

14 December 2020

Madeleine Green
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

By email: madeleine.green@asx.com.au

Dear Madeleine,

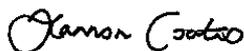
Flinders Mines Ltd (ASX: FMS or Company) – Response to ASX Price Query

We refer to your letter dated 10 December 2020 querying the recent change in the price of FMS' securities (**Letter**).

The Company provides the following responses to the Letter:

1. as noted in the following announcement, the Company received from BBI Group Pty Ltd (**BBIG**) on 7 December 2020 a confidential and highly conditional non-binding indicative, preliminary and incomplete proposal in relation to infrastructure associated with its Pilbara Iron Ore Project (**Proposal**). The Company will only pursue the Proposal if it is considered to be in the best interests of FMS shareholders. However, at this point, the Company considers the Proposal too preliminary and uncertain for the Board to form a view on whether it may be in the best interests of Shareholders and is proposing to discuss it further with BBIG;
2. the Company believes a more likely or plausible explanation for its recent share price increase is that over the past week or more there has been positive news and forecasts in relation to iron ore prices in the media and iron ore prices have risen in excess 50% since the beginning of 2020 and approximately 10% in the previous week;
3. the Company confirms it is in compliance with the Listing Rules, in particular Listing Rule 3.1; and
4. I confirm that the above responses to the Letter have been authorised and approved by the Board of FMS.

Yours sincerely



Shannon Coates
Joint Company Secretary



10 December 2020

Reference: 28794

Ms Shannon Coates
Company Secretary
Flinders Mines Limited

By email: shannon@evolutioncapital.com.au

Dear Ms Coates

Flinders Mines Limited ('FMS'): Price - Query

ASX refers to the change in the price of FMS's securities from a low of \$0.845 at the close of trade on Tuesday 8 December 2020 to an intra-day high of \$1.38, today Thursday 10 December 2020.

Request for information

In light of this, ASX asks FMS to respond separately to each of the following questions and requests for information:

1. Is FMS aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is FMS relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in FMS's securities would suggest to ASX that such information may have ceased to be confidential and therefore FMS may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that FMS may have for the recent trading in its securities?
4. Please confirm that FMS is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that FMS's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of FMS with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **11:45 AM AWST Thursday, 10 December 2020**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, FMS's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require FMS to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in FMS’s securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in FMS’s securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to FMS’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that FMS’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Madeleine Green
Senior Adviser, Listings Compliance (Perth)