

TR-1: NOTIFICATION OF MAJOR INTERESTS IN SHARES

1. Identity of the issuer or the underlying issuer of existing shares to which voting rights are attached:

Cape Diamonds Plc

2. Reason for the notification (place an X inside the appropriate bracket/s)

An acquisition or disposal of voting rights: ()

An acquisition or disposal of financial instruments which may result in the acquisition of shares already issued to which voting rights are attached: ()

An event changing the breakdown of voting rights: ()

Other (please specify) : (X)

issued share capital change

3. Full name of person(s) subject to the notification obligation:

JP Morgan Chase & Co

4. Full name of shareholder(s) (if different from 3.) :

JP Morgan Asset Management (UK) Limited

5. Date of the transaction (and date on which the threshold is crossed or reached if different):

29 June 2007

6. Date on which issuer notified:

3 July 2007

7. Threshold(s) that is/are crossed or reached:

11%

8. Notified details:

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A: Voting rights attached to shares

Class/type of shares if
possible using the ISIN CODE

Situation previous to the Triggering transaction

	Number of shares	Number of voting Rights
GB00B137SL17	3,713,000	3,713,000

Resulting situation after the triggering transaction

Class/type of shares if possible using the ISIN CODE	Number of shares	Number of voting rights		% of voting rights	
		Direct	Indirect	Direct	Indirect
GB00B137SL17	3,713,000		3,713,000		10.73%

B: Financial Instruments

Resulting situation after the triggering transaction

Type of financial instrument	Expiration Date	Exercise/Conversion Period/ Date	Number of voting rights that may be acquired if the instrument is exercised/ converted.	% of voting rights
N/A				

Total (A+B)	Number of voting rights	% of voting rights
	3,713,000	10.73%

9. Chain of controlled undertakings through which the voting rights and/or the financial instruments are effectively held, if applicable:

Total disclosable holding for JP Morgan Chase & Co: 3,713,000 (10.73%)

Holdings by controlled undertakings of JP Morgan Chase & Co are as follows:

JP Morgan Asset Management (UK) Limited: 3,713,000 (10.73%)

Proxy Voting:

10. Name of the proxy holder:

N/A

11. Number of voting rights proxy holder will cease to hold:

N/A

12. Date on which proxy holder will cease to hold voting rights:

N/A

13. Additional information:

N/A

14. Contact name:

Tracey Young

15. Contact telephone number:

020 7325 4513