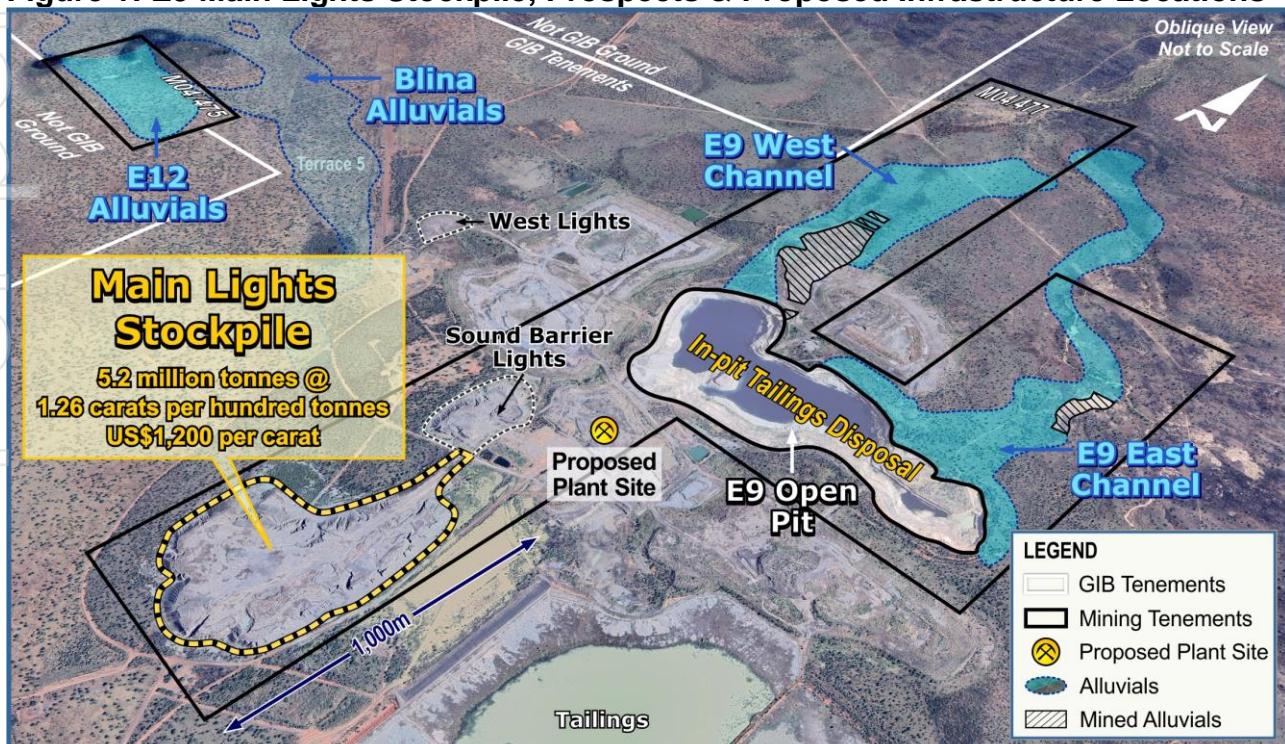




Ellendale Diamond Project, WA Native Title Agreement Secured and Pending Grant of Mining Leases

- GIB has secured a Mining Benefits Agreement with the Bunuba Dawangarri Aboriginal Corporation ('Bunuba'), the Traditional Owners for the Ellendale Diamond Project area, in the West Kimberley region of Western Australia
- The grant of mining leases M04/475, M04/476 and M04/477 are now pending internal processing at the WA Mines Department (DMIRS), including the signature of the Minister for Mines, the Hon. David Michael MLA
- M04/475, M04/476 and M04/477 are the three key leases at the heart of developing the Ellendale Diamond Project. They cover the main portions of the historic workings at the E4 and E9 pipes, together with the extensively bulk-sampled E12 alluvials (Figures 1&2) and their access
- The Company is focusing on the permitting for mining at Ellendale which will be greatly assisted by the grant of these mining leases
- The Company is considering various financing options with a view to potential procurement and build of an initial mining operation at E9. These financing options will be greatly enhanced by the grant of the mining leases

Figure 1: E9 Main Lights Stockpile, Prospects & Proposed Infrastructure Locations



1.0 Ellendale Project – Mining Benefits Agreement

GIB 100%

Gibb River Diamonds Limited ('GIB' or the 'Company') is pleased to announce the signing of a Mining Benefits Agreement between GIB and the Bunuba Dawangarri Aboriginal Corporation ('Bunuba'), the Traditional Owners for the Ellendale Diamond Project area.

This agreement will facilitate the grant of the three Mining Leases, M04/475, M04/476 and M04/477, which are now confirmed as pending internal DMIRS processing.

These three leases are key to developing the Ellendale Diamond Project. The leases cover the main portions of the historic workings at the E4 and E9 pipes, together with the extensively bulk-sampled E12 alluvials (Figures 1&2).

As well as the three mining leases, the Mining Benefits Agreement also covers the granted miscellaneous leases L04/98, L04/115 and L04/116, which cover road access and other project-supporting infrastructure.

The Mining Benefits Agreement and the grant of the mining leases are important milestones in re-establishing diamond production at Ellendale and the Company would like to thank the Traditional Owners and their representative body, the Bunuba Dawangarri Aboriginal Corporation (BDAC) for their co-operation and assistance in negotiating the agreement which will facilitate the grant of these permits. GIB looks forward to a long and mutually beneficial working arrangement with the Bunuba People.

2.0 Mining Benefits Agreement – Terms

The main commercial terms of the Mining Benefits Agreement are as follows:

2.1 Heritage Protection

Extensive provisions have been made in order to ensure that any mining activities do not harm Aboriginal Heritage without the consent of the BDAC. An aboriginal Heritage Protocol is a part of the Mining Benefits Agreement.

2.2 Profit Share

- i. The Company will pay to the Bunuba 7% of net profits from the sale of minerals from within the agreement area. this does not include payments from the sale of Minerals derived from Extracted Ore mined from outside of the Agreement Area but treated in a plant sited within the Agreement Area.
- ii. The Company will pay to the Bunuba an amount equal to 3% of net profits from the sale of minerals derived from Third Party Production from within the agreement area.

NB: Points i and ii above define Deductions prior to the calculation of net profit as including all costs incurred by the Company in relation to the extraction and sale of products recovered from the project, including all exploration, environmental, capital costs, interest, handling, promotion, insurances, taxes and royalties (but not corporations tax). Corporate and other overheads are capped at 20% of the other costs (not taxes).

- iii. The Company will ensure that a minimum floor payment of \$20,000 is paid to BDAC during any calendar year in which Productive Mining takes place. Any Net Profits payment greater than \$20,000 during any calendar year will void the need for a minimum floor payment in respect of that calendar year.

2.3 Direct Payments

- iv. The Company will pay to BDAC a milestone signing payment of \$10,000 upon signing of the Agreement (paid).
- v. The Company will pay to BDAC the sum of \$5,000 per annum for general administrative costs associated with BDAC's management of this Agreement.
- vi. The Company will pay to BDAC the sum of \$10,000 per annum during any calendar year in which Ground Disturbing Activity (excluding Productive Mining) takes place on the Project Tenure, such payment to be made within 90 days of the end of the applicable calendar year.

2.4 Share Options

- vii. The Company will issue to Bunuba, 6,000,000 Share Options in GIB.
- viii. The Options will be exercisable at 6 cents each and will be valid for three years.

The Company has also made a commitment for contract opportunities, employment and training of Bunuba People within its mining activities.

GIB believes this Mining Agreement with the Bunuba people will have a long lasting and significant benefit for both parties, the Company will gain certainty over tenure and future development options, including full scale mining, whilst the Bunuba People ensure that their heritage is protected and gain employment, training and financial opportunities.

3.0 Ongoing Ellendale Development

GIB 100%

Since GIB re-assumed 100% ownership and control of the Ellendale Project from Burgundy Diamonds Limited on 20 March 2023, the Company has been working towards the aim of re-establishing diamond production at the Ellendale Project.

In order to achieve this aim, a number of work-program milestones were identified at the time, and these various updated Company objectives and their current status are summarised below:

Completed since May 2023

- ✓ **Updated Diamond Valuations:** these were reported in May 2023 and provided important information which assisted in the compilation of the Lights Stockpile JORC resource.
- ✓ **Lights Stockpile JORC resource:** reported in November 2023.
- ✓ **Negotiation of a Mining Benefits Agreement with the Bunuba People:** reported in December 2023
- ✓ **Mining Leases:** grant currently pending internal DMIRS processes

To Be Completed

- **E9 West Alluvials:** JORC Resource
- **Permitting for Mining:** this work is ongoing and will be greatly assisted by the grant of the mining leases.
- **Financing** Funding options could include debt, equity, earn-in partner, joint-venture partner, a North Australian Infrastructure Fund (NAIF) partnership, other government funding schemes, or a combination of the above. These options are greatly enhanced by the grant of the mining leases.
- **Procurement and Build** Commencing production on the E9 Lights Resource or the E9 West Alluvials is very scalable and could be commenced as a simple initial mining operation at the Lights Stockpile at E9 (Figure 1). GIB already owns a twin Flowsort X-ray diamond recovery machine.

4.0 Summary

The Company is very pleased to have secured this Mining Benefits Agreement with the Bunuba People. This agreement and the upcoming grant of the mining leases are important milestones in re-establishing diamond production at Ellendale and the Company thanks the Bunuba People for their assistance in negotiating this agreement. GIB looks forward to a long and mutually beneficial working arrangement with the Bunuba People.

GIB continues to focus on the permitting work required to allow mining to re-commence. This work will be greatly assisted by the upcoming grant of the mining leases.

Jim Richards
Executive Chairman

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About The Ellendale Diamond Project

Gibb River Diamonds Limited ('GIB' or the 'Company') owns the Ellendale Diamond Project in the Kimberley Region of Western Australia. The Ellendale Project has been one of the world's largest diamond producers in the past, with previous operators reporting a combined market capitalisation of over \$690 million in 2006 on leases now held by GIB. Ellendale's production included the annual supply of over 50% of the world's Fancy Yellow diamonds, which were the subject of a special marketing agreement between former operators and Tiffany & Co.

The Company's aim is to re-establish diamond mining at the Ellendale Project.

Ellendale Diamond Project – Targets E9 Lights, E9 Alluvials & E12 Alluvials

