

RNS Number:3218J
Cape Diamonds PLC
22 September 2006

Cape Diamonds Plc

Appointment of Adviser

The Board of Cape Diamonds Plc (AIM: CAPE), the diamond producing company with diamond assets in the Republic of South Africa, is pleased to announce that it has appointed Redleaf Communications as its financial PR and investor relations adviser, with immediate effect.

- ends -

Enquiries to:

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Notes to Editors:

About Cape Diamonds plc

- * Cape Diamonds was established in March 2004 to capitalise on the opportunity to acquire diamond assets in the RSA
- * The Company began trading on AIM in May 2006
- * In 2004 the company acquired a 74.4pc stake in the Elandslaagte mine, RSA, an existing mining operation on a diamondiferous kimberlite pipe system
- * Since 1896 approximately 30,000 carats of diamonds have been extracted from the Elandslaagte mine
- * The average realised value of the diamonds recovered since July 2004 has exceeded \$500 per carat
- * The Project currently has indicated and inferred diamond resources of 1.25 million carats with considerable upside potential from established kimberlite deposits