



DiamonEx Limited

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ASX ANNOUNCEMENTS AUSTRALIAN STOCK EXCHANGE

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LERALA DIAMOND MINE COMMISSIONING UPDATE

- **Last phase plant commissioning nearing completion**
- **Diamond concentrate build up in the Plant, with diamond recovery to commence**
- **First diamond sale scheduled in August**
- **Now ramping to full production and Name Plate handover**

DiamonEx Limited (ASX/AIM/BSE 'DON'), the emerging diamond producer in Botswana, announces that following on from its commissioning update in May 2008, the last phase of commissioning at its Lerala Diamond Mine Processing Plant ("Plant") will complete this week leading to the commencement of diamond recovery. Last phase commissioning, referred to as "hot commissioning" involves

1. The processing of ore through the entire Plant – complete;
2. The batch feeding of ore into the Plant – currently being undertaken;
3. The continuous feed of ore into the Plant and with that the recovery of diamonds – once batch feeding completed.

Managing Director of DiamonEx, Dan O'Neill said, "The commissioning process has gone well with no major issues emerging. It has overrun by around three weeks due to some technical issues in Plant operation but on the whole the Plant has tested well. The Lerala Mine team under the leadership of Mark Coetzee, our General Manager at Lerala, and our Project Manager, Promet Engineering from Cape Town, must be congratulated on their effort in building and commissioning this state of the art Plant. We are all very proud of what we have achieved and created, and look forward to the next challenge of optimising diamond recovery and generating cash flow.

The Company is also preparing for its first diamond sale, now planned for the end of August. Under its mining lease covenants to the Botswana Government DiamonEx must offer its goods to Botswana registered cutters and polishers. Simultaneous with the Botswana offering, the Company will be offering its goods for sale internationally, in Antwerp, with the best price in a closed tender process securing the diamonds.

Highly regarded diamond valuation agents, WWW International Diamond Consultants, who represent and act for the world's leading diamond companies and Governments, have been engaged by DiamonEx to market its diamonds. This dual sales process is part of a major initiative of the Botswana Government to grow the diamond beneficiation industry in Botswana. Importantly however, this sales process ensures that the best possible price for the diamonds is achieved by allowing the world market to bid alongside the Botswana diamond cutters.

Mr O'Neill, said, "The diamond sale will allow DiamonEx's Lerala Mine to join the very small list of producing hard rock diamond mines in the world, a list of less than 20 mines, and also make it the first independently owned producing diamond mine in the Republic of Botswana."

Mr O'Neill went on to say, "Botswana produces up to 30% of the world's rough diamonds by value. All of Botswana's production however, is accounted for by a single entity, a joint venture between the Botswana Government and Debeers, known as Debswana. DiamonEx will be the first independent diamond producer in the world's premium diamond producing region. This is a truly commendable achievement."

For and on behalf of the Board

Paul Crawford
Company Secretary

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About DiamonEx:

DiamonEx is an emerging diamond producer having developed a 330,000 carat per year diamond mine at Lerala, in eastern Botswana. The mine is 100% owned and is located in an area that produces up to 30% of the world's diamonds by value. The company also owns 15,000 sq km of mineral rights in Botswana which it is actively exploring for diamonds, as well as a 9.3 hectare diamondiferous kimberlitic pipe in northern Colorado, USA, which it is currently evaluating for grade and value. DiamonEx is listed on the Australian Stock Exchange (ASX), the Alternative Investment Market in London (AIM), and the Botswana Stock Exchange (BSE).