

9 May 2017

## Flinders to undertake a 1:11 Non-renounceable Entitlement Offer to raise A\$16M

Flinders Mines Limited (ASX: FMS) (**Flinders**) is pleased to announce a non-renounceable entitlement offer (**Entitlement Offer** or **Offer**) at A\$0.055 (5.5 cents) per share to raise approximately A\$16 million.

The Entitlement Offer will be an offer of approximately 290 million new fully paid ordinary shares in the Company (**New Shares**) on the basis of 1 New Share for every 11 existing shares held by eligible shareholders on the Record Date (**Entitlement**). The offer price is a discount of approximately 22% to the 30-day volume weighted average price of Flinders shares on the ASX for the period ending 13 April 2017.

Only holders of shares in the Company with a registered address in Australia or New Zealand as at 7.00 pm (AEST) on Friday, 12 May 2017 will be eligible to participate in the Entitlement Offer.

The Offer Booklet was lodged with the ASX on 9 May 2017 and will be sent to eligible shareholders together with a personalised Entitlement and Acceptance Form on 17 May 2017.

The Entitlement Offer is not underwritten. There is no shortfall facility as part of the Offer. Neither eligible shareholders nor any other parties may apply for shortfall shares.

### Use of Proceeds

The proceeds of the Entitlement Offer will be used to implement the recommendations of the independent strategic review of the Company's Pilbara Iron Ore Project, in particular, to provide sufficient funds to implement a series of asset maturation programs. Full details of the use of funds are contained in the Offer Booklet.

## Indicative Timetable

The proposed timetable for the Entitlement Offer is set out in Table 1. All dates are indicative only and the Company reserves the right to vary them (subject to the Corporations Act and the ASX Listing Rules).

**Table 1**      *Indicative Timetable\**

ASX Announcement of Entitlement Offer	Tuesday, 9 May
Entitlement Offer Record Date	Friday, 12 May
Entitlement Offer Opens and Offer Booklet dispatched	Wednesday, 17 May
Entitlement Offer Closes	Friday, 26 May
ASX Notified of under subscriptions	Wednesday, 31 May
Issue date for New Shares	Friday, 2 June
Trading of New Shares commences	Monday, 5 June

**\*IMPORTANT NOTE:** The indicative timetable above is subject to change without notice. Flinders reserves the right to amend any or all of these dates and times, subject to the Corporations Act, the ASX Listing Rules and other applicable laws.



**Neil Warburton**  
Chairman