



DIAMOND ROSE NL

ABN 30 075 860 472

Terrace Tower
Suite 201
Level 2 80 William Street
Sydney NSW 2011

Telephone: +61 2 9380 7233
Facsimile: +61 2 9380 7972

E-mail: info@diamondrose.com.au
Web: www.diamondrose.com.au

7 June 2006

Company Announcement Office
Australian Stock Exchange Limited

Guanaco Programme Additional Results

Diamond Rose is pleased to advise that it has now received the additional results from the drilling programme which has been completed at the Guanaco gold-silver-copper deposit in Chile. The Company has a 35.78% interest in the project.

The latest results are at a preliminary stage, with check analyses and validation in progress.

Background

The Guanaco District is centrally located in Chile's Palaeocene belt. The Guanaco property is 200 kilometres [km] southeast of Antofagasta and about 40 km east of the Pan American highway.

The Guanaco Project covers 150 square kilometres [sq km] of concessions, which exclude the Soledad claims, adjacent to the Guanaco mine, as well as a few other minor third-party properties.

The exploration programme has been focused on the confirmation and extension of known sectors of Cachinalito, Dumbo Oeste, Chilena, Abundancia and San Lorenzo Structures.

Harris y Compania Ltda, a Chilean drilling contractor was engaged to conduct the drilling program whilst Geanalitica has conducted sample preparation and analysis.

The international laboratory Actlabs is undertaking independent check analysis of a percentage of the samples.

Programme Highlights

A total of 13,035 metres has been drilled in 74 holes in the 2006 programme with 38 holes reporting significant intersections. The results obtained confirm continuity in the Cachinalito and Dumbo Oeste Structures. Data modeling is progressing on the definition of, and extension to, the previous resource estimates.

This announcement reports on the significant results in 24 of the holes completed since the previous report issue 28 April 2006.

- **The extension of the Cachinalito structure has been confirmed along strike for approximately 1,6 km and is still open along strike and depth.**
- **The results on the Dumbo Oeste structure confirm the continuity of more than 150 metres of gold, silver and copper mineralization in the west face of the Dumbo open pit.**

Cachinalito Structure

The recent results indicate that the previous resource projections of this structure will be confirmed. The structure continues along strike and in depth.

The significance of the wide, high grade intercepts will be reviewed during resource modelling to relate the orientation of those holes to the dip of the lode structure.

The following table shows the results obtained in the programme since the results reported on 28 April 2006.

Hole ID	Collar Coordinates			From	To	Length m	Au PPM	Ag PPM	Cu %
	East	North	Elevation						
RC-509	444724.86	7223904.76	2700.11	144	146	2	6.14	4.50	0.0050
RC-519	444425.10	7223742.55	2695.56	86	91	5	8.66	0.82	0.0059
				104	110	6	4.95	2.50	0.0044
RC-524	444100.00	7223784.88	2702.22	122	124	2	13.72	2.00	0.0053
RC-531	444017.04	7223774.50	2699.50	56	58	2	4.85	4.50	0.0032
RC-534	444075.04	7223783.44	2702.13	56	69	13	14.24	14.38	0.0016
RC-543	444400.26	7223706.42	2693.17	124	125	1	4.18	4.00	0.0033
				144	147	3	3.06	3.00	0.1884
RC-544	444302.15	7223706.38	2694.11	102	110	8	4.79	1.75	0.0047
RC-545	444125.12	7223700.27	2698.95	110	111	1	6.31	1.00	0.007
				116	117	1	11.27	1.00	0.0091
RC-547	444050.17	7223660.19	2695.36	136	137	1	3.68	3.00	0.0015
RC-549	444324.91	7223810.14	2699.00	75	78	3	8.28	5.33	0.0083
				85	97	12	17.20	2.17	0.0066
				101	103	2	3.22	1.00	0.0226
RC-550	444350.02	7223697.23	2694.77	111	112	1	3.57	3.00	0.0013
RC-551	444375.07	7223713.02	2694.65	116	117	1	4.73	1.00	0.0046
RC-552	444399.91	7223811.87	2698.25	46	70	25	17.02	15.72	0.0051
				97	101	4	6.10	0.78	0.0077
RC-553	444424.87	7223832.69	2699.87	101	104	3	14.01	2.67	0.0123
				154	155	1	3.09	2.00	0.0136
RC-555	444224.90	7223686.92	2696.96	120	121	1	9.78	2.00	0.0067
				126	131	5	3.36	4.60	0.188
RC-559	444126.70	7223789.64	2702.01	68	69	1	5.43	4.00	0.0064
				134	135	1	4.52	3.00	0.0026
RC-560	445134.92	7224026.04	2704.37	138	139	1	6.40	6.00	0.1533
RC-561	444424.98	7223733.16	2695.11	77	106	29	9.32	2.24	0.0104
RC-562	444374.90	7223732.78	2695.75	86	97	11	4.81	1.36	0.0104

- Assay composite intervals are based upon a 3.0 gr/t Au cut off grade.
- All intervals represent downhole lengths and not true widths.

Cachinalito Oeste Structure

The recent holes drilled in Cachinalito Oeste sector, indicate that structure is still open in strike. This area is covered by alluvial material. This zone was indicated in the previous exploration report.

Hole ID	Collar Coordinates			From	To	Length m	Au PPM	Ag PPM	Cu %
	East	North	Elevation						
RC-555	443451.88	7223616.08	2687.85	74	75	1	4.83	6.00	0.0132
				107	110	3	6.79	3.00	0.0082
				124	125	1	7.66	8.00	0.0028
				146	147	1	3.34	2.00	0.0070
				148	149	1	3.82	5.00	0.0046
				153	155	2	5.14	1.00	0.0018
RC-557	443478.01	7223624.13	2689.34	180	184	4	5.07	4.00	0.0068
				38	39	1	3.10	3.00	0.0031
				42	48	6	4.55	6.33	0.0043
				55	64	9	5.26	2.44	0.0036
				72	85	13	5.85	2.46	0.0122
				90	93	3	4.59	3.67	0.0062
				110	114	4	4.29	2.75	0.0095
				123	124	1	4.89	2.00	0.0047
RC-558	443399.94	7223635.29	2688.29	143	145	2	6.53	5.50	0.0120
				167	169	2	5.95	4.00	0.0043
RC-558	443399.94	7223635.29	2688.29	135	136	1	3.64	1.00	0.0020

- Assay composite intervals are based upon a 3.0 gr/t Au cut off grade.
- All intervals represent downhole lengths and not true widths.

Dumbo Oeste Structure:

The results to date confirm the continuity of the west extension of this structure. Additionally, multiple small parallel structures are recognized. Based on the recent results, a continuity of more than 150 meters can be confirmed. The structure is open along strike and at depth.

Hole ID	Collar Coordinates			From	To	Length m	Au PPM	Ag PPM	Cu %
	East	North	Elevation						
RC-520	445574.97	7223514.04	2767.20	189	191	2	3.61	87.00	1.564
RC-522	445629.90	7223499.53	2766.18	136	139	3	8.35	8.67	0.0080
RC-638	445573.84	7223513.38	2767.23	149	152	3	9.07	15.33	0.0151
				177	180	3	11.91	5.67	0.0610

- Assay composite intervals are based upon a 3.0 gr/t Au cut off grade
- All intervals represent downhole lengths and not true widths.

Henry Kinstlinger
Company Secretary

This information is considered exploration information in the terms required by the JORC Code standards for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves.

The consultants engaged on the project qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves" (JORC Code). A list of the names of the Competent Persons is available upon request. The above statement fairly reflects the reports prepared by these Competent Persons and has been prepared by Professor Isidoro Schalamuk BA, Geology, PhD.

Professor Schalamuk is a professor of Economic Geology; Director of the Institute of Mineral Resources of La Plata University; Consultant to PNUD (United Nations Development Programme) and mineral resource companies; Fellow of the Society of Economic Geologists; an Academic of the National Council of Science and Technology of Argentina and prior Dean of the Natural Science Faculty UNLP.

Professor Schalamuk consents to the inclusion in this report of the matters based on the consultant's information in the form and context in which it appears.





