

**Form 45-103F4
Report of Exempt Distribution**

Issuer information

1. State the full name, address and telephone number of the issuer of the security distributed. Include former name if name has changed since last report. Also state the full name and address of the vendor, if this report is filed (a) by a vendor who is not the issuer, and (b) in connection with an exemption other than those contained in MI 45-103.

BLUE DIAMOND MINING CORPORATION
133 Winfield Heights
55210 RR232
Sherwood Park, Alberta
T8B 1B9

Telephone Number: (780) 417-5117

2. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The Issuer is a TSX Venture Exchange reporting issuer and is reporting in the jurisdictions of British Columbia and Alberta. The Issuer's primary reporting jurisdiction is in the Province of British Columbia.

Details of distribution

3. State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

May 10, 2005

4. For each security distributed:

- (a) describe the type of security, and
- (b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date.

A 1,157,499 unit private placement at a price of \$0.12 per share and one purchase warrant, each whole warrant entitling the holder to acquire one additional common shares at an exercise price of \$0.20 per share over a two year term up to and including May 10, 2007.

5. Provide details of the distribution by completing the attached schedule.

6. Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Provide a total dollar value of all securities distributed in all jurisdictions. Do not include in this table, securities

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issued as payment for commissions or finder's fees disclosed under item 7, below.

Each jurisdiction where purchasers reside	Price per security (Canadian \$)	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	\$0.12	\$61,500
Alberta	\$0.12	\$77,400
Total dollar value of distribution in all jurisdictions (Canadian \$)		\$138,900

Commissions and finder's fees

7. Provide the following information for each person who is being compensated in connection with the distribution(s). When disclosing compensation paid or to be paid, include discounts, commissions or other fees or payments of a similar nature directly related to the distribution. Do not include

payments for services incidental to the trade, such as clerical, printing, legal or accounting services.

Full name and address of person being compensated	Compensation paid (in Canadian \$ and, if applicable, number and type of securities)	Exemption relied on and date of distribution (if applicable)	Price per share (Canadian \$)
N/A	N/A	N/A	N/A

Certificate

On behalf of the issuer (or vendor), I certify that the statements made in this report and in each schedule to this report are true.

Date: May 18, 2005

BLUE DIAMOND MINING CORPORATION

Name of issuer or vendor (please print)

LARRY KRYSKA, President

Print name and position of person signing

Signature