

For Release: 11th JULY 2008

## **FINDERS RESOURCES LIMITED**

### **Wetar Copper Project-Progress Report Initial pilot plant production now expected late September Feasibility study remains on track for year's end**

Finders Resources (FND) reports that as a result of delays experienced in the supply of several key components, initial copper cathode production from the Wetar Copper Project pilot plant under construction is expected to be delayed until late September, compared to the initial target of early August. Despite this delay, Finders still expects to complete the overall Wetar Copper feasibility study by December 2008.

As part of Finders Resources' definitive feasibility study to assess 20-25,000t per year copper cathode production at the Wetar Copper Project, Finders is currently constructing a semi-commercial scale demonstration plant, comprising a 100,000 tonne bacterial heap leach feeding a SXEW plant rated to produce 5 tonnes per day of copper cathodes. Key elements in the project development are summarised below, and a more extensive review of the project will be included in the forthcoming June quarter quarterly report.

- Apart from several key electrical components, all major plant and equipment are manufactured, and either on site, or in transit. Construction and earthworks are well advanced.
- Fabrication delays and extended transit times for key electrical components for the SXEW plant- Trunk Busbars from South Africa, and a Rectifier ex Vermont USA, will result in delay of initial copper cathode production until late September, compared to initial target of early August.
- Increased fuel costs (85c/litre to 120c/litre), additional ship charters and an extra 2 months operating costs will increase the estimated capital cost of the demonstration plant from US\$6.25 million to approximately US\$7.2 million
- In addition to the original planned capital items, Finders has purchased and refurbished a second hand 100t/hour crushing plant, and a new stacking plant capable of servicing the planned full scale operation, at a cost of \$1.4 million, which represents a major saving from the purchase of an all new system.
- Ausenco Services Pty Ltd have been retained to review full scale project feasibility study and development schedule, and in particular, to identify long lead time items which will impact the planned December 2009 commencement of commercial copper production.

Managing Director, Chris Farmer said: "The delay in production from our demonstration plant, which has largely resulted from supplier issues beyond our control, while disappointing, should not significantly affect the overall schedule to full scale production. The Wetar copper project with its high grade, simple mining and low projected capital costs remains very well positioned to become a highly competitive low cost producer and to benefit from continuing high copper prices."

**For further information please contact**

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**Background**

Finders, listed on AIM and ASX, is the operator of the Wetar Copper (~73% and earning), and Ojolali Gold-Silver Projects (72% with option) in Indonesia, and holds an investment in Geopacific Resources NL, an ASX-listed company with active exploration programs for gold and copper in Fiji.

At the Wetar Copper Project, Finders has previously announced the following resource estimates for the Kali Kuning and Lerokis deposits:

	Category	Tonnes (M)	Cu%	Cont. Cu (KT)	Attributable (72.4%)	
					Tonnes (M)	Cont. Cu (KT)
Kali Kuning	Measured	3.3	2.7	89	2.4	64.6
0.5% Cu	Indicated	2.6	2.4	63	1.9	45.3
Cut-off grade	Inferred	0.6	1.8	11	0.4	7.7
	<b>Total</b>	<b>6.6</b>	<b>2.5</b>	<b>165</b>	<b>4.8</b>	<b>119.1</b>
Lerokis	Indicated	2.9	2.5	71	2.1	51.6
0.5% Cu	Inferred	0.4	1.7	7	0.3	4.9
Cut-off grade	<b>Total</b>	<b>3.2</b>	<b>2.4</b>	<b>76</b>	<b>2.3</b>	<b>55.1</b>

As part of a definitive feasibility study, a demonstration SX-EW plant with 5t per day copper cathode capacity is being installed with planned cathode production from mid-2008.

The Company is targeting commercial production of 20-25,000 tonnes per year cathode by the end of 2009.

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At the Ojolali Project, Finders controls what it considers to be a major new epithermal gold district, and has been undertaking an extensive exploration program since late 2005, comprising detailed drilling to establish and initial mining resource, supported by extensive surface geophysical and geochemical surveys aimed at unlocking the larger potential of the district. Finders' believes that the Ojolali project has strong potential to generate short-term cash flow through open pit CIL/CIP development of the gold resource at the Jambi Oxide gold deposit. Other prospects have outstanding potential for the discovery of additional resources using modern geophysical techniques to optimize drill targeting.

For further information on results previously reported and a full resource statement please visit our website [www.findersresources.com](http://www.findersresources.com).

### **Competent Person Signoff**

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement has been presented in accordance with the JORC Code and references to "Indicated" and "Inferred Resources" are to those terms as defined in the JORC Code.

The geological and Mineral Resource information in this announcement has been reviewed by and 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.