
NEWS

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S.A. DIAMOND PROVINCE ENLARGED AFTER ENCOURAGING MICRODIAMOND RECOVERIES

Flinders Diamonds Limited (ASX code: “FDL”) has substantially enhanced the size of its flagship diamond-bearing Eurelia province in South Australia after encouraging microdiamond recoveries from a batch of new rock samples from the project area.

The Company announced today that microdiamonds had been found in two of five kimberlite samples, each weighing 20 kilograms, recovered from the Eurelia prospect, east of Port Augusta.

One sample contained 2 microdiamonds and the other, five microdiamonds – with both samples from previously undetected kimberlite dykes, the volcanic rock structures which host the gemstone.

“These diamond contents are not in themselves likely to be economic, but the level of 5 microdiamonds per 20 kg is a potentially significant result and further sampling is necessary,” Flinders Diamonds’ Managing Director, Dr Kevin Wills, said today.

“The results, together with previous information and other recently announced positive microdiamond results, are encouraging however, as they confirm the presence of previously undetected diamondiferous kimberlite dyke arrays over a larger field than previously identified,” Dr Wills said.

“They also confirm the effectiveness of our current exploration techniques in locating previously undetected kimberlites,” he said.

“It is well documented that clusters of pipes or dyke arrays within a kimberlite field can vary significantly in mineral composition and economic potential – ranging from being significantly diamondiferous to barren.

“In the short-term, the latest sample successes highlight the potential for a significant number of previously undetected diamondiferous kimberlites to be present at Eurelia and with that, enhanced prospects for the discovery of an economic diamond resource within the Flinders Ranges Project area.”

Dr Wills attributed the Company’s new exploration fortunes to its recent introduction of high resolution airborne and follow-up ground magnetic surveys.

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“This approach is proving an effective method for locating kimberlite dyke arrays and for Flinders Diamonds, it is a far more cost effective method compared to traditional diamond indicator mineral (DIM) sampling techniques,” Dr Wills said.

“It can result in a shorter time interval between identifying and testing new targets.”

Dr Wills said Flinders Diamonds had concentrated in the past few months on defining a large number of new targets throughout the contiguous Springfield, Jamestown and Nackara tenement corridor in South Australia.

“These targets will be tested in the New Year by either trenching or drilling,” he said.

“The program will include some very promising targets located north and northwest of the Eurelia kimberlite field where access has been restricted due to farming activity.”

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