

UPDATE TO PLACEMENT OF SHARES

(ASX: KDL) Kimberley Diamonds Ltd (“KDL”) would like to provide an update to its 30 October 2014 announcement regarding the placement of 23 million shares. KDL has been advised by Foch Investment Holding Group Co Ltd (“Foch”) which is the party to the subscription agreement for the placement that it will require an extension of time to receive the required statutory approvals in order to complete the placement transaction.

The placement was subject to the receipt of approval from relevant Chinese regulatory authorities. KDL has been informed by Foch that it is still in the process of obtaining the required approvals from the provincial Development and Reform Commission (“DRC”). The DRC notified Foch that its application to invest overseas is pending subject to further information to be provided by Foch to the DRC. As a result of this delay, Foch has requested that the subscription be postponed until this approval is obtained.

ASX Listing Rule 7.2, Exception 3 provides that the shortfall from the recent rights issue must be issued within 3 months of the closure of the rights issue, being 24 January 2015. If this share subscription is delayed past this date, KDL will consider its options to be able to proceed with this share subscription, including issuing all or part of the shares under its 15% placement capacity and seeking shareholder approval for any shares in excess of this placement capacity.

KDL will continue to update the market in due course.

About Foch

Foch Investment Holding Group is an institutional investor group based in Beijing, managing assets over ten billion yuan. Its current investments in China are in mining and energy, food and health care, industrial parks development, real estate and hotels, agricultural and seed industries and technology.

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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.