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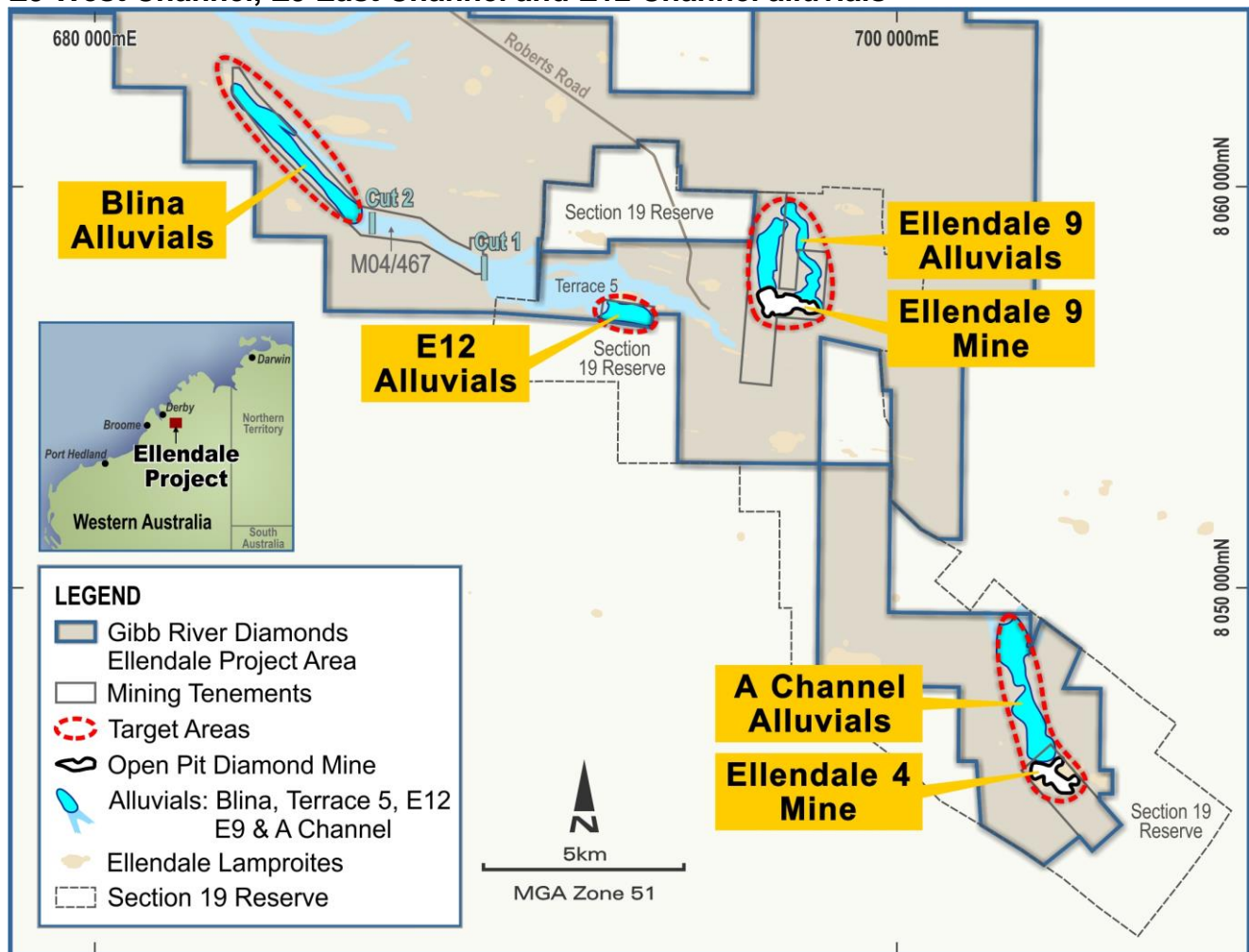
Further Excellent Ellendale Diamond Valuations Up to US\$518 per carat (A\$773 per carat) from Alluvial Targets

- New independent pricing appraisal of alluvial diamonds from the recently acquired Ellendale Project supports exciting potential in near-mine alluvial channels (following previous hard rock diamond evaluations, see ASX GIB report dated [3 March 2020](#))
- Excellent E9 East Channel diamond values of **US\$518 per carat** (A\$773 per carat), indicating a high number of the more valuable Fancy Yellow diamonds
- E12 Channel alluvial diamonds report a value of **US\$498 per carat** (A\$743 per carat)
- E9 West Channel alluvial diamonds report a value of **US\$157 per carat** (A\$234 per carat)
- The 11 year low Australian vs US dollar exchange rate significantly improves local currency pricing compared to previous years mining at Ellendale
- These updated valuations provide an excellent basis for advancing the considerable potential Ellendale's various alluvial channel prospects

Ellendale E9 East Alluvial Diamonds



Figure 1: Ellendale Project – alluvial diamond valuation areas in this report - E9 West Channel, E9 East Channel and E12 Channel alluvials



1.0 Updated Ellendale Alluvial Diamond Valuation

Gibb River Diamonds Limited ('GIB' or the 'Company') is pleased to announce updated diamond valuations for the Ellendale Project alluvials at the E9 East and E9 West Channels and the E12 Channel. This review is important as it helps GIB to make commercial decisions regarding mine planning and development priorities at Ellendale.

This diamond valuation was commissioned and paid for by GIB and was conducted by Independent Diamond Valuers International ('IDVI'). IDVI was responsible for sorting, grading, valuing and selling diamonds from the previously operating Ellendale Diamond Mine and also the alluvial diamonds from the E9 West Channel, E9 East Channel, E12 Channel and Blina Prospect alluvials.

IDVI's pricing system was used throughout this period and is utilised to provide this valuation. GIB considers IDVI to be a reputable, experienced, independent and qualified expert for the purposes of this valuation.

Previous operators of the Ellendale mine had a contract to sell the Fancy Yellow component of their production to Laurelton Diamonds (the jeweller Tiffany & Co), this agreement was based on a percentage premium above the IDVI price book. It is uncertain if similar premium prices can be achieved with any future Fancy Yellow goods. However, the potential opportunity

to capitalise on the uniqueness of these Fancy Yellow goods to sell at above market prices was demonstrated by KDC's arrangement with Tiffany.

Prices are in US dollars as marked, Australian dollar equivalents are as indicated (rate US\$0.67=A\$1.00). The full diamond valuation report by IDVI is attached as Appendix A.

2.0 Diamond Valuation Results

Table 1 summarises the most recent valuations based on a February 2020 price estimate of diamonds recovered from alluvial mining of E9 West Channel, E9 East Channel and E12 Channel at Ellendale by a previous operator. The weight of stones in the valuation is as indicated.

Of particular interest is the current Australian dollar price of the diamond valuations (Table 1) which is considerably enhanced by the Australian dollar trading at 11-year lows to the US dollar.

2.1 E9 East Channel

The excellent valuation of **US\$518/carat** (A\$773) for diamonds from the E9 East Channel is most likely due to the higher percentage of Fancy Yellow stones in the east lamproite lobe⁷, from where the E9 East alluvials appear to be derived (Figure 2), and which runs at 16% Fancy Yellow diamonds.

2.2 E9 West Channel

The E9 West Channel valuation of **US\$157** is lower than E9 East Channel probably due to the diamonds being sourced from the E9 West lamproite lobe, which has a lower percentage of Fancy Yellow stones (9%)⁷ and also some of the source material being lamproite magmatics which have a lower grade than the mined lamproite tuffs.

2.3 E12 Channel

Further information regarding the E12 Channel sampling program from which the 428 carat parcel of diamonds was derived is currently being compiled and will be reported once complete. The location of the E12 channel is indicated in Figures 1 and 2.

**Table 1: Ellendale 2020 Alluvial Diamond Valuations:
E9 West Channel, E9 East Channel & E12 Channel**

Alluvial Channel	2020	Value A\$	Weight (carats)	Value US\$
	Price per carat US\$			
E9 East Channel	\$518	\$773	833	\$431,217
E9 West Channel	\$157	\$234	27,299	\$4,292,953
E12 Channel	\$498	\$743	428	\$213,157

Diamonds recovered in the 1.5-16mm range.

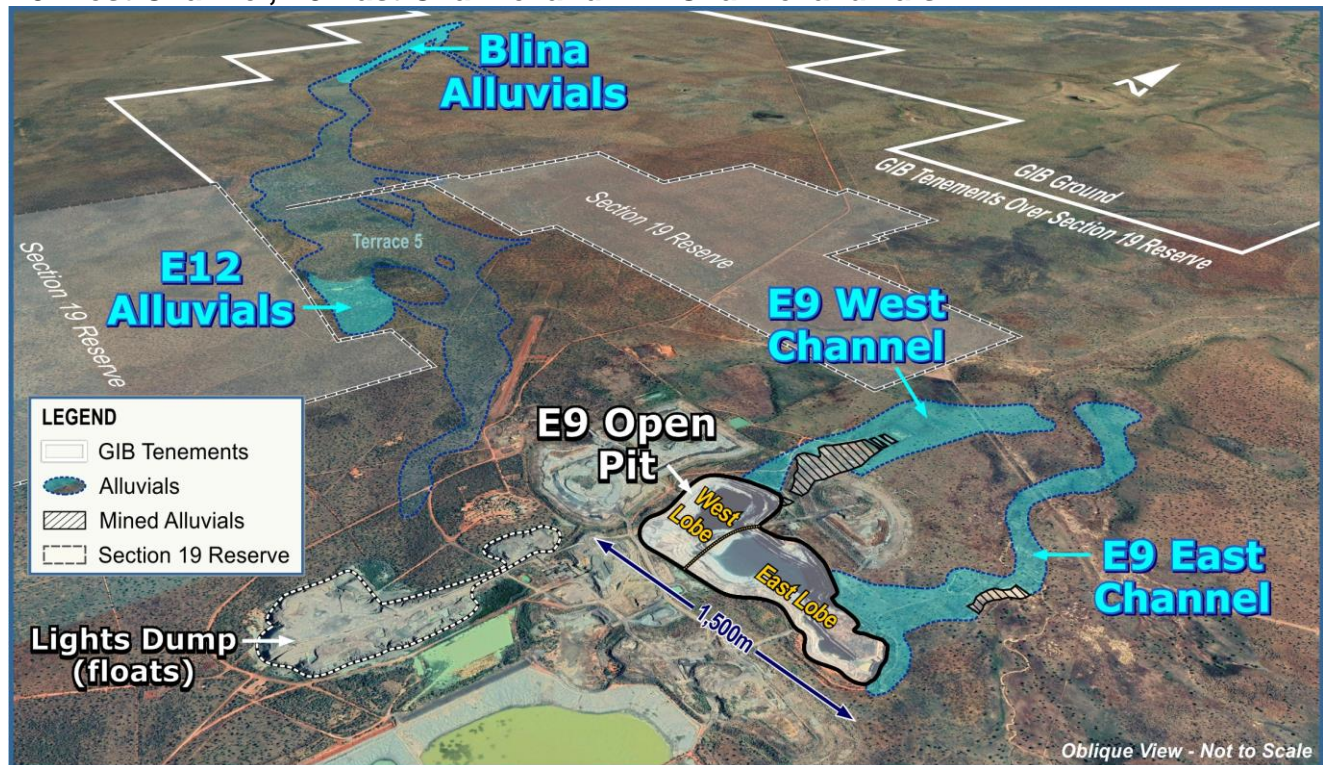
Diamonds were collated into parcels for sale under commercial mining circumstances, not exploration, resultantly the 'number of stones' data was not collated, only total weights in carats.

Diamond breakage data is not available.

Exchange Rates Feb 2020 US\$0.67=A\$1.00

In summary, the high valuation of **US\$518/carat** (A\$773) for diamonds from the E9 East Channel, upgrades this area as a target for extensions to the previously mined alluvials and also for eluvials from the E9 East lamproite pipe. More information is currently being compiled on this area.

Figure 2: Ellendale Project alluvial diamond valuation areas in this report - E9 West Channel, E9 East Channel and E12 Channel alluvials



3.0 Ellendale Alluvial Diamond Valuation Summary

This updated valuation data for alluvial diamonds at the Ellendale Project provides an excellent basis for assessing and advancing the potential of the various alluvial channel prospects held by the Company.

The Ellendale Project has been one of the world's largest diamond producers, with previous operators reporting a combined market capitalization of over A\$690 million in 2006 on leases now held by GIB. The Company continues to evaluate the enormous potential of our 100% owned Ellendale leases to deliver a profitable diamond mining operation.

Jim Richards
 Executive Chairman

Enquiries To: Mr Jim Richards +61 8 9422 9555

References:

¹Further 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](#)

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

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

⁴POZ to Bid For the Ellendale Diamond Mine; POZ ASX Release dated 4 September 2018 [click here](#)

⁵Record 2018/8 Geology, Resources and Exploration Potential of the Ellendale Diamond Project, West Kimberley, Western Australia (Geological Survey of Western Australia); by G. Boxer and G. Rocket. 2018 [click here](#)

⁶Blina Diamond Project, Fancy Yellows Value Increases by 131% to US 3,391 per carat; POZ ASX Release dated 6 November 2017 [click here](#)

⁷Ellendale 9 East Diamond Values Increase 20% to US\$750/carats; GIB ASX Release dated 3 March 2019 [click here](#)

Bulletin 132 (Geological Survey of Western Australia); The kimberlites and lamproites of Western Australia by A.L. Jaques, J.D. Lewis and C.B. Smith. 1986.

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.

The information in this report that relates to diamond valuations was compiled by Mr Rod Criddle, a Director of Independent Diamond Valuers International ('IDVI'). IDVI has been responsible for sorting, grading, valuing and selling diamonds from the Ellendale Diamond Mine (now closed) and the Blina Project, including Terrace 5 goods, from 2002 to 2015. IDVI's pricing system was used throughout this period and is utilised to provide this valuation. POZ considers IDVI to be a reputable, independent, experienced and qualified expert for the purposes of this valuation. The valuation is an independent valuation. Mr Criddle consents to the diamond valuation information contained in his report in Appendix A being included in this report.

Appendix A: IDVI Independent Diamond Valuation Report



Ellendale Diamond Project, Western Australia:

Alluvials E9 West & E9 East and E12

Diamond Re-Valuation March 2020

1.0 Context

Independent Diamond Valuers International ('IDVI') has been requested to provide an updated valuation of specific alluvial sections of the Ellendale Diamond Project by Gibb River Diamonds Limited ('GIB'). IDVI has previously been responsible for sorting, grading, valuing and selling diamonds from the Ellendale Diamond Mine (now closed) from 2002 to 2015, including the alluvial diamonds from E9 West, E9 East and E12.

This revaluation is of diamonds from the E9 East, E9 West and the E12 alluvials.

This updated appraisal has been based on

- The size, grading and pricing data from original 2006-2008 valuations.
- IDVI's rough diamond valuer system.
- IDVI's updated rough diamond index.
- Paul Zimmisky (Diamond Analytics) rough Diamond index.
- Other diamond industry sources.

Original valuation prices for the same parcels has also been included for comparison purposes. Due to how the data from this period was collated, no allowance for the price impact of Fancy Yellow goods has been included in the current estimated price.

Given that no sales of this product have occurred since 2009 and that the index information is based on generic sales data from a variety of sources, future sales results could vary significantly from those in the report. All prices are in US dollars.

2.0 Price Sensitivity

The volumes of diamonds in the valuation for E9 West Channel is considered sufficient for an indicative valuation result although not sufficient for pricing certainty on any future sale of this production, especially given the sensitivity of pricing of the Fancy Yellow component. IDVI believe the E9 East Channel and the E12 Channel valuation has a higher price sensitivity due to the significantly smaller volume of samples.

Kimberley Diamond Company's (KDC) Ellendale mine (now closed) had a contract to sell the Fancy Yellow component of their production to Laurelton Diamonds (the jeweller Tiffany & Co), this agreement was based on a percentage premium above the IDVI price book. It is uncertain if similar premium prices can be achieved with any future Fancy Yellow goods. However, there is a potential opportunity to capitalise on the uniqueness of these Fancy Yellow goods to sell at above market prices as demonstrated by KDC's arrangement with Tiffany's.

3.0 E9 West Channel Diamond Valuation

The 2020 E9 West Channel price estimate is based on the original Blina Diamond Company sales of 27,301 carats between 2006 to 2008.

E9 West Channel 2006-2008		
Value	Weight	\$/ct
US\$	Cts	US\$
\$3,969,696	27,299	\$145

E9 West Channel 2020		
Value	Weight	\$/ct
US\$	Cts	US\$
\$4,292,953	27,299	\$157

4.0 E9 East Channel Diamond Valuation

The 2020 E9 East Channel price estimate is based on the original Blina Diamond company sale in January 2008 of 833cts.

E9 East Channel 2008		
Value	Weight	\$/ct
US\$	Cts	US\$
\$420,300	833	\$505

E9 East Channel 2020		
Value	Weight	\$/ct
US\$	Cts	US\$
\$431,217	833	\$518

5.0 E12 Channel Diamond Valuation

The 2020 E12 Channel price estimate is based on the original Blina Diamond Company sale in 2008 of 428 carats.

E12 Channel 2008		
Value	Weight	\$/ct
US\$	Cts	US\$
\$207,761	428	\$485

E12 Channel 2020		
Value	Weight	\$/ct
US\$	Cts	US\$
\$213,157	428	\$498

6.0 Other Sources

For further assessment of the market projecting forward we suggest the Bain and Co annual Diamond Report as well as the Rappaport Trade/IDEX and Zimnisky online sites for ongoing updates.

<http://www.diamonds.net/Prices/>

<http://www.idexonline.com/>

<http://www.paulzimnisky.com/>

Rod Criddle

Director IDVI



INDEPENDENT DIAMOND VALUERS INTERNATIONAL PTY LTD

Email: idviptyltd@gmail.com

Web: idviptyltd.wix.com/idvi