

**COMPLETION OF TRIBUTE MINING AGREEMENT OVER
TONGO-TONGUMA, SIERRA LEONE**

ASX Code: **NWF**

Attached is an announcement released by AIM-listed Stellar Diamonds plc ("Stellar") regarding completion of the Tribute Mining Agreement and Revenue Share Agreement with Ocea Mining Limited in respect of the Tongo-Tonguma kimberlite diamond project in eastern Sierra Leone.

Kim Hogg
Company Secretary



Photographs of diamonds recovered from dredging activities in EL 15/2012

ASX Release: 1 March 2018

ACN 153 219 848

DIRECTORS

Mr Anthony Ho
(Executive Director)

Mr Michael Lynn
(Executive Director)

Mr Robert Ang
(Non-Executive Director)

CAPITAL STRUCTURE

Shares on Issue: 270.58M

Options on Issue: 6M



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1 March 2018

AIM: STEL

Stellar Diamonds plc

("Stellar" or the "Company")

Completion of Tribute Mining Agreement over Tongo-Tonguma, Sierra Leone

Stellar Diamonds plc, the London quoted diamond exploration and development company focused on West Africa, is pleased to announce the completion of the Tribute Mining Agreement and Revenue Share Agreement ("the Agreements") with Octea Mining Limited ("Octea") in respect of the Tongo-Tonguma kimberlite diamond project in eastern Sierra Leone ("Completion").

Completion follows the satisfaction or waiver of the conditions precedent to the Agreements, including, inter alia, satisfaction of the Initial Financing Condition (as such term was defined in the Company's announcement on 28 April 2017, which set out key terms of the Agreements) and all encumbrance over the Tonguma company or assets having been lifted.

Pursuant to an agreement dated 27 February 2018, both Stellar and Octea have agreed that outstanding title opinions over the Tongo and Tonguma licences will be provided following payment of licence fees for the existing Tonguma mining licence held by Tonguma Limited which Stellar is expected to fund shortly. The Tongo mining licence has been approved by the Minerals Advisory Board and the licence fee is expected to be paid when the Company has secured the project funding. In this regard, the Company is continuing its discussions with Newfield Resources Limited regarding the Possible Offer as announced on 1 February 2017 and 28 February 2018.

Chief Executive Karl Smithson commented:

"The closure of the Agreements with Octea mark a major milestone for Stellar as it secures the Tongo-Tonguma project for the planned long-term development programme. We have already commenced the front end engineering design ("FEED") programme and have signed a contract for 9,000 metres of mine development drilling that will enhance the geological control for the first two levels of mining.

"Discussions are ongoing with Newfield Resources regarding the indicative offer which, if successfully concluded, and supported by our respective shareholders, will result in sufficient funding being made available to bring the Tongo-Tonguma project into production according to the refined mine plan that will be generated by the FEED programme. We look forward to updating shareholders in the near future."

For further information contact the following or visit the Company's website at www.stellar-diamonds.com.

Karl Smithson, CEO	Stellar Diamonds plc	Tel: +44 (0) 20 7010 7686
Sandy Jamieson	Cairn Financial Advisers (Nominated Adviser)	Tel: +44 (0) 20 7213 0880
Emma Earl		
Jon Bellis	Beaufort Securities Limited (Joint Broker)	Tel: +44 (0) 20 7382 8300
Martin Lampshire	Peterhouse Corporate Finance (Joint Broker)	Tel: +44 (0) 20 7469 0930
Tim Blythe	Blytheweigh	Tel: +44 (0) 20 7138 3204
Nick Elwes	(Financial PR)	

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 and has been arranged for release by Karl Smithson, Chief Executive Officer of the Company.

About Stellar Diamonds plc

Stellar is an AIM listed (AIM: STEL) diamond development company focused on the 4.5 million carat high-grade and high value Tongo-Tonguma kimberlite diamond project in the world famous diamond fields of eastern Sierra Leone. An independently generated mine plan, based on over 66,000m of drilling that has been completed to date, envisages the production of over 4 million carats, generating gross revenues of more than US\$1.2 billion, over a 21 year life of mine. Initial production at Tongo-Tonguma is scheduled to occur in the first year of development, building up to over 200,000 carats per annum, with a weighted average modelled diamond value of \$229 per carat. The Tongo-Tonguma mine is currently estimated to give Stellar an attributable a Post-tax NPV(8) of US\$112 million and IRR of 31%.

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. In particular, there is no guarantee that the Company will be able to able to raise the funds to develop the Tongo-Tonguma Project. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward looking statements contained in this

announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Subject to any continuing obligations under applicable law or any relevant AIM Rule requirements, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

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