



DiamonEx Limited

ABN 26 091 951 978

Level 1
349 Coronation Drive
Milton Qld 4064
Australia
Telephone: +61 7 3720-8944
Facsimile: +61 7 3720-8988
e-mail: diamonex@diamonex.com

Postal Address:
PO Box 1357
Milton Qld 4064

BSE ANNOUNCEMENTS BOTSWANA STOCK EXCHANGE

21 October 2008

SHARE PLACEMENT & DIAMOND SALE CONFIRMED

DiamonEx Limited (ASX/AIM: DON, BSE: Diamonex), the emerging diamond producer in Botswana, announces the execution of a Placement Agreement between the Company and Hartco Nominees Pty Ltd to raise A\$2,000,000 by the placement of 20,000,000 shares.

The placement will be carried out in two tranches. The first tranche of the placement will be completed on 22 October 2008 with the allotment of 5,300,000 shares to Hartco at a price of A\$0.10 per share.

The second tranche of the placement is subject to DiamonEx obtaining the requisite shareholder approvals at its annual general meeting to be held on Friday, 28 November 2008. On the allotment of the 5,300,000 shares, the Company will apply for the quotation of the 5,300,000 shares on the ASX, BSE and AIM.

Announcing the placement, DiamonEx Chairman Mr Greg King said: "DiamonEx welcomes this further demonstration of confidence by investors. In these turbulent times we continue to implement our planned growth strategy as we move into the production phase for the Lerala Diamond Mine project."

The company has also commenced the sale of its first parcel of diamonds, comprising more than 10,000 carats, recovered during the commissioning and start up phase. The diamonds are being presented for viewing in Gaborone this week, followed by a viewing in Antwerp.

Paul Crawford
Company Secretary

For further information contact:

Dan O'Neill
Managing Director
Email: doneill@diamonex.com.au

Tel: + 61 7 37208944
Fax: + 61 7 37208988

Greg King
Chairman
Email: gking@diamonex.com.au

Tel: + 61 7 37208944
Fax: + 61 7 37208988