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**ASX ANNOUNCEMENTS
AUSTRALIAN STOCK EXCHANGE**

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PROGRESS REPORT – MARTIN’S DRIFT DIAMOND PROJECT

SUMMARY

- **BULK SAMPLE 4 FROM PIPE K003 GRADES 30.7 CARATS PER HUNDRED TONNE(CPHT)**
- **BULK SAMPLE 6 FROM PIPE K003 GRADES 32.8 CPHT**
- **BULK SAMPLE 11 FROM PIPE K006 GRADES 33.1 CPHT**

All grades assume a 1mm cut-off

A. Preliminary Results From Bulk Sampling

DiamonEx Limited is pleased to announce that it has completed processing of bulk samples from diamondiferous kimberlite pipes K003 and K006. To date DiamonEx has processed 1,935 tonnes of a 5,000 tonne bulk sample, recovering 565 carats of diamonds. The bulk sample has been excavated from the 5 diamondiferous pipes that comprise the Martin’s Drift Diamond Project in Botswana, Africa.

The purpose of the sampling is to produce a parcel of diamonds for valuation purposes and to provide additional information on the grade of the pipes.



Plate 1. Bulk Sample site K003BS06

AT K003, 999 tonnes of material was treated from pit BS04 and 790 tonnes of material from pit BS06 (Plate 1). 146 tonnes were treated from BS 11, taken from K006.

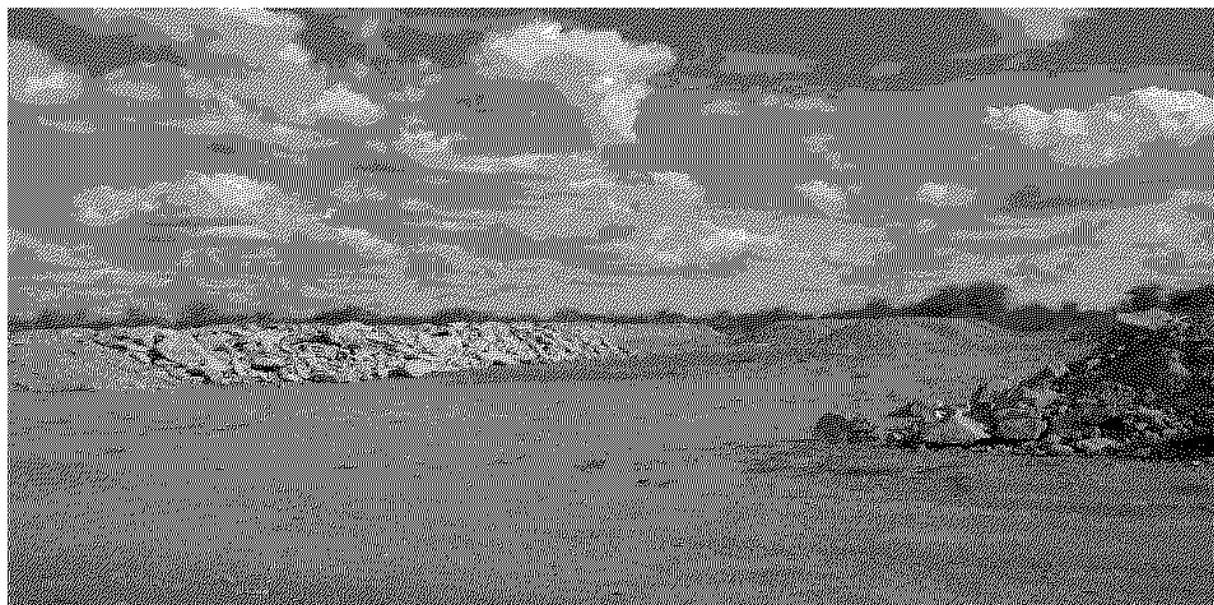


Plate 2. Stockpiled bulk sample awaiting treatment

All samples were treated on site through a leased Dense Media Separation (DMS) plant and then processed through the Company's X-Ray Flowsort to separate the diamonds.

Bulk samples 04 and 06, from K003, were initially crushed at 12mm and then a 15 tonne sample was subject to recrush at 8mm, to further liberate diamonds that had not been released in the first crush.

The bulk sample from K006 has only been subjected to the first 12 mm crush.

None of the samples have yet been processed over a grease table to recover those diamonds which do not fluoresce and hence not recovered by the X-Ray Flowsort.

Following is a summary of sample processed and results obtained.

Pipe Sample	Sample Size (tonnes)	Diamond Grade (cpht) (1)
K003		
BS04	999	30.74
BS06	790	32.77
K006		
BS11	146	33.10

(1) All grades assume a 1mm cut-off

Processing of the remaining bulk sample is expected to be completed by the end of June 2005.

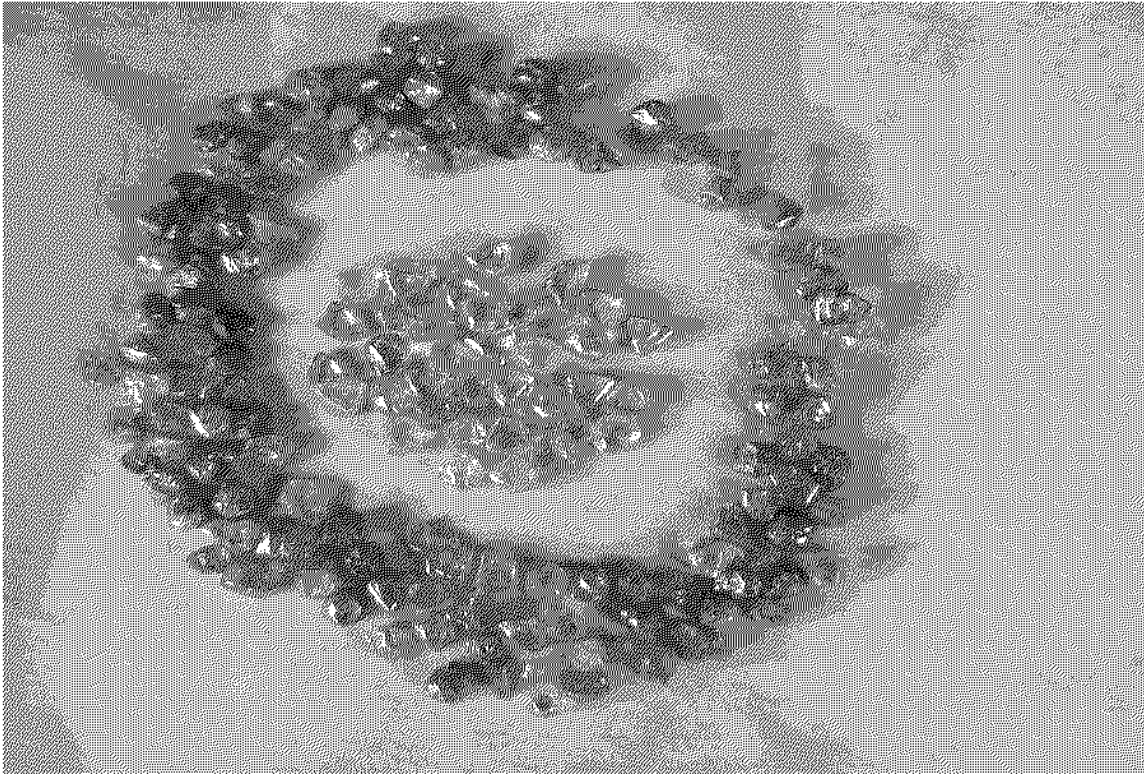


Plate 3. Plus 9# minus 11# (2.35mm to 2.86mm) diamonds from Bulk Sample 4 in Pipe K003

B. Drilling

Diamonex has also just completed a 1000m percussion drilling program over an anomalous area of Kimberlite Indicator Minerals (KIM's) and associated gravity low 400metres north west of pipe K004. The drilling program failed to intersect any kimberlite or kimberlitic bodies that could be the source for the KIM's.

Diamonex is presently reviewing all data from the drilling, geophysical and soil sampling programs that have been conducted over the area.

ON BEHALF OF DIAMONEX LIMITED



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