



18 April 2012

Scheme Implementation Agreement Update

Further to the announcement by Flinders Mines Limited (Flinders) dated 16 April 2012, Magnitogorsk Iron and Steel Works OJSC (MMK) and Flinders advise that by mutual agreement the parties are treating the Quit Date under the Scheme Implementation Agreement (SIA) between Flinders and MMK as 30 June 2012. This agreement was made on the basis of MMK's expectation that Flinders' and MMK's appeals against the injunctive relief obtained by a minority shareholder of MMK, restraining implementation of the SIA, will be heard and a judgement delivered before that date.

GARY SUTHERLAND

MANAGING DIRECTOR

18 April 2012

For further information please contact:

Gary Sutherland
Ph: 08 8132 7950 or 0419 851 608
Email: gsutherland@flindersmines.com

Duncan Gordon – Investor relations,
Ph: 08 8232 8800 or 0404 006 444
Email: dgordon@adelaideequity.com.au