**ASX RELEASE**
**9 December 2019**
**ASX Code: GIB**

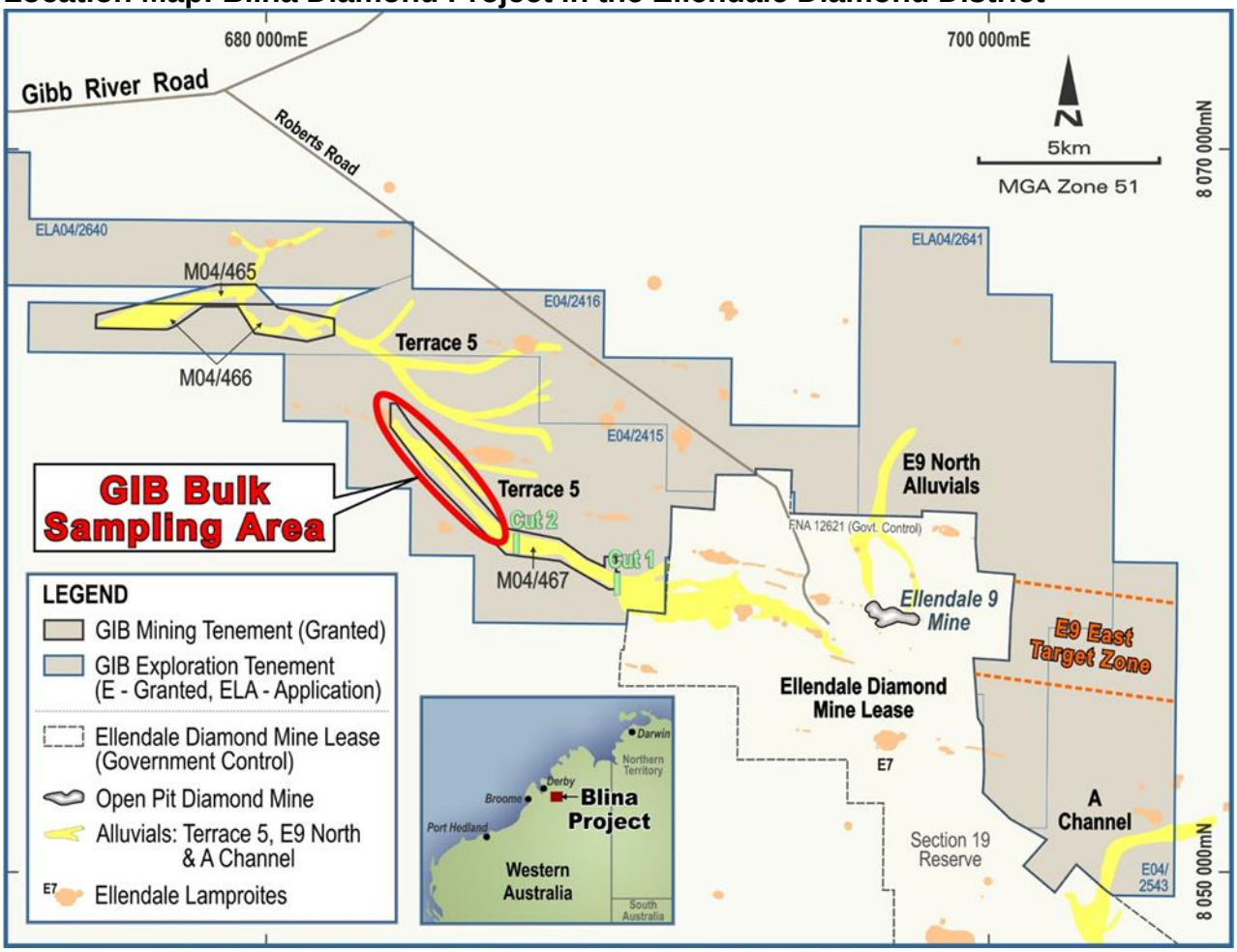
GIBB RIVER DIAMONDS

# Operations Update

## BLINA PROJECT UPDATE - HIGHLIGHTS

- Succesful new (Phase 2) trenching operations completed in mid-November confirmed the extensive nature of the ultra-shallow, highly prospective, diamondiferous gravel targets staring from just 0.4 metres in depth on granted mining lease M04/467.
- Variable bedrock geology and clast sizes are encouraging for potential high grade trap sites.
- Further information will follow as regards targeting high grade trap sites for the upcoming bulk sampling program.
- Investor site visit to Blina from 26-28 November with parties from China, Singapore and Australia. Attendees included potential investors, diamond retailers and traders, leading academics and media.

**Location Map: Blina Diamond Project in the Ellendale Diamond District**





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## Blina Diamond Project

Gibb River Diamonds Limited ('GIB' or the 'Company') operates its 100% owned Blina Alluvial Diamond Project in the Ellendale diamond field of the West Kimberley, WA. The Blina Project is fully permitted, the major processing plant equipment has already been purchased, the project is 'shovel ready' and the Company is debt free.

## 1.0 Blina Phase 2 Trenching Operations

The Company is pleased to announce the completion of a successful follow-up trenching program which took place in mid-November at the Blina Diamond Project. The aims of this program were to follow up on the Phase 1 Trenching program and:

- Confirm the shallowest target gravels for follow up bulk sampling.
- Correlate the gravel bedrock occurrences with GPR results
- To ascertain the efficacy of GPR as a mapping technique of alluvial bedrock contours on ultra-shallow targets.
- Provide access to alluvial gravels for viewing by the investor site visit party.

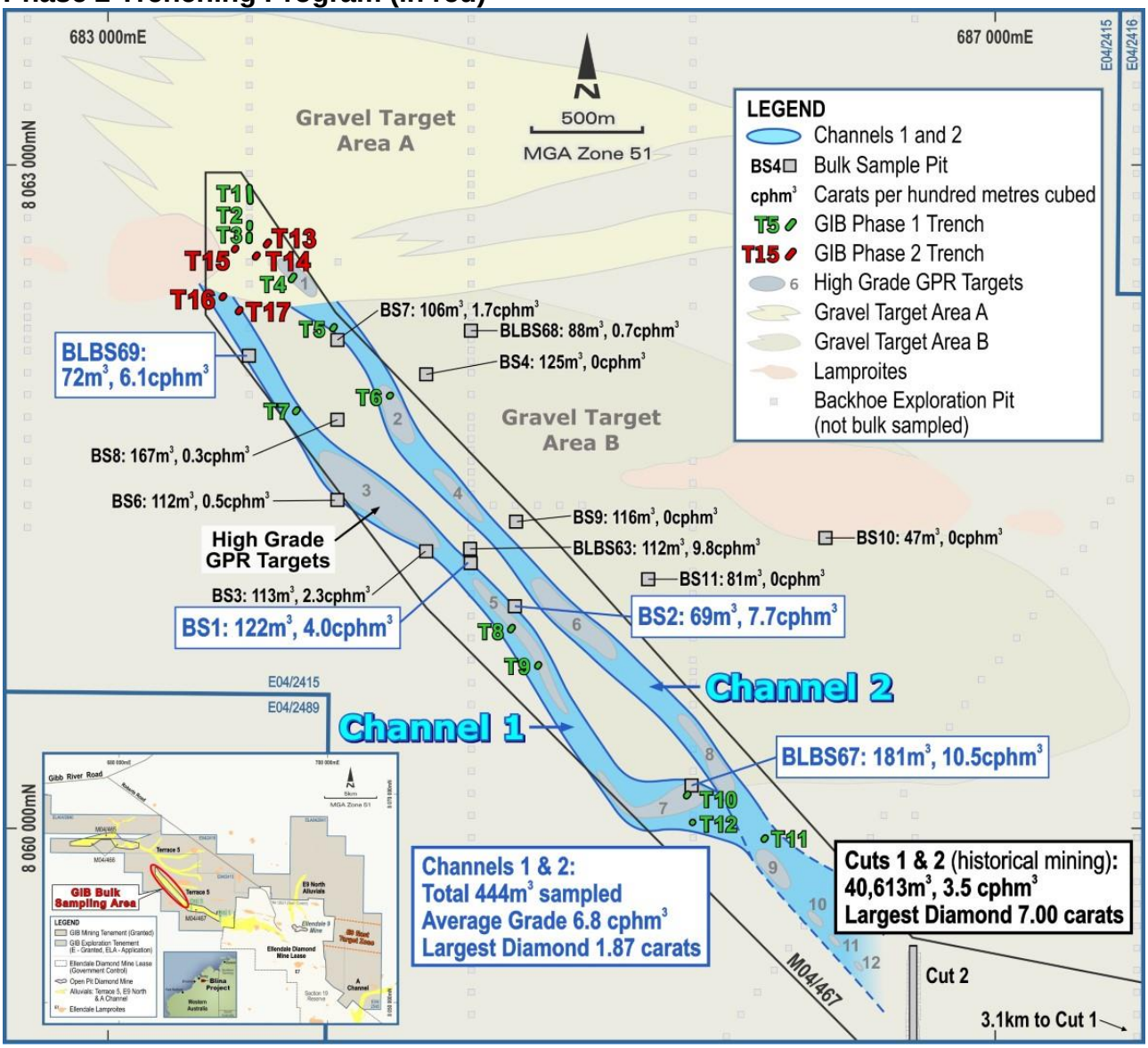
A total of five trenches were excavated for 64 metres in length. All the trenches have been logged and recorded, Trench 17 was partially backfilled for safety purposes. The remaining shallower trenches remain open and these have been bunded for safety purposes.

These trenching operations successfully targeted the shallowest areas of the highly prospective Terrace 5 gravels at Blina. All of the trenches encountered prospective gravels at depths of between 0.4 and 1.1 metres from surface with gravel thicknesses of between 0.5 and 2.0 metres. No water was encountered in any of the trenches.

The lateritic overprinting of the alluvial gravels which was observed in the Phase 1 trenching program is also seen in the Phase 2 trenches. This chemical weathering has also affected some of the original feldspar-rich gravel clasts which have been saprolitised (turned to clay). During processing, these (now clay) clasts would break up in the trommel and be discharged to the tailings. This lessens the volume of material going through the diamond Sortex machine and should facilitate a greater throughput of material through the plant (which currently bottlenecks at the Sortex).

Variable bedrock geology in places was encouraging for potential high grade trap sites. The trenching geology is still being assessed in conjunction with the Ground Penetrating Radar data and further information will follow as regards targeting of the high grade trap sites for the upcoming bulk sampling program.

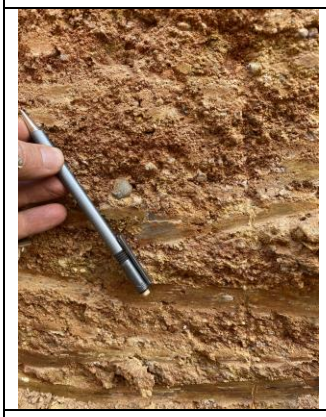
## Phase 2 Trenching Program (in red)




## Table 1: Summary of Phase 2 Trenching Results

| Trench Number | Area | Gravel Depth from Surface | | Gravel Thickness | | Trench Length |
|---|---|---|---|---|---|---|
| | | From (m) | To (m) | From (m) | To (m) | (m) |
| Trench 13 | Area A | 0.7 | 0.8 | 0.5 | 1.0 | 17 |
| Trench 14 | Area A | 0.7 | 0.7 | 1.0 | 2.0 | 13 |
| Trench 15 | Area A | 0.4 | 0.6 | 1.2 | 1.3 | 11 |
| Trench 16 | Channel 1 | 1.2 | 1.4 | 1.1 | 1.3 | 13 |
| Trench 17 | Channel 1 | 1.0 | 1.1 | 1.9 | 1.9 | 10 |
| **Total** | | | | | | **64** |

## Phase 2 Trenching Program 2

| | |
|---|---|
|  |  |
| Excavating Trench 13 | Investor site visit: viewing shallow alluvial gravels at Trench 13 |
|  |  |
| Trench 17: Shallow alluvial gravels extend from 1-3 metres below surface | Trench 17: Mottled Zone laterite overprint of alluvial gravels. Gravels include saprolitised clasts |

## 2.0 Investor Site Visit

From 26 to 28 November the Company hosted an investor site visit to view recent trenching activities and prospective diamondiferous gravels at the Blina Diamond Project.

The trip attracted considerable interest and included Professor Andy Shen of the Gemmological Institute, China University of Geosciences, Wuhan; Mr Tay Thay Sun of the Far East Gemmological Institute in Singapore and Mr Romi Baron, President of the Diamond Dealers Club of Australia who sits on the Executive Council of the World Fedeartion of Diamond Bourses; as well as other leading diamantaires and diamond specialists. As a result of further interest, a follow-up investor trip to Blina is planned for early next year.

## 3.0 Lookahead

Blina Project financing is required to mobilise and commission the plant and equipment, conduct site works, install a camp and have operational capital to conduct four months of bulk sampling operations including trial mining of the best sampled grades.

This capital required is a modest $2.5 million and the Company aims to raise this capital through the sale of GIB's wholly owned Highland Plains phosphate deposit. GIB is currently in negotiations with various parties over the sale of the Highland Plains project and the Company remains optimistic a deal will be secured on favourable terms.

Work currently continues on targeting and evaluation of the Blina gravel systems in order to maximise the upcoming bulk sampling operations.

The Company's bid for the highly prospective Ellendale Diamond Mine lease[4] (Figure 1, under government control) is currently awaiting a decision by the Department of Mines, Industry Regulation & Safety (DMIRS).

Jim Richards
Executive Chairman

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**References:**

[1]Further 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

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

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

[4]POZ 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.*

## Appendix B
## JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data

| Criteria | Commentary |
|---|---|
| Sampling Techniques | This trenching program was undertaken for the purposes of geological mapping and gravel delineation. No sampling was undertaken. |
| Drilling Techniques | Trenching was undertaken using a 33 tonne Volvo ECR305CL excavator with a 1300mm GP bucket. |
| Drill sample Recovery | Not applicable to a trenching program. |
| Logging | Trenches were geologically logged post-excavation. Mineral resource estimations and mining studies are not applicable at this stage of exploration, and metallurgical studies have already been undertaken. Where relevant, photos were taken of trenches and of trench lithologies. Rehabilitated (infilled and smoothed) trenches were photographed. |
| | Trench logging was quantitative in nature. Information collected includes: weathering, lithology, colour, texture, mineralogy, gravel composition and percentage of clasts, interpretation, suggested sample intervals, comments. |
| | All trenches were logged in full. A summary of gravel thicknesses and depths are shown in Table 1 of the above report |
| Sub Sampling Techniques and Sample Preparation | No subsampling was undertaken. |
| Quality of assay data and laboratory tests | Not applicable: trenches were dug to test geology, not for laboratory analysis. |
| Verification of sampling and assaying | Not applicable. Logging data was initially recorded on paper logging sheets which have subsequently been scanned to pdf and saved on the Company server. Paper logs are stored in the GIB office. |
| Location of Data points | Trench start points were captured at trench completion by hand-held GPS |
| | Grid system is MGA94 zone 51 |
| | The terrain is generally flat. Topographic control is available via DEM and aerial photography and is deemed sufficient for this level of exploration result reporting. |
| Data spacing and distribution | Trench locations are shown in the above report |
| | Not applicable: GIB will not use these samples to as part of a Mineral Resource and Ore Reserve estimation procedure. |
| | No compositing has been applied. |
| Orientation of data in relation to geological structure | Trenches are vertical whereas the palaeogravels they are mapping are horizontal. It is unlikely this will result in any sampling bias. |
| | Trenches are orthogonal to Terrace 5 palaeogravels: no sampling bias is expected. |

| Criteria | Commentary |
|---|---|
| Sample Security | No samples were collected. |
| Audits or reviews | Not applicable to the aims of this trenching program. |

## Section 2 Reporting of Exploration Results

| Criteria | Commentary |
|---|---|
| Mineral tenement and land tenure status | M04/467 was granted on 13th October 2017 with no conditions and is held 100% by GIBB River Diamonds Limited. |
| | M04/467 is granted with no impediments. E04/2415 is a granted exploration licence. |
| Exploration done by other parties | A number of companies have previously completed exploration in the Ellendale Field. The following is a summary of this work.<br>**Ashton Joint venture (1976-1988)**<br>Initial regional drainage diamond exploration program discovered Ellendale 4 (E4) pipe. Follow-up geophysical surveys discovered 40 more pipes; bulk sampling revealed significant diamond grades at E4 and E9.<br>**Stockdale Prospecting Limited (1987-1993)**<br>Regional loam sampling; airborne multi-spectral scanning; aeromagnetics; ground magnetics; SIROTEM; drilling; bulk sampling.<br>**Diamond Ventures/Ellendale Resources/Auridiam (1994-1997).** Accession report a64924.<br>Initial JV flew detailed low-level aeromagnetic survey, discovering five new lamproite pipes; bulk testing of pipes.<br><br>**Kimberley Diamond Company Limited (KDC) (1994-2004).** Accession reports a42864, a47812, a51360, a54883, a57833, a59481, a59998, a61480, a62589, a64735, a64924.<br>Airborne EM and magnetics with follow-up ground magnetics; gravity surveys; AC drilling to discover and delineate the Terrace 5 palaeodrainage gravels; exploration pitting and bedrock interface sampling; large-diameter drilling and bulk sampling; geochemical (termite nest and AC spoil) sampling programs; GPR trial; regional regolith mapping and Landsat imagery.<br>**KDC-Blina Diamonds NL (2004)** Accession report a69826.<br>Drilling of Falcon geophysical targets; heavy mineral sampling; termite mound geochemical sampling.<br>**Blina Diamonds NL (2005-2008)** Accession reports a70125, a70543, a72738, a74960, a77881, a78278, a86615, a93271.<br>Cut 1 and Cut 2 bulk samples; detailed aeromagnetic and ground magnetic surveys; AC drilling; bulk sampling and trenching; 1m and 2.5m Bauer rig drilling; geochemical, microdiamond, and indicator mineral sampling; excavator exploration test pitting. |
| Geology | The Blina Diamond Project is a diamond-bearing palaeogravel in which the majority of diamonds are derived from the Ellendale 9 lamproite pipe (POZ ASX announcement dated 06 November 2017, section 3.3). |
| Drillhole Information | See Appendix A |
| Data aggregation methods | These criteria are not applicable. |

| Criteria | Commentary |
|---|---|
| Relationship between mineralisation widths and intercept lengths | Reported gravel intercepts are true widths. |
| Diagrams | Refer to **Figures, References** and **Appendices in** body of text. |
| Balanced reporting | All trenches from this campaign are recorded in this Announcement. |
| Other substantive exploration data | See previous ASX announcements dated 9 October 2015, 16 October 2017, 18 October 2017, 6 November 2017, 22 November 2017, 7 December 2017, 12 February 2018, 21 March 2018, 30 April 2018, 2 May 2018, 18 May 2018, 12 June 2018, 19 June 2018, and 31 July 2018 |
| Further work | A full bulk sampling and trial mining operation is planned for Terrace 5 in 2018. Refer to POZ Investor Presentation, RIU Sydney Resources Round-up. |

**END**