

## PLACEMENT AND RIGHTS ISSUE

---

(ASX: KDL) Kimberley Diamonds Ltd (“KDL” or “Kimberley”) is pleased to announce that it has undertaken a private placement of shares to raise further funds. Shares are to be issued as follows:

- subject to receipt of full funds, 28,064,165 shares to be issued to a private investor to raise approximately \$560,000 at an issue price of \$0.02 per share; and
- 14,265,950 shares at \$0.02 per share to Zhejiang Huitong Auction Co Ltd (or its nominees), in full satisfaction of the outstanding interest due on its loan to KDL.

These share issues will be made using KDL’s full 15% placement capacity under Listing Rule 7.1 and 10% placement capacity under ASX Listing Rule 7.1A.

KDL is also undertaking a non-renounceable pro-rata rights issue offer of new KDL ordinary shares (**New Shares**) at an issue price of \$0.02 per New Share (**Issue Price**) to raise up to approximately \$3,386,409 (**Offer**).

Eligible shareholders will be able to purchase 1 New Share for every 1 existing KDL ordinary share held as at 5.00pm (Sydney time) on 1 February 2017 (**Record Date**). New shares issued under the Offer will rank equally with existing KDL ordinary shares from issue.

To be an eligible shareholder, you must, as at 5.00pm (EST) on the Record Date:

1. be registered as a holder of KDL ordinary shares; and
2. have a registered address in Australia or New Zealand.

Full details of the Offer will be contained in the offer document. The indicative timetable for the Offer will be announced on 27 January 2017.

**For further information please contact:**

**Laila Green**

Company Secretary and Chief Financial Officer

[laila.green@kdl.com.au](mailto:laila.green@kdl.com.au)