

1 April 2019

Richland Resources Ltd

("Richland" or the "Company")

Further Extension and Increase in 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**") to 30 April 2019, an increase of US\$150,000 in the amount available for drawdown under such 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 and Increase of US\$150,000 in the Convertible Loan Facility

The Company has negotiated, agreed and executed a fourth addendum to its pre-existing Convertible Loan Facility (originally announced on 25 June 2018), in order to:

- a) further extend the Convertible Loan Facility's maturity date from 31 March 2019 to 30 April 2019 for no additional consideration; and
- b) increase the amount available for drawdown under the Convertible Loan Facility by US\$150,000 (the "**Additional US\$ Facility**"). Save for the fact that the Additional US\$ Facility has no conversion rights and is therefore not convertible into shares in the Company, all other terms and conditions of the Convertible Loan Facility, which remain unaltered, apply to the Additional US\$ Facility.

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, the second addendum announced on 31 December 2018 involved an initial extension of its term to 28 February 2019, whilst the third addendum announced on 28 February 2019 extended its term to 31 March 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. The Company continues to pursue this stated strategy and, further to its previous update of 28 February 2019, remains in advanced discussions with one party, in particular, with regards to the potential sale of the entire project. However, there can be no guarantee that the Company will ultimately 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.

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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.