

28 February 2019

Richland Resources Ltd

("Richland" or the "Company")

Further Extension of Secured Convertible Loan Facility and update on Strategy for Capricorn Sapphire

Richland (AIM: RLD), the Australian sapphire producer and gemstones developer, announces a further extension of its £400,000 Secured Convertible Loan Facility (the "**Convertible Loan Facility**") and an update on its strategy in relation to its wholly owned subsidiary, Capricorn Sapphire Pty Ltd ("**Capricorn Sapphire**"), owner of the Capricorn sapphire mine in Queensland, Australia.

Further Extension of the Convertible Loan Facility

The Company has agreed and executed a third addendum to its pre-existing Convertible Loan Facility (originally announced on 25 June 2018), to further extend the facility's maturity date from 28 February 2019 to 31 March 2019, for no additional consideration, with all other terms and conditions remaining unaltered. The Company is currently in discussions with the provider of the facility to potentially increase the quantum of the facility to provide additional working capital and a further announcement(s) will be made as and when appropriate. As announced on 28 September 2018, the first addendum to the Convertible Loan Facility involved an increase in the principal amount from £300,000 to £400,000, on the same commercial terms as the original Convertible Loan Facility, whilst the second addendum announced on 31 December 2018 involved an initial extension of its term to 28 February 2019.

Strategic Update regarding Capricorn Sapphire

On 28 September 2018, the Company announced that it was engaged in discussions with potential strategic investors to procure sufficient funding to enable the recommencement of production at the Capricorn sapphire mine or, alternatively, was seeking to conclude ongoing negotiations with different parties in relation to the potential sale of all or a part of Capricorn Sapphire. On 31 December 2018, the Company announced and today reconfirms that it is continuing to pursue this stated strategy and remains in advanced discussions with one party, in particular, with regards to the potential sale of the entire Capricorn Sapphire project. However, there can be no guarantee that the Company will be able to either secure the requisite funding to be able to re-commence operations or conclude discussions with regard to the potential disposal of Capricorn Sapphire.

For further information, please contact:

Anthony Brooke
Chief Executive Officer
+66 81 854 1755

Edward Nealon
Chairman
+61 409 969 955

Mike Allardice
Group Company secretary
+852 91 864 854

Nominated Adviser
Strand Hanson Limited
James Harris
Matthew Chandler
James Dance
+44 (0) 20 7409 3494

Broker
Shore Capital Stockbrokers Ltd
Jerry Keen (corporate broking)
Toby Gibbs / Mark Percy
(corporate finance)
+44 (0) 20 7408 4090

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014.

Note to Editors:

Further information is available on the Company's website: www.richlandresourcesltd.com. Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.