

For Release: 25<sup>th</sup> June 2009  
FINDERS RESOURCES LIMITED

## **WETAR COPPER PROJECT PROGRESS OF DEFINITIVE FEASIBILITY STUDY**

Finders Resources (“the Company”) is pleased to report excellent progress with key aspects of the feasibility study of the full scale development of the Wetar Copper Project.

### **Highlights**

- **Confirmation of copper leaching rates from test heap data, with recovery rates improving with operating experience.**
- **Robust resource base confirmed by strongly positive reconciliation of test pit grade control drill results and the resource model.**
- **The Definitive Feasibility Study, incorporating the recently optioned Whim Creek SXEW plant, is on schedule for review in August 2009.**
- **Detailed pit designs completed and indicate conversion of sulphide resources to reserves, subject to final decisions re mining cut-off grades**
- **Sustained cathode production in excess of 20,000 tonne per year for the life of mine has been successfully modelled using the predicted copper leaching rates.**

Following four months of leaching and production from the large scale test heaps and 5 tonnes per day copper SXEW demonstration plant, the Company has now finalised detailed design parameters for the full scale plant expansion to 20-25 thousand tonnes per annum. The Definitive Feasibility Study is based on the Whim Creek SXEW plant that the Company has an option to purchase from Straits Resources for A\$5m.

### **Copper leaching from full scale test heaps achieving project targets**

At the Wetar Copper Project Demonstration Plant, there are three test heaps currently under irrigation, with the aim of demonstrating the feasibility of commercial scale heap leaching of the Wetar massive sulphide copper mineralization (Table 1.).

All heaps are showing excellent percolation characteristics, and are on track to achieve targeted ultimate recoveries of >70%.

Experience to date has shown aeration rates to be a key factor controlling leach kinetics, and copper leach rates have improved markedly from Heaps 1 to 3 with progressive improvements in the aeration systems used. A fourth heap, with a heap height of 8.5m is currently being stacked to evaluate the effect of increasing heap height.

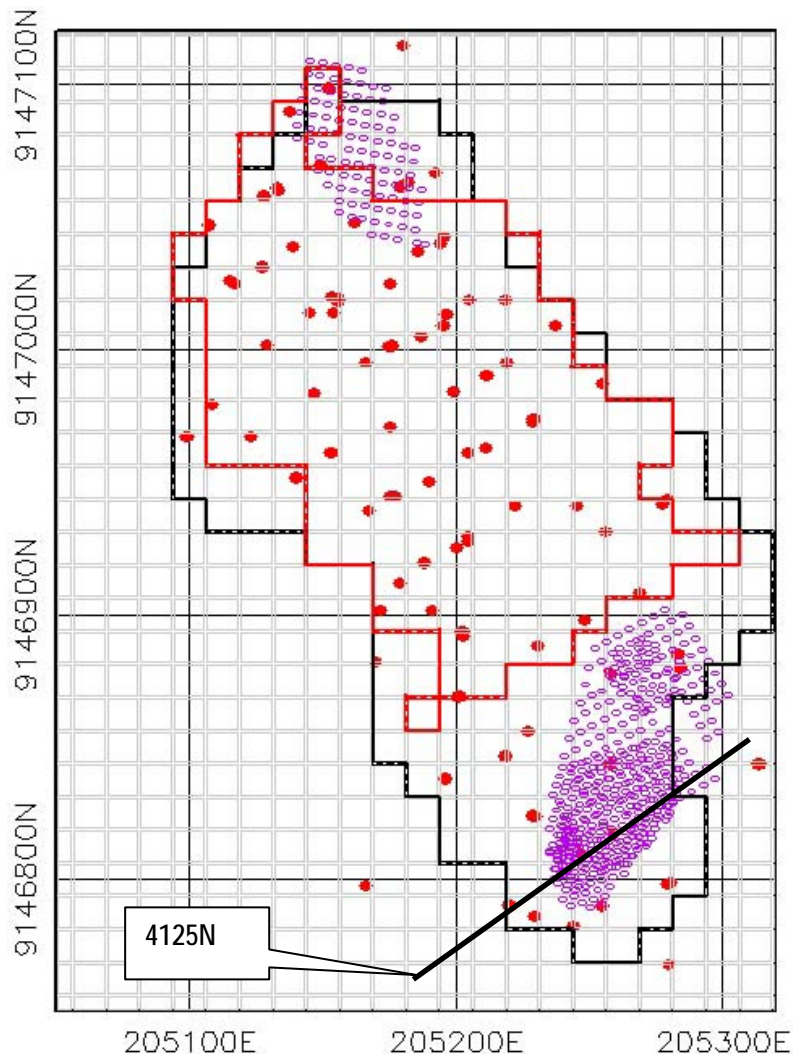
	Average Height	Tonnes Stacked	Cu %	Contained Copper (tonnes)	Leached Copper (tonnes)	Ave Days Leaching	Recovery
HEAP 1	6m	20,037	2.8%	561	162	148	29%
HEAP 2	6m	23,380	3.6%	842	267	115	32%
HEAP 3	5m	19,129	4.9%	939	271	72	29%

**Table 1 Leach statistics: Week ending 20<sup>th</sup> June 2009**

As the demonstration stage has progressed, more detailed information regarding mineral composition and recovery rates has allowed fine tuning of the leach kinetic model to reach the stage that the current model will form the basis for the mining schedule and production modelling in the feasibility study.

### Positive reconciliation- grade control sampling from test pit mining

Mining of ore for the test heaps was undertaken from two test pits, the principal southern test pit, and a small northern pit. Hellman and Schofield Pty Ltd has carried out a detailed reconciliation between the current Kali Kuning resource block model and the grades indicated by close spaced (average 3.75m spacing) grade control assay data.



**Figure 1. Location of grade control samples (purple), KKG holes (red), leached domain (red outline) and transition (black outline)**

A direct comparison between identical volumes for the resource model and grade control drilling for the main southern test pit is presented in Table 2 below

Material	Kt	% Cu	Kt_Cu
April 2009 resource model	213	3.68	7.8
Grade control drilling estimate	208	3.91	8.1
<b>Difference</b>	<b>-2.3%</b>	<b>+6.3%</b>	<b>+3.8%</b>

**Table 2- Southern Test Pit- comparison of resource model with grade control results**

In addition to the above direct comparison, the grade control drilling for the southern test pit located an additional 60kt of massive sulphide ore, grading 3.6% Cu from outside of the limits of the massive sulphide resource model.

For the smaller northern test pit, situated in highly broken leached and transition zone mineralization, where significant copper losses were suspected in the original resource drilling program, the grade control drilling showed a strong increase in both grade (36%), tonnes (25%) and contained copper (70%) at a 0.5% Cu cut-off grade, when compared to the resource model for the same volume.

Leached and transition material comprise approximately 20% by tonnage and 11% by contained copper for the Kali Kuning sulphide mineralization at a 0.5% Cu cut-off (Table 3). Although this reconciliation applies to a restricted area of approximately 50,000 tonnes, this result highlights the possibility that the copper grade of this portion of the resource may have been significantly underestimated by previous drilling and, as a result, the resource model.

Zone	Measured		Indicated		Inferred		Total		
	T (M)	Cu%	T (M)	Cu%	T (M)	Cu%	T (M)	Cu%	Cont. Cu (KT)
Leached	0.1	0.7					0.1	0.7	1
Transitional	0.8	1.4	0.2	1.4	0.1	1.6	1.2	1.4	17
Primary	4.0	2.9	0.6	3.1	0.1	2.4	4.8	2.9	138
<b>Total</b>							<b>6.1</b>	<b>2.5</b>	<b>156</b>

**Table 3- Kali Kuning sulphide resource estimates at 0.5% Cu cut off grade, by metallurgical zone (Table subject to rounding errors)**

### Definitive Feasibility Study (DFS)

Final pit designs for both the Kali Kuning and Lerokis deposits have been completed by Amdad Pty Ltd, and confirm that effectively 100% of the sulphide resource will be recoverable by low stripping ratio open pits. A formal statement of Ore Reserves under the JORC code is scheduled by the end of July, after detailed review of mining costs, leach performance and mining cut-off grades.

As part of the DFS, life of mine heap leach modelling is being undertaken by specialist consultant Simulus Pty Ltd, using metallurgical inputs from Finders metallurgical consultants and mining schedules provided by Amdad. Results of this modelling to date support the potential for sustained production at up to 25,000 t copper /year under realistic mining, stacking and leaching scenarios.

The formal DFS, managed by Ausenco, with design work incorporating the Whim Creek SXEW facility recently optioned from Straits Resources, remains on schedule for review in August.

Finders is actively engaged in discussions with a wide range of groups who have expressed interest in providing project finance for the full scale project, and has also begun preliminary discussions with Ausenco and a range of Indonesian engineering contracting groups capable of partnering in the delivery of the expanded project.

## Competent Person Statements

The information in this report that relates mineral resource estimation is based on work completed by Dr Phillip Hellman who is a full time employee of Hellman and Schofield Pty Ltd and a member of the Australasian Institute of Mining and Metallurgy. Dr Hellman has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and as a Qualified Person as defined in the AIM Rules. Dr Hellman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Estimates for Kali Kuning are based on a data set from which some diamond drill holes have been excluded due to poor recovery of copper mineralisation as evidenced by neighbouring RC holes.

Geological information in this announcement and comments relating to exploration potential and the project in general is based on information compiled by Dr Russell Fountain, who also accepts responsibility for the data on which the resource is based. Dr Fountain is a Director of Finders and a Fellow of the Australasian Institute of Geoscientists. 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.

### For further information please contact

#### Finders Resources Ltd:

Russell Fountain	Non-Executive Chairman	+61 2 9211 8299
Chris Farmer	Managing Director	<a href="mailto:info@findersresources.com">info@findersresources.com</a>

#### Financial PR:

Doug Macdonald	Capital Group (in Australia)	+61 424 255 959
Nick Elwes	College Hill (in the UK)	+44 20 7457 2020

#### RFC Corporate Finance Ltd - Nomad:

Rob Adamson	Managing Director	+61 2 9250 0000
Stuart Laing	Executive Director	+61 8 9480 2500

#### FinnCap - Finders' Broker for the AIM market:

Mathew Robinson	Corporate Finance Director	+44 20 7600 1658
Joe Lunn	Analyst	+44 20 7600 1658

## **Background on Finders Resources**

Finders, listed on AIM and ASX, is the operator of the Wetar Copper Project (~94% and earning), and the Ojolali Gold-Silver Project (72% with option), both located in Indonesia.

At the Wetar Project, as part of a definitive feasibility study, a demonstration SX-EW plant with 5t per day copper cathode capacity was commissioned in February 2009 and is permitted to process 100,000t of ore from the Kali Kuning deposit. The demonstration plant is producing LME Grade A copper cathode at planned rates. The Company is targeting commercial production of 20-25,000 tonnes per year cathode by 2010, subject to final feasibility, permitting and project funding.

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 an initial mining resource, supported by extensive surface geophysical and geochemical surveys. Finders believe that the Ojolali project has strong potential to generate 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](http://www.findersresources.com).

## **Disclaimer**

This announcement may or may not contain certain "forward-looking statements". All statements, other than statements of historical fact, which address activities, events or developments that Finders believes, expects or anticipates will or may occur in the future, are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "targeting", "expect", and "intend" and statements that an event or result "may", "will", "can", "should", "could", or "might" occur or be achieved and other similar expressions. These forward-looking statements reflect the current internal projections, expectations or beliefs of Finders based on information currently available to Finders. 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. Finders expressly disclaims any obligation to update or revise any such forward-looking statements.