

Diavik First Quarter Update

YELLOWKNIFE, NT, May 14, 2004 - Diavik Diamond Mines Inc. (DDMI) is pleased to report that the Diavik Diamond Mine, located 300 kilometres northeast of Yellowknife, Northwest Territories, continued to perform well during first quarter. The mine's process plant operated comfortably ahead of design capacity rates of 1.5 million tonnes per annum. Grades continue to reflect the processing of mud-rich material that surrounds the kimberlite ore.

For the three months ended March 31, no lost time injuries were reported by DDMI and its workforce. As a result, the quarter lost time injury frequency rate was zero.

During the quarter, DDMI submitted wildlife monitoring, water licence, aquatic effects, and dust monitoring reports. Also during the quarter, DDMI continued progress toward ISO 14001 certification of its environmental management system.

DDMI has applied to the Mackenzie Valley Land and Water Board for an ammonia amendment to its water licence. DDMI has participated in a number of meetings with regulators, the Diavik Environmental Monitoring Advisory Board, and community representatives on the licence amendment application. The mine remains in environmental compliance.

At March 31, Diavik's workforce was 700 people, with 73 per cent northern, exceeding DDMI's 66 per cent commitment formalized in the Socio-Economic Monitoring Agreement (SEMA). Aboriginal employment at quarter's end was 36 per cent. Through its Aboriginal employment strategy, Diavik is working to raise the percentage to the 40 per cent SEMA commitment. DDMI has commenced construction of an additional dormitory wing of its accommodation complex to house the larger workforce.

On April 2, DDMI successfully completed its winter road shipping season during which approximately 1,500 loads of fuel and other supplies were trucked over the seasonal ice road to the mine site. Among the shipments were three new additional Komatsu 830E haul trucks, which will be assembled on site and commissioned in the next few months.

The Diavik Diamond Mine is an unincorporated joint venture between DDMI (60%) and Aber Diamond Mines Ltd. (40%). Both companies are headquartered in Yellowknife. DDMI is a wholly owned subsidiary of Rio Tinto plc of London, England, and Aber Diamond Mines Ltd. is a wholly owned subsidiary of Aber Diamond Corporation of Toronto, Ontario.

<http://www.newswire.ca/en/releases/orgDisplay.cgi?okey=80406>

For further information

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