
NEWS

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HIGHEST MICRODIAMOND COUNT AT KEY S.A. TARGET

New exploration has generated the highest-ever microdiamond count from the only area in 40 years of diamond exploration in South Australia to yield significant diamondiferous kimberlites.

The results were generated from new ground surveys by Flinders Mines Limited (ASX: "FMS") over previously low priority and barely detectable linear magnetic anomalies within the Eurelia diamond field, some 70 kilometres east of Port Augusta.

A range of independent tests was employed to ensure the validity of the results which verified 109 microdiamonds in eight samples, including one 15-kilogram sample with a record 51 microdiamonds.

Flinders Mines' Managing Director, Dr Kevin Wills, said today the results will lead to a new round of bulk sampling of the Eurelia kimberlite field to establish its macrodiamond potential and the true significance of the new microdiamond discoveries.

"The results confirm our suspicions that Eurelia has the right geological parameters for a potentially significant diamond discovery," Dr Wills said.

"Over the past 40 years, this area has been the only one to generate any worthwhile diamond targets. However, we will not know for certain until bulk sampling can be undertaken."

Flinders Mines has been systematically exploring for diamonds in the Flinders Ranges for more than five years, and has recently decided to intensify its focus on the Eurelia field.

Alongside more detailed sampling in its Springfield Project just northwest of Eurelia – the Company commissioned in July this year a state-of-the-art "detailed helimag" survey – the process by which high-resolution magnetic data is collated through a low-flying helicopter-borne survey less than 25 metres above ground and then correlated with existing ground data.

The July survey saw detailed helimag survey collected along survey lines only 25 metres apart.

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“As well as clearly showing previously tested kimberlites, this latest survey revealed a number of other untested magnetic anomalies and any kimberlites discovered within those will be trenched and analysed for their diamond content,” Dr Wills said.

“We expect some of these anomalies will also warrant bulk sampling further down the track,” he said.

The colourless and pale grey “microdiamonds” – diamonds measuring less than 0.5mm in diameter, and a common indicator of the presence of larger diamonds – were authenticated using scanning electron microscopy, considered the most reliable first-step process for diamond verification.

Flinders Mines holds 100% of all diamond rights in the Eurelia Project and will tomorrow night host a public “Information Night” in Orroroo, 30 kilometres south of the Eurelia field, to discuss its continuing diamond and phosphate exploration campaigns with the local community.

The Company’s main minerals focus remains its highly prospective iron ore project in the Pilbara region of Western Australia

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