

(Forms 10-K or 10-KSB), and Rule 13a-13 requires issuers to file quarterly reports (Forms 10-Q or 10-QSB).

3. CMKM Diamonds has not filed an Annual Report on either Form 10-K or Form 10-KSB since May 9, 2002, or quarterly reports on either Form 10-Q or Form 10-QSB since November 18, 2002.

4. On July 23, 2003, CMKM Diamonds filed a Form 15 (“Original Form 15”), signed by CMKM Diamonds’ president, indicating that it had approximately 300 holders of record and that it was terminating its registration, and hence its reporting obligations, pursuant to Rule 12g-4(a)(1)(i) under the Exchange Act. Rule 12g-4(a)(1)(i) provides that an issuer with less than 300 holders of record may terminate the registration of its securities.

5. On February 17, 2005, CMKM Diamonds filed an Amended Form 15, also signed by CMKM Diamonds’ president. In the Amended Form 15, CMKM Diamonds stated that it had 698 holders of record when it filed the Original Form 15, that the Original Form 15 was revoked, that Rule 12g-4(a)(1)(i) was inapplicable, and that CMKM Diamonds had reporting obligations under Section 12(g) of the Exchange Act.

6. As a result of the foregoing, CMKM Diamonds has failed to comply with Section 13(a) of the Exchange Act and Rules 13a-1 and 13a-13 thereunder.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate for the protection of investors that a public administrative proceeding be instituted pursuant to Section 12(j) of the Exchange Act to determine:

A. Whether the allegations in Section II are true and, in connection therewith, to afford the Respondent an opportunity to establish any defenses to such allegations; and

B. Whether the registration of each class of CMKM Diamonds’ securities, pursuant to Section 12 of the Exchange Act, should be suspended for a period not exceeding twelve months, or revoked.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, as provided by Rule 200 of the Commission’s Rules of Practice [17 C.F.R. § 201.200], and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission’s Rules of Practice [17 C.F.R. § 201.110].

IT IS FURTHER ORDERED that the Respondent shall file an Answer to the allegations contained in this Order Instituting Proceedings within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission’s Rules of Practice [17 C.F.R. § 201.220].

If the Respondent fails to file the directed Answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against the Respondent upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f), and 310 of the Commission's Rules of Practice [17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310].

This Order shall be served forthwith upon the Respondent pursuant to Rule 141(a) of the Commission's Rules of Practice [17 C.F.R. § 201.141(a)].

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 120 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice [17 C.F.R. § 201.360(a)(2)].

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Jonathan G. Katz
Secretary