

ASX ANNOUNCEMENT

6 October 2009

WorleyParsons (WOR) appointed for WA iron ore project Prefeasibility Study

highlights

- WorleyParsons appointed to conduct Prefeasibility Study for Flinders' Pilbara Iron Ore Project.
- Study to identify optimum development path for project.
- Site investigations commencing shortly with expected study completion mid-2010.



Flinders Mines Limited is pleased to announce that the leading Australian services group, WorleyParsons Limited, has been awarded the contract to manage the Prefeasibility Study for the Company's Pilbara Iron Ore Project in Western Australia.

Flinders Mines announced today that WorleyParsons — internationally renowned for its expertise in the resources and energy sectors, and specifically for its iron ore experience — had been selected after a comprehensive two-month review process.

WorleyParsons is expected to begin site investigations during this quarter at Flinders Mines' Pilbara Iron Ore Project, with a completed Prefeasibility Study due for submission by the end of June next year.

The Prefeasibility Study will cover the entire "mine to ship" aspects of the Pilbara Project, from mine and infrastructure development, to environmental and safety considerations, permitting and approvals, marketing, financial modelling, and the establishment of an integrated management team for the project.

The Prefeasibility Study will progress on the basis of the Scoping Study completed by Flinders Mines in July 2009,

and is expected to be completed in June 2010. The Bankable Feasibility Study is scheduled to commence in the third quarter of 2010.

WorleyParsons is a leading global player in the energy and resources markets. The Group's expertise includes significant involvement across a wide range of major iron ore projects in the Pilbara region of Western Australia. It is currently involved in multiple Western Australia iron ore projects.

DR KEVIN WILLS
MANAGING DIRECTOR

For further information please contact:

Kevin Wills on 08 8132 7950 or 0419 850 997

or email: kwills@flindersmines.com

Duncan Gordon – Investor Relations on 08 8232 8800 or 0404 006 444 or email: dgordon@adelaideequity.com.au