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QUARTERLY REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2002

ASX CODE : KIM
KIMCD
KIMO



HIGHLIGHTS

- ◆ Diamond Resources now upgraded to 49.58 million tonnes at an average grade of 7 carats per hundred tonnes for 3.45 million carats contained having estimated in situ value of A\$566 million, within a portion of Ellendale Pipe 9, Ellendale Pipe 4 and Pipe 4 Satellite.

- ◆ Following the completion of a pre-feasibility study Kimberley announced a planned \$21 million Stage 2A expansion of the Ellendale Diamond Mine, including the addition of a second (2.2 million tonne per annum) processing facility at Ellendale Pipe 4 and planned increase in production to 176,000 carats in calendar 2003 and further to 390,000 carats in 2004.

- ◆ Diamond sales during the quarter continued to yield per carat prices well in excess of budgeted prices (US\$155 to US\$160 per carat vs US\$132 per carat budgeted).

- ◆ Major palaeo-drainage system identified at Pipe 4 (J Channel).



1.0 EVALUATION OF ELLENDALE 4 AND ELLENDALE 9

1.1 RESERVES AND RESOURCES

Kimberley has recently completed a review of diamond resources within the Ellendale 4, Ellendale 9 and Pipe 4 Satellite lamproite pipes. These are summarised in Table 1. The resource figures have been derived from the data of previous explorers and Kimberley's own exploration work over the last two years. Current exploration is designed to upgrade all indicated and inferred resources to measured, with the ultimate goal of classifying them as reserves.

TABLE 1 SUMMARY OF RESOURCE DATA – JANUARY 2003						
	RESOURCE CATEGORY	DEPTH RANGE	GRADE (CPHT)	TONNES (MILLION)	CARATS (MILLION)	IN SITU VALUE (A\$MILLION)
ELLENDALE 4						
Enriched Zone						
South Eastern Lobe	Measured	0-3m	22.9	0.34	0.08	10
	Indicated	0-3m	14.0	0.05	0.01	1
North Eastern Lobe	Indicated	0-3m	18.5	0.19	0.03	5
North Western Lobe	Indicated	0-3m	16.3	0.25	0.04	5
Total			19.4	0.82	0.16	21
South Eastern Lobe						
	Measured	3-120m	10.6	5.85	0.62	82
	Indicated	3-120m	8.5	4.64	0.40	52
	Inferred	3-120m	8.0	0.81	0.07	9
Total			9.6	11.31	1.08	143
North Western Lobe						
	Inferred	3-80m	7.9	3.76	0.30	39
Total			7.9	3.76	0.30	39
Total Resource Ellendale 4			9.7	15.89	1.54	203
4.4 cpht cut off grade determined on Whittle. Value based on US\$79/carats and A\$1=US60c						
SATELLITE PIPE						
	Indicated	0-7m	6.8	0.34	0.02	3
	Inferred	7-200m	6.3	14.93	0.93	123
Total Resource Satellite Pipe			6.3	15.28	0.96	126
No cut off grade. Value based on US\$79/carats and A\$1=US60c						
ELLENDALE 9						
	Measured	0-120m	5.9	6.50	0.38	96
	Indicated	0-120m	5.1	8.86	0.45	113
	Inferred	0-120m	3.8	3.04	0.12	29
Total Resource Ellendale 9			5.2	18.41	0.95	238
No cut off grade. Value based on US\$150/carats and A\$1=US60c						
ALL AREAS			7.0	49.58	3.45	566
Diamonds >1.2mm						



1.2 RESOURCE DEVELOPMENTS

An internal Pre-Feasibility Study (PFS Stage 2A) on the surface to 80 metres depth resources of the South Eastern Lobe of Ellendale Pipe 4 was completed and the positive outcome thereof released late in 2002. The summary conclusions of the PFS Stage 2A are as follows.

- ◆ 8.11 million tonnes at an average grade of 12.64 cpht containing 1,025,000 carats with an in situ value of A\$139 million.
- ◆ At a treatment rate of 2.234 million tonnes per year the capital estimate is A\$21 million with a unit operating cost of \$7.72/tonne treated (stripping ratio of 0.33:1).
- ◆ At a diamond price of US\$79/carats and at US\$1.00 = A\$0.58 the project yields:
 - a nine month payback within the 3.78 year life;
 - an NPV at 10 percent of A\$52 million (excluding capital);
 - an IRR of 97 percent.

The PFS Stage 2A above is in the process of being expanded to include the following additional estimated resources appearing in Table 1 above.

2.0 MINING

2.1 PRODUCTION SUMMARY

Contractor mining ceased, as planned – ahead of the wet season break, on 29 October 2002. Processing continues, by stockpile drawdowns, on a 365 days per year basis.

The mining operation proceeded well and stockpiled sufficient plant feed to last well through the wet season. Processing plant availability for the three month period averaged 74 percent against a budget of 82 percent due to various plant modifications being undertaken and by several prolonged lightning storms. This results in plant throughput and carats produced falling below budgeted levels. Plant throughput rate during November and December averaged the 100 tph run of mine design target. Cumulative ore grades since the commencement of mining on 2 July 2002 have averaged 9.71 carats per hundred tonnes (cpht) against a forecast of 10.26 cpht.

2.2 MARKETING

Details of all Kimberley's sales appear in Table 2 below.

TABLE 2 DIAMOND SALES SUMMARY					
SALE	SALE DATE	DIAMONDS FROM	CARATS SOLD	SALE PROCEEDS (A\$)	US\$/CT (AVERAGE ROM)
1	24/06/02	Ellendale 4	3,120	459,716	83
		Ellendale 9	1,432	345,734	135
2	29/08/02	Ellendale 9	4,320	1,056,000	133
3	22/10/02	Ellendale 9	6,920	1,774,013	141
4	04/12/02	Ellendale 9	7,790	2,151,285	155
5	07/01/03	Ellendale 9	3,208	891,900	160
Cumulative Totals (Ellendale 9 only)			23,670	6,218,932	146



NOTES TO TABLE 2

- i. The budgeted price for the Ellendale 9 goods (Snowden Feasibility Study – March 2002) was US\$132/carat. The higher sales prices reflect an abnormally high proportion of fancy yellow diamonds recovered from full-scale mining operations.
- ii. Diamonds recovered from ongoing exploration activities are included in the sales data. These diamonds comprise <3 percent of the total carats sold. The total number of diamonds reported as produced (from mining) will thus not exactly correspond to the totals sold.
- iii. Diamonds sold from Ellendale 4 (sale number 1) were accumulated from exploration activities.
- iv. All the above sales were made to Mr David Lapa of Overseas Diamond NV in Antwerp.

The data above reflects the continuation of excellent sales prices being achieved. The world market for Ellendale's high quality gem stones remains buoyant.

3.0 EXPLORATION

3.1 INTRODUCTION

The main focus of Kimberley's exploration during the last quarter was the evaluation of the known diamondiferous pipes in the Ellendale Field. Updated resource figures are reported for the Ellendale 4, Ellendale 9 and Satellite Pipes. Trenching to define near surface resources continued with much success on both Ellendale 4 and Ellendale 9. A large diameter drilling program commenced on Ellendale 4 and preliminary results have been extremely encouraging.

Away from the main pipes, assessment of J-Channel gravels to the south of Ellendale 4 commenced during the quarter and initial results were very encouraging. Less success was achieved with gravels associated with Ellendale 9. Bulk testing of the fissure lamproites identified during 2001 continued during the quarter, and samples from Kimberley 28 returned ore-grade results. Given the proximity of Kimberley 28 to the mine at Ellendale 9, it is possible that mining of this pipe could commence during 2003. Results from the other fissure lamproites were generally disappointing.

A number of significant developments occurred during the last quarter that have enabled Kimberley to consolidate control of all tenements within and adjacent to the Ellendale Lamproite Field. This is the first time this situation has occurred since the discovery of the Field in the 1970's. It will enable the Company to undertake a comprehensive re-evaluation of the entire Ellendale Field. A complete listing of Kimberley's tenements in the West Kimberley region is included as Table 6.

During the quarter, Kimberley purchased Blina Diamonds Limited from Auridiam Limited with all its Australian assets. Of most significance are major holdings in E04/726 (Ellendale South Project) and E04/813 (Ellendale North Project). Both these tenements contain diamondiferous gravels that, in association with areas already held by Kimberley, should constitute a significant alluvial diamond resource. Blina Diamonds also hold several other tenements to the south and west of the Ellendale Lamproite Field (Ellendale South Project).

In addition to the Blina Diamonds purchase, Kimberley also entered a joint venture with Bazco Pty Ltd (Bazco Joint Venture) to explore three tenements either adjoining or located immediately to the north and east of the Ellendale Lamproite Field. Kimberley can earn a 75% interest in these tenements by carrying out exploration to the point of completion of a bankable feasibility study for mine development on any defined resources within the tenement areas. Previous explorers have identified several small lamproites within these



tenements. Kimberley's mine at Ellendale 9 lies immediately to the south of the Bazco tenements and drainage studies suggest diamonds eroded from this pipe should occur within the Bazco tenements.

3.2 TRENCHING – ELLENDALE 9

With more than half the surface enriched resource having been mined, Kimberley commenced a trenching program to evaluate grades in the benches below the current mining level. These trenches were excavated into the base of the existing mine pit and it was thought, below the zone of surface enrichment. Most of the trenches were 3 metres deep and sampled the 3-6 metre below-surface zone. Several trenches were excavated to 6m below the mine bench and in these a second sample of the deeper material was collected (6-9 metres below the original land surface).

Data from large diameter drill holes into this part of the pipe suggested that grades of approximately 5 cpht (carats per hundred tonnes) could be expected from these trenches. At this stage Kimberley has received results for about 70% of the samples and the average grade of material from the 3-6 metre depth zone has been 7.69 cpht, more than 50% higher than initially predicted. Although fewer samples were collected from the 6-9 metre zone of the pipe these results are also substantially higher than was achieved from previous exploration. Progress results of samples from the deeper trenching at Ellendale 9 are presented in Table 3.

SAMPLE NUMBER	DEPTH INTERVAL	SAMPLE PROCESSED (TONNES)	STONE SIZES (MM)			NO. OF STONES	DIAMOND WEIGHT (CT)	AVERAGE DIAMOND SIZE (CT)	GRADE (CPHT)	LARGEST DIAMOND (CTS)
			+6	+3-6	-3					
T133C	3-6m	443.2	1	20	66	87	30.81	0.354	6.95	5.810
T134C	3-6m	108.0		3	38	41	7.01	0.171	6.49	0.885
T136C	3-6m	389.6		14	82	96	27.08	0.282	6.95	2.465
T137C	3-6m	394.8		16	96	112	26.63	0.238	6.74	2.445
T138C	3-6m	411.6	1	22	97	120	34.26	0.286	8.32	3.440
T139C	3-6m	241.2		14	102	116	23.60	0.203	9.79	1.985
T140C	3-6m	400.1	1	34	138	173	47.93	0.277	11.98	4.165
T141C	3-6m	148.0		18	60	78	18.52	0.237	12.51	1.205
T142C	3-6m	387.3		16	154	170	30.32	0.178	7.83	1.950
T143C	3-6m	183.4		4	64	68	10.87	0.160	5.93	2.25
T144C	3-6m	514.2		10	78	88	17.08	0.194	3.32	1.580
T146C	3-6m	156.9	1	8	91	100	20.26	0.203	12.91	3.160
T147C	3-6m	443.2		27	107	134	34.38	0.257	7.76	2.975
TOTAL	3-6m	4221	1	206	1173	1383	328.74	0.238	7.79	5.810
BS1D	6-9m	389.7		18	66	84	26.525	0.316	6.81	2.710
T139D	6-9m	146.2		7	64	71	10.675	0.150	7.30	0.880
T142D	6-9m	203.8		7	70	77	15.735	0.204	7.72	2.130
TOTAL	6-9m	740		32	200	232	52.935	0.228	7.16	2.710
Diamond recovered in the 1.2 to 15mm size range										

With diamonds from Ellendale 9 returning about US\$150 per carat an increase in grade of 50% will significantly improve the profitability of mining on this pipe. At this stage, it is



unclear whether the higher grades achieved from the deeper trenching program reflect a deeper than expected zone of surface enrichment or a higher than expected primary grade in the lamproite. Kimberley has previously noted that the diamond grade in larger samples is usually significantly higher than that that achieved from smaller samples taken from the same area. The increase in grade is usually related to the presence of rare larger stones in the larger samples.

Kimberley has contracted Bauer Mashinen GmbH of Germany to supply a 2.4m diameter drill rig to sample the deeper sections of the Ellendale 9 lamproite. The machine will recover approximately 10 tonnes of sample for every metre drilled and is due on site at Ellendale in April 2003. The drilling will enable the definition of a measured resource to a depth of between 60 metres and 90 metres below surface.

3.3 LARGE DIAMETER DRILLING – ELLENDALE 4

Kimberley commenced a large-diameter drilling program on the South Eastern Lobe of the Ellendale 4 Pipe late in the September quarter. The large-diameter drilling program is designed to increase confidence in reserve and resource estimates and extend drill coverage into areas not tested by previous explorers. In comparison to Ellendale 9 the diamonds at Ellendale 4 are more abundant and smaller and require smaller volumes for representative samples. The hole size of the Ellendale 4 drilling is 1.2 metres with the program being undertaken by Broome-based contractors and continuing through the wet season.

At this stage, eight holes of a 20-hole program on the South Eastern Lobe of Ellendale 4 have been drilled with processing completed on five of these holes. Results to date have been very encouraging and these are presented in Table 4. Samples of weathered primary tuff from ore zone average 11.7 cpht, with the transitional and marginal magmatic lamproite also carrying significant diamond grades.

The large diameter drilling program at Ellendale 4 will continue for the next two or three months and results will be reported as they become available. The data from this program will continue to be incorporated into resource and reserve estimations.



**TABLE 4
 PROGRESS RESULTS ELLENDALE 4 LARGE DIAMETER DRILLING – 15 JANUARY 2003**

DRILL HOLE	INTERVAL (M)	TONNES*	SIZES (MM)		TOTAL NUMBER OF STONES	DIAMOND WEIGHT (CTS)	AVERAGE DIAMOND SIZE (CTS)	GRADE (CPHT)	LARGEST DIAMOND (CTS)	LITHOLOGY
			+3.3	-3.3						
LD01	2-10	19.0	4	24	28	6.03	0.215	31.74	2.22	Tuff
	10-20	22.6	0	26	26	1.92	0.074	8.47	<0.30	Tuff
	20-30	22.6	2	26	28	2.95	0.105	13.02	0.53	Tuff
	30-40	17.4	1	16	17	2.39	0.141	13.72	0.96	Tuff
LD02	2-30	63.3	1	19	20	2.17	0.108	3.42	0.70	Magmatic
	30-40	24.9	0	15	15	1.37	0.091	5.51	<0.30	Transitional
	40-50	24.9	2	28	30	3.29	0.110	13.22	0.54	Tuff
	50-53	7.5	1	11	12	1.36	0.113	18.22	0.43	Tuff
LD03	2-10	18.1	1	5	6	0.68	0.113	3.73	0.46	Tuff
	10-20	22.6	1	4	5	0.61	0.121	2.67	0.50	Tuff
	20-30	22.6	0	1	1	0.03	0.030	0.13	<0.30	Sandy Tuff
LD04	3-10	15.8	0	8	8	0.33	0.041	2.05	<0.30	Tuff
	10-20	22.6	0	9	9	0.78	0.086	3.43	<0.30	Tuff
	20-30	22.6	1	3	4	0.89	0.223	3.93	0.53	Sandy Tuff
LD05	2-10	18.1	0	8	8	0.93	0.116	5.11	<0.30	Tuff
	10-20	22.6	1	14	15	1.82	0.121	8.02	0.50	Tuff
	20-30	22.6	2	22	24	3.36	0.140	14.85	0.73	Tuff
	30-40	24.9	1	24	25	2.96	0.118	11.88	0.62	Tuff
	40-50	24.9	1	18	18	2.72	0.151	10.91	0.42	Tuff
	50-60	24.9	1	29	30	2.77	0.092	11.13	0.37	Tuff

Diamond recovered in the 1.2 to 15mm size range

* Tonnes have been calculated from hole diameter and assuming a density of 2.0 or 2.2

3.4 TRENCHING – ELLENDALE 4

Kimberley has almost completed a reconnaissance trenching program covering the regolith overlying the magmatic areas of the Eastern Lobe of Ellendale 4. This program was undertaken following the identification of enriched regolith overlying magmatics at Ellendale 9. While the regolith over the Ellendale 4 magmatics was generally low-grade, ore grade material was identified in the areas adjacent to the highly mineralised South Eastern Lobe. In these areas, ore-grade mineralisation within the regolith extends between 50 and 100 further than initially anticipated.

While the grade is not as high as that identified over the tuffs, the mineralisation appears to cover more than five hectares and will produce a significant increase in tonnage for the surface resource. At this stage, trench spacing is too wide to allow a confident estimation of the tonnage and grade of the mineralisation. Further trenching is planned for this area in 2003.

4.0 REGIONAL PROGRAM

4.1 FISSURE LAMPROITES – BLINA PROJECT

Bulk testing of fissure lamproites identified during 2001 continued during the quarter. Samples from Kimberley 21, Kimberley 23, Kimberley 26, Kimberley 28 and Ellendale 35 were processed during this period. Samples from Kimberley 28 proved one of the highlights of quarter with ore or near-ore grade results returned from both samples processed. Kimberley 28 is a relatively small, dominantly tuffaceous vent located 150m west of the



Ellendale 9 mine area. Results from the two samples are presented in Table 5. Given the pipe's proximity to the current mining area, if the additional sampling proposed for 2003 confirms the current results, mining of any resource in this pipe would be undertaken in conjunction with mining at Ellendale 9. This could commence as early as 2003.

TABLE 5 KIMBERLEY 28 BULK SAMPLE RESULTS								
SAMPLE NUMBER	TONNES PROCESSED	SIZES (MM)		NO OF STONES	DIAMOND WEIGHT (CTS)	AVERAGE STONE SIZE (CTS)	GRADE	LARGEST DIAMOND (CTS)
		+3	-3					
K28BS01A	98.2	1	13	14	3.405	0.243	3.47	1.420
K28BS01B	66.0	1	23	24	2.775	0.116	4.21	0.520
Diamond recovered in the 1.2 to 15mm size range								

Results from the other lamproites were disappointing. All pipes sampled were diamondiferous but grades did not approach economic and no additional work is planned for these pipes.

No additional work was undertaken on the Terrace 5 gravels during the quarter but additional evaluation is planned for 2003.

4.2 ELLENDALE SOUTH PROJECT

The Ellendale South Project comprises diamondiferous gravels located in an ancient palaeo-channel system known as the J-Channel. The J-Channel is located south of Ellendale 4 and the diamonds in the channel appear to have been sourced from that pipe. Ore-grade concentrations of diamonds have been identified at several locations along the length of the palaeo-channel. The valley hosting the J-Channel is up to 2km wide with gravels typically 500m wide and up to 3m thick. The palaeo-channel is buried by up to 25m of aeolian sand.

With Kimberley's purchase of Blina Diamonds Limited from Auridiam, the Company now controls 100% of the lease hosting most of the J-Channel (E04/726). Three additional Exploration Licences located to the southwest of E04/726 were acquired with the Blina purchase. These leases have been incorporated into the Ellendale South Project and are thought to have considerable exploration potential. They will be more fully evaluated during 2003.

During 2002, Kimberley completed a scout aircore-drilling program to define the location of J-Channel palaeo-valley. Gravel horizons identified from the drilling were sampled and indicator mineral counts prepared. This data was used to site a bulk-sampling program that was completed during the current quarter. The bulk-sampling program targeted gravels near the northern end of the J-Channel, close to Ellendale 4. A total of 186 diamonds weighing 25.02 carats were recovered from approximately 520 tonnes of gravel processed. The largest diamond weighed 1.44 carats with stones in the 1.2 to 15mm size range being recovered.

The grade of the gravels at just under 5 cpht is close to that achieved from samples taken at other locations on the J-Channel. In 2003, Kimberley hopes to further define the J-Channel gravels with the aim of establishing a mineable alluvial resource in the area.



4.3 ELLENDALE 9 ALLUVIALS

Kimberley commenced an exploration pitting and sampling program over areas around the Ellendale 9 mine site. It is estimated that up to 50m has been eroded off the top of the pipe since its emplacement 20 million years ago. While some of the diamonds released during erosion have remained in the regolith and form part of the Ellendale 9 orebody, by far the majority of diamonds have been removed by streams and deposited away from the pipe. It is estimated that about 1.5 million carats of diamonds valued at about A\$375 million may have been eroded from Ellendale 9.

The pitting program around Ellendale 9 targets these diamonds. Pitting and topographic modelling indicate that drainage from Ellendale 9 flowed to the north and most effort has been focussed in this direction. To date several palaeo-channels have been identified and sampled. While no ore-grade concentrations of diamonds have been recognised, significant diamondiferous gravels have been identified to the north of Ellendale 9.

Additional pitting and sampling is required to properly test these palaeo-gravels and this will be undertaken during 2003. This sampling will extend into the Bazco Joint Venture and Ellendale East Project areas.

4.4 ELLENDALE EAST PROJECT

The Ellendale East project is a joint venture between Kimberley and Ellendale Resources and comprises five Exploration Licences located to the north and east of the Ellendale lamproite field. Kimberley is managing the joint venture.

During the quarter, Kimberley commenced a re-evaluation of diamondiferous gravels located around Mt Percy, immediately to the north of Ellendale 4. These gravels are part of a palaeo-system that has been called the A-Channel by previous explorers. Recent work by Kimberley has indicated that higher concentrations of diamonds in the A-Channel occur in an older terrace within the system. Previous sampling appears to have been targeted at gravels recycled from this older terrace.

During the 2003 season, Kimberley plants to systematically explore and sample the older gravels within the A-Channel system with the aim of identifying an alluvial diamond resource in the area.

4.5 BAZCO JOINT VENTURE

Late in the quarter, Kimberley signed an agreement with Bazco Pty Ltd to explore three Exploration Licences located to the north and east of the Ellendale Lamproite Field. Kimberley has not yet undertaken any fieldwork on these tenement.

The Bazco tenements have been sporadically assessed by a number of groups and previous explorers have identified several small lamproites within these tenements. These are not significantly diamondiferous their presence indicates that lamproitic intrusives occur in the area. Kimberley's mining operation at Ellendale 9 lies immediately to the south of the Bazco tenements and drainage studies suggest diamonds eroded from this pipe should occur within this area.



4.6 ELLENDALE NORTH JOINT VENTURE

The Ellendale North Joint Venture covers Exploration Licence E04/813 and is a Joint Venture with Diamond Ventures NL. The tenement covers the northwestern end of the Ellendale lamproite field and Kimberley previously explored the area in a Joint Venture with Diamond Ventures and Auridiam. Kimberley acquired an interest in the Joint Venture when it purchased the Blina Diamonds Limited. Currently, Diamond Ventures are managers of the project and Kimberley holds a 47% interest in the tenement.

E04/813 covers a section of the Terrace 5 gravels that Kimberley explored between 1998 and 2000. Kimberley believes that with the development of processing facilities at Ellendale, the Terrace 5 gravels within E04/813 and the Company's Blina tenements, could form part of significant alluvial diamond resource. The Company will be working towards defining this resource over the coming year.

In addition to the Terrace 5 gravels, the Tenement hosts a number of lamproite pipes. Probably the most significant of these is the Kimberley 18 pipe discovered by Kimberley in 1999. A single sample from this pipe returned a grade of 3.8 carats per hundred tonnes. Given the small size of the pipe, this result in isolation was interesting, but not immediately commercially significant. With the development of mining operations at Ellendale 9, the economics of mining small lower-grade deposits within the area becomes a real possibility. The Kimberley 18 pipe will require additional evaluation to determine whether the tuffaceous material can be successfully mined.



TABLE 6
SCHEDULE OF MINING TENEMENTS – 15 JANUARY 2003

	TENEMENT	AREA (KM ²)	DATE OF GRANT	KIMBERLEY INTEREST
Ellendale Mining Area	M04/372	123.9	23/11/99	100%
Kimberley Diamond Company Blina Project	E04/993	39	17/08/95	100%
	E04/1006	39	6/02/96	100%
	E04/1052	59	29/11/96	100%
	E04/1073	16	7/01/03	100%
	E04/1075	26	14/10/97	100%
	E04/1105	65	19/07/99	100%
	ELA04/1098	160	application	100%
	ELA04/1139	110	application	100%
	ELA04/1212	72	application	100%
	MLA04/346	10	application	100%
	MLA04/355	10	application	100%
	MLA04/356	10	application	100%
	MLA04/358	10	application	100%
	MLA04/389	10	application	100%
	MLA04/390	10	application	100%
	MLA04/391	10	application	100%
	MLA04/392	10	application	100%
	MLA04/393	10	application	100%
	MiscLA04/26	1.6	application	100%
	PLA04/204	1.8	application	100%
PLA04/205	1.6	application	100%	
PLA04/206	1.3	application	100%	
*Blina Diamonds Ltd Ellendale South Project	E04/726	95	21/01/93	100%
	E04/1186	228	16/08/02	100%
	E04/1254	147	6/12/02	100%
	ELA04/1231	75	application	100%
Kimberley Diamond Company Bazco JV	E04/819	59	08/09/93	earning 75%
	E04/820	26	13/09/93	earning 75%
	E04/821	86	13/09/93	earning 75%
*Blina Diamonds/ Diamond Ventures JV Ellendale North Project	E04/813	72	09/08/93	47%
Ellendale East Project (Ellendale Resources JV)	E04/801	124	15/01/93	earning 75%
	E04/911	18	23/05/94	earning 75%
	E04/1062	115	24/03/97	earning 75%
	E04/1092	94	25/11/99	earning 75%
	E04/1093	141	04/07/01	earning 75%
Calwynyardah Project (Bentonite)	E04/817	26	3/08/93	100%
	MLA04/316	3.2	application	100%
	MLA04/317	2.6	application	100%
	MLA04/334	5.4	application	100%
	MLA04/335	5.1	application	100%

All Mining Lease Applications are within existing Exploration Licences

*Blina Diamonds is 100% owned by KDC



MILES KENNEDY
CHAIRMAN

31 January 2003

The Australian geological information in this report is based on data compiled by David Jones BSc(Hons) MSc of Ascidian Prospecting Pty Ltd. Mr Jones is a corporate member of the Australasian Institute of Mining and Metallurgy. He has consented to the inclusion of this information in the form and context in which it appears in this report.

The Australian Stock Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.