

DIAMOND VENTURES NL

ABN 82 062 091 909

NOTICE OF MEETING

The Annual General Meeting of Diamond Ventures NL will be held in the Imperial Room of the Sovereign Inn, 220 Pacific Highway, Crows Nest NSW 2065 on Friday 21 May 2004 at 11:00 am.

BUSINESS

1. To receive and consider the report of the Board and the financial statements for the year ended 31 December 2003 and the report by the auditors.
2. To re-elect as a director Mr Donald Ledingham Cooper who is retiring under the provisions of Article 20 Rotation of Directors and is eligible for re-election.
3. To consider and, if thought fit, pass as an ordinary resolution:
‘That, for the purposes of article 18.2 of the Company’s constitution, it is determined that the aggregate sum that may be paid to non-executive directors of the Company as remuneration for their services in each financial year be increased from \$120,000 to \$200,000 which may be divided among those directors in such proportion and manner as they agree or in default of agreement equally.’
4. To consider any other business of which due notice has been given.

By order of the Board



Grahame Clegg ACIS
Company Secretary

13 April 2004

EXPLANATORY MEMORANDUM

Resolution 3

The current aggregate amount payable to directors is \$120,000 per annum and the effect of Resolution 3 is to increase the current limit by \$80,000 to \$200,000. The current limit was approved at the Annual General Meeting held in May 2000. Resolution 3 is being put to shareholders for the purposes of Article 18.2 of the Company's constitution and ASX Listing Rule 10.17 to seek approval to increase the aggregate sum which may be paid to non-executive directors by \$80,000 from \$120,000 to \$200,000 which may be divided among the directors in a manner agreed or in default of agreement equally.

The increase will allow Board members to be appropriately remunerated and will also allow for the Board to appoint additional directors in the future of a quality and experience necessary for the continuing high level of Board performance expected by the Company.

In accordance with the Listing Rules, the Company will disregard any votes cast on Resolution 3 by its directors and any associates of those directors. However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directors on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.