

Highland Plains Phosphate Project, NT. Renewal of Option for \$100,000

1.0 Renewal of Option for \$100,000

Gibb River Diamonds Limited ('GIB' or the 'Company') is pleased to announce that the Option to sell 100% of its wholly owned Highland Plains Phosphate Project has been renewed for a further Option Period of three months as per the terms of the original deal (GIB [ASX Release](#) dated 19 November 2018).

The Further Option Period fee payment of \$100,000 (plus GST) has recently been received by GIB. This is on top of the original Option Fee Payment of \$100,000 (plus GST) which was paid to GIB in November 2018.

The holder of the Option is Canadian company ILS Resources Inc ('ILS') formerly P2O5 Resources Inc.

2.0 Exercise of Option

The Option expires at midnight on 14 June 2019 and to be valid, must be exercised on or prior to that date. To exercise the Option, ILS shall

- i. Pay to GIB **\$2,500,000** plus GST in cash.
- ii. Grant to GIB a **1.5% Free Alongside (FAS) Royalty** on gross revenue on all minerals shipped from the Highland Plains project via an Australian port.
- iii. GIB will be issued **10% of the shares in ILS**. The ILS Shares shall be a free carried 10% interest in the Shares of ILS at all times from allocation until ILS is publicly listed and completes an IPO. Top up shares will be issued if required to maintain the GIB 10% holding in ILS until IPO.

Upon Exercising the Option, ILS will acquire 100% of the Highland Plains Phosphate Deposit and the associated Mineral Title (EL25068) will be transferred to ILS.

3.0 Summary

Through the renewal of this Option deal, Gibb River Diamonds retains excellent exposure to any ongoing development of the Highland Plains phosphate project whilst also maintaining our focus on the core Blina Diamond Project. Should the Highland Plains project option be exercised, the \$2.5 million exercise fee would also be a significant contribution to the Company.

Jim Richards
Executive Chairman

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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.