MARKET RELEASE

17 January 2011

FLINDERS MINES LIMITED

TRADING HALT

The securities of Flinders Mines Limited (the “Company”) will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Wednesday, 19 January 2011 or when the announcement is released to the market.

Security Code: FMS

Justin Nelson
Manager, Listings (Adelaide)

17 January 2011

Mr J Nelson
Manager, Issuers (Adelaide)
ASX Limited
91 King William Street
ADELAIDE SA 5000

Fax: (08) 8216 5099

Dear Justin,

TRADING HALT – FLINDERS MINES LIMITED (FMS)

Pursuant to ASX Listing Rule 17.1, we request that ASX grant a two day trading halt pending an announcement relating to release of the results of a Pre-feasibility Study into the Company's Pilbara Iron Ore Project.

We anticipate trading will resume following release of the announcement or no later than Wednesday, 19 January 2011.

The Company is not aware of any reason that a trading halt should not be granted.

Yours faithfully

David W Godfrey
Company Secretary

Flinders Mines Ltd
ABN 46 091 118 044

62 Beulah Road
Norwood
South Australia
5067

PO Box 3126
Norwood
South Australia
5067

telephone 61 8 8132 7950
facsimile 61 8 8132 7999
email info@flindersmines.com
www.flindersmines.com