

Cape Diamonds plc (the "Company")

Director Share Dealing

20 July 2007

The Company has today been notified that Mr Masoud Alikhani, Non-Executive Chairman of the Company, yesterday purchased 100,000 ordinary shares of 10p each in the Company ("Ordinary Shares") at 53p per share.

Following this transaction, Mr Alikhani has a beneficial interest in 3,081,420 Ordinary Shares representing 8.91 per cent. of the Company's issued share capital.

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