

MORE OUTSTANDING RESULTS FROM BLINA'S ELLENDALE 9 NORTH AREA

Blina Diamonds NL (ASX: BDI) ("Blina") has received additional results from large samples collected from the Ellendale 9 North alluvial system. A total of 11,043 diamonds weighing 4,204 carats have been recovered from the 12,478 tonnes of gravel treated. The material processed so far has attained an outstanding grade of 33.69 cpht¹ with an average diamond size of 0.38 carats. The gravels are from a continuous sample-block, but have been processed as three sub-samples. The sub-samples show a remarkable consistency that augurs well for the remainder of the material to be processed. Details of diamond recovery from the various sub-samples are shown in the accompanying table.

Ellendale 9 North Project Large Scale Bulk Sampling								
Sample Number	Tonnes Gravel Treated	Size Distribution		Number Diamonds	Weight Carats	Average Stone Size (cts)	Grade (cpht)	Largest Diamond (cts)
		+3.35mm	-3.35mm					
W050919	3,761	1,015	2,751	3,766	1,442.09	0.383	38.34	7.47
W050923	3,196	888	2,280	3,168	1,221.67	0.386	38.22	8.44
W050925	5,521	1,071	3,038	4,109	1,539.88	0.375	27.89	9.92
Total	12,478	2,974	8,069	11,043	4,203.64	0.381	33.69	9.92
•Diamonds Recovered in the 1.4-14.0mm size range								

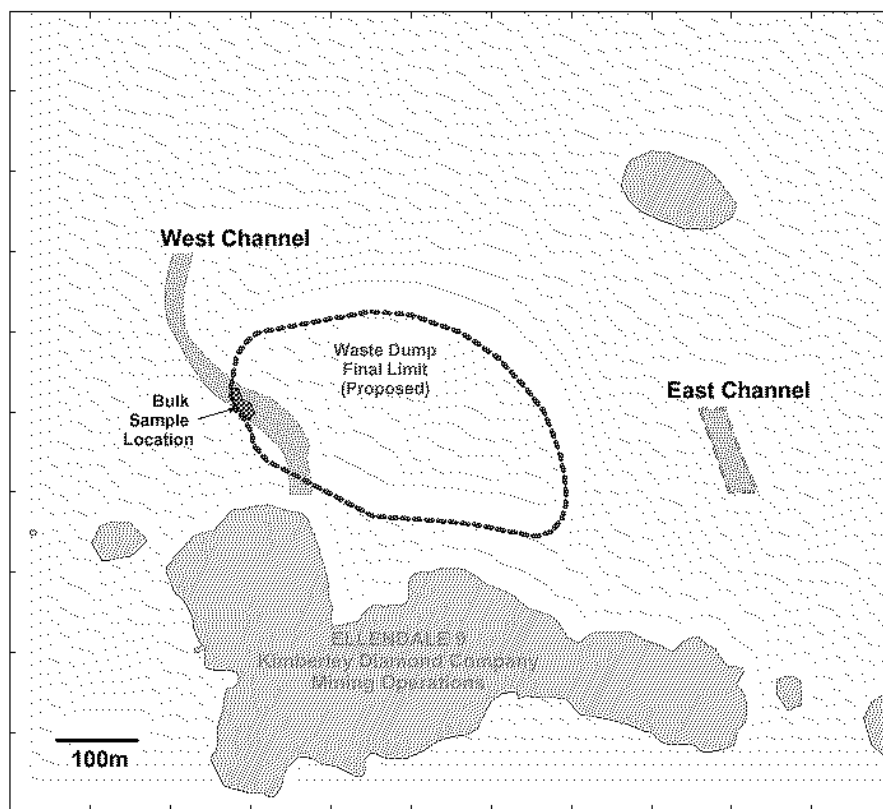
Amongst the diamonds recovered was a 9.92 carat yellow octahedral gemstone. This is the largest diamond ever recorded from alluvial deposits in the Ellendale area and one of the largest stones ever found in the entire Field. The gravels produced a number of large diamonds with a total of 8 stones weighing in excess of 5 carats. The initial parcel of 1400 carats from the Ellendale 9 North area was valued at US\$195/carats. Blina is confident that other diamonds recovered from the area will achieve similar "run-of-mine" values.

¹ cpht – carats per 100 tonnes

The section of the Ellendale 9 North area that has been sampled in this program, lies within an area proposed as an extension to a waste dump for Kimberley Diamond Company's NL ("Kimberley") Ellendale 9 mining operation. The work reported here has been done in conjunction with Kimberley as part of a program aimed at removing mineralised gravels from under the foot-print of the proposed waste dump extension. Excavation of this material is continuing and it anticipated that it will be processed during the December 2005 quarter.

The extraordinarily high grades recovered from the gravels processed so far have prompted the company to test other, finer-grained alluvial deposits within the channel. While grades from this material are not as high as found in the coarser gravels, they are still commercially viable. In future, all channel-fill material will be mined and processed. This is expected to result in a substantial increase in the tonnage of material processed but with an overall lowering of the grade.

With the outstanding results so far achieved at Ellendale 9 North, Blina has commenced investigations that it is hoped will allow the Company to commence mining in the area in 2006. This work will include additional exploration to determine the scope of the operation as well as the permitting required to establish a "stand-alone" mining operation.



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