

## ASX RELEASE

22 July 2020

ASX Code: GIB



### WA Government Cuts Diamond Royalty Rate by 33.3%

Gibb River Diamonds Limited ('GIB' or the 'Company') is pleased to announce that the West Australian Government has cut the State Diamond Royalty Rate from 7.5% to 5%.

This reduction in the *ad valorem* (or gross royalty) rate was published in the Government Gazette dated 17 July 2020.

This highly significant 33.3% royalty reduction is warmly welcomed by GIB and the Company would like to thank the WA Minister for Mines, The Honourable Bill Johnston MLA, for his consideration during the Company's lobbying on this important issue. Warren Pearce from the Association of Mining and Exploration Companies (AMEC) was also most helpful in assisting GIB during this process.

The royalty change is in line with the recommendations of the Mineral Royalty Rate Analysis Report, published by the WA Department of State Development and Department of Mines and Petroleum in 2015.

The Board of GIB believe that the reduction of the diamond royalty rate will have a very positive effect on the sector and is an extremely helpful step in furthering GIB's aim of becoming a profitable diamond producer in Western Australia.

Jim Richards  
Executive Chairman

Enquiries To: Mr Jim Richards +61 8 9422 9555

---

#### About Gibb River Diamonds

Gibb River Diamonds Limited ('GIB' or the 'Company') operates the Ellendale Diamond Project (100% GIB) in the West Kimberley, WA and has an option to acquire 100% of the rights to the historic and high grade Edjudina Gold Project in the Eastern Goldfields of WA.

These two projects are complementary and provide excellent project and commodity diversification for our project portfolio. The Company is debt free.

#### Ellendale Diamond Project Summary

The Ellendale Project has been one of the world's foremost diamond producers with past production of approximately 1.3 million carats. This included the annual supply of over 50% of the world's Fancy Yellow diamonds, which were the subject of a special marketing agreement between the former operator and Tiffany & Co.

The most advanced prospect at Ellendale is the Blina Alluvial Prospect, which is fully permitted, the major processing plant equipment has already been purchased and the project is 'shovel ready'. The project consists of a diamond bearing alluvial palaeochannel with channel widths of 200m to 500m<sup>1</sup>. The largest diamond recovered to date from Terrace 5 weighed 8.43 carats, with high quality stones larger than two carats common. A significant number of the diamonds are high value Fancy Yellows.

For further information regarding grades and historical production from the Blina Project alluvials<sup>1,2&3</sup>, [click here](#), [click here](#) and [click here](#)

## Edjudina Gold Project

The Edjudina Gold Project (under option) comprises of 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 (including excised ground) 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<sup>4</sup>.

For further information regarding the Edjudina Gold Project, [click here](#)

## 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:

<sup>1</sup>Further detailed information including the Table 1 (JORC Code, 2012 Edition) and references are available on the POZ ASX Release dated 2 October 2015 [click here](#) and 23 December 2019 [click here](#)

<sup>2</sup>Blina Diamond Project, Gamechanger GPR Survey; POZ ASX Release dated 18 October 2017 [click here](#)

<sup>3</sup>Trenching Discovers New Gravel Targets at Blina; POZ ASX Release dated 6 August 2018 [click here](#)

<sup>4</sup>GIB Acquires Option to Purchase the Historic and High Grade Edjudina Gold Project; GIB ASX Release dated 16 July 2020 [click here](#)