

TORONTO, June 29, 2017 /CNW/ - [Rockwell Diamonds Inc.](#) ("Rockwell" or the "Company") (TSX: RDI; JSE: RDI) provides an update to the liquidation application brought by C-Rock Mining Limited ("CML") against three subsidiaries of the Company, which resulted in a provisional liquidation order having been issued by a judge in Kimberley, South Africa on March 23, 2017 in respect of Rockwell Resources RSA (Pty) Ltd (Rockwell RSA), HC van Wyk Diamonds Ltd (HC van Wyk) and Saxendrift Mine (Pty) Ltd (Saxendrift).

The Company has reported previously that on 18 May 2017 the three subsidiaries attended before the High Court of South Africa, Northern Cape division, in respect of certain creditors' applications to place the subsidiaries in business rescue. The applications resulted in the commencement of business rescue proceedings for the three subsidiaries pursuant to an order of the court. The commencement of business rescue proceedings has effectively suspended any liquidation proceedings. Accordingly, the court hearing to consider the merits of the liquidation application which had been scheduled for June 22, 2017 has been postponed to October 31, 2017, with the consent of all parties. This date is subsequent to the proposed business rescue plan filing, which if accepted will also likely be compelling with respect to the liquidation application. The appropriate manner in which to deal with the suspended liquidation application will be included in the business rescue plan.

The appointed business rescue practitioners, Messrs. Peter van den Steen and Trevor Murgatroyd of Metis Strategic Advisors, are actively working alongside the Company's management to prepare a business rescue plan, which will deal with all claims against the respective subsidiaries. The business rescue plan is required to be published on or before 30 September 2017.

Furthermore, Mr. Stephen Le Roux has recently been employed to lead Rockwell's Middle Orange River operations. Mr. Tjaart Willemse, who was contracted to lead the turnaround plan back in September 2016, will be working with Mr. Le Roux and the team to ensure that the Company is equipped with appropriate management resources to be able to continue managing the business after Mr. Willemse's scheduled departure at the end of September 2017.

About Rockwell Diamonds:

Rockwell is engaged in the business of operating and developing alluvial diamond deposits. The Company also evaluates consolidation opportunities that have the potential to expand its mineral resources and production profile and provide accretive value to the Company.

Rockwell is known for producing large, high quality gemstones comprising a major portion of its diamond recoveries. This is enhanced through a beneficiation joint venture that enables Rockwell to participate in the profits on the sale of the polished and certain re-traded diamonds, which are not beneficiated.

Rockwell has set a strategic goal to become a mid-tier diamond production company. In pursuit of this goal the Company has embarked on a strategy to grow its Middle Orange River ("MOR") operational base and minimise production and recovery volatility by setting a medium term target to process 500,000m³ of gravels per month from its MOR operations.

Rockwell's common shares trade on the Toronto Stock Exchange and the JSE Limited under the symbol "RDI".

No regulatory authority has approved or disapproved the information contained in this news release.

Forward Looking Statements

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Factors that could cause actual results to differ materially from those in forward-looking statements include uncertainties and costs related to the transaction and the ability of each party to satisfy the conditions precedent in a timely manner or at all, exploration and development activities, such as those related to determining whether mineral resources exist on a property; uncertainties related to expected production rates, timing of production and cash and total costs of production and milling; uncertainties related to the ability to obtain necessary licenses, permits, electricity, surface rights and title for development projects; operating and technical difficulties in connection with mining development activities; uncertainties related to the accuracy of our mineral resource estimates and our estimates of future production and future cash and total costs of production and diminishing quantities or grades of mineral resources; uncertainties related to unexpected judicial or regulatory procedures or changes in, and the effects of, the laws, regulations and government policies affecting our mining operations; changes in general economic conditions, the financial markets and the demand and market price for mineral commodities such as diesel fuel, steel, concrete, electricity, and other forms of energy, mining equipment, and fluctuations in exchange rates, particularly with respect to the value of the US dollar, Canadian dollar and South African Rand; changes in accounting policies and methods that we use to report our financial condition, including uncertainties associated with critical accounting assumptions and estimates; environmental issues and liabilities associated with mining and processing; geopolitical uncertainty

and political and economic instability in countries in which we operate; and labour strikes, work stoppages, or other interruptions to, or difficulties in, the employment of labour in markets in which we operate our mines, or environmental hazards, industrial accidents or other events or occurrences, including third party interference that interrupt operation of our mines or development projects.

For further information on Rockwell, Investors should review Rockwell's home jurisdiction filings that are available at www.sedar.com.

SOURCE [Rockwell Diamonds Inc.](#)

Contact

on Rockwell and its operations in South Africa, please contact: Tjaart Willemse, Chief Executive Officer, +27 (0)83 407 1063; David Tosi, PSG Capital - JSE Sponsor, +27 (0)21 887 9602