

7 February 2012

Market Update - MMK Scheme Implementation Agreement for A\$554 million acquisition of Flinders Mines

Flinders Mines Limited (ASX code: "FMS") advises the following timetable update for the Scheme Implementation Agreement ("Scheme") announced on 25 November 2011, being for the proposed A\$554 million acquisition of Flinders Mines ("Flinders") by Magnitogorsk Iron and Steel Works OJSC ("MMK").

Flinders Directors reiterate their unanimous recommendation of the A\$0.30 per share cash offer in the absence of a superior proposal.

It is expected that the Scheme Booklet - including a copy of the completed Independent Expert's Report and all other relevant information relating to the MMK offer - will be mailed to Flinders shareholders on 27 February 2012 with the notice convening the meeting at which shareholders will be able to vote on the MMK offer.

Expected key dates under the Scheme are:-

Indicative Date	Event
15 February 2012	First Court Hearing for proposed Scheme Implementation. Scheme Booklet to ASIC for registration.
27 February 2012	Lodge Scheme Booklet with ASX (public document).
27 February 2012	Mail Scheme Booklet and meeting notice to Flinders shareholders.
30 March 2012	Shareholder meeting to vote on Scheme.
3 April 2012	Second Court Hearing.
4 April 2012	Lodge Court Order for confirmed Scheme with ASIC and ASX. Last day of trading in Flinders shares.
18 April 2012	Implementation of Scheme and payment by MMK to Flinders shareholders.

The above dates are subject to change in the event of any delays in the required procedures under the Scheme Implementation Agreement.



GARY SUTHERLAND
MANAGING DIRECTOR

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