

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002.

Name of entity

DIAMOND VENTURES NL

ABN

82 062 091 909

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

| | |
|---|--|
| <p>1 ⁺Class of ⁺securities issued or to be issued</p> | <p>Fully paid ordinary shares (DDV) and options exercisable at 10c on or before 30 June 2006 (DDVOA)</p> <p>Options to subscribe for fully paid ordinary shares at an exercise price of 20 cents, to expire on 31 December 2008</p> |
| <p>2 Number of ⁺securities issued or to be issued (if known) or maximum number which may be issued</p> | <p>1,370,000 fully paid ordinary shares (DDV)</p> <p>1,350,000 options exercisable at 10 cents on or before 30 June 2006 (DDVOA)</p> <p>2,200,000 options to subscribe for fully paid ordinary shares at an exercise price of 20 cents, to expire on 31 December 2008</p> |
| <p>3 Principal terms of the ⁺securities (eg, if options, exercise price and expiry date; if partly paid ⁺securities, the amount outstanding and due dates for payment; if ⁺convertible securities, the conversion price and dates for conversion)</p> | <p>Fully paid ordinary share (DDV)</p> <p>Option (DDVOA) to subscribe for a fully paid ordinary share to be exercised no later than 30 June 2006 on payment of 10 cents per share</p> <p>Option to subscribe for fully paid ordinary shares at an exercise price of 20 cents, to expire on 31 December 2008 - unlisted</p> |

| <p>4 Do the ⁺ securities rank equally in all respects from the date of allotment with an existing ⁺ class of quoted ⁺ securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> ● the date from which they do ● the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment ● the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>Yes, the ordinary shares (DDV) will rank equally with existing ordinary shares (DDV) and the options (DDVOA) will rank equally with existing DDVOA options expiring 30 June 2006</p> <p>The options expiring on 31 December 2008 are a new class of unlisted security</p> | | | | | | |
|--|--|--------|--------------------|-------------|----------------------------|------------|---|
| <p>5 Issue price or consideration</p> | <p>800,000 ordinary shares (DDV) issued at 5.1 cents per ordinary share, each with an attaching free DDVOA option</p> <p>550,000 ordinary shares (DDV) issued at 5.6 cents per ordinary share, each with an attaching free DDVOA option</p> <p>20,000 ordinary shares (DDV) issued at 10 cents per ordinary share</p> <p>2,200,000 options to subscribe for fully paid ordinary shares at an exercise price of 20 cents, to expire on 31 December 2008 – unlisted</p> | | | | | | |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>800,000 shares issued to Executive Director in consideration of salary sacrifice and as approved by a General Meeting of shareholders held on 21 November 2003</p> <p>550,000 shares issued to a consultant in consideration for services provided</p> <p>20,000 shares issued on exercise of DDVOA options</p> <p>2,200,000 options to subscribe for fully paid ordinary shares at an exercise price of 20 cents, to expire on 31 December 2008 for issue to the directors of the company to compensate them for the substantial time and effort they put into identifying major growth opportunities for the Company, and as approved by a General Meeting of shareholders held on 21 November 2003</p> | | | | | | |
| <p>7 Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates</p> | <p>25 November 2003</p> | | | | | | |
| <p>8 Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)</p> | <table border="1"> <thead> <tr> <th data-bbox="686 1657 989 1691">Number</th> <th data-bbox="989 1657 1279 1691">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1691 989 1747">101,368,303</td> <td data-bbox="989 1691 1279 1747">fully paid ordinary shares</td> </tr> <tr> <td data-bbox="686 1747 989 1816">23,635,931</td> <td data-bbox="989 1747 1279 1816">30,6,2006 options (DDVOA) exercise price 10 cents</td> </tr> </tbody> </table> | Number | ⁺ Class | 101,368,303 | fully paid ordinary shares | 23,635,931 | 30,6,2006 options (DDVOA) exercise price 10 cents |
| Number | ⁺ Class | | | | | | |
| 101,368,303 | fully paid ordinary shares | | | | | | |
| 23,635,931 | 30,6,2006 options (DDVOA) exercise price 10 cents | | | | | | |

⁺ See chapter 19 for defined terms.

| | | | |
|----|---|---|--|
| 9 | Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable) | Number | ⁺ Class |
| | | 733,335 | 31 Dec 2003 options: |
| | | 733,335 | Exercise price 25c |
| | | 733,330 | Exercise price 30c |
| | | 2,200,000 | Exercise price 35c |
| | | | Exercise price 20c, expiring 31 Dec 2008 |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | Dividend policy applies to increased capital (fully paid ordinary shares) | |

Part 2 - Bonus issue or pro rata issue

| | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the ⁺ securities will be offered | |
| 14 | ⁺ Class of ⁺ securities to which the offer relates | |
| 15 | ⁺ Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | |

| | | |
|----|---|--|
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | |
| 33 | ⁺ Despatch date | |

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

(If the additional securities do not form a new class, go to 43)

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

(now go to 43)

Entities that have ticked box 34(b)

| 38 | Number of securities for which ⁺ quotation is sought | <p>1,370,000 fully paid ordinary shares (DDV)</p> <p>1,350,000 options exercisable at 10c expiring 30 June 2006</p> | | | | | | |
|-------------|---|--|--------|--------------------|-------------|----------------------------|------------|---|
| 39 | Class of ⁺ securities for which quotation is sought | <p>ORD</p> <p>DDVOA options</p> | | | | | | |
| 40 | <p>Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>Yes</p> | | | | | | |
| 41 | <p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p> | <p>Issue of 1,350,000 new fully paid ordinary shares (DDV)</p> <p>Issue of 20,000 fully paid ordinary shares (DDV) on exercise of 20,000 options expiring 30 June 2006 (DDVOA)</p> <p>Issue of 1,350,000 new options expiring 30 June 2006 (DDVOA)</p> | | | | | | |
| 42 | <p>Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 38)</p> | <table border="1"> <thead> <tr> <th data-bbox="715 1249 1008 1281">Number</th> <th data-bbox="1008 1249 1299 1281">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="715 1281 1008 1337">101,368,303</td> <td data-bbox="1008 1281 1299 1344">fully paid ordinary shares</td> </tr> <tr> <td data-bbox="715 1337 1008 1415">23,635,931</td> <td data-bbox="1008 1337 1299 1415">30 Jun 2006 options (DDVOA) exercise price 10 cents</td> </tr> </tbody> </table> | Number | ⁺ Class | 101,368,303 | fully paid ordinary shares | 23,635,931 | 30 Jun 2006 options (DDVOA) exercise price 10 cents |
| Number | ⁺ Class | | | | | | | |
| 101,368,303 | fully paid ordinary shares | | | | | | | |
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(now go to 43)

⁺ See chapter 19 for defined terms.

All entities

Fees

43 Payment method (tick one)

Cheque attached

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those ⁺securities should not be granted ⁺quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the ⁺securities to be quoted, it has been provided at the time that we request that the ⁺securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

⁺ See chapter 19 for defined terms.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Director)

Date: 25 Nov 2003

Print name: Ronald J Hawkes

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