



SUPPLEMENTARY PROSPECTUS

21 April 2006

This supplementary prospectus (**Supplementary Prospectus**) has been issued by Namakwa Diamond Company NL (ABN 77 085 806 284) (**the Company** or **Namakwa**) and is supplemental to, and is intended to be read together with, the Prospectus (**the Prospectus**) dated 20 April 2006 issued by Namakwa relating to the offer (**the Offer**) of New Shares in Namakwa pursuant to a pro rata non-renounceable entitlements issue offered to eligible shareholders on the basis of 1 New Share at an issue price of 3 cents for each Share held at the Record Date (2 May 2006). This Supplementary Prospectus was lodged with ASIC on, and is dated, 21 April 2006. Neither ASIC nor ASX takes any responsibility for the contents of this Supplementary Prospectus.

Definitions (often with the first letter capitalised) appear in the body of this Supplementary Prospectus (refer to bold type). Unless defined herein or otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus.

The Company has issued both a printed and electronic version of this Supplementary Prospectus and the Prospectus and the electronic versions of both documents may be accessed at www.namakwa.com.au.

The Prospectus and this Supplementary Prospectus should both be read in their entirety before deciding to invest in the securities offered by the Prospectus. The directors consider an investment in the securities offered by the Prospectus to be speculative and recommend that you consult your financial adviser as to the course you should follow with respect to the Offer.

Amendment of the Prospectus

The section entitled "*Effect on Capital Structure*" on page 6 of the Prospectus is hereby deleted in its entirety and replaced by the following section.

Effect on Capital Structure

The capital structure of the Company following completion of the Offer (assuming that no options are converted) is summarised in Table 3 below.

Shares	Number
Shares on issue prior to the Offer	143,403,615
Shares to be issued pursuant to the Offer	143,403,615
Shares on issue upon completion of the Offer	286,807,230
Options	
September 2006 Options	63,271,069
December 2006 Options	1,115,000
December 2007 Options	1,077,500
November 2010 Options	5,500,000
Options on issue prior to and on completion of the Offer	70,963,569

NAMAKWA DIAMOND COMPANY NL (ABN 77 085 806 284)

This Supplementary Prospectus dated 21 April 2006 issued by Namakwa Diamond Company NL is to be read together with the Prospectus dated 20 April 2006.

Consents

The Directors consent to, and have authorised the issue of, this Supplementary Prospectus.

Argonaut has given its written consent to be named in the Prospectus as Underwriter and Manager to the Offer in the form and context in which it is named, and has not withdrawn its consent prior to lodgement of this Supplementary Prospectus with ASIC

KARL SIMICH
CHAIRMAN

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