

UPDATE ON BOTSWANA JOINT VENTURE

As announced on 3 July 2014, Kimberley Diamonds Ltd (ASX:KDL) ("Kimberley") entered into a joint venture with Tilwane Services (Pty) Limited ("Tilwane"), in relation to two tenements located near to the Orapa Diamond Mine in north-eastern Botswana.

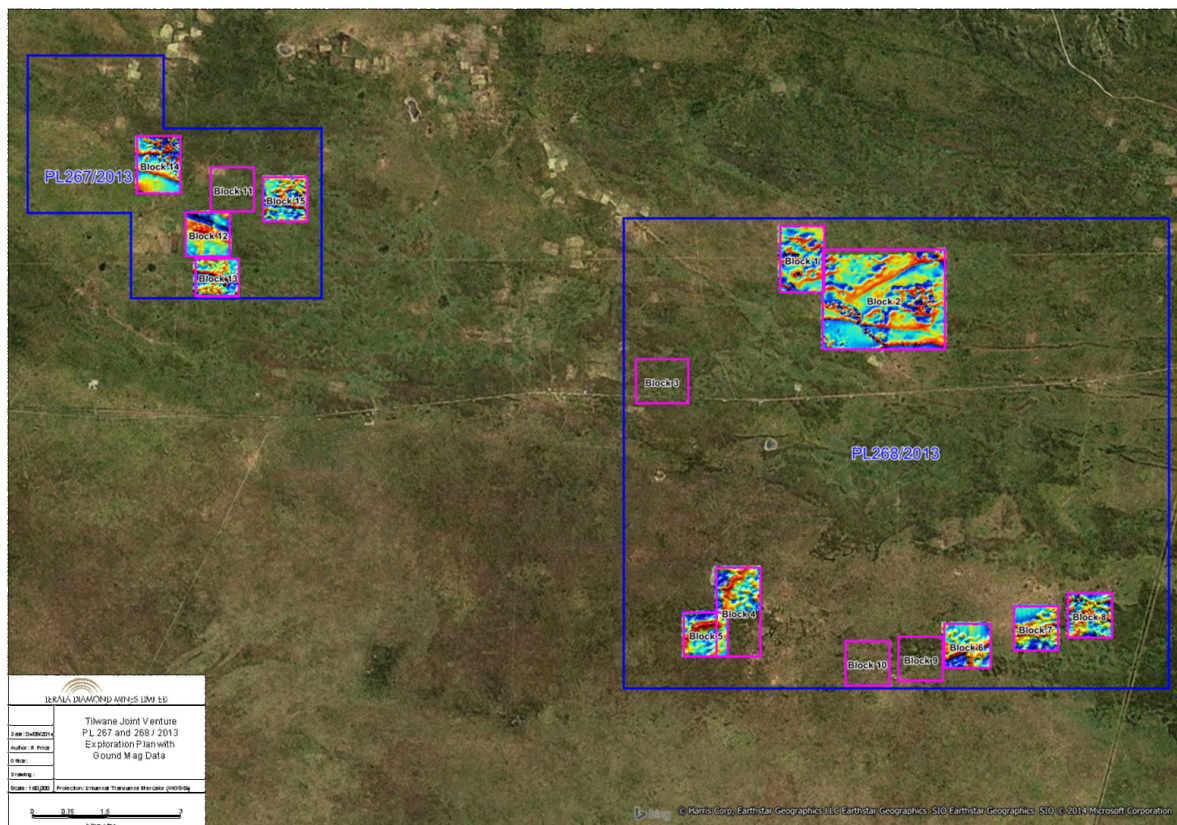
Kimberley has commenced work on the Joint Venture, with soil geochemistry sampling currently being undertaken. We selected fifteen aeromagnetic anomalies for follow-up by ground magnetic surveys and soil geochemistry sampling based on a combination of the magnetic signature and association with historical heavy mineral occurrences.

We have received preliminary results for thirteen of these blocks which show improved definition of the targets. We are particularly encouraged by the results from Block 2 which shows a distinct magnetic anomaly within an area of elevated heavy mineral counts.

The soil geochemistry sampling is expected to be completed in the first week of October. The samples will be submitted to the laboratory for interpretation shortly thereafter. We expect to receive the detailed results of this sampling during December 2014.

Confirmation of the geological source of the targets will be supported by modelling of the magnetic data and interpretation of the soil geochemistry data using techniques developed at our Ellendale project.

The most promising of the targets will then be selected for drilling.



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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.