

DIAMOND VENTURES NL

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23 May 2003

Company Announcements Office
Australian Stock Exchange Limited
Level 10
20 Bond Street
SYDNEY NSW 2000

Dear Sir/Madam,

ANNUAL GENERAL MEETING – CHAIRMAN'S ADDRESS

Please find attached a copy of the Chairman's Address for today's Annual General Meeting of Diamond Ventures NL.

Yours faithfully,



WALLY BUCKNELL
Executive Director

att.

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ANNUAL GENERAL MEETING FRIDAY 23 MAY 2003

CHAIRMAN'S ADDRESS

On behalf of the directors of Diamond Ventures I welcome you to our 9th Annual General Meeting. The gold mining industry has enjoyed another year with the gold price above \$A530 per ounce and in particular an extended period of plus \$A600 per ounce. While this is a profitable price for producers and while gold company fund raisings have been more positively received than in recent years, it is still not attracting exploration investment dollars at the levels the price justifies. Although there is more gold being produced in Australia now than in any year prior to 1997, exploration has declined markedly. ABARE recently announced that Mineral exploration expenditure in Australia is down 49 percent in real terms from the 1996-97 level and the lowest level recorded since 1978-79. Lack of interest in gold and mineral exploration is a worldwide phenomenon and is the reason for lack of new discoveries.

This general demise in our industry has taken its toll in related areas as well. On a recent trip through London, I attempted to contact more than 20 Gold Fund Managers with whom I had communications during the second half of the 1990s. I was able to locate three of the 20 individuals. The others were generally unknown with their gold funds having gone by the wayside. It has been just over three years since we signed a formal Heads of Agreement with Barminco to

cover the exploration and potential development of commercial gold deposits at Kookynie. During the past year we earned our 50% interest in the development area containing the Butterfly, Admiral and Clark deposits and generated modest revenue from mining. Since commencement of the joint venture we have drilled 46,000 meters in more than 500 drill holes. Although we added to the known mineralisation we have not defined a deposit potentially capable of supporting a DDV Gold Mining Operation on the property. It is therefore unlikely that we shall continue further exploration outside the development area. During the year we signed an agreement with parties representing the Beaconsfield Mine Joint Venture for a royalty exploration arrangement covering the tenements immediately surrounding the Beaconsfield Gold Mine in Tasmania. Under the exploration royalty agreement DDV may receive reimbursement of its exploration expenditure (under a prescribed formula) and may earn an 8% royalty on any potentially commercial discoveries it makes. Up to 80% of the royalty may be paid in advance of gold production (under a prescribed formula). No reimbursement of exploration expenditure will occur unless DDV makes a potentially commercial discovery, however the agreement provides that DDV may earn a 5% royalty over the entire property with the expenditure of \$5.0 million.

Following approval of the agreement by the Tasmanian government last November we immediately began a field program to develop targets for drilling. As a result we have identified 12 target areas which warrant either drilling or further test work. This work is in progress but additional funds will be required to adequately test all of the attractive targets.

At the end of June 2002 we concluded a rights issue which was well supported by our shareholders including the directors and which raised just over \$1.1 million. Thank you for this support. In the Prospectus document for the Rights issue we advised shareholders we were raising the money for 'the company's ongoing mineral exploration activities and continued investigation for suitable mining production assets'.

I am pleased to advise this meeting that we have announced this morning that we have just concluded a Heads of Agreement giving DDV the right to earn a minimum 60% interest in the Touquoy gold property in Eastern Canada. The Canadian independent Consulting Geologists and Engineers firm of Watts, Griffis and McOuat Limited has estimated the property currently contains more than 400,000 oz of gold resources. Details of the Heads of Agreement are contained in our announcement.

While it is 'early days' in assessing the available data, my preliminary review leads me to be cautiously optimistic that, provided funds are available, DDV can define the reserves and undertake the technical work required to develop a commercial stand-alone gold mining operation

on this property. I have met with the Minister of Natural Resources for Nova Scotia and his senior Mineral Resources officials and was encouraged by their enthusiasm for our involvement in this attractive project.

Again I thank you for participating in providing your company with exploration funds during the year. As you can surmise from my address, we shall need additional funds to carry on our exploration at Beaconsfield and our advancement of the Touquoy Gold Project in Nova Scotia. To this end we shall examine the potential avenues for financing these attractive projects and we shall provide opportunity for participation by our shareholders. We shall also attempt to attract new shareholders to our company.

This year has been another challenging one for Diamond Ventures and its staff who have laboured with minimal financial reward. Wally Bucknell has received capable support from Brian Bolton, Juli Fidler and our other contract helpers and I wish to recognise and thank them for the professional manner in which Wally and they have executed their duties on our behalf. I also thank fellow director Don Cooper for his support and counsel again this year.

I thank you shareholders for your steadfastness and encourage you to continue to work together with us so that we may achieve our quest of 'weaving dreams into gold'.

Ronald J. Hawkes
Chairman
23 May 2003