

Accrual Basis

Riverstone Resources Pty Ltd atf Riverstone Unit Trust

Balance Sheet

As of June 30, 2015

ASSETS	Jun 30, 15
Current Assets	
Chequing/Savings	CTP
Value of unprocessed product	CTPI 49-
Trade Debtors	CTPI 49-
Total Current Assets	CTPI 49-\$
	CTPI 49-Sch
Fixed Assets	
Fixed Assets	CTPI 49-Sch
Mining Lease	CTPI 49-
Plant and Equipment	CTPI 49-
Total Fixed Assets	CTPI 49-Sch
TOTAL ASSETS	
LIABILITIES	
Current Liabilities	
Total Accounts Payable	CTPI 49-
Other Current Liabilities	
Tax Payable	CTPI 49-
Total Other Current Liabilities	CTPI 49-

	Accounts Payable	
	Trade creditors	CTPI 49
	Total Current Liabilities	CTPI 49
TOTAL LIABILITIES		CTPI 49
	NET ASSETS	CTPI 49-Sd
EQUITY		
	Opening Bal Equity	
	Owners' Equity	CTPI 49-Sd
	Owners' Equity - Additional	CTPI 49-S
	Retained Earnings	CTPI 49-
TOTAL EQUITY		CTPI 49-Sd

RiverstoneResources

25th July, 2012.

Riverstone Resources Mineral Processing Procedures

Initial Production treatment will be undertaken by a rated [CTPI 49-Sch4] plant processing alluvial ore. It will be done so by construction of an Initial plant to a standard proprietary design. Construction will be off-site with on site assembly.

Initial plant equipment utilises small size pumps, leach tanks, holding tanks, water tanks and carbon filters. All tanks are plastic, are installed in frames and are lightweight. All components of the Initial plant & equipment are demountable. It is a processing plant. The Initial plant operation methodology is to allow further analysis of the alluvial ore material characteristics and to plan a higher scale production process. The Initial plant operation will operate for a [CTPI 49-Sch4] additional equipment [CTPI 49-Sch4]

Larger production will be by using proprietary commercial plants. Basically the commercial plants are a larger version of the Initial plant and it will include protection for proprietary elements of the equipment. The commercial plant will be constructed off-site with assembly on site. All components of the production plant are transportable and no component is over size or so large that it requires a special road permit for transportation. The production processing plant is modular in design and will have initial rated treatment capacity of 10 tonne per hour operation. It will have the capability of operating continuously.

Once commissioned it is likely the plant will demonstrate additional capacity within the design. [CTPI 49-Sch4] of ore. [CTPI 49-Sch4] in the design and the treatment rate on more operations could nominally increase to [CTPI 49-Sch4]

The methodology of the production plant is a chemical leach operation using chemicals with low-level toxicity and easily handled according to the chemical safety handling and storage procedures issued by the manufacturers. Industrial input components requiring 3 phase power will also be used.

Methodology is briefly outlined. The treatment processing is a leaching style operation. This outline is based on a simple recycle counter current decantation [CCD] system within the design.

The processing plant will cover all treatment process. The total processes are Mining, Leaching, Thickening, Spent-ore Disposal and Metal Recovery.

.../2.

Mining.

A front-end loader and an Operator may be needed at the alluvial ore delivery point. The alluvial ore is a -4mm sand by-product of the river-pebble screening process conducted under the existing extraction permit covered by the ERA permit #IPCE01538909. A front-end loader will push ore into a 2 m³ steel hopper that has a small conveyor fitted. The conveyor will discharge into a sand pump, which will discharge onto a low-profile circular vibrating screen. The pump delivers the pulp to a rougher leaching silo.

An empty silo weighs about one tonne and carries pulp weighing [to a maximum] 32 tonne. Most of the silo stands will also have pump and associated bracing for support, and will stand up to 2 metres above the ground.

There will be a means of measuring and controlling the pulp density. Barren solution pumped to a CTPI 49-Sch4 flat-bottomed polyethylene tank will be the initial water to make the pulp. The treatment rate out of the ore-bin will be adjusted by varying a gate on the discharge side of the bin. Undersize is pumped to the leaching plant. A common rubber-lined Warman centrifugal pump is sufficient.

Leaching.

Water is used. All water is recycled and there is no consumption or loss of water, except what is lost by evaporation. Chemical reagents are used continuously but there is absolutely no cyanide nor mercury involved in any stage of the process. All reagents are commonly available and are capable of handling according to usual procedures issued by manufacturers at the level of usage. Due to the confidential and proprietary nature of this process we are restricted to providing the details of the reagents contained herein only.

Storage of chemical on site will involve CTPI 49-Sch4

CTPI 49-Sch4

(Please refer the attached MSDS). Storage will be in a fenced area within which is a lockable small structure with flat hard packed floor under sealed intervening plastic material bunded according to regulatory requirements.

There will be installed polyethylene silos for Leaching and CCD. The leaching process requires two parts:

CTPI 49-Sch4

...13.

Spent-ore disposal.

After treatment the spent-ore is an inert fine sand type material which is easily moved beyond the production processing area. Spent-ore will be pumped by a rubber-lined sand pump to the alluvial ore drying area or moved by conveyor. Once air dried the ore will be tested to ensure it is suitable to return to the extraction point as a back fill operation using loaders and trucks. Water pumps and sand pumps are required. Conveyor may be required.

Waste from the process will be minimal. The process uses and recycles all chemical inputs and treatment solution. The only loss is leakage and evaporation. Leakage contingency is addressed by drainage into nearby settlement ponds that will be tested and treated if necessary or pumped and removed off site for disposal. From time to time there may be some tank residue waste which will be collected and trucked off site for disposal.

Metal Recovery

The solubilised metal is likely to be fairly low grade on first pass. When the solution is recycled through the circuit it is expected to keep ensuring very little dissolved metal is lost other than on a chance basis. Losses from spillage and losses into spent ore will be monitored systematically. At start up a simple and effective process is to have the CTPI 49-Sch4

The process is almost self-sustaining for water, but a small amount of makeup water is required for losses by evaporation and moisture and is available from existing on-site bores and surface dams.

Wherever possible within the leaching operation, the processes and equipment are standardized so design and assembly conform to Building Information Modelling [BIM] process. BIM will allow controlled modular construction and rapid expansion of capacity. It also incorporates safety and handling procedures and regulations compliance within the design.

At the end of production the processing plant will be disassembled and removed from site. The actual footprint area of where the processing plant will operate from will be rehabilitated.

...14.

Spent-ore treated will be returned to the areas near or adjacent to the collection point of the material pre-processing. There will be no change to shape or size of the alluvial ore extraction areas when back filled. Where revegetation is required it will be carried out. Spent-ore will be returned to within the existing boundary of the current alluvial ore extraction areas. CTPI 49-Sch4 will provide consultant services on alluvial ore handling and disposal.

Water requirements are modest. Bore water can be used. Water covering the site is a logical source but it is not essential. Water is recycled throughout the production process and water loss through evaporation is the only water required to be augmented during operations.

Additional comments: The construction of plant and the operation will not require an infrastructure program. The collection and delivery of alluvial ore involves the use of loaders, excavators, sand pumps and screens on a modest scale and are essentially off-the-shelf items. Three-phase power is required. Flexible pipes are used for the collection and disposal/return of ore. A hard stand surface area for operations is required but not concrete as packed gravel beds will work however if any concrete slab that is installed needs to be no higher grade than standard warehouse floor specifications and will be easily removed at completion of operations.

CTPI 49-Sch4

Ray Francis
Managing Director
Riverstone Resources Pty Ltd.

Attachments

Reagent 1 :
Extract from MSDS.

HMIS (U.S.A.):
Health Hazard: 3
Fire Hazard: 0
Reactivity: 1
Personal Protection:
National Fire Protection Association (U.S.A.):
Health: 2
Flammability: 0
Reactivity: 1
Specific hazard:

Physical and Chemical Properties

Physical state and appearance: Liquid.
Odor: Odorless.
Taste: Slightly acid. Bitter
Molecular Weight: Not applicable.
Color: Clear Colorless.
pH (1% soln/water): Not available
Boiling Point: 108°C (226.4°F)
Melting Point: -33°C (-27.4°F)
Critical Temperature: Not available.
Specific Gravity: 1.1 (Water = 1)
Vapor Pressure: 3.1 kPa (@ 20°C)
Vapor Density: 1.1 (Air = 1)
Volatility: Not available.
Odor Threshold: Not available.
Water/Oil Dist. Coeff.: Not available.
Ionicity (in Water): Not available.
Dispersion Properties: See solubility in water, diethyl ether.
Solubility:
Easily soluble in cold water. Soluble in diethyl ether.

Stability and Reactivity Data

Stability: The product is stable. It contains a stabilizer.
Instability Temperature: Not available.
Conditions of Instability: Excess heat, incompatible materials
Incompatibility with various substances: Reactive with reducing agents, combustible materials, organic materials, metals, acids, alkalis.
Corrosivity: Non-corrosive in presence of glass.

Fire and Explosion Data

Flammability of the Product: Non-flammable.
Auto-Ignition Temperature: Not applicable.
Flash Points: Not applicable.
Flammable Limits: Not applicable.
Products of Combustion: Not available.
Fire Hazards in Presence of Various Substances: combustible materials
Explosion Hazards in Presence of Various Substances: Slightly explosive in presence of open flames and sparks, of heat, of organic materials, of metals, of acids.
Fire Fighting Media and Instructions:
Fire: Small fires: Use water. Do not use dry chemicals or foams. CO2, or Halon may provide limited control Large fires: Flood fire area with water from a distance. Move containers from fire area if you can do it without risk.

Handling and Storage

Precautions:

Keep locked up.. Keep container dry. Keep away from heat. Keep away from sources of ignition. Keep away from combustible material.. Do not ingest. Do not breathe gas/fumes/ vapor/spray. Never add water to this product. In case of insufficient ventilation, wear suitable respiratory equipment. If ingested, seek medical advice immediately and show the container or the label. Avoid contact with skin and eyes. Keep away from incompatibles such as oxidizing agents, reducing agents, combustible materials, organic materials, metals, acids, alkalis.

Storage:

Keep container tightly closed. Keep container in a cool, well-ventilated area. Separate from acids, alkalies, reducing agents and combustibles. Do not store above 8°C (46.4°F). Refrigerate Sensitive to light. Store in light-resistant containers.

Toxicological Information

Routes of Entry: Absorbed through skin. Eye contact.

Toxicity to Animals:

Acute oral toxicity (LD50): 6667 mg/kg (Mouse) (Calculated value for the mixture). Acute dermal toxicity (LD50): 6667 mg/kg (pig) (Calculated value for the mixture).

Chronic Effects on Humans:

CARCINOGENIC EFFECTS: Classified A3 (Proven for animal.) by ACGIH Classified 3 (Not classifiable for human.) by IARC. MUTAGENIC EFFECTS: Mutagenic for mammalian somatic cells. Mutagenic for bacteria and/or yeast Contains material which may cause damage to the following organs: blood, upper respiratory tract, skin, eyes, central nervous system (CNS).

Other Toxic Effects on Humans:

Very hazardous in case of skin contact (irritant). Hazardous in case of skin contact (corrosive), of eye contact (corrosive), of ingestion, of inhalation (lung corrosive).

Special Remarks on Toxicity to Animals: Not available.

Special Remarks on Chronic Effects on Humans:

May cause cancer and may affect genetic material based on animal data. May be tumorigenic.

Ecotoxicity: Not available.

BOD5 and COD: Not available.

Products of Biodegradation: Possibly hazardous short/long term degradation products are to be expected.

Toxicity of the Products of Biodegradation: The products of degradation are less toxic than the product itself.

Reagent 2 :
Extract from MSDS.

HMIS (U.S.A.):
Health Hazard: 3
Fire Hazard: 0
Reactivity: 1
Personal Protection:

National Fire Protection Association (U.S.A.):
Health: 3
Flammability: 0
Reactivity: 1

Physical and Chemical Properties

Physical state and appearance: Liquid.
Odor: Pungent. Irritating (Strong.)
Taste: Not available.
Molecular Weight: Not applicable.
Color: Colorless to light yellow.
pH (1% soln/water): Acidic.
Boiling Point:
108.58 C @ 760 mm Hg
Melting Point:
-62.25°C (-80°F)
Critical Temperature: Not available.
Specific Gravity:
1.1- 1.19 (Water = 1) 1.10
Vapor Pressure: 16 kPa (@ 20°C) average
Vapor Density: 1.267 (Air = 1)
Volatility: Not available.
Odor Threshold: 0.25 to 10 ppm
Water/Oil Dist. Coeff.: Not available.
Ionicity (in Water): Not available.
Dispersion Properties: See solubility in water, diethyl ether.
Solubility: Soluble in cold water, hot water, diethyl ether.

Fire and Explosion Data

Flammability of the Product: Non-flammable.
Auto-Ignition Temperature: Not applicable.
Flash Points: Not applicable.
Flammable Limits: Not applicable.
Products of Combustion: Not available.
Fire Hazards in Presence of Various Substances: of metals
Explosion Hazards in Presence of Various Substances: Non-explosive in presence of open flames and sparks, of shocks.
Fire Fighting Media and Instructions: Not applicable.

Stability and Reactivity Data

Stability: The product is stable.
Instability Temperature: Not available.
Conditions of Instability: Incompatible materials, water
Incompatibility with various substances:
Highly reactive with metals. Reactive with oxidizing agents, organic materials, alkalis, water.
Corrosivity:
Extremely corrosive in presence of aluminum, of copper, of stainless steel(304), of stainless steel(316). Non-corrosive in presence of glass.

Handling and Storage

Precautions:

Keep locked up. Keep container dry. Do not ingest. Do not breathe gas/fumes/ vapor/spray.

If ingested, seek medical advice immediately. Avoid contact with skin and eyes. Keep away from incompatibles such as organic materials, metals, alkalis, moisture. May corrode metallic surfaces.

Store in a metallic or coated fiberboard drum using a strong polyethylene inner package.

Storage: Keep container tightly closed. Keep container in a cool, well-ventilated area.

Toxicological Information

Routes of Entry: Absorbed through skin. Dermal contact. Eye contact. Inhalation.

Toxicity to Animals:

Acute oral toxicity (LD50): 900 mg/kg [Rabbit]. Acute toxicity of the vapor (LC50): 1108 ppm, 1 hours [Mouse]. Acute toxicity of the vapor (LC50): 3124 ppm, 1 hours [Rat].

Chronic Effects on Humans:

CARCINOGENIC EFFECTS: Classified 3 (Not classifiable for human.) by IARC

May cause damage to the following organs: kidneys, liver, mucous membranes, upper respiratory tract, skin, eyes, Circulatory System, teeth.

Other Toxic Effects on Humans:

Very hazardous in case of skin contact (corrosive, irritant, permeator), of ingestion, . Hazardous in case of eye contact (corrosive), of inhalation (lung corrosive).

Ecotoxicity: Not available.

BOD5 and COD: Not available.

Products of Biodegradation:

Possibly hazardous short term degradation products are not likely. However, long term degradation products may arise.

Toxicity of the Products of Biodegradation: The products of degradation are less toxic than the product itself.

Reagent 3 :
Extract from MSDS.

HMIS (U.S.A.):
Health Hazard: 2
Fire Hazard: 0
Reactivity: 0
Personal Protection: E

National Fire Protection Association (U.S.A.):
Health: 2
Flammability: 0
Reactivity: 0

Physical and Chemical Properties

Physical state and appearance: Solid.

Odor: Not available.

Taste: Not available.

Molecular Weight: 102.91 g/mole

Color: Not available.

pH (1% soln/water): 6.5-8.0

Boiling Point: 1390°C (2534°F)

Melting Point: 755°C (1391°F)

Critical Temperature: Not available.

Specific Gravity: 3.21 (Water = 1)

Vapor Pressure: Not applicable.

Vapor Density: Not available.

Volatility: Not available.

Odor Threshold: Not available.

Water/Oil Dist. Coeff.: Not available.

Ionicity (in Water): Not available.

Dispersion Properties: See solubility in water, methanol.

Solubility:

Easily soluble in cold water, hot water. Soluble in methanol. 1 g dissolves in 1.1 ml of water. 1 g dissolves in about 16 ml of alcohol. 1 g dissolves in 6 ml of methanol

Fire and Explosion Data

Flammability of the Product: Non-flammable.

Auto-Ignition Temperature: Not applicable.

Flash Points: Not applicable.

Flammable Limits: Not applicable.

Products of Combustion: Not available.

Fire Hazards in Presence of Various Substances: Not applicable.

Explosion Hazards in Presence of Various Substances:

Risks of explosion of the product in presence of mechanical impact: Not available. Risks of explosion of the product in presence of static discharge: Not available.

Fire Fighting Media and Instructions: Not applicable.

Special Remarks on Fire Hazards: Not available.

Special Remarks on Explosion Hazards: Not available.

Stability and Reactivity Data

Stability: The product is stable.

Instability Temperature: Not available.

Conditions of Instability: Incompatible materials, moisture

Incompatibility with various substances: Reactive with oxidizing agents, acids.

Corrosivity: Non-corrosive in presence of glass.

Special Remarks on Reactivity:

Absorbs moisture from the air but is not deliquescent. Hygroscopic. Also incompatible with alkaloidal and heavy metal salts.

Handling and Storage

Precautions:

Do not ingest. Do not breathe dust. Avoid contact with eyes. Wear suitable protective clothing. In case of insufficient ventilation, wear suitable respiratory equipment. If ingested, seek medical advice immediately and show the container or the label. Keep away from incompatibles such as oxidizing agents, acids.

Storage: Keep container tightly closed. Keep container in a cool, well-ventilated area. Do not store above 25°C (77°F).

Toxicological Information

Routes of Entry: Inhalation. Ingestion.

Toxicity to Animals: Acute oral toxicity (LD50): 3500 mg/kg [Rat].

Chronic Effects on Humans: Not available.

Other Toxic Effects on Humans:

Hazardous in case of ingestion, of inhalation. Slightly hazardous in case of skin contact (irritant).

Special Remarks on Toxicity to Animals: Not available.

Special Remarks on Chronic Effects on Humans:

May cause adverse reproductive effects (male and female effects on fertility and effects on newborns and fetotoxicity) based on animal data Human: passes the placental barrier, detected in maternal milk.

Ecotoxicity: Not available.

BOD5 and COD: Not available.

Products of Biodegradation:

Possibly hazardous short term degradation products are not likely. However, long term degradation products may arise.

Toxicity of the Products of Biodegradation: The product itself and its products of degradation are not toxic.

Reagent 4 :
Extract from MSDS.

HMIS (U.S.A.):
Health Hazard: 2
Fire Hazard: 0
Reactivity: 2
Personal Protection: E
National Fire Protection Association (U.S.A.):
Health: 2
Flammability: 0
Reactivity: 2
Specific hazard:

Physical and Chemical Properties

Physical state and appearance: Solid. (Solid crystalline powder.)
Odor: Odorless.
Taste: Bitter. (Strong.)
Molecular Weight: 238.1 g/mole
Color: White.
pH (1% soln/water): 7 [Neutral.]
Boiling Point: Not available.
Melting Point: Decomposes.
Critical Temperature: Not available.
Specific Gravity: 2.6 (Water = 1)
Vapor Pressure: Not applicable.
Vapor Density: Not available.
Volatility: Not available.
Odor Threshold: Not available.
Water/Oil Dist. Coeff.: Not available.
Ionicity (in Water): Not available.
Dispersion Properties: See solubility in water.
Solubility: Soluble in cold water, hot water. Insoluble in methanol, diethyl ether, n-octanol.

Fire and Explosion Data

Flammability of the Product: Non-flammable.
Auto-Ignition Temperature: Not applicable.
Flash Points: Not applicable.
Flammable Limits: Not applicable.
Products of Combustion: Not available.
Fire Hazards in Presence of Various Substances: Not applicable.
Explosion Hazards in Presence of Various Substances:
Risks of explosion of the product in presence of mechanical impact: Not available. Risks of explosion of the product in presence of static discharge: Not available.
Fire Fighting Media and Instructions: Not applicable.
Special Remarks on Fire Hazards: Dangerous in contact with organic materials.
Special Remarks on Explosion Hazards: Not available.

Stability and Reactivity Data

Stability: Unstable.
Instability Temperature: Not available.
Conditions of Instability: Not available.
Incompatibility with various substances:
Highly reactive with reducing agents, organic materials, moisture. Reactive with metals, acids. Slightly reactive to reactive with alkalis.
Corrosivity:
Corrosive in presence of steel, of aluminum, of zinc, of copper. Non-corrosive in presence of glass.
Special Remarks on Reactivity: Incompatible with alcohols.

Special Remarks on Corrosivity: Not available.
Polymerization: No.

Handling and Storage

Precautions:

Keep away from heat. Keep away from sources of ignition. Keep away from combustible material. Do not breathe dust. In case of insufficient ventilation, wear suitable respiratory equipment. If you feel unwell, seek medical attention and show the label when possible. Avoid contact with skin and eyes. Keep away from incompatibles such as reducing agents, organic materials, metals, acids, moisture.

Storage: Oxidizing materials should be stored in a separate safety storage cabinet or room.

Toxicological Information

Routes of Entry: Eye contact. Inhalation. Ingestion.

Toxicity to Animals:

LD50: Not available. LC50: Not available.

Chronic Effects on Humans: The substance is toxic to blood, lungs.

Other Toxic Effects on Humans:

Very hazardous in case of skin contact (irritant, sensitizer), of inhalation. Hazardous in case of ingestion. Slightly hazardous in case of skin contact (permeator).

Special Remarks on Toxicity to Animals: Not available.

Special Remarks on Chronic Effects on Humans: May cause allergic skin reactions with repeated exposure.

Special Remarks on other Toxic Effects on Humans: CAUTION: Certain sensitive individuals may develop eczema and/or asthma on exposure to this material.

Ecotoxicity: Not available.

BOD5 and COD: Not available.

Products of Biodegradation: Possibly hazardous short/long term degradation products are to be expected.

Toxicity of the Products of Biodegradation: The products of degradation are more toxic.

Special Remarks on the Products of Biodegradation: Not available.