
NEWS

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SHAREHOLDERS APPROVE FLINDERS DIAMONDS'

NAME CHANGE TO REFLECT IRON ORE FOCUS

Shareholders of South Australian explorer, Flinders Diamonds Limited (ASX: "FDL"), today approved a new corporate identity to reflect the growing scope of the Company's activities – particularly in iron ore.

The Company formerly known as Flinders Diamonds will now be known by its new name "*Flinders Mines Limited*", with a new ASX code "FMS".

The new title – approved by shareholders today at a general meeting in Adelaide – reflects the recent expansion of the Company's core business from an exclusive focus on diamonds to exploration for both diamonds and iron ore.

This follows the discovery of a major new iron ore target – provisionally estimated at between 325 and 390 million tonnes – at Flinders' wholly-owned tenement in the Hamersley Ranges of Western Australia's Pilbara region.

Flinders became one of the most heavily traded stocks on the Australian Securities Exchange late last year when its iron ore target – sandwiched between two major deposits owned by Rio Tinto and Fortescue Metals Group – was first announced.

"To assist in pursuing both iron ore and diamond commodities, Flinders Mines will have two subsidiaries – Flinders Iron Pty Ltd for pursuing iron ore, and Flinders Diamonds Pty Ltd for pursuing diamonds," Flinders Mines' Managing Director, Dr Kevin Wills, said today.

"The change provides very clear definition of our exploration, in-ground drill expenditure and project advancement intentions," Dr Wills said.

The shareholder approval comes as Flinders Diamonds prepares to embark on a four-to six-month drilling campaign comprising 250 Reverse Circulation holes for a total of 20,000 metres, to assess the Hamersley iron ore target.

Dr Wills told shareholders that the Company's consultant, Dr Richard Russell, was currently updating his report on the iron potential of the Hamersley exploration licence.

"His findings to date indicate slightly smaller areas of detrital deposits and slightly larger areas of channel iron deposits," Dr Wills said.

"He has also recognised exposed channel iron ore deposition in Channel A – one of five channels currently under investigation by the Company on the Hamersley acreage."

In South Australia, the Company is continuing to analyse data collected from two major helimag surveys of its diamond prospects in the mid-north of the State, as well as expanding its diamond exploration programs on Flinders Island and in the Gawler Craton.

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