



FLINDERS
DIAMONDS

7 June 2005

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

Dear Sir

PARTICIPATION IN ISSUE OF BONUS OPTIONS

The directors of Flinders Diamonds Limited ('Company') announced on 10 May 2005 that the Company will be issuing bonus options to all shareholders ('New Issue') on the basis of two bonus options for every five shares held on 17 June 2005. Please refer to the prospectus lodged by the Company with ASX today for full details of the New Issue.

The Company has on issue two other classes of option ('Existing Options'):

- Options exercisable at 19.2 cents by 31 December 2005
- Options exercisable at 9.9 cents by 29 September 2008

Existing Options will only give their holders an entitlement to participate in the New Issue if they are converted into shares before 17 June 2005.

Ordinarily, the Company would be required to write to all holders of Existing Options to give notice of the New Issue and the fact that Existing Options will not give the holder any entitlement to participate in the New Issue unless they are converted into shares before 17 June 2005. ASX has granted to the Company, at the Company's request, a waiver of this requirement on conditions that:

- this notice be provided to the Company Announcements Office of ASX; and
- if the market price of ordinary shares in the Company exceeds 7.5 cents before 17 June 2005, the Company must immediately send notice of the New Issue to holders of Existing Options.

Unless the market price of shares in the Company exceeds 7.5 cents before 17 June 2005, separate notice of the New Issue will not be sent to holders of Existing Options.

The waiver was granted because the likelihood of holders of Existing Options converting those Existing Options into shares in order to participate in the New Issue was too remote to justify the cost of sending notices.

Yours sincerely

For further details, please contact:

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FLINDERS DIAMONDS LIMITED

ABN 46 091 118 044

PROSPECTUS

This Prospectus relates to Bonus Options which will be issued on the basis of 2 Bonus Options for every 5 Shares held on 17 June 2005.

This document is important and requires your immediate attention. It should be read in its entirety. If you are in doubt as to the course you should follow, you should consult your stockbroker or other professional adviser.

1. IMPORTANT NOTICE

- 1.1 This Prospectus is dated 6 June 2005. A copy of this Prospectus was lodged with ASIC on 6 June 2005. ASIC and ASX take no responsibility for the contents of this Prospectus.
- 1.2 No Bonus Options will be allotted or issued on the basis of this Prospectus after the expiry date of 6 July 2006.
- 1.3 Bonus Options are only being issued to Shareholders with registered addresses in Australia and New Zealand. All other Shareholders (**Non-Resident Shareholders**) will not be issued Bonus Options under this Prospectus. The Company has determined, in accordance with the Listing Rules, that it would be unreasonable to make an offer under this Prospectus to Non-Resident Shareholders having regard to:
 - 1.3.1 the number of Shareholders in the places where the offer would be made;
 - 1.3.2 the number and value of the rights that would be offered; and
 - 1.3.3 the cost of complying with the legal requirements in those places.
- 1.4 This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.
- 1.5 Definitions of certain terms used in this Prospectus appear in the Glossary.

2. DETAILS OF THE ISSUE

2.1 The Issue

The Company is issuing Bonus Options on a two for five basis to holders of Shares who are registered as at the close of business on 17 June 2005. The Bonus Options are being issued free to Shareholders. Fractional entitlements to Bonus Options will be rounded up to the next whole number. The total number of Bonus Options to be allotted will be up to approximately 71.1 million.

The Bonus Options to be issued pursuant to this Prospectus will be issued and holding statements despatched by no later than 1 July 2005, or such later date as determined by the Directors in accordance with the Listing Rules.

2.2 Purpose of the Issue

Any money raised by the exercise of Bonus Options will be used as working capital to finance the exploration and development of tenements in the Company's existing portfolio as well as to look for new opportunities in acquiring proven or producing assets to which the Company can add value through technical enhancements.

2.3 Terms of the Bonus Options

The Bonus Options will be issued on the following terms:

2.3.1 Entitlement to ordinary shares

The Option holder is entitled on payment of 5 cents per share (**Exercise Price**) to be allotted one ordinary fully paid share in the Company for each Option exercised (subject to possible adjustments referred to below).

2.3.2 Exercise Period

The Options held by the Option holder are exercisable in whole or in part (subject to paragraph 2.3.4 below), at any time on or before 17 June 2006 (**Exercise Period**). Reminder notices will be forwarded to the Option holder prior to the expiry of the Exercise Period. Options not exercised before the expiry of the Exercise Period will lapse.

2.3.3 Register of Option holders

The Options will be recorded on the Company's Register of Option holders maintained in Adelaide. The Register will be open for inspection by Option holders free of charge. Shares to be allotted on exercise of options will be recorded on the Company's share registry.

2.3.4 Method of Exercise of Options

Options are exercisable by the Option holder completing and signing a Notice of Exercise of Options in the form set out below and lodging it at the office of the Company's share registry, Computershare Investor Services Pty Ltd, Level 5, 115 Grenfell Street, Adelaide, South Australia 5000 together with payment of the Exercise Price. A notice of Exercise of Options will only be effective when the Company has received the full amount of the Exercise Price in cleared funds. Options exercised during a month will be deemed to have been exercised on the last business day of the month. The minimum number of Options which may be exercised at any time is a marketable parcel except where less than a marketable parcel is held in which case all options must be exercised.

O = the old exercise price of the Option;

E = the number of underlying ordinary shares into which one option is exercisable;

P = the average closing sale price per ordinary share (weighted by reference to volume) recorded on the stock market of ASX during the 5 trading days ending on the day before the ex rights date or ex entitlements date (excluding special crossings and overnight sales);

S = the subscription price for an ordinary share under the pro rata issue;

D = the dividend due but not yet paid on each ordinary share at the relevant time (except those to be issued under the pro rata issue); and

N = the number of ordinary shares which must be held to entitle holders to receive a right to one new ordinary share in the pro rata issue.

2.3.8 **Bonus Issue**

If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the Option is exercisable will be increased by the number of ordinary shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

2.3.9 **Reorganisation of capital**

If, during the currency of the Options the capital of the Company is reorganised, the rights attaching to the Options will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

2.3.10 **Transfer**

Options may be transferred or transmitted at any time prior to their expiry and same will be recorded on the Company's Register of Option holders.

2.3.11 **Meetings**

Option holders appearing on the Company's register of Option holders at the relevant date will be entitled to receive and will be sent all reports and accounts required to be laid before shareholders in general meeting and all notices of general meetings and will have the right to attend but shall have no right to vote at such meetings.

2.4 **ASX Quotation**

Application has been made or within 7 days after the date of this Prospectus will be made for the Bonus Options issued pursuant to this Prospectus to be

admitted to quotation on ASX. The fact that ASX may admit the Bonus Options to quotation is not to be taken in any way as an indication of the merits of the Company or the Bonus Options.

2.5 Rights attaching to Shares

If you exercise your Bonus Options you will be issued Shares in the Company. Full details of the rights attaching to Shares are set out in the Company's constitution, a copy of which may be inspected at the Company's registered office. A summary of the rights follows.

2.5.1 Voting

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a member has appointed two proxies) and one vote per share on a poll. A person who holds an ordinary share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share. Where there are two or more joint holders of the share and more than one of them is present at a meeting and tenders a vote in respect of the share, the Company will count only the vote cast by the member whose name appears first in the Company's register of members.

2.5.2 Issues of further shares

The Directors may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Company's Constitution, the ASX Listing Rules, the Corporations Act and any rights for the time being attached to the shares in special classes of shares.

2.5.3 Variation of rights

At present, the Company has on issue one class of shares only, namely ordinary shares. Unless otherwise provided by the Company's constitution or by the terms of issue of a class of shares, the rights attached to the shares in any class may be varied or cancelled only with the written consent of the holders of at least three quarters of the issued shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued shares of the affected class.

2.5.4 Transfer of Shares

Subject to the Company's Constitution, the Corporations Act and the ASX Listing Rules, ordinary shares are freely transferable.

The shares may be transferred by a proper transfer effected in accordance with the ATSC Business Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by either the Directors or ASX that is permitted by the Corporations Act. The directors may decline to register a transfer of shares (other than a proper transfer in accordance with the ATSC Business Rules) where permitted to do so under the ASX Listing Rules. If the Directors decline to register a transfer, the Company must, within five business days after the transfer is delivered to the Company, give the party lodging the transfer written notice of the refusal and the reason for the refusal. The Directors must decline to register a transfer of shares when required by law, by the ASX Listing Rules or by the ATSC Business Rules.

2.5.5 Partly Paid Shares

The Directors may, subject to compliance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, issue partly paid shares upon which there are outstanding amounts payable. Such shares will have limited rights to vote and to receive dividends.

2.5.6 Dividends

The Directors may from time to time determine dividends to be distributed to members according to their rights and interests, The Directors may fix the time for distribution and the methods of distribution. Subject to the terms of issue of shares, the Company may pay a dividend on one class of shares to the exclusion of another class.

Each share carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share (excluding any amount paid in advance of calls) bears to the total issue price of the shares.

2.5.7 Winding Up

Subject to the rights of holders of shares with special rights in a winding up, if the Company is wound up, members will be entitled to participate in any surplus assets of the Company in proportion to the percentage of the capital paid up on their shares when the winding up begins.

2.5.8 Share Plans

The members of the Company, in general meeting, may authorise the Directors to implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid shares in the Company) and any other share plans (under which any member may elect to forego any dividends that may be payable

on all or some of the shares held by that member and to receive instead some other entitlement, including the issue of fully paid shares).

2.5.9 Directors

The Company's Constitution states that the minimum number of directors is three.

2.5.10 Powers of the Board

Except as otherwise required by the Corporations Act, any other law, the ASX Listing Rules or the Company's Constitution, the Directors have power to manage the business of the Company and may exercise every right, power or privilege of the Company to the exclusion of the members.

2.5.11 Officers Indemnity

The Company, to the extent permitted by law, indemnifies each director and other officer of the Company (and any person who has previously served in any of those capacities) against any loss or liability incurred by the person in his/her capacity as an officer of the Company, provided that the liability is not owed to the Company or its related bodies corporate and has not arisen out of conduct involving a lack of good faith. The Company also indemnifies such persons, to the extent permitted by law, against liability for costs and expenses incurred in successfully defending proceedings or in connection with an application in relation to such proceedings in which the Court grants relief to the person under the Corporations Act.

The Company, to the extent permitted by law, may insure a Director, or other officer of the Company against a liability incurred by the person in the persons relevant capacity, in the course of acting in connection with the affairs of the Company or a subsidiary or arising out of the person holding office, unless the liability arises out of conduct involving a wilful breach of duty in relation to the Company or a contravention of sections 182 or 183 of the Corporations Act. The Company may also insure such person for costs and expenses incurred by such person in defending or resisting proceedings whatever the outcome.

2.5.12 Share Buy-Backs

Subject to the provisions of the Corporations Act and the ASX Listing Rules, the Company may buy-back shares in itself on terms and at times determined by the Directors.

3. INFORMATION ABOUT THE COMPANY

3.1 Disclosing Entity

This Prospectus is issued pursuant to section 713 of the Corporations Act as a prospectus for the offer of continuously quoted securities.

The Company is a "disclosing entity" for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, the Company is subject to the Listing Rules of the ASX which require continuous disclosure to the market of any information the Company has which a reasonable person would expect to have a material effect on the price or value of the Company's shares.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at the ASX in Adelaide during normal working hours. In addition, copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, any Regional Office of the ASIC.

3.2 Information Available to Shareholders and Prospective Investors

The Company will provide a copy of each of the following documents free of charge, to any Shareholder who so requests:

- 3.2.1 the 2004 Annual Report of the Company;
- 3.2.2 the 2004 Half Year Report of the Company; and
- 3.2.3 the announcements lodged with the ASX since release of the 2004 Annual Report, listed in part 6 of this Prospectus.

3.3 Market prices of Shares

The lowest close of trading sale price of Shares on ASX during the three months immediately before 3 June 2005, and the respective dates of those sales, was 2 cents on 15 April 2005, 31 May 2005 and 1 June 2005 and the highest close of trading sale price was 3.1 cents on 9 March 2005. The last sale price for Shares on ASX before the date of this Prospectus was 2.1 cents on 3 June 2005.

3.4 Capital Structure of The Company

As at the date of this Prospectus, the Company had on issue approximately 177.7 million Shares and 11.3 million options exercisable at 19.2 cents by 31 December 2005 and 85.9 million options exercisable at 9.9 cents by 29 September 2008.

As stated above, the Issue will result in the Company having on issue up to an additional 71.1 million options on the terms set out in paragraph 2.3. The Issue will not raise immediate cash funds for the Company as the Bonus Options to be issued pursuant to this Prospectus will be issued for no consideration. If all of the Bonus Options that may be issued pursuant to this Prospectus are exercised, the Company will raise additional funds of potentially up to \$3.5 million and assuming all existing options are exercised, could potentially have on issue up to 345.9 million Shares.

Any funds raised by the exercise of Bonus Options will be used as working capital to finance the exploration and development of tenements in the Company's existing portfolio as well as to look for new opportunities in acquiring proven or producing assets to which the Company can add value through technical enhancements.

3.5 Risk Factors

As with all investments, investors should be aware that the market price of securities may fall as well as rise. It is recommended that investors read the entire Prospectus to assess the risks of investing in the Company.

The potential returns of the Company will be exposed to risks specific to the Company and to general investment risks. While it is impossible to identify all risks, the attention of investors is drawn to the following particular risks.

3.5.1 Mining and Exploration

Mining and exploration are high risk endeavors which can create high returns. The Company's projects are at an exploration stage and it is uncertain if further exploration will lead to economic production of minerals.

3.5.2 Tenancy

The Company could be forced to relinquish an area it did not want to relinquish either by ministerial direction or because it had not met its statutory minimum expenditure commitments. In the process of area reduction to reduce statutory expenditure commitments, the Company could inadvertently relinquish ground where a mineral deposit was present, but remained undiscovered.

3.5.3 Resource Estimates

Resource estimates are not precise and involve expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when made, may change significantly when new information becomes available. In addition, resource estimates depend to a significant extent on interpretation of geological boundaries, which may prove to be inaccurate. Should the Company encounter unusual mineralization to that predicted by past drilling and mining, resource estimates may have to be adjusted and feasibility studies may have to be altered in a way which could either benefit or adversely affect the Company's financial projections.

3.5.4 Commodity Prices and Exchange Rates

Future sales of commodities produced by the Company will expose the potential income of the Company to commodity price and exchange rate risks. The international prices of various commodities are denominated in United States Dollars, whereas the income and expenditure of the Company will be taken into account in Australian currency. The potential revenues of the Company will be exposed to the fluctuations and volatility of commodity prices and the rate of exchange between the United States dollar and the Australian dollar as determined in Australian markets.

3.5.5 **Valuation of Tenements**

This Prospectus does not rely upon any valuation of the tenements and makes no representation as to the value of the tenements. Intending investors and their advisers should make their own assessment as to the value of the tenements.

3.5.6 **Funding**

The Company may be dependent upon obtaining future equity, debt or joint venture financing to support long term exploration, evaluation and development of its projects.

3.5.7 **Economic Factors**

Demand for diamonds and factors such as inflation, exchange rate fluctuations, interest rates, industrial disruption, political decisions, cost over-runs and technical problems all affect the ability of the Company to profit from any discovery. The international market price of diamonds is beyond the control of the Company.

3.5.8 **Share Market Conditions**

The price of the Company's Shares, when quoted on the ASX, will be influenced by international and domestic factors which generally affect equity, financial and commodity markets. The value of its Shares and options may also affect the Company's ability to raise equity capital.

3.5.9 **Native Title**

The Directors are aware of a number of native title claims which wholly or partially cover the Company's exploration project areas. These claims may impact upon planning and implementation of future exploration programs. The potential also exists for further native title claims to be lodged over any existing or future tenement area. Native title claims have the potential to cause significant delays to exploration.

The Directors have undertaken some limited investigations to assess the likelihood of the success of a native title claim over any areas in which the company presently holds an interest. However, the Directors are not in a position to assess in detail the impact of native title on the Company's planned operations.

The Directors therefore consider the potential for native title claims to be lodged over the areas containing exploration projects to be a risk to investment.

3.5.10 **Aboriginal Significant Sites**

Commonwealth and State legislation obliges Flinders to identify and protect sites of significance to Aboriginal custom and tradition.

It is likely that, due to the substantial area held, some sites of significance will be identified within the Company's tenements. It is therefore probable that one or more sites of significance will exist in an area which the Company considers to be prospective. The Company's policy is to carry out clearance surveys prior to conducting exploration which would cause a disturbance to the land surface.

3.5.11 Land Access

Immediate access to tenements cannot in all cases be guaranteed. The Company may be required to seek consent of landholders or other persons or groups with an interest in real property encompassed by tenements. Judicial decisions and Commonwealth or State legislation could unforeseeably restrict access to tenements.

3.5.12 Environmental Conditions

The operations and proposed activities of the Company are environmentally sensitive and cannot be carried out without prior approval from and compliance with all requirements of the relevant environmental authorities. The Adelaide Hills, Flinders Ranges and Hamersley Project areas surround several conservation reserves which are excised from the tenements. Furthermore, the Company intends to conduct all of its activities in an environmentally responsible manner and in accordance with all relevant laws.

3.5.13 General Investment Risks

There is a risk that the price of Shares and returns to shareholders may be affected by changes in:

- (a) local and world economic conditions;
- (b) interest rates;
- (c) levels of tax, taxation law and accounting practice;
- (d) government legislation or intervention;
- (e) inflation or inflationary expectations; and
- (f) natural disasters, social upheaval or war in Australia or overseas.

4. ADDITIONAL INFORMATION

4.1 Interests of Directors

The securities of the Company in which Directors have Relevant Interests are:

Director	Shares	Options (31/12/05)	Options (29/9/08)
Mr R M Kennedy	7,759,042	300,000	1,939,000
Dr K J A Wills	6,458,000	475,000	2,150,000
Mr E J Vickery	352,696	16,854	85,674
Mr M R Billing (alternate to Dr Wills)	770,000	100,000	200,000
Mr G May (alternate to Mr Vickery)	342,696	16,854	85,674

The Company has agreed to pay annual director fees to the Directors as follows:

Director*	Remuneration (2004 – 2005 Financial Year)
Mr R M Kennedy	\$75,000
Dr K J A Wills	\$138,648
Mr E J Vickery	\$35,000

* Mr M R Billing is an alternate director to Dr Wills. The Company pays Mr Billing at an agreed rate of \$75 per hour, as and when his services as an alternate director are required.

Mr G May is an alternate director to Mr Vickery. The Company does not pay Mr May for his services, however, Mr May is paid by Mr Vickery as and when his services as an alternate director are required.

4.2 Expenses of the Issue

The total expenses connected with the Issue, including legal and other advisory fees, listing, printing and other miscellaneous expenses are estimated to be approximately \$30,000.

4.3 Taxation

The potential tax effects relating to the Issue on the holder of Shares will vary between shareholders. You should satisfy yourself of possible tax consequences by consulting your own professional tax advisers.

4.4 **ASIC Class Order**

The Company has taken advantage of ASIC Class Order 00/1092 which exempts it from the requirement that:

- 4.4.1 this Prospectus include or be accompanied by an application form; and
- 4.4.2 the Company may only issue Bonus Options pursuant to this Prospectus to a person who has submitted an application form distributed with this Prospectus.

4.5 **Consent**

Computershare Investor Services Pty Ltd has given its written consent and at the date of this Prospectus had not withdrawn its written consent to being named in the Corporate Directory and in clause 2.3.4 of this Prospectus as share registry (Australia) for the Company in the form and context in which it is named.

Computershare Investor Services Pty Ltd takes no responsibility for any part of this Prospectus other than references to its name. Computershare Investor Services Pty Ltd does not make any statement in this Prospectus nor is any statement based upon a statement by Computershare Investor Services Pty Ltd. Computershare Investor Services Pty Ltd has not caused or authorised the issue of this Prospectus or has in any way been involved in the making of the issue of Bonus Options.

5. **GLOSSARY**

In this Prospectus, unless the context otherwise requires:

\$ means Australian dollars;

Act means the Corporations Act 2001;

ASIC means the Australian Securities and Investments Commission;

ASX means the Australian Stock Exchange Limited ABN 98 008 624 691;

Bonus Options means the options to be issued pursuant to this Prospectus;

Company means Flinders Diamonds Limited ABN 46 091 118 044;

Directors means the directors of the Company;

Issue means the Issue of Bonus Options under this Prospectus;

Listing Rules means the Listing Rules of ASX;

Prospectus means this prospectus dated 6 June 2005;

Relevant Interest has the meaning given to it in the Act;

Shareholder means a holder of Shares; and

Shares means fully paid ordinary shares in the capital of the Company.

6. ANNOUNCEMENTS

The announcements referred to in paragraph 3.2.3 are as follows.

Date	Announcement
27/10/2004	Proxy Form
29/10/2004	First Quarter Cashflow Report
29/10/2004	First Quarter Activities Report
24/11/2004	Tiger International Resources Inc sells its interest in FDL
24/11/2004	Presentation to World Diamond Conference
26/11/2004	Placement
29/11/2004	Results of Meeting
29/11/2004	Chairman's AGM Address 2004
06/12/2004	Appendix 3B: Additional Working Capital
09/12/2004	Change of Director's Interest Notice
09/12/2004	Becoming a substantial holder
13/12/2004	Share Placement Clarification Advice
14/12/2004	SA Diamond province enlarged after encouraging recoveries
14/12/2004	Microdiamonds found at Eurelia
21/01/2005	Letter to Option holders - Expiry of Options
31/01/2005	Second Quarter Activities & Cashflow Reports
11/02/2005	Commencement of Kimberlite Target Drilling/Trenching Program
03/03/2005	Code Cracked for cost-effective Kimberlite Discovery
03/03/2005	News Rel – Rapid Rise in disc rate lifts diamond prospects
04/03/2005	Additional Information re ann. 3 March 2005
16/03/2005	Appendix 3B – Exercise of Options
16/03/2005	Half Year Accounts
17/03/2005	Disclosure Document
17/03/2005	Appendix 3B
17/03/2005	\$3.6M Rights Issue Supports Gem Search
17/03/2005	One for One Non-Renounceable Issue
18/03/2005	Notice to Optionholders

Date	Announcement
31/03/2005	Deal Swap with Fortescue
31/03/2005	News Release: Deal Swap with Fortescue
31/03/2005	FMG: Flinders Transaction
01/04/2005	Third Quarter Activities and Cashflow reports
05/04/2005	Rights Issue Presentation
08/04/2005	Alternate Director Appointment
12/04/2005	Initial Director's Interest Notice
13/04/2005	Notice of General Meeting
14/04/2005	Six new diamondiferous kimberlites
22/04/2005	Commencement of Trenching
27/04/2005	Sells Non-Diamond Assets in SA and NT to Maximus Resources
28/04/2005	5 new kimberlites located in Flinders Ranges Program
09/05/2005	Rights Issue Allotment
10/05/2005	To Not Proceed with Capital Consolidation
10/05/2005	Media Release – revised capital consolidation
11/05/2005	Results of EGM
12/05/2005	Change of Director's Interest Notice x 4
20/05/2005	Appendix 3B
24/05/2005	Kimberlite discovery rate accelerates
26/05/2005	Appendix 3B - Exercise of Options
30/05/2005	Appendix 3B lodged 26/05/05 - Clarification

7. **DIRECTORS' AUTHORISATION**

Each Director has consented to the lodgment and issue of this Prospectus.

Signed in accordance with a resolution of the Directors.



Managing Director

CORPORATE DIRECTORY

Directors

Mr Robert Kennedy (Non-Executive Chairman)

Dr Kevin Wills (Managing Director)

Mr Ewan Vickery (Non-Executive Director)

Secretary

Mr Mick Billing

Registered Office

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Telephone – (08) 8362 5900

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Share Registry

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Stock Exchange Listing

Australian Stock Exchange Limited

ASX Code: FDL