

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	FLINDERS MINES LIMITED
ABN	46 091 118 044

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	GARY DAVID SUTHERLAND
Date of last notice	5 May 2011

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct and Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	TIGERLAND SUPERANNUATION FUND G D Sutherland is a trustee and member of Tigerland Superannuation Fund
Date of change	2 December 2011
No. of securities held prior to change	GARY DAVID SUTHERLAND 4,899,000 Unlisted Incentive Rights TIGERLAND SUPERANNUATION FUND 115,000 Ordinary Shares 300,000 Options over Ordinary Shares, exercisable at 5.5 cents, expiring 26 August 2014
Class	Unlisted Incentive Rights
Number acquired	GARY DAVID SUTHERLAND 3,504,700 Unlisted Incentive Rights
Number disposed	Nil

+ See chapter 19 for defined terms.

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Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil
No. of securities held after change	GARY DAVID SUTHERLAND 8,403,700 Unlisted Incentive Rights TIGERLAND SUPERANNUATION FUND 115,000 Ordinary Shares 300,000 Options over Ordinary Shares, exercisable at 5.5 cents, expiring 26 August 2014
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Issue pursuant to the Flinders Mines Limited Incentive Rights Plan

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A
Interest after change	N/A

+ See chapter 19 for defined terms.

Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺ closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

⁺ See chapter 19 for defined terms.

24 January 2012

The Manager
Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

APPENDIX 3Y - GARY DAVID SUTHERLAND

The Appendix 3Y lodged today by Flinders Mines Limited ('Company') (ASX: FMS) relates to Incentive Rights granted to the Company's Managing Director, Mr Gary Sutherland.

The Incentive Rights were approved by shareholders at the Company's 2011 Annual General Meeting, and disclosed in the Company's 2011 Annual Report and Appendix 3B released on 2 December 2011.

The Company has a procedure in place to ensure directors are able to meet their disclosure obligations under Listing Rule 3.19A.

In this case, notice of the grant of the Incentive Rights was not given using an Appendix 3Y within the time required for giving that notice, due to the Company's interpretation of what is a 'security' for the purpose of the Appendix 3Y disclosure. The Company is now treating unvested Incentive Rights as 'securities' for the purpose of its Appendix 3Y disclosure.

The Company believes its current arrangements are sufficient to ensure compliance with ASX Listing Rule 3.19B.

Yours faithfully



David W Godfrey
Company Secretary