

Mine Permitting Completed Blina Diamond Project now 'Shovel Ready'

BLINA PROJECT UPDATE - HIGHLIGHTS

- The Company's Mining Proposal and Project Management Plan to allow mining at the Blina Diamond Project has now been granted by the Department of Mines, Industry Regulation and Safety (DMIRS). The Project is now shovel ready.
- Mr Richards recently presented at the Gem Rendezvous conference in Singapore and attended an event organized by the Diamond Exchange of Singapore. These activities generated strong interest in the Blina project, resulting in a sophisticated Asian investor syndicate touring the Blina minesite in a trip led by Mr Richards in late November. Negotiations with this group are ongoing.
- The Company submitted a Bid for the former Ellendale Diamond Mine lease (currently under government control), this bid is currently being assessed by DMIRS.
- Engineering work on the Sortex diamond recovery machine is complete. The plant has been tested with tracer beads and is fully operational.
- Company name changed to Gibb River Diamonds Limited (ASX: GIB).

Photo: Company owned diamond recovery Sortex machine, complete and ready for shipping to site. South African *Flowsort* technician Reggie Naidoo (right) and Australian *Flowsort* representative Bill Houwen (centre) completed the final wiring and commissioning of this plant



1.0 Introduction: Blina Diamond Project, WA

GIB 100%

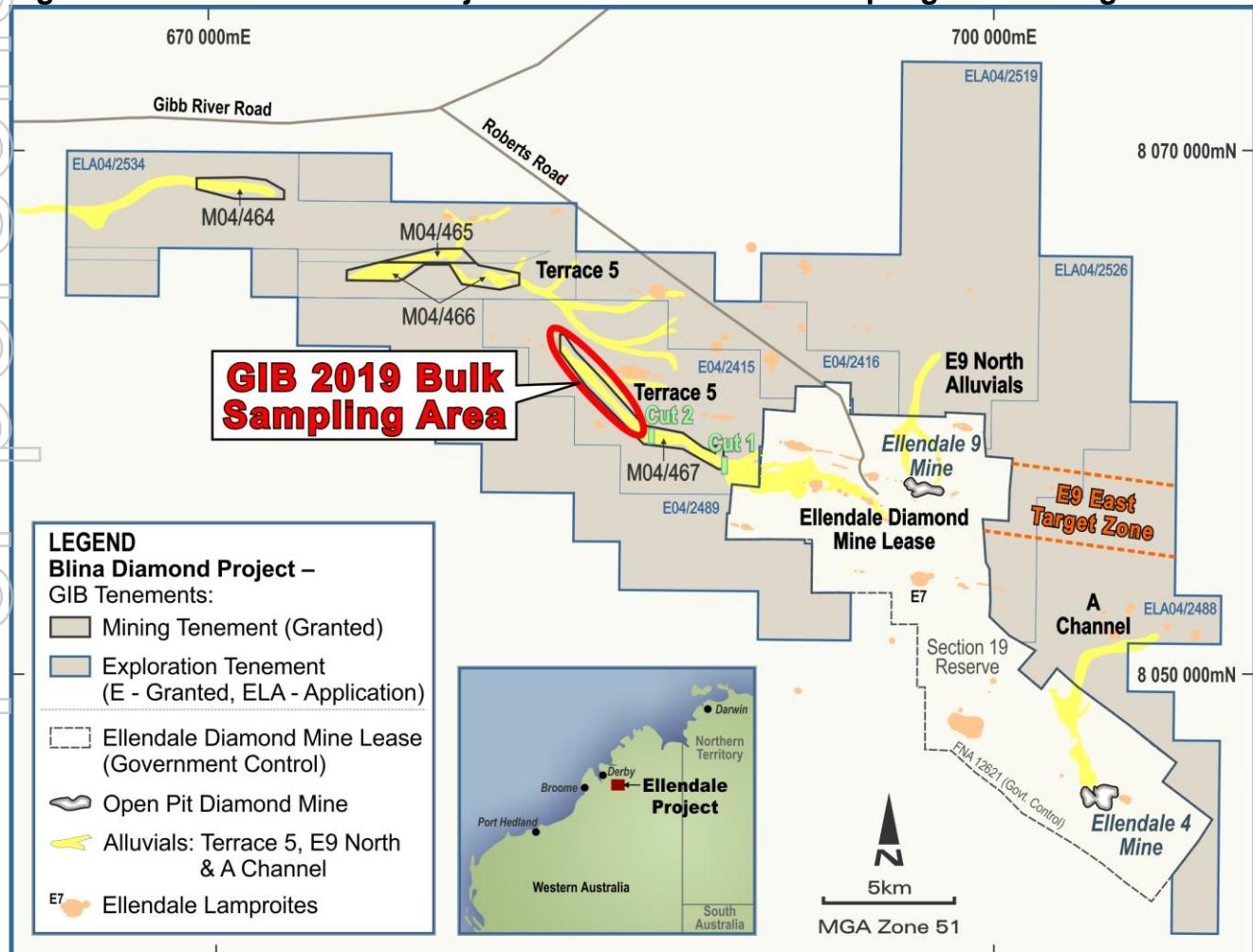
Gibb River Diamonds Limited ('GIB' or the 'Company') operates the Blina Diamond Project in the Ellendale Diamond Province of WA's Kimberley Region. The project consists of four granted mining leases and various exploration leases within an area of 436 km², situated 110km east of Derby.

A diamond bearing alluvial palaeochannel named Terrace 5 extends over some 40km of the GIB project area, with channel widths of 200m to 500m¹. 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 Fancy Yellows.

The Company has defined numerous high grade targets using the latest in Ground Penetrating Radar technology² over proven diamondiferous channels at Terrace 5. A recent Company trenching program has also discovered extensive areas of unsampled, shallow and highly prospective alluvial gravels³ which also require testing.

GIB is pursuing a program of systematic bulk sampling of these prospective gravel targets to define the extent and grade of the diamondiferous gravels, which will lead into trial mining of the best grades.

Figure 1: Blina Diamond Project Location with Bulk Sampling/Trial Mining Area



2.0 Mine Permitting Complete – Project ‘Shovel Ready’

Gibb River Diamonds Limited ('GIB' or the 'Company') is pleased to announce that the Mining Proposal to permit mining at the Blina Diamond Project has been granted by the Department of Mines, Industry Regulation and Safety (DMIRS). This is a major step forward for the Blina project and provides certainty around our future mining operations.

The Blina Project Management Plan (safety case document) was lodged with DMIRS in October and the Company received the 'Approval To Commence Mining Operations' letter from DMIRS on 7 December.

The two permits above now allow camp construction, bulk sampling, trial mining or full scale mining to proceed and as such the project can be considered 'shovel ready'.

The Works Approval licence (to build the plant and tailings storage facility) has been assessed by the Department of Water and Environmental Regulation (DWER), terms and conditions required by DWER have been returned to GIB for comment. The Company is satisfied with these terms and conditions and has only commented on non-material changes to the document. GIB expects this permit will be issued in the next fortnight.

No further permitting is required for mining operations to commence.

3.0 Singapore Trip and Investor Tour of Blina Minesite

Mr Richards recently presented at the Gem Rendezvous conference in Singapore and also attended an event organized by the Diamond Exchange of Singapore. This included a talk by diamond industry commentator Martin Rapaport <https://www.diamonds.net/>.

These activities generated strong interest in the Blina project, resulting in a sophisticated Asian investor syndicate touring the Blina minesite in a trip led by Mr Richards in late November. Negotiations with this group are ongoing.

4.0 Diamond Recovery Sortex Machine Completed

Engineering work on the Sortex diamond recovery machine is complete. The plant has been tested with tracer beads and is fully operational and ready for shipment to the project site. Flowsort technician Reggie Naidoo from South Africa and Australian Flowsort representative Bill Houwen completed the final wiring, calibration and commissioning of this plant. An explanatory video on the operation of this equipment is available on the POZ website [click here](#).

This equipment is critical to the efficient operating of the GIB diamond recovery plant and the completion of this work is another important step for the Company.

	
<p>GIB diamond Sortex unit mounted within a sea container for ease of transport and security. Note twin feed hoppers top left and double roof for lowering unit temperature</p>	<p>L-R: GIB Executive Chairman Jim Richards, Flowsort technician Reggie Naidoo and Flowsort Australian representative Bill Houwen in the GIB Sortex unit.</p>

5.0 Ellendale Mining Lease Bid Update

The former Ellendale Diamond Mine and mining lease are currently under State government control (Section 19 reserve in Figure 1). A bid process was initiated earlier this year which called for Expressions of Interest (EOI) from parties seeking to gain control over the former Ellendale mining lease area.

On 29 November GIB lodged a bid for the Ellendale lease under the EOI process. GIB believes it is very well placed to take control of this area and that the acquisition of the Ellendale Diamond Mine lease would be transformative for the Company and would provide enormous synergies with the surrounding GIB Blina Diamond Project.

The State government have not committed to a fixed timeline for this EOI process, however indications are that a Company may be selected in the second quarter of 2019.

Full details of this process and further information on the former Ellendale mining lease area can be found in the GIB [ASX Release](#) 4 September 2018⁴.

6.0 Corporate: Name Change

On 26 November, the Company traded on the ASX under its new name Gibb River Diamonds Limited (from POZ Minerals Limited); the new ASX code is GIB. The new corporate logo is included at the top of this report and the updated website currently being built. The new web address gibbriverdiamonds.com has been reserved and the current web address (pozminerals.com.au) will continue to be used until the new website is completed. The new company enquiry email, info@gibbriverdiamonds.com is operational.

Gibb River Diamonds Limited is named after the world renowned Gibb River Road, which runs adjacent to the Company's diamond project area at Blina. Travelling the Gibb River Road in the Kimberley is one of Australia's foremost adventure travel experiences. GIB directors believe the new Company name will better facilitate branding, sales and marketing of the unique diamonds from this area, especially the famous fancy yellows

7.0 Summary and Lookahead

The granting of the Company's Mining Proposal and Project Management Plan is major step forward for the Blina Project, mining is now fully permitted and this provides certainty around our future operations. The considerable corporate interest generated from the recent promotional trip together with having a 'shovel ready' project is extremely helpful as GIB seeks to lock in the final funding requirements prior to mobilisation of sampling and trial mining equipment to the field.

GIB Executive Chairman Jim Richards commented: *"The core focus of Gibb River Diamonds is to initiate bulk sampling and trial mining operations at the Blina Diamond Project in the Kimberley region of Western Australia. With permitting to mine now in place, this next exciting phase of operations is now scheduled to commence at the end of the wet season early next year."*

Jim Richards
Executive Chairman

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¹Further detailed information including the Table 1 (JORC Code, 2012 Edition) and references are available on the POZ ASX Release dated 9 October 2015 [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](#)

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.

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.