
KIMBERLEY DIAMONDS DEFERS CAPITAL RAISING

(ASX:KDL) The Board of Kimberley Diamonds Limited (“KDL” or the “Company”) has decided to defer its current planned capital raising due to prevailing market conditions.

The Board is conscious of unnecessarily diluting its loyal existing shareholder base, given the pricing levels currently available. In addition, during the course of marketing the Company, alternate, non-dilutive options to fund KDL’s development programme were proposed, which the Board also wishes to consider.

The Company today has a cash balance of A\$9.7 million with no debt, and in the opinion of the Board, is fully funded for its existing operations. The Board also believes that the current cash reserves and future operating cash flows of Ellendale 9 will be sufficient to fund the capital expenditure required to re-start the Ellendale 4 Mine scheduled for October 2014 as planned.

The recommissioning of the Lerala Diamond Mine in Botswana and commencement of mining operations at Smoke Creek, will be postponed until the appropriate funding is available, either from operating cash flow or external sources.

KDL will update the market as soon as these plans are finalised, including an update on previously announced forecasts which will be amended given the change in timing of expansion plans and funding arrangements.

The Company is pleased to confirm that mining has recommenced at the Ellendale 9 pipe following the end of the wet season. The Board and management wish to thank shareholders for their continued support.

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About Kimberley Diamonds Limited

Kimberley Diamonds Limited is the owner and operator of the Ellendale Diamond Project in Western Australia. The mine is the world’s leading source of rare fancy yellow diamonds and contributes around half of the world’s supply. Kimberley Diamonds Limited also owns the Lerala Diamond Mine in Botswana, the Argyle 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, New South Wales and Western Australia. Kimberley Diamonds Limited is headquartered in Sydney; has an office in Perth and is listed on the ASX under the code KDL.