

7 March 2016

Market Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Notice under Section 708AA(2)(f) of the Corporations Act

This notice is given by Kimberley Diamonds Ltd (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**), as modified by ASIC Class Order [CO 08/35].

On 7 March 2016, the Company announced a non-renounceable pro-rata rights issue of 40,246,783 fully paid ordinary shares in the Company (**Rights Issue**). Eligible shareholders will be entitled to subscribe for one ordinary share (**New Share**) for every three ordinary shares held in the Company on the record date, being 5.00pm (Sydney time) on 10 March 2016, with each New Share being issued at an issue price of \$0.10 to raise up to approximately \$4,024,678 (**Offer**).

The Company hereby advises ASX that:

1. the Company will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act;
2. this notice is being provided pursuant to Section 708AA(2)(f) of the Corporations Act, as modified by ASIC Class Order [CO 08/35];
3. as at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) section 674 of the Corporations Act; and
4. as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act; and
5. if all eligible shareholders take up their entitlement under the Offer, the Offer will have no effect on the control of the Company and shareholders' interests will not be materially diluted. The Offer will not be underwritten.

Yours faithfully



Laila Green
Company Secretary