
NEWS

• RELEASE •

News release
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SIGNIFICANT RESULTS FROM LATEST S.A.

EXPLORATION BY FLINDERS DIAMONDS

New exploration results have sharpened Flinders Diamonds Limited's expectations of undiscovered diamond deposits in South Australia.

The Company announced today it planned to expand its drainage indicator sampling program after encountering what it termed "significant results" from its latest sampling in the Adelaide Hills, and east of Port Augusta, in South Australia's north.

Of the 115 sample sites in the latest survey, significant results were reported at 10.

"The findings are encouraging and suggest sources of kimberlite (the host volcanic rock for diamonds) should be present upstream of these locations," Flinders Diamonds' Managing Director, Dr Kevin Wills, said today.

"Significant results are those where at least two types of indicator minerals are identified in the samples and this is the minimum outcome for some of these sites – so we plan on getting back in there as soon as possible to home in on the source."

The samples from the Adelaide Hills were taken at the North Para River near Lyndoch, the Marne River near Sedan and near Birdwood and Echunga.

In the 6,190 square kilometre Springfield project area near Port Augusta, the best results were obtained west of the Boolcunda Basin.

"To obtain such significant results west of Boolcunda and not from southeast of Springfield as originally thought, is very promising as this area has either not been previously explored or very poorly explored," Dr Wills said.

"Flinders Diamonds will now focus on follow-up exploration to the area west of the Boolcunda Basin, with additional drilling as soon as possible beneath both the Boolcunda and Springfield Basins."

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