

11 July 2023

## BALLA BALLA INFRASTRUCTURE PROJECT ACQUISITION TERMINATED

Flinders Mines Limited (ASX:FMS) (**Flinders** or the **Company**) advises that Todd Corporation (**Todd**), BBIG Group Pty Ltd (**BBIG**) and Flinders have mutually agreed to terminate the agreement for Flinders to acquire 100% of Forge Resources Swan Pty Ltd (**FRS**) (**Proposed Transaction**), including the assets of BBIG's Balla Balla Infrastructure Project (see *ASX announcement on 17 January 2023*). The Proposed Transaction has been terminated due to the Conditions Precedent being unable to be satisfied in the timeframe specified in the agreement.

Following termination of the Proposed Transaction, the Company will retain the \$3.3 million purchase consideration and eliminate an expenditure commitment of approximately \$2 million per annum for tenement expenditure and maintenance. The cost reductions allow Flinders sufficient funds to complete the Scoping Study, including heritage and environmental programs, and continue DSO resource evaluation at the Champion and Blackjack deposits, which are adjacent to the Delta deposit. The Company held \$6.1 million in cash at 30 June 2023.

Flinders' Chair, Hon. Cheryl Edwardes AM, said: *"It is disappointing the Proposed Transaction is not able to be completed. While we have worked with Todd and BBIG over many months to close this transaction, unfortunately, satisfaction of the Conditions Precedent is out of our control. We will, however, continue to progress development options for PIOP with the aim of producing iron ore in 2025."*

### Scoping Study Update

Flinders is currently undertaking a Scoping Study at its 100%-owned Pilbara Iron Ore Project (**PIOP**) aimed at 'right sizing' the development of the Project, focusing on speed to market and lowering upfront capital. The Scoping Study is based on mining shallow, low strip ratio open pits at the Delta and Paragon deposits to produce +60% Fe direct shipping ore (**DSO**) at a sustainable rate of up to 3 million tonnes per annum. The Project will utilise public access and third-party transport and export infrastructure where possible (see *ASX announcement on 4 May 2023*).

The Scoping Study is expected to be released in 3Q 2023 and will provide a "base case" scenario for the development of PIOP.

Authorised by:  
Board of Flinders Mines Limited

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#### About Flinders Mines Limited

Flinders Mines Limited is an ASX-listed (ASX: FMS) exploration and development company focused on the commercialisation of the Pilbara Iron Ore Project (**PIOP**). The PIOP is located approximately 70km from Tom Price in Western Australia's iron ore-rich Pilbara region.

**Disclaimer**

This announcement includes forward-looking statements within the prevailing regulatory laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of words such as “aim”, “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “targets”, “outlook” and “guidance”, or other similar words and may include, without limitation, statements regarding estimated reserves and resources, certain plans, strategies, aspirations and objectives of management, anticipated production, study or construction dates, expected costs, cash flow or production outputs and anticipated productive lives of projects and mines. Such statements are subject to prospective risks & uncertainties and may cause actual developments to differ materially from the reported results.

The forward-looking statements in this announcement were prepared based on the present intentions of the current Flinders board and management team, numerous assumptions concerning current conditions and future events, as well as the business environment where Flinders conducts business. Flinders has no obligation to guarantee that the valid information presented will bring the specific results as expected.