

5 March 2010

Dear Fellow Shareholder

IMPORTANT INFORMATION REGARDING 18 MARCH GENERAL MEETING

We are writing to you with new information regarding the General Meeting of the Company to be held on 18 March 2010, which has been called to consider the proposal to remove Steven Pritchard and Daniel Di Stefano as Directors of our Company, and appoint Christopher Ryan and Robin Dean in their place.

In the Explanatory Memorandum for the Notice of Meeting, you will have seen the statement that was provided by the Requisitionists for circulation to shareholders. In the statement there is a biography for each of Christopher Ryan and Robin Dean. It has come to the attention of the Board that certain statements made in relation to Mr Dean's past experience appear to be untrue. Specifically, Mr Dean claims to have been "*formerly the managing director of the ASX listed companies St Barbara Mines Limited and Structural Monitoring Systems plc*". However:

- an ASIC search of historical details for St Barbara Mines Limited (now called St Barbara Limited), and a review of that company's annual reports, show that Mr Dean has **never** been a director of that company, let alone the managing director; and
- a review of past annual reports of Structural Monitoring Systems plc (a UK company) does not indicate that Mr Dean was ever the managing director of that company.

Recommendation on how to vote

In light of this information and other factors (such as the changes to the Management Agreement and recent good performance mentioned below), the Directors advise that they **do not support** the removal of Mr Pritchard or Mr Di Stefano as Directors of the Company and **recommend that Shareholders VOTE AGAINST Resolutions 1 and 2.**

Further, the Directors **do not support** the appointment of either Mr Christopher Ryan or Mr Robin Dean as Directors of the Company and **recommend that Shareholders VOTE AGAINST Resolutions 1 and 2.**

If you have already sent in a proxy vote and wish to change or revoke your proxy instructions, see details below on how to do this.

Beneficial changes to Management Agreement fee structure

The Directors have listened to Shareholder concerns regarding the Management Agreement between the Company and Cameron Stockbrokers Limited (the Manager).

The Directors are pleased to confirm that the Manager has agreed to amend the Management Agreement so that annual performance fees will be payable only if the value of the Company's portfolio exceeds its previous high point, rather than being calculated on the gain in value over the year. In other words, if there is a gain in value over the year, but the portfolio value is still less than it was in a previous year, then no performance fee will be payable. The Company notes that this is how the fee has been calculated and paid in practice up until now, although the Management Agreement could have allowed the Manager to claim a higher fee.

The Directors regard this as a positive development for Shareholders.

It is also worth noting that Mr Pritchard and Mr Di Stefano do not receive any directors' fees or salaries from the Company for performing their role.

Update on performance of the Company's investment portfolio

For the half year ended 30 December 2009, the unaudited financial statements of Florin show an operating profit after tax of \$1,044,824. Similarly the net assets per share increased by 7 cents per share from 18 cents to 25 cents.

How to change or revoke your previous proxy instructions

If you have already sent in a proxy form and wish to change or revoke your proxy instructions, you can do this by lodging either a new Proxy Form or lodging a Proxy Revocation Form. If you want to change your proxy instructions, just lodge a new Proxy Form with the new voting instructions – do not lodge a Proxy Revocation Form as well. If you want to cancel your existing proxy vote and not replace it with new instructions then use the Proxy Revocation Form. Don't forget to sign the form.

A new Proxy Form and a Proxy Revocation Form are enclosed. These forms are not personalised, so please remember to fill in your name and address (or the name and address of the registered shareholder if this is not you), as well as the proxy's name and address if you are appointing a proxy. You do not need to fill in the name and address of a proxy if you want the Chairman to cast your vote in accordance with your instructions on a poll.

The new Proxy Form or Proxy Revocation Form must be received by the proxy cut-off date of **3.00pm on 16 March 2010**. We recommend that you fax the form (using the number on the form) to make sure we receive it in time.

Yours faithfully

FLORIN MINING INVESTMENT COMPANY LIMITED



BRETT HALL
COMPANY SECRETARY

Florin Mining Investment Company Limited

(write name of **shareholder** – if joint shareholders, write all names)

(write address of shareholder)

I/we **revoke** that previous appointment.

Shareholders who are individuals	Shareholders who are corporations
<p>_____</p> <p>Signature(s)</p> <p>(Note: <u>All</u> joint Shareholders must sign)</p>	<p>Signed for and on behalf of the Shareholder by:</p> <p>_____</p> <p>Director</p> <p>_____</p> <p>Secretary/Director</p>

- (a) in the reply paid envelope;
- (b) mailing the Form to the Registry's mailing address below;
- (c) faxing it to Registry on 02 4920 2878 (within Australia) or +61 2 4920 2878 (outside Australia); or
- (d) delivering it in person to the Company's registered office.

The Company's registered office: 10 Murray Street
Hamilton, Newcastle NSW 2300

Returning this Proxy Form

For the appointment of the proxy to be valid, the Proxy Form and authority (if any) under which it is signed must be **received** no later than 3.00 pm on 16 March 2010.

You can return the completed Proxy Form in any of the following ways:

- (a) in the reply paid envelope;
- (b) mailing the Proxy Form to the Registry's mailing address below;
- (c) faxing it to Registry on 02 4920 2878 (within Australia) or +61 2 4920 2878 (outside Australia); or
- (d) delivering it in person to the Company's registered office.

Registry's mailing address: Newcastle Capital Markets Registries Pty Ltd
PO Box 402
Hamilton NSW 2303

The Company's registered office: 10 Murray Street
Hamilton, Newcastle NSW 2300

Further information and requirements in relation to this Proxy Form are set out in the Notice of Meeting.