KIMBERLEY DIAMOND COMPANY

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9 March 2007

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

SALE OF SHARES IN BLINA DIAMONDS NL

Kimberley Diamond Company NL (ASX: **KIM**; AIM: **KDC**) wishes to advise that it has sold 20,000,000 ordinary fully paid shares held by it in Blina Diamonds NL (ASX: BDI) for $10,800,000 ($0.54 per share) to a European based fund. The buyer has a large shareholding in Kimberley and has indicated its long term enthusiasm and support for Blina.

Kimberley's shareholding in Blina Diamonds amounts to 72,120,133 shares after this sale, comprising 39.66 percent of the voting capital of that company. Kimberley remains the major shareholder of Blina Diamonds and will continue to fully support Blina Diamonds as it works towards developing its diamond exploration and mining programmes. Kimberley derived a profit from the sale as follows.

Number of shares sold	20,000,000
Sale price per share	$0.54
Proceeds of sale	$10,800,000
Cost of shares sold	$861,010
Profit on sale	$9,938,990

The entire proceeds from this sale will be utilised to reduce Kimberley's debt with its Bankers, with the principal net indebtedness now reduced to approximately A$32 million. Further debt reductions, from proceeds from diamond sales, are planned by July 2007 with the objective of reducing total net debt to $22 million in that time.

The Company's change in substantial holder notice served on Blina Diamonds NL is attached hereto.

– ENDS –

Released by:
Nicholas Read
Jan Hope & Partners
Telephone: (08) 9388 1474

On behalf of:
Miles Kennedy - Chairman
Kimberley Diamond Company NL
Telephone: (08) 9321 5887

Form 604

Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme	BLINA DIAMONDS NL
ACN/ARSN	086 471 007

1. Details of substantial holder (1)

Name	KIMBERLEY DIAMOND COMPANY NL (KDC)
ACN/ARSN (if applicable)	061 889 634

There was a change in the interests of the substantial holder on	08/03/2007
The previous notice was given to the company on	25/01/2006
The previous notice was dated	25/01/2006

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
ORD	92,120,133	50.66%	72,120,133	39.66%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
08/03/2007	KDC	KDC	$10,800,000	20,000,000 Ordinary	20,000,000

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
KDC	KDC	KDC	Registered holder	72,120,133	39.66%

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Kimberley Diamond Company NL	12 Walker Avenue West Perth WA 6005

Signature

print name	Jean Mathie	capacity	Co Secretary
sign here		date	09/03/2007

DIRECTIONS

(1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.

(2) See the definition of "associate" in section 9 of the Corporations Act 2001.

(3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.

(4) The voting shares of a company constitute one class unless divided into separate classes.

(5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.

(6) Include details of:

(a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

(b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

(7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

(8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".

(9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.