

8 December 2006

Mr J. Dunster Exploration Evaluation Geologist Dept. of Primary Industry, Fisheries and Mines GPO Box 3000 DARWIN NT 0801

Annual Reporting Authority A 23714 - Flinders Diamonds Limited

Please find attached copies of annual exploration expenditure for the 12 month period to 10 November 2006 together with a proposed program and expenditure for 2007. These were also forwarded by email today.

As no field or technical work was undertaken for the period no annual technical report has been submitted

Please advise if you have any further requirements.

Yours sincerely

Warwick Newton

Tenement Manager

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Flinders Diamonds Ltd - Maximus Resources Ltd

Proposed Program and Expenditure for 2007

Authority A 23714

A 23714 - Mud Tank Reserve

Geological mapping and sampling	\$ 5000
Bedrock geochemistry drilling program	\$ 7500
RAB drilling of specific targets	\$12500
TOTAL	\$25000