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## ENCOURAGING HIGH GRADE GOLD AND SILVER INTERSECTIONS FROM STEP-OUT DRILLING AT THE OJOLALI PROJECT

Finders Resources Ltd ("Finders") is the operator of the Wetar copper project and Ojolali gold-silver project both in Indonesia and holds an investment in Geopacific Resources NL, which is a Fiji-based explorer listed on the Australian Stock Exchange (ASX). Finders is currently conducting a drilling program at Ojolali targeted at delineating additional resources adjacent or near to the existing defined resources at the Jambi and Tambang prospects. The initial results from this program are set out in this announcement.

### HIGHLIGHTS

- Drilling intercepted a wide zone of near surface gold and silver mineralization including significant high grade zones at the Batu Kuning prospect (hole BTK01) immediately to the south of the Jambi prospect
  - **48.8m @ 2.58 g/t Au, 39 g/t Ag from 17.7m, including;**
    - **4.0 m at 8.6 g/t Au from a depth of 24.5m, and**
    - **6.75 m at 6.1 g/t Au and 145 g/t Ag from 48.4m**
- Drilling at Jambi intersected bonanza silver grades adjacent to the existing Jambi oxide gold resource
  - **3.0 m @ 2,929 g/t Ag, 0.62 g/t Au from a depth of 77m, hole BKJ22**
- Assays suggest potential for significant base metal credits at Tambang

The wide zone of near surface gold-silver mineralization at Batu Kuning demonstrates the potential for discovery of substantial additional resources at Ojolali, and strongly supports Finders development concept, based on a start-up operation based on the ~150,000 oz Au Jambi oxide resource, which can then be expanded to treat material from additional discoveries and known resources at the Tambang vein. The discovery of very high silver grades underlying the Jambi resource further adds to the potential of the project.

### Chris Farmer, Managing Director, commented:

"From the outset we have designed our program to support our fast-track development concept for Ojolali and unlock the district's mineral potential. High grade intercepts beneath the Jambi Inferred resource and at the nearby Batu Kuning deposit provide strong justification of our development concept using the Jambi oxide resource as the first step of a staged development and great encouragement for our objective to expand the gold and silver resource base at Ojolali."

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## OJOLALI GOLD-SILVER PROJECT

(Finders 72% with option for 100%)

Highly encouraging results have been received from drilling, which continues at Ojolali with three diamond drilling rigs working in tandem with the district-wide geophysics survey. A summary map showing prospect and drill hole locations and the areas of current activity is available on [www.findersresources.com](http://www.findersresources.com).

### Batu Kuning Prospect

The Batu Kuning prospect is located approximately 600m south of the existing Jambi oxide gold resource and comprises a zone of abandoned local mining pits extending over 1km north south, and supported by IP chargeability and resistivity anomalies.

To date five drill holes totalling ~400m have been completed by Finders. Assays have been received for the first hole, BTK01, as follow.

HOLE	EASTING <sup>+</sup>	NORTHING <sup>+</sup>	RL	DIP	AZIMUTH	DEPTH (m)
BTK01	446809	9482153	158	270	-60	103.40

<sup>+</sup> UTM Zone 48S, WGS84

BTK01	From (m)	Width (m)	Au g/t	Ag g/t	Core Rec %
	17.7	48.8	2.58	39	
<i>incl</i>	<b>24.5</b>	<b>4.00</b>	<b>8.6</b>	<b>9</b>	<b>100%</b>
<i>and</i>	<b>48.4</b>	<b>6.75</b>	<b>6.1</b>	<b>145</b>	<b>53%</b>

It should be noted BTK 01 was drilled using a light-weight rig designed for low impact follow up of geophysical surveys, and that core recoveries between 30.5m and 66.4m are low (average 63%) in highly fractured and strongly quartz veined material. Finders plan to re-drill BTK01 using a larger core size to increase certainty of the grades in this low recovery zone. The results show a strong increase in silver grades below the base of oxidation at 30m down-hole depth.

BTK01 is a twin hole of an historic hole which assayed 1m at 7.96 g/t Au, 6g/t Ag from 6 m, and 23m at 1.8 g/t Au, 23 g/t Ag. Finders considers that this result opens up potential for discovery of a significant new gold and silver resource at Batu Kuning, which is ideally situated to provide additional feed for the start up mining operation currently envisaged based on the adjacent Jambi oxide gold resource.

### Jambi Prospect

Results have been received for an additional four drill holes. The holes are located on the eastern fringe of the Inferred Resource envelope with the following collar positions.

HOLE	EASTING <sup>+</sup>	NORTHING <sup>+</sup>	RL	DIP	AZIMUTH	DEPTH (m)
BKJ22	446401	9482950	234	90	-50	101.7
BKJ23	446401	9483000	239	90	-50	108.5
BKJ24	446442	9483045	235	90	-50	60.9
BKJ25	446417	9483049	224	90	-50	87.4

<sup>+</sup> UTM Zone 48S, WGS84

A key feature of these assay results is the presence of high grade silver values at deeper levels in the Jambi system. Increased silver grades are interpreted to occur below the base of complete oxidation in the southern portion of the prospect and include bonanza level grades from a breccia zone in hole BKJ 22.

Hole	From (m)	Width (m)	Ag g/t	Au g/t	AuE*
BKJ22	3.00	1.00	32	0.06	0.59
	17.00	2.00	1	0.83	0.84
	33.00	27.00	25	0.53	0.94
	<b>77.00</b>	<b>3.00</b>	<b>2929</b>	<b>0.62</b>	<b>49.44</b>
BKJ23	0.00	0.50	3	0.45	0.50
	3.00	1.00	2	0.47	0.50
	21.00	48.00	14	0.83	1.06
	82.00	7.00	65	0.28	1.37
BKJ24	6.00	1.00	1	0.48	0.50
	20.00	9.00	8	0.50	0.64
	44.00	5.00	5	0.79	0.87
BKJ25	18.00	1.00	1	0.79	0.81
	32.00	1.00	0	0.51	0.52
	41.00	3.00	4	0.92	0.98

\* Au equivalents are calculated using Ag g/t divided by 60 plus Au g/t

It is planned to carry out a revised resource estimate for the oxide gold part of the Jambi resource on receipt of assays up to the currently completed hole BKJ31, however additional drilling will be required to evaluate the significance of the underlying silver mineralization.

### Tambang Prospect

A review of Tambang drilling to date has indicated that the vein system is principally hosted within a narrow shale unit which separates a footwall chlorite-epidote-magnetite altered basic volcanic unit from a sequence of tuffs. Base metal assays have been received for the drill holes TBG01-05 (previously reported precious metal results). These results indicate potential for significant added value with weighted average grades of 0.6% Pb and 1.2% Zn. A program of metallurgical test work to investigate the potential for production of gold & silver rich base metal concentrates from Tambang mineralization has been initiated. The following table includes compiled assay results and the implied dollar value per tonne using current metal prices.

Hole	From (m)	Width (m)	Ag g/t	Pb %	Zn %	Au g/t	\$ / ton <i>in situ</i>
TBG01	116.00	10	135	1.0	2.1	0.32	167
TBG01	140.00	21	86	0.6	1.1	0.41	98
TBG02	165.00	20	125	0.8	1.8	0.32	150
TBG03	31.90	14	320	0.7	0.2	1.10	169
TBG04	82.00	24	77	0.2	0.7	0.30	71
TBG04	126.00	3	118	0.5	0.9	0.15	88
TBG05	199.00	29	110	0.5	1.6	0.33	120

At Tambang, three additional holes have been drilled, with mixed success.

HOLE	EASTING <sup>+</sup>	NORTHING <sup>+</sup>	RL	DIP	AZIMUTH	DEPTH (m)
TBG06	444219	9481085	158	90	-60	177.5
TBG07	444261	9481081	163	90	-60	109.2
TBG08	443809	9480526	153	90	-60	291.3

<sup>+</sup> UTM Zone 48S, WGS84

Holes TBG06 and TBG07 were drilled 250m to the north of the Tambang resource envelope to follow up an intercept of 2m of 311 g/t Au from depth of 101m reported by previous workers. Assays from vein material from 104.7-106.7m in TBG 07 are awaited.

At shallower depths, both drill holes intersected highly oxidised quartz and rhodochrosite vein zones. In TBG06 no significant assays were received from a 9m wide zone at a depth of 55m. In TBG07, a 25m wide vein zone with an average grade of 0.7 g/t Au equivalent<sup>+</sup> was intersected from a depth of 22m. In both cases, low core recovery (~50%) and possible base metal and silver depletion due to oxidation may contribute to lower grades. The veins appear to have similar characteristics to those observed in holes TBG01-05 and are spatially related to the key shale marker horizon, thus deeper drill testing beneath the oxidised zone will be required to fully evaluate the vein structure.

The third hole, TBG08 was drilled on the same section as TBG01-05, targeting the vein structure 100m down-dip from TBG05, but was abandoned at 291.3m before reaching the target footwall horizon. This hole will be deepened as soon as the drill rig becomes available.

## Exploration

Geophysical surveys continue in the project area with approximately 8 sq km of coverage to date. Results continue to extend the strike length of interpreted vein systems within the mining district, with less than 5% being drill tested by previous workers.

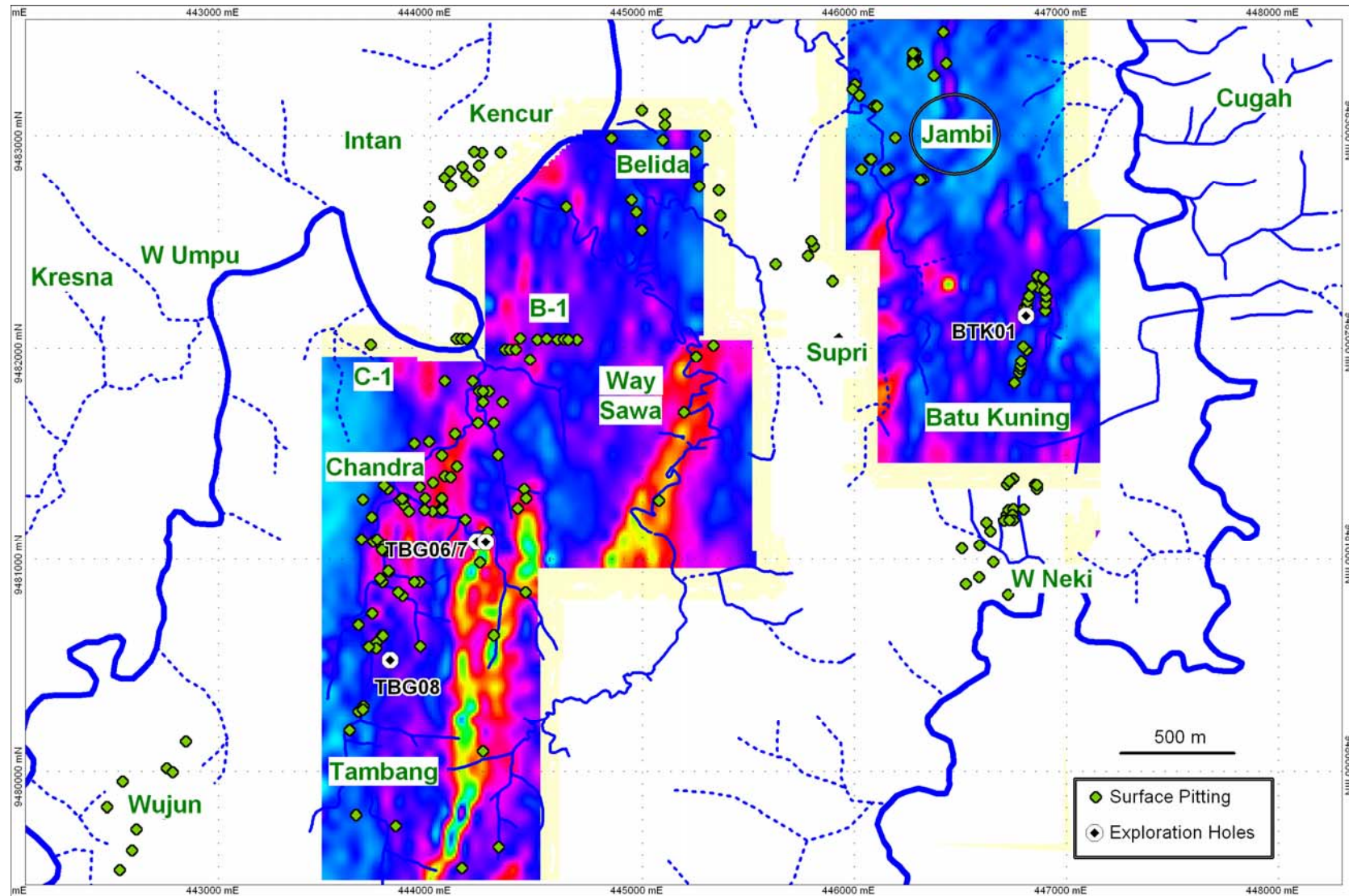
New exploration targets are being continually prioritised using a variety of geological criteria, including the correlation of mining pits excavated by local workers with geophysical anomalies (see summary map).

*Geological information in this announcement is based on information compiled by Dr R Fountain who is a Fellow of the Australasian Institute of Geoscientists and a Director of Finders. Dr Fountain has sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activity that he is undertaking to qualify as Competent Person as defined in the JORC Code. He consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear.*

*All assaying of Ojolali samples was undertaken by the ITS laboratory in Jakarta. ITS is one of the world's largest product and commodity testing, inspection and certification organizations. The Jakarta laboratory is ISO 17025 accredited and employs a Laboratory Information Management System (LIMS) for sample tracking, quality control and reporting.*

*Statements in this document that are forward-looking and involve numerous risks and uncertainties that could cause actual results to differ materially from expected results are based on the Company's current beliefs and assumptions regarding a large number of factors affecting its business. Actual results may differ materially from expected results. There can be no assurance that (i) the Company has correctly measured or identified all of the factors affecting its business or the extent of their likely impact, (ii) the publicly available information with respect to these factors on which the Company's analysis is based is complete or accurate, (iii) the Company's analysis is correct or (iv) the Company's strategy, which is based in part on this analysis, will be successful.*

Figure : Ojolali – Progress Map : Background image shows resistivity survey results, zones coloured purple/red/yellow are interpreted vein systems





## Notes for editors and analysts:

### Finders Resources LTD (AIM:FND)

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<p><b>Advanced Projects in Indonesia</b></p>	<p><b>Wetar Copper Project</b></p> <ul style="list-style-type: none"> <li>▶ 10.7 Mt @ 2.4% Cu, 0.64 g/t Au, 27 g/t Ag in two deposits at a cut-off grade of 0.5% Cu</li> <li>▶ Independent JORC estimates, 88% indicated</li> <li>▶ High grade, low strip ratio, coastal location</li> <li>▶ Variety of process route alternatives being investigated</li> <li>▶ Exploration potential with known satellite deposit</li> <li>▶ ~68% Finders (subject to audit) with potential for further expenditure-based equity</li> </ul> <p><b>Ojolali Gold -Silver Project</b></p> <ul style="list-style-type: none"> <li>▶ Jambi Prospect: CIL or CIP target with Inferred Resource of around 150,000 oz Au and low strip ratio</li> <li>▶ Tambang Prospect: Current Inferred Resource of around 40 million Oz Ag and around 170,000 Oz Au</li> <li>▶ Bonanza grade veins targeted in under explored mining district</li> <li>▶ ~72% Finders</li> </ul>
<p><b>Investment</b></p>	<p><b>Geopacific Resources (ASX:GPR)</b></p> <ul style="list-style-type: none"> <li>▶ Portfolio of copper-gold and gold projects in Fiji, many existing ore grade intercepts and 10 drill-ready targets</li> <li>▶ Finders has a 16.7% interest in Geopacific</li> <li>▶ Recent high grade gold assays at the Raki Raki prospect</li> </ul>
<p><b>Proven Team</b></p>	<ul style="list-style-type: none"> <li>▶ Extensive collective experience and expertise in the exploration, assessment, evaluation and development of mineral projects</li> <li>▶ Track record of bringing mines into development</li> <li>▶ Significant, extended Indonesian experience</li> </ul>
<p><b>Finders Resources Limited</b></p>	<ul style="list-style-type: none"> <li>▶ Market capitalisation of approximately £14.8 million on 14/11/06</li> <li>▶ Fast track development and cash generation potential</li> <li>▶ Quality team</li> <li>▶ Strong exploration upside</li> </ul>

*Resource estimates are reported in accordance with the 2004 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code", available at [www.jorc.org](http://www.jorc.org)). The estimates were performed by Dr Phillip Hellman who is a Director of Hellman & Schofield Pty Ltd ("H&S") and a Fellow of the Australian Institute of Geoscientists. He qualifies as a Competent Person under the meaning of the JORC Code and consents to the inclusion of these estimates in this release by Finders Resources Ltd in the form and context in which they appear.*