



FLINDERS
DIAMONDS

SALE OF DEFENDANTS SHARES DELAYED UNTIL AFTER APPEAL DECISION

20 February 2004

The Manager
Companies Announcements Office
Australian Stock Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

The Directors of Flinders Diamonds Limited announce that in the Supreme Court of SA today, Mr Justice DeBelle ordered that the sale of the Flinders shares which vested in the Australian Securities and Investments Commission pursuant to the orders of Mr Justice Williams on 12th June 2003, should be further delayed until after the determination by the Full Court of the appeal against those orders.

Justice DeBelle ordered that the shares should not be sold until after 28 days from the date of handing down the appeal decision. The Australian Securities and Investments Commission would then have 6 months to dispose of the shares.

The hearing of the appeal against the orders of Mr Justice Williams concluded on 2nd December 2003. We are awaiting the outcome of the appeal.

For further information please contact:

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