



**FLORIN**

mining investment company limited

28 February 2011

Dear Fellow shareholder,

### **Capital Management Policies**

At the directors' meeting held on 25 February 2011, the board unanimously resolved to adopt the following capital management policies in respect of future dividends and share buy backs.

#### **1. Payment of dividends**

Subject to there being no adverse change in market conditions, the financial position of the company or the availability of franking credits, Florin intends in future to pay an interim dividend in March/April and a final dividend in November/December each year.

Florin will continue to offer shareholders the opportunity to reinvest their dividends under the dividend reinvestment plan.

#### **2. On market buy backs of shares**

Florin will continue to buy back its shares on market whenever they can be purchased at a minimum discount of 25 percent to net tangible assets, subject to the following conditions:

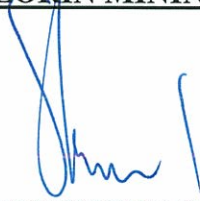
- (a) Florin will not buy back any shares:
  - (aa) during the period from 1 January until 24 hours after the release of the interim results to the market; or
  - (ab) during the period from 1 July until 24 hours after the release of the final results to the market.

- (b) Florin will not buy back more than 1 percent of its shares in any calendar month.
- (c) Florin will not buy back any shares at a price which exceeds the last sale price.

Should you have any additional questions, please do not hesitate to contact either myself or Mr Brett Hall, the company secretary.

Yours faithfully

**FLORIN MINING INVESTMENT COMPANY LIMITED**



**STEVEN PRITCHARD**  
**DIRECTOR**