

Cape Diamonds Plc (“the Company”)

2 February 2007

Update re: Final Results

Further to the announcement released to the market on 22 December 2006, publication of the results for the year to 30 June 2006 has been further delayed.

The delay is due to a number of factors including consideration of the financial and accounting implications of the warrants issued prior to float, changes in minority interest and the re-negotiation of the Black Economic Empowerment (“BEE”) deal.

At the same time, the Company is in the process of recruiting additional directors. The Company intends to publish its financial results once it has announced the composition of its new Board.