
APPLICATION TO ASX FOR REMOVAL FROM OFFICIAL LIST

(ASX:KDL) Kimberley Diamonds Ltd (**KDL**) has applied to the ASX for removal from the official list.

The reasons for the application include the following:

- KDL's shares are trading at a price which is materially lower than the underlying value of the company's assets, based on independent valuation.
- Low liquidity in KDL shares.
- Lack of interest for KDL shares in the Australian market.
- The Directors believe that further fundraising, including any required restructuring of existing loans, is more likely to be successful if the company is delisted.
- Removal from official list will provide significant cost savings.

The consequences of delisting will include the following:

- KDL more likely to obtain necessary funding.
- If KDL is removed from the official list, it will become an unlisted public company.
- KDL's shareholders will not be able to buy and sell shares on the public market after the delisting.

The Directors have resolved to seek shareholder approval for the proposed delisting. Shareholders will be able to consider their individual circumstances while the ASX considers KDL's application, as well as in the lead up to the extraordinary general meeting. This gives shareholders the opportunity to sell their securities prior to the delisting, should they choose to do so. Following delisting, shareholders will need to contact KDL to enquire if any buyers are known.

The Company has not received in-principle advice from the ASX that it will agree to the request and accordingly:

- ASX is not required to act on the Company's request and may require conditions to be satisfied before it agrees to the Company's request; and
- the Company will make a further announcement to the market once it is advised by ASX whether or not it will agree to the request and of any conditions that ASX requires to be satisfied before it will act on the request.

For further information please contact:

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