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Dwyka moves to 70% ownership of De Beers Tailings Retreatment Project (DBTR) as a result of BEE restructure

Dwyka Diamonds Limited (“**Dwyka**” or “the **Company**”), the AIM and ASX quoted diamond developer and producer, today announces that the final implementation phase of the BEE restructure of its South African operations has now been fully completed.

The restructure, which sees Dwyka move to 70% ownership of the De Beers Tailings Retreatment Project (“**DBTR**”), coincides with improving performance of the operations. Throughput is rising consistently and first revenues have now been received from De Beers.

In addition, Dwyka’s other projects and operations – comprising the Kimberley-based Industrial Products businesses, the prospective Bosele diamond fissure project and Blaauwbosch, Newlands and New Elands underground kimberlite mines – are now fully BEE-compliant, with the result that Dwyka:

- can proceed to conversion of all “old order” mining rights to “new order” rights as contemplated under applicable South African legislation;
- can maximise development of its existing projects and operations;
- is now placed in a strong position to secure further opportunities in South Africa; and
- will, as regards its Industrial Products division, be viewed as a “preferred” supplier to South African mining companies and in relation to tendering and procurement with government.

Ownership of Dwyka’s South African projects and operations has now been consolidated beneath new South African subsidiary Superkolong Holdings (Pty) Ltd (“**Superkolong Holdings**”), in which Dwyka has a 70% shareholding and Dwyka’s BEE partner Kolong Investment Holdings (Pty) Ltd (“**Kolong**”) holds 30%. Those projects and operations have also been streamlined into separate mining, processing and industrial divisions (each headed by a dedicated Dwyka subsidiary that is 100% owned by Superkolong Holdings), in order to maximise efficiencies and simplify dealings with third parties.

Speaking today in relation to the restructured Dwyka Group, Melissa Sturgess, Dwyka’s Chairman, said: “We are now in the position of being able to take full advantage of the recent South African BEE reforms and to maximise development of our projects and operations. We are excited by the opportunities that this restructure affords and look forward to working closely with Kolong to further develop our South African operations into a profitable, high-growth business.”



Dwyka
Diamonds
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Kolong's Chairman, Julius Mongwaketse, today commented: ""This transaction is a demonstration of the commitment of both Companies to increasing our exposure to diamond development and production in South Africa. Together, we have built a solid foundation for future growth and we look forward to the opportunities that our partnership affords in maximising value for the shareholders of both Companies."

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