

15 December 2011



NAMAKWA DIAMONDS

**Namakwa Diamonds Limited (LSE: NAD)
("Namakwa" or the "Company")**

Batla Minerals Launches Appeal Against Defeat by Namakwa

On 30th November 2011, the High Court of Lesotho dismissed the claim of Batla Minerals SA and, its subsidiary, Toro Diamonds (Pty) Ltd (together, "**Batla Minerals**") to a 50% interest in Namakwa's 62.5% shareholding in Storm Mountain Diamonds (Pty) Ltd, with costs awarded to Namakwa.

Batla Minerals has now informed the Company of its intention to exercise its rights to appeal the decision of the High Court and anticipates the appeal being heard in April 2012.

In accordance with the decision of the Court of first instance, Namakwa considers Batla Minerals' claim to be without merit and will continue to defend its rights vigorously.

For further information please visit www.namakwadiamonds.com or contact:

Namakwa Diamonds

Richard Collocott +27 11 334 8886
Ryan Barrow +44 7974 453 954

Tavistock Communications

Simon Compton +44 20 7920 3150
John West +44 20 7920 3150

About Namakwa Diamonds Limited

Namakwa is a diamond resource group, which seeks to extract maximum value from the marketing, distribution and sale of Group mined and contracted production through a Trading & Beneficiation platform with access to the international wholesale markets.

The Group's Mining Division is focused on the Kao Project in Lesotho, the 4th largest individual kimberlite pipe in South Africa and Lesotho, anticipated to come into commercial production in the first quarter of the calendar year in 2012, and the only one mining at or near surface. Operated by Storm Mountain Diamonds and its leading hard-rock mining team, with a proven track record in the construction and development of Lesotho's leading kimberlite pipes, the Kao kimberlite project presents a 186Mt resource of c.13m carats (c.4m indicated and c.9m inferred), of which Namakwa holds a 62.5% interest.

The Group also maintains alluvial mining operations in the North West Province of South Africa and a portfolio of exploration and development projects in the Northern Cape Province of South Africa (alluvial) and offshore concessions in Namibia (marine), with a combined resource base of c.7m carats (indicated and inferred).

----ends----