

Notice of Annual General Meeting

Annual General Meeting to be held at
Enterprise House, 136 Greenhill Road, Unley SA
on Tuesday, 22 November 2011
at 10.00 am (Adelaide time)

FLINDERS MINES LIMITED
ABN 46 091 118 044

This Notice of Annual General Meeting and Explanatory Statement
should be read in its entirety.

If Shareholders are in doubt as to how they should vote,
they should seek advice from their accountant, solicitor or
other professional adviser without delay.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Flinders Mines Limited (**the Company**) will be convened at 10.00 a.m. on Tuesday, 22 November 2011, at Enterprise House, 136 Greenhill Road, Unley SA, to consider, and if thought fit, to pass the following resolutions.

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

ORDINARY BUSINESS

Financial Report

To receive and consider the Company's financial statements and reports of the directors and the independent auditor for the year ended 30 June 2011.

The Annual Report incorporating the financial statements is available at <http://flindersmines.com/reports>

RESOLUTION 1 – Adoption of the Remuneration Report

To consider, and put the following resolution to a non binding vote:

“That the Remuneration Report required by section 300A of the Corporations Act 2001, as contained in the Company's Directors' Report for the year ended 30 June 2011 be adopted.”

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

RESOLUTION 2 – Re-election of Mr Robert Kennedy as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr Robert Kennedy, being a Director of the Company who retires by rotation in accordance with the Company's Constitution, and being eligible, is re-elected as a Director of the Company.”

A summary of Mr Kennedy's experience is set out in the Explanatory Memorandum accompanying this Notice.

RESOLUTION 3 – Election of Mr Kevin Malaxos

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr Kevin Malaxos, having been appointed by the Directors to a casual vacancy since the last Annual General Meeting, retires in accordance with the Company's Constitution, and being eligible, is elected as a Director of the Company.”

A summary of Mr Malaxos' experience is set out in the Explanatory Memorandum accompanying this Notice.

RESOLUTION 4 – Approve an issue of Incentive Rights to the Managing Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, approval be given for the purpose of ASX Listing Rule 10.14 and for all other purposes, to an issue of 3,504,700 incentive rights to the Company's managing director, Mr Gary Sutherland.”

SPECIAL BUSINESS

RESOLUTION 5 – Amendments to Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That, pursuant to section 136(2) of the Corporations Act 2001, and with immediate effect, the Constitution of the Company be amended in the manner set out in Annexure A to the Notice of Annual General Meeting with such amendments being described generally in the Explanatory Memorandum accompanying the Notice.”

OTHER BUSINESS

To transact any further business that may be lawfully brought forward.

Further information regarding the business to be transacted at the Annual General Meeting is set out in the accompanying Explanatory Memorandum.

Dated this 19th day of October 2011.

BY ORDER OF THE BOARD



David Godfrey
Company Secretary

NOTES

1. A shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify the proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
2. In accordance with Regulation 7.11.37 of the Corporations Regulations, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 10:00a.m. on 20 November 2011.
3. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the proxy instructions on that form.
4. Terms used in this Notice have the meanings set out in the Explanatory Statement.
5. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

CUSTODIAN VOTING

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

UNDIRECTED PROXIES

Resolution 1 - Remuneration Report

If you complete a proxy form that authorises the chairperson of the meeting to vote on your behalf as proxy holder and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then your proxy will automatically become a directed proxy in favour of the resolution and the chairperson will vote accordingly. If you wish to appoint the chairperson as your proxy holder but do not want to put him in the position to cast your votes in favour of the resolution, you should complete the appropriate box on the proxy form, directing him to vote against or abstain from voting on that resolution.

Resolution 4 - Issue of Rights

If a member appoints the chairperson of the meeting as the member's proxy and does not specify how the chairman is to vote on a resolution, except as expressly stated, the chairperson advised that he intends to vote each such proxy, as proxy for that member, in favour of the resolution on a poll. Therefore, the Company recommends that shareholders who submit proxies should consider giving 'how to vote' directions to their proxy holder (including the chairperson) on the resolution

EXPLANATORY STATEMENT

This Explanatory Statement accompanies and forms part of the Notice of Annual General Meeting dated 19th October 2011 (**Notice**) 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 Annual General Meeting of the Company. Amongst other things, this Explanatory Statement provides shareholders with the information required to be provided to shareholders by the Corporations Act 2001 and the Listing Rules of the ASX (**ASX Listing Rules**).

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

ANNUAL FINANCIAL REPORTS AND ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2011

The first item of the Notice is to receive and consider the annual financial reports and accounts of the Company for the year ended 30 June 2011, comprising the Financial Statements and Notes together with the Directors' Report and the Auditor's Report. No resolution is required in respect of this agenda item. However, it provides shareholders with the opportunity to ask questions of the Company's management and auditors in relation to the Company's results and operations for that financial year.

RESOLUTION 1 – REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act the Company is required to present to the shareholders the Remuneration Report for the year ended 30 June 2011. The vote on the resolution is advisory only and does not bind the Directors of the Company. The remuneration report is set out in the Directors' Report in the Company's 2011 Annual Report.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to Directors of the Company, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

The Directors recommend shareholders vote in favour of the non binding ordinary resolution. If the Chairman is nominated as proxy by shareholders, or is appointed by default, and those shareholders have not directed their proxy how to vote, then the Chairman intends to vote those undirected proxies in favour of Resolution 1.

Voting Prohibition Statement

The Company shall disregard any votes cast in respect of Resolution 1 by key management personnel or their closely related parties (or any person voting on their behalf). However, the Company will not disregard a vote on Resolution 1 if:

- (a) it is cast by a person as proxy for a member who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairman of the meeting as proxy for a member who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 2 - ELECTION OF DIRECTOR

Under the Company's Constitution, one third of the Directors (excluding the Managing Director) must retire at the Annual General Meeting. The director will be eligible for re-election. The director required to retire under the above framework is Mr Robert Kennedy. Mr Kennedy has indicated that he will offer himself for re election.

In accordance with clause 48 of the Company's Constitution, Mr Kennedy retires and being eligible, has offered himself for re election. A brief summary of Mr Kennedy's qualifications and experiences follows.

Robert Kennedy *Independent Non-Executive Chairman - ASAIT, Grad Dip (Systems Analysis), FCA, ACIS, Life Member AIM, FAICD*

Mr Kennedy is a chartered accountant and a consultant to Kennedy & Co, Chartered Accountants, a firm he founded. He joined Flinders in December 2001 as a non-executive director and has been the Chairman of Flinders since that date. He is also a director of ASX listed companies Beach Energy Ltd (since 1991), Ramelius Resources Limited (since 1995), Maximus Resources Limited (since 2004), Monax Mining Limited (since 2004), Marmota Energy Limited (since 2007), ERO Mining Limited (since 2006) and Somerton Energy Limited (since 2010). His special responsibilities include membership of the Audit Committee and Chairman of the Corporate Development Committee and the Nomination and Remuneration

Committee. Mr Kennedy brings to the Board his expertise in finance and management consultancy and extensive experience as chairman and non-executive director of a range of listed public companies.

Mr Kennedy leads the development of strategies for the development and future growth of Flinders. He has participated in the Diggers & Dealers Mining Industry conferences for the last 3 years. He also conducts the review of the Board including the Managing Director in his executive role.

Apart from his attendance at Board and Committee meetings Mr Kennedy leads the Board's external engagement of the company meeting with industry participants Government and the Media. He is a regular attendee of Audit Committee functions of the major accounting firms. During the year he attended the Masterclass of the Australian Institute of Directors with members of top ASX200 company boards. He has been appointed the Chairman of the University of Adelaide's Institute of Minerals and Energy Resources, is a mentor in the AICD's diversity program and is a regular presenter on topics relating to directors with the AICD and the CSA. In the area of Community Engagement he regularly attends functions held by institutions. He was recently awarded Entrepreneur of the Year in the Ernst & Young Central Region awards in the listed category.

In assessing Mr Kennedy's independence, the Board (excluding Mr Kennedy), took into account his stamina, his ability to think independently across a wide range of issues and his relentless availability. Whilst Mr Kennedy has been appointed to a number of Resource Industry Boards, due to his extensive knowledge of the industry, the time required across these companies in no way impedes on his dedication to his role as Chairman of Flinders. In taking all of these issues into account, the Board (excluding Mr Kennedy), were unanimous in declaring Mr Kennedy as independent.

The Directors (except Mr Kennedy who abstains) recommend shareholders vote in favour of Resolution 2. The Chairman intends to vote undirected proxies in favour of Resolution 2.

RESOLUTION 3 – ELECTION OF DIRECTOR

Under the Company's Constitution, directors appointed to casual vacancies during the year must retire at the next Annual General Meeting. The directors will be eligible for re election. The director required to retire under the above framework is Mr Kevin Malaxos. Mr Malaxos has indicated that he will offer himself for election.

Also, pursuant to ASX Listing Rule 14.4, a director of a company appointed to fill a casual vacancy or as an addition to the board of directors must not hold office (without re election) past the next annual general meeting of the company.

In accordance with clause 48 of the Company's Constitution, Mr Malaxos retires and being eligible, has offered himself for election. A brief summary of Mr Malaxos' experiences follows.

Kevin John Malaxos *Non-Executive Director - BEng Mining Engineering.*

A director since 21 December 2010, Mr Malaxos has 25 years' experience in the resources sector in senior management and executive roles across a suite of commodities including gold, nickel, iron ore, silver, lead, zinc and chromium. He has managed surface and underground mining operations and brings a wealth of experience in project evaluation and development, project approval and Government liaison. He has managed surface and underground mining operations and brings a wealth of experience in project evaluation and development, project approval and Government liaison.

Mr Malaxos' previous roles include CEO for Mt Gibson Mining (MGX) and COO of listed iron ore developer Centrex Metals Limited (CXM), where he was responsible for project development, project approvals and community and government consultation. Mr Malaxos is also Managing Director of ASX-listed company Maximus Resources Limited (MXR) (since December 2010).

The Directors (except Mr Malaxos who abstains) recommend shareholders vote in favour of Resolution 3. The Chairman intends to vote undirected proxies in favour of Resolution 3.

RESOLUTION 4 – APPROVAL OF AN ISSUE OF RIGHTS TO THE MANAGING DIRECTOR

The Company proposes to issue Rights to the Company's managing director, Gary Sutherland. Resolution 4 seeks shareholder approval to the issue of Rights for the purpose of ASX Listing Rule 10.14.

ASX Listing Rule 10.14 provides that a company must not permit any of the following persons to acquire securities under an employee incentive scheme without shareholder approval:

- a director of the company;
- an associate of the director;
- a person whose relationship with the company, a director or an associate of the director is, in ASX's opinion, such that approval should be obtained.

ASX Listing Rule 10.15 provides that the following information must be provided to shareholders:

- 3,504,700 Rights will be issued to Gary Sutherland, the Company's managing director.
- The maximum number of Rights that may be acquired by all persons for whom shareholder approval is required is 3,504,700.
- The Rights will be issued at no cost and subject to the other terms outlined below.
- The following Rights have been issued under the Incentive Rights Plan since its last shareholder approval at the 2010 Annual General Meeting:
 - 4,287,000 Rights to Mr Sutherland at no cost before he became a director of the Company.
- In accordance with ASX Listing Rule 10.14, Gary Sutherland is entitled to participate in the Incentive Rights Plan. Full-time and permanent part-time employees of the Company who have completed six (6) months service will be eligible to participate in the Plan. Casual employees, independent contractors and non-executive directors of the Company are not eligible.
- No loan will be made in relation to the issue of the Rights.
- The Company will issue the Rights within 12 months from the date of the Annual General Meeting to which this Explanatory Memorandum relates.
- Additional information regarding the offer of Incentive Rights to Mr Sutherland:
 - The Board of Directors of the Company, at its complete discretion, have determined the offer of Incentive Rights to Mr Sutherland. The Incentive Rights comprise Retention Rights and Performance Rights.
 - Retention Rights will vest on Mr Sutherland's completion of three years of service on 30 June 2013.
 - Performance Rights will vest subject to a formula based on the relative performance criteria, that is the Company's Total Shareholder Return compared to the Total Shareholder Return of a comparator group of companies.
 - Mr Sutherland may be issued Shares in the Company at the conversion rate of one Share for every Right that has vested.

The Directors (except Mr Sutherland, who abstains) recommend shareholders vote in favour of Resolution 4. The Chairman intends to vote undirected proxies in favour of Resolution 4.

ASX voting exclusion statement

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in relation to Resolution 4 by:

- (a) a director of the Company (except one who is eligible to participate in any employee incentive scheme in relation to the Company) and, if ASX has expressed an opinion under Listing Rule 10.14.3 that approval is required for participation in an employee incentive by anyone else, that person is excluded from voting;
- (b) and an associate of the director.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on a valid proxy form; and
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on a valid proxy form to vote as the proxy decides.

Voting prohibition statement

The Company shall disregard any votes cast in respect of Resolution 4 by key management personnel or their closely related parties (or any person voting on their behalf). However, the Company will not disregard a vote on Resolution 4 if:

- (a) it is cast by a person as proxy for a member who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairman of the meeting as proxy for a member who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 5 – APPROVAL OF AMENDMENTS TO CONSTITUTION

The Directors are proposing that the Company's Constitution be amended in the manner set out in Annexure A to the Notice of Annual General Meeting. The Directors recommend the proposed amendments to ensure the Company's Constitution reflects the current legislative requirements and is relevant to the Company.

The principal proposed amendments to the Constitution are summarised below.

Clause 7.2

Inserting a new clause 7.2, so that any fractions arising out of a share conversion may be dealt with by the Board in one, or a combination, of ways, for example, by:

- making a cash payment or disregarding fractional entitlements; or
- vesting fractional entitlements to be dealt with as determined by the Board.

Various

Amending outdated references to "ASTC" and the "ASTC Settlement Rules" and adopting the recent name changes of some ASX entities following the transfer of market supervision to the Australian Securities and Investments Commission.

Clause 46

Reducing the maximum number of directors from seven to five.

Clause 69.1

Replacing the existing clause 69.1 with the following:

69.1 *"Subject to the Corporations Act 2001, and the terms of issue of shares, the Directors may resolve to pay any dividend they consider appropriate and fix the time for payment. The Company does not incur a debt merely by fixing the amount or time for payment of a dividend. A debt arises only when the time fixed for payment arrives. The decision to pay a dividend may be revoked by the Directors at any time before then."*

On 28 June 2010, the Corporations Amendment (Corporate Reporting Reform) Act 2010 (Cth) (Amending Act) changed the circumstances in which a dividend may be paid. The Amending Act replaced the profits test in section 254T of the Corporations Act 2001 with a three-tiered test. A company must not pay a dividend unless:

- the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- it is fair and reasonable to the company's shareholders as a whole; and
- it does not materially prejudice the company's ability to pay its creditors.

Except as discussed above, the Directors consider the proposed changes will not materially alter the effect of the Company's existing constitution or the rights of shareholders.

If you would like a copy of the Company's proposed amended constitution (which will be made available at no charge), please contact the Company Secretary. Alternatively, a copy of the Company's proposed amended constitution will be released to the ASX shortly after the 2011 Annual General Meeting.

The Directors recommend shareholders vote in favour of the proposed amendments to the Company's Constitution. The Chairman intends to vote undirected proxies in favour of the resolution.

DEFINITIONS

Key management personnel (KMP) of the Company are, as adopted from the Australian Accounting Standards Board, those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly, including any director (whether executive or otherwise) of the Company.

Closely related parties of the Company's KMP include certain family members, dependants and companies they control.

ANNEXURE A

Insert the following clause 7.2:

- 7.2 The Board may do anything it thinks appropriate and necessary to give effect to a resolution converting shares including, if a shareholder becomes notionally entitled to a fraction of a share as a result of the conversion:
- 7.2.1 make a cash payment or disregard fractional entitlements so as to adjust the rights of shareholders between themselves; or
- 7.2.2 vest fractional entitlements in a trustee to be dealt with as determined by the Board.

Amend clause 25.2 by removing the struck out text and inserting the underlined text as follows:

- 25.2 If the Company is admitted to the official list of ASX, the Company must not prevent, delay or interfere with the generation of a ~~proper ASTC transfer~~ Proper Transfer or the registration of a paper based transfer in registrable form. However, the Company may ask ~~ASTC~~ ASX Settlement to apply a holding lock to prevent a ~~proper ASTC transfer~~ Proper Transfer, or refuse to register a paper based transfer, where permitted by the Corporations Act 2001 or the Listing Rules. The Company must do so if the Corporations Act 2001 or the Listing Rules so require.

Amending clause 46.1 by removing the struck out text and inserting the underlined text as follows:

- 46.1 There must be at least 3 directors and at most ~~7~~ 5 directors.

Replace clause 69.1 with the following:

- 69.1 Subject to the Corporations Act 2001, and the terms of issue of shares, the Board may resolve to pay any dividend they consider appropriate and fix the time for payment. The Company does not incur a debt merely by fixing the amount or time for payment of a dividend. A debt arises only when the time fixed for payment arrives. The decision to pay a dividend may be revoked by the Board at any time before then.

Amend clauses 104.7 and 104.8 by removing the struck out text and inserting the underlined text as follows:

- 104.7 the Company must not exercise any power in contravention of the Corporations Act 2001 or the Listing Rules or the ~~ASTC~~ ASX Settlement Rules.
- 104.8 a reference to the Listing Rules and the ~~ASTC~~ ASX Settlement Rules applies only while the Company is admitted to the official list of ASX.

Delete the following definitions in clause 105:

~~ASTC~~ means ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532;

~~ASTC Settlement Rules~~ means the operating rules of ASTC for the purposes of the Corporations Act 2001;

Insert the following definitions in clause 105:

ASX Settlement means ASX Settlement Pty Limited;

ASX Settlement Rules means the operating rules of ASX Settlement and, to the extent that they are applicable, the operating rules of each ASX and ASX Clear Pty Limited;

Board means the Directors acting collectively under this document;

Proper Transfer means a transfer which is under the scope of and which complies with (or is taken to comply with) the ASX Settlement Rules.

Amend the following definitions in clause 105 by removing the struck out text and inserting the underlined text as follows:

CHES Rules means the ~~ASTC ASX Settlement Rules and the provisions of the Corporations Act 2001, and the Listing Rules about the electronic share registration and transfer system;~~

000001 000 FMS
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Lodge your vote:



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

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 10:00am (Adelaide time) Sunday 20 November 2011

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 as they choose. 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

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 information tab, "Downloadable 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.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999



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

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

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.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

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, as the proxy sees fit) at the Annual General Meeting of Flinders Mines Limited, to be held at Enterprise House, 136 Greenhill Road, Unley SA on Tuesday, 22 November 2011 at 10:00am (Adelaide time) and at any adjournment of that meeting.

Important for Items 1 & 4 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

Important for Item 1 - If you do not mark any of the boxes in step 2 below on Item 1 you are directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions as set out below and in the Notice of Meeting even though Item 1 is connected directly or indirectly with the remuneration of a member of key management personnel. Please note you can direct the Chairman of the Meeting to vote for, against or abstain from voting on Item 1 by marking the appropriate box in step 2 below.

Important for Item 4 - You authorise the Chairman of the Meeting to exercise your proxy on Item 4 even though the item is connected directly or indirectly with the remuneration of a member of key management personnel.

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.

ORDINARY BUSINESS

	For	Against	Abstain
Item 1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2 Re-election of Mr Robert Kennedy as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Election of Mr Kevin Malaxos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Approve an issue of Incentive Rights to the Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

Item 5 Amendments to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

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 / / _____