FOR IMMEDIATE RELEASE: 4th DECEMBER 2006

**WETAR COPPER PROJECT**
**KALI KUNING RESOURCE UPGRADE; FEASIBILITY STUDIES ON TRACK**

Finders Resources 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).

The Wetar Copper Project is currently in the feasibility stage after the completion of a Scoping Study in June 2006. The Study assessed the production of copper concentrates on site from a resource base of 10.7Mt @ 2.38% Cu (0.5% Cu cut-off) followed by the treatment of the concentrates using hydrometallurgy to recover copper and potentially, silver, zinc and gold by-products and deal with impurities. The feasibility study is in two stages, the first of which is designed to evaluate and select the most optimum processing option.

**HIGHLIGHTS**

Feasibility studies into development of the Wetar copper project into a 25,000 tpa copper producer are continuing, with positive results in all key areas of the project, including:

- Copper grades increase by 10% in updated Kali Kuning Resource model (1% Cu cut-off)
  - Over 50% in the JORC Measured Resource category.
  - Combined resource now 9.8Mt @ 2.5% Cu (0.5% Cu cut-off)

- Increased copper recovery and better concentrate grades are indicated by flotation test work.
  - Indicative results range from 85% to 92% copper recovery with corresponding concentrate grades of 21% and 16%.

- Revised capital cost estimates of US$ 40-45 million for a 25,000 tpa off-site Albion plant are in line with Finders scoping study estimate.

- Mixed-bag of precious metal recoveries as by-product from hydrometallurgical test work.

**Chris Farmer, Managing Director, commented:**

“Feasibility studies for concentrate production from the Wetar project are proceeding well, with results to date in line with or better than previously indicated by our scoping study for the project, and positive results have been received for Hydrometallurgical testing using both the Albion Process and Outokumpu HydroCopper process. We are currently reviewing all aspects of this work, and expect to make a final process decision in early 2007.”

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**WETAR COPPER PROJECT**
(Finders ~70% subject to audit and conversion)

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**Kali Kuning Resource Estimate**

Assay results from eight new drill holes are available and continue to demonstrate the continuity and high grade nature of the Kali Kuning resource and define the deposit boundaries. Significantly mineralized intersections of using a 0.5% Cu cut-off are listed in the following table.

| Hole Number | Easting* | Northing* | RL | Depth from (m) | Intercept (m) | Cu % | Au g/t |
|---|---|---|---|---|---|---|---|
| KKG040 | 9340 | 4272 | 186 | 44.0 | 14.0 | **2.95** | 0.80 |
| KKG041 | 9284 | 4226 | 165 | 29.0 | 28.0 | **4.71** | 0.47 |
| KKG042 | 9340 | 4323 | 193 | 46.0 | 11.9 | **3.57** | 0.73 |
| KKG043 | 9375 | 4202 | 195 | 8.7 | 53.4 | **2.14** | 0.87 |
| KKG044 | 9373 | 4400 | 198 | 6.0 | 24.0 | **2.87** | 0.54 |
| KKG045 | 9324 | 4397 | 189 | 8.0 | 11.0 | **1.84** | 0.30 |
| KKG046 | 9251 | 4201 | 161 | 17.5 | 21.5 | **1.98** | 0.54 |
| KKG047 | 9251 | 4097 | 176 | 13.0 | 15.0 | **0.62** | 0.20 |

* Coordinates are local grid

A revised resource estimate for the Kali Kuning deposit has been undertaken by Hellman & Schofield Pty Ltd, using assays from the 24 diamond drill holes completed by Finders during 2006 and complementing the historical dataset which comprises 24 diamond drill holes by Finders during 2005 and 61 diamond drill holes completed by Billiton in the 1990's.

At a 0.5% Cu cut-off, 50% of the Kali Kuning resource has now been upgraded to the Measured Resource category, and a further 39% of the estimate is in the Indicated Resource category. Tighter definition of the limits of the massive sulphide body has resulted in a decrease in tonnage, part balanced by a 5% increase in Cu grade, which provides a new estimate of contained copper in the deposit of 164,500 T Cu.

At a 1.0% Cu cut-off, the copper grade at the Kali Kuning deposit has increased by 10% with 50% of the resource in the Measured Resource category, resulting in an estimated contained copper content of 154,200 T Cu.

The 2006 Kali Kuning drilling program, through use of more sophisticated mud technology has achieved much better core recoveries in comparison to previous campaigns. In view of the high copper intersects reported by Finders in 2006, an additional 3 holes have been drilled has twin holes to check assays from historical holes to further evaluate presumed selective copper losses in the old drilling.

Following hydrometallurgical test results which indicate potential for recovery of zinc, an upgraded estimate of zinc resources has been made for both Kali Kuning and Lerokis using new zinc assays from 2005 and 2006 Finders drilling programs. This has resulted in an increase in zinc grades of 50% for Kali Kuning, and 30% for Lerokis compared to previously reported grades.

Table : Revised Resource Estimates

| Kali Kuning | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | Attributable (70%)* | | |
| | Resource Category | Tonnes (m) | Cu% | Zn% | Ag g/t | Au g/t | As ppm | Cont. Cu (KT) | Cont. Zn (KT) | Tonnes (m) | Cont. Cu (KT) | Cont. Zn (KT) |
| **0.5% Cu Cut-off** | Measured | 3.3 | 2.70 | 0.22 | 29 | 0.71 | 4924 | 89 | 7 | 2.3 | 62 | 5 |
| Nov 06 Estimate | Indicated | 2.6 | 2.41 | 0.24 | 25 | 0.67 | 4367 | 63 | 6 | 1.8 | 44 | 4 |
| | Inferred | 0.6 | 1.78 | 0.12 | 19 | 0.54 | 2730 | 11 | 1 | 0.4 | 7 | 1 |
| | **Total** | **6.6** | **2.49** | **0.22** | **27** | **0.68** | **4485** | **165** | **14** | **4.6** | **115** | **10** |
| | | | | | | | | | | | | |
| Previous Estimate | Indicated + Inferred | 7.5 | 2.38 | 0.14 | 25 | 0.64 | 3969 | 178 | 11 | 5.3 | 125 | 7 |
| **1.0% Cu Cut-off** | Measured | 2.8 | 3.04 | 0.24 | 31 | 0.73 | 5246 | 85 | 7 | 2.0 | 59 | 5 |
| Nov 06 Estimate | Indicated | 2.2 | 2.67 | 0.26 | 28 | 0.71 | 4834 | 59 | 6 | 1.5 | 41 | 4 |
| | Inferred | 0.4 | 2.59 | 0.16 | 27 | 0.68 | 4035 | 10 | 1 | 0.3 | 7 | 0 |
| | **Total** | **5.4** | **2.86** | **0.25** | **30** | **0.72** | **4994** | **154** | **14** | **3.8** | **108** | **9** |
| | | | | | | | | | | | | |
| Previous Estimate | Indicated + Inferred | 6.6 | 2.59 | 0.14 | 27 | 0.67 | 4128 | 171 | 9 | 4.6 | 120 | 6 |
| | | | | | **Lerokis** | | | | | **Attributable (70%)*** | | |
| | Resource Category | Tonnes (m) | Cu% | Zn% | Ag g/t | Au g/t | As ppm | Cont. Cu (KT) | Cont. Zn (KT) | Tonnes (m) | Cont. Cu (KT) | Cont. Zn (KT) |
| Nov 06 Estimate | Indicated | 2.9 | 2.46 | 0.74 | 33 | 0.65 | 2898 | 71 | 21 | 2.0 | 50 | 15 |
| **0.5% Cu Cut-off** | Inferred | 0.4 | 1.70 | 0.48 | 25 | 0.54 | 1659 | 7 | 2 | 0.3 | 5 | 1 |
| | Total | 3.2 | 2.38 | 0.72 | 32 | 0.64 | 2750 | 76 | 23 | 2.2 | 53 | 16 |
| | | | | | | | | | | | | |
| Previous Estimate | Indicated + Inferred | 3 | 2.38 | 0.54 | 32 | 0.64 | 2750 | 76 | 17 | 2.2 | 53 | 12 |
| Nov 06 Estimate | Indicated | 2.6 | 2.67 | 0.78 | 35 | 0.68 | 2927 | 69 | 20 | 1.82 | 49 | 14 |
| **1.0% Cu Cut-off** | Inferred | 0.3 | 1.99 | 0.56 | 27 | 0.56 | 1795 | 6 | 2 | 0.21 | 4 | 1 |
| | Total | 2.8 | 2.60 | 0.76 | 34 | 0.67 | 2808 | 73 | 21 | 1.96 | 51 | 15 |
| | | | | | | | | | | | | |
| Previous Estimate | Indicated + Inferred | 3 | 2.6 | 0.57 | 34 | 0.67 | 2808 | 73 | 16 | 1.96 | 51 | 11 |
| | | | | | | | | | | **Attributable (70%)*** | | |
| | Resource Category | Tonnes (m) | Cu% | Zn% | Ag g/t | Au g/t | As ppm | Cont. Cu (KT) | Cont. Zn (KT) | Tonnes (m) | Cont. Cu (KT) | Cont. Zn (KT) |
| **Total, KK +Ler, 0.5% Cu Cut off** | **Total** | **9.8** | **2.5** | **0.38** | **28** | **0.68** | **0.4** | **245** | **37** | **6.9** | **172** | **26** |
| Previous Estimate | | 10.7 | 2.4 | 0.27 | 27 | 0.64 | 0.4 | 255 | 29 | 7.3 | 173 | 14 |

**Feasibility Study – Stage 1**

Feasibility studies into all aspects of production and shipping of a copper concentrate from Wetar for offsite hydrometallurgical processing continue under the management of Intermet Engineering from Perth, Australia.

On site work has focussed on tailings options, geotechnical studies and ship loading options. In addition, HLA-Envirosciences and Intertek Testing Services, in collaboration with Institut Pertanian Bogor, continue environmental impact studies building on the existing baseline study

**Beneficiation**

Initial results from Stage 2 rougher flotation testing of the Kali Kuning ore by Optimet Laboratories in Adelaide provide encouragement for the ability to produce higher grade copper concentrates, ranging form a concentrate grade of 22% Cu at 86% recovery, to 16% Cu at 92% recovery, which represents a significant improvement on the concentrate grade of 15% at 90% recovery used by Finders in the June 2006 Scoping Study.

This test work will continue in December and will include grind size, cleaner circuits and flotation time optimization.

**Hydrometallurgy**

Preliminary hydrometallurgical testing involving the Albion Process is nearing completion in the Hydrometallurgy Research Laboratories in Brisbane. Oxidative leach tests from the Lerokis orebody continued to achieve a copper recovery in excess of 98% with ultra fine grinding, similar to the earlier Kali Kuning results. Results of testing of byproduct recoveries are mixed, with 85% zinc recovery, 50% gold recovery and 9% silver recovery. The much lower than expected silver recoveries and possible routes for enhancing silver recovery can only be fully assessed in a continuous batch testing program. Potential exists for the production of a zinc carbonate by-product.

Core Resources have completed initial cost estimates for an offshore Albion plant capable of producing 25,000t of LME grade copper cathode annually. Direct capital costs are currently estimated to be approximately US$42m which is in line with the assumptions made in the Finders' scoping study. Operating costs are approximately 35c/lb Cu.

More definitive pilot plant tests with large samples from both deposits are planned in the New Year and detailed estimates after further process optimisation will be possible after the next stage of test work.

Results of test work undertaken by Outokumpu Technology are show equally encouraging recoveries for the base metals, with 93% Cu and 99% Zn recovery. Very high silver recovery (99%) is also achieved during the chloride leach process. Operating costs are currently estimated to be in the region of 30c/lb Cu. Capital cost estimates are yet to be finalized.

Timing of the completion of Stage 1 of the Feasibility Study, including final electrical and mechanical engineering design work, is not expected to be completed before mid April 2007 due to delays in the metallurgical testing.

*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). 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.*

*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 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.*

**Notes for editors and analysts:**

**Finders Resources LTD (AIM:FND)**

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|---|---|
| Advanced Projects in Indonesia | **Wetar Copper Project**<br>• 9.8 Mt @ 2.5% Cu, 0.4% Zn, 28 g/t Ag and 0.68 g/t Au, in two deposits at a cut-off grade of 0.5% Cu<br>• Independent JORC estimates; approx. 35% measured, 55% indicated<br>• High grade, low strip ratio, coastal location<br>• Variety of process route alternatives being investigated<br>• Exploration potential with known satellite deposit<br>• ~70% Finders (subject to audit) with potential for further expenditure-based equity<br><br>**Ojolali Gold -Silver Project**<br>• Jambi Prospect: CIL or CIP target with Inferred Resource of around 150,000 oz Au and low strip ratio<br>• Tambang Prospect: Current Inferred Resource of around 40 million Oz Ag and around 170,000 Oz Au<br>• Bonanza grade veins targeted in under explored mining district, strong potential to increase Resource base at Batu Kuning<br>• ~72% Finders |
| Investment | **Geopacific Resources (ASX:GPR)**<br>• Portfolio of copper-gold and gold projects in Fiji, many existing ore grade intercepts and 10 drill-ready targets<br>• Finders has a 16.7% interest in Geopacific |
| Proven Team | • Extensive collective experience and expertise in the exploration, assessment, evaluation and development of mineral projects<br>• Track record of bringing mines into development<br>• Significant, extended Indonesian experience |
| Finders Resources Limited | • Market capitalisation of ~£14.7 million on 28/11/06<br>• Fast track development and cash generation potential<br>• Quality team |