

4 May 2023

SCOPING STUDY UNDERWAY FOR THE PILBARA IRON ORE PROJECT

Flinders Mines Limited (**Flinders** or the **Company**) is pleased to announce the commencement of a Scoping Study for the Company's flagship Pilbara Iron Ore Project (**PIOP**) in Western Australia. The Scoping Study will focus on the potential development of PIOP resources to produce a +60% Fe direct shipping ore (**DSO**) product at a sustainable rate of up to 3 million tonnes per annum. The Project will utilise public access and third-party transport and export infrastructure where possible, to reduce upfront capital requirements.

The Scoping Study aims to define a development scenario for PIOP which will add considerable value to Flinders' shareholders by focussing on:

- Accessing DSO grade ore with particular emphasis on low strip ratios and mining above the water table within the Delta and Paragon deposits (**Figure 3**);
- Minimising capital expenditure with contract mining, crushing and trucking, and utilising public roads and third-party ports;
- Assessing options to reduce PIOP's carbon footprint through renewable energy and other initiatives;
- First ore to market in 2025, subject to regulatory and third-party approvals, and financing; and
- Proactive engagement with Traditional Owners to consider value-adding partnership opportunities.

Flinders has engaged several reputable technical consultants to deliver the Scoping Study, including:









Geology & Resources	CSA Global	
Mine Planning	Orelogy Mine Consulting	
Metallurgy	Neomet Engineering	
Mine Infrastructure & Non-Processing Infrastructure	Ausenco	
Mine Access Road Design	Jacobs	
Groundwater	Advisian	
Transport & Logistics	MLG Oz & Paston Solutions	
Financial Modelling	FTI Consulting	

Table 1: Scoping Study consultants

A key element of the Scoping Study is consideration of the potential to transport product from PIOP to Karratha via the Manuwarra Red Dog Highway (MRDH), which is being upgraded by Main Roads Western Australia (MRWA) from Karratha to Tom Price (<https://www.mainroads.wa.gov.au/projects-initiatives/all-projects/regional/karratha-tom-price/>). Stages 1 – 3 of the MRDH upgrade have been completed and an Alliance Contract for the final section, Stage 4, is planned to be advertised in late 2023 (**Figure 1**). Flinders will continue to monitor the progress of the Stage 4 upgrade to ensure this is integrated into the PIOP development timeline.

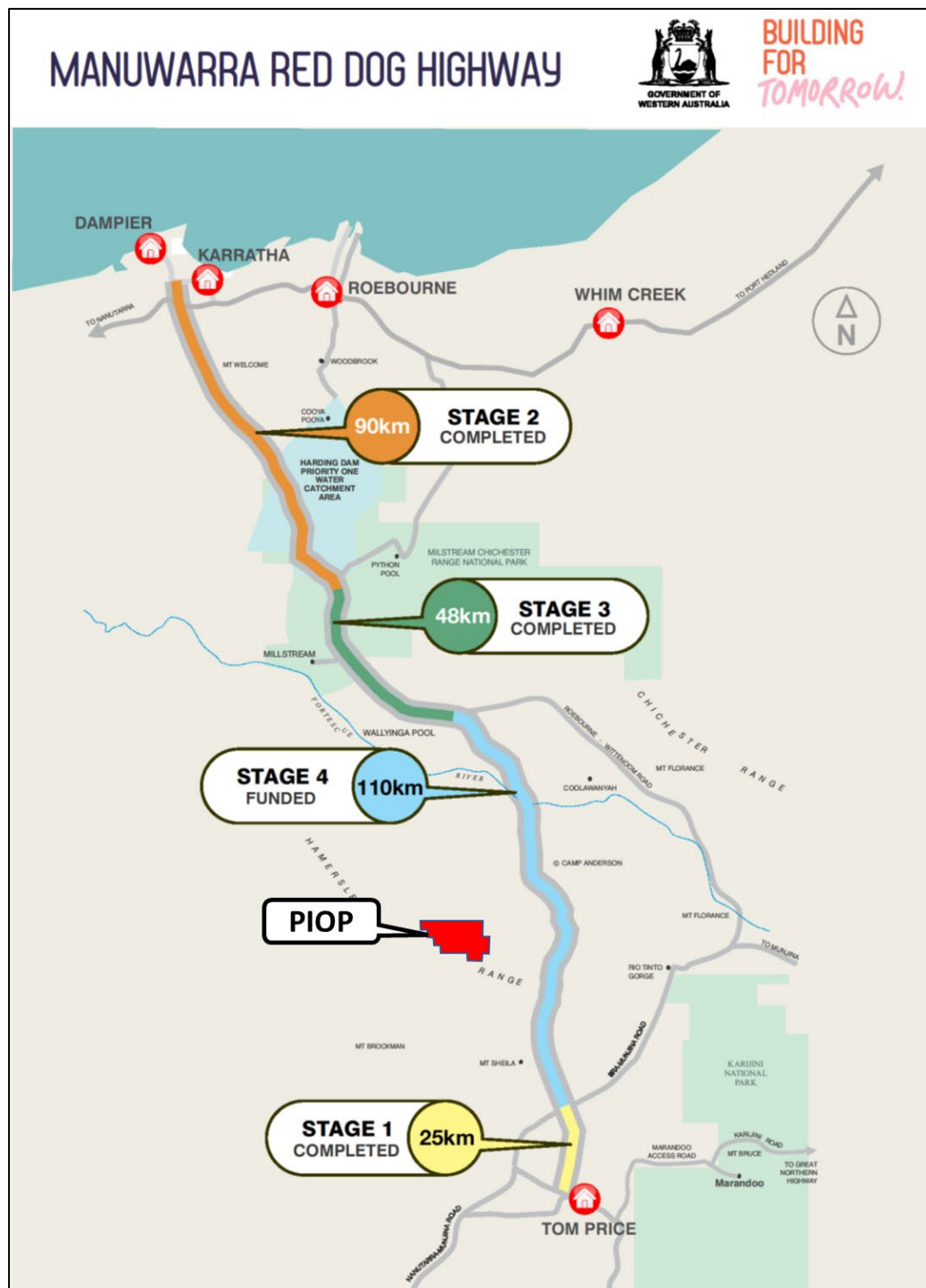


Figure 1 – Manuwarra Red Dog Highway upgrade and PIOP site location (Source: MRWA)

In addition to mining, processing and transport components of the Scoping Study, Flinders is assessing various port facilities to provide suitable export options. Early engagement with Pilbara Ports Authority has commenced, including a recent tour of the Utah Point Bulk Handling Facility in Port Hedland, which currently has a licence to export 24 million tonnes per annum of bulk material, predominantly iron ore.

Flinders has also engaged with other port operators and developers which may provide more attractive long-term options for export capacity, potentially at rates above 3 million tonnes per annum (**Figure 2**).

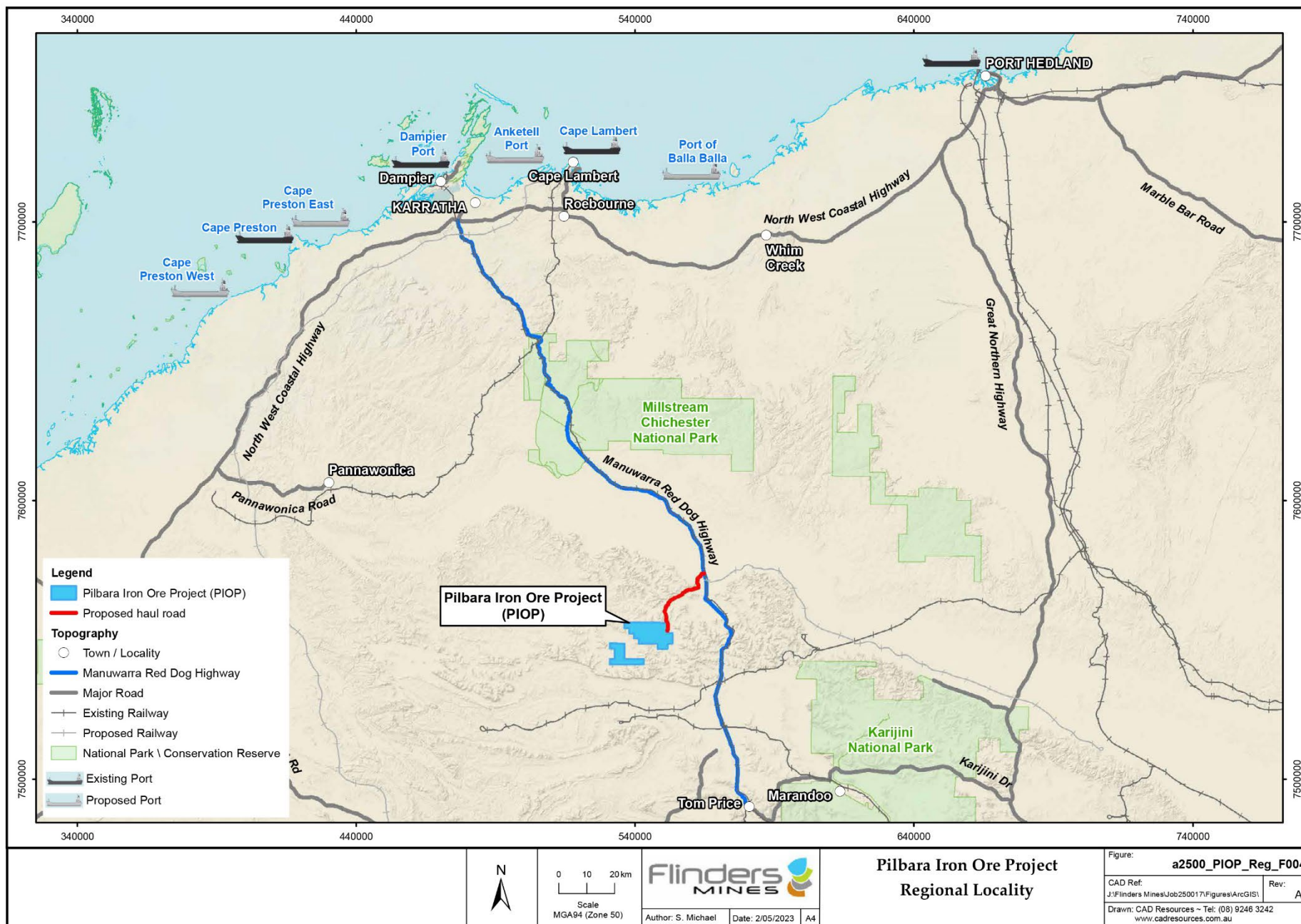


Figure 2 – Pilbara map showing transport and export options for PIOP

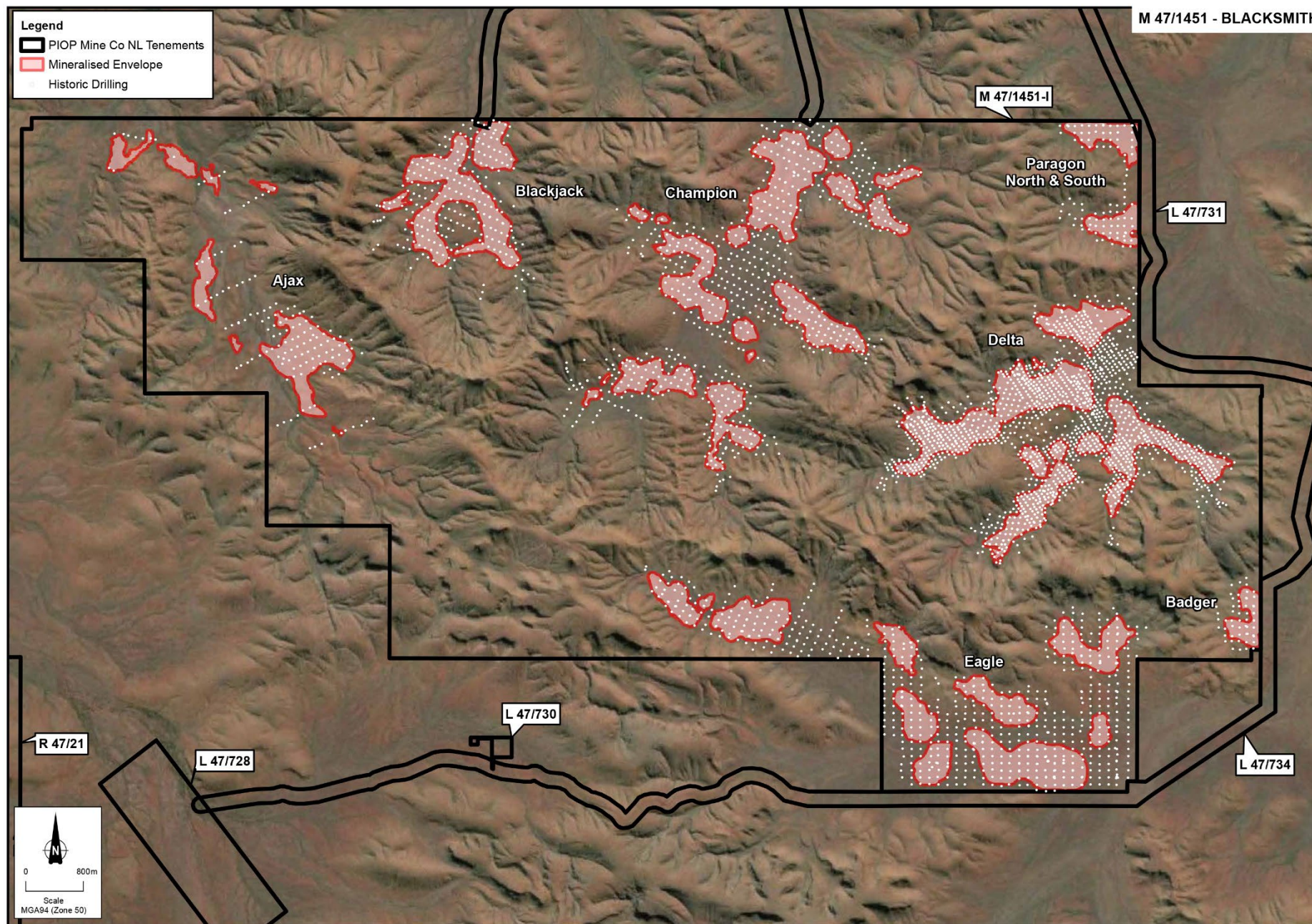


Figure 3 – PIOP iron ore mineralisation and drill holes

The results of the Scoping Study are expected to be released in 3Q 2023 and will provide a “base case” scenario for the development of PIOP. Following a positive Scoping Study, Flinders intends to commence a Pre-Feasibility Study (**PFS**), with the aim of refining capital and operating costs, plus evaluating project enhancements with an emphasis on lowering carbon emissions while creating a sustainable long-term iron ore business. Potential value adding project enhancements include hybrid on-site power (most likely solar PV) and electrification of mining and long-haul trucking fleets. In addition, the PFS will develop a mining plan for the recovery of ore from the Blackjack and Champion deposits, which are located immediately to the west of the Delta deposit (**Figure 3**) and not currently contemplated in the Scoping Study.

Flinders’ Managing Director and CEO, Mr Steven Michael, said:

“This Scoping Study will redefine Flinders’ Pilbara Iron Ore Project to ‘right size’ the development for our Company with a focus on speed to market and lowering upfront capital, while leveraging off the considerable work already completed at PIOP, including State and Federal approvals, native title agreements and approximately 190,000 metres of drilling.

Within PIOP’s large global resource base, we are now looking at initially developing higher grade pits within the Delta and Paragon deposits which are expected to provide sufficient ore to demonstrate the economics of a lower tonnage, higher grade development compared to previous alternatives considered for PIOP.

Over the coming 12 months, the primary aim for Flinders is to progress the various technical and financial studies for PIOP to ensure the project is producing iron ore in 2025. We will do this in conjunction with the Traditional Owners on whose lands we work – sharing the benefits a close partnership can deliver.”

Authorised by:

Board of Flinders Mines Limited

For further information please contact:

Investors and Shareholders

Steven Michael
Managing Director and CEO
info@flindersmines.com

Media

Cameron Morse
FTI Consulting – 0433 886 871

About Flinders Mines Limited

Flinders Mines Limited is an ASX-listed (ASX: FMS) exploration and development company focused on the commercialisation of the Pilbara Iron Ore Project (**PIOP**). The PIOP is located approximately 70km from Tom Price in Western Australia’s iron ore-rich Pilbara region.