



6 October 2016

ASX ANNOUNCEMENT

Merlin Diamonds announces that operations have recommenced at the Merlin diamond mine

Merlin Diamonds Limited (ASX: MED) announces operations have recommenced at the Merlin diamond mine. Crushing and screening of stockpiled oversize material from previous operations located adjacent to the plant has commenced and the Dense Media Separation (DMS) plant has been successfully recommissioned.

The first production of diamonds from the concentrate generated by the DMS plant is expected by mid-October 2016

Yours sincerely,

PETER LEE
Company Secretary