

### KDL SUBSIDIARY EARNS 50% INTEREST IN BOTSWANA JOINT VENTURE

(ASX: KDL) Kimberley Diamonds Ltd (**KDL**) is pleased to announce that its wholly owned Botswana subsidiary, Lerala Diamond Mines Limited (**Lerala**) has successfully earned a 50% interest in its Botswana Joint Venture over the initial 12 months of the Joint Venture.

#### Botswana Joint Venture

Lerala is party to a Farm-In and Joint Venture Agreement (**Joint Venture**) with Tilwane Services (Pty) Limited (**Tilwane**), a Botswana based exploration company. The Joint Venture is in respect of two tenements, Prospecting Licence 267/2013 and Prospecting Licence 268/2013, located in north-eastern Botswana, close to the Orapa Diamond Mine. The licences cover a total of 162km<sup>2</sup> and lie close to the main Orapa-Francistown road.



#### Ownership of 50% Interest

Under the terms of the Joint Venture, if Lerala spends AUD\$100,000 on project expenditure in the first 12 months of the Joint Venture, it would earn a 50% interest in the Joint Venture. Lerala successfully satisfied this expenditure commitment and Tilwane has acknowledged that Lerala now owns a 50% interest in the Joint Venture.

Lerala now has the opportunity to earn an additional 20% interest in the Joint Venture by spending a further AUD\$1m on project expenditure in the following 18 months. If it does this successfully, it will hold a 70% interest in the Joint Venture.

### **Update on Joint Venture Exploration**

During the 12 months since commencement of the Joint Venture, Lerala has expended approximately \$130,000 on work relating to this Joint Venture, with soil geochemistry sampling and high resolution ground magnetic surveys being undertaken.

During the past 3 months a detailed review of all of the available historical and recently collected data was undertaken by geophysical specialists in order to investigate the quality of the ground and airborne data, digitally combine the ground and airborne magnetic data to compare and assess the relative geological resolution of the methods, reprocess the ground magnetic survey blocks in order to improve resolution and to interpret each block's data with a view to locating potential 'kimberlite-type' anomalies.

High resolution geophysical maps were constructed for each target area identified as high potential and a list of 25 recommended drill sites was developed for further attention. From these, 15 high priority sites were selected for follow-up Percussion drilling in order to detect the possibility of kimberlitic intrusives below the Karoo Basalts.

A drilling program has been designed and is expected to commence during the first half of 2016.

### **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.*