



Notice of Annual General Meeting

FLINDERS MINES LIMITED

ABN 46 091 118 044

**Annual General Meeting to be held at
45 Ventnor Avenue, West Perth WA 6005
on Tuesday, 21 November 2017 at 10.00 am (WST).**

For personal use only

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 10.00am on Tuesday, 21 November 2017, at 45 Ventnor Avenue West Perth WA 6005, to consider and, if thought fit, 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

ANNUAL 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 2017.

The annual report incorporating the financial statements is available at:

www.flindersmines.com/Investors/reports.aspx

RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report required by section 300A of the Corporations Act 2001 (Cth), as contained in the Company's directors' report for the year ended 30 June 2017, be adopted.”

Voting exclusion

In accordance with the Corporations Act 2001 (Cth) (**Corporations Act**), a vote must not be cast on this resolution in any capacity (and will be taken not to have been cast if cast contrary to this restriction) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, and any Closely Related Party of such a member. However, such a member or any Closely Related Party of such a member may cast a vote as a proxy if the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 1 as described above and either:

1. the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; or
2. the person is the chair of the meeting at which the resolution is voted on and the appointment of the chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorizes the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

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

RESOLUTION 2 – RE-ELECTION OF DIRECTOR MR ROBERT KENNEDY

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

"That, for the purposes of ASX Listing Rule 14.5 and Clause 48 of the Constitution, Mr Robert Kennedy retires and being eligible, is re-elected as a Director of the Company."

RESOLUTION 3 – APPROVAL OF INCENTIVE RIGHTS PLAN

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

"That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt the Incentive Rights Plan and for the issue of Incentive Rights under that Plan on the terms and conditions set out in the Explanatory Statement."

Voting exclusion

The Company will disregard any votes cast on this Resolution by any Director, other than any Director who is ineligible to participate in the Incentive Rights Plan, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by such person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or 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.

The Company will disregard any votes cast on Resolution 3 by any member of the Key Management Personnel of the Company, or a Closely Related Party of such member, acting as proxy if their appointment does not specify the way the proxy is to vote on Resolution 3. However, the Company will not disregard any votes cast on Resolution 3 by such person if:

- (a) the person is the chairman of the meeting voting an undirected proxy; and
- (b) their appointment expressly authorises the chairman to exercise the proxy even though Resolution 3 is connected with the remuneration of the Key Management Personnel of the Company.

RESOLUTION 4 – APPOINTMENT OF AUDITOR

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

"That, subject to ASIC consenting to the resignation of Grant Thornton (the current auditor of the Company), for the purposes of section 327B(1)(b) of the Corporations Act and for all other purposes, KPMG, being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as auditor of the Company effective from the date of the Meeting."

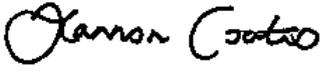
RESOLUTION 5 – ADOPTION OF NEW CONSTITUTION

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

"That, for the purposes of section 136(2) of the Corporations Act, and for all other purposes, the constitution submitted to this meeting and signed by the Chairman of this meeting for the purpose of identification be adopted as the constitution of the Company in substitution for and to the exclusion of the existing constitution of the Company."

Dated this 20th day of October 2017.

BY ORDER OF THE BOARD

A handwritten signature in black ink that reads "Shannon Coates". The signature is written in a cursive style with a large initial 'S'.

Shannon Coates
Company Secretary

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FLINDERS MINES LIMITED

ABN 46 091 118 044

EXPLANATORY STATEMENT

This explanatory statement accompanies and forms part of the Notice of Meeting 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 and the 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 REPORT

The first item of the Notice is to receive and consider the annual financial report for the Company for the year ended 30 June 2017, 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. The annual financial report may be found on the Company's website at: <http://www.flindersmines.com/Investors/reports.aspx>

RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

In accordance with section 250R of the Corporations Act the Company submits to shareholders for consideration and adoption by way of a non-binding resolution its Remuneration Report for the year ended 30 June 2017. The Remuneration Report is a distinct section of the directors' report that deals with the remuneration of directors and KMP of the Company and can be located in the 2017 annual report and also on the Company's website.

Shareholders will be given reasonable opportunity at the meeting to discuss the Remuneration Report.

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company.

However, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote.

At the Company's 2016 annual general meeting, the Spill Resolution was considered and was not passed. Accordingly, a Spill Resolution will not be put to the Meeting even if 25% or more of the votes cast in respect of the 2017 Remuneration Report are against the adoption of that Remuneration Report.

The Directors recommend shareholders vote in favour of Resolution 1.

The Chairman of the meeting intends to vote all available proxies in favour of Resolution 1.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR MR ROBERT KENNEDY

Pursuant to clause 48 of the Company's Constitution, one third (or if that is not a whole number, the next lowest whole number) of the Directors (excluding the Managing Director) must retire at the Annual General Meeting. In

addition, ASX Listing Rule 14.5 provides that an entity must hold an election of directors at each annual general meeting.

All current directors of the Company were re-elected at the 2016 annual general meeting. In such case, the Directors to retire are as agreed between the Directors.

In accordance with clause 48 of the Company's Constitution and Listing Rule 14.5, Mr Robert Kennedy has agreed to retire and being eligible, has offered himself for re-election. A brief summary of Mr Kennedy's qualifications and experience follows.

Robert Michael Kennedy, KSJ, ASAIT, Grad Dip (Systems Analysis), Dip Financial Planning, Dip Financial Services, FCA, CTA, AGIA, Life Member AIM, FAICD, MRSASA

With the exception of Mr Kennedy's temporary role of Executive Chairman from mid-April 2013 to mid-June 2014 and since the redundancy of the former Managing Director on 28 June 2016 to the present, he has been an independent non-executive Chairman of Flinders Mines Ltd, since December 2001. Mr Kennedy is a Chartered Accountant. Mr Kennedy brings to the Board his expertise and extensive experience as Chairman and non-executive Director of a range of listed public companies in the resources sector.

He conducts the review of the Board including the Managing Director in his executive role (prior to redundancy). Mr Kennedy leads the development of strategies for the development and future growth of the Company. Apart from his attendance at Board and committee meetings, Mr Kennedy leads the Board's external engagement of the Company, meeting with the Government, investors and is engaged with the media. He is a regular attendee of audit committee functions of the major accounting firms.

Mr Kennedy is also a Director of ASX listed companies Ramelius Resources Limited (since 1995), Maximus Resources Limited (since 2004), Tychean Resources Limited (since 2006) and Monax Mining Limited (since 2004).

The board considers Mr Kennedy to be an independent Director.

The Directors (except Mr Kennedy, who abstains) recommend shareholders vote in favour of Resolution 2.

The Chairman of the meeting intends to vote all available proxies in favour of Resolution 2.

RESOLUTION 3 – APPROVAL OF INCENTIVE RIGHTS PLAN

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities (as defined in the ASX Listing Rules) during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Exception 9(b) of ASX Listing Rule 7.2 provides that a company may make an issue of securities under an employee incentive scheme (such as the Plan, as defined below) if, within three years before the date of issue, holders of ordinary securities in the company have approved the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

To ensure that the Company has appropriate mechanisms to continue to attract, motivate and retain the services of Directors and employees of a high calibre, the Board has established and adopted the "Incentive Rights Plan" (Plan).

Resolution 3 seeks Shareholder approval under exception 9(b) of ASX Listing Rule 7.2 to allow the grant of rights (Incentive Rights) under the Plan as an exception to ASX Listing Rule 7.1. Shareholders last approved the issue of securities under the Plan at its AGM on 22 October 2014, and Resolution 3 seeks shareholder approval to refresh the approval obtained in 2014 for a further 3 years under the same Plan rules.

If Resolution 3 is passed, the Company will have the ability to grant Incentive Rights to eligible participants under the Plan over a period of three years without impacting on the Company's 15% placement capacity under ASX Listing Rule 7.1.

The Directors and employees of the Company have been, and will continue to be, instrumental in the growth of the Company. The Directors consider that the Plan is an appropriate method to:

- (a) reward executive Directors and employees for their past performance;
- (b) provide long term incentives for participation in the Company's future growth;
- (c) motivate executive Directors and generate loyalty from senior employees; and
- (d) assist to retain the services of valuable Directors and employees.

The Plan will be used as part of the remuneration planning for executive Directors and employees. The ASX Corporate Governance Council Guidelines recommend that executive remuneration packages involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the Company's circumstances and goals.

Non-executive Directors are not eligible to participate in the Plan.

The Company first obtained approval for the issue of Incentive Rights under the terms of the Plan for the purposes of Listing Rule 7.2 Exception 9(b) in 2010, and subsequently obtained approval at its Annual General Meeting on 22 October 2014. The table below sets out the number of Incentive Rights issued under the Plan since the date of last approval:

Issue Date	Number of Rights	Vesting Condition	Expiry Date
12 November 2014	10,000,000	Individual Performance Conditions	30 June 2016

A voting exclusion statement has been included for the purposes of Resolution 3.

Any future issues of Incentive Rights under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained, will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

Summary of the Plan

Full-time and permanent part-time employees of the Company and its associated bodies corporate who have completed six (6) months service will be eligible to participate in the Plan. Casual employees and independent contractors of the Company and its associated bodies corporate (where their hours equate to 40% or more of a full-time position with the Company or an associated body corporate), as well as prospective employees, casual employees and contractors who have received offers of eligible employment or contract work with the Company or an associated body corporate are also eligible to participate in the Plan. Non-executive Directors of the Company are not eligible.

The Board will, at its complete discretion, determine the offer of Incentive Rights to eligible employees. The number of Incentive Rights, and the terms and conditions of each offer may vary from each eligible employee.

The Incentive Rights will consist of retention rights (**Retention Rights**) and performance rights (**Performance Rights**). Retention Rights vest on the completion of a determined length of service of the eligible employee, and Performance Rights vest on the successful achievement of specified performance objectives.

The Company will grant the Incentive Rights within one (1) month of the offer being accepted by the eligible employee.

The Incentive Rights will vest according to formulas associated with the performance criteria set by the Board. If Incentive Rights in a tranche have not vested and there is no opportunity for those Incentive Rights to vest at a later date then they lapse.

When the Incentive Rights vest, the eligible employee will be entitled to a cash award of \$1,000 and (to the extent the vested rights value is more than \$1,000) issued restricted shares (**Restricted Shares**) in the Company, or the resulting shares will be held for the employee's benefit on trust within the Employee Share Trust (**EST**). When shares are to be acquired by the EST, the Company will contribute the then market value of the shares to be acquired to the trustee of the EST and the trustee shall apply those funds to acquire shares by on-market purchase or subscription to a new issue as directed by the Board. The employee will pay nothing for the shares.

Restricted Shares means that they may not be sold or otherwise disposed of until first advised by the Company, which the Company shall do at the first opportunity, when shares may be sold without breaching the insider trading provisions of the Corporations Act or the Company's share trading policy.

If the Company issues bonus shares, the number of Incentive Rights held by a participant shall be increased by the same number as the number of bonus shares that would have been received by the participant had the Incentive Rights been fully paid ordinary shares in the Company.

If the Company issues rights (other than Incentive Rights) to its shareholders or any other persons there will be no adjustment to the Incentive Rights. However, the Board may consider issuing options to its existing shareholders up to the number of shares which the participant would have been entitled to had the Incentive Rights been fully paid ordinary shares in the Company and at an exercise price equal to the amount payable by the Company's shareholders to exercise a right to acquire a share.

In the case of reorganisations (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of the holders of Incentive Rights shall be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation, to ensure that holders of Incentive Rights are neither advantaged nor disadvantaged as a result of such corporate actions.

There are no participating rights or entitlements inherent in the Incentive Rights and holders will not be entitled to participate in new issues of securities offered to shareholders during the currency of the Incentive Rights. However, the Company must give notice to the holders of Incentive Rights of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules so as to give the holders the opportunity to exercise their Incentive Rights before the date for determining entitlements to participate in any issue.

Eligible employees cannot transfer any of the Incentive Rights, or use them as security for a loan, or deal with them in any other way.

In the case of dismissal (termination due to cause), all unvested Incentive Rights are forfeited by the employee. In the case of resignation, all unvested Incentive Rights are forfeited unless and to the extent otherwise determined by the Board.

In the cases of death, total permanent disablement, retirement (with the approval of the Board), and termination without cause (e.g. retrenchment or redundancy):

Unvested Retention Rights

1. Retention Rights granted in the financial year of termination of employment are forfeited in the same proportion as the remainder of the financial year bears to the full financial year.
2. Retention Rights that do not lapse at the termination of employment will continue to be held by employees with a view to testing for vesting at the end of the period to be determined by the Board.
3. If the share price at the date of testing is less than the share price at the date of termination of employment then all unvested Retention Rights lapse.
4. If the share price at the date of testing is not less than the share price at the date of termination of employment then Retention Rights granted in the financial year of termination and prior years that have not been forfeited will vest.

Unvested Performance Rights

1. Performance Rights granted in the financial year of termination of employment are forfeited in the same proportion as the remainder of the financial year bears to the full financial year.

2. Performance Rights that were granted in a year prior to the year of termination of employment and were first tested for vesting not later than the date of termination of employment, will be forfeited.
3. Performance Rights that do not lapse at the termination of employment will continue to be held by employees with a view to testing for vesting at the end of the period to be determined by the Board.
4. If the share price at the date of testing is less than the share price at the date of termination of employment then all unvested Performance Rights lapse.
5. If the share price at the date of testing is not less than the share price at the date of termination of employment then Performance Rights granted in the financial year of termination and prior years that have not been forfeited will be tested once for vesting at the end of the period to be determined by the Board. If they do not vest at that time then they will be forfeited.

In the event that an employee forfeits Incentive Rights because the share price at the testing date was less than the share price at the date of termination of employment then the Board may, in its absolute discretion, determine to pay a cash bonus through payroll with PAYG tax deducted. The amount of any such bonus shall not exceed the number of Incentive Rights that would otherwise have vested multiplied by the share price at the testing date for the particular tranche.

In the event of a change in control or takeover occurring, or if the Board considers that a change-in-control is likely to occur, the vesting conditions attached to the tranche at the time of the offer will cease to apply. Instead, unvested Incentive Rights will vest in the proportion that the Company's share price has grown since the date of grant of the Incentive Rights, or such greater proportion as determined in the discretion of the Board (maximum vesting is 100%). In determining whether the share price has increased, the current Company share price (or offer price in the case of a takeover offer) is to be compared to the offer share price for that tranche.

The Directors recommend shareholders vote in favour of Resolution 3.

The Chairman of the meeting intends to vote all available proxies in favour of Resolution 3.

RESOLUTION 4 – APPOINTMENT OF AUDITOR

Resolution 4 seeks shareholder approval to the appointment of KPMG to the office of auditor of the Company which will become vacant by virtue of the resignation of the existing auditor, Grant Thornton, subject to ASIC's consent to the resignation.

Grant Thornton currently acts as auditor to the Company. Pursuant to section 329 of the Corporations Act, Grant Thornton has applied to ASIC for consent to resign as auditor of the Company, with effect from the date of the Annual General Meeting. The Company expects that ASIC will give its consent prior to the Annual General Meeting. If ASIC does not consent to the resignation of Grant Thornton as auditor with effect from the date of the Annual General Meeting, Resolution 4 will not be proposed at the Meeting.

The Company has received:

- (a) a nomination under section 328B of the Corporations Act from TIO (NZ) Limited for KPMG to be appointed as the Company's auditor, a copy of which is annexed as Schedule 1 to this Explanatory Statement; and
- (b) a consent to act as auditors of the Company duly executed by KPMG, registered company auditors.

The Directors consider that KPMG is well placed to provide commercial insight to drive value in this period of significant change for the Company, and thank Grant Thornton for its professional advice and assistance provided to date.

The Directors recommend shareholders vote in favour of Resolution 4.

The Chairman of the meeting intends to vote all available proxies in favour of Resolution 4.

RESOLUTION 5 – ADOPTION OF NEW CONSTITUTION

Background

The Company's existing Constitution was adopted on 6 November 2009. The terms of the existing Constitution have not been subject to a comprehensive review or update since that date and the Directors considered it appropriate to review the Constitution to ensure it reflects the present provisions of the Corporations Act and the ASX Listing Rules, as well as contemporary corporate governance standards.

The Board recommends that the existing Constitution be replaced to address specific matters that the Board considers to be in the best interests of the Company, and to promote the efficient running of the Company which should be of long term benefit to the Company and its shareholders.

In light of the number of changes being proposed to various parts of the existing Constitution, and the fact that some of these changes are of a non-substantive nature, the Board has decided that it is most appropriate to adopt a wholly new constitution rather than approving numerous amendments to the existing Constitution.

It is not practical to list all the changes to the Constitution in this statement and shareholders are invited to contact the Company if they have any queries or concerns. However, the proposed changes that the Board considers more significant for shareholders are described below. In the discussion below, references to clauses are to clauses in the proposed new constitution, unless stated otherwise.

A copy of the proposed new constitution can be obtained prior to the meeting by contacting the Company. A copy of the new constitution will also be available for inspection at the meeting.

Regulatory requirements

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by a special resolution of its shareholders.

If the resolution is passed, the new constitution will take effect immediately.

Material changes to the Constitution

The material changes to the existing Constitution are outlined below.

Dividends

(a) Payment of dividends

Following amendments to the Corporations Act, companies are no longer restricted to paying dividends out of profits. Accordingly, the new constitution removes the requirement for dividends to be paid out of the profits of the Company.

The new constitution provides that directors may determine that a dividend is payable and fix the amount, time and method of payment.

The new constitution expands on the methods which dividends can be paid to include electronic funds transfer and any other means determined by the directors. This provides a more secure, convenient and cost effective payment method for both the Company and its shareholders.

General meetings

(b) Quorum

The new constitution provides that two members present in person or by proxy, attorney or representative are a quorum at a general meeting. This simplifies the provisions of the existing Constitution which require

a quorum of two shareholders if there are less than 20 shareholders on the Company's register of members, or a quorum of 10 persons if the Company has more than 20 shareholders on its register of members.

Unmarketable parcels

(c) Sale of unmarketable parcels

The new constitution removes the requirement for the Company to sell shares constituting an unmarketable parcel at the same price. This requirement is not mandated under the ASX Listing Rules and is prohibitive on the Company's ability to effectively carry out the sale of an unmarketable parcel. The new constitution does not include any pricing parameters, giving the Company flexibility in implementing an unmarketable parcel sale facility. Notwithstanding this, the Board and its brokers will continue to use their best endeavours to ensure the highest possible sale price is obtained in the event of an unmarketable parcel.

Directors

(d) Director retirement

Under the new constitution, Directors will be required to retire no later than the third annual general meeting following their last election or appointment. Under the existing Constitution, one third of the Directors are required to retire at each annual general meeting. The new provision reflects common director rotation provisions amongst listed companies and is in line with the relevant Listing Rules.

Issue and transfer of Shares

(e) Preference shares

The Company can issue preference shares under the existing Constitution, however the terms of those preference shares are currently decided by special resolution of the members on an ad hoc basis. The new constitution incorporates specific terms of the preference shares to give the Company flexibility to issue preference shares without the need to seek shareholder approval in the future.

Other amendments

There are a number of other differences between the existing and new constitution that are not summarised or referred to above because they do not materially alter the effect of the existing Constitution for shareholders. These include changes:

- (a) to update provisions to reflect the current position under the Corporations Act, Listing Rules and other applicable rules;
- (b) of a drafting, procedural or administrative nature;
- (c) to remove outdated and redundant provisions; and
- (d) to update names and definitions to reflect current terminology, although where possible the defined terms in the Corporations Act are relied on.

In addition, where appropriate, the new constitution removes duplication of existing requirements under the Corporations Act or the Listing Rules, which would otherwise require amendments if there are future legislative or regulatory changes.

Recommendation of directors

The Board unanimously recommends shareholders vote in favour of Resolution 5.

Definitions:

ASX means the ASX Limited (ABN 98 008 624 691) or the securities market conducted by it (as the context requires).

ASX Listing Rules means the official listing rules of ASX, as amended and waived by ASX from time to time.

Board means the board of directors of the Company.

Constitution means the constitution of the Company adopted on 6 November 2009.

Corporations Act means the Corporations Act, 2001 (Cth).

Closely Related Parties of the Company's KMP include certain family members, dependents and companies they control.

Director means a director of the Company from time to time.

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 or indirectly, including any director (whether executive or otherwise) of the Company.

Notice of Meeting or **Notice** means this notice of annual general meeting and includes the Explanatory Statement.

Remuneration Report means the remuneration report included in the directors' report for the year ended 30 June 2017.

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VOTING INFORMATION AND NOTES

1. Voting entitlement on a poll

On a poll, each shareholder present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.

2. Proxies

A shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on the shareholder's behalf. If the shareholder is entitled to cast two or more votes at the meeting, the shareholder may appoint up to two proxies to attend and vote on the shareholder's behalf.

If a shareholder appoints two proxies, each proxy may be appointed to represent a specified proportion or number of the shareholder's votes. Absent this specification, on a poll, each proxy may exercise half the votes.

A proxy can be either an individual or a body corporate and need not be a shareholder of the Company. If a shareholder appoints a body corporate as proxy, the body corporate will need to appoint an individual as its corporate representative and provide satisfactory evidence of this appointment.

If a shareholder's instruction is to abstain from voting for a particular item of business, the shareholders' votes will not be counted in computing the required majority on a poll.

To appoint a proxy, a proxy form must be signed by the shareholder or the shareholder's attorney duly authorised in writing. If the shareholder is a corporation, the proxy form must be signed in accordance with section 127 of the Corporations Act. To be effective, a proxy form (and, if it is signed by an attorney, the authority under which it is signed or a certified copy of the authority) must be received by the Company not later than 48 hours prior to the commencement of the meeting. Proxy form and authorities may be lodged:

- by post to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne VIC 3001, or;
- by facsimile to Computershare on (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555 or the Company on +61 8 8132 7999; or
- electronically by casting votes online at www.investorvote.com.au and follow the prompts. To use this facility you will need your holder number (SRN or HIN), postcode and control number as shown on the proxy form. You will have been taken to have signed the proxy form if you lodge it in accordance with the instructions on the website.

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

Shareholders who forward their proxy forms by fax must make available the original executed form of the proxy for production at the meeting, if called upon to do so.

Chairman acting as proxy

Shareholders may appoint the chairman of the meeting as their proxy.

Where the chairman is appointed as a proxy by a shareholder entitled to cast a vote on a particular resolution and the proxy form specifies how the chairman is to vote on the resolution (that is, a directed proxy), the chairman must vote in accordance with that direction.

In relation to Resolution 1 and 3, if the shareholder has appointed the chairman as their proxy and no voting direction has been given, the shareholder will be expressly authorising the chairman to exercise the undirected proxy in respect of Resolutions 1 and 3 respectively even though the resolutions are connected with the remuneration of members of the KMP of the Company. Please read the directions on the proxy form carefully, especially if you intend to appoint the chairman of the meeting as your proxy.

3. Entitlement to vote at the meeting

For the purpose of the meeting, shares in the Company will be taken to be held by those persons who are registered holders at 5.00 pm (WST) on 19 November, 2017. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

4. Quorum

The Constitution of the Company provides that 10 shareholders present in person, by proxy, attorney or body corporate representative shall be a quorum for a general meeting of the Company.

5. Appointment of a corporate representative

Corporate representatives are requested to bring appropriate evidence of appointments as a representative. Proof of identity will be required for corporate representatives.

6. Appointment of an attorney

Attorneys are requested to bring a power of attorney pursuant to which they are appointed. Proof of identity will also be required for attorneys.

Ms Shannon Coates
Company Secretary
Flinders Mines Limited
45 Ventnor Avenue
WEST PERTH WA 6005

25 September 2017

Dear Ms Coates,

NOMINATION OF AUDITOR

For the purpose of section 328B(1) of the Corporations Act 2001 (Cth), I, Nicholas John OLSON as Director of TIO (NZ) Limited being a member of Flinders Mines Limited (Company) hereby nominate KPMG for appointment as auditor of the Company at the Annual General Meeting of the Company on or about 21 November 2017.

Yours sincerely,



Nicholas John OLSON
Director - TIO (NZ) Limited

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Lodge your vote:

 **Online:**
www.investorvote.com.au

 **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 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number:

SRN/HIN: PIN:

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



 **For your vote to be effective it must be received by 10:00am (WST) Sunday, 19 November 2017**

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 or abstain as they choose (to the extent permitted by law). 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 for Postal Forms

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 help tab, "Printable 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.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

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.

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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Flinders Mines Limited to be held at 45 Ventnor Avenue, West Perth, Western Australia on Tuesday, 21 November 2017 at 10:00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 3 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 3 by marking the appropriate box in step 2 below.

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.

	For	Against	Abstain
Resolution 1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Director Mr Robert Kennedy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval of Incentive Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Adoption of New Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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 / /