



3 June 2003

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Dear Sir / Madam

RE: LETTER TO OPTION HOLDERS

Dwyka Diamonds Limited advises that the attached letter has today been sent to all registered holders of its Listed options exercisable at \$0.60 each on or before 30 June 2003.

Yours faithfully
Dwyka Diamonds Limited

A handwritten signature in cursive script that reads 'G. Button'.

GRANT BUTTON
Company Secretary

Dwyka Diamonds Limited	ACN 060 938 552
Level 4, HPPL House	Postal Address
28 - 42 Ventnor Avenue	PO Box 7460
West Perth WA 6005	Cloisters Square WA 6850
Tel: (61 8) 9324 2955	Fax: (61 8) 9324 2977



30 May 2003

[Optionholder]
[Name & Address]

Options Held	Amount Payable at 60 cents per Option
[number]	[\$amount]

Dear Option Holder

We write in connection to options that expire at 5:00 p.m. WST on Monday, 30 June 2003.

The options are exercisable at 60 cents each, and provide the right to purchase a single fully paid ordinary share in Dwyka Diamonds Limited. The details of your option holding are noted above.

Dwyka Diamonds Limited shares are currently trading at 18 cents (being the last sale on 28 May 2003). The highest and lowest market prices of the shares in the 3 months immediately before this notice are as follows:

Highest	34 cents	28 February 2003
Lowest	16 cents	23 May 2003

If payment for the exercise of these options is not received by 30 June 2003, your rights to purchase shares in Dwyka Diamonds Limited pursuant to these options will lapse.

The courses of action open to you as a holder of these options are:

- (i) Exercise the options. Documentation and money must be received by the Company no later than 5:00 p.m. WST on Monday, 30 June 2003.
- (ii) Do nothing. If you do not take any action to exercise your options prior to 30 June, the options will expire and your rights to purchase shares at 60 cents will lapse.

Quotation of the options on ASX will cease following close of business on 23 June 2003.

In the event you wish to exercise all or part of your options, please complete the "Notice of Exercise of Options" and lodge with the Company, together with your payment for the number of shares you wish to take up.

The relevant document described above and money, should be received by 5:00 p.m. WST on 30 June 2003 by the Company at the following address:

Dwyka Diamonds Limited
Level 4, HPPL House
28-42 Ventnor Avenue
WEST PERTH WA 6005

If you require further information, please do not hesitate to contact the undersigned.

Yours faithfully

A handwritten signature in cursive script that reads "Grant Button".

Grant Button
COMPANY SECRETARY

Dwyka Diamonds Limited	ACN 060 938 552
Level 4, HPPL House	Postal Address
28 - 42 Ventnor Avenue	PO Box 7460
West Perth WA 6005	Cloisters Square WA 6850
Tel: (61 8) 9324 2955	Fax: (61 8) 9324 2977