Background

The Timber Creek kimberlites were discovered in the early 1990s by Stockdale Prospecting Pty Ltd, the exploration arm of De Beers in Australia. An initial trigger sample collected in 1987 contained two small chrome spinels. Subsequent stream sampling confirmed the presence of the spinels and drew attention to a number of small valleys approximately 12km south of the township of Timber Creek. Follow up loam sampling in these valleys led to the discovery of kimberlite (Timber Creek 01) in 1992. Further loam sampling in 1993 led to the discovery of four additional kimberlites in 1993. Kimberlites Timber Creek (TC) 01, 02 and 03 crop out at surface and testing indicates that TC01, 02 and 04 are all diamondiferous. Substantial numbers of diamonds were found at surface during follow up sampling, particularly downslope from TC-01.

Stockdale drilled TC 01 to a depth of 60m below surface. A micro-diamond study of the drill cuttings at this depth suggested a diamond grade in excess of 100 cpht.

Tawana Activities

Tawana purchased the Timber Creek Project from De Beers in May 2002 (De Beers retains the buyback right to re-acquire a 70% interest in the project through the payment of 3 times the exploration expenditure incurred by the Company) and the Project currently consists of three tenements.

Bulk sampling of TC-01 by Tawana was conducted in 2002, extracting and processing 3802 tonnes of raw kimberlite. A total of 17,387 diamonds weighing 839 carats were recovered, representing an overall grade of 22 carats per hundred tonnes ('cpht'). The deepest section of the pipe sampled, which was at 8 meters below surface, returned a grade of 25 cpht. An increase in grade is evident with an increase in depth from surface, adding to the potential of this small pipe.
Just over 10,500 +1.0mm diamonds were valued by Independent Diamond Valuers Pty Ltd. at an average of US$14.04 per carat. Whilst many of the diamonds recovered were pale brown in colour, numerous white and a few pink diamonds were also recovered.

No sampling or evaluation work has thus far been carried out on the TC02-TC04 pipes.

Taken from
[Link](http://www.tawana.com.au/irm/content/project_australia_timbercreekdiamond.html)
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