



## NEWS RELEASE

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### **Riversdale Alaska Top Bidder, Offering \$3 Million for Mat-Su Coal Lease** *Development Could Produce Long-Term Revenue for Mental Health Programs*

ANCHORAGE (January 5, 2012) – The Trust Land Office (TLO), on behalf of the Alaska Mental Health Trust Authority, today announced Riversdale Alaska LLC is the apparent high bidder for 9,927.60 acres of potential coal-bearing lands in the Mat-Su Valley. Riversdale submitted a bonus bid totaling \$3 million.

The single tract near Chickaloon is believed to contain high-quality, low-sulfur bituminous coal. Riversdale will need to secure an exploration permit from the Department of Natural Resources in order to evaluate the geology and determine if any of the coal resources can be mined.

Riversdale's bonus bid, rental payments and royalties from any future mining on the land will fund programs and services for Alaska Mental Health Trust beneficiaries, who include people with mental illness, developmental disabilities, chronic alcoholism and other substance-related disorders, Alzheimer's disease and related dementia, and traumatic head injuries that result in brain injury.

Riversdale Alaska LLC is a wholly-owned subsidiary of Australian Riversdale Resources Pty Ltd. Riversdale management were previously involved in the development of the Benga Coal Project, an anthracite coal mine in Mozambique, that was purchased by Rio Tinto Ltd for A\$ 4.0 billion in late 2010.

In addition to Riversdale, the TLO received bids from Usibelli Coal Mine, Inc., Alaska Mining and Energy Co., and Arctic Coal LLC for The Trust's coal holdings in the historic Chickaloon coal mining area.

Annual rent for this lease offering is \$4 per acre per year, adjusted in five-year intervals. The Trust will receive a royalty of 5 percent of the gross value of any coal mined and sold from the land. The goal for issuing any coal or mineral lease by the TLO on Trust land is to obtain royalty payments for the value of the resource and to provide a long-term revenue stream for beneficiary programs.

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About the Alaska Mental Health Trust Authority (The Trust):

The Trust ([www.mhtrust.org](http://www.mhtrust.org)) is a state corporation that administers the Alaska Mental Health Trust, a perpetual trust managed on behalf of people with mental illness, developmental disabilities, chronic alcoholism and other substance-related disorders, Alzheimer's disease and related dementia, and traumatic brain injury. The Trust operates like a private foundation, using its resources to ensure that Alaska has a comprehensive integrated mental health program. Established in 1994 by the Alaska Legislature with one million acres of land and \$200 million in cash, The Trust is managed by a seven-member Board of Trustees. Since its inception Trust cash assets have grown to approximately \$480 million. Trustees annually budget approximately \$26 million to support services and programs for Trust beneficiaries.

About the Mental Health Trust Land Office (TLO):

The TLO ([www.mhtrustland.org](http://www.mhtrustland.org)) is a unit of the Alaska Department of Natural Resources and manages land and other natural resources on behalf of the Alaska Mental Health Trust Authority. Revenue-generating uses of Trust land include leasing and sales of land; real estate development; commercial timber sales; mineral exploration and production; coal, oil and gas exploration and development; and sand, gravel and rock sales.