

Form 604

Corporations Law
Section 671B

Notice of change of interests of substantial holder

To: Company Name/Scheme **FLINDERS MINES LIMITED**

ACN/ARSN **091 118 044**

1. Details of substantial holder

Name **UBS AG and its related bodies corporate**

ACN/ARSN (if applicable): _____

There was a change in the interests of the substantial holder on **7 February 2012**

The previous notice was given to the company on **6 February 2012**

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities	Previous Notice		Present Notice	
	Person's Votes	Voting Power	Person's Votes	Voting Power
Ordinary	93,833,938	5.15%	122,147,672	6.71%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of Change	Consideration given in relation to change	Class and Number of securities	Person's votes affected
Please see Appendix B.					

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered holder	Nature of relevant interest	Class and number of securities	Person's votes
UBS AG, Australia Branch	UBS Nominees Pty Ltd	UBS AG, Australia Branch	Prime Broker that has exercised its borrowing right in respect of shares pursuant to a Prime Broking Agreement (see Appendix A)	11,925,000	Ordinary
UBS AG, London Branch	Citicorp Nominees Pty Ltd	UBS AG, London Branch	Prime Broker that has exercised its borrowing right in respect of shares pursuant to a Prime Broking Agreement (see Appendix A)	13,612,918	Ordinary
UBS Securities Australia Ltd	Brispot Nominees Pty Ltd	UBS Securities Australia Ltd	Beneficial owner	96,609,754	Ordinary

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN (if applicable)	Nature of association
N/A	N/A

6. Addresses

The addresses of persons named in this form are as follows:

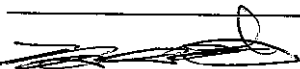
Name	Address
Details of all UBS offices can be found through the following link: http://apps.ubs.com/locationfinder	

SIGNATURE

Print Name: So Young Kim

Capacity: Authorised signatory

Sign Here:

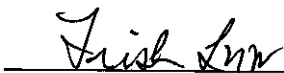


Date: 9 February 2012

Print Name: Trish Lee

Capacity: Authorised signatory

Sign Here:



Date: 9 February 2012

Contact details for this notice:

Tiffany Leung
Legal & Compliance
(T) +852 2971 8042
(F) +852 2971 7895

Holder of relevant interest	UBS AG, Australia Branch	UBS AG, London Branch
Type of agreement	Prime Brokerage Agreement	Prime Brokerage Agreement
Parties to agreement	(i) UBS AG, Australia Branch ("UBS AG") (ii) Client (Please refer to Appendix A-1.)	(i) UBS AG, London Branch ("UBS AG") (ii) Client (Please refer to Appendix A-1.)
Transfer date	Please refer to Appendix A-1.	Please refer to Appendix A-1.
Holder of voting rights	UBS AG	UBS AG
Are there any restrictions on voting rights?	Please refer to the details below.	No.
If yes, detail	Since all right and title in the securities passes to the transferee (i.e. UBS AG), the transferee has the right to vote. However, in certain circumstances, the transferee may seek to arrange for instructions to be exercised in accordance with the instructions of the transferor (i.e. Client).	N/A
Scheduled return date (if any)	None, subject to the terms of the relevant loan.	None.
Does the borrower have the right to return early?	Yes.	Yes.
If yes, detail	The borrower (i.e. UBS AG) has the right to return at its discretion.	The borrower (i.e. UBS AG) has the right to return at its discretion.
Does the lender have the right to recall early?	Yes.	No.
If yes, detail	The lender (i.e. Client) can recall at its request subject to compliance with margin requirements and the terms of the relevant loan.	N/A.
Will the securities be returned on settlement?	Yes.	Yes (equivalent securities).
If yes, detail any exceptions	None.	None.

The information in this appendix is based on the relevant standard UBS agreement.

A copy of the agreement is available to the company, or responsible entity to whom the prescribed form must be given, or to ASIC, upon request.

Prime Brokerage Agreement - UBS AG, Australia Branch

Parties to agreement	Transfer date
Monterrey Investment Management Limited as a trustee of the Merlin Investment Fund	(i) 5 December 2011
TIGA Trading Pty Limited	(i) 5 December 2011

Prime Brokerage Agreement - UBS AG, London Branch

Parties to agreement	Transfer date
Gama Capital Opportunities Master Ltd	(i) 5 January 2012
	(ii) 30 January 2012
	(iii) 6 February 2012
Gabelli Associates Fund	(i) 6 February 2012
Gabelli Associates Fund II LP	(i) 6 February 2012
Gabelli Associates Limited	(i) 6 February 2012

Date of change	Person whose relevant interest changed	Nature of Change	Consideration given in relation to change	Number of securities	Class
03-Feb-12	UBS Securities Australia Ltd	Buy	922,633	3,181,494	Ordinary
03-Feb-12	UBS Securities Australia Ltd	Sell	409,269	(1,411,271)	Ordinary
03-Feb-12	UBS Securities Australia Ltd	Buy	144,346	493,153	Ordinary
03-Feb-12	UBS Securities Australia Ltd	Buy	4,501,200	15,500,000	Ordinary
06-Feb-12	UBS AG, London Branch	Stock returned	N/A	(207,236)	Ordinary
06-Feb-12	UBS Securities Australia Ltd	Sell	257,744	(890,000)	Ordinary
06-Feb-12	UBS Securities Australia Ltd	Sell	18,525	(65,000)	Ordinary
06-Feb-12	UBS Securities Australia Ltd	Buy	34,586	119,180	Ordinary
06-Feb-12	UBS Securities Australia Ltd	Buy	1,870	6,444	Ordinary
06-Feb-12	UBS Securities Australia Ltd	Buy	31,129	106,352	Ordinary
06-Feb-12	UBS Securities Australia Ltd	Buy	29,449	101,478	Ordinary
07-Feb-12	UBS AG, London Branch	Stock received	N/A	12,204,254	Ordinary
07-Feb-12	UBS Securities Australia Ltd	Sell	257,833	(890,000)	Ordinary
07-Feb-12	UBS Securities Australia Ltd	Sell	301,288	(1,040,000)	Ordinary
07-Feb-12	UBS Securities Australia Ltd	Buy	25,147	86,654	Ordinary
07-Feb-12	UBS Securities Australia Ltd	Buy	37,431	128,232	Ordinary
07-Feb-12	UBS Securities Australia Ltd	Buy	257,744	890,000	Ordinary