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## **NEW LEACH TESTS SHOW POTENTIAL FOR HIGH CU RECOVERIES BY HEAP LEACHING AT THE WETAR COPPER PROJECT**

Finders Resources is the operator of the Wetar Copper and Ojolali Gold-Silver Projects, both in Indonesia and holds an investment in Geopacific Resources NL, an ASX-listed company.

### **HIGHLIGHTS**

- Interim results received from column leach test work on representative Kali Kuning ore has yielded 75% copper recovery after 57 days. The sample is still leaching strongly as the test continues. A parallel test on Lerokis material shows only 30% copper recovery
- Independently, amenability tests using proprietary BioHeap™ bacteria have yielded 82% copper recovery for Kali Kuning and 57% for Lerokis, indicating that these bacteria can successfully treat otherwise refractory Lerokis material.
- Three twin-holes at Kali Kuning, drilled to assess suspected selective copper losses in previous drilling, have yielded copper grade increases of 1%, 19% and 70% in corresponding intervals.

The Wetar Copper Project is currently in the feasibility stage after the completion of a Scoping Study in June 2006. The feasibility study is in two stages, the first of which is designed to evaluate and select the most optimum processing option. Finders has previously reported copper recoveries of around 86% using the Albion and HydroCopper hydrometallurgical techniques after production of a rougher concentrate.

Chris Farmer, Managing Director, said

"The high copper recoveries from the leach test work are highly promising and impressive for this stage of the test program and may lead towards a major breakthrough for the Wetar Copper project.

An onsite heap leach process route offers potential to substantially reduce capital and operating costs for comparable levels of copper production and the possibility of shortened timelines to production.

In view of these results Finders will undertake a fundamental review of the relative economics between the concentrate/off-site Albion process route and the new option of heap leaching and on-site copper cathode production by SXEW."

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## WETAR COPPER PROJECT

(Finders ~72% subject to audit and earning)

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The leach test work reported in this update represents the first stage in the assessment of SX-EW copper production at the Wetar project using heap leach techniques.

### Column Leach Tests

In November, Finders started a number of controlled column tests at HRL Testing, using acidified ferric sulphate solutions to simulate bacterial leaching conditions. The columns are 1m high and comprise 6.5mm crushed samples of Kali Kuning and Lerokis drill core in both open and closed circuits at 25°C. In December, an additional 1m column was commenced with Kali Kuning material inoculated with non proprietary bacteria.

These tests are still continuing, but results after the first 2 months of test work are highly encouraging for the Kali Kuning deposit. After 57 days, 75.5% copper recovery has been achieved from the Kali Kuning column, and the column is still leaching strongly. After 27 days the inoculated column had reached 52.8% recovery, and was leaching faster than the corresponding ferric solution column

The Lerokis columns show lower levels of recovery (approx. 30%), reflecting the different mineralogical composition of the Lerokis sample.

### BioHeap™ Test Work

Representative samples of Kali Kuning and Lerokis ore material were supplied to BioHeap Ltd for bacterial adaptation and BioHeap™ amenability tests. Proprietary bacterial strains, specifically developed to leach metals from sulphide ores, were successfully adapted to the Wetar samples within 28 days using an agitated aerated reactor at 50°C.

Leach amenability tests on each sample were then conducted with the adapted bacteria for a further seven week period. Results of the test work show good leaching rates with 81.2% Cu recovery from the Kali Kuning sample and 57% Cu recovery from the Lerokis sample. The proprietary bacteria thus appear to offer a significant advantage for leaching of Lerokis material, but show a generally similar performance to nonproprietary strains for Kali Kuning.

### Kali Kuning Twin Holes

Assay results have been received from three twin holes at the Kali Kuning deposit, specifically targeted to test lower grade portions of the deposit. The holes were drilled to help correlate between assay results between Finders' 2005 and 2006 drill programs and help evaluate the scale of copper losses during drilling recovery.

Phase 1 Hole	Twin Hole	From (m)	Interval (m)	Phase 1 Cu %	Twin Hole Cu%	Increase in copper
KKG008	KKG052	22	42	0.95	1.13	19%
KKG011	KKG050	23	18	2.00	2.02	1%
KKG006	KKG053	12	69	1.40	2.39	70%
<b>Additional interval</b>						
	KKG050	42	15	-	5.80	-

The results support the interpretation that the average copper grade at Kali Kuning may be understated due to uneven levels of copper losses in earlier drilling, as demonstrated by the above data.

Hole KKG050 also recorded an additional 15m @ 5.8% Cu beneath the corresponding interval in KKG011. Hole KKG011 failed to reach the base of the massive sulphide unit.

### **Background Information on BioHeap Ltd**

*BioHeap Limited is a company specialising in the development of bacterial oxidation projects with an emphasis on bacterial heap leaching. Over the past ten years BioHeap has developed a suite of mixed bacterial cultures capable of leaching base metals, including copper from chalcopyrite and oxidising refractory gold ores. Cultures have also been developed for operating in highly saline water, allowing the opportunity for BioHeap™ to be implemented in operations that have previously been unable to process sulphide ores due to a lack of availability of good quality water.*

*BioHeap has developed a patented bacterial heap leaching process BioHeap™ which leaches low grade sulphide ores using adapted proprietary bacterial cultures. During 1999 to 2001 BioHeap™ was successfully trialled at the Radio Hill Mine in the Pilbara region of Western Australia.*

*For more information on BioHeap Ltd visit: [www.pacificore.com.au](http://www.pacificore.com.au)*

### **Statements by Finders**

*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 drill core 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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<b>Advanced Projects in Indonesia</b>	<p><b>Wetar Copper Project</b></p> <ul style="list-style-type: none"><li>▶ 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</li><li>▶ Independent JORC estimates; approx. 35% measured, 55% 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>▶ ~72% 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, strong potential to increase Resource base at Batu Kuning</li><li>▶ ~72% Finders</li></ul>
<b>Investment</b>	<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></ul>
<b>Proven Team</b>	<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>
<b>Finders Resources Limited</b>	<ul style="list-style-type: none"><li>▶ Market capitalisation of ~£14.5 million on 18/01/07</li><li>▶ Fast track development and cash generation potential</li><li>▶ Quality team</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.*