



Dwyka  
Diamonds  
Limited

14 February 2006

## Bosele Update

Dwyka Diamonds Limited (“Dwyka” or “the Company”) (AIM, ASX: DWY), the AIM- and ASX-listed diamond producer and developer, today announces that independent diamond consultant Mr Ray Ferraris has drawn similarities between the eight diamonds recovered from a bulk sample taken at Dwyka’s 70% owned Bosele Project in South Africa and diamonds from Western Australia’s Argyle Mine. Mr Ferraris has 29 years’ experience in the diamond industry, including working for both De Beers and Rio Tinto.

Having examined the eight diamonds recovered from the most recent test, Mr Ferraris has advised that they are not typical of those historically extracted from the Barkly West/Bellsbank area. Rather, the Bosele stones exhibit minimal octahedral forms, quite unlike the diamonds from nearby areas. What is very unusual, apart from the high rates of resorption, is the ‘melted’ appearance of five of the eight diamonds. This melted appearance is more characteristic of Australia’s Argyle Mine production, where the diamonds show high degrees of resorption and a low percentage of octahedral shapes when compared with most of South Africa’s kimberlite diamonds.

The Bosele deposit lies in close proximity to the Bellsbank kimberlite field, a long-term producer of diamonds from both the pipes and fissures. At Bosele, the surface expression appears to be the crater facies of a large volcanogenic structure. Crater sediments there include rock fragments derived from geological formations that exist well below the current earth’s surface. Some of these fragments are characteristic of deep-seated intrusive bodies derived from the lower crust and upper mantle. The suite of indicator minerals appears to be similar in nature to diamondiferous lamproite bodies occurring in Western Australia. Dwyka has drilled the newly discovered Bosele volcanoclastic body in three areas, with each drillhole separated from the next by more than a kilometre. Although further drilling is required, early indications are that the Bosele volcanoclastics intruded a water-rich environment (a similar environment has been postulated for Argyle, and the Bosele resedimented volcanoclastics resemble Argyle’s ‘sandy’ tuffs).

Of the two bulk samples recovered at Bosele, the first produced 40 diamonds and the second eight. However, no attempts were made to recover micro-diamonds so, while the bulk samples were relatively small, the results are significant.

The technical exploration and mining information contained in this report was compiled by Mr Ed Nealon, a Dwyka Diamonds Ltd director. Mr Nealon, who provides consulting services via his company Athlone International Pty Ltd, is a member of the Australasian Institute of Mining and Metallurgy and is considered to be a Competent Person in his respective area of expertise, pursuant to the Australasian Code for Reporting of Mineral Resources and Ore Reserves. Mr Nealon consents to the inclusion in the report of the matters, based on his information, in the form and context in which they appear.

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