



# FLORIN

mining investment company limited

## Quarterly update for quarter ending 31 March 2011

### Investment objective

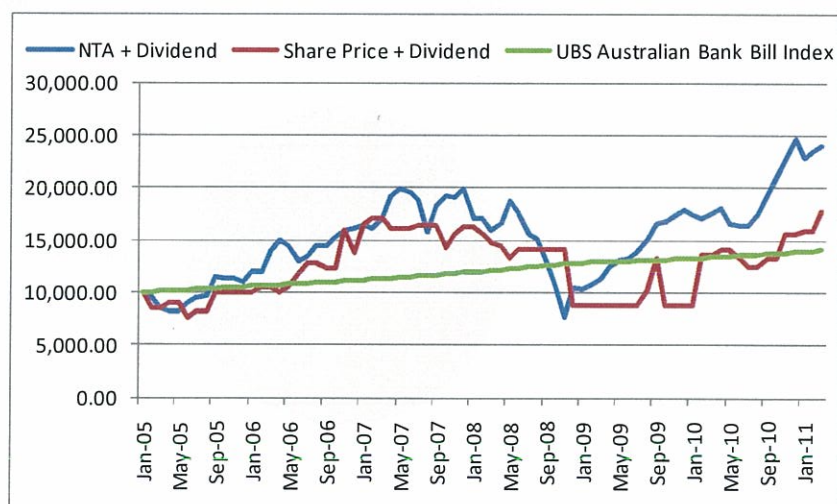
The Florin Mining Investment Company Limited (“Florin”) investment objective is to achieve a high real rate of return, being comprised of both income and capital growth by investing in a portfolio of securities of natural resource companies.

Florin will generally limit its investments to those companies which;

- Derive a significant proportion of their revenues from the mining of base and precious metals, industrial minerals, and bulk commodities, the production of oil and gas or geothermal energy; or
- Have a significant proportion of their assets invested, or they propose to invest a significant proportion of their assets, in activities involved in the exploration for base and precious metals, industrial minerals, bulk commodities, oil, gas and geothermal energy.

### Cumulative performance

	3 Months	6 Months	1 year	3 Years	5 Years	Since Inception
Share price + dividend	14.06%	34.60%	29.68%	19.83%	69.05%	77.50%
NTA + dividend	-2.56%	23.56%	36.23%	50.10%	71.54%	140.16%
UBS Australian Bank Bill Index	1.22%	2.48%	4.87%	15.86%	31.65%	40.50%



Both the share price and NTA have been adjusted for the 1-for-5 bonus issue.

### Key information

#### Calendar

Year end	30 June
Annual report published	30 September
Dividends paid	April, November
Annual General Meeting	November
Established	29 September 2004
Listed date	3 February 2005

#### Capital structure

Ordinary shares issued	17,018,723
Share price cents	22.00
Net asset value cents	29.80
Dividend cents per share	2.00
Yield %	9.09
Franking %	22.00

#### Management

Board of Directors	Victor Burley Steven Pritchard Daniel Di Stefano Peter Cameron
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Company secretaries	Brett Hall Daniel Di Stefano
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Investment manager	Cameron Stockbrokers Limited
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#### Trading details

Listed	National Stock Exchange
NSX code	FMI
Stockbrokers	Cameron Stockbrokers Limited Pritchard & Partners Limited

The investment objectives should be treated as a target only and should not be considered as an assurance or guarantee

Calculated as an annual dividend yield, where the total dividends for the prior 12 months are divided by the current market price as at 31 March 2011

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## Investment manager's report

As at 31 March 2011 the Net Tangible Assets of the Company were 29.8 cents per share which was down from 31.7 cents per share for the previous quarter, the majority of which was reflected in a 1c dividend which was paid during the period.

During the quarter the share price increased from 20.0 to 22.0 an increase of 2.0 cents per share or 10.0%. The dividend of 1 cent per share was paid on 1 April, investors who held shares in Florin as at 17 March 2011 (ex dividend date) would have been entitled to this dividend and should have received payment by this stage. Taking into account the dividend reinvestment price of 22.0 cents, on an adjusted basis the share price increased 14.6% for the quarter.

Commodity markets and in particular the price of silver have remained strong. Silver has increased by 22.0% over the quarter. Cobar Consolidated Resources Limited which is one of Florin's twenty largest holdings benefited from this increase in the silver price. The share price increased 34.5 cents per share to close at 92.0 cents an increase of 60.0%.

Interestingly, despite record gold prices, gold stocks in general have underperformed and we believe they have some catching up to do, hence our significant exposure to the sector.

There is no doubt that India and China's insatiable demand for most commodities but particularly iron ore and coal remains rock solid and we are taking full advantage of it. However, we are concerned about the US government's handling of its debt position and the consequential effect on the US dollar. While this is positive for commodities and the equity markets generally in the short term, it is far from healthy. At best we should expect increasing short term equity market volatility and the Australian equity market being subject to much broader factors than the quality and performance of its companies.

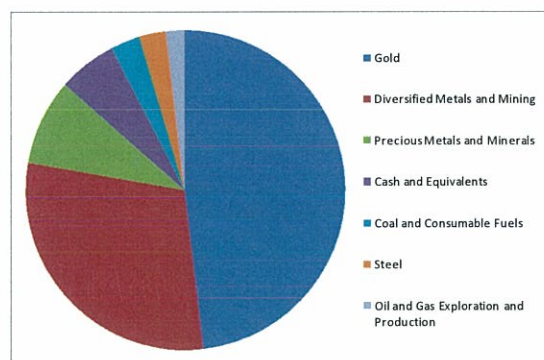
During the period the company has bought back 79,333 shares, which represents 0.47% of the total shares outstanding. The company intends to continue with its on market buy back of shares as outlined in its capital management policy.

### Twenty largest equity holdings

As at 31/03/2011	%
Crusader Resources Limited	7.18
Beadell Resources Limited	6.16
Coventry Resources Limited	3.33
Kingsgate Consolidated Limited	3.25
Perseus Mining Limited	3.12
Cobar Consolidated Resources Limited	2.96
CGA Mining Limited	2.95
Adamus Resources Limited	2.72
Bright Star Resources Limited	2.55
Ramelius Resources Limited	2.30
Integra Mining Limited	2.25
Gold Road Resources Limited	1.79
Manas Resources Limited	1.76
Sumatra Copper and Gold Plc	1.71
Marmota Energy Limited	1.61
Peel Mining Limited	1.61
Kentor Gold Limited	1.57
Traka Resources Limited	1.55
Krucible Metals Limited	1.53
Leyshon Resources Limited	1.45
<b>Total</b>	<b>53.35</b>

### GICS Sector allocation

	%
Gold	48.12
Diversified Metals and Mining	29.66
Precious Metals and Minerals	8.70
Cash and Equivalents	5.98
Coal and Consumable Fuels	2.98
Steel	2.70
Oil and Gas Exploration and Production	1.86
<b>Total</b>	<b>100.00</b>



**Important information:** Florin Mining Investment Company Limited has made every effort to ensure the information contained within this document is accurate and up to date. However, no warranty is made in relation to the accuracy and reliability of the information. Past performance is no guarantee of future performance. This document does not take into account the reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered as investment advice and should not be relied on as an investment recommendation.