



ASX Release

14 March 2017

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Chairman

Geoff Gilmour
Managing Director

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Despatch of Rights Issue Offer Document

Rift Valley Resources Limited (“Rift Valley” or “Company”) is pleased to advise that the Rights Issue Offer Document along with a personalised Entitlement and Acceptance Form has been despatched to Eligible Shareholders today.

The Rights Issue Offer Document has also been announced on the ASX today.

As previously advised, the Offer closes on 23 March 2017 at 5pm (WST).

ENDS

For further information, please contact:

Mr Scott Mison
Company Secretary
smison@riftvalleyresources.com.au



Rift Valley Resources Limited
ACN 121 985 395

OFFER DOCUMENT

FOR

**NON-RENOUNCEABLE
PRO-RATA RIGHTS ISSUE**

**A 1 FOR 7 NON-RENOUNCEABLE PRO RATA RIGHTS ISSUE OF NEW SHARES AT
\$0.025 PER NEW SHARE TO RAISE APPROXIMATELY \$2.264 MILLION**

The Offer is not underwritten.

Important Notice

This Offer Document is not a prospectus and it does not contain all of the information an investor would find in a prospectus, or which may be required to make an informed decision regarding or about the rights attaching to, the New Shares offered by this Offer Document.

This Offer Document is important and should be read in its entirety. If you do not understand the contents of this Offer Document you should obtain professional investment advice before deciding whether to apply for New Shares.

Any investment in the Company should be considered as speculative.

**THIS RIGHTS ISSUE OPENS ON 14 MARCH 2017 AND CLOSSES AT 5.00PM WST ON
23 MARCH 2017
(UNLESS EXTENDED BY NOTICE TO THE ASX)**

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Important Information

No person is authorised to give any information or to make any representation in connection with the Offer that is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) that relates to rights issues by certain entities that do not require the provision of a prospectus or a product disclosure document.

Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to the ASX and consult their professional advisers before deciding whether to apply for New Shares. Announcements made by the Company to the ASX are available from the ASX website www.asx.com.au (ASX:RVY).

The information in this Offer Document does not constitute a securities recommendation or financial product advice.

This Offer Document is dated 14 March 2017. Capitalised terms in this Offer Document are defined in section 5.

Eligibility

Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's entitlement to participate in the Offer.

Overseas shareholders

No action has been taken to permit the offer of New Shares under this Offer Document in any jurisdiction other than Australia and New Zealand. The distribution of this Offer Document in jurisdictions outside Australia or New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

This Offer Document does not constitute an offer of New Shares in any jurisdiction other than Australia and New Zealand.

Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Letter to Shareholders

14 March 2017

Dear Shareholder

Non-Renounceable Rights Issue

The Board of Rift Valley Resources Limited is pleased to offer all Eligible Shareholders an opportunity to acquire additional Shares in the Company by participating in the Rights Issue. Details of the Rights Issue are set out in the accompanying materials and you should read these in their entirety before deciding whether to participate.

The key points of the Rights Issue are as follows:

- Eligible Shareholders are able to acquire additional Shares via a non-renounceable Rights Issue on the basis of 1 (one) New Share for every 7 (seven) Shares held at the Record Date of 5.00pm WST on 9 March 2017.
- All New Shares under the Rights Issue will be issued at \$0.025 per New Share.

New Shares allotted under the Rights Issue will rank equally with existing fully paid ordinary shares.

The Offer is not underwritten. Any Shortfall Shares will be placed by the Directors at their discretion subject to compliance with the Corporations Act and the Listing Rules.

The Company is seeking to raise approximately \$2.264 million (before costs of the fundraising) as a result of the Rights Issue and the issue of any Shortfall Shares.

The Company intends to use the funds raised under the Rights Issue to fund further exploration at its Ozango Project in Angola, meet various financial commitments in relation to its assets in Tanzania (such as tenement fees and government charges) and for general working capital purposes.

The timetable for the Rights Issue is set out under section 1.3 of the Offer Document.

To participate in the Rights Issue you must either:

- submit your payment using BPAY® so that it is received **before 5.00pm AEDT on 23 March 2017**; or
- complete and return your personalised Entitlement and Acceptance Form attaching either a cheque or bank draft and mail or deliver it so that it is received by our Share Registry **before 5.00pm WST on 23 March 2017**.

The Directors encourage you to consider the Offer carefully. If you are unsure about any aspects of the Offer you should consult your financial adviser.

Thank you for your continuing support as a shareholder of Rift Valley Resources Limited.

Yours faithfully



Geoff Gilmour
Managing Director

1 Details of the Offer

1.1. The Offer

The Company is making a non-renounceable pro rata offer of New Shares at an issue price of \$0.025 each on the basis of 1 (one) New Share for every 7 (seven) Shares held on the Record Date with any fractional entitlements rounded down.

The offer is not underwritten.

As at the date of this Offer Document, the Company has 633,978,280 Shares on issue. The number of New Shares to be issued under the Offer, if fully subscribed, will be 90,568,325 (assuming that none of the Options are exercised prior to the Record Date).

The Company also has 107,855,000 Options and 4,350,000 performance rights on issue. The Options carry no entitlement to participate in the Offer unless exercised prior to the Record Date. The performance rights also carry no entitlement to participate in the Offer as the vesting conditions for those securities will not be satisfied before the Record Date.

Further information on the capital structure of the Company, including the capital structure of the Company following completion of the Rights Issue is set out in section 3.

1.2. Use of Funds

The Company seeks to raise approximately \$2.264 million under the Offer (before costs of the fundraising) and the Company intends to use the funds raised from the Offer:

- to fund further exploration work at the Company's Ozango Project in Angola;
- to meet various financial commitments on its assets in Tanzania (such as tenement fees and government charges); and
- for general working capital purposes.

If all Eligible Shareholders take up their full entitlement, the Company will be in a position to carry out further exploration at the Company's Ozango Project in Angola and meet upcoming financial commitments on its assets in Tanzania (such as tenement fees and government charges). The Company will also have funds available for general working capital purposes.

The Offer is not underwritten. If all Eligible Shareholders do not take up their full entitlement and it is not possible to place the entire Shortfall then the Company will raise less than \$2.264 million under the Rights Issue. In this case, it is intended that the gross proceeds actually received under the Rights Issue will be applied firstly, towards meeting the costs of the Offer and secondly, towards exploration at the Company's Ozango Project in Angola to the extent possible.

The Company does not seek to raise a minimum amount under the Rights Issue. If insufficient funds are raised to meet the expenses of the Rights Issue, then the Company is able to use its existing working capital to meet the expenses of the Rights Issue.

1.3. Timetable

The following are key dates relating to the Offer.

Activity	Date**
Rights Issue announced via ASX	6 March 2017
Shares trade 'ex' entitlements	8 March 2017
Record Date (date for determining entitlements of Eligible Shareholders to participate in the Offer)	5.00pm WST on 9 March 2017
Opening Date	14 March 2017
Offer Document and Entitlement & Acceptance Form sent to Eligible Shareholders	
Closing Date*	5.00pm WST on 23 March 2017
New Shares quoted on a Deferred Settlement basis	24 March 2017
Company to notify ASX of under-subscriptions (if any)	28 March 2017
Allotment and issue of New Shares	30 March 2017
Deferred Settlement trading ends	30 March 2017
Normal trading (T+2) commences on ASX	31 March 2017

*Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

**All dates are indicative only and subject to change.

1.4. Minimum subscription

There is no minimum subscription for the Company to raise under the Offer.

1.5. New Shares

The New Shares will be fully paid ordinary shares and will rank equally in all respects from the date of allotment with the Shares already on issue in the Company.

The issue price of \$0.025 per New Share is payable in full by Eligible Shareholders on acceptance of the Offer. All payments must be rounded up to the nearest whole cent.

1.6. Entitlement and Acceptance

The entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Document. There is no obligation on Eligible Shareholders to participate in the Offer. Eligible Shareholders may accept their entitlement in full or in part or not at all. Eligible Shareholders should refer to Section 2 and the Entitlement and Acceptance Form for further instructions.

1.7. Shortfall Shares

The Company and the Directors reserve the right to place any Shortfall Shares, at the discretion of the Directors, subject to compliance with the Listing Rules and the Corporations Act.

1.8. No rights trading

The Offer is made on a non-renounceable basis. Therefore Eligible Shareholders may not renounce, sell, transfer or deal with all or any part of their entitlement to New Shares under the Offer that they do not wish to accept.

If you do not take up your entitlement to New Shares under the Offer by the Closing Date, the Offer will lapse, your shareholding in the Company will be diluted and any Shortfall may be placed by the Directors. The extent of any dilution will depend on the participation of other Eligible Shareholders and the allocation of the Shortfall Shares.

1.9. Opening Date and Closing Date

The Rights Issue will open for receipt of acceptances on 14 March 2017.

The Company will accept Applications until 5.00pm WST on the Closing Date (23 March 2017) or such later date as the Directors in their absolute discretion shall determine, subject to the Listing Rules. Please note that payment made by BPAY® must be received before 5.00pm AEDT on the Closing Date and you should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment. It is your responsibility to ensure that funds submitted through BPAY® are received before 5.00pm AEDT on the Closing Date.

1.10. Withdrawal of Rights Issue

The Company reserves the right to not proceed with the Rights Issue at any time before the issue of the New Shares to Eligible Shareholders. If the Rights Issue does not proceed, the Company will return all application monies as soon as practicable after giving notice of its withdrawal, without interest.

1.11. Issue and Dispatch

The expected dates for issue of New Shares offered by this Offer Document and dispatch of holding statements is expected to occur on the dates specified in the timetable set out in section 1.3. It is the responsibility of Applicants to determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

1.12. ASX Listing

Application will be made to the ASX for the official quotation of the New Shares. If the ASX does not grant quotation to the New Shares, the Company will repay all application monies received pursuant to the Offer, without interest, as soon as practicable after the Closing Date.

1.13. CHESS

The Company participates in the Clearing House Electronic Subregister System (CHESS) operated through ASX. Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are registered in the issuer sponsored subregister, your statement will be dispatched by the Company's Share Registry and will contain the number of New Shares issued to you under this Offer Document and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. Shareholders may request a statement at any other time, however there may be a charge associated with the provision of this service.

1.14. Ineligible Shareholders

This Offer is not being extended (and accordingly, Entitlement and Acceptance Forms will not be sent) to Shareholders with registered addresses outside Australia or New Zealand. The Company has decided that it is unreasonable to make the Offer to Shareholders outside Australia and New Zealand having regard to:

- the small number of Shareholders with addresses outside these countries;
- the small number and value of the Shares they hold; and
- the cost of complying with the legal requirements and the requirements of the regulatory authorities in each of the countries concerned.

No action has been taken to register or qualify the Offer Document and Entitlement and Acceptance Form, the Rights Issue, or the New Shares or to otherwise permit a public offering of the New Shares in any jurisdiction outside of Australia or New Zealand.

The Offer Document and accompanying Entitlement and Acceptance Form do not, nor are they intended to, constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

1.15. Nominees and custodians

The Company is not required to determine whether or not any registered holder or investor is acting as nominee or custodian or the identity or residence of any beneficial owners of existing Shares. Where any person is acting as a nominee or custodian for a person outside of Australia or New Zealand, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Offer by the beneficiary complies with applicable foreign laws. The Company is not able to advise on foreign laws.

Nominees and custodians should refer to the representations and warranties they will be taken to have given regarding compliance with foreign securities laws by returning a completed Entitlement and Acceptance Form, as described in section 2.4. Shareholders who are nominees or custodians are advised to seek professional advice if they are in doubt as to how to proceed.

1.16. Taxation Implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its officers and its advisers do not accept any responsibility or liability for any such taxation consequences to Shareholders. Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

1.17. Risk Factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in quoted securities, there are specific risks associated with an investment in the Company that are described in section 4.

1.18. Enquiries

Enquiries concerning the Entitlement and Acceptance Form can be directed to the Company's Share Registry, by telephone on 1300 737 760 (in Australia) or +61 2 9290 9600 (outside Australia).

Enquiries relating to this Offer Document should be directed to Mr Scott Mison, Company Secretary, by telephone on + 61 8 9221 0090.

2. Action Required by Shareholders

2.1. To Accept Your Entitlement

Eligible Shareholders who wish to accept all of their entitlement under this Offer Document may pay by either BPAY®, cheque or bank draft. Each payment method is described in turn below.

Payment by BPAY®

If you wish to pay using BPAY®, there is no requirement for the Entitlement and Acceptance Form to be returned. You can simply make a payment for the number of New Shares you wish to apply for using the Rift Valley Resources Ltd Biller Code and your personalised Reference Number which can be found on your Entitlement and Acceptance Form. All payments must be rounded up to the nearest whole cent.

Instructions regarding making a payment by BPAY® are also set out on the Entitlement and Acceptance Form. Please note that payment made by BPAY® must be received before 5.00pm AEDT on the Closing Date and you should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment. It is your responsibility to ensure that funds submitted through BPAY® are received before 5.00pm AEDT on the Closing Date.

Payment by cheque/bank draft

If you do not wish to pay using BPAY®, your completed Entitlement and Acceptance Form must be accompanied by a cheque or bank draft in Australian dollars for the application monies, crossed "Not Negotiable" and made payable to "Rift Valley Resources Limited" and lodged at any time after the Opening Date and on or before 5.00pm WST on the Closing Date at the Company's Share Registry, Boardroom Pty Limited (by delivery or by post) using the details set out below.

All payments must be rounded up to the nearest whole cent.

By post:

Boardroom Pty Limited
GPO BOX 3993
Sydney NSW 2001, Australia

By delivery

Boardroom Pty Limited
Grosvenor Place
Level 12, 225 George Street
Sydney NSW 2000, Australia

2.2. To Accept Part of Your Entitlement

To accept your entitlement you must complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of New Shares you wish to accept and the application monies (calculated at \$0.025 per New Share accepted), and attach a cheque for the appropriate application monies. Send the Entitlement and Acceptance Form and cheque to the Share Registry by the Closing Date per section 2.1 above.

If payment is made using BPAY®, Shareholders must pay the appropriate application monies (calculated at \$0.025 per New Share accepted) as set out in section 2.1 above. There is no requirement for the Entitlement and Acceptance Form to be returned.

All payments must be rounded up to the nearest whole cent.

2.3. Entitlement Not Taken Up

If you do not wish to accept any of your entitlement you are not obliged to do anything. The number of Shares you currently hold and the rights attaching to those Shares will not be affected. However, your

shareholding in the Company will be diluted with the subsequent issue of the New Shares. All entitlements not accepted will form part of the Shortfall which will be dealt with at the discretion of the Directors (refer to section 1.7).

2.4. Effect of Participating in the Offer

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, or otherwise applying to participate in the Offer, you will be deemed to have represented to the Company that you are an Eligible Shareholder and:

- (a) declare that:
 - (i) all details and statements made in the personalised Entitlement and Acceptance Form are complete and accurate;
 - (ii) you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Offer;
 - (iii) you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance form as being held by you on the Record Date;
- (b) acknowledge that:
 - (i) this Offer Document is not a prospectus, and it does not contain all of the information an investor would find in a prospectus, or which may be required to make an informed decision regarding or about the rights attaching to, the New Shares offered by this Offer Document;
 - (ii) once the Company receives the Entitlement and Acceptance Form with the requisite application monies or your payment by BPAY®, you may not withdraw it except as allowed by law;
 - (iii) you have read and understood this Offer Document and the personalised Entitlement and Acceptance Form in their entirety;
 - (iv) the information contained in this Offer Document is not investment advice or a recommendation that the New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
 - (v) acknowledge the statement of risks in the “Risks Factors” included in section 4;
 - (vi) that investment in the Company is subject to risks;
- (c) agree to:
 - (i) apply for, and be issued with up to, the number of New Shares that you apply for at the issue price of \$0.025 per New Share; and
 - (ii) be bound by the terms of this Offer Document and the provisions of the Company’s constitution;
- (d) authorise the Company to register you as the holder of New Shares and authorise the Company and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instruction of the Share Registry by using the contact details set out in the personalised Entitlement and Acceptance Form;
- (e) authorise the Company to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (f) represent and warrant that the laws of any place (other than Australia or New Zealand) do not prohibit you from being given this Offer Document or making an Application for New Shares;

- (g) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Offer Document, the Entitlement and Acceptance Form or any information relating to the Offer to any such person and that participation by each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is not contrary to any applicable law; and
- (h) will be treated as having represented and warranted:
 - (i) that you are not in the United States and are not applying for New Shares on behalf of, or for the account or benefit of, a person in the United States;
 - (ii) that you and each person on whose account you are acting are not engaged in the business of distributing securities; and
 - (iii) that you and each person on whose account you are acting have not and will not send any materials relating to the Offer, including this Offer Document and the Entitlement and Acceptance Form, to any person that is in the United States or that is acting for the account or benefit of a person in the United States.

3. Effect of the Offer on the Company

3.1. Company structure

The following table shows the current capital structure of the Company at the date of this Offer Document.

Securities on issue at the date of this Offer Document	Number
Total Shares	633,978,280
Total Options*	107,855,000
Total performance rights**	4,350,000

* 45,355,000 Options exercisable at \$0.06, expiring on 27 July 2018
 32,500,000 Options exercisable at \$0.035, expiring on 5 May 2018
 5,000,000 Options exercisable at \$0.04, expiring on 2 November 2019
 5,000,000 Options exercisable at \$0.06, expiring on 2 November 2019
 20,000,000 Options exercisable at \$0.035, expiring on 18 November 2018
 The Options carry no entitlement to participate in the Offer unless exercised prior to the Record Date.

** The performance rights carry no entitlement to participate in the Offer as the vesting conditions for those securities will not be satisfied before the Record Date.

3.1. Principal effects of the Offer on the Company

The principal effects of the Offer are as follows (assuming that the maximum number of New Shares are issued):

- The Company will issue 90,568,325 New Shares and the total number of Shares on issue will increase to 724,546,605.
- The Offer will increase the Company's cash reserves by approximately \$2.264 million (before costs).
- The Offer will not affect the number of Options or performance rights on issue.

The following table shows the proposed capital structure of the Company at completion of the Offer (assuming the maximum number of New Shares are issued).

Shares	Number
Total Shares on issue as at the date of this Offer Document	633,978,280
<i>Plus</i> maximum number of New Shares to be issued under the Offer	90,568,325
Total Shares on issue at completion of the Offer	724,546,605

3.2. Effect for Shareholders

To the extent that any Eligible Shareholder fails to take up their entitlement under the Offer, that Eligible Shareholder's percentage holding in the Company's Shares will be diluted by the issue of New Shares under the Offer.

New Shares not taken up by Eligible Shareholders will be placed by the Directors as referred to in section 1.7.

3.3. Control

The effect that the issue of New Shares under the Offer will have on the control of the Company, and the consequences of that effect, will depend upon a number of factors, including the level of Shareholder participation in the Offer.

So far as the Company is aware and based on substantial holding notices that have been lodged prior to the date of this Offer Document, there are no Shareholders with voting power of 20% or more in the Company.

Accordingly, the Company does not expect the Offer to give rise to any material effect on the control of the Company and the Directors will not offer any Shortfall Shares to investors that would result in those investors having voting power of 20% or more in the Company.

To the extent that any Eligible Shareholder fails to take up its entitlement under the Offer, that Eligible Shareholder's percentage holding in Shares will be diluted by the issue of the New Shares under the Offer.

3.4. Effect on the Company's financial position

The Offer will increase the Company's cash by an amount equal to the net proceeds of the Offer (assuming that all New Shares have been issued).

The costs and expenses of the Offer are expected to amount to approximately \$35,000.

An unaudited pro-forma consolidated statement of financial position of the Company and its subsidiaries (**RVY Group**) after completion of the Offer prepared on the basis of the accounts of the RVY Group as at 31 December 2016 is set out below.

	31 December 2016 A\$	Proforma adjustments	Proforma as at 31 December 2016 A\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	673,593	2,229,208	3,132,009
Trade and other receivables	57,335		57,335
Deposits	32,185		32,185
Prepayments	20,563		20,563
Available-for-sale financial assets	-		-
TOTAL CURRENT ASSETS	783,676	2,229,208	3,012,884
NON-CURRENT ASSETS			
Property, plant and equipment	113,661		113,661
Exploration and evaluation expenditure	16,559,630		16,559,630
TOTAL NON-CURRENT ASSETS	16,673,291		16,673,291
TOTAL ASSETS	17,456,966	2,229,208	19,686,174
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	370,126		370,126
TOTAL CURRENT LIABILITIES	370,126		370,126
TOTAL LIABILITIES	370,126		370,126
NET ASSETS	17,086,842		19,316,048
EQUITY			
Issued capital	37,244,284	2,229,208	39,473,492
Reserves	4,558,791		4,558,791
Accumulated losses	(24,716,234)		(24,716,234)
TOTAL EQUITY	17,086,842	2,229,208	19,316,048

4. Risk Factors

The New Shares offered under this Offer Document are considered speculative. The Directors strongly recommend Eligible Shareholders examine the contents of this Offer Document and ASX releases and consult their professional advisers before deciding whether to apply for the New Shares pursuant to this Offer. Eligible Shareholders should be aware there are risks associated with investment in the Company, many of which are largely beyond the control of the Company and its Directors because of the nature of the business of the Company. The following summary, which is not exhaustive, represents some of the major risk factors that Eligible Shareholders need to be aware of.

4.1. General Risks

The Company's activities are subject to a number of risks that may impact respective future financial performance and the market price at which New Shares trade. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, others are outside the Company's control and cannot be mitigated. Therefore, investors who acquire New Shares may be exposed to a number of risks. Broadly, these risks can be classified as risks general to investing in the share market and risks specific to an investment in Shares and the Company's underlying business.

This section sets out the identified major risks associated with investing in the New Shares. This list is not exhaustive and investors should read this Offer Document in its entirety before making an investment decision. Investors should also have regard to their own investment objectives and financial circumstances, and should consider seeking appropriate independent investment advice before deciding whether to invest in the New Shares.

4.2 Risks specific to an investment in the Company

The business of minerals exploration, project development and production involves risks by its very nature. It depends on the successful exploration, appraisal and development of commercially viable deposits.

Exploration

The Company is in the exploration phase with the aim of producing in the future. The activities may be affected by a variety of issues, including but not limited to:

- (a) force majeure circumstances, including workforce disputes and accidents;
- (b) adverse geological conditions, including technical difficulties in exploration activities;
- (c) resource estimates are judgements based on industry knowledge, practice and experience. Changes in resource estimates may adversely affect the Company's operations;
- (d) failure of equipment during exploration;
- (e) changes in the price and / or supply of goods and services, capital equipment and labour; and
- (f) weather conditions affecting activities.

Production Risks

- (a) force majeure circumstances, including workforce disputes and accidents;
- (b) failure of equipment during production;
- (c) changes in the price and / or supply of goods and services, capital equipment and labour; and
- (d) weather conditions affecting activities.

Exploration and Appraisal Expenditure

Exploration and appraisal is a process subject to unforeseen contingencies. Exploration programs must be flexible enough to respond to the results obtained.

Financial failure, or default by any future alliance or joint venture partner of the Company, may require the Company to face unplanned expenditure or risk forfeiting relevant tenements.

Investment and Economic Risk

Economic factors both in Australia and internationally beyond the control of the Company, such as changes in commodity prices, interest rates, inflation, exchange rates, taxation, changes in government policy and legislation, may negatively impact on the operational performance of the Company.

The Company's revenues, expenses and cash flows could be negatively affected by any of these factors, which in turn may affect the price of the New Shares.

No assurances can be made that the Company's performance will not be adversely affected by any such market fluctuations or factors. None of Company or its Directors or any other person guarantees the performance of the Company or the market price at which its shares trade.

The New Shares are to be quoted on ASX where their price may rise or fall.

The New Shares issued under the Rights Issue carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. The value of the New Shares will be determined by the share market and will be subject to a range of factors beyond the control of the Company and its Directors including the demand and availability of Shares.

There can be no guarantee that an active market in New Shares will develop or the market price of the shares will not decline. An investment in New Shares should be considered speculative.

Government Policy, Sovereign Risk

The Company's projects are all located in Tanzania and Angola. The Company's capacity to explore and mine, as well as industry profitability generally, can be affected by changes in government policy or by government actions or decisions in Tanzania and Angola that may be beyond the control of the Company.

Future capital needs and additional funding

The future capital requirements of the Company will depend on many factors. There can be no guarantee that the Company will be able to raise additional capital to meet future funding requirements.

Any inability to obtain additional finance, if required, would have a material adverse effect on the Company's business and its financial condition and performance.

Taxation risk

Variations in the taxation laws of Australia and other countries where the Company operates could impact the Company's financial performance and interpretation of taxation law could change, leading to a change in taxation treatment of investments or activities.

Changes in regulatory environment

Changes to laws and regulations or accounting standards that apply to the Company from time to time could adversely impact the operating and financial performance and cash flows of the Company.

Funding

Unless and until the Company develops or acquires income producing assets, it will be dependent upon the funds raised by this Offer, and its ability to obtain future equity or debt funding to support exploration evaluation and development of the properties in which it has an interest. The Company's ability to raise further equity or debt or to divest part of its interest in a project, and the terms of such transactions, will vary according to a number of factors, including the success of exploration results and the future development of the Company's projects, stock market conditions and prices for its commodities in world markets.

Key Personnel

The ability of the Company to achieve its objectives depends on the retention of a suitably experienced

Board and key external contractors who constitute its technical panel and provide technical expertise. If the Company cannot retain suitably qualified and experienced Directors or secure external technical expertise (for example to carry out drilling) or if the services of the present Board or technical panel cease to become available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the timeframes and the budget the Company has decided upon.

Whilst the ability of the Company to achieve its objectives may be affected by the matters mentioned above, the Directors believe that appropriately skilled and experienced professionals would be available to provide services to the Company at market levels of remuneration in the event that current key Directors or external contractors cease to be available.

Volatility in the market price of Shares

Although the Company is listed on the ASX, there is no assurance that an active trading market for its Shares will be sustained. There is also no assurance that the market price for the Shares will not decline below the issue price. The market price of the Shares could be subject to significant fluctuations due to various external factors and events, including the liquidity of the Shares in the market, any difference between the Company's actual financial or operating results and broader market-wide fluctuations. Furthermore, any stock market volatility and weakness could result in the market price of the Shares decreasing so that they trade at prices significantly below the issue price, without regard to the Company's operating performance.

Negative publicity may adversely affect the Share Price

Any negative publicity or announcement relating to any of our substantial shareholders or key personnel may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of this negative publicity or announcement may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions.

Insurance Risks

The Company maintains insurance coverage that is substantially consistent with exploration industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

5. Defined Terms

"**AEDT**" means Australian Eastern Daylight Time;

"**Applicant**" refers to a person who submits an Entitlement and Acceptance Form;

"**Application**" refers to the submission of an Entitlement and Acceptance Form;

"**ASX**" means ASX Limited or, where the context permits, the Australian Securities' Exchange operated by ASX Limited;

"**Board**" means the Board of Directors of the Company;

"**Closing Date**" means 5.00pm WST on 23 March 2017 (unless extended in accordance with the Listing Rules);

"**Company**" means Rift Valley Resources Limited ACN 121 985 395;

"**Corporations Act**" means the *Corporations Act 2001* (Cth);

"**Directors**" mean the directors of the Company;

"**Eligible Shareholder**" means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date with an address in Australia or New Zealand;

"**Entitlement and Acceptance Form**" means the Entitlement and Acceptance Form accompanying this Offer Document;

"**Listing Rules**" mean the Listing Rules of the ASX;

"**New Share**" means a new Share proposed to be issued pursuant to this Offer;

"**Offer**" or "**Rights Issue**" means the non-renounceable pro rata offer of New Shares at an issue price of \$0.025 each on the basis of 1 (one) New Share for every 7 (seven) Shares held on the Record Date pursuant to this Offer Document;

"**Offer Document**" means this document dated 14 March 2017;

"**Opening Date**" means 14 March 2017;

"**Option**" means an unlisted option to subscribe for a Share;

"**Record Date**" means 5.00pm WST on 9 March 2017;

"**Share**" means an ordinary fully paid share in the capital of the Company;

"**Share Registry**" means Boardroom Pty Limited, Grosvenor Place, Level 12, 225 George Street, Sydney NSW 2000, Australia;

"**Shareholder**" means a holder of Shares;

"**Shortfall**" or "**Shortfall Shares**" means those New Shares for which valid Applications have not been received by the Closing Date under the Offer; and

"**WST**" means Western Standard Time.

CORPORATE DIRECTORY

Directors

Stephen Dobson, Chairman
Geoffrey Gilmour, Managing Director
Greg Cunnold, Director
Akram Aziz, Director

Share Registry

Boardroom Pty Ltd
Grosvenor Place
Level 12, 225 George Street
Sydney NSW 2000, Australia
Telephone (in Australia): 1300 737 760
Telephone (international): +61292909600

Company Secretary

Scott Mison

Registered / Business Office

Ground Floor
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West Perth WA 6005
Australia
Telephone: +61 8 9221 0090
Facsimile: +61 8 9221 0095
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Web: www.riftvalleyresources.com.au

Solicitors

Johnson Winter & Slattery
Level 4, Westralia Plaza
167 St Georges Terrace
Perth WA 6000
Australia

Stock Exchange Listing

Australian Securities Exchange
ASX Code "RVY"