



4 October 2017

TOMRA XRT MACHINE PURCHASED

Merlin Diamonds Limited (ASX: MED) is pleased to advise that it continues to re-establish operations at the Merlin diamond mine in the Northern Territory.

The Ector pipe has been dewatered ahead of re-establishing pit access and pre mining activities. Potential mining and ore-sorting contractors visited site during the month to familiarize with the required tasks. It is expected that contractors will mine, crush screen and machine sort the coarse ore fractions through a new Tomra X-RAY Transmission (XRT) Machine recently purchased and paid for in full. By using this new sorting technology, it is expected that larger diamonds will be recovered than previously possible as well as recovering low luminescing diamonds that were difficult to recover using previously used sorting technology.

All efforts are being made to mobilise and commission prior to December 2017.
(See website <http://www.merlindiamonds.com.au/>)