

### **MARKET UPDATE – MINING PREPARATION**

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(ASX: KDL) Kimberley Diamonds Ltd (**KDL**) would like to provide our shareholders with an update on the progress of the re-commissioning of our Lerala Diamond Mine in Botswana.

#### **Lerala Pit K3 De-watering**

The Lerala Diamond Mine has five diamond bearing kimberlite pipes to be mined, K2, K3, K4, K5 and K6. Mining at Lerala is currently scheduled to commence early in 2016 in the K3 pit.

During the time the Lerala Diamond Mine has been on care and maintenance, the K3 pit has been allowed to fill with groundwater and act as a water storage facility. With the planned commencement of mining activities in the K3 pit, a de-watering exercise commenced in February 2015 to pump all water from the K3 pit out to the K6 pit, where it will be stored until potentially required for processing operations.



K3 pit prior to dewatering commencing in February 2015

Pumping has been ongoing for the past 7 months and water is now sufficiently cleared so that mining operations can commence as soon as required.

#### **Geotechnical Review**

With the water cleared from the K3 pit, this has facilitated better access and enabled a detailed geotechnical mapping exercise to be undertaken in this pit by a consulting geotechnical engineer, who will confirm the slope stability parameters to provide for updated open pit designs. Geotechnical mapping was also able to be conducted in the K2 and K5 pits, which are scheduled

to be mined early in the mining schedule at Lerala. The preliminary geotechnical assessment results suggest that there is scope for improving the design parameters and reducing pit stripping ratios, which we would expect to reduce overall mining costs.



K3 pit mid September essentially de-watered

### **Mining Optimisation**

Once the preliminary report with recommended slope design parameters for each pit is received from the geotechnical consultant, which is expected in late September, we plan to undertake a mining optimisation exercise. This will allow us to develop updated optimal mine designs for each pit as well as a detailed design for mining contractors to commence operations in the K3 pit.

All aspects of the Lerala project are progressing very well to date and remain on schedule. If this progress can be maintained and barring any unforeseen delays, this will see the project well prepared for re-commissioning early in 2016.

### **For further information please contact:**

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