



FLINDERS
DIAMONDS

28 May 2004

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

Dear Sir

Supreme Court Decision - Update

On 23 and 29 April 2004, the company announced the outcome of the Supreme Court proceedings involving breaches of the *Corporations Act* by a group of shareholders of the company.

As stated in the release by the company on 29 April 2004, the company obtained an order preventing the orders made by the Full Court of the Supreme Court taking effect. This order was extended to today, 28 May 2004 and following an application by the company today was extended again to 24 June 2004.

The company has taken this action, in order to protect its position until an Application for Special Leave to Appeal to the High Court made by the company against the orders made by the Full Court is heard and determined.

For further information please contact:

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