

For Release: 16th October 2008

FINDERS RESOURCES LIMITED

Chairman's Address to the Annual General Meeting 16 October 2008

As we have a fairly large body of formal business to attend to, I will just give you a brief overview of our Company's progress over the past year, and of our vision for the way forward. Comprehensive background information is available through our annual report, which has been circulated electronically to shareholders, posted on our web-site and hard copies are available outside here. After the formal part of the meeting, you are invited to join us for morning tea, and to meet with Directors and staff who will be happy to try and answer any questions you may have regarding our company.

2008 has turned out to be both exciting and highly challenging for Finders as we move towards developing the high grade Wetar copper project.

The excitement has come through progressing the feasibility study, and the development of a commercial scale demonstration plant for the Wetar Copper project, and continued highly encouraging results from exploration at our Ojolali gold silver project in Sumatra.

The challenges arise from construction delays we have experienced with the demonstration plant, which have resulted in cost over-runs from our original budget, and the progressive deterioration of the world financial markets to their current uncertain state. These factors have placed significant pressure on our share price. Directors believe however, that although there will be challenges in the current market place, the high quality nature of the Wetar project will enable it to be financed and developed in an orderly manner.

I will deal with the negative factors first, and then outline our responses to these events. It has been said before, and in truth, that the difference between good organizations and bad organizations is not them having things go wrong, but how they respond when things go wrong.

Delays to the Demonstration plant have almost exclusively resulted from external contractor issues, coinciding with industry wide capacity constraints, and logistic issues. To mention the key example is the supply of electrical busbars- a key component (which weigh about 4 tonnes) for distributing high current densities to the electrowinning cells. These were ordered from a South African supplier for delivery in August, and to cut a long and sad story short, were finally completed on Tuesday of this week, and they are being air-freighted via Singapore as we speak. Start up of the solvent extraction electrowinning circuit is now expected around the third week in November, with a rapid ramp-up to the full 5 tpd copper capacity by early December.

These delays in development of the demonstration plant, and consequent delays in cash flow from that plant, have resulted in us needing to raise additional funding in order to keep the Wetar feasibility study on track for completion at the end of this year, and to maintain our target schedule to commence full scale production from Wetar by the end of 2009. This has been done through a placement of shares to sophisticated investors at 60c, and also through a share purchase plan to enable current shareholders to participate at the same price. I am pleased to announce that despite atrocious market conditions, we have achieved commitments for approximately \$5 million through the placement, on whose acceptance you will be asked to vote shortly, and an additional \$163,000 through the share purchase plan. The placement

includes an investment of US\$2 million by a subsidiary of US based Resource Capital Fund, (RCF), a highly respected group specializing in resource investments, and we welcome them on to our share register.

Now to the good news.

Without pre-empting the feasibility study and quoting detailed numbers, all our work to date indicates that at Wetar copper, we have a project which is extremely robust economically, and will remain so at copper prices significantly below current levels. The price of copper, while having retreated from all time highs remains very strong in historical terms, and the recent financial upheavals will tend to restrict development of marginal new production.

The combination of high copper grade, open pit mining with very low stripping ratios, low cost heap leach processing with good predicted recoveries, and the non acid consuming of the Wetar ore will result in a highly competitive cost structure compared to other new copper producers.

Our move to Ausenco as prime contractor for the feasibility study, with their recent experience in constructing a similar sized SXEW copper project for CopperCo at Lady Annie, has been very positive, and the study remains on track for completion at years end.

With regard to financing for the full scale Wetar Copper mining operation, the development of the demonstration plant has provided a complete dress rehearsal for the full scale operation, in all aspects from permitting , engineering, sourcing, logistics, training and environmental to social acceptance, to the extent that development of the main operation will really comprise a major brownfields expansion. We have been involved in discussions with potential funding partners throughout the year, and currently have four groups with the resources to provide the necessary development funding, undertaking due diligence studies under confidentiality agreements. In this respect completion and successful operation of the Wear demonstration plant will represent a key milestone.

At the Ojolali gold –silver project in Sumatra, we have slowed down our exploration activities to low cost surface work to conserve funds, but we remain confident that with the 140,000 Oz oxide gold resource established at Jambi and new targets indicated by surface work, we have the basis for a second mining operation, with exceptional growth potential for new discoveries in the 30 sq Km area of mineralization. Our strategy at Ojolali is to resume exploration drilling after cash flow is established from the Wetar demonstration plant, with the aim of completing feasibility studies and permitting for a small scale start up operation by the end of 2009, with initial production in the second half of 2010.

And finally, I would like to emphasize the quality and commitment of our board and management team. Directors still control around 25% of the company's shares, and are contributing \$650,000 to the share placement you are being asked to approve this morning. Our recently announced appointment of Rob Thomson as General Manager Development, with his track record of successful delivery of mining projects in South East Asia, is a great addition to our team. I am also pleased to announce that Mr Chin Haw Lim, with extensive mining and also Indonesian operating experience with Straits Resources and Triako mines, will be joining us as Chief Financial Officer from mid November.

Thank you for your attention. I will conclude with a brief slide show showing construction activities at Wetar. Finders directors believe that with a genuinely high quality project, and a highly experienced and committed team, we are now well placed to move into successful copper producer status, and that our shares represent an exceptional growth opportunity going forward.

For further information please contact

Finders Resources Ltd:

Russell Fountain, Executive Chairman, +61 2 9211 8299

Chris Farmer, Managing Director, info@findersresources.com

Financial PR:

Doug Macdonald, +61 424 255 959, Capital Group (in Australia)

Paddy Blewer or Nick Elwes, +44 20 7457 2020, College Hill (in the UK)

RFC Corporate Finance Ltd - Nomad and Corporate Adviser:

Rob Adamson, +61 2 9250 0000 or Stuart Laing, + 61 8 9480 2500

FinnCap - Finders' Broker for the AIM market

Mathew Robinson, +44 (0) 20 7600 1658

Joe Lunn (Analyst), +44 (0) 20 7600 1658

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
	Total	6.6	2.5	165	4.8	119.1
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	Total	3.2	2.4	76	2.3	55.1
	Overall	9.8	2.5	241	7.1	174.2

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 September/October 2008, pending timely delivery of late equipment. The Company is targeting commercial production of 20-25,000 tonnes per year cathode by the end of 2009.

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 comprising detailed drilling to establish and initial mining resource, supported by extensive surface geophysical and geochemical surveys. 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.

For further information on results previously reported and a full resource statement please visit our website 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.