

Investor Presentation

Flinders Mines Limited

ASX:FMS

July 2013



Forward Looking Statements

This release may include forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events as of the time of the release of this document. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of Flinders Mines Limited, that could cause actual results to differ materially from such statements. Flinders Mines Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

Exploration Targets

Exploration Targets are reported according to Clause 18 of the JORC Code. This means that the potential quantity and grade is conceptual in nature and that considerable further exploration, particularly drilling, is necessary before any Identified Mineral Resource can be reported. It is uncertain if further exploration will lead to a larger, smaller or any Mineral Resource.

Competent Persons

The information in this report that relates to Exploration Results is based on information compiled by Mr Nick Corlis who is a member of the Australian Institute of Geoscientists and a full-time employee of Flinders Mines Limited. Nick Corlis has sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Nick Corlis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Dr Graeme McDonald who is a member of the Australian Institute of Mining and Metallurgy and a full-time employee of Flinders Mines Limited. Graeme McDonald has sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Graeme McDonald consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Capital Structure

Shares on Issue	1,821,300,404
Options	1,741,666
Rights	14,434,000
Market cap @ 4c	A\$72.9M
Cash at hand @ 30/06/2013	A\$6.0M

Shareholders

as at 9/07/13

OCJ Investment (Australia) Pty Ltd	8.58%
JP Morgan Nominees Australia Limited <Cash Income A/C> (Vic)	5.09%
HSBC Custody Nominees (Australia) Limited	4.49%
JP Morgan Nominees Australia Ltd (NSW)	3.91%
Citicorp Nominees Pty Limited	3.37%
Top 20	38.08%

Management Team



Miro Rapaic, GM – Project Development

20 years domestic and international experience in the resource industry across a broad range of commodities. Extensive technical, operational, project and senior management experience having managed mining operations and mine development projects for BHP Billiton and Macmahon Contractors.



Nick Corlis, GM – Business Development

19 years domestic and international resource industry experience. Senior management roles in both consulting and public sector companies including WMC, Golder and Perilya. Significant experience in minerals exploration and project management, from project generation through to discovery and feasibility.



Mick Anstey, GM – HSEC & HR

Mick has 24 years domestic and international experience, having worked in the resource industry across a range of commodities including base metals, copper, gold, iron ore, uranium and coal. He has extensive senior management experience in roles at BHP Billiton, Newmont and WMC that included large open-cut operations, involvement in projects from design through to commissioning and corporate roles.



David Godfrey, CFO and Company Secretary

26 years in the resources and finance industries. A member of Australian Society of CPAs, Chartered Secretaries Australia and Australian Institute of Company Directors and a Fellow of the Financial Services Institute. Has held senior finance roles in major corporations and for the Treasury of New Zealand. Was previously Secretary for many publicly listed and subsidiary companies for Normandy, Newmont and UXA.



FMS Investment Case

- PIOP has exceptional project economics
- PIOP has been significantly derisked
 - ✓ Native Title Agreement in place
 - ✓ Mining Lease granted
 - ✓ Environmental Approvals well progressed
- Resource is strategically located close to existing and proposed infrastructure
- PIOP contains large (917Mt)¹ JORC compliant resource with upside potential

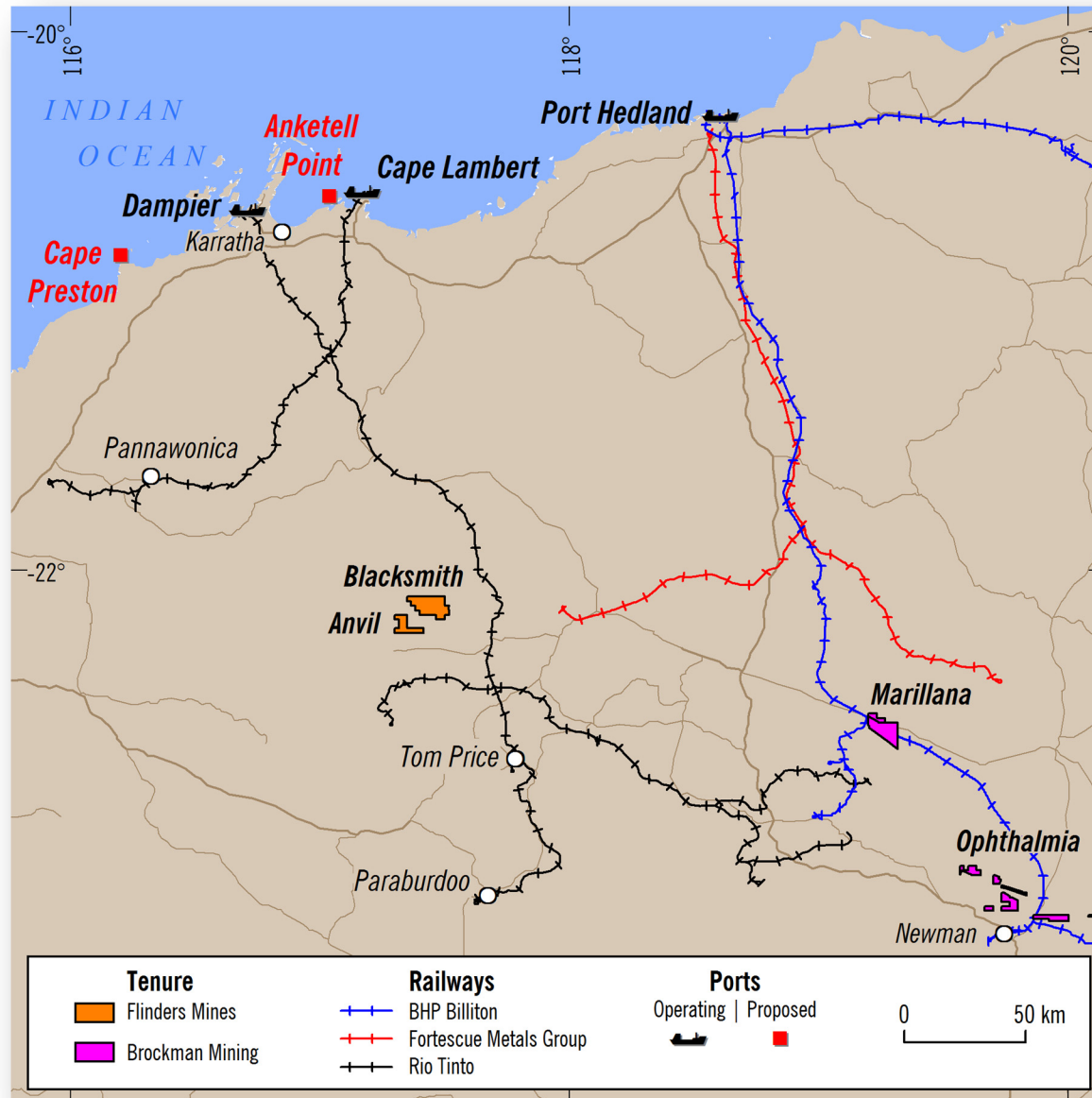


1. Mineral Resource estimates in accordance with the 2004 JORC Code
2. Inferred Mineral Resource estimated in accordance with the 2004 JORC Code

- **Flinders Mines has executed a Memorandum of Understanding (MOU) with Brockman Mining regarding their iron ore projects in the Pilbara region of Western Australia**
- **MOU sets out parameters via which both Companies will negotiate an Aggregation Agreement covering iron ore production from both Companies projects**
- **Aggregation Agreement may include infrastructure and transportation solutions as agreed between the parties**
- **MOU allows for facilitation of related transactions including joint ventures, mine gate sales or other transactions**
- **Binding transactions may involve shareholder approval processes and changes to Board representation**

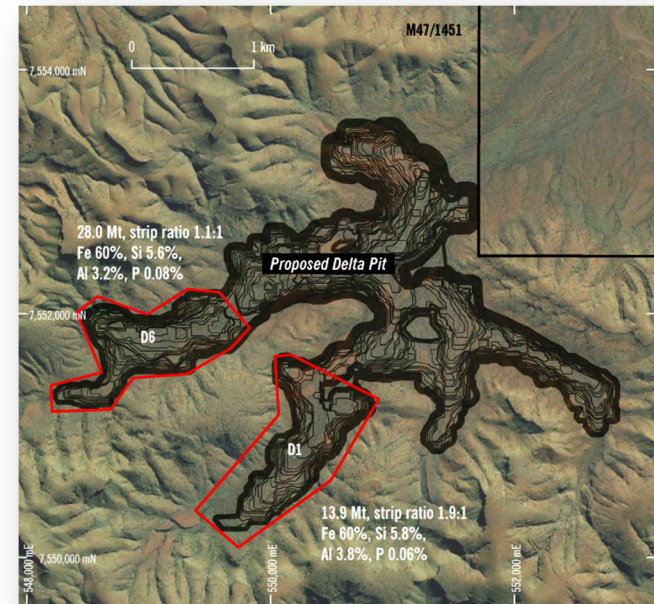


PIOP – Infrastructure



PIOP – Conceptual Mine Plan

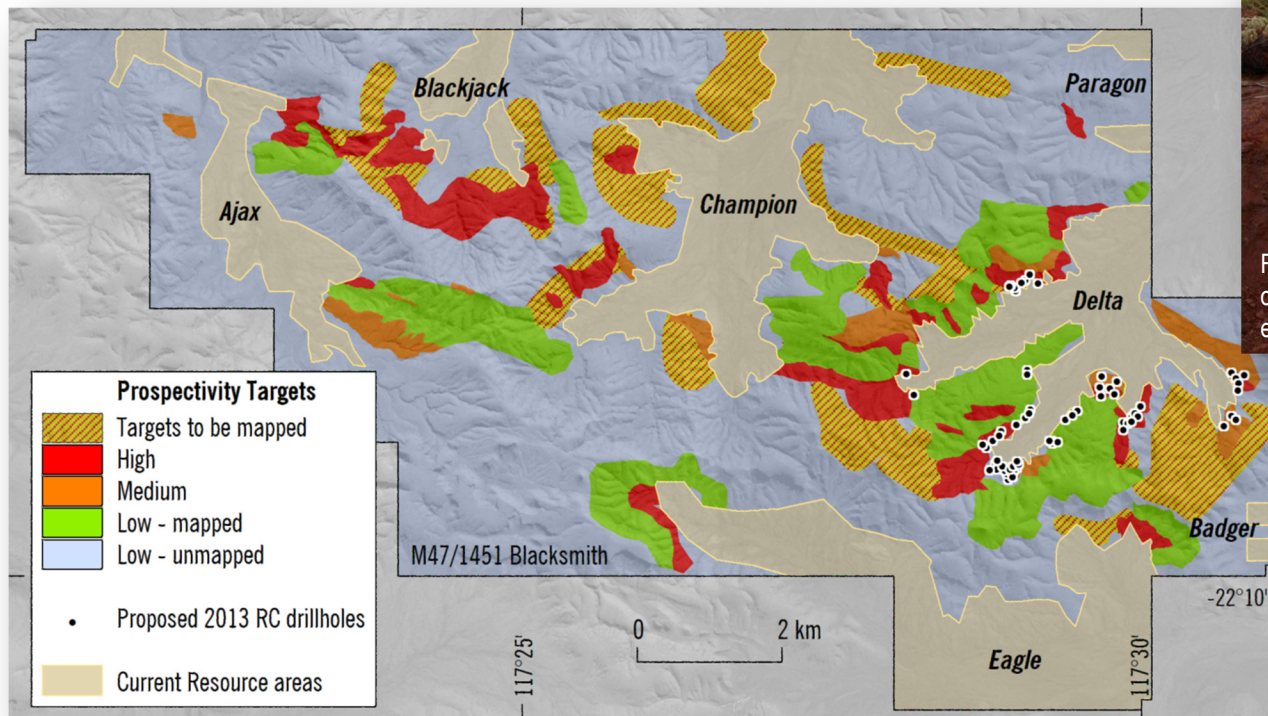
- Flinders PIOP delivers 60%+ DSO ore with minimal strip ratios
- Production of 5Mtpa
- Mine Capex circa \$250M



YEAR	1	2	3	4	5	6	7	8
Pit	Delta	Delta	Delta	Delta	Delta	Delta	Delta	Delta
Area	D6	D6	D6	D6	D6	D6/D1	D1	D1
Ore Tonnes (Mt)	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Strip Ratio (W:O)	1.1:1	1.1:1	1.1:1	1.1:1	1.1:1	1.4:1	1.9:1	1.9:1
Fe %	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0
SiO ₂ %	5.57	5.57	5.57	5.57	5.57	5.68	5.84	5.84
AlO ₃ %	3.20	3.20	3.20	3.20	3.20	3.45	3.83	3.83
P %	0.08	0.08	0.08	0.08	0.08	0.08	0.06	0.06

PIOP Exploration – Upside Potential

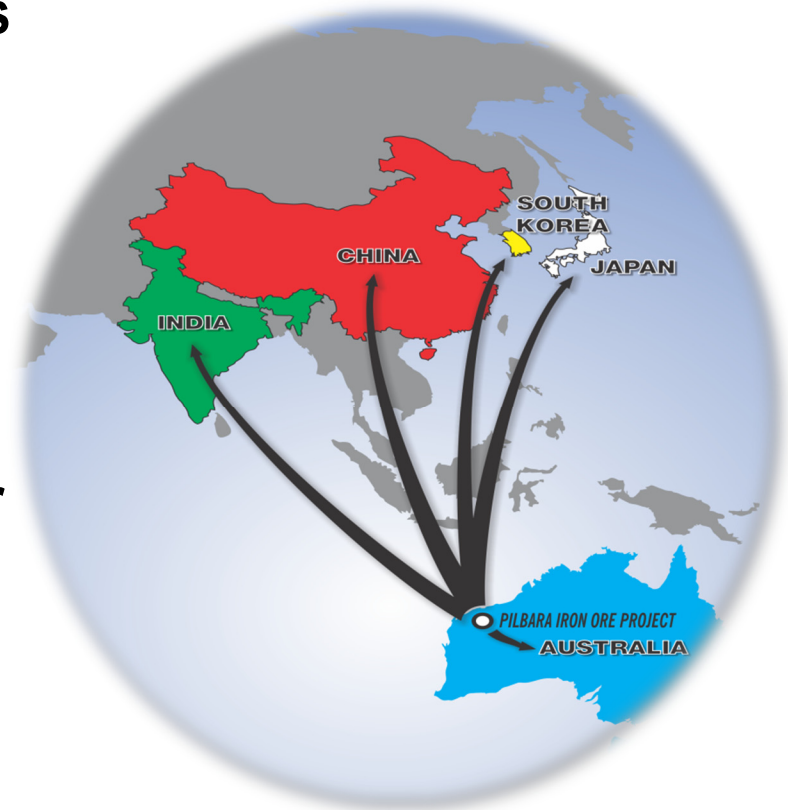
- Potential to lift the Mineral Resource to over 1Bt
- Significant BID targets at Blackjack and Delta
- BID initial Exploration Target* of up to 280 Mt of DSO
- All approvals in place



* Exploration Target of 180-280Mt at 55% to 58% Fe – refer to announcement 23/5/2013

PIOP – Marketing

- Ideally located to service major markets
- Single product fines producer
- Sinter testwork – University of Science and Technology, Beijing
 - Outstanding productivity and sinter yield when compared to existing traded ores
- 4 binding MOU's signed with Chinese mills



- **Exceptional grade and mineable resource**
- **Project capex significantly reduced**
- **Strong operating margins**
- **Strategic location**
- **Moving towards finalisation of infrastructure and funding arrangements**



Thank you

For further information please visit our website at
www.flindersmines.com



Champion Valley on FMS' M47/1451 mining lease (Blacksmith)