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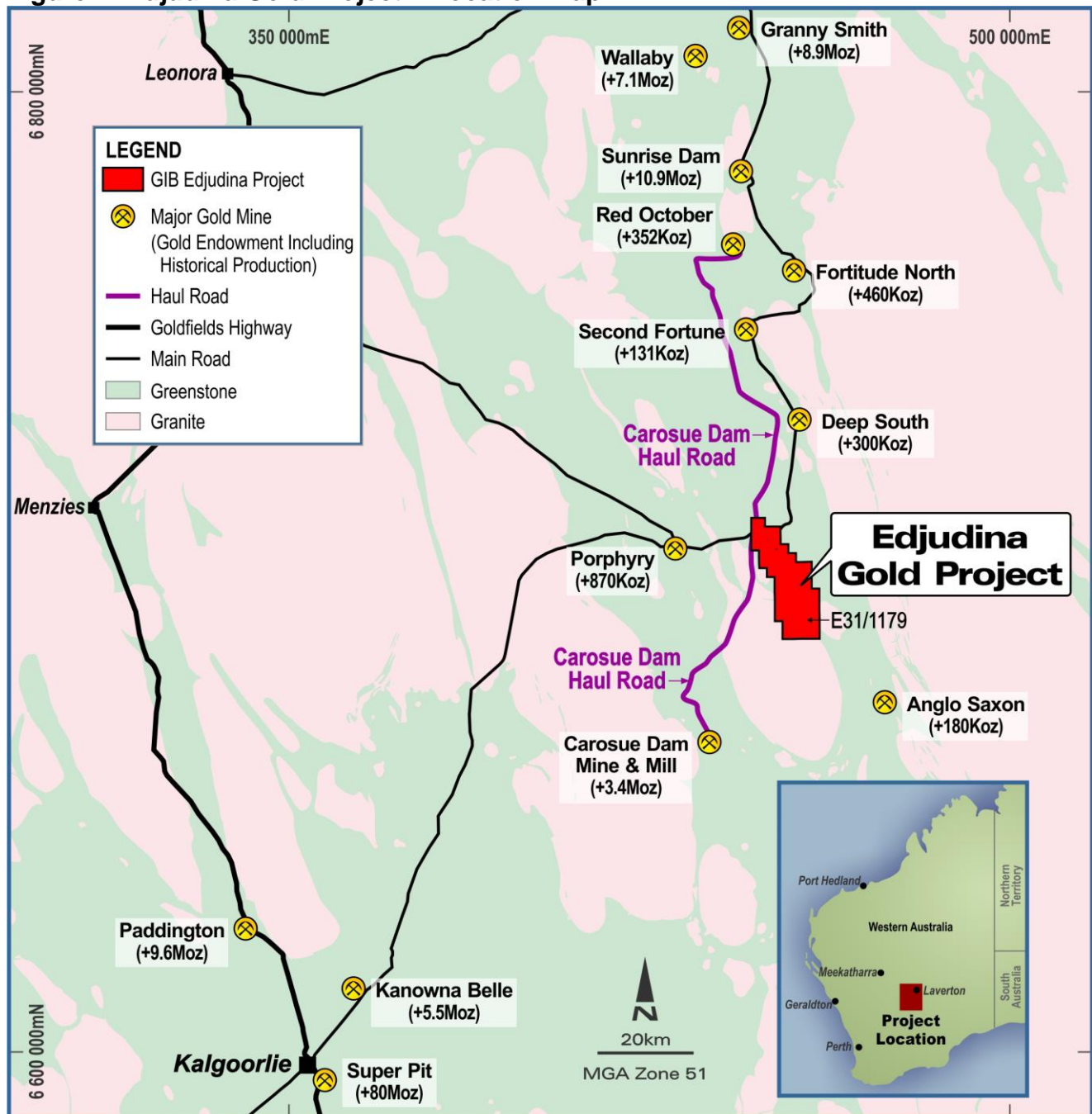
GIB Acquires Option to Purchase the Historic and High Grade Edjudina Gold Project in the Eastern Goldfields of WA

- GIB has acquired an Option to purchase the historic and high grade Edjudina Gold Project in the heart of the Eastern Goldfields of WA
- The Option covers 100% of granted tenement E31/1179, with no private royalties included in the deal. The Option term is for six months and cost \$110,000 plus GST. The Seller of the Option is Nexus Minerals Limited (ASX: 'NXM')
- The Edjudina Goldfield comprises multiple parallel lines of nearly continuous historic gold workings over 13km in which high grade veins have been worked. Two excised areas comprising 2.7km of the line of workings are owned by separate parties and are not included in this acquisition which covers 79% of the historic Edjudina Goldfield
- Historic production figures for the entire Edjudina field (up to 1921) are 39,476 ounces of gold at a grade of 41.0g/t, indicating the high grade tenor of the field. GIB believes the field is highly prospective for high grade gold vein targets with further potential for bulk tonnage open pit targets
- An active haul road runs directly through the project tenement to the Carosue Dam mill complex (operated by Saracen) 45km to the south west
- The company is currently assessing targets for an upcoming drilling program, further updates will follow
- The Option can be exercised for the issue of \$330,000 cash plus GST, 5,500,000 GIB shares and 5,500,000 GIB Options
- GIB will continue to progress its 100% owned Ellendale Diamond Project concurrently with the drilling and exploration of the Edjudina Gold Project

GIB Executive Chairman Jim Richards inspects some of the extensive historic workings at Edjudina which cover much of the 13km of strike



Figure 1: Edjudina Gold Project – Location Map



1.0 Introduction

Gibb River Diamonds Limited (‘GIB’ or the ‘Company’) is pleased to announce the acquisition of an Option to Purchase 100% of the high grade Edjudina Gold Project which covers tenement E31/1179 in the heart of the Eastern Goldfields of Western Australia.

The Edjudina Gold Project is 145km north east of Kalgoorlie and is accessible via a well maintained government gazetted laterite road which runs through the northerly end of the project tenement.

A haul road owned and operated by Saracen Gold Mines Pty Ltd (‘Saracen’) runs from the north of the project tenement directly to the Carosue Dam milling complex 45 km to the south-west (Figure 1).

2.0 Option and Acquisition Terms

The Edjudina Gold Project consists of tenement E31/1179 (146.0km²) which was granted on 7 March 2019. The tenement is currently owned 90% by Nexus Mt Celia Pty Ltd a subsidiary of Nexus Minerals Limited (ASX: 'NXM') and 10% by Cocksrocks Pty Ltd (Cocksrocks') a private group. These entities are collectively known as the 'Vendors'.

2.1 Option Fee and Period

A payment has been made by GIB to the Vendors of \$110,000 cash (Option Fee) to purchase the six month exclusive and unconditional Option to acquire 100% of E31/1179 (the 'Edjudina Gold Project'). The Option is effective as of 15 July 2020 (the Commencement Date).

2.2 Exercise of Option

For GIB to exercise the option at any time within six months of the Commencement Date, GIB will pay and issue to the Vendors:

- \$330,000 in cash
- 5,500,000 GIB shares
- 5,500,000 GIB Options

Shares would be escrowed for 12 months from the date of issue. Option terms are 9 cent strike with expiry on 28 November 2022.

Upon exercising the Option, GIB will acquire 100% of the Mineral Title E31/1179 which will then be transferred to GIB. The tenement is free of any private royalties. There are some historic tailings from previous treatment operations on E31/1179; NXM will retain the right to remove these tailings at any point up to two years from the exercise of the option.

3.0 Historical Production and Exploration

GIB is currently compiling a database of historic mining and exploration activity which will be reported more fully when drilling targets are released. A brief chronology is included below:

The main period of mining activity on the Edjudina line of workings (the 'Edjudina Line') occurred between 1897 and 1921.

The Government Geologist Andrew Gibb Maitland made the first documented description of the Edjudina Line in 1903 and this was followed up by reports in 1903 and 1905 by the State Government Mining Engineer, Alexander Montgomery. These reports described a number of private batteries being run on the Edjudina Line at this time, with some ore also carted to the nearby State Battery at Yarri.

A minor revival in mining took place from 1936-1939, which was curtailed by the start of World War 2.

In 1974-75 Australian Anglo American Ltd explored the Edjudina line, followed by United Nickel Exploration, Cambrian Exploration and Penzoil of Australia Ltd (1979-81).

In 1993 Pancontinental picked up the ground and conducted drilling operations, relinquishing the ground in 1995. Little exploration work was conducted over the next 14 years with the exception of Gutnick Resources who are reported as having completed some wide spaced drilling during this time, however a complete dataset for this work is still being sourced.

From 2010 to 2014 Coxsrocks Pty Ltd, a WA based private company, conducted a ground magnetic survey, auger soil geochemistry and limited aircore drilling.

The Edjudina Gold Project has been held by NXM from 2014 to present with one limited RC drilling program conducted in that time¹.

3.1 Historical Production

The historical production reported below covers the period 1898 to 1921, only limited production appears to have been achieved post 1921 and this is poorly documented. Of particular note is the exceptional grade of the historical production at 41.0 g/t Au.

There are hundreds of small, shallow prospecting and production pits dotted along the Edjudina Line. The majority of the deeper workings stop at the water table (approximately 34m).

The bulk of the historic production at Edjudina comes from the Paget area, which includes all of the areas north west of Perseverance on Figure 2. The main production shafts in the Paget area are Neta (122m deep), Geneve (34m deep); Senate (91m deep) and Gawler (122m deep). Of these, Neta and Gawler are on GIB optioned ground.

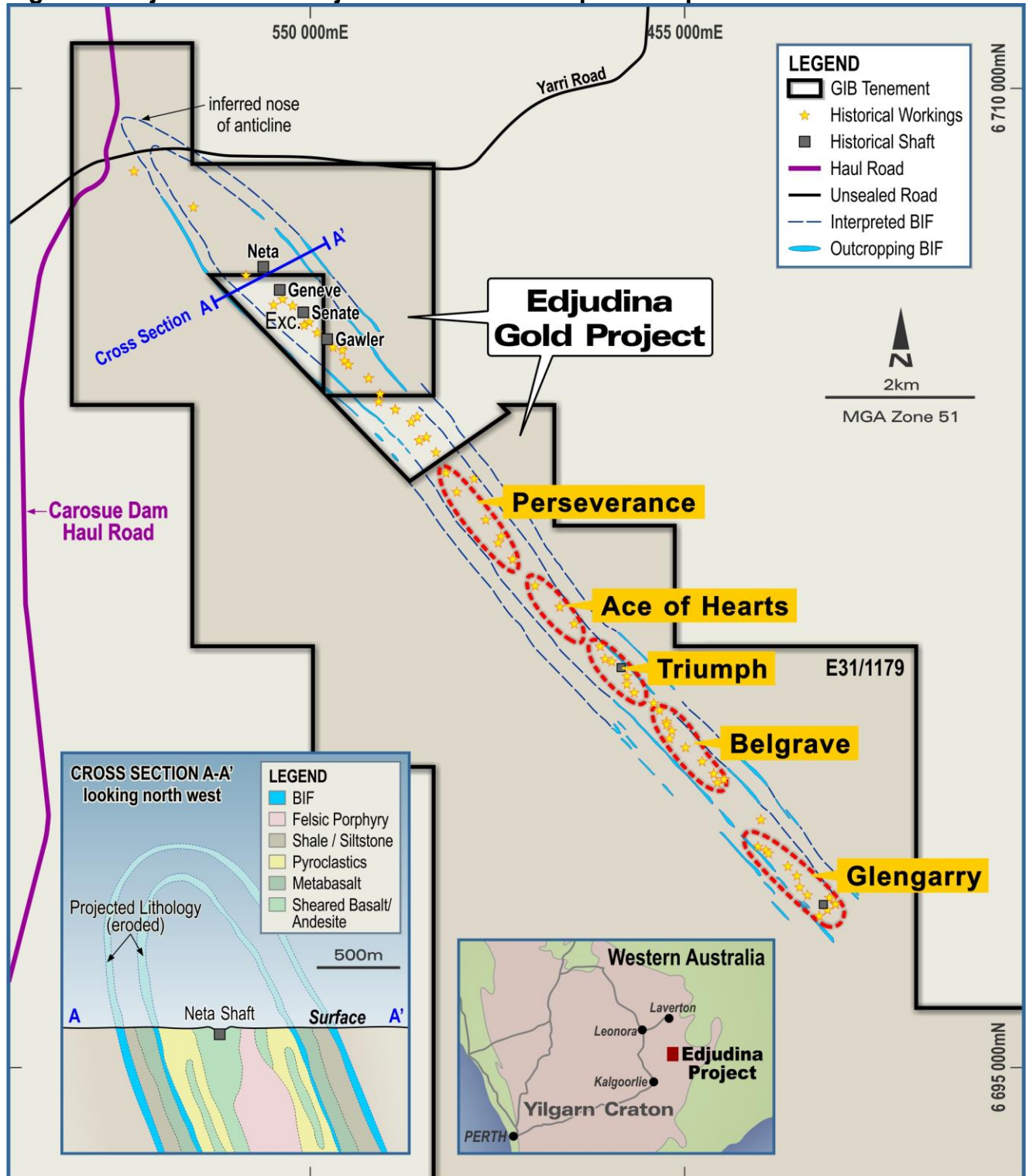
Table 1: Historic Gold Production from the Edjudina Line

Project Area	Ore Treated Tonnes	Grade g/t	Production Ounces Au
Paget Area ^A	21,818	47.2	33,094
Edjudina South Area ^B	8,102	24.5	6,382
Total	29,920	41.0	39,476

^A Some of the Paget area is on GIB optioned ground and some is held by two other parties. Two of the main producing shafts (Neta and Gawler) which are included in this historic Paget production data are on GIB optioned ground with other shafts including Geneve and Senate being on other parties ground (Figure 2). Due to the underground nature of the workings, it is unclear what production is attributable to which parties ground. This production data is from statistics obtained from the List of Cancelled Gold Mining Leases; WA Mines Department; 1954^{2&3}.

^B The Edjudina South area production figures include the Edjudina Line of workings from Perseverance running south east to Glengarry (Figure 2). All of this area is included in the GIB optioned ground. This data is from WAMEX report A23808⁴

Figure 2: Eududina Gold Project – Historical Prospects Map



4.0 Geology and Mineralisation

4.1 Host Rocks

The Edjudina line of workings (the 'Edjudina Line') host rocks (the 'mine sequence') consist of sheared intermediate volcanics or phyllonites and less sheared pyroclastics and volcanogenic sediments. Various late to post-deformation felsic porphyry dykes are intruded into these and show considerable strike continuity. This mine sequence is bounded to the east and west by thin Banded Iron Formation (BIF) horizons.

4.2 Structure

The mine sequence is located within an isoclinally folded anticline which plunges shallowly to the north west (Section A-A' on figure 2). At a prospect scale various minor faults can be mapped from intermittent surface exposure and through interpretation of the magnetic data. The general strike of the mine sequence is to the north west (145°) dipping steeply to the east (80°). A second phase of folding (F_2) is marked by a crenulation cleavage.

4.3 Mineralisation

Gold mineralisation occurs in parallel, mainly quartz-bearing veins which are conformable with the mine sequence. In parts, the quartz veining has been described as 'kidney reefs' due to the boudinage effect of structural deformation on the quartz veins. En-echelon veins, multiple vein systems and fault veins have also been reported. These various vein systems are currently being assessed for specific drill targeting.

4.4 Photos from the Edjudina Gold Project (GIB under option)



Triumph Line workings



Triumph Line workings



Costean workings



Typical shaft, partially collapsed due to argillic alteration



Typical shaft, near Triumph



Abandoned miners house near Neta Shaft

5.0 Lookahead

The primary aim at the Edjudina Gold Project is to conduct a maiden drilling program to test our best targets as quickly as possible so as to provide information for follow-up drilling. In order to achieve this, GIB has already conducted a field inspection of the project and a further trip is required to assess specific drill targets and for field sampling.

Several generations of exploration and mining information dating back to 1897 are also currently being compiled into a usable database.

The planned Edjudina Project exploration program timeline is:

	Activity	Date
1	Field inspection of project – due diligence	Completed
2	Acquisition of Option over E31/1179	Completed
3	Compile several generations of exploration and mining information into a usable database	Ongoing
4	Generate initial drill targets/field checking	Ongoing
5	Lodge Program of Works (POW) with DMIRS ^C for drilling permissions	July/August 2020
6	Maiden drill program commences (pending POW and rig availability)	August/September 2020
7	Assess maiden drill program results	September/October 2020
	Conduct ongoing follow-up drilling	October 2020 onwards
8	Date by which Option must be exercised to acquire 100% of the Edjudina Gold Project	14 January 2021

^C Department of Mines, Industry Regulation and Safety

6.0 GIB Gold Royalty Interests

The acquisition of the Edjudina Project Option is consistent with our ongoing involvement with the gold sector. Shareholders are reminded that GIB holds a 1% Net Smelter Royalty over the following West Australian gold projects:

- Bulgera Gold Project (E52/3276 and E52/3316): operated by Norwest Minerals Limited (ASX 'NWM') who announced (8 April 2020) a JORC Indicated and Inferred Resource of 2.92 million tonnes grading 1.0 g/t for 93,880 ounces Au on the Project area; and
- Comet Gold Project (near Cue, E20/908): operated by Accelerate Resources Limited (ASX: 'AX8') who announced (2 July 2020) an upcoming drill program at the Project and;
- Mount Monger Project (E25/525): operated by Accelerate Resources Limited (ASX: 'AX8').

GIB will continue to follow the work programs on these quality projects and to report on any resulting benefits that may accrue to the Company.

7.0 Conclusion

The Board of GIB is excited to have acquired this Option over 100% of the rights to the historic and high grade Edjudina Gold Project. The project shows evidence of very significant mining activity over the years, with the high gold production grades being particularly noteworthy. The artisanal workings are also remarkable for their strike and continuity.

The Company believes the Edjudina Project is exceptionally prospective for high grade vein gold discoveries, with further potential for bulk tonnage open pit targets. GIB will be pursuing an aggressive program of exploration drilling in order to follow up the best targets.

GIB continues to explore and develop the Ellendale Diamond Project in the Kimberley region of WA. The Edjudina Gold Project provides excellent project and commodity diversification for our project portfolio and complements our diamond interests.

The Company looks forward to advancing both our diamond and gold projects over the next few months.

Jim Richards
Executive Chairman

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NB: this report does not contain any exploration results or GIB resources and as such no Table 1 is included

Competent Persons Statement

The information in this report that relates to previously reported exploration results is based on information compiled by Mr. Jim Richards who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr. Richards is a Director of Gibb River Diamonds Limited. Mr. Richards has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Richards consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

References:

¹High Grade Gold Mineralisation Intersected at the Triumph Gold Project; Nexus Minerals Limited ASX release dated 9 April 2015

² List of Cancelled Gold Mining Leases; WA Mines Department; 1954

³WAMEX report A12568: Report on Edjudina Goldmines, Sept. 1981. R.J. George-Kennedy, Magnetite Development Pty Ltd, 1981.

⁴WAMEX report A23808: Annual/Surrender Report, Prospecting Licences P31/176-181, Triumph Project, Yerilla District, North Coolgardie Mineral Field. Picon Explorations Pty Ltd; G.F. Burrows, 1987.