.

As soon as possible, and in any event within two Business Days after receipt of a request by Hancock Corporation to make payment, HPPL must fund the amount specified in the notice by paying the amount requested by Hancock Corporation.

10.4 Provision of consideration

The funding available under the Funding Agreement is more than sufficient to fund the maximum amount payable by Hancock Corporation under the Offer.

On the basis of the arrangements described in this section, Hancock Corporation is of the opinion that it has a reasonable basis for holding the view, and holds the view, that Hancock Corporation will be able to provide the Offer consideration (as well as other associated costs described in section 10.3) as and when it is required to do so.

11 Taxation considerations

11.1 Introduction

The following is an outline of the principal Australian income tax consequences generally applicable to a Riversdale Shareholder who disposes of Riversdale Shares by accepting the Offer.

The comments set out below are also relevant to those Riversdale Shareholders who do not accept the Offer if Hancock Corporation proceeds to compulsorily acquire their Riversdale Shares following Hancock Corporation having a relevant interest in at least 90% of Riversdale Shares on issue at any time during the Offer Period.

This outline reflects the current provisions of the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth) and the regulations made under those acts, taking into account Hancock Corporation's understanding of the current administrative practices of the Australian Taxation Office (**ATO**). This outline does not otherwise take into account or anticipate changes in the law, whether by way of judicial decision or legislative action, nor does it take into account tax legislation of countries apart from Australia.

The following outline is not exhaustive of all possible Australian income tax considerations that could apply to particular Riversdale Shareholders. In particular, the summary is only relevant to Riversdale Shareholders who hold their Riversdale Shares on capital account for the purposes of investment and does not address all tax considerations applicable to Riversdale Shareholders that may be subject to special tax rules, such as foreign residents, banks, insurance companies, tax exempt organisations, superannuation funds, dealers in securities or Riversdale Shareholders who acquired their Riversdale Shares as part of an employee share scheme operated by Riversdale (if any).

This outline does not constitute tax advice. It is recommended that each Riversdale Shareholder consult their own tax adviser regarding the consequences of acquiring, holding or disposing of their Riversdale Shares in light of current tax laws and their particular circumstances.

11.2 Taxation on the disposal of Riversdale Shares

If you accept the Offer, or if Hancock Corporation proceeds to compulsorily acquire Your Shares, the disposal of Your Shares will be a Capital Gains Tax (**CGT**) event.

For Riversdale Shareholders who accept the Offer, the date of the CGT event will be the date the contract to dispose of Your Shares is formed, being the date the offer is accepted and becomes unconditional. If Your Shares are compulsorily acquired, the date of the CGT event will be the date when Hancock Corporation becomes the owner of Your Shares.

11.3 Australian resident Riversdale Shareholders – post Capital Gains Tax (CGT) Riversdale Shares

Unless you were deemed to acquire Your Shares on or before 19 September 1985, the following consequences should apply to you if you hold Your Shares on capital account.

Riversdale Shareholders may make a capital gain or loss on the transfer of the Riversdale Shares. You should realise a capital gain on a Riversdale Share to the extent that the amount you receive for the disposal of that Riversdale Share is more than the cost base of that Riversdale Share. You should realise a capital loss on a Riversdale Share to the extent

that the amount you receive for the disposal of that Riversdale Share is less than the reduced cost base of that Riversdale Share. Capital losses can usually only be offset against capital gains you realise in the same income year or in later income years.

Broadly, the cost base of a Riversdale Share is the total of the amount you paid for the Riversdale Share and certain acquisition and disposal costs in respect of that Riversdale Share. However, there are circumstances where this may not be the case and we recommend that you speak to your tax adviser to confirm the cost base of Your Shares. The reduced cost base of a Riversdale Share is usually determined in a similar, but not identical, manner.

Any net capital gain in respect of an income year would be included in your assessable income for that income year. Broadly, your net capital gain in respect of an income year would be calculated by aggregating all of your capital gains realised in respect of that income year and reducing that amount by your capital losses realised in that income year and any net capital losses from prior years that can be utilised. That amount may be further reduced by other concessions, particularly under the discount CGT rules.

Riversdale Shareholders who are individuals, trusts or complying superannuation funds may be eligible for discount capital gains treatment in respect of Riversdale Shares held for at least 12 months at the time they are taken to have disposed of their Riversdale Share, meaning only 50% (in the case of individuals and trusts) or 66.6% (in the case of complying superannuation funds) of the capital gain will be included in the net capital gains. Companies are not eligible for discount capital gains treatment.

The above comments do not apply to you if you buy and sell securities in the course of a business, or if you acquired the Riversdale Shares for resale at a profit. In those cases, any gain will generally be taxed as ordinary income. You should seek your own advice.

Riversdale Shareholders should seek their own advice as to the tax consequences of disposing of their Riversdale Shares, in particular as to the availability of the discount capital gains tax concession.

11.4 Non-resident Riversdale Shareholders

If you are not a resident of Australia for tax purposes, you will generally not have to pay Australian tax on any capital gain when you dispose of Your Shares if (1) you do not hold a “non-portfolio interest” in Riversdale; and (2) the Riversdale Shares have not been used at any time in carrying on business in Australia through an Australian permanent establishment.

Very broadly, you hold a “non-portfolio interest” in Riversdale if you (together with your associates) own, or owned, throughout a 12 month period during the 2 years preceding the disposal of Your Shares, 10% or more of the Riversdale Shares in Riversdale.

If you do hold a “non-portfolio interest” in Riversdale you will generally only have to pay Australian tax on any capital gain when you dispose of Your Shares if the Riversdale Shares pass the “principal asset test”.

Broadly, the Riversdale Shares would pass the “principal asset test” if the market value of Riversdale’s direct and indirect interests in Australian real property (as defined) is more than the market value of its other assets at the time of disposal.

Detailed calculations are necessary to determine the results of the “principal asset test”.

If you hold a “non-portfolio interest” in Riversdale or have carried on business in Australia at any time through a permanent establishment, you should contact your taxation adviser to determine if any capital gain on the disposal of the Riversdale Shares is taxable.

If you buy and sell securities in the course carrying on of a business, or acquired the Riversdale Shares for resale at a profit, any gain could be taxed in Australia as ordinary income and not as a capital gain (subject to any relief under a double tax treaty that Australia has concluded with your country of residence). Again, you should seek your own advice.

You should seek advice from your taxation adviser as to the taxation implications of accepting the Offer in your country of residence.

11.5 Stamp duty

You should not be liable for stamp duty or GST on a disposal of Your Shares.

12 Other material information

12.1 Date for determining holders of Securities

For the purposes of section 633(2) of the Corporations Act, the time and date for determining the persons to whom information is to be sent under items 6 and 12 of subsection 633(1) is the Register Date, being 7.00pm (Sydney time) on 1 March 2019.

12.2 Dealings in Riversdale Shares

Other than as set out in this section 12.2, none of Hancock Corporation or any of its associates has provided, or agreed to provide, consideration for Riversdale Shares under any purchase or agreement during the four months before the date of the Offer.

Hancock Corporation notes that under the Subscription Agreement, on 28 August 2018, Hancock Corporation subscribed for 39,388,160 ordinary shares at \$1.75 per share to secure a 19.99% interest in Riversdale for total consideration of \$68.9 million. As a part of the transaction, Hancock Corporation was granted an anti-dilution right in respect of future equity raisings to maintain a 19.99% interest in Riversdale.

Following the issuance of new shares to RCF and Macquarie Bank Limited as a result of the conversion of convertible notes in Riversdale, on 31 August 2018 Hancock Corporation subscribed for an additional 17,203,343 shares at \$1.60 per share to regain its 19.99% interest in Riversdale, for additional consideration of \$27.5 million.

Following the issuance of new shares to RCF and Macquarie Bank Limited as a result of their exercise of options on Riversdale Shares, on 21 September 2018 Hancock Corporation subscribed for an additional 1,829,213 shares at \$1.60 per share to again regain its 19.99% interest in Riversdale, for additional consideration of \$2.9 million.

As a result of these transactions, Hancock Corporation has acquired 58,420,716 shares for total consideration of \$99.4 million, at an average cost of \$1.70 per share.

12.3 No pre-Offer benefits

During the period of four months before the date immediately before the date of the Offer, none of Hancock Corporation nor any of its associates gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an associate of the other person, to:

- accept the Offer; or
- dispose of Riversdale Shares,

and which was not offered to all holders of the Riversdale Shares under the Offer.

12.4 No escalation agreements

None of Hancock Corporation nor any of its associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

12.5 Consents

This Bidder's Statement contains references to, statements made by, and/or statements said to be based on statements made by HPPL. HPPL has given its written consent to the inclusion of:

- each reference to its name;

- each statement it has made; and
- each statement which is said to be based on a statement it has made,

in the form and context in which each reference or statement (as applicable) appears and has not withdrawn that consent as at the date of this Bidder's Statement.

This Bidder's Statement contains references to, statements made by, and/or statements said to be based on statements made by the Founding Shareholders. Each of the Founding Shareholders has given his written consent to the inclusion of:

- each reference to his name;
- each statement he has made; and
- each statement which is said to be based on a statement he has made,

in the form and context in which each reference or statement (as applicable) appears and has not withdrawn that consent as at the date of this Bidder's Statement.

Corrs Chambers Westgarth has acted as legal adviser to HPPL and Hancock Corporation. Corrs Chambers Westgarth has given its written consent to be named in this Bidder's Statement in the form and context in which it is named and has not withdrawn that consent as at the date of this Bidder's Statement.

Link Market Services Limited is providing registry services in respect of the Offer. Link Market Services Limited has given its written consent to be named in this Bidder's Statement in the form and context in which it is named and has not withdrawn that consent as at the date of this Bidder's Statement.

12.6 ASIC modifications and exemptions

ASIC has published various "class order" instruments providing for modifications and exemptions that apply generally to all persons, including Hancock Corporation, in relation to the operation of Chapter 6 of the Corporations Act.

Among others, Hancock Corporation has relied on the modification to section 636(3) of the Corporations Act set out in paragraph 5(d) of ASIC Class Order 13/521 "Takeover bids" to include in this Bidder's Statement, without obtaining specific consents, statements which are made in, or based on statements made in, documents lodged with ASIC.

If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements (free of charge) during the Bid Period, please contact the Offer information line on +618 9429 8222 between 12.00pm and 8.00pm (Sydney time) Monday to Friday.

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Bidder's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or a published book, journal or comparable publication.

12.7 Status of Condition

The Offer is subject to the Condition set out in Annexure A. As at 26 February 2019, being the day prior to the date of this Bidder's Statement, Hancock Corporation is not aware of any

events or circumstances which would result in non-fulfilment of the Condition. If the Condition is not fulfilled or waived, no contract in respect of the purchase of Your Shares will be capable of arising at all from acceptances of the Offer.

12.8 Social security and superannuation implications of the Offer

Acceptance of the Offer may have implications under your superannuation arrangements or on your social security entitlements. If in any doubt, you should seek specialist financial advice.

12.9 Hancock Corporation's due diligence

For the purposes of confirming whether or not to proceed with its initial subscription in August 2018, Hancock Corporation was given access to certain Riversdale information during August 2018 to conduct due diligence enquires. The information reviewed was largely confirmatory of information publicly disclosed by Riversdale, including information provided to Riversdale Shareholders, lodged with ASIC or available from searches of statutory registers. The information provided for the purposes of due diligence did not contain new material information which is considered to be material to the making of a decision by Riversdale Shareholders whether to accept the Offer.

12.10 Increased Offer Price

Hancock Corporation intends to vary the Offer contained in section 13 of this document by increasing the Offer Price from the Base Offer Price of \$2.20 for each Riversdale Share to the Increased Offer Price of \$2.50 for each Riversdale Share if Hancock Corporation's voting power in Riversdale exceeds 50% before the end of the Offer Period.

Hancock Corporation's intention to vary the Offer in those circumstances is not currently a term of the Offer. Having expressed that intention in this Bidder's Statement however, Hancock Corporation is bound by ASIC's 'truth in takeovers' policy contained in ASIC Regulatory Guide 25, to vary the Offer terms to give effect to that intention, should Hancock Corporation's voting power in Riversdale exceed 50% before the end of the Offer Period.

For this reason, aspects of this Bidder's Statement have been presented on the basis that Hancock Corporation is obliged to increase the Offer Price in those circumstances.

Shareholders should note that Hancock Corporation will only be required to increase the Offer Price under ASIC's 'truth in takeovers' policy if and when Hancock Corporation's voting power in Riversdale exceeds 50%. This must occur before the end of the Offer Period.

Voting power for this purpose will be calculated on a fully diluted basis. This means the voting power calculation assumes all convertible securities in Riversdale (including any convertible securities which have been issued by Riversdale during the Bid Period) have been converted to ordinary shares prior to the calculation and that the shares issued are held by the holder of the convertible security.

For example:

- if all Riversdale Options had been exercised at the date of the calculation, the increase to the Offer Price will occur if Hancock Corporation acquires voting power in excess of 50% of the Riversdale Shares on issue at that date; and
- if no Riversdale Options have been exercised at the date of the calculation, the increase to the Offer Price will occur if Hancock Corporation acquires voting power in

excess of 50.43% of the Riversdale Shares.²³ This figure will change if further convertible securities are issued during the Bid Period.

There is no guarantee that the requirements for the Increased Offer Price will be met and Shareholders should not assume that will be the case. In this regard, it is noted that RCF currently controls approximately 48% of issued shares of Riversdale. If RCF does not accept the Offer, then it will be challenging for Hancock Corporation to secure voting control of more than 50% of Riversdale Shares during the Bid Period.

Hancock Corporation has secured funding, by way of a committed loan from HPPL, for sufficient amounts to fund the amounts required to pay the aggregate consideration which Hancock Corporation can be required to pay in relation to the Offer, including if the Increased Offer Price becomes payable.

The exact changes to the Offer terms will be set out in a supplementary bidder's statement to be prepared by Hancock Corporation in accordance with the Corporations Act (as modified by ASIC Class Order 13/528) if Hancock Corporation's voting power in Riversdale exceeds 50%, calculated on a fully diluted basis, before the end of the Offer Period.

Those changes would include, among other things:

- the Base Offer Price is increased to the Increased Offer Price;
- any shareholder who has already accepted the Offer and has been paid the Base Offer Price will be entitled to be paid the difference between the Base Offer Price and the Increased Offer Price, immediately after the variation of the Offer; and
- subject to Offer being unconditional, any shareholder who accepts the Offer:
 - before the date on which the Offer is varied, but who has not yet been paid the Base Offer Price; or
 - on or after the date on which the Offer is varied:

will be paid the Increased Offer Price in accordance with the terms of the Offer.

The Offer currently provides that:

- if the Offer is unconditional, Hancock Corporation will pay you the Offer Price within seven days after acceptance of the Offer.
- if the Offer is not unconditional when you accept the Offer, Hancock Corporation will pay you seven days after the Offer becomes unconditional, assuming it becomes unconditional.

If Hancock Corporation waives or declares the Offer free from the condition to the Offer (the Offer is subject to no "prescribed occurrence" during the Bid Period - see Annexure A for details), this does not waive the requirement for Hancock Corporation's voting power in Riversdale to exceed 50%, calculated on a fully diluted basis, before the end of the Offer Period before the Offer Price is to be increased to \$2.50.

²³ Based on the number of Convertible Securities on issue as at the date of this Bidder's Statement.

12.11 Issue of options to Trudy Curran

On 6 March 2019 Riversdale informed Hancock Corporation that the directors of Riversdale had approved the grant of 100,000 options exercisable at \$2.50 with a four-year term to Ms Trudy Curran (**Executive Options**). As at the Register Date, the options have not been issued. Accordingly, the issue of these options to Ms Curran during the Bid Period would breach the Condition.

Hancock Corporation has no objection to the issue of the Executive Options on these terms and otherwise on terms consistent with options issued under Riversdale's Share Option Plan. Hancock Corporation intends to waive any breach of the Condition which arises as a result of the issue of the Executive Options. Waiver of the Condition in respect of the issue of the Executive Options does not constitute a waiver of breach or non-fulfilment of the Condition resulting from any other event.

12.12 Consent to dispatch of Bidder's Statement

Hancock Corporation and Riversdale have agreed to the dispatch of the Bidder's Statement to Riversdale Shareholders no earlier than 13 March 2019, being the earliest date for dispatch based on the date of lodgement and service on Riversdale of the Original Bidder's Statement.

12.13 Undertaking to disclose voting power

In addition to Hancock Corporation's obligations to notify Riversdale and ASIC of increases in its voting power pursuant to section 654C of the Corporations Act, at Riversdale's request, Hancock Corporation has provided the following undertaking (**Undertaking**).

Hancock Corporation will give Riversdale a notice stating its voting power in Riversdale (**Voting Power Notice**) if, at a particular time during the Bid Period, Hancock Corporation's voting power in Riversdale rises from below a percentage in the following list to that percentage or higher:

- (a) 25%
- (b) 35%;
- (c) 45%;
- (d) every 1% between 45% and 51%;
- (e) 75%; and
- (f) 90%.

Hancock Corporation will use reasonable endeavours to provide a Voting Power Notice to Riversdale by 9.30 am (Perth time) on the business day after the date the rise in voting power occurred, but in any event, will provide that notice within two business days after the rise in voting power occurred.

In the event that a competing takeover offer for Riversdale Shares is publicly announced during the Bid Period and the bidder's statement for that takeover does not include an undertaking by the bidder on equivalent terms to the Undertaking (**Cessation Event**), the Undertaking will lapse at 9.00am (Perth time) on the Business Day after Hancock Corporation gives notice of the Cessation Event to Riversdale.

Riversdale has confirmed it will make each Voting Power Notice available to Riversdale Shareholders on the Riversdale website as soon as practicable after receipt and, in any event, no later than the date the Voting Power Notice is received by Riversdale.

12.14 Other material information

Except as disclosed elsewhere in this Bidder's Statement, there is no other information that is:

- (a) material to the making of a decision by a Riversdale Shareholder whether or not to accept the Offer;
- (b) known to Hancock Corporation; and
- (c) which has not previously been disclosed to Riversdale Shareholders.

13 The terms of the Offer

13.1 Offer

- (a) Hancock Corporation is offering to acquire all of Your Shares on and subject to the terms set out in this section 13 of this Bidder's Statement.
- (b) By accepting this Offer, you undertake to transfer to Hancock Corporation not only the Riversdale Shares to which the Offer relates, but also all Rights attached to those Riversdale Shares (subject to sections 13.6(b) and 13.7(c) of this Bidder's Statement).
- (c) This Offer is being made to each Riversdale Shareholder, which includes each person who is:
 - (i) registered as the holder of Riversdale Shares in the Riversdale Register at 7.00 pm (Sydney time) on the Register Date; and
 - (ii) registered or becomes entitled to be registered as a holder of a Riversdale Share prior to the end of the Offer Period as a result of either the conversion or exercise of any rights attaching to Convertible Securities.
- (d) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of Your Shares:
 - (i) a corresponding offer on the same terms as this Offer is taken to have been made to that other person in respect of those Riversdale Shares;
 - (ii) a corresponding offer on the same terms as this Offer is taken to have been made to you in respect of any other Riversdale Shares you hold to which the Offer relates; and
 - (iii) this Offer is taken to have been withdrawn immediately at that time in relation to the Riversdale Shares you have ceased to hold.
- (e) If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of Riversdale Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate Offer on the same terms and conditions as this Offer had been made in relation to each of those parcels and any parcel you hold in your own right. To validly accept the Offer for each parcel, you must comply with the procedure in section 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, please contact the Offer information line on +618 9429 8222 between 12.00pm and 8.00pm (Sydney time) Monday to Friday.
- (f) If Your Shares are registered in the name of a broker, investment adviser or dealer, bank, trust company or other nominee, you should contact them for assistance in accepting the Offer.
- (g) The Offer is dated 13 March 2019.

13.2 Consideration

- (a) The Offer Price is \$2.20 per Riversdale Share. However, in accordance with sections 13.7(c) and 13.7(d), the amount of consideration you are paid directly by Hancock

Corporation will be reduced by the amount or value of any Rights attaching to Riversdale Shares which you (or any previous holder of your Riversdale Shares) receive or are entitled to receive.

- (b) If Hancock Corporation improves the consideration offered under the Offer, including if the Increased Offer Price becomes payable, the Corporations Act contains provisions to ensure that any Riversdale Shareholder who has already accepted the Offer receives the benefit of the improved consideration.

13.3 Offer Period

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 7.00 pm (Sydney time) on the later of:
 - (i) 14 April 2019; or
 - (ii) any date to which the Offer Period is extended in accordance with the Corporations Act.

13.4 How to accept this Offer

- (a) **General**
 - (i) Subject to section 13.1(d) and section 13.1(e), you must accept this Offer for all of Your Shares.
 - (ii) Subject to section 13.4(b)(ii), you may accept this Offer at any time during the Offer Period.

- (b) **Complete and sign the Acceptance Form**

To accept this Offer you must:

- (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at one of the addresses shown on the Acceptance Form.

Subject to section 13.5, Acceptance Forms must be received with original signatures; copies or electronic forms will not be accepted.

- (c) **Acceptance Form and other documents**

- (i) The Acceptance Form forms part of the Offer.
- (ii) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Hancock Corporation at one of the addresses shown on the Acceptance Form before the end of the Offer Period.
- (iii) The postage of the Acceptance Form and other documents is at your own risk.

13.5 Validity of acceptances

- (a) Subject to this section 13.5, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 13.4.
- (b) Hancock Corporation will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Hancock Corporation is not required to communicate with you prior to making this determination. The determination of Hancock Corporation will be final and binding on all parties.
- (c) Notwithstanding section 13.4, Hancock Corporation may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Shares, even if a requirement for acceptance has not been complied with, but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Hancock Corporation.
- (d) Where you have satisfied the requirements for acceptance in respect of only some of Your Shares, Hancock Corporation may, in its sole discretion, regard the Offer to be accepted in respect of those of Your Shares but not the remainder.
- (e) Hancock Corporation will provide the consideration to you in accordance with section 13.7, in respect of any part of an acceptance determined by Hancock Corporation to be valid.

13.6 The effect of acceptance

- (a) Once you have accepted this Offer, you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Shares from the Offer or otherwise dispose of Your Shares, except as follows:
 - (i) if, by the end of the relevant times specified in section 13.6(a)(iii), the Condition has not been satisfied or waived, this Offer will automatically terminate and Your Shares will be returned to you; or
 - (ii) if the Offer Period is varied in a way that postpones for more than one month the time when Hancock Corporation must meet its obligations under the Offer and, at the time, this Offer is subject to the Condition, you may be able to withdraw your acceptance and Your Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
 - (iii) The relevant time for the purposes of section 13.6(a)(i) is before the date which is three Business Days after the end of the Offer Period;
- (b) By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to section 13.4, you will be taken to have:
 - (i) irrevocably accepted this Offer (and any variation of it) in respect of Your Shares and, subject to the Condition to this Offer being satisfied or waived, agreed to transfer Your Shares to Hancock Corporation (even if the number of

Riversdale Shares specified on the Acceptance Form differs from the number of Your Shares), subject to section 13.1(d) and section 13.1(e);

- (ii) represented and warranted to Hancock Corporation, as a fundamental condition of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Shares (including any Rights) to Hancock Corporation is registered, that all Your Shares are fully paid, and are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), that you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Shares (including any Rights) to Hancock Corporation, that you have paid to Riversdale all amounts which have fallen due for payment to Riversdale in respect of Your Shares and that Hancock Corporation will acquire good title to and beneficial ownership of Your Shares free from all encumbrances;
- (iii) irrevocably authorised Hancock Corporation (and any director, secretary or nominee of Hancock Corporation) to alter the Acceptance Form on your behalf by inserting correct details of Your Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by Hancock Corporation to make it an effective acceptance of this Offer or to enable registration of Your Shares in the name of Hancock Corporation, and agreed to provide any document reasonably required to make your Acceptance Form a valid acceptance of the Offer or otherwise give effect to your acceptance;
- (iv) irrevocably authorised and directed Riversdale to pay to Hancock Corporation, or to account to Hancock Corporation for, all Rights in respect of Your Shares, subject, if this Offer is rescinded or rendered void, to Hancock Corporation accounting to you for any such Rights received by Hancock Corporation;
- (v) irrevocably authorised Hancock Corporation to notify Riversdale on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Shares is the address specified by Hancock Corporation in the notification;
- (vi) with effect from the date on which the Condition to this Offer has been satisfied or waived pursuant to section 13.6(a)(iii) (even though Hancock Corporation has not yet paid the consideration due to you):
 - (A) irrevocably appointed Hancock Corporation and any director, secretary or nominee of Hancock Corporation severally from time to time as your agent and attorney to exercise all your powers and rights in relation to Your Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative, at all general and class meetings of Riversdale and to request Riversdale to register, in the name of Hancock Corporation or its nominee, Your Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable); and

- (B) agreed not to attend or vote in person, by proxy or by body corporate representative at any general or class meeting of Riversdale or to exercise or purport to exercise any of the powers and rights conferred on Hancock Corporation (and its directors, secretaries and nominees) in this section 13.6(b)(vi);
 - (vii) agreed that in exercising the powers and rights conferred by the powers of attorney granted under section 13.6(b)(vi), the attorney will be entitled to act in the interests of Hancock Corporation as the beneficial owner and intended registered holder of Your Shares;
 - (viii) agreed to do all such acts, matters and things that Hancock Corporation may require to give effect to the matters the subject of this section 13.6(b) (including the execution of a written form of proxy to the same effect as this section 13.6(b) which complies in all respects with the requirements of the constitution of Riversdale) if requested by Hancock Corporation;
 - (ix) represented and warranted to Hancock Corporation that, unless you have notified it in accordance with section 13.1(e), Your Shares do not consist of separate parcels of Riversdale Shares; and
 - (x) agreed, subject to the Condition of this Offer being satisfied or waived (even though Hancock Corporation has not yet paid the consideration due to you), to execute, as your attorney, all such documents, transfers and assurances, and do all such acts, matters and things that Hancock Corporation may consider necessary or desirable to convey Your Shares registered in your name and Rights to Hancock Corporation.
- (c) The undertakings and authorities referred to in section 13.6(b) will remain in force after you receive the consideration for Your Shares and after Hancock Corporation becomes registered as the holder of Your Shares.

13.7 Payment of consideration

- (a) Subject to this section 13.7 and the Corporations Act, if you accept the Offer, and the Condition has been satisfied or waived, then Hancock Corporation will provide the consideration due to you for Your Shares to which you are entitled under this Offer on or before the earlier of seven days after the date you accept the Offer or, if the Offer is subject to a Condition when you accept the Offer, seven days after the Offer becomes unconditional.
- (b) Where additional documents are required, either by the Acceptance Form or otherwise, to be given to Hancock Corporation with your acceptance of the Offer (such as a power of attorney):
 - (i) if those documents are given with your Acceptance Form, Hancock Corporation will provide the consideration in accordance with section 13.7(a);
 - (ii) if those documents are given after your Acceptance Form while this Offer is subject to the Condition, Hancock Corporation will provide the consideration due to you seven days after this Offer becomes unconditional;

- (iii) if those documents are given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a Condition, Hancock Corporation will provide the consideration due to you seven days after that document is given; and
- (iv) if those documents are given after the end of the Offer Period, and the Offer is not subject to a Condition, Hancock Corporation will provide the consideration within seven days after that document is delivered.

If you do not provide Hancock Corporation with the required additional documents within 21 days after the end of the Offer Period, Hancock Corporation may, in its sole discretion, rescind any contract arising from the Offer.

- (c) If you accept this Offer, Hancock Corporation is entitled to all Rights in respect of Your Shares (subject to section 13.6(b) of this Bidder's Statement). Hancock Corporation may require you to provide all documents necessary to vest title to those Rights in Hancock Corporation, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to Hancock Corporation, or if you have received or become entitled to the benefit of those Rights before Hancock Corporation provides the consideration to you, Hancock Corporation will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Hancock Corporation) of those Rights in accordance with section 13.7(d).
- (d) If:
 - (i) you have (or a previous holder of Your Shares has) received the benefit of any Rights (whether in respect of non-cash benefits or otherwise);
 - (ii) you are (or any previous holder of Your Shares is) entitled to receive the benefit of any Rights under the terms that provide for or otherwise apply to those Rights (for example, if the Right is to receive a dividend or distribution, if you are (or any previous holder of Your Shares is) the registered holder of the Riversdale Share at the specified time for determining those entitled to the dividend or distribution); or
 - (iii) Your Shares were issued (or otherwise came into existence) on or after the record date in respect of any Rights,then:
 - (iv) in the case of Rights to non-cash benefits, Hancock Corporation will deduct the value (as reasonably assessed by Hancock Corporation) of such Rights from any consideration otherwise payable to you; or
 - (v) in the case of Rights to cash benefits, Hancock Corporation will deduct the amount of such Rights from any consideration otherwise payable to you.
- (e) Hancock Corporation will pay to you the consideration for Your Shares by direct credit by electronic funds transfer to a nominated Australian bank account (denominated in Australian dollars) details of which are to be provided in the

Acceptance Form. If you do not provide bank account details in the Acceptance Form, Hancock Corporation will issue a cheque drawn on an Australian bank (or as otherwise agreed with Hancock Corporation) for the relevant consideration payable to you and send it to your address as shown in Riversdale's register of members. The cheque will be sent at your risk to you at your address shown on the Riversdale Register held by Hancock Corporation immediately prior to the preparation of the cheque by pre-paid ordinary mail or, in the case of addresses outside Australia, by pre-paid airmail.

- (f) If at the time of acceptance of this Offer:
- (i) any consent, authority or clearance of a Government Agency is required for you to receive the consideration under the Offer, including, but not limited to, consent, authority or clearance of:
 - (A) the Minister for Foreign Affairs (whether under the *Charter of the United Nations Act 1945* (Cth), the *Charter of the United Nations (Terrorism and Dealings with Assets) Regulations 2002* or any other regulations made thereunder, or otherwise);
 - (B) the Reserve Bank of Australia (whether under the Reserve Bank of Australia (whether under the *Banking (Foreign Exchange) Regulations 1959* (Cth) or otherwise); or
 - (C) the Australian Taxation Office; or
 - (ii) if you are a:
 - (A) resident in, or a resident of, a place to which; or
 - (B) person to whom,
any of the following applies:
 - (C) Banking (Foreign Exchange) Regulations 1959 (Cth);
 - (D) Part 4 of the Charter of the United Nations Act 1945 (Cth);
 - (E) Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
 - (F) any other regulations made under Part 4 of the *Charter of the United Nations Act 1945* (Cth);
 - (G) Autonomous Sanctions Regulations 2011 (Cth); or
 - (H) any other law of Australia that would make it unlawful for Hancock Corporation to pay the consideration that you are entitled to under the terms of the Offer,
- then acceptance of the Offer will not create or transfer to you any right (contractual or contingent) to have the consideration under the Offer provided to you unless and until all requisite authorities or clearances have been obtained.
- (g) If any amount (**withholding amount**) is determined by Hancock Corporation as being required, under any Australian law or by any Government Agency, to be:

- (i) withheld from any consideration otherwise payable to you under the Offer and paid to a Government Agency; or
- (ii) retained by Hancock Corporation out of any consideration otherwise payable to you under the Offer,

the payment or retention by Hancock Corporation of the withholding amount (as applicable) will constitute full discharge of Hancock Corporation's obligations to pay the consideration under the Offer to you to the extent of the withholding amount.

13.8 Rounding of cash consideration

If you are entitled to receive a fraction of a cent under the Offer, the cash consideration you are entitled to receive will be rounded up to the nearest whole cent.

13.9 Interest

Under no circumstances will interest be paid on the consideration payable under the Offer, regardless of any delay in paying the consideration or any extension of the Offer.

13.10 Condition

The completion of this Offer and any contract that results from an acceptance of this Offer, are subject to the fulfilment of the Condition set out in Annexure A.

13.11 Nature and benefit of the Condition

- (a) The Condition is a condition subsequent. The non-fulfilment of the Condition subsequent does not prevent a contract to sell Your Shares from arising, but:
 - (i) breach of the Condition entitles Hancock Corporation by written notice to you, to rescind the contract resulting from your acceptance of this Offer; and
 - (ii) non-fulfilment of the Condition at the end of the Offer Period will have the consequences set out in section 13.12(b).
- (b) Subject to the Corporations Act, Hancock Corporation alone is entitled to the benefit of the Condition, or to rely on any non-fulfilment of it.
- (c) Each 'prescribed occurrence' is separate, several and distinct and no prescribed occurrence will be taken to limit the meaning and effect of any other prescribed occurrence.

13.12 Freeing the Offer of Condition

- (a) Hancock Corporation may declare this Offer, and any contract resulting from its acceptance, free from the Condition, either generally or by reference to a particular fact, matter, event, occurrence or circumstance by giving a notice to Riversdale, in accordance with section 650F of the Corporations Act. This notice may be given no later than three Business Days after the end of the Offer Period.
- (b) If, at the end of the third Business Day after the end of the Offer Period, the Condition has not been fulfilled and Hancock Corporation has not declared the Offer free from the Condition, all contracts resulting from the acceptance of the Offer and all acceptances that have not resulted in binding contracts will be automatically void.

13.13 Notice on status of Condition

The date for giving the notice on the status of the Condition required by section 630(1) of the Corporations Act is 6 April 2019 (subject to variation in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

13.14 Withdrawal of this Offer

- (a) This Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, Hancock Corporation will give notice of the withdrawal to Riversdale and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, the Condition has been satisfied or waived, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If, at the time this Offer is withdrawn, the Offer remains subject to the Condition, all contracts arising from its acceptance will become void (whether or not the events referred to in the Condition have occurred).
- (d) A withdrawal pursuant to this section 13.14 will be deemed to take effect:
 - (i) if the withdrawal is not subject to conditions imposed by ASIC, after the date that consent in writing is given by ASIC; or
 - (ii) if the withdrawal is subject to conditions imposed by ASIC, after the date those conditions are satisfied.

13.15 Variation of this Offer

Hancock Corporation may vary this Offer in accordance with the Corporations Act.

13.16 No stamp duty

Hancock Corporation will pay any stamp duty payable on the transfer of Your Shares to it under and in accordance with this Offer.

13.17 Foreign laws

This Offer is not registered in any jurisdiction outside Australia (unless an applicable foreign law treats it as registered as a result of this Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any foreign law applicable to you to accept this Offer.

13.18 Governing laws

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Western Australia, Australia.

14 Definitions and interpretation

14.1 Definitions

In this Bidder's Statement and in the Acceptance Form unless the context otherwise appears, the following terms have the meanings shown below.

Acceptance Form means the acceptance form enclosed with this Bidder's Statement.

Announcement Date means the date of the announcement of the Offer to acquire all of the Riversdale Shares in Riversdale by Hancock Corporation, being Wednesday, 27 February 2019.

ASIC means the Australian Securities and Investments Commission.

associate has the meaning given in Division 2 of Part 1.2 of the Corporations Act as if section 12(1) of the Corporations Act included a reference to the Bidder's Statement and Riversdale was the designated body, and **associated** has a corresponding meaning.

Base Offer Price means \$2.20 cash per Riversdale Share.

Benga means Benga Mining Limited, a fully owned Canadian subsidiary of Riversdale.

Bid Period means the period commencing on the date that this Bidder's Statement is provided to Riversdale, and ending at the end of the Offer Period.

Bidder's Statement means this document, containing a statement of Hancock Corporation under Part 6.5 Division 2 of the Corporations Act relating to the Offer in respect of Riversdale.

Business Day means a day on which the banks are open for business in Perth and Sydney, other than a Saturday, Sunday or public holiday in Western Australia or New South Wales.

CGT means capital gains tax.

Condition means the condition to the Offer as outlined in Annexure A.

Control has the meaning given in section 50AA of the Corporations Act and **controlled** has the corresponding meaning.

Convertible Security means the Riversdale Options, as well as any other securities exercisable or convertible for Riversdale Shares, on issue at the Register Date.

Corporations Act means the *Corporations Act 2001* (Cth).

First Supplementary Bidder's Statement means the first supplementary bidder's statement dated 11 March 2019 and lodged with ASIC on that date.

Funding Agreement means the funding agreement dated 26 February 2019 between HPPL and Hancock Corporation setting out the terms on which HPPL has agreed to advance funds to Hancock Corporation in order to:

- (a) meet its obligations under the Offer to fund the Offer consideration to accepting Riversdale Shareholders (and any associated transaction costs); and
- (b) pay any additional amounts required by Hancock Corporation to meet its payment obligations due to the Increased Offer Price.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of the Commonwealth of Australia or any State, any other federal, state, provincial, or local government, and including any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions, and the ASX or any other stock exchange.

Grassy Mountain Project means Riversdale's steel making coal project in Alberta, Canada.

Hancock Corporation means Hancock Corporation Pty Ltd ACN 615 809 740.

HPPL means Hancock Prospecting Pty Ltd ACN 008 676 417.

HPPL Group means:

- (a) HPPL;
- (b) each entity that is a subsidiary of HPPL; and
- (c) any entity that, directly or indirectly through one or more intermediaries, is Controlled by HPPL from time to time,

and a reference to **HPPL Group Member** is to any one of them.

Increased Offer Price means \$2.50 cash per Riversdale Share.

Offer or **the Offer** means the offer for Riversdale Shares on the terms and conditions contained in section 13 of this Bidder's Statement.

Offer Period means the period during which the Offer will remain open for acceptance in accordance with section 13.3 of this Bidder's Statement.

Offer Price means \$2.20 cash per Riversdale Share.

Original Bidder's Statement means the original bidder's statement dated 27 February 2019 and lodged with ASIC on that date.

RCF means Resource Capital Fund VI LP.

Register Date means the date set by Hancock Corporation under section 633(2) of the Corporations Act, being 1 March 2019.

Replacement Bidder's Statement means the replacement bidder's statement dated 11 March 2019 and lodged with ASIC on that date.

Rights means all accretions, rights or benefits of whatever kind attaching or arising from Riversdale Shares directly or indirectly on or after the Announcement Date (including all dividends and distributions and all rights to receive them and rights to receive or subscribe for securities, notes, bonds, options or other securities declared, paid or issued by Riversdale Group Members). Rights do not include any franking credits attached to any dividend.

Riversdale means Riversdale Resources Limited ACN 152 669 291.

Riversdale Board means the board of directors of Riversdale.

Riversdale Director means any director on the Riversdale Board.

Riversdale Group means:

- (a) Riversdale;
- (b) each entity that is a subsidiary of Riversdale; and
- (c) any entity that, directly or indirectly through one or more intermediaries, is Controlled by, Riversdale from time to time,

and a reference to **Riversdale Group Member** is to any member of the Riversdale Group.

Riversdale Options means an option over Riversdale Shares.

Riversdale Register means the register of members of Riversdale maintained in accordance with the Corporations Act.

Riversdale Share means a fully paid ordinary share in Riversdale.

Riversdale Shareholder means each person who is:

- (a) registered as the holder of Riversdale Shares in the Riversdale Register at 7.00 pm (Sydney time) on the Register Date; or
- (b) registered or becomes entitled to be registered as a holder of a Riversdale Share prior to the end of the Offer Period as a result of either the conversion or exercise of any rights attaching to Convertible Securities.

Security Interest has the meaning given in section 51A of the Corporations Act.

Statements of Intent means the statements of intent provided by the Founding Shareholders, attached at Annexure B.

Subscription Agreement means the subscription agreement between Hancock Corporation, as subscriber, and Riversdale, as issuer, dated 28 August 2018 under which Hancock Corporation subscribed for 19.99% of the issued capital in Riversdale.

Takeover Bid means the off-market takeover bid under Chapter 6 of the Corporations Act constituted by the dispatch of the Offers.

Target's Statement means the target's statement to be prepared by Riversdale in relation to the Takeover Bid in compliance with Part 6.5 of the Corporations Act.

voting power has the meaning given in section 610 of the Corporations Act.

Your Shares means, subject to section 13.1(d) and section 13.1(e), the Riversdale Shares:

- (a) in respect of which you are registered, or entitled to be registered, as holder in the Riversdale Register at 7.00 pm (Sydney time) on the Register Date; and
- (b) in respect of which you become registered or become entitled to be registered as the holder prior to the end of the Offer Period as a result of either the conversion of, or the exercise of rights attached to, any Convertible Securities,

to which you are able to give good title at the time you accept this Offer during the Offer Period.

14.2 Interpretation

In this Bidder's Statement and in the Acceptance Form, the following rules of interpretation apply unless the contrary intention appears or the context requires otherwise:

- (a) A reference to time is a reference to Sydney time.
- (b) Headings are for convenience only and do not affect interpretation.
- (c) The singular includes the plural and conversely.
- (d) A reference to a section is to a section of this Bidder's Statement.
- (e) A gender includes all genders.
- (f) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (g) A\$, \$, dollars or cents is a reference to the lawful currency in Australia, unless otherwise stated.
- (h) A reference to a person includes a body corporate, an unincorporated body or other entity and conversely.
- (i) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns.
- (j) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
- (k) A reference to any instrument or document includes any variation or replacement of it.
- (l) A term not specifically defined in this Bidder's Statement has the meaning given to it (if any) in the Corporations Act.
- (m) A reference to a right or obligation of any two or more persons confers that right, or imposes that obligation, as the case may be, jointly and individually.
- (n) A reference to law includes any applicable law, legislation, regulation, common law, or order of a Government Agency.

15 Approval of Bidder's Statement

This Bidder's Statement has been approved by a resolution passed by the directors of Hancock Corporation.

Date: 11 March 2019

Signed for and on behalf of
Hancock Corporation Pty Ltd

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a smaller 'N' and a final flourish.

Mr Jay Newby, Director

Annexure A – Condition to the Offer

No prescribed occurrences

During the Bid Period, none of the following happen:

- (a) Any Riversdale Group Member converts all or any of its shares into a larger or smaller number of shares;
- (b) Any Riversdale Group Member resolves to reduce its share capital in any way;
- (c) Any Riversdale Group Member:
 - (i) enters into a buyback agreement; or
 - (ii) resolves to approve the terms of a buyback agreement;
- (d) Any Riversdale Group Member issues Shares (other than Riversdale Shares as a result of the conversion of the Convertible Securities), or grants an option over its Shares, any right that is convertible into Riversdale Shares or agrees to make such an issue or grant such an option or right;
- (e) Any Riversdale Group Member issues, or agrees to issue, convertible notes;
- (f) Any Riversdale Group Member disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) Any Riversdale Group Member grants, or agrees to grant, a Security Interest in the whole, or a substantial part, of its business or property;
- (h) Any Riversdale Group Member resolves that any of them be wound up;
- (i) A liquidator or provisional liquidator is appointed to any Riversdale Group Member;
- (j) A court makes an order for the winding up of any Riversdale Group Member;
- (k) An administrator is appointed to any Riversdale Group Member;
- (l) Any Riversdale Group Member executes a deed of company arrangement;
- (m) A receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of any Riversdale Group Member.

Annexure B – Statements of Intent

27 February 2019

Mr Garry Korte
Hancock Corporation Pty Ltd
HPPL House
Level 3, 28-42 Ventnor Avenue
WEST PERTH WA 6005

Dear Garry

Riversdale Resources Limited

I understand from Mr Steve Mallyon that Hancock Corporation Pty Ltd is contemplating making a takeover offer for the shares in Riversdale Resources Limited at a price of \$2.20 per share, with an intention to increase the cash price to \$2.50 subject to obtaining an interest in more than 50% of the shares on issue (on a fully diluted basis) before your offer closes and the offer being conditional only on no "prescribed occurrences". I am the holder (either directly or indirectly) of 12,267,618 shares in Riversdale, representing approximately 4.16% of the issued shares.

I confirm that I regard your proposed offer price (of \$2.20) as fair. My present intention would be to accept an offer on those terms, subject to no superior proposal being made. However, I reserve the right to alter my position, in which case I will inform you as soon as practicable.

I consent to you disclosing my position (including that it is subject to no superior proposal) in any statement you make about the takeover bid, including in your bidder's statement.

This letter is provided on the basis that I will keep the contents of this letter confidential until you announce your proposed takeover offer.

Yours Sincerely



Anthony Martin

27 February 2019

Mr Garry Korte
Hancock Corporation Pty Ltd
HPPL House
Level 3, 28-42 Ventnor Avenue
WEST PERTH WA 6005

Dear Garry

Riversdale Resources Limited

Following my approach to assess whether you would be interested in making an offer, I understand from you that Hancock Corporation Pty Ltd is contemplating making a takeover offer for the shares in Riversdale Resources Limited at a cash price of \$2.20 per share, with an intention to increase the price to \$2.50 subject to obtaining an interest in more than 50% of the shares on issue (on a fully diluted basis) before your offer closes and the offer being conditional only on no "prescribed occurrences". I am the holder (either directly or indirectly) of 19,201,225 shares in Riversdale, representing approximately 6.5% of the issued shares.

I confirm that I regard your proposed offer price (of \$2.20) as fair. My present intention would be to accept an offer on those terms, subject to no superior proposal being made. However, I reserve the right to alter my position, in which case I will inform you as soon as practicable.

I consent to you disclosing my position (including that it is subject to no superior proposal) in any statement you make about the takeover bid, including in your bidder's statement.

This letter is provided on the basis that I will keep the contents of this letter confidential until you announce your proposed takeover offer.

Yours Sincerely



Steve Mallyon

Mr Garry Korte
Hancock Corporation Pty Ltd
HPPL House
Level 3, 28-42 Ventnor Avenue
WEST PERTH WA 6005

Dear Garry

Riversdale Resources Limited

I understand from Mr Steve Mallyon that Hancock Corporation Pty Ltd is contemplating making a takeover offer for the shares in Riversdale Resources Limited at a price of \$2.20 per share, with an intention to increase the cash price to \$2.50 subject to obtaining an interest in more than 50% of the shares on issue (on a fully diluted basis) before your offer closes and the offer being conditional only on no "prescribed occurrences". I am the holder (either directly or indirectly) of 17,281,225 shares in Riversdale, representing approximately 5.9% of the issued shares.

I confirm that I regard your proposed offer price (of \$2.20) as fair. My present intention would be to accept an offer on those terms, subject to no superior proposal being made. However, I reserve the right to alter my position, in which case I will inform you as soon as practicable.

I consent to you disclosing my position (including that it is subject to no superior proposal) in any statement you make about the takeover bid, including in your bidder's statement.

This letter is provided on the basis that I will keep the contents of this letter confidential until you announce your proposed takeover offer.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'M. O'Keeffe', with a large, loopy flourish above the name.

Michael O'Keeffe

Corporate Directory

Hancock Corporation

Level 3, HPPL House
28-42 Ventnor Ave
West Perth WA 6005.

Legal Advisor

Corrs Chambers Westgarth
Level 6, Brookfield Place Tower Two
123 St Georges Tce
Perth WA 6000



If you have any queries in relation to the Offer, please contact the Offer information line on +618 9429 8222 between 12.00pm and 8.00pm (Sydney time) Monday to Friday.