



FLINDERS
Resources

NEWS RELEASE

September 21, 2015

FLINDERS' WOXNA IN SWEDISH GRAPHENE PROJECT

Vancouver, Canada - Flinders Resources Limited ("Flinders" or the "Company") (TSXV: FDR) is pleased to announce its Swedish subsidiary, Woxna Graphite AB ("**Woxna**") has been chosen as an industry partner within [Svenskt Grafen](#) ("**Swedish Graphene**"), a Swedish-government funded program to research and commercialize the production of graphene from Swedish-sourced graphite. With a production-ready, fully permitted graphite mine and processing facility, Woxna is the natural partner for this program.

Key points:

- In 2013, the European Union launched the [Graphene Flagship Project](#), a ten-year, €1 billion (US\$1.1B) project to research graphene commercialization. Chalmers University in Gothenburg, Sweden, is the project coordinator.
- In 2015, Sweden launched [SIO Grafen](#), a three-year, SEK 54M (US\$6.4M) project aimed at strategic innovation to commercialize graphene production in Sweden. [SIO Grafen](#) is financially supported by the Swedish government and industry.
- In 2015, [SIO Grafen](#) initiated Swedish Graphene, a 2-year, SEK 2.4M (US\$0.28M) project to investigate Woxna's Swedish flake graphite, and its suitability to produce graphene on an industrial scale.
- Flinders' partner in Swedish Graphene is 2D Fab AB ("**2D Fab**"), a company spin-off from Mittuniversitetet (Mid Sweden University), who have been conducting graphene research for many years.
- The Swedish government is providing funding for [Swedish Graphene](#). Swedish Graphene will run until November 2016.

Blair Way, President & CEO states, "This announcement represents an exciting milestone for Flinders, placing the Company at the forefront of one of the fast moving areas of new materials research. The European Union and Sweden are global leaders in the research and development of graphene, with a significant research history and very substantial future funding. Sweden is highly regarded as a technology-driven industrial economy, and [SIO Grafen](#) cements Sweden's position as a sustainable leader in the development and commercialization of graphene."

Flinders is extremely proud to be a part of this leading technology project to develop graphene from Swedish-sourced graphite. The partnering of a fully permitted graphite mine with fully funded graphene research of this scale, makes for a strong and unique story with the capacity to deliver in industrially-relevant time frames.

The Swedish Graphene project completes the third link in our strategy to position Woxna as a leading supplier to the current and future graphite and graphene industries. Woxna has produced and sold flake graphite to the traditional refractory sector, and is currently researching the production of high purity graphite product with Chinese technology suppliers."

Graphene is the world's thinnest material, extremely light, strong and flexible. It is also a transparent conductor, combining electrical and optical functionalities. It is believed the material will provide unique possibilities for completely new solutions and collaborations between sectors.

The purpose of the Swedish Graphene project is to produce graphene from graphite produced in Sweden. The secondary objective is to find appropriate commercial applications for Swedish graphene. Woxna, as one of Europe's two graphite mines, and Sweden's only graphite producer, can supply domestically sourced natural flake graphite which provides a clear strategic advantage for Sweden.

A mining study to establish the technical feasibility and economic viability of the Woxna Project has not been completed nor does the project host a mineral reserve. There is increased uncertainty and risk of economic and technical failure should the project proceed to further production. While the property hosts mineral resources, mineral resources that are not mineral reserves do not have demonstrated economic viability.

Woxna and its partner 2D Fab form the first two links in the graphite to graphene value chain and are the main participants in the Swedish Graphene project. The partners will seek support from Swedish industry to evaluate the graphene produced from Swedish graphite in printing, energy and surface treatment applications. The next stage of the Swedish Graphene project is to seek potential industrial users of the graphene for use in a range of products.

Woxna has already mined and milled in excess of 1,000 tonnes of natural flake graphite since restarting the facility last year. High grade large flake concentrate has already been shipped to 2D Fab. Test work on the Swedish graphite-to-graphene process has already commenced, with 2D Fab running Woxna natural flake graphite concentrate through their unique and sustainable technology that has the ability to produce graphene from natural flake graphite, water and minimal energy.

The qualified person as defined in National Instrument 43-101 for the Woxna project, Blair Way, President and Chief Executive Officer and a director of the Company, and a Fellow of the Australasian Institute of Mining and Metallurgy, has reviewed and verified the contents of this release.

On behalf of the Board,

"Blair Way"

Blair Way, President and CEO

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About Flinders Resources

Flinders Resources is the 100% owner of the Woxna graphite mine and processing facility located in Sweden. The fully permitted Woxna facility was restarted in July 2014 and produced natural flake graphite concentrate until spring 2015. Much of this concentrate inventory was stockpiled instead of sold due to declining global flake graphite demand during 2015 that pushed prices to a four year low. The Woxna processing facility can be restarted very quickly (a matter of days), but will remain in a "production ready" status until improved graphite prices return allowing the company to conserve working capital and work on value adding initiatives for the processing facility.

About 2D Fab

2D fab is a spin-off from the Mid Sweden University (Miun), refining the technology to make graphene from graphite developed at Miun. The technology is scalable and can quickly be scaled up to make large quantities of graphene.

About SIO Graphen

The Swedish Vinnova funded initiative "SIO grafen" promotes graphene innovations at the national level. The goals of SIO Graphen are to increase the technical maturity of the graphene, and establish graphene as a new class of

materials for solving future challenges and to strengthen the transfer of knowledge between different industries and between companies, universities and institutes. The program will establish Sweden as one of the leading innovative countries in the graph, develop and introduce new value chains and enable Swedish graph-based products reach the market by 2017. It is funded in part by VINNOVA, Formas and the Swedish Energy Agency

About the Graphene Flagship Program

The Graphene Flagship is the EU's biggest ever research initiative. With a budget of €1 billion, it represents a new form of joint, coordinated research on an unprecedented scale. The Graphene Flagship is coordinated by Chalmers University of Technology, Gothenburg, Sweden.

The Graphene Flagship is tasked with bringing together academic and industrial researchers to take graphene from the realm of academic laboratories into European society in the space of 10 years, thus generating economic growth, new jobs and new opportunities.

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http://graphene-flagship.eu/?page_id=5#VeVU5el45Hs

Forward-Looking Information

Certain information in this news release may constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws (collectively, "Forward-Looking Statements"). All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are Forward-Looking Statements. Forward-Looking Statements are often, but not always, identified by the use of words such as "seek," "anticipate," "believe," "plan," "estimate," "expect," and "intend" and statements that an event or result "may," "will," "can," "should," "could," or "might" occur or be achieved and other similar expressions. Forward-Looking Statements are based upon the opinions and expectations of the Company based on information currently available to the Company. Forward-Looking Statements are subject to a number of factors, risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the Forward-Looking Statements including, among other things, the Company has yet to generate a profit from its activities; there can be no guarantee that the estimates of quantities or qualities of minerals disclosed in the Company's public record will be economically recoverable; uncertainties relating to the availability and costs of financing needed in the future; competition with other companies within the mining industry; the success of the Company is largely dependent upon the performance of its directors and officers and the Company's ability to attract and train key personnel; changes in world metal markets and equity markets beyond the Company's control; mineral resources are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized; production rates and capital and other costs may vary significantly from estimates; changes in corporate goals and strategies, the Company's preliminary economic assessment is no longer current or valid and the Company has no plans to complete a new preliminary economic assessment, a pre-feasibility or feasibility study on the project, as a result there is an increased risk of technical and economic failure for the Woxna graphite project; unexpected geological conditions; delays in obtaining or failure to obtain necessary permits and approvals from government authorities; all phases of a mining business present environmental and safety risks and hazards and are subject to environmental and safety regulation, and rehabilitation and restitution costs; the Company does not maintain insurance against environmental risks; and management of the Company have experience in mineral exploration but may lack all or some of the necessary technical training and experience to successfully develop and operate a mine. Although the Company believes that the expectations reflected in the Forward-Looking Statements, and the assumptions on which such Forward-Looking Statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on Forward-Looking Statements, as there can be no assurance that the plans, intentions or expectations upon which the Forward-Looking Statements are based will occur. Forward-Looking Statements herein are made as at the date hereof, and unless otherwise required by law, the Company does not intend, or assume any obligation, to update these Forward-Looking Statements.

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