
NEWS

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FOR IMMEDIATE RELEASE
Friday 21 April, 2006

SPARKLING A\$4.2 MILLION RESULT FROM FLINDERS

DIAMONDS' SHARE ISSUE AND PLACEMENT

A fully subscribed rights issue and placement has injected more than A\$4.2 million into the exploration bank for ASX-listed Flinders Diamonds Limited ('FDL').

The issue price of 1.5 cents per share in the capital raising compares with Flinders Diamonds' ASX closing price of 3.1 cents per ordinary share last night (Thursday 20 April 2006).

The Adelaide-based diamond explorer said today that its full target amount of \$4.227 million had been raised, through a take-up of just over \$3.2 million for the share issue and \$1.2 million through a placement to selected brokers.

Managing Director, Dr Kevin Wills, said today that part proceeds would be applied to the Company's flagship diamond exploration program in the Flinders Ranges, South Australia.

Dr Wills said the current focus was on testing targets from a Helimag survey which started last week, and the mid year commencement of a major bulk sampling program.

The funds would also be applied to progressing work on the Hamersley project in Western Australia under Flinders Diamonds' exploration alliance agreement with De Beers Australia Exploration Limited.

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