



## **ASX ANNOUNCEMENT**

**3 March 2020**

### **Chairman's Address to Extraordinary General Meeting**

Good morning, ladies and gentlemen. My name is Neil Warburton. I am the non-executive Chairman of Flinders Mines Limited and I will Chair today's Extraordinary General Meeting of Flinders Mines Limited. This meeting has been convened in accordance with the Corporations Act and as a quorum of shareholders is present, I declare the meeting open.

On behalf of the Board of Directors, it is my pleasure to welcome you to the Meeting. We are delighted to have you all here today.

I would also like to acknowledge and pay our respects to the traditional owners, past, present and emerging, on who's land we meet today.

I am also pleased to advise that the General Meeting today is being video recorded and will be posted on our website in due course.

#### **Introductions**

I now wish to introduce my fellow directors, our Independent Deputy Chair, the Hon Cheryl Edwardes AM, Independent Non-Executive Director Mr James Gurry and Non-Executive Directors, Evan Davies and Michael Wolley.

Also present at today's meeting is our Chief Executive Officer, David McAdam.

#### **Format**

Shortly I will make some introductory comments, before handing to our CEO, David McAdam, to provide a brief overview of the proposed transaction you will be voting on today. I will then open the floor for discussion and questions from shareholders.

Once I am satisfied that questions have been adequately addressed, we will consider the singular resolution to be put to shareholders, which was set out in the Notice of Meeting despatched to all shareholders on 30 January 2020. As you may be aware, no votes may be cast, in any capacity, on the resolution by or on behalf of TIO, our major shareholder and a related party to BBIG, or any of TIO's Associates.

I have determined that the resolution the subject of today's meeting will be put to poll, which will be conducted by our share registry, Computershare, towards the end of today's meeting. At the appropriate time, I will ask Lisa Ahwan from Computershare to outline the process for the conduct of the poll.

I advise that where a proxy vote has been directed to me as Chairman without a specific voting instruction, I intend to vote in favour of the resolution.

Once the poll has been conducted and the votes are being counted, I will adjourn the meeting for a short time.

I will then re-convene the meeting and announce the results of the poll.

After the meeting has closed, I invite you to stay for tea and coffee and our Directors and executive staff who are here today can answer any further questions you might have.

### **Chairman's Address**

I'd now like to make some comments.

It was just over three months ago that we met for the AGM and it was shortly after that we announced binding transaction agreements with BBIG, that are the subject of today's meeting.

Since we announced the initial Terms Sheet with BBIG, and subsequently engaged with shareholders, we reviewed your queries and took a lot of that feedback to the negotiating table with BBIG.

I am very pleased with the outcome we have achieved, and I know I can speak on behalf of my other Independent Non-executive Directors, Cheryl Edwardes and James Gurry, when I say they share my enthusiasm for this transaction.

Ladies and Gentlemen, this is our opportunity to go mining and realise value for the company. Never before have we had such a clear and definitive pathway to develop our Pilbara Iron Ore Project.

Your independent Directors believe this transaction offers a way for a relatively small company to develop a multi-billion-dollar project. Through this transaction we are being free-carried to production, which means Flinders shareholders don't have to put any further money in. This is a terrific outcome.

An important part of this process was securing the view of an Independent Expert and pleasingly that Independent Expert has said, in concluding a very comprehensive report, that this transaction is fair and reasonable to minority shareholders. That means you don't have to rely on our view, the independent Directors, you have a third, independent party who says this is a good transaction.

We have negotiated long and hard to get to this position and your Independent Directors along with our Chief Executive Officer, David McAdam have driven this process. We believe we have negotiated a good deal for all shareholders. While not wanting to sound negative, it is important to point out there is no other deal on the table and we don't believe there is any opportunity to improve on this deal currently in front of us.

If this transaction is not approved there will be significant uncertainty around the future of your Company.

Thank you.

**Authorised by:**

**Neil Warburton**

**Non-Executive Chairman**

### **Investors and Shareholders**

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