VANCOUVER, CANADA--(Marketwired - Apr 21, 2016) - Flinders Resources Ltd. ("Flinders" or the "Company") (TSX VENTURE:FDR) is pleased to announce that graphene has been produced for the first time using graphite concentrate from the Company's Woxna mine in Sweden. In the Company's news release of September 21 2015 the Company outlined its action plan with respect to participation in Svenskt Grafen ("Swedish Graphene") a Swedish government initiative for the production of graphene from Swedish sourced graphite. Following is an update on the Company's graphene project.

Key points:

- Woxna concentrate has now been processed into graphene by 2D Fab AB (figure 1). The test work was completed at bench scale test levels at the 2D Fab AB facilities in Sweden. Flinders' partner in "Swedish Graphene" is 2D Fab AB ("2D Fab"), a company spin-off from Mittuniversitetet (Mid Sweden University).
- In 2015, Svenskt Grafen ("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 was selected as one of the new projects supported by SIO Grafen (see Flinders' news release dated 21 September 2015).

Blair Way, President & CEO of Flinders, states, *"Flinders is very pleased with the progress made to date working with our Swedish associates at 2D Fab AB. To actually see Woxna graphene is a very satisfying achievement. We have the necessary components to investigate the commercialisation of graphene, from Woxna concentrate, for high technology applications."*

Sven Forsberg, founder and managing director of 2D Fab AB, states*, "The large size of natural graphite flakes in Woxna concentrate, combined with a gentle energy efficient exfoliation process, are the keys to producing customer tailored, molecular thick graphene, with superior electrical conductivity and barrier properties. Additionally, the potential competitive advantage for these graphene products is that the graphitic raw material comes from a sustainable EU source."*

Graphene was produced using 2D Fab's proprietary low environmental footprint manufacturing technology which utilises a low energy, hydro-mechanical exfoliation process to produce high conductivity graphene (Figure 1). This process is more energy efficient and less destructive to the final graphene product, compared to other hydro-mechanical exfoliation processes, such as rotary dispersers and ultrasonic treatments.

Woxna graphene films produced using 2D Fab's technology have demonstrated sheet resistance below 1.6 Ohms/sq, which is lower sheet resistance than obtained from graphene, produced from graphite, by other methods at 2D Fab's facilities with the same film thickness. A key contributor to the low resistance is that the graphene produced is large and up to 40 microns in two dimensions.

Flinders and its partners, in collaboration with end users, are ensuring the graphene meets specific customer requirements. Early applications for graphene include electrodes in energy storage, barriers in plastics, conductive inks and coatings and different types of composites.

The Woxna project has never defined a mineral reserve and the previous preliminary economic assessment on Woxna dated October 29, 2013, has been superseded by the Company's current technical report dated May 11, 2015. As the Woxna facility is not in production but remains on a production ready status, any future decision to recommence mining at Woxna will not be based on a preliminary economic assessment demonstrating the potential viability of mineral resources or feasibility study of mineral reserves demonstrating economic and technical viability. Under these circumstances, there is increased risk of technical and economic failure for the Woxna project, and the Company discloses additional risk factors relating thereto. The Company advises that it has not based its production decision on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that production will begin as anticipated or at all or that anticipated production costs will be achieved. Failure to commence production would have a material adverse impact on the Company's ability to generate revenue and cash flow to fund operations. Failure to achieve any anticipated production costs would have a material adverse impact on the Company's cash flow and future profitability. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing or other relevant issues.

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, President and CEO

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 able to produce up to 11,000 tons per annum of natural flake graphite concentrate. The Woxna processing facility is currently in a "production ready" status until improved graphite prices return. This allows the company to conserve working capital and work on value adding initiatives for the processing facility. Flinders Resources is working closely with technical partners to define the modifications to the current processing plant to enable production of high purity value added products to supply the emerging battery cell manufacturing market.

About 2D Fab AB

2D Fab AB is a spin-off from the Mid Sweden University, refining the technology to produce graphene from graphite. The technology is scalable and can be quickly scaled up to produce large quantities of graphene.

http://2dfab.se/en/partners-2/

About SIO Graphen

The Swedish Vinnova funded a three-year, SEK 54M (US$6.4M) initiative "SIO grafen" to promote 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 and operated out of Chalmers Technical University's Graphene Center.

http://siografen.se/about-sio-grafen/

About Chalmers Graphene Center

The Graphene Centre at Chalmers gathers research, education and innovation related to graphene under one common umbrella. This provides a way to have synergies between multiple graphene projects at the same time as it creates an environment that attracts researchers, students and cooperation partners. Work is ongoing to systematically analyse research results and assets at Chalmers, to detail the areas of strength and future focus and to identify possible collaborations including alignment/synergy with the Graphene Flagship.

http://www.chalmers.se/en/centres/graphene/organisation/Pages/default.aspx

About the Graphene Flagship Program

The Graphene Flagship is the EU's biggest ever research initiative. In 2013, the European Union ("EU") launched the Graphene Flagship Project, a ten-year, EUR1 billion (US$1.1B) project to research graphene commercialization. Chalmers University in Gothenburg, Sweden, is the project leader and coordinator; The Chalmers activities and its Graphene Center located in Gothenburg provides opportunities for links between the Swedish and European partners.

http://graphene-flagship.eu/

To view Figure 1 , visit the following link:

http://media3.marketwire.com/docs/Flinders_Resources_Limited_Figure_1_001.jpg

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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