

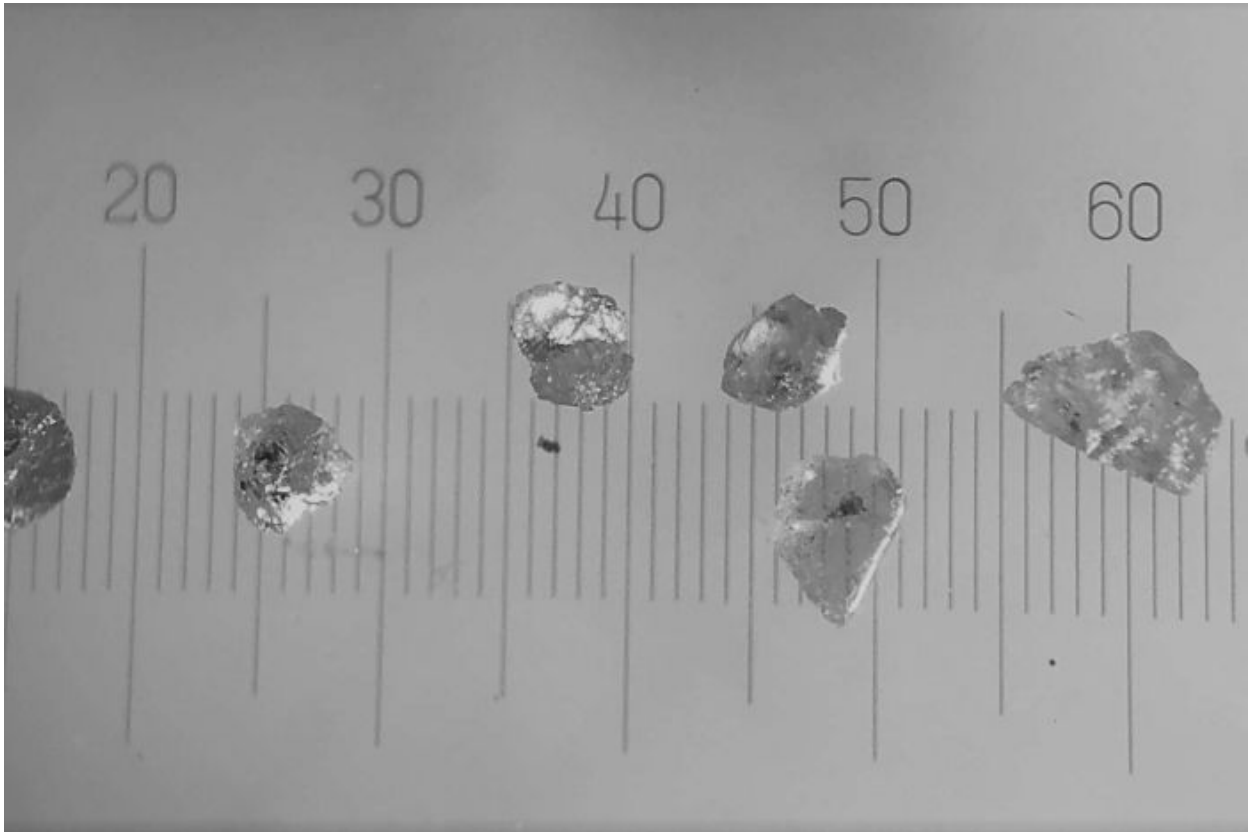


## Rural

# Diamond discovery in WA's remote Kimberley brings renewed hope to Australian diamond industry

ABC Rural By [Courtney Fowler](#)

Posted yesterday at 03:32



[Lucapa Diamond Company has uncovered 119 diamonds after drilling on its Brooking project.](#) (Supplied: Lucapa Diamond Company)

**A global miner hoping to revive the Kimberley diamond industry has made a significant discovery, only 50km east of the old Ellendale mine that once produced half the world's rare fancy yellow diamonds.**

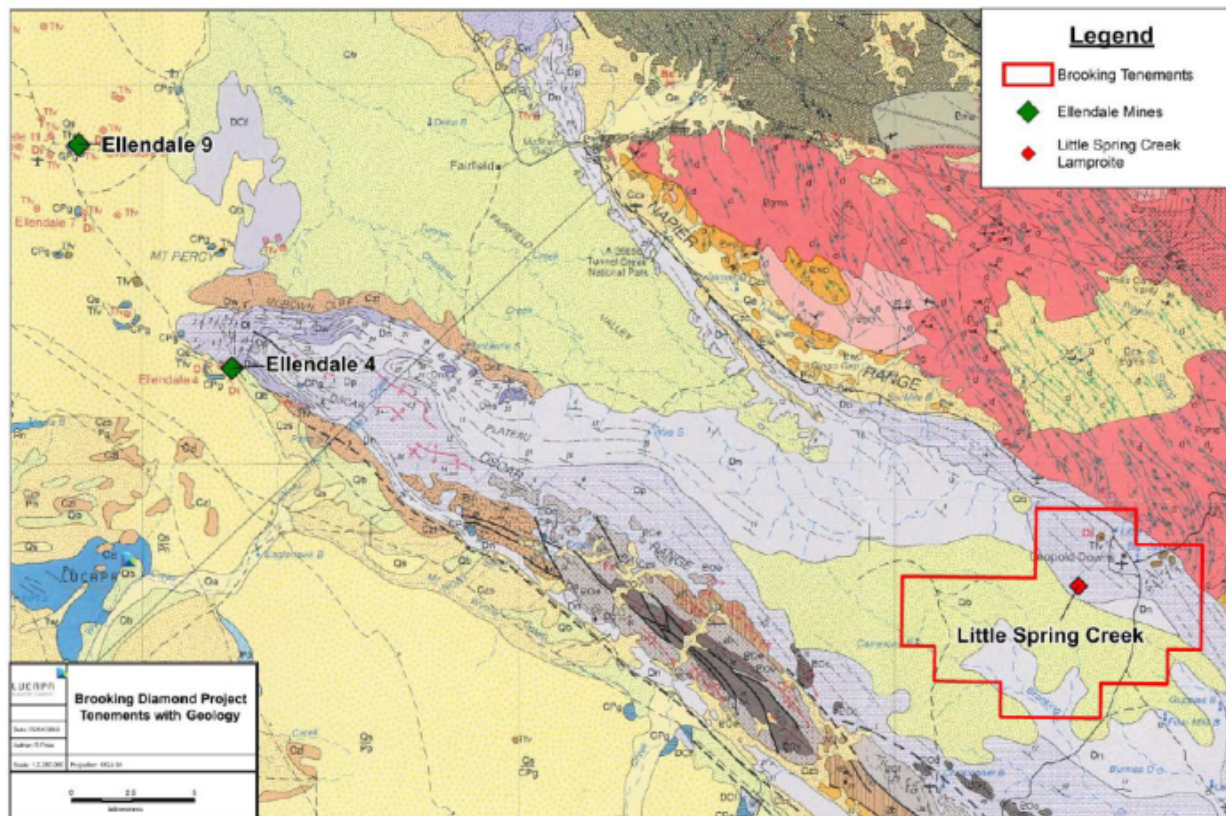
Only a few weeks after Lucapa Diamond Company began drilling for lamproite on its Brooking project, it has uncovered 119 diamonds, including seven macro diamonds.

The diamonds were recovered from an 86.8kg core sample in a 7.5cm drill hole at Little Spring Creek in the West Kimberley.

Chairman Miles Kennedy said after almost three decades in the diamond industry, the discovery was "nothing short of astounding".

"We've drilled thousands of holes and you actually don't expect to see any diamonds at all.

"It's such a small sample and diamonds in these pipes are so widely dispersed, so finding both macro and micro diamonds out of this very small sample is just wonderful. It's very significant."



[The location of Little Spring Creek prospect within the Brooking project and its proximity to Ellendale mines.](#)

(Supplied: Lucapa Diamond Company.)

## New era predicted

Mr Kennedy has a long history of searching for diamonds in the Kimberley, having set up the Ellendale diamond mine almost 25 years ago.

"It's too early to say whether we will find yellows or pinks," he said.

"What we've recovered so far are whites, but they certainly seem to be very good quality small diamonds that we've found so far, so we'll go on," he said.

"This is the first new discovery 50km east of Ellendale, and historically hundreds of millions of dollars has been spent looking for diamonds in this area.

"It's going to be a new era, at a time when the Argyle diamond mine is winding down towards closing, at a time when Ellendale mine has closed.

Mr Kennedy said follow-up drilling and bulk sampling programs would begin as soon as access was available towards the end of wet season.



[Lucapa has found 10 diamonds over 100 carats at its flagship Lulo project in Angola.](#) (Supplied: Lucapa Diamond Company)

## A good start to 2018 for Lucapa

It has been a good start to 2018 for Lucapa, which just announced to the market its 10th diamond over 100 carats at its flagship Lulo project in Angola.

A 43-carat yellow gem has also been recovered, the largest coloured diamond found to date from Lulo, surpassing the 39-carat pink recovered in September 2016.

"We recovered a 103-carat diamond from our mining operations in Angola, plus another one of over 80 carats," Mr Kennedy said.

"Before our mine in Angola there wasn't a diamond mine in the world that matched us for the value of diamonds mined and sold.

"Today's a culmination of about 15 months of work, and the start I hope of a new beginning, and this year we will also be exploring a target in Botswana."



[Some of the diamonds recovered from the Terrace 5 trial mining in 2005, with the largest stone measuring 8.4 carats.](#)

(Supplied: POZ Minerals)

## POZ Minerals valuation promising

The Brooking discovery comes only weeks after fellow Perth-based miner POZ Minerals announced a valuation on diamonds extracted from a former diamond field on its Blina trial mine site on the western side of Ellendale had doubled in value.

The new independent valuation of the exact same diamond parcel data on Terrace 5 estimated its Fancy Yellow component had increased in the past decade by 131 per cent to \$US3,391 per carat (\$A4,403 per carat).

The largest diamond in the valuation parcel weighed 8.43 carats, with an estimated 2017 value of almost \$US45,000.

The revaluation was undertaken by Independent Diamond Valuers International, which had previously been responsible for sorting, grading, valuing and selling diamonds from the Ellendale Diamond Mine.

Executive chairman Jim Richards said the revaluation marked a significant development for the project, which was on track for bulk sampling and trial mining operations to begin mid-year.

"Given the successful historic recovery of significant quantities of very high quality diamonds from the channels, our new GPR geophysics technique may well prove to be a game changer by quickly and inexpensively defining the highest quality diamond targets."

Blina's diamond appeal has over the past 30 years attracted a total \$30 million exploration spend by previous explorers.



[The Kimberley Diamond Company's Ellendale diamond mine went into administration in 2015.](#) (ABC Rural: Matt Brann)

## What is the future for old Ellendale mine?

With all this renewed activity in the Ellendale diamond province, what is the future for the old Ellendale mine?

The mine went into administration when Kimberley Diamond Company relinquished its mining lease and environmental liabilities — reportedly as much as \$40 million — back to the State Government in October 2015.

The legacy environmental costs have made the mine unattractive to potential new operators in the past.

Executive director mineral titles Ivor Roberts said the Department of Mines, Industry Regulation and Safety was working towards releasing a request for expressions of interest (EOI).

If the EOI process is successful and a new operator is found for Ellendale, the department estimates it will take at least two years for a new mining lease to be granted.

Mr Roberts said any details on associated environmental costs would remain confidential until the request for EOIs was announced.

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