

DISPOSAL OF INTEREST IN ANGEL DIAMONDS (PTY) LIMITED (“ANGEL DIAMONDS”) AND RENEWAL OF CAUTIONARY ANNOUNCEMENT DISPOSAL OF INTEREST IN ANGEL DIAMONDS**1 Introduction**

1.1 Shareholders are hereby advised that Thabex has entered into an agreement (“the Agreement”) for the disposal of 9.33% of its interest in Angel Diamonds. Thabex holds 70% of the issued share capital in Angel Diamonds.

1.2 Pursuant to the Agreement, Thabex and the five other vendors (“the Vendors”) have agreed to dispose of 13.33% of the issued share capital of Angel Diamonds to Mantle Diamonds Limited (“Mantle”), for cash (“the Disposal”).

2 The effective and closing date of the Agreement

2.1 The effective date of the Agreement was 8 June 2009, and the closing date will be on 8 August 2009.

3 Particulars of the disposal

3.1 The Vendors will sell 13.33% of the issued share capital of Angel Diamonds to Mantle on a pro rata basis. The purchase consideration for the Angel Diamonds Shares is US\$500 000, of which US\$200 000 has been pre-paid and a further three payments of US\$100 000 will be paid on a monthly basis which payments commenced on 8 June 2009 and will end on 8 August 2009.

3.2 Subject of the disposal

The subject of the disposal is 9.33% of Thabex’s interest in and 9.33% of its shareholders loan account against Angel Diamonds.

4 Business carried on by Angel Diamonds

Angel Diamonds holds a prospecting license over the Kolo Kimerlite project in Lesotho. Angel Diamonds has made an application to obtain a mining license in respect of the Kolo Kimerlite project.

5 Rationale for the disposal

The disposal of Thabex’s interest in Angel Diamonds will facilitate Mantle to have an equity interest in Angel Diamonds and one member on the board. This will improve corporate governance and the management of the Kolo Kimberlite project

6 Application of disposal consideration

The disposal consideration will be used towards working capital requirements of the Company and to undertake further prospecting at the Monastery Mine and to compile a new Competent Person’s Report for Salt River Resources Limited.

7 Conditions Precedent

The Agreement is not subject to any conditions precedent.

8 Pro forma financial effects

The Pro Forma financial effects of the Disposal will be made available to shareholders as soon as the Reviewed Provisional Group Results for the year ended 28 February 2009 have been published on SENS. The Company intends to publish the Reviewed Provisional Group Results for the year ended 28 February 2009 as soon as possible.

9 Classification of the transaction

The transaction is classified as a Category 2 transaction in terms of the Listings Requirements of the JSE.

RENEWAL OF CAUTIONARY ANNOUNCEMENT

Further to the Renewal of the Cautionary Announcement released on SENS on 10 June 2009, shareholders are advised to continue to exercise caution when dealing in the Company’s securities until a further announcement in regard to the Disposal has been made.

Johannesburg

1 July 2009

Sponsor

PSG Capital (Pty) Ltd