

17 December 2020

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

By email: listingscomplianceperth@asx.com.au

Dear Madeleine,

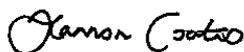
Flinders Mines Ltd (ASX: FMS or Company) – Response to ASX Aware Letter

We refer to your letter dated 14 December 2020 (**Letter**). Capitalised terms in the Letter have the same meaning in this letter.

The Company provides the following responses to the Letter:

1. the Company does not consider that the Information is such that a reasonable person would expect it to have a material effect on the price or value of its securities. The Information is highly conditional, non-binding, indicative, preliminary, incomplete and insufficiently definite for a reasonable person to expect that it would have a material effect on the price or value of FMS' securities. However, even if the Information is price sensitive, FMS did not believe that confidentiality had been lost in the Information and reasonably believed that the relevant carve outs in Listing Rule 3.1A applied. As set out in FMS' letter to ASX on 14 December 2020, FMS notes that a potential cause of its share price increase last week could likely be the recent iron ore price gains, as similarly experienced by other iron ore companies. It should be noted that FMS' share trading volumes are low and that the Company's share price has retracted since Monday 14 December which may also be aligned with lower iron ore prices;
2. refer to the response to question 1 above;
3. the Company became aware of the Information when it received the non-binding indicative offer in relation to infrastructure associated with its Pilbara Iron Ore Project from BBI Group Pty Ltd (**BBIG**) on 7 December 2020.
4. the Information was not released to market before the relevant date that the Company requested the Trading Halt because the Company was relying on carve outs in Listing Rule 3.1A, specifically that the Information concerned an incomplete proposal or a matter that was insufficiently definite to warrant disclosure, was confidential and no reasonable person would expect the Information to be disclosed. Please also refer to the response to question 1 above;
5. the Company confirms it is in compliance with the Listing Rules, in particular Listing Rule 3.1; and
4. the above responses to the Letter have been authorised and approved by the Board of FMS.

Yours sincerely



Shannon Coates
Joint Company Secretary

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