



MARKET RELEASE

24 May 2012

Flinders Mines Limited

TRADING HALT

The securities of Flinders Mines Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the commencement of normal trading on Monday, 28 May 2012.

Security Code: FMS

Kim-Ly Nguyen
Principal Adviser, Listings

24 May 2012

Ms Kim-Ly Nguyen
Principal Adviser, Listings
ASX Compliance Pty Limited
20 Bridge Street
SYDNEY NSW 2000

Fax: 61 2 9241 7620

Dear Kim-Ly,

TRADING HALT – FLINDERS MINES LIMITED (ASX: FMS)

Pursuant to ASX Listing Rule 17.1, Flinders Mines Limited (Flinders) requests that ASX grant a trading halt of its securities effective immediately, pending release of an announcement regarding the hearing on the merits of a motion with the Arbitration Court of Chelyabinsk Region (Russian Federation). The motion and associated injunction relate to the Scheme Implementation Agreement between Flinders and Magnitogorsk Iron and Steel Works OJSC dated 25 November 2011.

Flinders requests that the trading halt remain in place until the earlier of Flinders making that announcement or open of market on Monday, 28 May 2012.

Flinders confirms that it is not aware of any reason why the trading halt should not be granted.

Yours faithfully



David W Godfrey
Company Secretary