

ASX RELEASE

17 June 2019

ASX Code: GIB



Highland Plains Phosphate Project, NT. Option Extended to 12 July 2016 (via cash payment)

Gibb River Diamonds ('GIB') Highland Plains Phosphate Project is currently held under a Call Option as detailed in the [ASX Release](#) dated 19 Nov 2018. This Option is owned by a private Canadian company, ILS Resources Inc ('ILS'), representing a Sydney based consortium with various interests in Asia.

At the request of ILS, GIB has agreed to extend this Call Option period to midnight on the 12 July 2019, to allow additional time for financing to be put in place by ILS. To facilitate this extension, a cash fee of \$33,000 (plus GST) has been paid by ILS to GIB and this money has been received.

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.

GIB Executive Chairman Jim Richards commented:

'There are currently several interested parties who are actively seeking a deal on the Highland Plains phosphate asset, including an Indian group and an Asian based group. GIB is actively engaged with these parties in order to deliver the best possible outcome for shareholders and one which will enable the company to initiate bulk sampling and trial mining operations at the fully permitted Blina Diamond Project in the Kimberley region of Western Australia.'

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