

DIAMOND VENTURES NL

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30 April 2002

Australian Stock Exchange Limited
Company Announcements Office
10th Floor, 20 Bridge Street
SYDNEY NSW 2000

BY FAX: 1300-300 021

Dear Sir,

QUARTERLY REPORT FOR PERIOD ENDING 31 MARCH 2002

HIGHLIGHTS

- **Memorandum of Understanding signed with Beaconsfield Joint Venture interests for exploration access to the Beaconsfield Gold Mine property, Tasmania, with an 8% royalty to be earned and exploration expenditure reimbursed on discoveries made by Diamond Ventures.**
- **Additional resources of 372,000 tonnes at an average grade of 3.2 g/t Au for 38,600 contained ounces of gold have been identified at Kookynie. Discussions in progress with an off-site plant operator to mine, haul and process the identified reserves.**

GOLD

BEACONSFIELD, Tasmania *(DVNL may earn 8% royalty interest)*

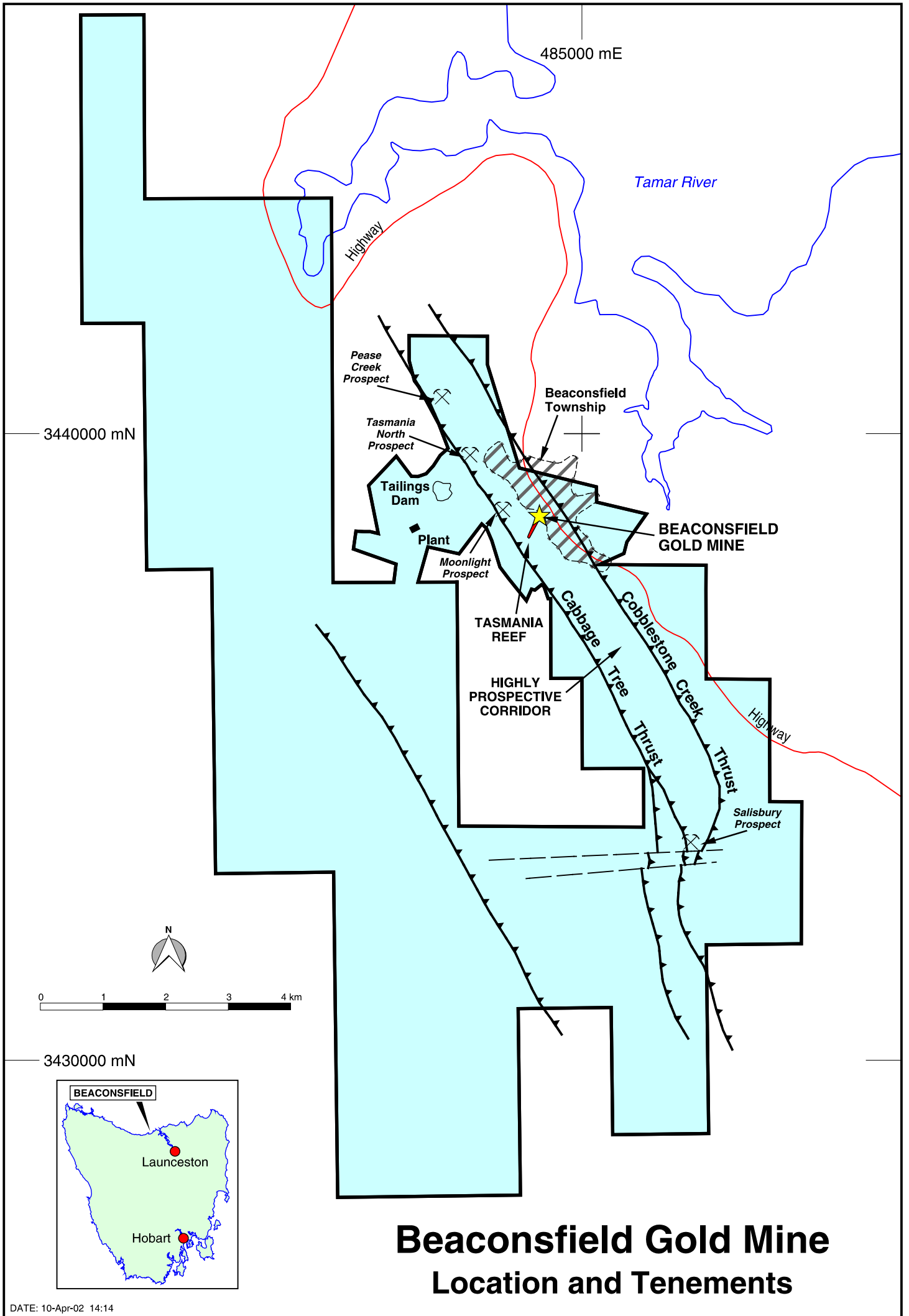
Subsequent to the end of the Quarter, and as previously announced to the ASX, the Company entered into a Memorandum of Understanding, with parties representing the Beaconsfield Mine Joint Venture, to undertake exploration for gold on the Joint Venture tenements located near the town of Beaconsfield in Northern Tasmania.

Diamond Ventures will commit to spend \$350,000 in the first year and a minimum of \$350,000 per year in future years to retain exploration access to the tenements. Diamond Ventures will receive reimbursement of 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 (under a prescribed formula) in advance of production. No reimbursement of exploration expenditure will occur unless Diamond Ventures makes a potentially commercial discovery. The exploration agreement is to be finalised over the next few weeks.

The Company will have full exploration access to all tenements apart from an exclusion area immediately surrounding and containing the Tasmania Reef, the subject of the Beaconsfield mining operation. Past production and reserves at Beaconsfield amount to more than 1.5 million ounces. The exploration area available to Diamond Ventures covers 85 km² and includes the highly prospective corridor of favourable stratigraphy/structure which hosts the Tasmania Reef (see attached map). Although numerous gold occurrences are known within this corridor, it remains relatively unexplored by modern methods.

Gold was first discovered at Beaconsfield in 1877 and approximately 854,000 ounces of gold at a grade of around three quarters of an ounce per tonne were recovered from 1.1 million tonnes of ore between 1877 and 1914 when operations shut down. The Beaconsfield Mine was reopened in September 1999 and up to 30 June 2001 had produced over 150,000 ounces. As at 30 June 2001 the Mine reported Ore Reserves of 973,000 tonnes at a grade of 16.7 g/t Au for 524,000 recoverable ounces. Total Mineral Resources (including Reserves) amount to 1,574,000 tonnes at a grade of 16.4 g/t Au for 832,000 contained ounces.

The Beaconsfield tenements are a good fit with the Company's exploration strategy of seeking high quality exploration ground, with near term development potential, ideally located on mining leases and near a treatment plant.



KOOKYNIE, Western Australia
(DVNL may earn 50%)

Resource estimates for deposits on the Kookynie property, in addition to those at Admiral and Butterfly, have been prepared. Results are presented in the table below. A total of 372,000 tonnes at an average grade of 3.2 g/t Au for 38,600 contained ounces gold is estimated as an aggregate of Indicated and Inferred Resources at six separate sites. These additional resources are listed below.

ADDITIONAL RESOURCES AT KOOKYNIE					
Deposit	Tonnes	Grade (g/t Au)	Contained Ounces	Category	Depth
Red Lake	96,000	2.4	8,000	Indicated	0 – 60 m
	18,000	1.9	1,000	Inferred	
King	120,000	1.8	6,900	Indicated	0 – 35 m
Champion	28,000	4.0	3,500	Inferred	10 – 35 m
Clark	70,000	4.0	9,000	Inferred	0 – 40 m
Diamantina	30,000	10.0	9,600	Inferred	50 – 100 m
Stockpiles	10,000	2.0	600	Indicated	
Total	372,000	3.2	38,600		

(These are undiluted resource estimates using a cross-sectional polygonal method based on RC drill hole intersections (shallow, dry RAB drill hole intersections in the case of Clark) on maximum 25 m x 20 m centres (20 m x 40 m centres in the case of Clark and Diamantina) assayed by fire assay over maximum 1m intervals. The estimates use a lower cut-off grade of 1.0 g/t (3.0 g/t for Diamantina) and an upper cut-off grade of 15 g/t for Red Lake and King, 30g/t for Champion, and uncut for the remainder. Bulk densities of 2.0 t/m³, 2.4 t/m³ and 2.85 t/m³ were generally applied for oxide, transitional and fresh rock types respectively. Stockpile resource is as determined by previous operators).

Pre-feasibility studies were undertaken in relation to the Admiral underground resources with application of appropriate cost estimates for mining, trucking, processing and administration. These studies identified Probable Reserves of 130,000 tonnes @ 4.7 g/t Au for 18,100 recoverable ounces of gold.

Positive discussions continue with a local, third-party plant operator to mine, haul and treat ore from the Admiral, Butterfly and some other deposits as an alternative to re-establishing the Kookynie treatment plant and processing ore through that facility. At this time no firm arrangement has been established.

OTHER

Several opportunities to acquire an interest in gold properties with exploration upside, minimal access restrictions and proximity to processing facilities were evaluated. Discussions are in progress.

DIAMONDS

Reference was made last Quarter to the company's intention to divest its diamond interests in such a manner as to maximise the return to the Company. Although this intention remains in effect, the relevant discussions have been discontinued at this time.

ELLENDALE, Western Australia *(DVNL 53%, may earn up to 60%)*

No fieldwork was undertaken during the quarter.

Diamond Ventures has increased its interest in the Joint Venture from 51% to 53% as a result of the co-venturer, Auridiam Limited, having elected not to contribute to joint venture expenditure.

MMASHORO JOINT VENTURE, Botswana *(DVNL 51%, may earn up to 75%)*

No fieldwork was undertaken during the quarter.

BINGARA PROJECT, New South Wales *(DVNL 10% NPI, reducing to 5% NPI after receipts of \$2.0 million)*

Cluff Resources Pacific NL, the project operator, reports that no substantial work was completed this quarter.

This report was compiled by W R Bucknell who is a Corporate Member of the Australasian Institute of Mining and Metallurgy.

Yours faithfully,



W R Bucknell
Director

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

Diamond Ventures NL

ACN or ARBN

062 091 909

Quarter ended ("current quarter")

31 March 2002

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation	(81)	(81)
(b) development		
(c) production		
(d) administration	(68)	(68)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	9	9
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(140)	(140)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects		
(b)equity investments		
(c) other fixed assets		
1.9 Proceeds from sale of: (a)prospects		
(b)equity investments		
(c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	140	140
1.13 Total operating and investing cash flows (carried forward)	(140)	(140)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(140)	(140)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other	(7)	(7)
	Net financing cash flows	(7)	(7)
Net increase (decrease) in cash held			
		(148)	(148)
1.20	Cash at beginning of quarter/year to date	791	791
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	643	643

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	47
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Directors fees	12
Salaries	35

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	
Total	250

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	28	27
5.2 Deposits at call	615	764
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	643	791

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Ellendale Exploration Licence 04/813	Joint Venture (increase in DDV's interest as sole contributor to exploration expenditure)	51%	53%
6.2 Interests in mining tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter


Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	60,001,107	60,001,107		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	199,500	199,500	5.8	5.8
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	30,751,607 733,335 733,335 733,330	30,751,607	<i>Exercise price</i> \$0.20 \$0.25 \$0.30 \$0.35	<i>Expiry date</i> 30.06.02 31.12.03 31.12.03 31.12.03
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 30 April 2002
(Director/Company secretary)

Print name: Walter R Bucknell

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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