



Notice of Extraordinary General Meeting

FLINDERS MINES LIMITED

ABN 46 091 118 044

**Extraordinary General Meeting to be held at
Celtic Club, 48 Ord Street, West Perth WA 6005
on Tuesday, 22 January 2019 at 10.00 am (WST)**

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of the shareholders of Flinders Mines Limited (the **Company** or **Flinders**) will be convened at 10.00am (WST) on Tuesday, 22 January 2019, at Celtic Club, 48 Ord Street, West Perth WA 6005, to consider and, if thought fit, pass the resolution below.

If you are unable to attend the Meeting, we encourage you to complete and return the enclosed proxy form. The completed proxy form must be received by the Company at least 48 hours before the commencement of the Meeting.

AGENDA

1. RESOLUTION - APPROVAL OF DE-LISTING OF THE COMPANY FROM ASX

To consider and, if thought fit, pass the following resolution:

"That, for the purposes of ASX Listing Rule 17.11 and all other purposes, Shareholders approve the removal of the Company from the official list of ASX on a date to be decided by ASX (being a date no earlier than one month after the date this resolution is passed), and that the directors of the Company be authorised to do all things reasonably necessary to give effect to the de-listing of the Company from the official list of ASX".

Dated this 21st day of December 2018.

BY ORDER OF THE BOARD



Sarah Wilson
Company Secretary

FLINDERS MINES LIMITED
ABN 46 091 118 044

EXPLANATORY STATEMENT

This Explanatory Statement accompanies and forms part of the Notice of Meeting and has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Meeting. Among other things, this Explanatory Statement provides Shareholders with the information required to be provided to Shareholders by the Corporations Act and the ASX.

Capitalised words and phrases contained in this Notice of Meeting have the same meaning as set out in the glossary on page 8 of the Explanatory Statement.

The Explanatory Statement sets out an explanation of the Resolution to be put to Shareholders. Shareholders should read this Explanatory Statement carefully before determining how to vote in respect of the Resolution.

1. RESOLUTION – APPROVAL OF DE-LISTING OF THE COMPANY FROM ASX

1.1 Background

On 13 and 14 December 2018 the Company announced that it had formally applied to ASX to be removed from the official list of ASX after earlier seeking and obtaining conditional in-principle approval from ASX to de-list (see details below). Those announcements also referred to the proposed implementation of the Unmarketable Parcels Sale Facility and, conditional on the Resolution being passed, the implementation of the Buy-Back and the Rights Issue to fund the Buy-Back.

The Resolution seeks the approval of Shareholders to remove the Company from the official list of ASX. If the Resolution is passed by a majority of Shareholders voting in person, by proxy, attorney or representative, the Company will be De-Listed no earlier than one month after the Resolution being passed and following the conduct of a Buy-Back and Unmarketable Parcels Sale Facility.

The Unmarketable Parcels Sale Facility involves the sale of unmarketable parcels of Shares (being parcels of Shares worth less than \$500) under clause 9 of the Constitution. Shareholders who hold unmarketable parcels should have received a letter from the Company advising them that their Shares will be sold, unless those Shareholders complete and return a share retention form by Tuesday, 29 January 2019. As of 12 December 2018 there were 1,071 Shareholders with unmarketable parcels of Shares, which are estimated to represent approximately 3.2 million shares or 0.09% of total Shares on issue. The Unmarketable Parcels Sale Facility will proceed regardless of the outcome of the Resolution as the Board considers it in the best interests of the Company given the large number of unmarketable parcels.

The Buy-Back will be an on-market offer by the Company to buy-back up to 10% of the Shares.¹ The Buy-Back is intended to provide an opportunity for Shareholders to exit some or all their investment in the Company before the De-Listing. However, TIO NZ (the Company's largest shareholder) has informed the Company that it intends not to participate in the Buy-Back. The Buy-Back will be funded by a loan of up to \$27 million from a subsidiary of TIO NZ. It is intended the loan will be repaid through the Rights Issue following the Buy-Back. If the De-Listing is approved, Flinders will continue to trade on the ASX for at least one month after that approval and until the conclusion of the Buy-Back (expected to be in early March 2019). The Company will conduct the Rights Issue after the De-Listing.

The Unmarketable Parcels Sale Facility, the Buy-Back and the Rights Issue are more fully explained in the Company's ASX announcements dated 13 and 14 December 2018.

¹ The 10% is calculated based on the smallest number of Shares on issue during the 12 months prior to the commencement of the Buy-Back.

Accordingly, Shareholders who wish to exit the Company prior to the proposed De-Listing may do so through on-market sales, the Buy-Back and, if applicable, the Unmarketable Parcels Sale Facility. If all Shareholders who hold unmarketable parcels 'opt-out' and retain their Shares and/or if all Shareholders elect not to participate in the Buy-Back, the De-Listing will still occur (if the Resolution is approved).

The Company submitted an application to ASX for an in-principle decision in relation to the De-Listing. In response, ASX advised that based solely on the information provided, on receipt of an application to remove the Company from the official list of ASX under Listing Rule 17.11, ASX would be likely to remove the Company from the official list, on a date to be decided by ASX, subject to compliance with the following conditions:

- (a) the Company's removal from the official list of ASX is approved by ordinary resolution of Shareholders;
- (b) the notice of meeting seeking Shareholder approval for the Company's removal from the official list of the ASX must disclose the reasons for the Company seeking removal to the satisfaction of ASX and include a statement to the effect that the removal will take place no earlier than one month after approval is granted; and
- (c) the Company releases the full terms of the in-principle approval decision by the ASX to the market.

The Company applied formally to ASX to be removed from the official list of ASX on 13 December 2018 based on the above in-principle decision.

In accordance with the conditions set out above, the Resolution seeks Shareholder approval for the De-Listing. The rationale for the De-Listing, together with the advantages and disadvantages of the De-Listing and the effect of the De-Listing are set out below. The proposed De-Listing is considered by the Directors to be in the best interests of the Company and the Directors unanimously recommend that the Shareholders vote in favour of the De-Listing.

1.2 Summary of key reasons for seeking approval for the De-Listing and related advantages

The Directors' key reasons for recommending Shareholders approve the De-Listing are set out below.

(a) ***Lack of capital support from public markets***

One of the primary reasons for a company to have an ASX listing is to raise capital from public markets. However, Flinders has historically not received support from public capital markets with TIO NZ being the primary source of funding for Flinders since 2016. In the past two years, the Company has undertaken three rights issues. TIO NZ has taken up all its rights in each rights issue and provided total funding of \$16.4 million (75% of the capital raised). OCJ Investment has not taken up all its rights and has provided funding of approximately \$3.1 million² (14% of the capital raised) and other minority Shareholders have provided funding of \$2.5 million (12% of the capital raised). The three recent rights issues have in total had a shortfall of \$8.4 million or 28% of the total capital sought to be raised. In addition, TIO NZ has provided further liquidity to Flinders via a \$2 million loan facility in July 2016 and a \$5 million loan facility in November 2017, both of which were repaid through the rights issues.

TIO NZ has indicated to Flinders that it is not currently minded to support further capital raisings (other than the Rights Issue, which is being conducted purely to fund the Buy-Back) until a more certain development plan for the PIOP is apparent, particularly where the funding is disproportionate to its holding.

(b) ***Low levels of trading liquidity***

There is no liquid market in Flinders' Shares on the ASX. The Shares have been characterised by deep illiquidity and low daily trading volumes over the years. Flinders currently has approximately 3.485 billion Shares. Over the 12 months to 12 December 2018 only 2.16% of the Shares have been traded. Since the Company's most recent capital raising, liquidity has been even lower. Over the one month period to 12 December 2018 only 0.08% of the Shares have been traded. Annualising this implies annual trading volume of only 1.02% of Shares.

² Includes funding provided by related parties of OCJ Investment Australia Pty Ltd.

As illustrated by the table below, monthly trading volumes in the shares have been consistently less than 1% of the Shares. Over the last six months the Shares have traded as follows:

Month Ending	Trading Volume (daily average)	Trading Volume (monthly)	% of Total Shares on Issue
12/12/2018	119,110	2,952,136	0.08%
12/11/2018	248,901	5,301,501	0.15%
12/10/2018	238,403	5,692,489	0.16%
12/09/2018	156,490	3,599,268	0.10%
12/08/2018	279,838	5,922,630	0.17%
12/07/2018	218,539	5,000,869	0.14%

The low liquidity results in limited trading having a disproportionate impact on the Company's Share price. This current deep illiquidity would be exacerbated if the Company remains listed following implementation of the Buy-Back and Unmarketable Parcels Sale Facility. Additionally, the listing is not currently providing an effective platform for Shareholders who wish to exit. The Company is also concerned that the very limited liquidity means that limited trading can have a disproportionate impact on the Share price.

(c) ***Concentrated shareholding***

The Company currently has 3,485,170,081 fully paid ordinary shares on issue. Assuming full participation in the Unmarketable Parcels Sale Facility, the Company will have approximately 3,164 Shareholders. Currently, the Company has two substantial shareholders - TIO NZ holding 1,936,250,459 shares representing approximately 55.6% and OCJ Investment (and related parties) holding 788,468,000 shares representing approximately 22.6%. Together these two substantial shareholders hold approximately 78.2% of Flinders. Approximately 21.8% of the Company is held by minority shareholders, with an average shareholding of 0.005%. The Board believes the current and likely future level of concentration of shareholdings and shareholder spread is insufficient for an orderly and liquid market.

(d) ***Costs and administrative burden associated with maintaining the ASX listing***

The costs of remaining listed are not insignificant given the Company's current cash balance of \$5.12 million and in the Directors' view outweigh the benefits of a continued listing, with any such benefits being difficult to identify given the historical illiquidity of the Shares and inability to raise significant capital except from TIO NZ. The continued listing of Flinders is estimated to cost Flinders not less than \$150,000 to \$200,000 per annum, comprising annual listing fees, statutory compliance and other registry and trading costs. In addition to these direct costs, there are other significant costs associated with the listing including time devoted internally to managing the Company's listing and compliance obligations. This time could be utilised elsewhere if Flinders was de-listed. As there is a limited secondary market for trading Shares, which will only decrease following the implementation of the Buy-Back and Unmarketable Parcels Sale Facility, Flinders considers that these costs are not warranted and funds would be better directed elsewhere to benefit Shareholders.

(e) ***De-Listing to unlock additional access to funding***

The Board believes that significant additional sources of funding may be available to the Company as an unlisted entity. The Board believes that Flinders will have greater access to funding in an unlisted environment from groups including private equity and Asian and Middle Eastern investors. These investors may be more attracted to an unlisted vehicle given the increased structural flexibility, removal of ongoing costs associated with an illiquid listing and reduced administrative burden.

(f) ***Future capital requirements of the Company***

In order to progress the Pilbara Iron Ore Project (**PIOP**) for the benefit of all shareholders, the next step is for Flinders to undertake a 'bankable feasibility study' (**BFS**).

The current estimate to complete the BFS is approximately \$40 to 50 million. The BFS will need to consider a number of potential development risks, and will require analysis of several critical elements being: (i) improving the Fe grade to higher than 60% Fe (as ore grades lower than 60% are attracting significant discounts in overseas markets). This will require both significant changes to the preliminary mine plan and identification of additional higher grade resource; (ii) the development of additional resources to ensure sufficient mine life to support a BFS; (iii) identifying an appropriate infrastructure solution to transport product to port and subsequently to end customers (as with any development stage bulk commodity project, an infrastructure solution is critical to a development decision); and (iv) analysis of mining rates, mining costs, funding options and related requirements.

There are presently no viable infrastructure solutions for the PIOP. TIO NZ owns approximately 89% of BBI Group Pty Ltd (**BBIG**), which is separately developing a rail and port project with the objective of providing an infrastructure solution for undeveloped iron ore projects in the central and western Pilbara (**BBIG Project**). In August 2017 BBIG reached a State agreement in relation to its proposed rail corridor. The State agreement contemplates PIOP as a potential foundation customer for the BBIG Project. There have been some discussions in the past between the Company and BBIG regarding this infrastructure solution but there are no proposals in relation to the solution at this time, with the Company not proposing to engage in further discussions unless and until other development risks (including the marketing issue highlighted above) are further resolved. The Company believes that an infrastructure solution, whether with BBIG or otherwise, is not a prospect until these critical issues are resolved, although the BBIG Project (if developed) is the most logical future infrastructure solution for the PIOP. Nonetheless, consistent with prior practice, the Board will update Shareholders when it becomes aware of developments in relation to the BBIG Project. Any potential future agreement between the Company and BBIG would be subject to the related party provisions of the Corporations Act, which would require Shareholder approval if the agreement is not on 'arm's length' terms.

Further, should the Company's BFS in relation to the development of the PIOP be successfully completed, Flinders' earlier estimates indicate it will require substantial funding which is estimated to be in the range of \$2 to 3 billion to construct the PIOP. It appears that it would be very difficult, if not impossible to raise such a large amount of capital given the limited funding support to date from shareholders, other than TIO NZ.

One of the benefits of being publicly listed is the ability to raise equity and debt capital. However, given the issues noted above, Flinders now has limited support from the listed equity markets and the Company has concerns as to whether they can meet the capital requirements to unlock the value of the PIOP. As a development stage company, Flinders has no cash flow and limited cash stores of approximately \$5.12 million and, as illustrated above, limited avenues to pursue in order to access additional capital. The Company is also concerned in this same context about the substantial costs associated with maintaining its ASX listing, as noted above.

1.3 Potential disadvantages of De-Listing

The Directors have considered the potential disadvantages of the De-Listing. These disadvantages are noted below and are only relevant to the Company and to the Continuing Shareholders. These disadvantages are not relevant to Exiting Shareholders.

(a) ***Shareholders' will no longer have the ability to sell Shares and realise their investment in the Company via the ASX***

After the Company is De-Listed, as its Shares will no longer be traded on ASX, they will only be capable of sale by private transaction. However, as noted above, the current ASX market for Flinders' Shares has been extremely illiquid.

(b) ***The Company will not be able to raise capital from public listed equity capital markets***

After the Company is De-Listed, Flinders will be unable to raise capital from public listed equity capital markets and will require a full prospectus for any future public equity raisings. Any placement made by Flinders as an unlisted company may be subject to the recipient of the placement being subject to a twelve month escrow period on trading of their shares or only on-selling to 'sophisticated' investors, which may be unattractive to some investors and deter them from investing in Flinders. However, as noted above, the Company has been unable to effectively raise significant equity capital from public markets and the Directors consider that Flinders has limited ability to raise future equity capital on the ASX.

(c) ***Further concentration of shareholding***

The Board notes that the percentage shareholding of TIO NZ will increase after the Buy-Back as TIO NZ has stated it does not intend to participate in the Buy-Back. If the Buy-Back is completed to the maximum extent of the 10%, TIO NZ's shareholding will increase to 61.6%. Further, if only TIO NZ were to take up its entitlements under the Rights Issue after the completion of the Buy-Back, its shareholding would increase to a maximum of 65.3%.

The Company is not aware of OCJ Investment's intentions regarding participation in the Buy-Back, but if OCJ Investments does participate it would reduce the amount of Shares able to be bought back by the Company from other Shareholders to the extent of that participation, including potentially the full 10% of the Buy-Back.

The Company will endeavour to manage the Buy-Back in as equitable a manner as possible for all Shareholders. However, as the Buy-Back is being conducted on-market and the Company is not able to readily identify particular sellers of Shares, it will be difficult to achieve equality of treatment under the Buy-Back. The Board encourages Shareholders who wish to sell Shares under the Buy-Back to endeavour to sell on market as soon as the Buy-Back commences.

(d) ***Various requirements of the ASX Listing Rules will no longer apply***

The reduction of obligations associated with a listing on ASX may include relief from some reporting and disclosure requirements, removal of certain restrictions on the issue of Shares and certain restrictions on transactions with related parties (although these will still be governed by the Corporations Act), requirements concerning significant changes to Flinders' activities and relief from requirements to address ASX Corporate Governance Principles and Recommendations. The absence of continued restrictions in these areas may be perceived to be a disadvantage to some Shareholders, particularly minority Shareholders. However, Flinders will be an unlisted 'disclosing entity' if it has more than 100 shareholders, meaning that it will continue to have continuous disclosure obligations under the Corporations Act. The Company will post the required information on its website, www.flindersmines.com.

The Directors believe the De-Listing of the Company will not result in any substantial diminution of the protection for minority Shareholders afforded by the Corporations Act. Shareholders will still have the broad protections of the Corporations Act in relation to related party transactions, takeovers restrictions, financial reporting obligations and holding annual general meetings and an ability to bring an action under Chapter 2F.1. The Directors will still be subject to directors' duties under the Corporations Act, including to act in good faith in the best interests of the Company and for a proper purpose.

(e) ***Other disadvantages generally***

There are other potential disadvantages to Flinders not being listed, including the fact that some investors apply a higher valuation to securities of a company that is listed on a recognised exchange. Also, the currently proposed Unmarketable Parcels Sale Facility and Buy-Back would not be available if Flinders is de-listed. As noted above the Buy-Back and the Unmarketable Parcels Sale Facility will occur prior to the De-Listing.

Despite the above disadvantages, it is the Directors' unanimous view that it is in the best interests of Shareholders that the Company de-list from the ASX at this time.

1.4 Effect of De-Listing

The effect of Shareholder approval of the De-Listing means that the Company will be removed from the official list of ASX. The date of removal will be no earlier than one month after the date of Shareholder approval.

The indicative date for the De-Listing is early March 2019.

Flinders will release an ASX announcement confirming the timetable for the De-Listing process in due course if the Resolution is approved by Shareholders at the Meeting.

Prior to the date of De-Listing, Shareholders will continue to be able to trade their Shares on ASX for at least one month after the date of the Meeting and be able exit their investment prior to the De-Listing. However, the illiquid nature of Shares will continue to operate as a practical constraint on the ability to trade a material volume of Shares.

Shareholders who remain on the share register after the removal of Flinders from the official list of ASX will retain the protections afforded to them under the Corporations Act and the Constitution (noting that provisions of the Constitution which refer to ASX listing will no longer apply) as noted above. Shareholders who wish to sell their Shares after the Company is de-listed will need to find a buyer for their Shares and complete a standard off-market share transfer form and provide it to the Company's share registry for processing.

TIO NZ has indicated to the Board that it intends to vote in favour of the Resolution and that it intends to remain a Shareholder following the De-Listing.

Flinders anticipates that following the De-Listing it will amend its corporate governance policies and procedures to the extent these would no longer be applicable as a result of the De-Listing from ASX. However, as Flinders will remain a public company and be subject to continuous disclosure obligations, corporate governance policies and procedures will be retained or adapted consistent with Flinders' unlisted status and requirements.

1.5 Recommendation of Directors

The Board unanimously recommends Shareholders vote in favour of the Resolution for the reasons set out in the Explanatory Statement.

The Chairman of the Meeting intends to vote all available undirected proxies in favour of the Resolution.

Definitions:

ASX means the ASX Limited ABN 98 008 624 691 or the securities market conducted by it (as the context requires).

ASX Listing Rules means the official listing rules of ASX, as amended and waived by ASX.

Board means the board of directors of the Company.

Buy-Back means the on-market buy-back of up to 10% of the Shares, being a maximum of 336,695,145 Shares.³

Chairman means the chairman of the Meeting.

Company or **Flinders** means Flinders Mines Limited ABN 46 091 118 044.

Constitution means the constitution of the Company.

Continuing Shareholders means any Shareholder who will remain a Shareholder after the De-Listing.

Corporations Act means the *Corporations Act 2001* (Cth).

De-Listing means removing the Company from the official list of ASX and **De-List** has a corresponding meaning.

Director means a director of the Company.

Exiting Shareholders means any Shareholder who will not continue to be a Shareholder as a result of the Buy-Back, Unmarketable Parcels Sale Facility or any other sale of their Shares prior to the De-Listing.

Explanatory Statement means this explanatory statement to the Notice which forms part of the Notice.

Meeting means the extraordinary general meeting of Shareholders to be convened in accordance with this Notice.

Notice of Meeting or **Notice** means this notice of extraordinary general meeting and includes the Explanatory Statement.

OCJ Investment means OCJ Investment Australia Pty Ltd.

PIOP means the Company's flagship Pilbara Iron Ore Project in Western Australia.

Resolution means the resolution put to Shareholders at the Meeting to approve the De-Listing as set out in this Notice of Meeting.

Rights Issue means the proposed non-renounceable pro-rata rights issue to be undertaken following the Buy-Back and after the De-Listing.

Shareholder means a registered holder of Shares in the capital of the Company.

Shares means fully paid ordinary shares in the Company.

TIO NZ means TIO (NZ) Limited.

Unmarketable Parcels Sale Facility means the facility for the sale of unmarketable parcels of Shares as set out in the Company's Constitution.

³ The 10% is calculated based on the smallest number of Shares on issue during the 12 months prior to the commencement of the Buy-Back.

VOTING INFORMATION AND NOTES

1. **Voting entitlement on a poll**

On a poll, each Shareholder present (in person, by proxy, attorney or representative) has one vote for each Share they hold.

The Chairman will put the vote at the Meeting on the Resolution to a poll.

2. **Proxies**

A Shareholder entitled to attend and vote at this Meeting is entitled to appoint a proxy to attend and vote on the Shareholder's behalf. If the Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint up to two proxies to attend and vote on the Shareholder's behalf.

If a Shareholder appoints two proxies, each proxy may be appointed to represent a specified proportion or number of the Shareholder's votes. Absent this specification, on a poll, each proxy may exercise half the votes.

A proxy can be either an individual or a body corporate and need not be a Shareholder. If a Shareholder appoints a body corporate as proxy, the body corporate will need to appoint an individual as its corporate representative and provide satisfactory evidence of this appointment.

If a Shareholder's instruction is to abstain from voting for a particular item of business, the Shareholder's votes will not be counted in computing the required majority on a poll.

To appoint a proxy, a proxy form must be signed by the Shareholder or the Shareholder's attorney duly authorised in writing. If the Shareholder is a corporation, the proxy form must be signed in accordance with section 127 of the Corporations Act. To be effective, a proxy form (and, if it is signed by an attorney, the authority under which it is signed or a certified copy of the authority) must be received by the Company not later than 48 hours prior to the commencement of the meeting. Proxy form and authorities may be lodged:

- by post to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne VIC 3001, or;
- by facsimile to Computershare on (within Australia) 1800 783 447 or (outside Australia) +61 3 9473 2555 or the Company on +61 8 8132 7999; or
- electronically by casting votes online at www.investorvote.com.au and follow the prompts. To use this facility you will need your holder number (SRN or HIN), postcode and control number as shown on the proxy form. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions on the website.

Custodian voting - For Intermediary Online subscribers only (custodians), please visit www.intermediaryonline.com to submit your voting intentions.

Shareholders who forward their proxy forms by fax must make available the original executed form of the proxy for production at the meeting, if called upon to do so.

Chairman acting as proxy

Shareholders may appoint the Chairman as their proxy.

Where the Chairman is appointed as a proxy by a Shareholder entitled to cast a vote on a particular resolution and the proxy form specifies how the Chairman is to vote on the resolution (that is, a directed proxy), the Chairman must vote in accordance with that direction.

In relation to the Resolution, if a Shareholder has appointed the Chairman as their proxy and no voting direction has been given, the Shareholder will be expressly authorising the Chairman to exercise the undirected proxy in favour of the Resolution. Please read the directions on the proxy form carefully, especially if you intend to appoint the Chairman of the meeting as your proxy.

3. Entitlement to vote at the meeting

For the purpose of the meeting, shares in the Company will be taken to be held by those persons who are registered holders at 7.00 pm (WST) on 20 January 2019. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

All Shareholders can vote either in favour or against the Resolution.

4. Required voting majority

The Resolution must be approved by Shareholders whose Shares in aggregate account for greater than 50% of the votes cast on the Resolution (whether in person, by proxy, attorney or, in the case of a corporate Shareholder or proxy, by corporate representative)

5. Quorum

The Constitution of the Company provides that two Shareholders present in person, by proxy, attorney or body corporate representative shall be a quorum for a general meeting of the Company.

6. Appointment of a corporate representative

Corporate representatives are requested to bring appropriate evidence of appointments as a representative. Proof of identity will be required for corporate representatives.

7. Appointment of an attorney

Attorneys are requested to bring a power of attorney pursuant to which they are appointed. Proof of identity will also be required for attorneys.



Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

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For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 182379

SRN/HIN:

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 10:00am (WST) on Sunday, 20 January 2019

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

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Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Flinders Mines Limited hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Flinders Mines Limited to be held at Celtic Club, 48 Ord Street, West Perth, Western Australia on Tuesday, 22 January 2019 at 10:00am (WST) and at any adjournment or postponement of that meeting. The Chairman intends to vote all undirected proxies in favour of the Resolution.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Resolution Approval of De-Listing of the Company from ASX

For

Against

Abstain

☐☐☐

The Chairman of the Meeting intends to vote undirected proxies in favour of the Resolution. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /