



North  
Australian  
Diamonds  
Limited  
ABN 86 009 153 119

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## NORTH AUSTRALIAN DIAMONDS TO DRILL TEST EXTENSION TO LANCELOT PROJECT AREA

### Highlights

- **Recent sample results confirm extension to Lancelot project area.**
- **Five samples report positive for indicator minerals or diamonds.**
- **One loam sample reports 33 kimberlitic chromite, with nearby sample reporting two diamonds, one being 0.95mm.**
- **Drill testing of this area will be undertaken as part of the current Lancelot drill program.**

North Australian Diamonds Limited (“North Australian” or “the Company”), recently identified a new priority indicator mineral and diamond target area situated some 10km from Lancelot. Loam sampling results for this area included a sample with 33 kimberlitic chromite and a nearby sample with two diamonds, one microdiamond and one 0.95mm irregular. The Company considers this a high priority target due to the isolated and discrete nature of the sample results. Plans are underway to mobilize a drill rig to test this new priority Lancelot target.

### *Lancelot Drilling Update*

The Lancelot drill program is continuing with approximately half of the selected targets tested to date. The Company is testing a variety of geophysical and geochemical responses associated with a surface indicator mineral and diamond occurrence over 3km<sup>2</sup>. A total of 45 reverse circulation holes have been drilled to date for 1,600m, to a maximum depth of 50m. A further 35 holes are planned. Representative samples from selected holes are being sent to the Company’s laboratory in Perth for indicator mineral and microdiamond analysis.

For further information please contact:

Joseph Gutnick  
Executive Chairman  
North Australian Diamonds Limited  
Tel: +61 3 8532 2866  
Fax: +61 3 8532 2805  
Em: [info@nadel.com.au](mailto:info@nadel.com.au)  
Web: [www.nadel.com.au](http://www.nadel.com.au)

Tom Reddicliffe  
Chief Executive Officer  
North Australian Diamonds Limited  
Tel: +61 8 9221 3355  
Fax: +61 8 9221 1730  
Em: [info@nadel.com.au](mailto:info@nadel.com.au)  
Web: [www.nadel.com.au](http://www.nadel.com.au)

*Tom Reddicliffe, a full time employee of the company, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Tom Reddicliffe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*