

CONCLUSION OF LEGAL PROCEEDINGS

Kimberley Diamonds Ltd (ASX:KDL) ("Kimberley") is pleased to advise that legal proceedings between its wholly owned subsidiary, Mantle Diamonds Limited ("Mantle") and Sayona Mining Limited (ASX:SYA) ("Sayona") have been settled by agreement between Sayona, Mantle and Kimberley. Kimberley inherited these proceedings, which were ongoing when it acquired Mantle in February 2014.

The agreement includes a mutual release of claims by the parties and payment by Mantle to Sayona of cash and scrip in Kimberley to an aggregate value of USD\$340,000, by 1 October 2014.

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About Kimberley Diamonds Ltd

Kimberley Diamonds Ltd owns the Lerala Diamond Mine in Botswana and is the owner and operator of the Ellendale Diamond Project in Western Australia. The mine is the world's leading source of rare fancy yellow diamonds and contributes around half of the world's supply. Kimberley also owns the Smoke Creek Alluvial Diamond Project in the Kimberley region of Western Australia; eDiamond BVBA, a marketing office for rough diamonds that uses an independent online trading platform for rough diamond sales and also has interests in a portfolio of other mining tenements in Canada, New South Wales and Western Australia. Kimberley Diamonds Ltd has offices in Sydney and Perth and is listed on the ASX under the code KDL.