

**MEDIA RELEASE**

23 APRIL 2009

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**Coal Resources upgrade and initial Coal Reserve for  
Benga Project in Mozambique**

- **Coal Resources increase 90% to 4.0 billion tonnes**
- **Initial Coal Reserve estimate of 273 million tonnes**

Riversdale Mining Limited (ASX: RIV) and its partner Tata Steel Limited are pleased to advise that the Company has today announced an updated Resource and Reserve statement for the Benga Coal Project (EL 881L) in the District of Moatize, Province of Tete, Mozambique. The Benga Project is held in a joint venture between Riversdale Mining Limited (65%) and Tata Steel Limited (35%).

Based on the data collected from recent drilling activities, a Coal Resource of 4.0 billion tonnes has been estimated. Of this amount, 1,033.9 million tonnes (Mt) is the combined total for Measured and Indicated Resources and 893.4 Mt of these are at a depth of less than 500m. This Coal Resource represents an increase of 90% over the previous Resource announced in September 2008.

The Company is also pleased to announce that an initial Coal Reserve of 273.3 million tonnes has been estimated. Of this, 181.3 Mt are Proved Coal Reserves and 92.0 Mt are Probable Coal Reserves. These Reserves have been estimated in accordance with a review that anticipates an initial Run of Mine (ROM) development of 5.3 Mtpa, increasing subsequently to 10 Mtpa and ultimately 20 Mtpa as transport infrastructure become available.

The increased Resource and initial Reserve estimates represent a material development for the project and will impact positively on the overall scope of the mine and its potential to develop into a project of global significance.

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The updated statement also provides further support for Riversdale Mining's investment to date, and is a clear indication of the future potential of the Benga Coal Project.

The estimation of Coal Resources and Coal Reserves has been undertaken in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code), 2004.

The Company has also progressed its application with the Government of the Republic of Mozambique for the grant of a Mining Contract and Mining Concession. The Contract approval is expected to follow the completed evaluation and assessment of Riversdale Mining's application, which has been underway since Q4 2008. All information requested by the government in support of the application has been provided by the Company. Final approval of the Contract is anticipated during the current quarter.

In line with the approval timeline for the Mining Contract, the Company has extended the completion deadline of the Feasibility Study so that the fiscal arrangements from the Mining Contract can be incorporated into the Study. This will also allow Riversdale to incorporate the significant reductions in underlying costs which have followed the impact of the global downturn in the mining industry. There has been a reduction in some of the major costs associated with bringing a large mining project on-line, including the cost of key contractors and capital equipment.

The granting of the Mining Contract and the completion of the Feasibility Study will signify the commencement of the Benga Coal Project.

This project will see Riversdale Mining progressively ramping-up to a 20 Million tonnes per annum ROM hard coking and thermal coal mine at Benga in the Moatize area, with a direct capital investment during development of more than US\$ 800 million.



**W M O'Keeffe**  
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Coal Resources					Coal Reserves		
	Measured Mt	Indicated Mt	Inferred Mt	Total Mt	Proved Mt	Probable Mt	Total Mt
Mt	314	720	2,990	<b>4,024</b>	181.3	92.0	<b>273.3</b>
Ash (%) @ 1% air dried moisture					39.3	42.0	<b>41.1</b>

Notes

- 1 Coal Resources and Coal Reserves are current as at 15<sup>th</sup> April 2009.
- 2 A minimum coal ply thickness of 0.3m was used to estimate Coal Resources.
- 3 Coal Resources adjacent to normal faults have been excluded as barren zones as determined from geotechnical advice.
- 4 The total Inferred Coal Resource of 2,990 Mt includes coal projected 1 km beyond the outmost boreholes. This 1 km extrapolated zone, which includes 1,170 Mt of coal, is supported by the results from the high resolution airborne geophysics flown over the entire tenement. The results provide added confidence in the geology of EL 881L beyond the boreholes indicating the absence of transgressive igneous intrusives (dykes) and complex features within the tenement boundary.
- 5 The estimate of Open Cut Coal Reserves was based on mine planning by Minarco MineConsult and reflects current market conditions.
- 6 The products to be marketed have not been finalised at this stage.
- 7 The estimates of Coal Resources and Coal Reserves presented in this table have been carried out in accordance with The JORC Code.
- 8 The Proved and Probable Coal Reserves are estimated to support an initial 5.3 Mtpa ROM production plan.
- 9 Coal Resources and Coal Reserves have been rounded to appropriate levels of accuracy in accordance with The JORC Code.
- 10 Coal Resources are inclusive of Coal Reserves i.e. Coal Reserves are not additional to Coal Resources.

The **Coal Resources** quoted in this announcement are based on the Competent Person Report, Coal Resources, Benga Coal Project as at 15<sup>th</sup> April 2009, compiled by Mr Tri Yoso, who is a Member of the Australasian Institute of Mining and Metallurgy and the Resource Geologist for Riversdale Mining Limited. Tri Yoso has more than 12 years experience as a coal geologist in the resources industry involving exploration and evaluation assignments at operating coal mines and coal exploration areas in a number of coal basins throughout the world. With this level of experience, he is adequately qualified as a Competent Person as defined in the 2004 edition of the JORC Code. The Coal Resource estimate for the Benga Licence, (881L) Mozambique presented in this report has been carried out in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2004) prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

The **Coal Reserves** quoted in this announcement are based on Report No 3517M, Benga Coal Project as at 15<sup>th</sup> April 2009, compiled under the supervision of Mr. Rob Mackenzie, who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Minarco MineConsult. Rob is a mining engineer with extensive experience, working for over 30 years with major mining companies. With this level of experience, he is adequately qualified as a Competent Person as defined in the 2004 edition of the JORC Code. The Coal Reserve estimate for the Benga Licence, (881L) Mozambique presented in this report has been carried out in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2004) prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

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