

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

FINDERS RESOURCES LIMITED

ABN

82 108 547 413

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

1	+Class of +securities issued or to be issued	Mandatory convertible First Tranche Notes										
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	55 First Tranche Notes convertible into 12,248,538 shares										
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	<table border="1"> <tr> <td>Issuer</td> <td>Finders Resources Limited ACN 108 547 413.</td> </tr> <tr> <td>Issue Date</td> <td>16<sup>th</sup> March 2012</td> </tr> <tr> <td>Issue Price</td> <td>Each First Tranche Note has a face value of \$USD100,000. The aggregate issue price of the First Tranche Notes is \$USD5,500,000. Each First Tranche Note will be paid for in full on issue.</td> </tr> <tr> <td>Conversion Price</td> <td>The First Tranche Notes convert into shares at a conversion price of \$AUD0.427 per share.</td> </tr> <tr> <td>Voluntary conversion</td> <td>Standard Bank Plc (SBP) may convert the First Tranche Notes to shares at any time between the issue date and the date six years after the Issue Date.</td> </tr> </table>	Issuer	Finders Resources Limited ACN 108 547 413.	Issue Date	16 <sup>th</sup> March 2012	Issue Price	Each First Tranche Note has a face value of \$USD100,000. The aggregate issue price of the First Tranche Notes is \$USD5,500,000. Each First Tranche Note will be paid for in full on issue.	Conversion Price	The First Tranche Notes convert into shares at a conversion price of \$AUD0.427 per share.	Voluntary conversion	Standard Bank Plc (SBP) may convert the First Tranche Notes to shares at any time between the issue date and the date six years after the Issue Date.
Issuer	Finders Resources Limited ACN 108 547 413.											
Issue Date	16 <sup>th</sup> March 2012											
Issue Price	Each First Tranche Note has a face value of \$USD100,000. The aggregate issue price of the First Tranche Notes is \$USD5,500,000. Each First Tranche Note will be paid for in full on issue.											
Conversion Price	The First Tranche Notes convert into shares at a conversion price of \$AUD0.427 per share.											
Voluntary conversion	Standard Bank Plc (SBP) may convert the First Tranche Notes to shares at any time between the issue date and the date six years after the Issue Date.											

+ See chapter 19 for defined terms.

Automatic conversion	If not converted earlier, the First Tranche Notes will automatically and mandatorily convert to shares six years after the Issue Date unless SBP elects to convert them to shares prior to that date.
Interest	No interest is payable on the First Tranche Notes unless there is an event of default. If there is an event of default, interest is payable at 10% per annum. All interest will be converted to shares at the Conversion Price above at the same time as conversion of the First Tranche Notes.
Security	The First Tranche Notes are unsecured.
Event of Default	It is an event of default if Finder's subsidiary, PT Batutua Tembaga Raya fails to enter into an offtake agreement with SBP within 10 business days of the Issue Date of the First Tranche Notes.  If an event of default occurs interest will be payable on the First Tranche Notes at 10% per annum. SBP may also cancel any further obligations (if any) that it has under the convertible bond deed, including the obligation to subscribe for the Second Tranche Notes and may demand repayment of some or all of the First Tranche Notes.
Ranking on Conversion	Each share issued on conversion will rank equally with all existing shares then on issue.
Participation Rights	Before conversion, note holders are not entitled to participate in rights issues, any return of capital, bonus issue or capital reconstruction. However, the Conversion Price will be adjusted in the case of a return of excess capital or bonus issue or other capital reconstruction of the Company.  If Finders proposes to make a new issue of shares (or securities convertible into shares) to be offered to the holders of shares (or securities convertible into shares), it must offer SBP the same securities on at least an equal basis so as to allow SBP to maintain its percentage holding in the Company as calculated on a fully converted basis.

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+ See chapter 19 for defined terms.

- 4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 5 Issue price or consideration

Not applicable – not quoted.

Each First Tranche Note has a face value of \$USD100, 000. The aggregate issue price of the First Tranche Notes is \$USD5, 500,000. Each First Tranche Note will be paid for in full on issue.

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<sup>+</sup> See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Funds will be used as part of the Wetar copper project financing in support of near-term capital expenditure requirements															
7	Dates of entering +securities into uncertificated holdings or despatch of certificates																
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="687 707 935 748">Number</th> <th data-bbox="935 707 1369 748">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="687 748 935 902">284,355,183</td> <td data-bbox="935 748 1369 902">Ordinary fully paid shares</td> </tr> </tbody> </table>	Number	+Class	284,355,183	Ordinary fully paid shares											
Number	+Class																
284,355,183	Ordinary fully paid shares																
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="687 931 935 972">Number</th> <th data-bbox="935 931 1369 972">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="687 972 935 1088">500,000</td> <td data-bbox="935 972 1369 1088">Options, each to acquire one fully paid ordinary share at an exercise price of 30 cents expiring 16<sup>th</sup> April 2012.</td> </tr> <tr> <td data-bbox="687 1088 935 1182">500,000</td> <td data-bbox="935 1088 1369 1182">Options, each to acquire one fully paid ordinary share at an exercise price of 30 cents expiring 16<sup>th</sup> April 2014.</td> </tr> <tr> <td data-bbox="687 1182 935 1276">2,000,000</td> <td data-bbox="935 1182 1369 1276">Options, each to acquire one fully paid ordinary share at an exercise price of 30 cents expiring 8<sup>th</sup> May 2014.</td> </tr> <tr> <td data-bbox="687 1276 935 1370">250,000</td> <td data-bbox="935 1276 1369 1370">Options, each to acquire one fully paid ordinary share at an exercise price of 37 cents expiring 29<sup>th</sup> Aug 2014.</td> </tr> <tr> <td data-bbox="687 1370 935 1464">16,000,000</td> <td data-bbox="935 1370 1369 1464">Options, each to acquire one fully paid ordinary share at an exercise price of 50 cents expiring 24<sup>th</sup> Oct 2014.</td> </tr> <tr> <td data-bbox="687 1464 935 1592">55</td> <td data-bbox="935 1464 1369 1592">Mandatory convertible notes with an aggregate face value of \$USD100, 000 each and expiring six years from the issue date (16<sup>th</sup> March 2018).</td> </tr> </tbody> </table>		Number	+Class	500,000	Options, each to acquire one fully paid ordinary share at an exercise price of 30 cents expiring 16 <sup>th</sup> April 2012.	500,000	Options, each to acquire one fully paid ordinary share at an exercise price of 30 cents expiring 16 <sup>th</sup> April 2014.	2,000,000	Options, each to acquire one fully paid ordinary share at an exercise price of 30 cents expiring 8 <sup>th</sup> May 2014.	250,000	Options, each to acquire one fully paid ordinary share at an exercise price of 37 cents expiring 29 <sup>th</sup> Aug 2014.	16,000,000	Options, each to acquire one fully paid ordinary share at an exercise price of 50 cents expiring 24 <sup>th</sup> Oct 2014.	55	Mandatory convertible notes with an aggregate face value of \$USD100, 000 each and expiring six years from the issue date (16 <sup>th</sup> March 2018).
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55	Mandatory convertible notes with an aggregate face value of \$USD100, 000 each and expiring six years from the issue date (16 <sup>th</sup> March 2018).																
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	There has been no change to the dividend policy.															

+ See chapter 19 for defined terms.

## Part 2 - Bonus issue or pro rata issue

- |    |   |  |
|----|---|--|
| 11 | Is security holder approval required?   |  |
| 12 | Is the issue renounceable or non-renounceable?  |  |
| 13 | Ratio in which the +securities will be offered  |  |
| 14 | +Class of +securities to which the offer relates  |  |
| 15 | +Record date to determine entitlements  |  |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?  |  |
| 17 | Policy for deciding entitlements in relation to fractions   |  |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents<br><br>Note: Security holders must be told how their entitlements are to be dealt with.<br><br>Cross reference: rule 7.7. |  |
| 19 | Closing date for receipt of acceptances or renunciations  |  |

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+ See chapter 19 for defined terms.

- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup>security holders
- 25 If the issue is contingent on <sup>+</sup>security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do <sup>+</sup>security holders sell their entitlements *in full* through a broker?
- 31 How do <sup>+</sup>security holders sell *part* of their entitlements through a broker and accept for the balance?

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<sup>+</sup> See chapter 19 for defined terms.

32 How do +security holders dispose of their entitlements (except by sale through a broker)?

33 +Despatch date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

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+ See chapter 19 for defined terms.

## Entities that have ticked box 34(b)

38 Number of securities for which  
+quotation is sought

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39 Class of +securities for which  
quotation is sought

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40 Do the +securities rank equally in  
all respects from the date of  
allotment with an existing +class  
of quoted +securities?

If the additional securities do not  
rank equally, please state:

- the date from which they do
- the extent to which they  
participate for the next  
dividend, (in the case of a trust,  
distribution) or interest  
payment
- the extent to which they do  
not rank equally, other than in  
relation to the next dividend,  
distribution or interest  
payment

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41 Reason for request for quotation  
now

Example: In the case of restricted  
securities, end of restriction period

(if issued upon conversion of  
another security, clearly identify  
that other security)

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42 Number and +class of all  
+securities quoted on ASX  
(including the securities in clause  
38)

Number	+Class

+ See chapter 19 for defined terms.



## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

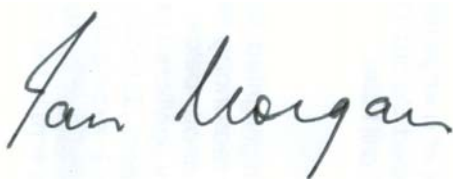
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 21 March 2012

(~~Director~~/Company Secretary)

Print name: Ian Morgan

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+ See chapter 19 for defined terms.