



ELECTRONIC TRANSMISSION

22 December 2004

Australian Stock Exchange Ltd
Company Announcements Office
Exchange Centre
Level 2, 20 Bridge Street
SYDNEY NSW 2000

INCENTIVE TO COMPANY EMPLOYEES AND CONTRACTORS

The Board of Namakwa Diamond Company NL (ASX: NDC) wishes to advise that it proposes to grant up to 1,077,500 options to its employees and contractors in accordance with the terms and conditions of the Company's Employee Option Plan.

The options will be unlisted, exercisable at \$0.40 each and will expire on 31 December 2007. Once the Company has completed the allotment of options an Appendix 3B will be issued.

JEAN MATHIE
COMPANY SECRETARY