

2 January 2020

Richland Resources Ltd

("Richland" or the "Company")

Completion of Disposal of the Capricorn Sapphire Project

Richland (AIM: RLD) is pleased to announce that, further to its announcements of 18 July, 22 July, 19 August, 31 October, 18 November, 2 December, 9 December, 16 December and 23 December 2019 in relation to the proposed disposal to Fura Gems Inc. ("**Fura**") of its wholly owned subsidiary Richland Corporate Ltd, the holder of the Capricorn Sapphire Project (and the Company's loans to Richland Corporate Ltd) (the "**Disposal**"), the Disposal completed on 31 December 2019 (the "**Completion Date**").

Accordingly, Fura has paid the total cash consideration of US\$1,250,000 (approximately £952,125) due under the Disposal (the "**Consideration**"), of which US\$880,000 (approximately £670,296), has been paid directly to the Lender in order to settle the total amount outstanding under the Company's pre-existing Secured Convertible Loan Facility (including all accrued interest). The balance of the Consideration will be utilised by the Company to pay transaction costs and certain other outstanding creditors and to provide additional working capital as the Company seeks to identify a suitable reverse takeover transaction in the mining sector.

AIM Rule 15 Cash Shell Status

Pursuant to the successful completion of the Disposal, the Company has become an AIM Rule 15 cash shell and, as such, is required to make an acquisition, or acquisitions, which constitutes a reverse takeover under AIM Rule 14 (including seeking re-admission under the AIM Rules for Companies) within six months from the Completion Date. Alternatively, within such time period, the Company can seek to become an investing company pursuant to AIM Rule 8, which requires, *inter alia*, the raising of at least £6 million and publication of an admission document. In the event that the Company does not complete a reverse takeover under AIM Rule 14 within such six month period or seek re-admission to trading on AIM as an investing company pursuant to AIM Rule 8 (either being, a "**Re-admission Transaction**"), the Company's common shares would be suspended from trading pursuant to AIM Rule 40. Thereafter, if a Re-admission Transaction has not been completed within a further six month period, admission to trading on AIM of the Company's common shares would be cancelled.

Capitalised terms used in this announcement, unless otherwise defined herein, have the same meanings as set out in the Company's announcement of 27 June 2019.

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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.