



18 August 2014

**Richland Resources Ltd  
("Richland" or "the Company") (AIM: RLD)**

**Sapphire Project Operations Update, Australia**

Richland Resources Ltd today announces an operations update regarding redevelopment of its recently acquired Sapphire project in Queensland, Australia.

**Highlights**

- Plant and plant site refurbishment commenced
- Plan of Operations for the refurbishment of the plant and plant site approved by Queensland Government
- Financial Assurance bond has been lodged with the Queensland Government
- Sapphire Mine rebranded to "Capricorn Sapphire"

Richland is pleased to announce that it has commenced work on the refurbishment of the plant and plant site at its newly acquired Sapphire project in Queensland Australia. Richland prepared and submitted its plan of operations for the refurbishment of the plant and plant site to the Department of Environment and Heritage Protection in June 2014 as required under section 287 of the Environmental Protection Act 1994. The plan of operations was approved in July and Richland has subsequently lodged the required Financial Assurance bond with the Department of Natural Resources and Mines in Queensland.

Work will be centred on re-commissioning the purpose-built alluvial processing plant, which at the time of its original commissioning was reported as the largest of its kind in the southern hemisphere. The processing plant is specified as being capable of treating up to 200 loose cubic metres ("LCM") per hour and consequently could potentially result in an annual sapphire production of approximately 4.16 million grams (20.8 million carats).

The Sapphire project consists of two new mining leases comprising approximately 490 hectares and associated assets and is 100% indirectly owned by Richland. The mining leases contain a JORC (2004) Measured Sapphire Resource of approximately 21.6 million grams (109 million carats) of sapphire, based on extensive exploration and a brief period of mining by the previous owners.



Richland has changed the name of its Australian operating subsidiary to Capricorn Sapphire Pty Ltd and rebranded the project to "Capricorn Sapphire" to reflect the close proximity of the Tropic of Capricorn and the Capricorn Highway located south of the mining operation.

Richland will be working to develop the Capricorn Sapphire brand and marketing the provenance of its Australian sourced Capricorn Sapphires ahead of first full production from the mine.

Commenting on the announcement Bernard Olivier, CEO, of Richland Resources said: "The Queensland Government have efficiently reviewed all our submissions and awarded Richland with the necessary permissions to commence redevelopment work at the Capricorn Sapphire mine. We have now implemented our redevelopment plan and are scheduled to commission production by Q1 2015. In the meantime our marketing and sales teams are working to develop customer relationships ahead of first sight sales. This is a very exciting moment for the Company and we shall be regularly updating the market on progress."

**END**

**For more information please contact:**

Bernard Olivier  
Chief Executive Officer  
+61 4089 48182

Mike Allardice  
Group Company Secretary  
+852 91 864 854

Nominated Advisor & Broker (AIM)  
RFC Ambrian Limited  
Samantha Harrison / Craig Francis  
+44 (0) 20 3440 6800

Laurence Read  
Corporate Development and Communications Officer  
+44 (0)20 3289 9923