ASX ANNOUNCEMENT • 1 APRIL 2009

The Manager
Companies Announcements Office
Australian Securities Exchange
20 Bridge Street SYDNEY NSW 2000

MAIDEN 476 Million Tonne JORC RESOURCE FOR HAMERSLEY PROJECT

HAMERSLEY PROJECT, WA

HAMERSLEY TENEMENTS E47/882 and E47/1560 Flinders Mines Limited (FMS) 100%

- *Hamersley Project maiden JORC compliant Inferred Mineral Resource of 476 Mt @ 55.4% Fe.*
- *Additional Exploration Target* in close proximity of 217 to 267 Mt at 50 to 65% iron to be drilled in May 2009 campaign.*
- *Significant further BID resource extension potential over previously identified zones – open along channel margins*
- *Upgraded JORC resource statement in Q3 of calendar 2009.*
- *Scoping Study has commenced with Prefeasibility Study planned for completion prior to the end of calendar 2009.*

Flinders Mines Limited (ASX: FMS) ("Flinders") is pleased to announce the maiden JORC compliant Inferred Mineral Resource for its 100% owned Hamersley Project located in Western Australia's central Pilbara (Figure 1). This is an outstanding discovery with only eight months between the discovery hole and the release of this first JORC compliant resource estimate.

The resource inventory consists of a global JORC compliant Inferred Mineral Resource of 476 Mt @ 55.4% Fe, 9.8% SiO_2, 4.6% Al_2O_3, 0.07% P, 5.7% LOI based on a +50% iron cut-off. This includes priority zones amounting to 124 Mt @ 58.3% Fe, 6.9% SiO_2, 3.8% Al_2O_3, 0.08% P, 5.3% LOI based on a +57% iron cut-off.

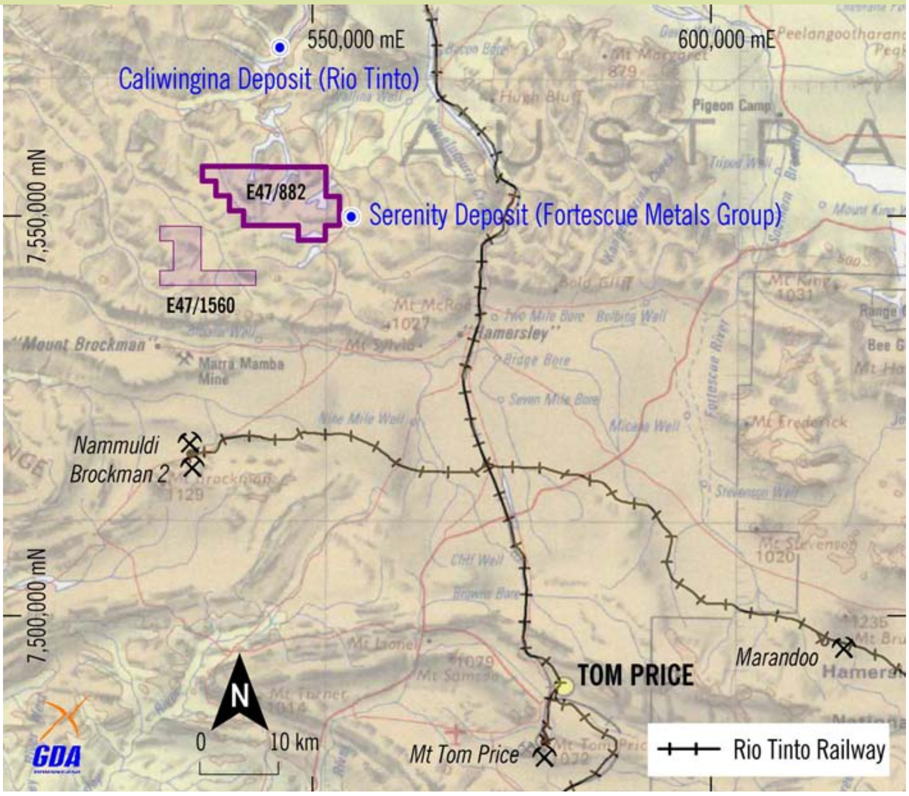

Figure 1 *Location of Hamersley Project E47/882 and surrounding iron deposits and infrastructure.*

*See JORC Statement, page 5

Flinders Mines Limited
ABN 46 091 118 044
www.flindersmines.com
62 Beulah Road
Norwood
South Australia 5067
PO Box 3126
Norwood
South Australia 5067
telephone +61 8 8132 7950
facsimile +61 8 8132 7999
email info@flindersmines.com

The resource comprises two main ore types; hematite dominant Channel Iron Deposit (CID) and high-grade Bedded Iron Deposit (BID). The BID mineralisation, also known as Brockman-style, is a high-grade, high quality mineralisation that is considered to be amongst the most valuable type of mineralisation in the Pilbara.

The size of the JORC compliant Inferred Resource compares favourably with the Exploration Target* defined in 2008, demonstrating the Company's ability to deliver on its geological estimates.

The Board of Flinders is committed to developing this exceptional opportunity, with drilling commencing shortly to test existing Exploration Targets* and extend priority zones of BID mineralisation.

A Scoping Study has commenced to assess all reasonable development options. The Company is well positioned to expedite a Prefeasibility Study in 2009 leading to a Feasibility Study in 2010.

This maiden resource estimate reinforces the potential for the Company to make the jump from iron ore explorer to producer.

Maiden JORC Inferred Resource estimate

The JORC compliant Inferred Resource estimate (Table 1) was prepared by independent geological consultants, Golder Associates Pty Ltd (Golder), based on data collated and interpreted by Flinders personnel. The resource was estimated in accordance with the guidelines of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004). A statement from Golder is appended to this release.

The JORC compliant Inferred Resource estimate is based on the results of 301 Reverse Circulation (RC) drill holes drilled in Areas B, C, D and E only (Figure 2), between August and December 2008. Drill hole locations and the extent of the +50% Fe cut-off boundaries are shown in Figures 3, 4 and 5.

The JORC compliant Inferred Resource estimate has been divided into a number of domains based on geological and geochemical boundaries. Two of these domains represent the priority zones of mineralisation that are found within both the BID and CID.

The current JORC compliant Inferred Resource inventory for the Hamersley Project is shown in Table 1.

The resource consists of both hematite CID mineralisation and a goethite dominant BID mineralisation (Figure 6). The CID is primarily composed of a detrital material of either pisolithic or fragmental types. The BID material is generally located beneath the CID material although it can be within 10m of the surface on the margins of the channel.

The discovery of the BID mineralisation was late in the 2008 drilling campaign. It does not appear to be controlled by the channels on which the original drilling program was targeted. As a result, the BID has not been closed off by the existing drilling and is open on the margins of the channels. Detailed geological mapping and further interpretation of the drilling data is currently being undertaken to determine the controls on the location of the BID mineralisation. This will allow for systematic drill testing of extensions to existing BID mineralisation zones as well as new BID targets generated from the geological interpretation.

In November 2008, Flinders announced that the Exploration Target* for Areas B, C, D and E was 493 Mt at 50 to 65% Fe. The JORC compliant Inferred Resource is 476 Mt at 55.4% Fe which validates the Company's ability to interpret the extent of iron mineralisation.

Table 1: Hamersley Project Resource Table

JORC Classification	Iron Grade Cut-off	Tonnage Mt	Fe %	SiO_2 %	Al_2O_3 %	P %	LOI %
Inferred	+50%	476	55.4	9.8	4.6	0.07	5.7
Inferred	+57%	124	58.3	6.9	3.8	0.08	5.3

The Hamersley Resource Model has been constructed using Ordinary Kriging within geological constraint domains. Drill spacing is 100m to 300m along lines spaced 500m apart. An average density of 2.7 was used for all ore types based on densities measured from diamond core. All material within the resource is classified as Inferred under the JORC Classification.

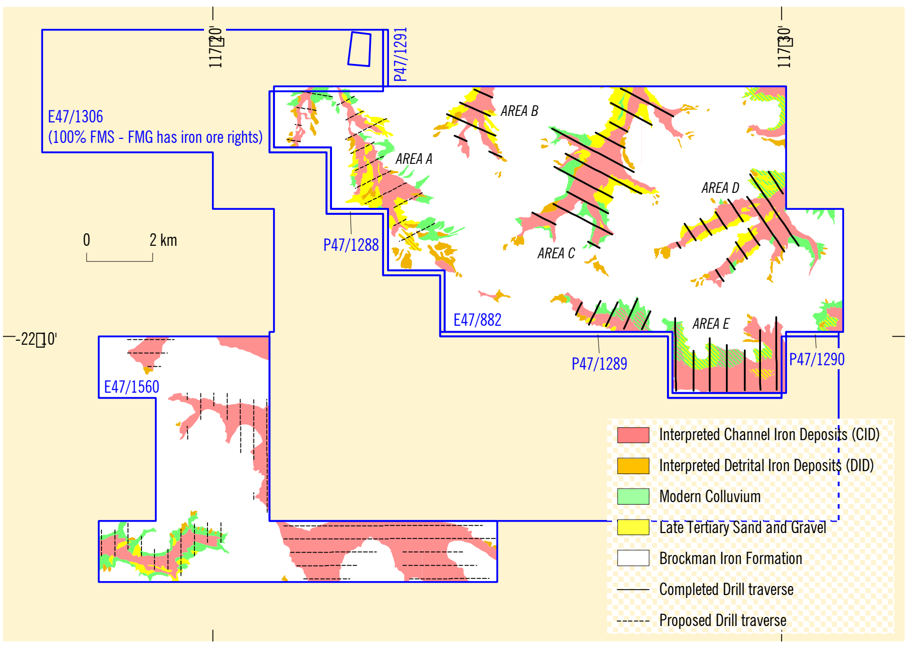

Figure 2 *Hamersley E47/882 and E47/1560 showing the location of Target Areas.*

*See JORC Statement, page 5

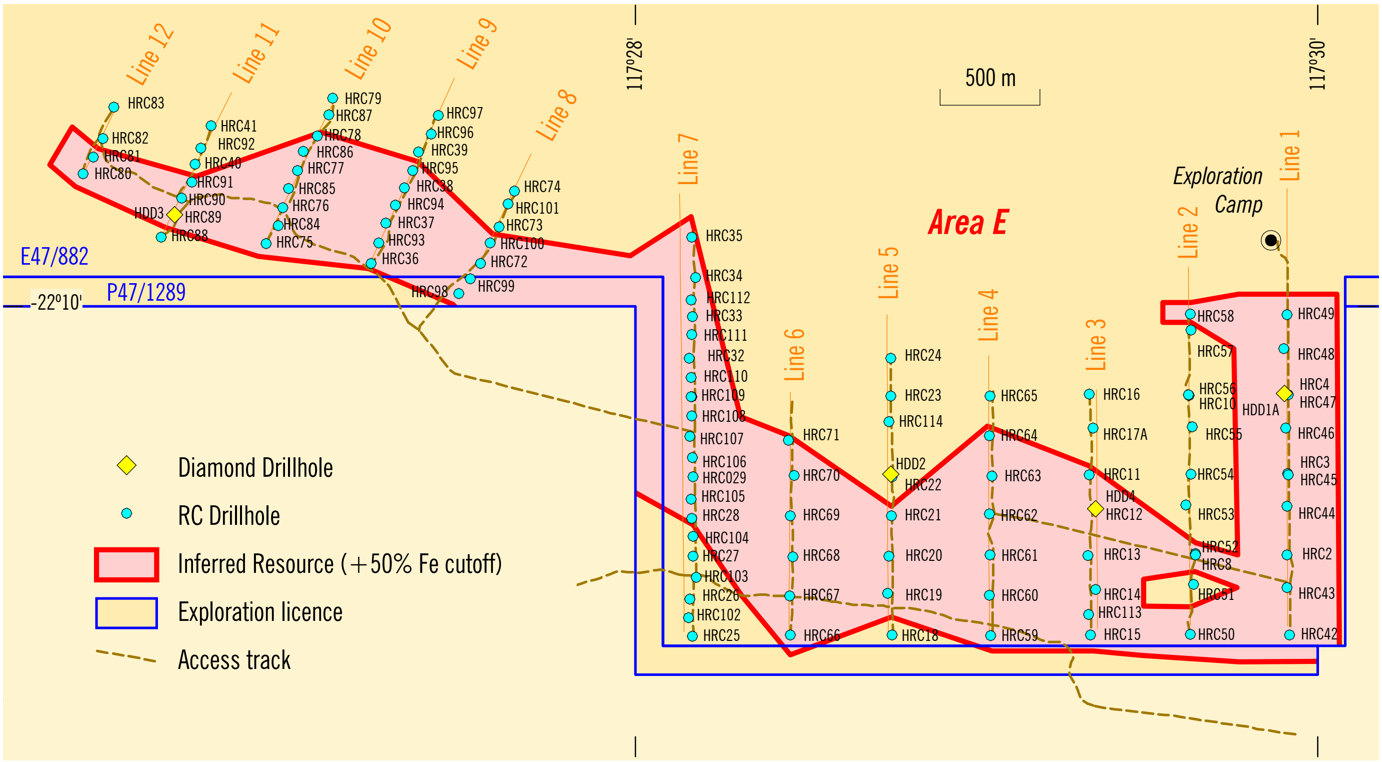

Figure 3 *Completed RC drilling in Area E.*

Ongoing Exploration & Resource Drilling

The Hamersley Project still has significant upside exploration potential, in addition to the substantial resource already identified. Two Exploration Targets* identified in 2008 are yet to be drilled; Area A on E47/882 and the recently acquired tenement E47/1560. The combined Exploration Target* for these two untested areas is 217 to 267 Mt at 50 to 65% iron.

The priority zones of BID mineralisation are open on the margins of the channels with geological modelling and mapping delineating further targets outside the channels which may yield additional tonnes of near-surface ore. This presents an exciting opportunity for the project.

The drilling program is scheduled to recommence in May 2009 in Area A with sufficient holes to enable this area to be included within the JORC compliant Inferred Resource. Drilling will then commence on tenement E47/1560 (Figure 1), which is approximately 5 km to the south west of the current activities, to determine the extent and nature of any mineralisation. Drilling will then concentrate on better defining zones of significant BID mineralisation on the margins of the channels and looking for extensions of this mineralisation.

Following commencement of the Prefeasibility Study, infill drilling is planned for the priority zones within Areas A, B, C, D and E to define a JORC compliant Indicated Resource in the fourth quarter of calendar 2009. This phase of drilling will include the drilling of several diamond drill holes to be utilised for detailed metallurgical test work.

Drilling, Hamersley Project, November 2008.

*See JORC Statement, page 5

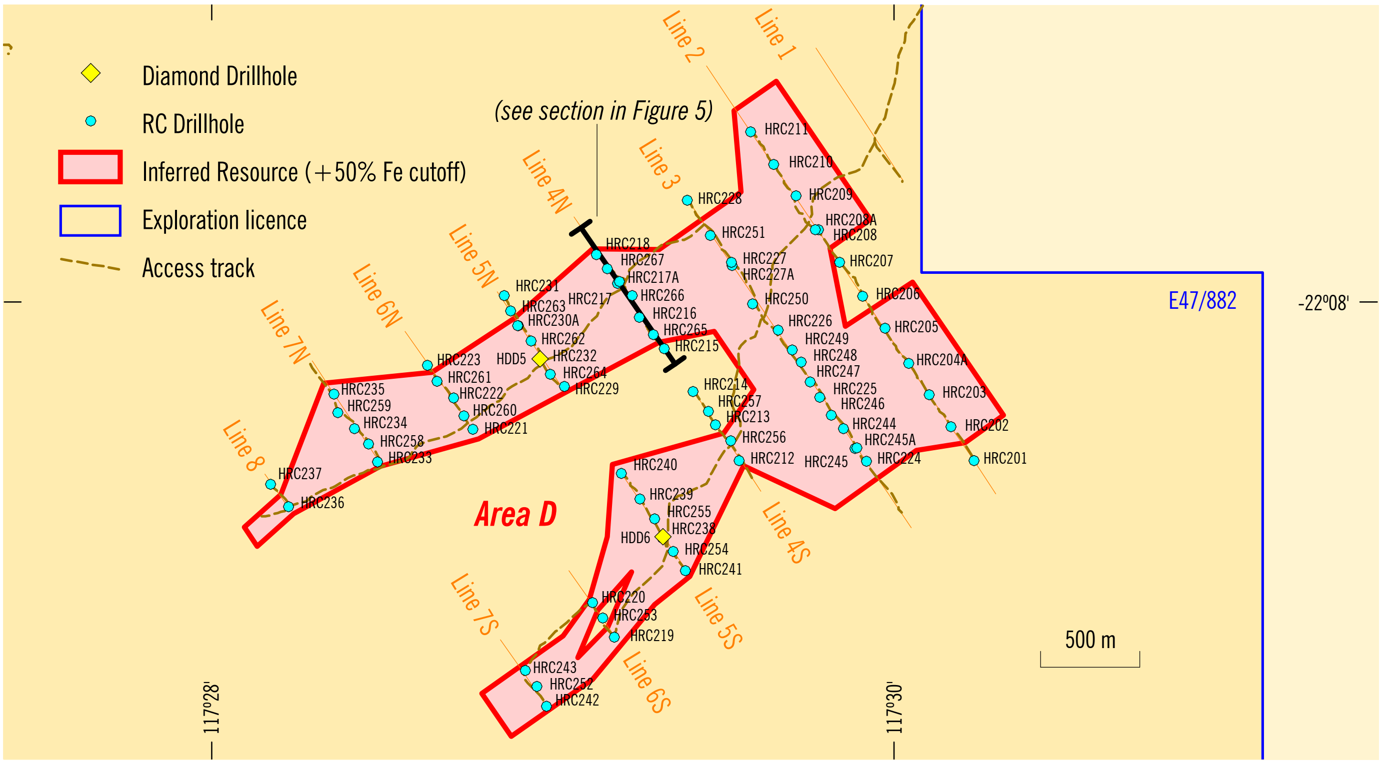

Figure 4 *Completed RC drilling in Area D.*

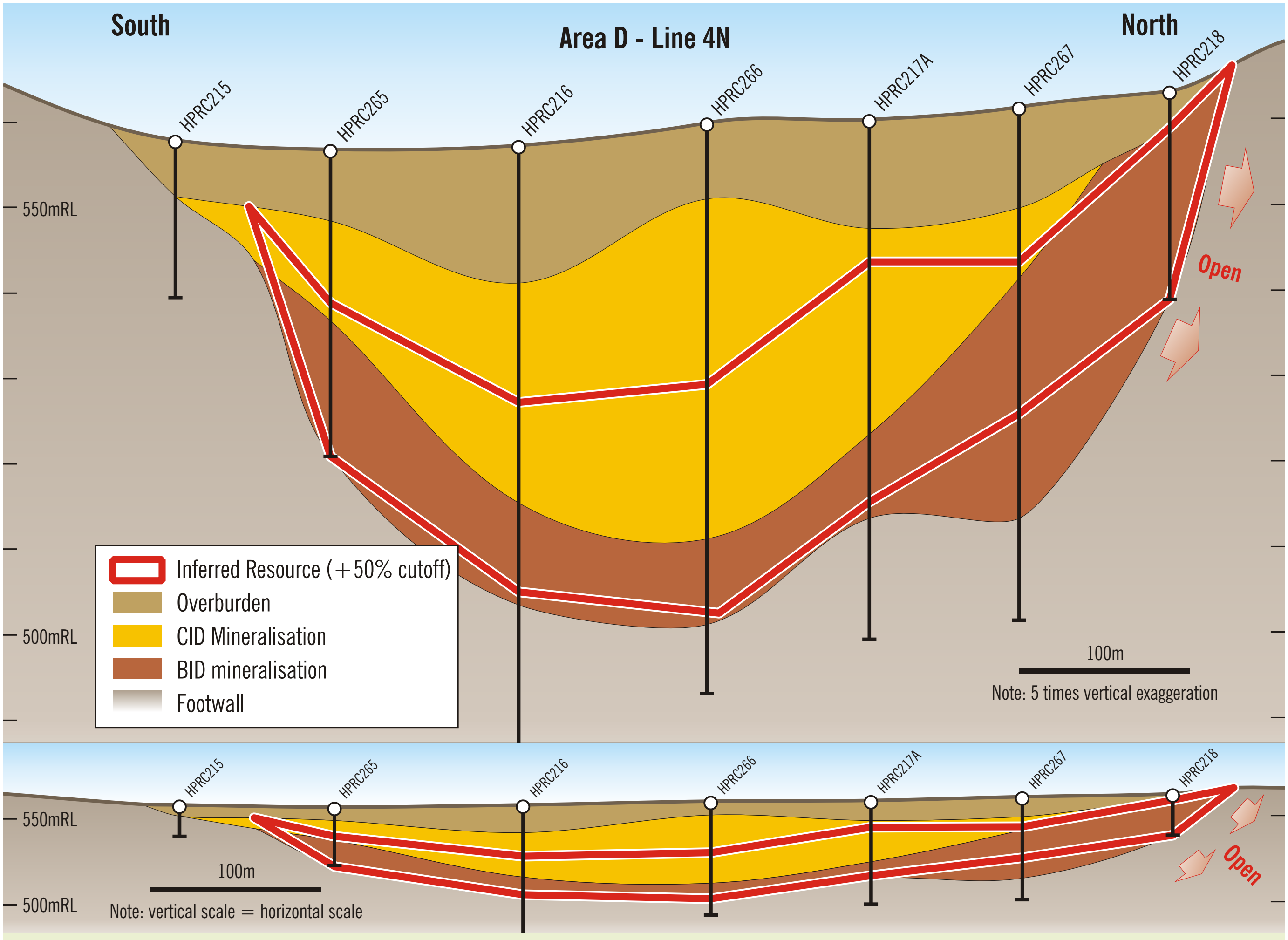

Figure 5 *Cross section of Line 4N in Area D.*

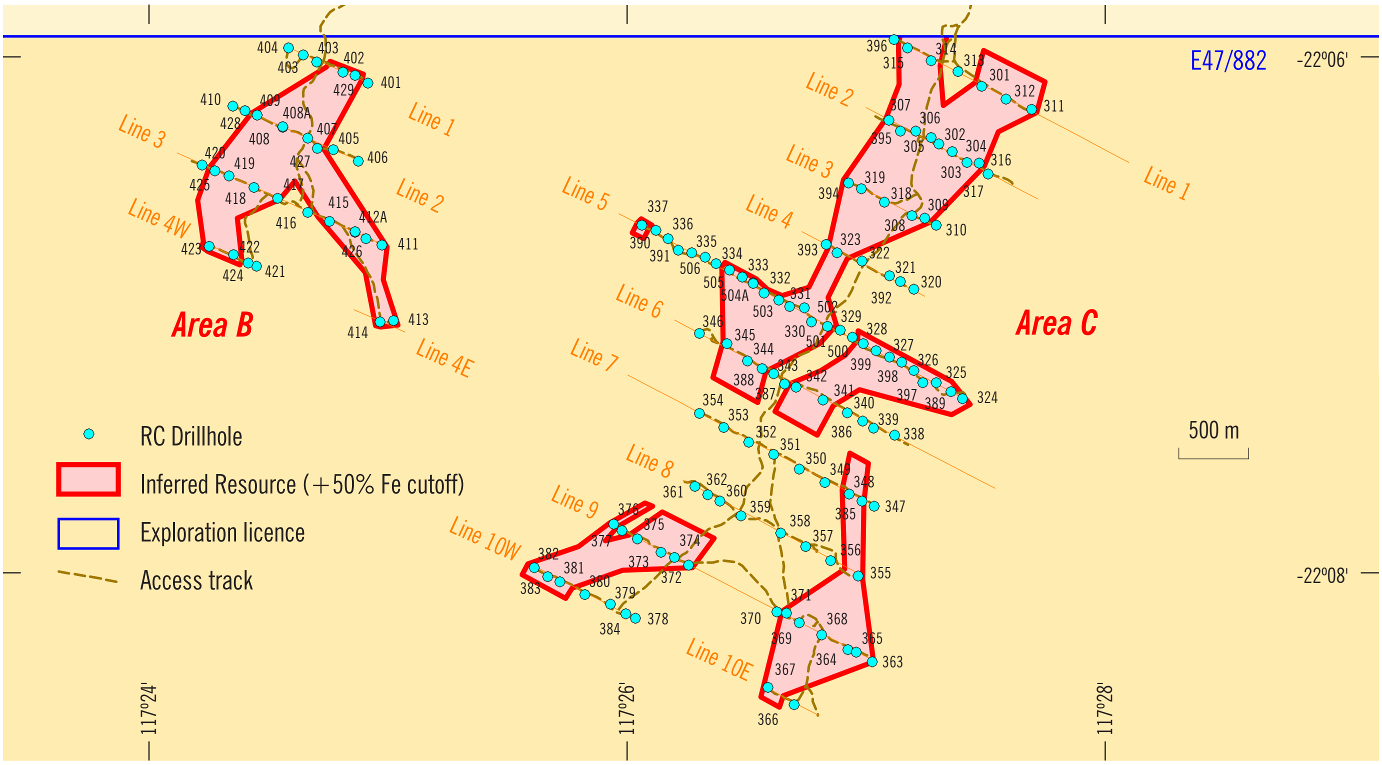

Figure 6 *Completed RC drilling in Areas B and C.*

Summary & Going Forward

The Hamersley Project is now the priority focus for Flinders. The resource is significant in terms of its size, upside exploration potential and presence of high quality BID ore. On the basis of this compelling opportunity, the Board of Flinders is committed to evaluating the project as quickly as possible to maximise the value of the asset for shareholders.

Exploration drilling is to recommence in May 2009 to extend the current resource, with definition drilling commencing in the third quarter of calendar 2009 to provide a JORC compliant Indicated Resource for the feasibility work.

Flinders has contracted an independent consultant to undertake a Scoping Study to evaluate various options associated with the development of the Hamersley Project as a stand alone mining operation. The Scoping Study will include the results of the ongoing metallurgical and beneficiation test work.

This will lead to the commencement of a Prefeasibility Study in the second quarter of calendar 2009, due to be completed by the end of the calendar 2009 and is aiming to commence and complete a Feasibility Study on the Hamersley Project during 2010.

Nick Corlis

EXPLORATION MANAGER

1 April 2009

JORC Statement

The information relating to the terms "iron ore" and "exploration target" should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2004) and therefore the terms have not been used in this context. It is uncertain if further exploration or feasibility studies will result in the determination of a Mineral Resource or Mining Reserve.

The information that relates to the drilling data and geological interpretations is based on information compiled by Nick Corlis who is a Member of The Australian Institute of Geoscientists and Exploration Manager of the Company. The information that relates to the Mineral Resource Estimate has been compiled by Mr Stephen Godfrey of Golder Associates Pty Ltd. Mr Godfrey is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Both Mr Godfrey and Mr Corlis have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Godfrey and Mr Corlis consent to the inclusion of information in this report in the form and context in which it appears.

This release may include forward-looking statements. These forward-looking statements are based on Flinders Mines Limited's expectations concerning future events. Forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside the control of Flinders Mines Limited and the Company makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

For further information please contact:
Nick Corlis
on 08 8132 7950
or 0427 755 558
Duncan Gordon – Investor Relations
on 08 8232 8800
or 0404 006 444
Email: ncorlis@flindersmines.com

Mr Nick Corlis
Flinders Mines
62 Beulah Road
Norwood South Australia 5067

MINERAL RESOURCE STATEMENT FOR HAMERSLEY PROJECT – AREA B, AREA C, AREA D AND AREA E CHANNEL IRON DEPOSITS

Dear Nick

Golder Associates (Golder) has completed a resource model of the Area B, Area C, Area D and Area E Channel Iron Deposits (CID) for the Hamersley Project in the Central Pilbara, on behalf of Flinders Mines (Flinders). The resource estimates are based on all available assay data as of 19 February 2008.

The resource estimate was classified in accordance with the Australasian Code for the Reporting of Identified Mineral Resources and Ore Reserves (JORC Code, 2004).

Classification of the resource estimate was completed by Golder geologists, based principally on data density, geological confidence criteria and representativeness of sampling.

Assumptions and Methodology

The *in situ* Mineral Resource is constrained by the geological boundaries of the CID and mineralisation boundaries based on a 50% Fe edge cut off and a 15% SiO_2 edge cut off.

This Mineral Resource estimate is based on a number of factors and assumptions:

- All of the available drilling data was used for the Mineral Resource estimation.
- Material type domains were based on the geology logged and interpreted by Flinders.
- Domains were extrapolated half the drill spacing distance where not constrained by the shape of the channel.
- Mineralisation domains in the CID were modelled by Golder based on independent cut-off grade of 50% Fe and 15% SiO_2.
- The geological and mineralisation domains were used to flag the sample data for statistical analysis and estimation.
- The survey control for collar positions was considered adequate for the purposes of this study.
- A preliminary review of the QAQC data was completed and considered satisfactory for a resource at this level of confidence.
- An average Dry Bulk Density of 2.7 t/m^3 was assigned to the models based on down-hole geophysical and core sample data analysed by Flinders.

- Statistical and geostatistical analysis was carried out on drilling data composited to 2 m down hole. This included variography to model spatial continuity relationships in the mineralised domains.
- The Ordinary Kriging (OK) interpolation method was used for resource estimation of Fe, SiO_2, Al_2O_3, P S and LOI.

Mineral Resource Statement

The resource estimates were classified in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC Code, 2004). At this stage of development where drilling is spaced at 100 m to 300m along lines nominally 500 m apart, the resource is classified as Inferred.

The Area B resource is based on the Ordinary Kriging interpolated block *Area_B_Kriged.bmf.*

The Area C resource is based on the Ordinary Kriging interpolated block *Area_C_Kriged.bmf.*

The Area D resource is based on the Ordinary Kriging interpolated block *Area_D_Kriged_defaults.bmf*

The Area E resource is based on the Ordinary Kriging interpolated block *Area_E_Kriged_defaults.bmf..*

All models have been reported at 50% and 57% Fe cut off grades where the 50% cut off represents the *in situ* global mineralisation, and the 57% cut off represents the potential direct shipping ore. In general, the mineralisation is continuous up to these cut off grades with the higher grades having less areal extent.

The following tabulations break down the resource by geology and material type at the 50% and 57% Fe cut offs. The geology units and material types are:

Table 1 Geology and Material Types

Geology	CIDh	Hematitic Channel Iron Deposit
	CIDg	Goethitic Channel Iron Deposit (Serenity style mineralisation)
	CIDbd	Bedded Channel Iron Deposit
Material Type	High Silica	> 15 % SiO2 within >Fe50% mineralisation boundary
	Low Silica	< 15 % SiO2 within >Fe50% mineralisation boundary
	Low Grade	Channel Material outside the 50% Fe mineralisation boundary, generally high silica

Area B

Table 2: Area B 50% Fe cut off

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica							
	Low Silica	7,577,000	55.68	2.83	8.98	0.11	7.81	0.03
	Low Grade							
CIDbd Total		**7,577,000**	**55.68**	**2.83**	**8.98**	**0.11**	**7.81**	**0.03**
CIDh	High Silica	7,732,000	52.20	4.64	2.11	0.05	17.82	0.02
	Low Silica	20,702,000	57.04	4.68	2.38	0.05	10.63	0.02
	Low Grade	871,000	50.22	3.65	2.50	0.05	21.01	0.02
CIDh Total		**29,305,000**	**55.56**	**4.64**	**2.31**	**0.05**	**12.84**	**0.02**
Grand Total		**36,882,000**	**55.59**	**4.27**	**3.68**	**0.06**	**11.80**	**0.02**

Table 3: Area B 57% Fe cut off

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica							
	Low Silica	2,491,000	57.99	1.98	9.77	0.12	4.13	0.03
	Low Grade							
CIDbd Total		**2,491,000**	**57.99**	**1.98**	**9.77**	**0.12**	**4.13**	**0.03**
CIDh	High Silica							
	Low Silica	6,666,000	59.49	3.71	2.47	0.06	8.13	0.02
	Low Grade							
CIDh Total		6,666,000	59.49	3.71	2.47	0.06	8.13	0.02
Grand Total		9,156,000	59.08	3.24	4.46	0.08	7.04	0.02

Area C

Table 4: Area C 50% Fe cut off

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica							
	Low Silica	39,012,000	55.12	3.22	9.10	0.11	8.16	0.02
	Low Grade	425,000	50.46	2.83	6.75	0.07	17.95	0.03
CIDbd Total		**39,437,000**	**55.07**	**3.22**	**9.08**	**0.11**	**8.26**	**0.02**
CIDg	High Silica							
	Low Silica	1,654,000	55.90	3.75	6.47	0.09	8.57	0.01
	Low Grade							
CIDg Total		**1,654,000**	**55.90**	**3.75**	**6.47**	**0.09**	**8.57**	**0.01**
CIDh	High Silica	4,897,000	52.00	5.66	2.46	0.04	16.55	0.02
	Low Silica	55,907,000	56.13	5.65	2.77	0.05	10.24	0.01
	Low Grade	1,310,000	51.12	4.11	3.26	0.07	18.16	0.01
CIDh Total		**62,114,000**	**55.70**	**5.62**	**2.76**	**0.05**	**10.90**	**0.01**
Grand Total		**103,204,000**	**55.46**	**4.67**	**5.23**	**0.07**	**9.86**	**0.02**

Table 5: Area C 57% Fe cut off

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica							
	Low Silica	6,213,000	58.09	2.60	9.64	0.13	4.06	0.03
	Low Grade							
CIDbd Total		**6,213,000**	**58.09**	**2.60**	**9.64**	**0.13**	**4.06**	**0.03**
CIDg	High Silica							
	Low Silica	557,000	58.25	3.46	6.46	0.08	5.58	0.02
	Low Grade							
CIDg Total		**557,000**	**58.25**	**3.46**	**6.46**	**0.08**	**5.58**	**0.02**
CIDh	High Silica							
	Low Silica	20,928,000	58.34	4.63	2.65	0.06	8.23	0.02
	Low Grade							
CIDh Total		**20,928,000**	**58.34**	**4.63**	**2.65**	**0.06**	**8.23**	**0.02**
Grand Total		**27,699,000**	**58.28**	**4.15**	**4.29**	**0.08**	**7.24**	**0.02**

Area D

Table 6: Area D 50% Fe cut off

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica	74,000	50.36	1.78	8.04	0.12	17.66	0.03
	Low Silica	42,842,000	57.37	2.76	8.83	0.12	5.95	0.01
	Low Grade	2,133,000	51.96	2.93	10.26	0.15	12.03	0.01
CIDbd Total		**45,050,000**	**57.11**	**2.77**	**8.89**	**0.12**	**6.26**	**0.01**
CIDh	High Silica	18,785,000	51.48	5.48	2.98	0.05	17.12	0.01
	Low Silica	83,855,000	56.55	5.39	2.99	0.05	10.07	0.01
	Low Grade	375,000	56.82	3.58	2.87	0.08	11.20	0.01
CIDh Total		**103,015,000**	**55.62**	**5.40**	**2.98**	**0.05**	**11.36**	**0.01**
Grand Total		**148,065,000**	**56.07**	**4.60**	**4.78**	**0.07**	**9.80**	**0.01**

Table 7: Area D 57% Fe cut off

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica							
	Low Silica	27,246,000	58.32714	2.643509	8.249155	0.114958	5.188978	0.011786
	Low Grade							
CIDbd Total		**27,246,000**	**58.32714**	**2.643509**	**8.249155**	**0.114958**	**5.188978**	**0.011786**
CIDh	High Silica							
	Low Silica	31,887,000	58.08441	4.788601	2.602291	0.053334	8.634622	0.011862
	Low Grade	253,000	59.98255	2.657667	2.986013	0.092213	7.35884	0.007
CIDh Total		**32,140,000**	**58.09936**	**4.771818**	**2.605314**	**0.05364**	**8.624574**	**0.011824**
Grand Total		**59,387,000**	**58.20387**	**3.795355**	**5.194694**	**0.081773**	**7.048331**	**0.011806**

Area E

Table 8: Area E 50% Fe cut off

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica	2,845,000	52.27	2.46	7.60	0.08	15.18	0.01
	Low Silica	60,365,000	55.99	3.80	8.85	0.09	7.01	0.01
	Low Grade	4,344,000	52.72	3.41	10.56	0.09	10.15	0.02
CIDbd Total		**67,554,000**	**55.62**	**3.72**	**8.91**	**0.09**	**7.56**	**0.01**
CIDg	High Silica	594,000	51.31	5.32	12.93	0.10	8.55	0.01
	Low Silica	45,114,000	53.76	4.05	10.58	0.09	8.33	0.01
	Low Grade							
CIDg Total		**45,708,000**	**53.73**	**4.07**	**10.61**	**0.09**	**8.33**	**0.01**
CIDh	High Silica	15,977,000	51.44	5.73	2.89	0.04	17.08	0.01
	Low Silica	57,594,000	55.40	6.04	3.59	0.05	10.28	0.01
	Low Grade	749,000	59.00	2.99	2.46	0.07	9.10	0.01
CIDh Total		**74,321,000**	**54.58**	**5.94**	**3.43**	**0.05**	**11.73**	**0.01**
Grand Total		**187,583,000**	**54.75**	**4.69**	**7.15**	**0.07**	**9.40**	**0.01**

Table 9: Area E 57% Fe cut off

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica							
	Low Silica	14,772,000	58.19	3.20	8.40	0.10	4.99	0.01
	Low Grade	41,000	57.65	2.60	8.26	0.08	5.69	0.02
CIDbd Total		**14,813,000**	**58.18**	**3.20**	**8.40**	**0.10**	**5.00**	**0.01**
CIDg	High Silica							
	Low Silica	2,690,000	57.51	2.90	9.11	0.07	5.65	0.01
	Low Grade							
CIDg Total		**2,690,000**	**57.51**	**2.90**	**9.11**	**0.07**	**5.65**	**0.01**
CIDh	High Silica							
	Low Silica	9,558,000	58.39	4.55	3.39	0.06	7.58	0.01
	Low Grade	577,000	61.00	2.66	2.35	0.07	6.63	0.02
CIDh Total		**10,135,000**	**58.54**	**4.44**	**3.33**	**0.06**	**7.52**	**0.01**
Grand Total		**27,638,000**	**58.25**	**3.63**	**6.61**	**0.08**	**5.99**	**0.01**

Total Resource

Table 10: 50% Fe cut off - Areas B,C,D,E Total Resource by Geology and Material Type

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica	2,845,000	52.27	2.46	7.60	0.08	15.18	0.01
	Low Silica	106,954,000	55.65	3.52	8.95	0.10	7.49	0.02
	Low Grade	4,769,000	52.52	3.36	10.22	0.09	10.84	0.02
CIDbd Total		**114,568,000**	**55.43**	**3.49**	**8.97**	**0.10**	**7.82**	**0.02**
CIDg	High Silica	668,000	51.21	4.92	12.38	0.10	9.56	0.01
	Low Silica	89,610,000	55.53	3.43	9.66	0.10	7.20	0.01
	Low Grade	2,133,000						
CIDg Total		**92,411,000**	**55.41**	**3.43**	**9.70**	**0.10**	**7.32**	**0.01**
CIDh	High Silica	47,392,000	51.64	5.44	2.75	0.05	17.16	0.01
	Low Silica	218,059,000	56.18	5.56	3.03	0.05	10.22	0.01
	Low Grade	3,304,000	53.32	3.67	2.83	0.06	16.07	0.01
CIDh Total		**268,755,000**	**55.35**	**5.52**	**2.98**	**0.05**	**11.52**	**0.01**
Grand Total		**475,733,000**	**55.38**	**4.62**	**5.73**	**0.07**	**9.81**	**0.01**

Table 11: 50% Fe cut off - Areas B,C,D,E Total Resource by Material Type and Geology

Material Type	Geology	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
High Silica	CIDbd	2,845,000	52.27	2.46	7.60	0.08	15.18	0.01
	CIDg	668,000	51.21	4.92	12.38	0.10	9.56	0.01
	CIDh	47,392,000	51.64	5.44	2.75	0.05	17.16	0.01
High Silica Total		**50,905,000**	**51.67**	**5.27**	**3.15**	**0.05**	**16.95**	**0.01**
Low Silica	CIDbd	106,954,000	55.65	3.52	8.95	0.10	7.49	0.02
	CIDg	89,610,000	55.53	3.43	9.66	0.10	7.20	0.01
	CIDh	218,059,000						
Low Silica Total		**414,622,000**	**55.90**	**4.58**	**5.99**	**0.07**	**8.86**	**0.01**
Low Grade	CIDbd	4,769,000	52.52	3.36	10.22	0.09	10.84	0.02
	CIDg	2,133,000	51.96	2.93	10.26	0.15	12.03	0.01
	CIDh	3,304,000	53.32	3.67	2.83	0.06	16.07	0.01
Low Grade Total		**10,206,000**	**52.66**	**3.37**	**7.84**	**0.09**	**12.78**	**0.02**
Grand Total		**475,733,000**	**55.38**	**4.62**	**5.73**	**0.07**	**9.81**	**0.01**

Table 12: 57% Fe cut off - Areas B,C,D,E Total Resource by Geology and Material Type

Geology	Material Type	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
CIDbd	High Silica							
	Low Silica	23,477,000	58.14	2.91	8.87	0.11	4.66	0.02
	Low Grade	41,000	57.65	2.60	8.26	0.08	5.69	0.02
CIDbd Total		**23,517,000**	**58.14**	**2.91**	**8.87**	**0.11**	**4.66**	**0.02**
CIDg	High Silica							
	Low Silica	30,493,000	58.25	2.68	8.29	0.11	5.24	0.01
	Low Grade							
CIDg Total		**30,493,000**	**58.25**	**2.68**	**8.29**	**0.11**	**5.24**	**0.01**
CIDh	High Silica							
	Low Silica	69,039,000	58.34	4.60	2.71	0.06	8.32	0.01
	Low Grade	830,000	60.69	2.66	2.54	0.08	6.85	0.01
CIDh Total		**69,869,000**	**58.37**	**4.58**	**2.71**	**0.06**	**8.30**	**0.01**
Grand Total		**123,879,000**	**58.30**	**3.80**	**5.25**	**0.08**	**6.85**	**0.01**

Table 13: 57% Fe cut off - Areas B,C,D,E Total Resource by Material Type and Geology

Material Type	Geology	Tonnes	Fe	Al2O3	LOI	P	SiO2	S
High Silica	CIDbd							
	CIDg							
	CIDh							
High Silica Total								
Low Silica	CIDbd	23,477,000	58.14	2.91	8.87	0.11	4.66	0.02
	CIDg	30,493,000	58.25	2.68	8.29	0.11	5.24	0.01
	CIDh	69,039,000						
Low Silica Total		**123,009,000**	**58.28**	**3.80**	**5.27**	**0.08**	**6.85**	**0.01**
Low Grade	CIDbd	41,000	57.65	2.60	8.26	0.08	5.69	0.02
	CIDg							
	CIDh	830,000	60.69	2.66	2.54	0.08	6.85	0.01
Low Grade Total		**871,000**	**60.55**	**2.66**	**2.81**	**0.08**	**6.79**	**0.01**
Grand Total		**123,879,000**	**58.30**	**3.80**	**5.25**	**0.08**	**6.85**	**0.01**

The information in this statement which relates to the Mineral Resource is based on information compiled by Mr Stephen Godfrey who is a full-time employee of Golder Associates Pty Ltd and a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientist. Mr Godfrey has sufficient relevant experience to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2004).

The Competent Person responsible for the geological interpretation and the drill hole data set used in this resource estimation is Mr Nick Corlis of Flinders Mines.

Yours sincerely

GOLDER ASSOCIATES PTY LTD

Stephen Godfrey
Senior Resource Geologist

Richard L. Gaze

Richard Gaze
Associate

SAG/RLG

c:\1share\087641499_flinders\correspondenceout\087641499 001 l rev0 resource statement march 2009.doc