**Namakwa** Diamond Company

AUSTRALIAN STOCK EXCHANGE

**NDC000089****ASX ANNOUNCEMENT****29 JANUARY 2003**

NEW RESULTS BOOST NAMAKWA'S DIAMOND GRADES AS NEW TRENCH COMMENCED 13,560 DIAMONDS RECOVERED TO DATE

HIGHLIGHTS

- ◆ New bulk sampling trench KKT5R commenced at Namakwa Diamond Project following further excellent results from trench GDT07.
- ◆ 13,560 diamonds weighing 1,325 carats have been recovered since commissioning in May 2002.
- ◆ 10,905 diamonds weighing 1,129 carats recovered from GDT07 including largest diamond of 14.89 carats.
- ◆ High definition RC drilling programs underway leading to initial resource estimate announcement scheduled for February 2003.
- ◆ Latest cumulative results from GDT07 indicate increased grade of up to:
 - 22.08 cpht in Recent Emergent Terrace (RET);
 - 18.39 cpht in Older Boulder Facies (OBF) – up 10%; and
 - 13.14 cpht in Bulk Samples – up 27%.

BULK SAMPLING PROGRAM – NAMAKWA DIAMOND PROJECT

Namakwa Diamond Company NL (ASX: NDC) is pleased to announce the latest results and progress with its bulk sampling program at the Namakwa Diamond Project on South Africa's West Coast.

Namakwa has commenced overburden stripping at its next bulk sampling site, trench KKT5R, located 150 metres due north of the previously sampled trench R17 and some 10 kilometres south of trench GDT07, from which it has been reporting results since late last year.

The Company has recently completed excavation of trench GDT07, with processing of all samples scheduled to be completed by the end of January 2003.

To date, 13,560 diamonds and 1,325 carats have been recovered, with sampling continuing to focus on the Recent Emergent Terrace (RET) and Older Boulder Facies (OBF) mineralised horizons – both of which have yielded outstanding grades.

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Table 1

Number of Carats and Stones Recovered from Sampling Operations

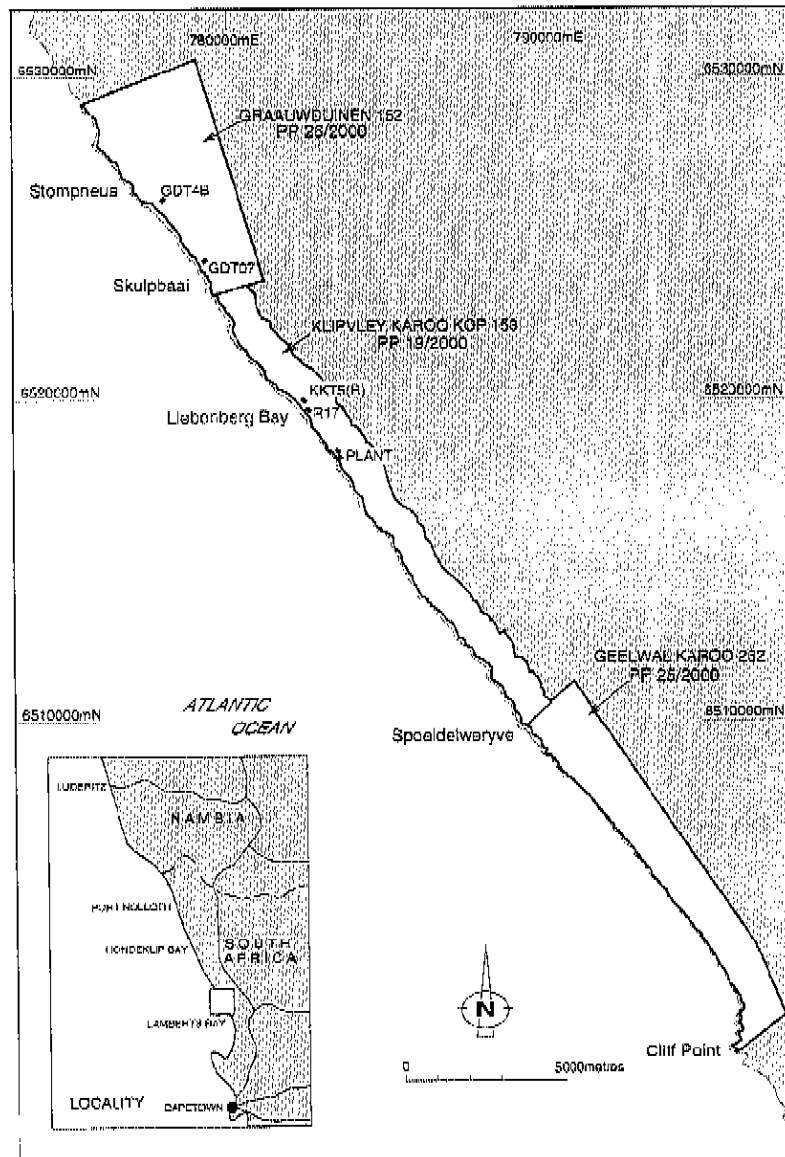
SAMPLE	CARATS	NUMBER OF DIAMONDS
GDT07	1,128.62	10,905
R17	54.79	552
GDT04	13.25	187
OTHER**	128.21	1,916
TOTAL	1,324.87	13,560

**Other include:

- (1) Carats recovered from untreated samples not processed by the previous vendors (126.44 carats)
- (2) Carats recovered from plant and sort-house clean up (1.47 carats)
- (3) Small volumes recovered from gravels unearthed during civils excavation (0.3 carats)

Figure 1

Location of Namakwa's West Coast Tenements



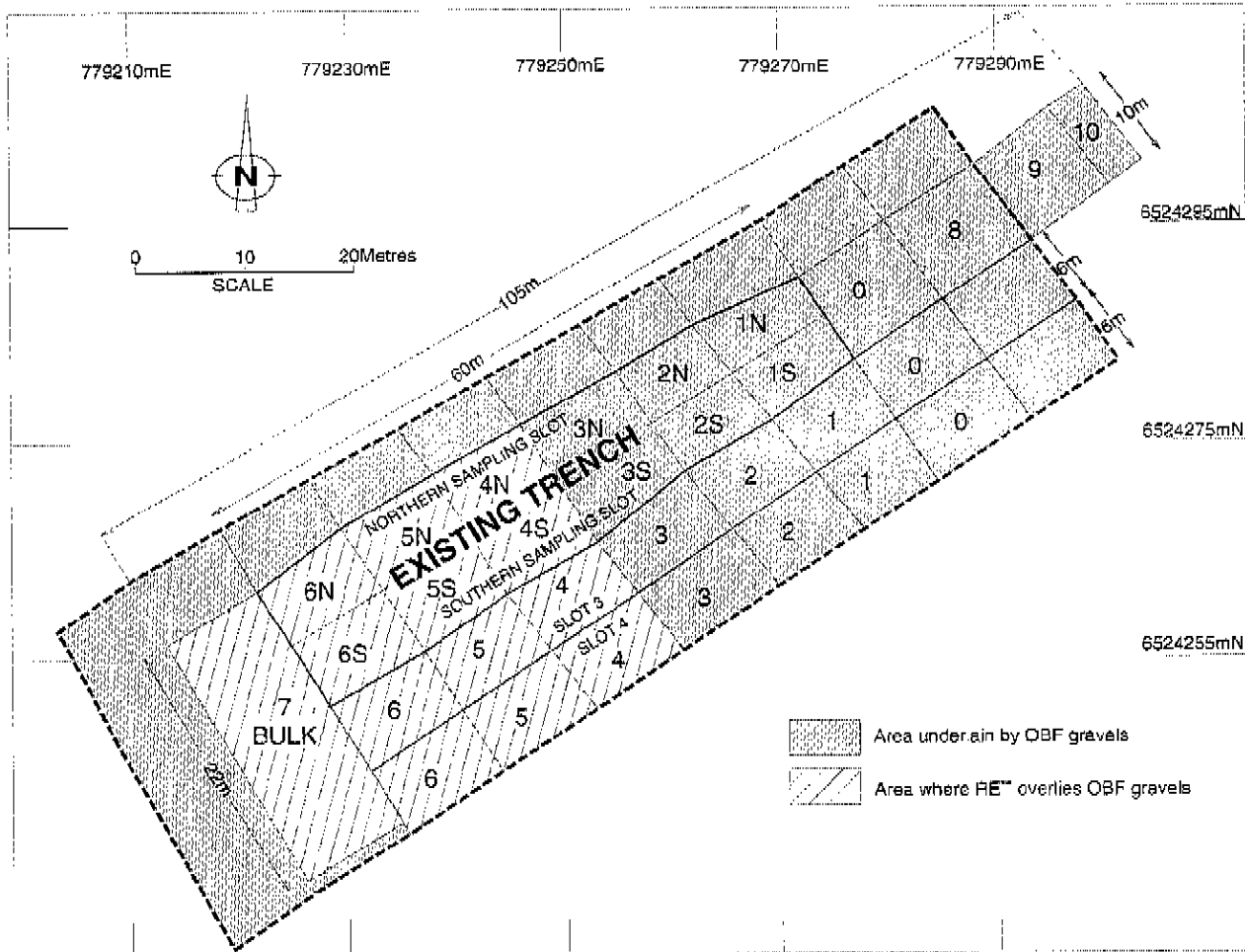
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The new trench, KKT5R will target both the RET and OBF ore horizons.

Rehabilitation of trench GDT07 is complete.

Figure 2

Plan View of Trench GDT07



GDT07 Geological Grade

The processing of five new samples, treating Older Boulder Facies gravels, has resulted in a 10% improvement in the in-situ, geological grade from 16.76 cpht to 18.38 cpht. The largest diamond recovered to date, at 14.89 carats, was recovered from within this zone.

Sample Bulk 7 delivered an outstanding 200.89 carats from 1024.2 processed tonnes. This included 10 stones greater than one carat by weight, including one 4.06 ct and one 3.56 carat stone.

The grade in bulked samples, where all material between the top contact of the RET and the bedrock is treated together, improved significantly from 10.35 cpht to 13.14 cpht, an increase of 27%. Bulk samples include gravels and pebbly sands from the RET, OBF and Older Sandy Facies (OSF). The OSF is a minor carrier of mineralisation and is a predominantly sandy interval between the RET and OBF.

Results of 15 new samples and their cumulative effect on grade are set out in Table 2. Sampling results are presented in Table 3.

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Table 2

Progressive and Cumulative Geological Grades in GDT07

Geology	SG	Volume (bcm)	Geological Tonnes**	Mineralised Thickness (m)	Total Carats	Geological Grade (cpht)	Largest Stone (carat)	Overburden Thickness (m)*
Recent Emergent Terrace (RET)	2.05	471	965	0.99	213.09	22.08	3.64	4.7
30m Package (30m)	2.00	140	280	0.98	1.81	0.65	0.26	2.0
Older Sand Facies (OSF)	2.00	1,367	2,733	0.91	61.89	2.26	1.87	7.5
Older Boulder Facies (OBF)	2.00	1,272	2,543	0.93	467.79	18.39	14.89	7.8
Bulked *(Bkd)	2.00	1,461	2,922	2.69	384.04	13.14	4.06	5.3
ALL SAMPLES		4,711	9,443		1,128.62			

Notes:

- * Overburden thickness – average thickness to surface above mineralised horizon.
- ** Geological tonnes – volumes measured by survey, SG by weigh bridge.
- Includes D, E, F and G horizons and internal waste, as identified against the Sample Number in Table 3 sampled as a separate slot.

Legend:

SG Specific gravity of material

bcm bank cubic metres

m metres

cpht carats per hundred tonnes

Table 3

Sample Recovery Data from Trench GDT07
(samples not previously reported are flagged (Y) in the right hand column)

Geology	Sample Number	Plant Tonnes Scrubber Feed (tonnes)	Carats Recovered (cts)	Number of Diamonds (stones)	Average Size (cts)	Largest Stone (cts)	Recovered Plant Grade (cpht)	
SLOT 1								
30m Package	1D	57.2	0.57	7	0.08	0.26	1.00	
30m Package	2D	71.3	0.23	5	0.05	0.07	0.32	
30m Package	3D	64.3	1.01	15	0.07	0.10	1.57	
RET	4G	99.3	2.56	45	0.08	0.09	2.58	
RET	5G	81.2	19.63	293	0.07	0.19	24.17	
RET	6G	112.6	67.82	965	0.07	1.17	60.23	
OSF	1E	124.7	2.36	23	0.10	1.00	1.89	
OSF	2E	128.4	2.40	26	0.09	0.38	1.87	
OSF	3E	94.4	0.80	13	0.06	0.08	0.85	
OSF	4E	55.0	2.00	10	0.20	1.29	3.64	
OSF	5E	52.6	3.52	38	0.09	0.16	6.69	
OSF	6E	58.5	14.20	184	0.08	0.70	24.27	
OBF	1F	87.3	39.67	241	0.16	2.41	45.44	
OBF	2F	36.0	6.34	43	0.15	1.49	17.61	
OBF	3F	63.2	1.90	22	0.09	0.42	3.01	
OBF	4F	72.4	1.26	17	0.07	0.10	1.74	
OBF	5F	25.2	2.76	25	0.11	0.90	10.95	
OBF	6F	29.9	7.68	81	0.10	1.37	26.35	
OBF	1FS	31.0	8.56	70	0.12	1.01	27.81	
OBF	2FS	14.3	2.46	22	0.11	0.31	17.20	
OBF	3FS	16.9	1.89	19	0.10	0.31	11.18	
OBF	4FS	8.3	3.56	27	0.13	0.75	42.89	
OBF	5FS	11.8	2.54	28	0.09	0.27	21.53	
OBF	6FS	8.1	1.04	11	0.09	0.41	12.84	
Sub Total		1,403.9	196.96	2,230	0.09	2.41		

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Table 3 cont.

Geology	Sample Number	Plant Tonnes Scrubber Feed (tonnes)	Carats Recovered (cts)	Number of Diamonds (stones)	Average Size (cts)	Largest Stone (cts)	Recovered Plant Grade (cph)	
SLOT 2								
Bulked	1B	248.9	11.68	123	0.09	0.59	4.72	
Bulked	2B	289.6	26.49	187	0.13	0.93	9.83	
Bulked	3B	288.0	15.59	106	0.15	3.16	5.82	
Bulked	4B	306.0	7.04	68	0.08	0.65	2.30	
Bulked	5B	289.1	39.85	510	0.08	1.59	13.78	
Bulked	6B	253.1	82.52	1,014	0.08	1.33	32.60	
OBF	1FS	22.7	4.12	12	0.34	0.98	18.15	
OBF	2FS	22.5	5.47	29	0.19	1.25	24.31	
OBF	3FS	11.1	1.72	13	0.13	0.63	15.50	
OBF	4FS	28.8	7.68	50	0.15	0.70	26.67	
OBF	5FS	20.6	1.45	15	0.10	0.23	7.04	
OBF	6FS	22.2	1.16	18	0.06	0.14	5.23	
OBF	0F 1&2	279.1	47.28	275	0.17	14.89	16.93	
OBF	0FS 1&2	13.0	1.15	12	0.10	0.25	8.85	Y
OBF	8FS 1&2	12.9	1.32	12	0.34	0.36	10.23	Y
OBF	10F 1&2	12.9	4.19	36	0.19	0.38	10.88	Y
OBF	9E 1&2	61.4	0.45	7	0.14	0.16	0.73	Y
OBF	10E 1&2	41.1	2.22	20	0.15	0.41	5.40	Y
Bulked	7 BULK	1,024.2	200.89	2,015	0.10	4.06	19.60	Y
Sub Total		3,205.2	462.20	4,552		14.89		
SLOT 3								
RET	4G	37.1	3.11	36	0.09	0.93	8.38	
RET	5G	65.5	23.08	295	0.08	0.62	35.24	
RET	6G	113.2	41.95	442	0.09	1.42	37.06	
OSF	0E	236.0	4.63	62	0.07	0.23	1.96	
OSF	3E	127.0	0.36	8	0.05	0.10	0.28	
OSF	5E	94.9	3.58	47	0.08	0.35	3.77	
OSF	6E	65.4	6.02	46	0.13	0.74	9.20	
OBF	0F	98.5	6.89	83	0.11	0.65	6.99	
OBF	2F	143.2	36.28	288	0.13	1.43	25.34	
OBF	3F	142.3	20.06	168	0.12	0.95	14.10	
OBF	4F	49.8	5.01	38	0.13	0.13	10.08	
OBF	5F	103.3	15.61	126	0.12	1.03	15.11	
OBF	6F	99.9	15.68	112	0.14	1.88	15.70	
OBF	0FS	7.2	0.92	11	0.08	0.21	12.78	
OBF	1FS	32.7	1.77	12	0.15	0.43	5.41	
OBF	2FS	7.3	2.80	24	0.12	0.45	38.36	
OBF	3FS	24.1	10.73	63	0.17	1.33	44.52	
OBF	4FS	12.8	5.50	33	0.17	1.40	42.97	
OBS	6FS	10.9	0.36	3	0.12	0.19	3.30	
OSF	1E	197.6	1.48	22	0.07	0.23	0.75	Y
OSF	2E	185.5	0.89	12	0.37	0.12	0.48	Y
OSF	4E	133.4	2.19	20	0.11	0.35	1.64	Y
OBF	1F	146.0	26.19	143	0.18	1.90	17.94	Y
OBF	5FS	9.3	0.74	5	0.15	0.22	7.96	Y
Sub Total		2,142.9	235.80	2,079	0.11	1.90		
SLOT 4								
RET	4G	42.3	2.76	42	0.07	0.07	6.52	
RET	5G	66.4	16.82	222	0.06	0.08	25.33	
RET	6G	125.3	35.36	288	0.12	3.64	28.22	
OSF	1E	166.0	2.90	16	0.16	1.87	1.75	
OSF	2E	160.0	2.50	25	0.10	1.25	1.56	
OSF	5E	74.0	1.79	22	0.08	0.18	2.42	
OSF	6E	34.0	2.26	22	0.10	0.45	6.65	
OBF	1F	258.0	17.63	162	0.11	1.41	6.83	
OBF	2F	263.8	40.75	294	0.14	2.86	15.45	
OBF	3F	183.1	39.26	280	0.14	2.47	21.44	
OBF	4F	88.8	18.97	151	0.13	1.71	21.36	
OBF	5F	97.5	14.57	149	0.10	1.05	14.94	
OBF	6F	79.9	21.85	183	0.12	1.37	27.35	
OBF	0FS	7.3	0.10	2	0.05	0.05	1.37	
OBF	1FS	22.2	0.65	6	0.11	0.10	2.93	

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Table 3 cont.

Geology	Sample Number	Plant Tonnes Scrubber Feed (tonnes)	Carats Recovered (cts)	Number of Diamonds (stones)	Average Size (cts)	Largest Stone (cts)	Recovered Plant Grade (cpht)	
OBF	2FS	7.3	0.03	1	0.03	0.03	0.41	
OBF	4FS	10.9	0.91	10	0.09	0.10	8.35	
OBF	5FS	8.8	0.31	5	0.06	0.13	3.52	
OBF	6FS	8.9	0.82	6	0.14	0.39	9.21	
OSF	0E	216.7	2.57	34	0.08	0.14	1.19	Y
OSF	3E	181.2	0.72	11	0.07	0.19	0.40	Y
OSF	4E	171.0	2.05	31	0.07	0.28	1.20	Y
OBF	0F	113.1	8.02	82	0.10	0.91	7.09	Y
Sub Total		2,386.5	233.60	2,044	0.11	3.64		
TOTAL		9,138.5	1,128.60	10,905				

Namakwa completed 5,164 metres of high definition RC drilling to the end of December 2002. Targets included gravel distributions around GDT07 to demonstrate continuity of the target mineralisation.

Further drilling was undertaken in proximity to trench R17, at Liebenberg Bay.

This drilling, combined with the results of bulk samples from trenches GDT07, R17 and KKT5R, will form the cornerstone of a resource estimate scheduled for release in February 2003. This resource will underpin Namakwa's feasibility study and mining lease application, which is due to be completed during the second quarter of 2003.

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, Buffels and Orange Rivers. Namakwa's Concessions are located just north of the mouth of the Olifants River.

Namakwa's objective is to develop a profitable mining operation based on placer beach diamond deposits within its tenements.

The geological information contained in this release has been compiled by Albert George Thamm, M.Sc., M.Aus.IMM, who is a Competent Person as defined by the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves ("JORC Code") and is included in this release with his consent.

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