

NOTIFICATION OF UNDER SUBSCRIPTIONS FOR NON-RENOUNCEABLE RIGHTS ISSUE

(ASX: KDL) Kimberley Diamonds Ltd (“KDL” or “the Company”) advises that its non-renounceable rights issue offer at \$0.19 per new fully paid ordinary share (“Rights Issue”) closed at 5pm (Sydney time) on Friday 24 October 2014 (“Closing Date”).

The Rights Issue comprised:

1. the 1 for 2 non-renounceable Rights Issue offer;
2. an additional offer, under which Eligible Shareholders could apply for additional shares after applying for their full entitlement under the Rights Issue offer (“Additional Offer”); and
3. a shortfall offer, under which any new shares not subscribed for under the Rights Issue or the Additional Offer, may be placed at the discretion of Directors within three months of the Closing Date (“Shortfall Offer”).

The following table sets out the number of new shares subscribed for by Eligible Shareholders under the Rights Issue and the Additional Offer “(New Shares)”:

Offer Details	Number of New Shares	Gross Proceeds (\$)	Percentage of Maximum (%)
Maximum number of new shares that could have been issued under the Rights Issue offer as per the offer document	52,171,958	9,912,672.02	100.0%
Less Rights Issue offer subscriptions	347,084	65,945.96	0.67%
Less Additional Offer subscriptions	68,578	13,029.82	0.13%
Shortfall (under subscriptions)	51,756,296	9,833,696.24	99.2%

The above figures are subject to none of the subscription proceeds received by cheque being dishonoured between the time of this announcement and the allotment and issue of the New Shares.

The Shortfall (51,756,296) represents the maximum number of new shares which the Directors can now issue under the Shortfall Offer at their discretion within 3 months of the Closing Date. Any new shares issued under the Shortfall Offer will be at an issue price of \$0.19 per new share (being the price at which new shares were offered under the Rights Issue).

The allotment and issue of the 415,662 New Shares will occur on Thursday 30 October 2014. Entry of the New Shares into the shareholder holdings and despatch of the holding statements will also occur on this date.

It is anticipated that normal trading of the New Shares will commence on 31 October 2014.

For further information please contact:

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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 Ellendale 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, Spain, New South Wales and Western Australia. Kimberley Diamonds Ltd has its registered office in Sydney and is listed on the ASX under the code KDL.