

1 May 2019

Richland Resources Ltd
("Richland" or the "Company")

**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 and US\$150,000 secured convertible loan facility (the "**Convertible Loan Facility**" or "**CLN**") to 31 May 2019 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 fifth addendum to its pre-existing Convertible Loan Facility (originally announced on 25 June 2018 and most recently announced on 1 April 2019), to further extend the Convertible Loan Facility maturity date from 30 April 2019 to 31 May 2019, with all other terms unchanged.

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 extension of the term of the CLN to 28 February 2019; the third addendum announced on 28 February 2019 extend its term to 31 March 2019; and the fourth addendum announced on 1 April 2019 involved an extension of its term to 30 April 2019 and an increase in the principal amount of US\$150,000.

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. Further to the Company's announcement of 31 December 2018 and 2 April 2019, the Board is now focussed on pursuing the sale of all or part of Capricorn Sapphire and remains in discussions, with one party in particular, with regard to the potential sale of the entire Capricorn Sapphire project. There can, however, 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.

A further announcement(s) will be made, as appropriate, in due course.

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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.