
KDL COMPLETES \$4 MILLION CAPITAL RAISING AT 10 CENTS

(ASX:KDL) Kimberley Diamonds Ltd (**KDL**) is pleased to announce that it has completed a capital raising of \$4,024,678 via the issue of 40,246,783 ordinary fully paid shares at \$0.10 per share (**Rights Issue**).

The Rights issue closed on 24 March 2016, raising \$451,734 via the entitlement offer to existing shareholders. Placement of the rights issue shortfall completed on 24 June 2016, with 100% of the available shortfall shares successfully placed with sophisticated and professional investors, raising \$3,572,944.

7,041,202 of the shortfall shares were issued to Zhejiang Huitong Auction Co Ltd (**Zhejiang**), the lender of \$13 million to KDL. The issue to Zhejiang was partly in payment of the interest. KDL and Zhejiang have also agreed to vary the loan agreement to allow Zhejiang to convert approximately \$180,000 of its loan to KDL shares at \$0.10. KDL now owes Zhejiang approximately \$11.3 million.

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