
NEWS

• **RELEASE** •

FOR IMMEDIATE RELEASE
Wednesday 7 Mar 2007

FLINDERS MAINTAINS DIAMOND FOCUS IN \$2.25M

BASE METALS JV IN SOUTH AUSTRALIA

Flinders Diamonds Limited (ASX code: "FDL") has announced a new joint venture which will see up to \$2.25 million spent on exploration across its Flinders Ranges tenements in South Australia over the next three years.

While FDL will continue to concentrate upon diamond exploration within its tenements, the new work will relate to exploration for base and precious metals in an 8,500 sq km area extending from north of Burra to Hawker.

Under the earn-in agreement with Sydney-based Copper Range Limited (ASX code "CRJ") Flinders Diamonds will retain full control and ownership of its promising diamond prospectivity within its tenements.

Copper Range can earn up to a 90% interest in the base and precious metals prospects of Flinders Diamonds' by funding \$750,000 of eligible exploration expenditure per annum for the next 3 years.

Copper Range must spend a minimum of \$750,000 before withdrawing and will earn a 50% interest after the expenditure of \$1.0 million.

"We have several diamond discoveries within these project areas and will continue with our diamond exploration program there," Flinders Diamonds' Managing Director, Dr Kevin Wills, said today.

"The two companies will however co-ordinate their respective exploration programs."

Copper Range will also pay Flinders Diamonds \$100,000 on signing of the Heads of Agreement and will issue 1 million ordinary shares in Copper Range to Flinders Diamonds.

The Adelaide Fold Belt

Under the agreement, Copper Range's exploration areas now extend over more than 300km of the Adelaide Fold Belt, from Hawker in the north to Kapunda in the south.

“The Company regards the Adelaide Fold Belt as a significantly under-explored mineral province,” Copper Range’s Managing Director, Mr Stephen Blackman, said.

“Copper Range engaged two North American copper experts, Dr Rod Kirkham and Dr Jon Thorson, to review the discovery potential of the Adelaide Fold Belt,” Mr Blackman said.

“Both consultants commented on the geological similarities to major copper provinces, notably the famous Zambian Copper Belt, and expressed the view that the Adelaide Fold Belt has excellent potential for discovery of world-class copper deposits.

“The Zambian deposits typically have resources of several hundred million tonnes at grades of 2 – 3 % copper, some with by-product cobalt and silver. Such a discovery would be a company-maker for Copper Range.”

Copper Range’s geological team is reviewing all available data on the region. Work to date has identified at least five copper prospects which have received some previous exploration attention over the past 150 years.

Mr Blackman said these would be explored in detail, initially with detailed geological mapping and geochemical and geophysical surveys, to be followed by drilling when targets had been prioritised.

MEDIA CONTACTS:

Dr Kevin Wills
Flinders Diamonds Limited
0419 850 997

Kevin Skinner
Field Public Relations
(08) 8234 9555
0414 822 631