

31 July 2023

## Quarterly Report

For the period ended 30 June 2023

### HIGHLIGHTS

- **PIOP Scoping Study well progressed with completion expected in 3Q 2023**
- **Shareholders approved name change to “Red Hawk Mining Limited”**
- **Acquisition of Forge Resources Swan Pty Ltd terminated**

Flinders Mines Ltd (ASX: FMS) (**Flinders** or the **Company**) is pleased to provide the following activities report which summarise progress achieved during the quarter ended 30 June 2023 (**June Quarter**).

#### Pilbara Iron Ore Project

Flinders has commenced a Scoping Study at the 100%-owned Pilbara Iron Ore Project (**PIOP**) in the Pilbara region of Western Australia. The Scoping Study is intended to ‘right size’ the development of the PIOP, with a focus on speed to market and lowering upfront capital.

The Scoping Study will provide a ‘base case’ scenario, based on a sustainable production rate of up to 3 million tonnes per annum of +60% Fe direct shipping ore (**DSO**) utilising public access and third-party transport and export infrastructure where possible. Flinders has engaged several reputable technical and financial consultants to deliver the Scoping Study, including CSA Global, Oreology Mine Consulting, Ausenco and FTI Consulting.

During the June Quarter, an extensive amount of work was undertaken on progressing the Scoping Study, including geological reinterpretation of the Delta and Paragon deposits, with a focus on defining DSO grade mineralisation. The results of the Scoping Study are expected to be released in 3Q 2023.

As announced post the June Quarter, the Company, Todd Corporation and BBIG Group Pty Ltd (**BBIG**) mutually agreed to terminate the agreement for the Company to acquire 100% of Forge Resources Swan Pty Ltd (**Proposed Transaction**), which included the assets of BBIG's Balla Balla Infrastructure Project. The termination of the Proposed Transaction was due to the Conditions Precedent being unable to be fulfilled within the specified timeline required under the agreement.

The Company will now retain the \$3.3 million purchase consideration and will no longer be obliged to meet ongoing capital expenditure commitments of approximately \$2 million per annum for tenement expenditure and maintenance. The Company has directed these savings towards the completion of the Scoping Study, including heritage and environmental programs, and to continue the DSO resource evaluation.

#### Canegrass Project

The Canegrass Project is subject to a Farm-in Agreement (**Canegrass FIA**) with Viking Mines Limited (ASX: VKA) (**Viking**), whereby Viking can earn up to a 99% interest in the Canegrass tenements by spending \$4 million on exploration and making payments to Flinders of \$1.25 million over 54 months (from 30 November 2022). The structure of the farm-in provides for Flinders to avoid the on-going tenement holding costs associated with the Canegrass Project. Viking has continued its exploration activities during the June Quarter targeting battery minerals, including vanadium.

#### Financial

As at 30 June 2023, the Company held \$6.1 million in cash. No substantive direct exploration activities were undertaken by the Company on PIOP or Canegrass. The Company's main activities during the June Quarter focussed on progressing the PIOP Scoping Study, conducting heritage clearance surveys and environmental programmes.

The Company notes that during the June Quarter, a total of \$313k was paid to related parties, comprising Executive and Non-executive Director fees, of which \$14.2k was paid to TIO (NZ) Ltd in relation to Director services provided by Mr Foster. In addition, communication fees of \$21.6k were paid to FTI Consulting (Australia) Pty Ltd a company that employs Ms Edwardes and \$11k was paid to PAC Partners, a company that employs Mr Gurry, for financial advisory services.

## **Corporate**

Effective, 1 August 2023 the Company has moved its principal place of business and registered address to,

**Address:** Ground Floor  
23 Ventnor Avenue  
West Perth WA 6005  
**Telephone:** (08) 9389 4483

Ms Shannon Coates has resigned as Company Secretary effective from 31 July 2023. The Company extends its appreciation to Ms Coates for the valuable contributions she has made to the business since her appointment. The Company confirms that existing Joint Company Secretary Ms Sarah Wilson will continue as Company Secretary. For the purposes of ASX Listing Rule 12.6 Ms Sarah Wilson will be the person responsible for communications between the Company and ASX.

The Company announced an extraordinary general meeting of members would be held on 28 July 2023 to seek approval to change the Company's name to Red Hawk Mining Limited to more accurately reflect the operations and future direction of the Company. Shareholders approved the name change with results of the meeting released on 28 July 2023.

## **Conference Call**

The Company will host a shareholder conference call on 4 August 2023 at 11:30am (WST) to discuss the June Quarter. This call will be led by Mr Steven Michael, Managing Director and CEO. Shareholders can register for the conference call at the link below. Questions can be submitted ahead of the discussion to [info@flindersmines.com](mailto:info@flindersmines.com).

### **Pre-Registration Link:**

<https://attendee.gotowebinar.com/register/6060533813843385179>

Authorised by:

Board of Flinders Mines Limited

For further information please contact:

### **Investors and Shareholders**

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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.

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## **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.

**Tenement Schedule**  
For the Quarter ending  
30 June 2023

Tenement No.	Status	Tenement Name	Grant/ Application Date	Expiry Date	Area (Sq Km)	Registered Holder /Applicant	Interest
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**Pilbara Iron Ore Project (PIOP)<sup>1</sup>**

M47/1451	Granted	Blacksmith ML	26/03/2012	25/03/2033	111.6	PIOP Mine Co Pty Ltd	100%
R47/21 <sup>2</sup>	Granted	Anvil	30/01/2020	29/01/2028	44.4	PIOP Mine Co Pty Ltd	100%
L47/728	Granted	PIOP Airstrip	29/05/2015	28/05/2036	3.0	PIOP Mine Co Pty Ltd	100%
L47/730	Granted	PIOP Village	29/05/2015	28/05/2036	0.1	PIOP Mine Co Pty Ltd	100%
L47/731	Granted	Northern Road	18/11/2019	17/11/2040	4.9	PIOP Mine Co Pty Ltd	100%
L47/734	Granted	Southern Road	29/05/2015	28/05/2036	4.2	PIOP Mine Co Pty Ltd	100%

**Canegrass Project**

E58/232	Granted	Boulder Well	29/07/2002	28/07/2023	16.1	Flinders Canegrass Pty Ltd	100%
E58/236	Granted	Challa	22/03/2002	21/03/2024	12.7	Flinders Canegrass Pty Ltd	100%
E58/282	Granted	HoneyPot	3/05/2007	2/05/2023	24.2	Flinders Canegrass Pty Ltd	100%

E58/520 <sup>3</sup>	Granted	Waramboo	14/09/2017	13/09/2027	3.1	Flinders Canegrass Pty Ltd	100%
E58/521 <sup>3</sup>	Granted	Waramboo	14/09/2017	13/09/2027	15.1	Flinders Canegrass Pty Ltd	100%
E58/522 <sup>3</sup>	Granted	Waramboo	14/09/2017	13/09/2027	24.1	Flinders Canegrass Pty Ltd	100%

- EOT submitted for E58/282 and E58/232.