



**Namakwa** Diamond Company

ASX ANNOUNCEMENT

11 APRIL 2003

## **NAMAKWA ANNOUNCES FIRST DIAMOND SALE**

### **AVERAGE US\$96.63/CARAT VALUE EXCEEDS RECENT VALUATION**

Namakwa Diamond Company (**ASX: NDC**) has completed the first sale of diamonds from its West Coast Diamond Project in South Africa, marking a key milestone for the Company as it moves towards development of a commercial mining operation later this year. The diamonds were recovered from Namakwa's ongoing bulk sampling operations.

A parcel of 1,561.48 carats was tendered for sale and sold on the Kimberley Diamond Exchange in South Africa, realising total proceeds of **US\$150,888 (A\$251,480)** and representing a value of **US\$96.63 per carat**. This exceeds a recent independent valuation of Namakwa's diamond production by Independent Diamond Valuers Pty Ltd of Perth (IDV). IDV valued a parcel of 1,417 carats at US\$96 per carat in March this year.

IDV noted that a strong aspect of Namakwa's production was the high-proportion of white gem-quality goods with 88% of the parcel by value classified as 'White/Gem'. 'White' represents stones that will deliver polished diamonds from top white to the colour scale 'J', while gem represents the better quality goods in rough diamond classifications.

Namakwa's Chairman, Mr Karl Simich said: "This is an excellent result, which crystallises an independent market price for our goods. We are confident that, in a future optimised mining scenario, Namakwa diamonds will become well-recognised and sought after because of their high quality."

"At this indicative price, Namakwa's West Coast diamond resources would have an in-situ value in excess of A\$25 per tonne, highlighting the excellent commercial potential of this project," Mr Simich added.

The Company has announced an initial resource estimate of **2.49 million tonnes** at an average grade of **15.82 carats per hundred tonnes (cpht)** containing **393,967 carats** from blocks covering just a fraction of the total tenement area. Namakwa plans to move to feasibility and development of a Stage 1 operation in the near future.

#### **Background Information**

Namakwa is exploring and developing the Namakwa Diamond Project, comprising 49 square kilometres of highly prospective ground in three adjacent Concessions on South Africa's West Coast, 350 kilometres north of Cape Town.

The Project is located in the heart of one of the world's most prolific diamond-producing regions - with major historic and current diamond mines located to the north and south.

The diamonds within the rich onshore gravels being exploited by these operations are thought to have been transported to the coast by the major drainage systems of the interior - the Olifants and Orange Rivers. Namakwa's Concessions are located just north of the mouth of the Olifants River.

Between 1994 and 2000, South Africa's West Coast yielded 5.8 million carats, worth an estimated US\$900 million at an average grade of 14 cpht. The run of mine diamond values ranged between US\$80 and US\$220 a carat.

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