

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of members of Finders Resources Limited ABN 82 108 547 413 (“**Company**”) will be held at The Boardroom, Country Women’s Association of Western Australia, 1176 Hay Street, West Perth, WA 6005 on Thursday, 25 May 2017 at 9.00am Perth time.

ORDINARY BUSINESS	2
1. FINANCIAL REPORT	2
2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT.....	2
3. RESOLUTION 2: ELECTION OF DIRECTOR – MR GORDON GALT.....	2
4. RESOLUTION 3: APPROVAL OF 10% PLACEMENT FACILITY	2
5. RESOLUTION 4: APPROVAL OF EMPLOYEE SHARE OWNERSHIP PLAN	2
6. RESOLUTION 5: APPROVAL OF PERFORMANCE RIGHTS PLAN	2
EXPLANATORY STATEMENT	5

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisors prior to voting.

ORDINARY BUSINESS

1. FINANCIAL REPORT

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the year ended 31 December 2016.

Note: There is no requirement for Shareholders to approve these reports.

The statutory annual report is available for members to access and download from www.findersresources.com.

If you would like to receive a hard copy of the statutory annual report free of charge, please contact Finders Resources Limited by telephoning 61 8 6555 3996.

2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

To consider and if thought fit to pass, with or without amendment, the following resolution as a non-binding resolution:

"That the Company adopts the Remuneration Report for the financial year ended 31 December 2016."

Notes: This Resolution is advisory only and does not bind the Company or the Directors.

3. RESOLUTION 2: ELECTION OF DIRECTOR – MR GORDON GALT

To consider and if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution:

"That Mr Gordon Thomas Galt, a Director retiring from office and eligible to be re-elected, be and is hereby elected as a Director of the Company."

SPECIAL BUSINESS

4. RESOLUTION 3: APPROVAL OF 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass with or without amendment, the following resolution as a special resolution:

"That for the purpose of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.

5. RESOLUTION 4: APPROVAL OF EMPLOYEE SHARE OWNERSHIP PLAN

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

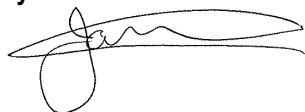
"That for the purposes of ASX Listing Rule 7.2, exception 9(b) and Listing Rule 10.14 and for all other purposes, approval is given for the adoption by the Company of the Employee Share Ownership Plan as described in the Explanatory Statement and for the future grant by the Company of ordinary shares to employees and directors of the Company and its subsidiaries under the Employee Share Ownership Plan."

6. RESOLUTION 5: APPROVAL OF PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 7.2, exception 9(b) and Listing Rule 10.14 and for all other purposes, approval is given for the adoption by the Company of the Performance Rights Plan as described in the Explanatory Statement and for the future grant by the Company of ordinary shares to employees and directors of the Company and its subsidiaries under the Performance Rights Plan."

By Order of the Board



James Wentworth
Company Secretary
18 April 2017

PROXIES AND VOTING RIGHTS

1. APPOINTMENT

- A member entitled to attend and vote at the meeting has a right to appoint a proxy.
- This appointment may specify the proportion or number of votes that the proxy may exercise.
- The proxy need not be a member of the Company.
- A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes that each proxy may exercise, each proxy may exercise half of the votes.

2. HOW THE CHAIRMAN OF THE MEETING WILL VOTE UNDIRECTED PROXIES

Subject to any voting exclusions (see paragraph 3 below), the Chairman of the meeting will vote available proxies on, and in favour of, the proposed resolutions.

3. VOTING EXCLUSIONS

Resolution 1

The Company will disregard any votes cast on Resolution 1:

- by or on behalf of a member of the Key Management Personnel whose remuneration is disclosed in the Remuneration Report and any Closely Related Party of such a member; or
- as a proxy by a member of the Key Management Personnel or a Closely Related Party of such a member.

Resolution 3

The Company will disregard any votes cast on Resolution 3 by a person (and any Associates of such a person) who may participate in the 10% Placement Facility and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed and any Associates of those persons.

Resolution 4

The Company will disregard any votes cast on Resolution 4 by:

- any employee or director (except one who is ineligible to participate in any employee incentive scheme) of the Company or its subsidiaries; and
- any associate of any employee or director (except one who is ineligible to participate in any employee incentive scheme) of the Company or its subsidiaries.

Resolution 5

The Company will disregard any votes cast on Resolution 5 by:

- any employee or director (except one who is ineligible to participate in any employee incentive scheme) of the Company or its subsidiaries; and
- any associate of any employee or director (except one who is ineligible to participate in any employee incentive scheme) of the Company or its subsidiaries.

However, the Company need not disregard a vote cast on Resolutions 1, 3, 4 and 5 if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4. LODGING YOUR PROXY

Proxies may be lodged by:

- posting or hand delivery to Finders Resources Limited, Level 1, 5 Ord Street West Perth WA 6005; or
- facsimile to Finders Resources Limited on facsimile number +61 8 6555 3998;

so that they are received not later than 24 hours before the time of holding the meeting.

5. LODGING YOUR POWER OF ATTORNEY

If a Shareholder has appointed an attorney to attend and vote at the meeting, or if a proxy form is signed by an attorney, the power of attorney must be received by:

- posting or hand delivery to Finders Resources Limited, Level 1, 5 Ord Street West Perth WA 6005; or
- facsimile to Finders Resources Limited on facsimile number +61 8 6555 3998;

so that it is received not less than 24 hours before the time for holding the meeting.

6. CORPORATE REPRESENTATIVES

A Shareholder which is a body corporate may appoint an individual as a representative to exercise the Shareholder's voting rights at the Annual General Meeting pursuant to section 250D of the Corporations Act. Representatives will be required to present documentary evidence of appointment on the day of the meeting.

7. DATE FOR DETERMINING HOLDERS OF SHARES

In accordance with regulation 7.11.37 of the Corporations Regulations 2001, the Company has determined that for the purposes of the Annual General Meeting, Shares will be taken to be held by those persons recorded on the Company's share register at 7.00pm (Sydney time) on 23 May 2017. Share transfers registered after that deadline will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

In accordance with the Corporations Act 2001 for the resolutions to be effective:

- the resolutions must be passed at a Annual General Meeting of which not less than 28 clear days written notice specifying the intention to propose the resolutions has been given (satisfied by this Notice);
- in the case of ordinary resolutions, must be passed by more than 50% of all the votes cast by Shareholders of the Company present and entitled to vote on the resolutions (whether in person or by proxy, attorney or representative); and
- in the case of special resolutions, must be passed by more than 75% of all the votes cast by Shareholders of the Company present and entitled to vote on the resolutions (whether in person or by proxy, attorney or representative)

On a show of hands every Shareholder has one vote, and on a poll, every Shareholder has one vote for each fully paid Share.

EXPLANATORY STATEMENT

1. FINANCIAL REPORT

The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 31 December 2016 will be laid before the meeting. There is no requirement for Shareholders to approve these reports. However, the Chairman of the meeting will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Financial Statements.

Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of the Auditor's Report.

2. RESOLUTION 1 - REMUNERATION REPORT

The Remuneration Report of the Company for the financial year ended 31 December 2016 is set out in the Company's 2016 Annual Report which is available on the Company's website www.findersresources.com.

The Remuneration Report sets out the Company's remuneration arrangements for Directors, the Managing Director and other Key Management Personnel. The Chairman of the meeting will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report at the meeting. In addition, Shareholders will be asked to vote on the Remuneration Report.

The resolution is advisory only and does not bind the Company or its Directors. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act 2001, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Directors must stand for re-election. At the 2016 AGM, less than 25% of votes were cast against adoption of the remuneration report for the year ended 31 December 2015.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Remuneration Report). Shareholders not attending the meeting may use the enclosed Proxy Form to lodge their vote by appointing a Proxy. Any undirected proxies held by the Chairman of the Meeting, other Directors or other Key Management Personnel or any of their Closely Related Parties will not be voted on Resolution 1 (Remuneration Report), unless the vote is cast by the Chairman of the Meeting pursuant to an express authorization on the Proxy Form made by a Shareholder who is entitled to vote on Resolution 1.

Key management personnel of the Consolidated Entity are the Directors, the Managing Director, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year to 31 December 2016. Their Closely Related Parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control. If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 (Remuneration Report) by marking either "For", "Against" or "Abstain" on the Voting Form for that item of business.

3. RESOLUTION 2 - ELECTION OF DIRECTOR (MR GORDON GALT)

Mr Gordon Galt retires by rotation in accordance with Rule 6.1 of the Company's constitution and being eligible, offers himself for re-election.

Details of Mr Galt's qualifications and experience are set out below.

The Directors, other than Mr Gordon Galt, recommend that Shareholders vote in favour of Resolution 2.

Gordon T Galt (Appointed 22 August 2013)	—	Non-Executive Director
Qualifications	—	BE (Mining), B.Comm, Grad Dip Finance, MAusIMM, MAICD
Experience	—	Mr Galt is a mining engineer and resources financier with over 40 years' experience. He is currently Chairman of Realm Resources Ltd, Nucoal Resources Ltd and Lefroy Exploration Ltd. He is a Principal of Taurus Funds Management.
Interest in Shares and Options	—	<i>Nil</i>
Special Responsibilities	—	Member of Audit Committee Member of Remuneration and Nomination Committee
Other Listed Company Directorships in last 3 years	—	Delta SBD Ltd (resigned 1 July 2016) Aquila Resources Limited (resigned 11 July 2014)

4. RESOLUTION 3 - APPROVAL OF 10% PLACEMENT FACILITY

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1. An eligible entity for the purposes of Listing Rule 7.1A is an entity that:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a market capitalisation of \$300 million or less (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2. Further information is set out in paragraph (c) below.

The effect of this resolution will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Directors recommend that Shareholders vote in favour of Resolution 3.

Description of Listing Rule 7.1A

(a) Shareholder Approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing **quoted** class of Equity Securities of the Company.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that become fully paid in the 12 months;
- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;
- (iv) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under the Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

Number of Shares on Issue

At the date of the Notice, the Company has a total of 772,667,245 Shares on issue.

Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (a) the date that is 12 months after the date of the annual general meeting at which approval is obtained; or
- (b) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main understanding),

or such longer period if allowed by ASX (**10% Placement Period**).

Specific Information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Facility:

- (a) the Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below (in the case of options, only if the options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of issue of the Equity Securities than on the date of the Meeting; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2	Number of Shares examples		Variables		
			50% decrease in Issue Price	Current Market Price	100% Increase in Issue Price
			\$0.088	\$0.175	\$0.350
Current Variable A	772,667,245	10% Voting Dilution	77,266,725	77,266,725	77,266,725
		Funds raised	\$6,760,838	\$13,521,677	\$27,043,354
50% increase in Current Variable A	1,159,000,868	10% Voting Dilution	115,900,087	115,900,087	115,900,087
		Funds raised	\$10,141,258	\$20,282,515	\$40,565,030
100% increase in Current Variable A	1,545,334,490	10% Voting Dilution	154,533,449	154,533,449	154,533,449
		Funds raised	\$13,521,677	\$27,043,354	\$54,086,707

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No options (including any options issued under the 10% Placement Facility) are exercised before the date of issue of the Equity Securities;
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes options, it is assumed that those options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

(vii) The current market price is \$0.175, being the closing price of the Shares on the ASX on 4 April 2017.

(c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).

(d) The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to allocate the funds towards additional working capital and development funding for the Wetar Copper Project or other projects.

The Company will comply with the disclosure obligations under the Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or Associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be vendors of the new resources assets or investments.

(e) The Company obtained Shareholder approval under Listing Rule 7.1A at the last annual general meeting on 26 May 2016.

(i) No Shares have been issued under Listing Rule 7.1A since the date of that meeting.

(ii) The Company has issued 100,000,000 Shares during the 12 months preceding the date of this meeting. The Shares were issued at a price of 12c per share (a discount of 29% to the closing price prior to the placement) to existing shareholders and new institutional and sophisticated investors. The issue proceeds of A\$12 million (before costs) and will be applied towards:

- Drilling out the existing resources at the Lerokis deposit and identified target at Meron;
- Development of other targets on Wetar island, including Karkopang, Kali Basar and Baru Manu targeting increased mine life;
- Feasibility assessment of an acid plant and gold and silver production in the baryte sands and in massive sulphide ore;
- Increasing Finders' project interest;
- The restructuring of the existing project debt facility to reflect the closure of hedges and revised cash flows for the project after attaining steady state production levels; and
- Working capital.

(f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

5. RESOLUTION 4: APPROVAL OF EMPLOYEE SHARE OWNERSHIP PLAN

Background

The directors consider that it is desirable to maintain a plan under which employees and directors of the Company and its controlled subsidiaries may be offered the opportunity to subscribe for shares, in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees and directors.

Accordingly, the directors have adopted the Finders Employee Share Ownership Plan (**Employee Share Ownership Plan**). The Employee Share Ownership Plan is designed to provide incentives to employees and to recognise their contribution to the Company's success. Under the Company's current circumstances, the directors consider that the incentives to employees are a cost-effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure and retain people who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel commensurate with market rates and practices. The Employee Share Ownership Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

The Company's existing employee share ownership plan was approved at a General Meeting on 5 November 2013 (**2013 Plan**). If the Employee Share Ownership Plan is approved, the 2013 Plan will terminate and be replaced by the Employee Share Ownership Plan.

Shareholders approval of the Employee Share Ownership Plan is required so that:

- the issue of shares under the Employee Share Ownership Plan will fall within Exception 9(b) of ASX Listing Rule 7.2 so that any shares issued will not count against the 15% limit imposed by ASX Listing Rule 7.1 or the 10% limit imposed by Listing Rule 7.1(a).
- shares under the Employee Share Ownership Plan can be issued to directors under ASX Listing Rule 10.14.

Under the Employee Share Ownership Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of shares in the Company as the Board may decide and on the terms set out in the rules of the Employee Share Ownership Plan. Shares allotted and issued under the Employee Share Ownership Plan will be offered to participants on the basis of the Board's view of the contribution of that person to the Company. Shares under the Employee Share Ownership Plan will only become available to participants on achievement of performance hurdles as pre-determined from time to time by the Board. Shares will rank *pari passu* with the existing issued shares but will not be quoted on ASX until they vest.

In accordance with the requirements of ASX Listing Rule 7.2 Exception 9(b), the following information is provided:

- (a) A summary of the terms of the Employee Share Ownership Plan is attached as Appendix I to the Notice of Meeting;
- (b) Under the 2013 Plan, 1,900,000 shares have previously been issued to Employees; and
- (c) A voting exclusion statement is included on page 3 of the Notice.

The total number of shares to be issued under the Employee Share Ownership Plan (including shares previously issued under the 2013 Plan) and the Performance Rights Plan to be approved by Resolution 5 is not to exceed 5% of the Company's issued shares from time to time.

Additional Information

As the Employee Share Ownership Plan will also be available to directors and eligible employees who were former directors of the Company, additional information is required under ASX Listing Rule 10.15A:

ASX Listing Rule 10.15A.1. *Statement of Relationship.* The plan shares may be issued to current directors or former directors who were directors within the previous 6 months.

ASX Listing Rule 10.15A.2. *Maximum Number of Securities that may be acquired by directors or former directors.* The maximum number of shares that may be issued to current directors or former directors under the Employee Share Ownership Plan and the Performance Rights Plan is 20,000,000 shares.

ASX Listing Rule 10.15A.3. *The formula for calculating the price for shares to be issued under the scheme.* The placement or issue price of the shares is to be not less than the market price (as determined by the 5 day VWAP) on the date of issue.

ASX Listing Rule 10.15A.4. *The names of all people who received securities since the last approval.* The Company has not issued any shares under the 2013 Plan to current directors or former directors who were directors within the previous 6 months.

ASX Listing Rule 10.15A.5. *The names of all people entitled to participate.* Current directors Gary Comb, Gordon Galt, Gavin Caudle and Barry Cahill and alternate directors Michael Anderson and Douglas Tay.

ASX Listing Rule 10.15A.6. *A voting exclusion statement.* A voting exclusion statement is included on page 3 of this Notice.

ASX Listing Rule 10.15A.7. *The terms of any loan.* The terms of the loan are set out in Annexure B of the Employee Share Ownership Plan attached to this Notice.

ASX Listing Rule 10.15A.8. *Additional Statement.* Details of any securities issued under the Employee Share Ownership Plan will be published in each annual report of the Company relating to a period in which securities have been issued and that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

Any additional persons who become entitled to participate in the Employee Share Ownership Plan after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

ASX Listing Rule 10.15A.9. *The date by which the Company will issue the securities.* No later than three years after approval of the Employee Share Ownership Plan.

6. RESOLUTION 5: APPROVAL OF PERFORMANCE RIGHTS PLAN

Background

The directors consider that it is desirable to maintain a plan under which a limited number of employees and directors of the Company and its controlled subsidiaries may be offered performance rights over shares in the Company instead of annual bonuses in order to increase the range of potential incentives available to them and to strengthen links between the Company and the participants.

Accordingly, the directors have adopted the Finders Performance Rights Plan (**Performance Rights Plan**). Selected personnel will be offered participation in the Performance Rights Plan in lieu of part of or all of their annual short term incentive. Performance rights which will entitle the holder to ordinary shares in the company will be offered to selected executives. The number of performance rights will be determined by the annual bonus entitlement and the market price of ordinary shares at the time of issue.

For instance, if an executive was entitled to a bonus of \$50,000 and the market price of shares in the Company at the time was \$0.25 then the executive would be entitled to 200,000 performance rights instead of the bonus. The rights would vest after a period to be set by the Board but expected to be 2 years. If the executive left prior to the end of the vesting period then he or she would forfeit their performance rights. At the end of the vesting period, the executive would be entitled to convert the rights to ordinary shares for nil consideration.

The Company's existing Performance Rights Plan was approved at a General Meeting on 5 November 2013 (**2013 PRP Plan**). If the Performance Rights Plan is approved, the 2013 PRP Plan will terminate and be replaced by the Performance Rights Plan.

Shareholders approval of the Performance Rights Plan is required so that:

- the issue of shares under the Performance Rights Plan will fall within Exception 9(b) of ASX Listing Rule 7.2 so that any shares issued will not count against the 15% limit imposed by ASX Listing Rule 7.1 or the 10% limit imposed by Listing Rule 7.1(a).
- Shares under the Performance Rights Plan can be issued to directors under ASX Listing Rule 10.14.

In accordance with the requirements of ASX Listing Rule 7.2 Exception 9(b), the following information is provided:

- (a) A summary of the terms of the Performance Rights Plan is attached as Appendix II to the Notice of Meeting;
- (b) Under the 2013 PRP Plan, no shares have previously been issued to Employees; and
- (c) A voting exclusion statement is included on page 3 of the Notice.

The total number of shares to be issued under the Performance Rights Plan, the Employee Share Ownership Plan to be approved by Resolution 4 and the 2013 Plan is not to exceed 5% of the Company's issued shares from time to time.

Additional Information

As the Performance Rights Plan will also be available to directors and eligible employees who were former directors of the Company, additional information is required under ASX Listing Rule 10.15A:

ASX Listing Rule 10.15A.1. *Statement of Relationship.* The plan shares may be issued to current directors or former directors who were directors within the previous 6 months.

ASX Listing Rule 10.15A.2. *Maximum Number of Securities that may be acquired by directors or former directors.* The maximum number of shares that may be issued to current directors or former directors under the Employee Share Ownership Plan and the Performance Rights Plan is 20,000,000 shares.

ASX Listing Rule 10.15A.3. *The formula for calculating the price for shares to be issued under the scheme.* The placement or issue price of the shares is to be not less than the market price (as determined by the 5 day VWAP) on the date of issue.

ASX Listing Rule 10.15A.4. *The names of all people who received securities since the last approval.* The Company has not issued any shares under the 2013 PRP Plan to current directors or former directors who were directors within the previous 6 months.

ASX Listing Rule 10.15A.5. *The names of all people entitled to participate.* Current directors Gary Comb, Gordon Galt, Gavin Caudle and Barry Cahill and alternate directors Michael Anderson and Douglas Tay.

ASX Listing Rule 10.15A.6. *A voting exclusion statement.* A voting exclusion statement is included on page 3 of this Notice.

ASX Listing Rule 10.15A.7. *The terms of any loan.* The shares will not be funded by a loan.

ASX Listing Rule 10.15A.8. *Additional Statement.* Details of any securities issued under the Performance Rights Plan will be published in each annual report of the Company relating to a period in which securities have been issued and that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

Any additional persons who become entitled to participate in the Performance Rights Plan after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

ASX Listing Rule 10.15A.9. *The date by which the Company will issue the securities.* No later than three years after approval of the Performance Rights Plan.

7. GLOSSARY

\$ means Australian dollars unless stated otherwise.

Associate has the meaning given to that term in Part 1.2, Division 2 of the Corporations Act.

ASX means ASX Limited ABN 98 008 624 691.

ASX Listing Rules means the official listing rules issued and enforced by the ASX, as amended from time to time, and **Listing Rules** has a corresponding meaning.

Board or **Board of Directors** means the board of Directors.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or

(f) a person prescribed by the Corporations Regulations 2001 (Cth).

Company means Finders Resources Limited ABN 82 108 547 413.

Consolidated Entity means the Company together with all the entities it is required by the accounting standards to include in consolidated financial statements.

Corporations Act 2001 means the Corporations Act 2001 (Commonwealth) as amended from time to time.

Directors mean the directors for the time being of the Company or the directors assembled as a board.

Directors' Report means the Company's directors' report for the year ended 31 December 2016, as required by the Corporations Act 2001.

Equity Securities has the same meaning as in the ASX Listing Rules.

Notice means this notice of Annual General Meeting.

Share means a fully paid ordinary share in the issued capital of the Company and **Shares** has a corresponding meaning.

Shareholder means shareholder of the Company and **Shareholders** has a corresponding meaning.

Trading Day means a day determined by the ASX to be a trading day, notified to market participants, and otherwise as defined by the ASX Listing Rules.



Finders Resources Limited - Employee Share Ownership Plan

Overview

Under the Finders Employee Share Ownership Plan (**Plan**), selected employees, contractors and directors of Finders Resources Limited (**Company**) or its controlled subsidiaries (**Participants**) are offered the opportunity to acquire ordinary shares of the Company (**Shares**) at a placement price funded by a limited recourse loan from the Company.

The Shares offered to a Participant are subject to vesting conditions (i.e. performance hurdles) to be determined by the Board of the Company and are released to the Participant only upon the performance hurdles being met and, if applicable, the relevant loan having been repaid. Participation in the Plan is at the discretion of the Board.

Shares will not be issued to directors of the Company unless the Board has formed a view that the issue of Shares is a benefit that is remuneration to the director and is reasonable for the purposes of section 211 of Chapter 2E of the Corporations Act. The Board may seek advice from a reputable remuneration consultant confirming that the proposed benefit is reasonable.

Unless otherwise determined by the Board, the placement or issue price of the Shares is to be not less than the volume weighted average sale price per Share on the ASX over the 5 ASX trading days immediately preceding the date of issue to the Participant. The aggregate cost of the issue to the Participant (number of Shares multiplied by the issue price) is funded by a loan to the Participant. The term of this loan is normally two to five years and is normally interest free however the Board has the discretion to offer alternative arrangements to Participants in relation to the loan. The terms of the loan facility are set out in annexure B.

The Board may, at its discretion, waive the repayment of any loan in relation to Participants. Any such waiver will be subject to the Participant remaining in the employment or service (as applicable) of the Company or its subsidiaries for a specified amount of time determined by the Board.

Invitations to Participate

The Board may from time to time invite an employee, contractor or director to participate in the Plan. The invitation will be in the form set out in annexure A and specify the number of shares for which the Participant may subscribe, the price for the Shares or the method for calculating the price, the relevant vesting conditions, the time within which the offer may be accepted and the manner of acceptance, the interest rate applicable to the loan facility (if any), the repayment date for the loan, any variation to the terms of the loan facility set out in annexure B and any other terms the Board considers relevant. By accepting an invitation, a Participant agrees to be bound by the terms and conditions of the Plan and the constitution of the Company.

If there is any inconsistency between:

- (a) the terms of the Plan set out in this document,
- (b) an invitation to participate issued to a Participant, and
- (c) the terms of the loan facility set out in annexure B,

then the document listed higher in the list above takes priority over any document listed lower, but only to the extent of the inconsistency.

Vesting Conditions

All Shares are issued subject to specified vesting conditions which are specific to each Participant and only once these vesting conditions are satisfied and the loan with respect to the Shares is repaid is the Participant able to sell or deal with the Shares. The Board acting reasonably has absolute discretion in determining whether the particular vesting conditions have been satisfied.

Vesting Conditions Satisfied and Prepayment

If on or before the repayment date, the vesting conditions are satisfied and the then market value of the Shares exceeds the issue price, the Participant can prepay some or all of the loan attributable to a number of Shares specified by the Participant and the Participant may then at the discretion of the Company be entitled to sell or dispose of that specified number of Shares.

Vesting Conditions Not Satisfied

If, on the repayment date, the vesting conditions are not satisfied then the loan is due and repayable and the Company is entitled to sell the Participant's shares to recover the loan. If the proceeds of sale are less than the loan amount in respect of those Shares then the Participant is not liable for the shortfall. If the proceeds of sale are more than the loan amount in respect of those Shares, then the Company is entitled to recover its loan and retain the surplus. Alternatively the Company may transfer the Shares to another Participant.

Cessation of Employment

If a Participant ceases employment, or for a contractor or director who is not an employee, service as a contractor or director (as applicable), with the Company for any reason then whether or not the applicable vesting conditions have been satisfied the Company can sell the Shares and apply the proceeds to recover the loan. If the proceeds of sale are less than the loan amount in respect of those Shares then the Participant is not liable for the shortfall. If the proceeds of sale are more than the loan amount in respect of those Shares, then the Company is entitled to recover the loan and retain the surplus. Alternatively the Company may transfer the Shares to another Participant.

On cessation of employment or service (as applicable) the Board has discretion to waive the vesting conditions or allow the loan to remain outstanding consistent with its existing terms and conditions.

Dividends and other Distributions

Cash distributions on Shares in respect of which a loan is outstanding are required to be paid to the Company in reduction of the loan. Once the loan has been repaid distributions are to be retained by the Participant.

Dealings

A Participant who holds Shares subject to a loan is not permitted to deal with such Shares and the Company is entitled to place a holding lock on the Shares.

Mergers and Takeovers

If a takeover offer is made or a scheme of arrangement occurs in relation to the Company, and such takeover offer becomes unconditional or scheme of arrangement is approved by the Board, then the vesting conditions under which Shares have been issued to a Participant are deemed to have been met and the loan in respect of that Participant's Shares becomes immediately due and payable and the Participant or the Company may sell the Shares. The Participant has no liability

for any shortfall on sale of the Shares by the Company. If on a takeover the consideration is scrip in another company then that scrip will be substituted for the Shares as security for the loan to the Participant.

Annexure A – Invitation to Participate

[Date]

[Name of Participant]

[Address]

Finders Resources Limited Employee Share Ownership Plan Invitation to Participate

Dear [name]

Invitation to apply for Shares

The Board of Directors of Finders Resources Limited (**Finders**) is pleased to offer you the opportunity to acquire an ownership interest in the company by offering you fully paid ordinary shares in the capital of Finders (**Shares**) in accordance with the terms and conditions of the Finders Resources Limited Employee Share Ownership Plan (**Plan**).

Terms and conditions of offer

The Shares are offered on, and are subject to the terms and conditions set out in:

- This invitation to participate (**Invitation**);
- The attached acceptance of invitation to participate (**Acceptance**); and
- The rules of the Plan (**Rules**).

A copy of the Rules accompanies this Invitation. You should read this Invitation, the Acceptance and the Rules carefully. Any advice given by Finders in connection with this Invitation is general advice only and you should consider obtaining your own financial and taxation advice from an independent person prior to deciding whether to accept the Invitation.

This Invitation to apply for Shares is made to you personally and may only be accepted by you.

The Shares will be funded by a loan facility from Finders on the terms set out in the Rules (**Loan Facility**), subject to any variations set out below (if any).

You should note you will not be able to deal in the Shares until the Loan Facility is repaid and until any Vesting Conditions relating to the Shares (as set out below) are satisfied and until otherwise authorised in accordance with the terms of the Loan Facility.

The table below sets out further terms and conditions of the Invitation specific to you.

Issue Date:	If you accept the Invitation, it is expected that the Shares will be issued to you on or about [insert date]
Number of Shares:	[insert]
Price of Shares:	The volume weighted average sale price per Share on the ASX over the five ASX trading days immediately preceding the Issue Date. The Board anticipates that this will be approximately \$[insert] per Share.
Interest Rate applicable to Loan Facility:	[insert]% p.a.
Vesting Conditions:	[insert]
Repayment Date:	[insert]
Acceptance Deadline:	[insert]
Variation to Loan Facility terms:	[insert if applicable/N/A]

Acceptance of Invitation

If you wish to accept this Invitation to participate in the Plan, please complete the Acceptance form and return it to the company secretary by the Acceptance Deadline set out above.

If you have any questions about this Invitation or the Plan, please feel free to contact [insert] on [telephone number].

Yours sincerely

[name]
[position]

To: The Company Secretary
Finders Resources Limited
[insert]

**Finders Resources Limited Employee Share Ownership Plan
Acceptance of Invitation to Participate**

I,

of

refer to the invitation to participate (**Invitation**) in the Finders Resources Limited Employee Share Ownership Plan (**Plan**).

In accordance with the Invitation, I apply for _____ ordinary shares (**Shares**) in the capital of Finders Resources Limited (**Finders**).

I authorise you to place my name on the register of members of Finders in respect of the Shares issued to me and I agree to be bound by the terms and conditions of the Invitation, the Plan and the constitution of Finders.

Signed: _____

Dated: _____

Annexure B – Loan Facility Terms

The terms and conditions of the Facility are as follows:

1. Subject to the terms of the Facility, the Company agrees to provide the Facility to the Participant up to the Placement Amount for the Approved Purpose.
2. The Participant acknowledges that:
 - (i) the Company will have provided an Advance of the Placement Amount to the Participant; and
 - (ii) the Participant will have received from the Company the Placement Amount, upon the date of the Company having notified to the ASX by an Appendix 3B the allotment of the Present Interest to the Participant at the Placement Price.
3. The Company acknowledges that:
 - (i) the value of the Present Interest will fluctuate and may at any time be below the Placement Amount and any Amount Outstanding; and
 - (ii) the Present Interest constitutes the sole means of repaying the Placement Amount and any Amount Outstanding, and the Company shall have no other claim against the Participant for any Amount Outstanding under the Facility.
4. The Facility bears interest as set out in the Invitation.
5. The Vesting Condition will be satisfied or failed, as the case may be, by the Company providing written notice to that effect to the Participant. The Company, whilst acting reasonably and in the absence of manifest error, has absolute discretion in determining whether and when the Vesting Condition will have been satisfied or failed. The Company may in its absolute discretion waive any or all of the Vesting Condition.
6. Subject to any waiver by the Company, the Participant must on the Repayment Date repay to the Company the Amount Outstanding in full, subject to the following terms and conditions:
 - (i) The Amount Outstanding is due and payable on the Repayment Date without the necessity for presentment, demand, protest or further notice of any kind, all of which the Participant unconditionally waives.
 - (ii) Notwithstanding any other provision of these terms and conditions, the Participant's obligation to repay the Amount Outstanding on the Repayment Date is limited to payment of an amount equal to the lesser of:
 - (a) the Placement Amount; and
 - (b) in the event that the Market Value per Share on the Repayment Date is less than the Placement Price, the Present Interest multiplied by the Market Value, in each case calculated after reducing the Present Interest by the number of Shares included in any voluntary prepayment already made.

- (iii) Notwithstanding any other provision of these terms and conditions, the Participant's obligation to repay the Amount Outstanding will be considered to be discharged in full if the Participant signs and delivers to the Company (or the Company may do so on the Participant's behalf at the discretion of the Company in accordance with clause 16) a transfer in blank in respect of the Present Interest (excluding any part of the Present Interest included in any voluntary prepayment already made and any New Interests), and the Company may then either:
 - (a) subject to any requirements of the Corporations Act, cancel those Shares;
 - (b) sell those Shares; or
 - (c) transfer those Shares to another Participant;and apply the proceeds (if any) to repay the Amount Outstanding.
- 7. In the event that the Vesting Condition has not been satisfied on or before the Repayment Date, the Company will sell or procure the sale of the Present Interest, or transfer the Present Interest to another Participant, and will apply the proceeds of sale or transfer (if any) in reduction of the Advance. In the event that the proceeds of sale or transfer exceed the Advance, then after repayment of the Advance in full, the excess is to the account of the Company.
- 8. The Participant may at any time after the satisfaction of the Vesting Condition, prepay all or any part of the Advance. The Company may, at its discretion, then remove the Holding Lock with respect to the number of Shares represented by that prepayment.
- 9. The Participant shall not sell any of the Present Interest prior to the satisfaction of the Vesting Condition. In the event that the Participant otherwise purports to sell any of the Present Interest prior to the Repayment Date, the Participant must return all of the proceeds of such sale to the Company, and for the purposes of this clause the Participant agrees that the Company is entitled to all such proceeds of sale.
- 10. At all times prior to the Repayment Date, the Participant must not without the prior written consent of the Company:
 - (i) sell any of the Present Interest for consideration of less than the Placement Price; or
 - (ii) assign, pledge or otherwise encumber any of the Present Interest.
- 11. For the purposes of ensuring compliance with the Facility, the Company may apply a Holding Lock to the Present Interest until repayment/prepayment. Unless otherwise contemplated by the Facility, this Holding Lock may only be wholly or partially removed with the prior written consent of the Company.
- 12. In the event of a Merger Event prior to the Repayment Date and whether or not the Merger Event occurs prior to the satisfaction of the Vesting Condition the following provisions apply:
 - (i) the Vesting Conditions will be deemed to have been satisfied immediately upon occurrence of the Merger Event;
 - (ii) the Amount Outstanding will become due and payable, following which the Participant must repay to the Company the Amount Outstanding within the date for the deadline of the transaction determined by the Board (subject to the limitation set out in clauses 6(ii) and 6(iii)) without the necessity for any further presentment,

demand, protest or notice of any kind, all of which the Participant unconditionally waives;

- (iii) the Participant may then take action under clause 8 if the Participant wishes to do so;
 - (iv) if the offer made in respect of the Merger Event is comprised of scrip in another entity, the Participant may accept the offer provided that the Participant enters into any documentation required by the Company to reflect that such scrip, from the time of acceptance, constitutes the Present Interest in respect of which the Company has made an Advance under the Facility; and
 - (v) if the Participant has not taken the necessary action to repay the Amount Outstanding within the transaction deadline determined by the Board, then the Company will sell or procure the sale of, or transfer to another Participant, any of the Present Interest and apply the proceeds of sale or transfer (if any) in reduction of the Amount Outstanding. In the event that the proceeds of sale or transfer are insufficient to discharge the Amount Outstanding, the limitation set out in clauses 6(ii) and 6(iii) apply. In the event there is an excess from the proceeds of sale or transfer after discharge in full of the Amount Outstanding, the excess is to the account of the Company.
13. Any New Interests represented by a cash payment (net of applicable tax) must be used by the Participant to prepay the Advance. The Participant hereby authorises the Company to apply any such cash payment (net of applicable tax) to repay the Advance. Any tax withheld shall be remitted to the Australian Taxation Office or to the Participant, whichever is appropriate, to cover any tax payable on the New Interests. Any other New Interests may be retained by the Participant and will not be subject to the provisions of this Facility.
14. If any consolidation or division occurs in respect of any Shares prior to the Repayment Date, the amount on a per Share basis required to be repaid by the Participant under this Facility will be adjusted by the Company such that neither the Company nor the Participant is materially advantaged or disadvantaged by the adjustment. The Participant agrees to enter into any documentation required by the Company to reflect the terms of any such adjustment.
15. If an Event of Default occurs, then the Company may undertake any one or more of the following:
- (i) cancel the Facility;
 - (ii) declare the Amount Outstanding to be immediately due and payable, following which the Participant must immediately repay to the Company the Amount Outstanding (subject to the limitation set out in clause 6 (ii) and (iii)) without the necessity for any further presentment, demand, protest or notice of any kind, all of which the Participant unconditionally waives; and
 - (iii) sell or procure the sale of, or transfer to another Participant, any of the Present Interest, apply the proceeds of sale or transfer (if any) in reduction of the Amount Outstanding, and retain any excess for its own account. In the event that the proceeds of sale or transfer are insufficient to discharge the Amount Outstanding, the limitations set out in clauses 6 (ii) and (iii) apply.
16. The Participant irrevocably and unconditionally appoints the Company as its agent and attorney to do everything which in its reasonable opinion is necessary or expedient,

including executing any transfers or other documents on behalf of the Participant (whether or not the exercise of such power constitutes a conflict of duty or interest):

- (i) to sell or transfer any Shares in accordance with clause 15 following an Event of Default;
- (ii) to sell, transfer or cancel any Shares pursuant to any transfer delivered to the Company or deemed to have been delivered to the Company pursuant to clause 6(iii);
- (iii) to sell or transfer any Shares in accordance with clause 7;
- (iv) to undertake any action in accordance with clause 12 if necessary in relation to a Merger Event; and
- (v) for any other purpose the Company deems necessary that is consistent with these terms and conditions,

and hereby declares that all acts, matters and things done by the Company in exercising such powers will be as good and valid as if they had been done by the Participant who undertakes to confirm and ratify any steps taken by the Company and indemnifies the Company against all liability, loss, cost, charges or expenses arising from the exercise of such powers.

17. For the purposes of the Facility the following definitions apply:

Advance means any principal amount of money provided or to be provided by the Company to the Participant under the Facility for the sole purpose of the Approved Purpose.

Amount Outstanding means all moneys which the Participant is liable to pay to the Company on any account whatever under or in relation to the Facility.

Approved Purpose means to assist the Participant to subscribe for the Present Interest at the Placement Price, and in accordance with the Company's employee share scheme.

ASTC Settlement Rules means the settlement rules of the ASX Settlement and Transfer Corporation Pty Ltd ABN 49 008 504 532.

ASX means ASX Limited ABN 98 008 624 691.

Board or **Board of Directors** means the board of Directors of the Company.

Business Day means any business day in Perth, WA, excluding Saturdays, Sundays and public holidays.

Company means Finders Resources Limited (ABN 82 108 547 413).

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the directors of the Company from time to time.

Event of Default means the occurrence of any one or more of the following unless and to the extent that any may be waived in writing by the Company:

- (i) the Participant breaches any of these terms and conditions;

- (ii) the Participant's employment or service (as applicable) with the Company or one of its subsidiaries ceases; or
- (iii) an Insolvency Event in respect of the Participant.

Facility means a limited recourse facility for the Approved Purpose provided by the Company to the Participant.

Holding Lock has the meaning given in Section 2 of the ASTC Settlement Rules.

Insolvency Event means the occurrence of any one or more of the following events in relation to a person:

- (i) the person commits an act of bankruptcy or assigns his or her estate for the benefit of creditors;
- (ii) a petition is presented for an order of bankruptcy or sequestration of the person's estate;
- (iii) a trustee in bankruptcy is appointed to the person's assets or estate or an agent (called by whatever name) is appointed in respect of that person or any of his or her assets, or any action is taken for the appointment of any trustee in bankruptcy;
- (iv) the person becomes an insolvent under administration as defined in the Corporations Act or action is taken which could result in that occurring;
- (v) a moratorium of any debts of the person or an official assignment or a composition or an arrangement, formal or informal, with the person's creditors or any similar proceedings or arrangement by which the assets of the person are submitted to the control of its creditors is applied for, ordered or declared; or
- (vi) anything analogous or having a substantially similar effect to any of the events specified in this definition happens under the law of any applicable jurisdiction.

Invitation means the invitation to participate in the Finders Limited Employee Share Ownership Plan provided to the Participant.

Market Value means the volume weighted average sale price per Share on the ASX over the 5 ASX trading days immediately preceding the applicable date.

Merger Event means the occurrence of any of the following in respect of the Company:

- (i) a takeover bid (as defined in section 9 of the Corporations Act) to acquire Shares having the following characteristics:
 - a) the bid is for all of the Shares and is not a proportional takeover bid (as defined in section 9 of the Corporations Act); and
 - b) the bid has become unconditional; or
- (ii) a scheme of arrangement pursuant to section 411 of the Corporations Act having the following characteristics:
 - a) the scheme includes the acquisition of all Shares in the Company; and
 - b) the scheme has been approved by the Board for implementation.

New Interest means any of the following in respect of the Participant in connection with the Present Interest:

- (i) right, title and interest in all money, interest, allotments, offers, benefits, privileges, rights, bonuses, Shares (or other marketable securities issued by the Company), dividends, distributions or rights to take up further Shares (or other marketable securities issued by the Company);
- (ii) rights consequent on a conversion, redemption, cancellation, reclassification, forfeiture, consolidation or subdivision; or
- (iii) rights consequent on a reduction of capital, liquidation, scheme of arrangement.

Participant means the employee, contractor or director to whom the Board has determined a Present Interest will be issued.

Placement Amount means the Present Interest multiplied by Placement Price.

Placement Price means the price per share set out in the Participant's Invitation to Participate.

Present Interest means the numbers, as applicable, of Shares issued and allotted to the Participant.

Repayment Date means the earlier of:

- (i) the repayment date specified at the time of establishment of the Facility and set out in the Invitation; and
- (ii) the date on which the Facility is terminated or cancelled by the Company.

Share means a fully paid ordinary share in the issued capital of the Company and Shares has a corresponding meaning.

Vesting Condition means the vesting conditions determined by the Board at the time of issue of the Present Interest and set out in the Invitation.



Finders Resources Limited Performance Rights Plan

Our ref: GRC:4230590

Level 8 Angel Place 123 Pitt Street Sydney NSW 2000

GPO Box 983 Sydney NSW 2001 DX 101 Sydney Tel 61 2 8233 9500 Fax 61 2 8233 9555

Email sydney@dibbsbarker.com Website www.dibbsbarker.com ABN 84 338 278 574

Table of contents

1.	DEFINITIONS AND INTERPRETATION.....	2
1.1	Definitions	2
1.2	Interpretation.....	3
2.	GRANT OF PERFORMANCE RIGHTS	4
2.1	Eligibility	4
2.2	Issue terms	4
2.3	Acceptance	4
3.	MAXIMUM NUMBER OF PERFORMANCE RIGHTS	5
4.	ENTITLEMENT	5
12.	OVERRIDING RESTRICTIONS ON GRANT AND EXERCISE	10
13.	ADMINISTRATION OF THE PLAN	10
14.	RIGHTS OF PARTICIPANTS	10
15.	AMENDMENT OF THESE RULES	11
16.	NOTICES	11
17.	GOVERNING LAW AND JURISDICTION	11
	Schedule 1 – Invitation	13
	Schedule 2 – Acceptance Form	15

RULES

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Plan, the following words and expressions have the meanings indicated.

Acceptance Form means an acceptance form in the form set out in Schedule 2.

Associate, in relation to an Eligible Participant, means:

- (a) a related body corporate of the Eligible Participant or a company in which the Eligible Participant beneficially owns not less than 50% of the shares;
- (b) a trust (whether a unit trust, investment trust or other form of trust) of which the Eligible Participant is the beneficiary;
- (c) a trust (whether a unit trust, investment trust or other form of trust) of which a related body corporate of the Eligible Participant is the responsible entity, trustee, manager or investment adviser of the trust; or
- (d) a spouse, former spouse, mother, father, brother, sister or child over the age of 18 of the Eligible Participant.

ASX Settlement Operating Rules means the operating rules of ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX means ASX Limited (ABN 98 008 624 691).

Board means all or some of the Directors acting as a board or a committee of the Directors.

Commencement Date means such date on or after the Offer Closing Date as the Board shall determine.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Director means a director of Finders.

Eligible Participant means a person whom the Board determines to be:

- (a) a full-time, part-time or casual employee of the Group (including an executive director);
- (b) a non-executive director of Finders;
- (c) a contractor (as defined in ASIC Class Order 14/1000);
- (d) a prospective participant (as defined in ASIC Class Order 14/1000).

Finders means Finders Resources Limited (ABN 82 108 547 413).

Group means Finders and each body corporate that is a subsidiary of Finders under Division 6 of the Corporations Act.

Holding Lock has the meaning given to that term in the ASX Settlement Operating Rules.

Invitation means the invitation to a Participant to apply for Performance Rights in a form similar to that set out in Schedule 1.

Listing Rules means the Listing Rules of ASX.

Offer Closing Date means the date for receipt of acceptances, notified to the Eligible Participant in accordance with clause 2.2.

Participant means an Eligible Participant or an Associate nominated by an Eligible Participant or a Director who is participating in, or has been invited to participate in, the Plan.

Performance Criteria means the criteria set out in the Invitation.

Performance Right means a right granted under the Plan to acquire Shares (whether by subscription or transfer).

Performance Right Holder means the holder of a Performance Right.

Plan means this Finders Resources Limited Performance Rights Plan.

Qualifying Reason means:

- (a) the death or Total and Permanent Disability as determined by the Board in its absolute discretion;
- (b) the Performance Right Holder ceasing to be employed or engaged by a company within the Group as a result of a company ceasing to be a member of the Group, or a company in the Group selling a business it conducts other than to another company in the Group; or
- (c) any other reason as determined by the Board in its absolute discretion.

Share means a fully paid ordinary share in the capital of Finders.

Share Trading Policy means Finders' policy on share trading.

Total and Permanent Disablement in relation to an Eligible Participant or Director means that the Eligible Participant or Director has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Eligible Participant or Director unlikely ever to engage in any occupation for which he or she is reasonably qualified by education, training or experience.

Vesting Conditions means the conditions upon which Performance Rights vest, as set out in an Invitation.

1.2 Interpretation

In this Plan unless the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) reference to a rule, a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) a reference to a person includes a reference to the person's legal personal representatives, executors, administrators and successors, a firm or a body corporate; and

- (d) headings are inserted for convenience and do not affect the interpretation of this Plan.

2. GRANT OF PERFORMANCE RIGHTS

2.1 Eligibility

The Board may, in its absolute discretion, without being bound to do so and subject to any approvals of shareholders of Finders required by law or the Listing Rules, on such date or dates determined by the Board, offer such number of Performance Rights as determined by the Board to Eligible Participants or Directors selected by the Board having regard to:

- (a) the Eligible Participant 's or Director's length of service with the Group;
- (b) the potential contribution of the Eligible Participant or Director to the Group; and
- (c) any other matters which the Board considers relevant.

2.2 Issue terms

- (a) Performance Rights will be granted on the terms of this Plan and each Participant will be taken to have agreed to be bound by this Plan on acceptance of any offer of Performance Rights.
- (b) Unless the Board determines otherwise, no payment is required for the grant of a Performance Right.
- (c) Shares provided to a Participant on the exercise of a Performance Right will be provided on the terms of this Plan.
- (d) An offer of Performance Rights to an Eligible Participant or Director will be by way of an Invitation and must specify:
 - (i) the date of the offer;
 - (ii) the maximum number of Performance Rights the subject of the offer;
 - (iii) the Offer Closing Date;
 - (iv) the Commencement Date;
 - (v) the Vesting Conditions;
 - (vi) the Performance Criteria;
 - (vii) any restrictions on dealing in Shares provided to a Participant on exercise of a Performance Right; and
 - (viii) any other terms and conditions relating to the offer which, in the opinion of the Board, are fair and reasonable but not inconsistent with the Plan.

2.3 Acceptance

- (a) To accept an offer made to the Eligible Participant or Director under clause 2.2, that Eligible Participant or Director must submit an Acceptance Form on or prior to the Offer Closing Date.

- (b) If an Eligible Participant or Director has accepted an offer in accordance with this clause 2.3(a), Finders will, subject to shareholder approval being obtained (if required), grant the Eligible Participant or Director or an Associate nominated by the Eligible Participant or Director with the Performance Rights on the Commencement Date.
- (c) An Eligible Participant or Director who has accepted an offer of Performance Rights in accordance with clause 2.3(a) has no right to such Performance Rights prior to the date of grant of the Performance Rights on the Commencement Date.

3. MAXIMUM NUMBER OF PERFORMANCE RIGHTS

- (a) A Participant must not receive more than 5% ownership of Finders, or control more than 5% of the voting rights in Finders as a result of participating in the Plan.
- (b) In the case of an offer of Performance Rights for issue, the number of Shares to be received on exercise of a Performance Right when aggregated with:
 - (i) the number of Shares in the same class which would be issued were each outstanding offer or option or Performance Right to acquire unissued Shares, being an offer made or option or Performance Right acquired pursuant to an employee incentive scheme of Finders, to be accepted or exercised (as the case may be); and
 - (ii) the number of shares in the same class issued during the previous three(3) years pursuant to the Plan or any other employee incentive scheme of Finders;

but disregarding any offer made or option or Performance Right acquired or Share issued by way of or as a result of:

- (iii) an offer to a person situated at the time of receipt of the offer outside Australia; or
- (iv) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (v) an offer made under a disclosure document,

must not exceed 5% of the total number of issued Shares in that class of Finders as at the time of the offer.

4. ENTITLEMENT

- (a) Each Performance Right entitles the Performance Right Holder to be allotted, credited as fully paid or transferred one Share. Unless the terms of an offer of Performance Rights under clause 2.2 of the Plan provides otherwise, no payment is required upon exercise of the Performance Right.
- (b) Subject to the Listing Rules and the Share Trading Policy, Finders must allot or procure the transfer of a Share on exercise of a Performance Right in accordance with the Plan.

- (c) Shares issued on the exercise of Performance Rights will rank pari passu with all existing Shares from the date of issue and will be entitled in full to those dividends which have a record date for determining entitlements after the date of issue.

5. VESTING OF PERFORMANCE RIGHTS

- (a) Subject to clause 5(b) and (c) below, Performance Rights shall vest in accordance with the Vesting Conditions and the Performance Criteria.
- (b) A Performance Right which has not vested will automatically lapse on the first to occur of:
 - (i) receipt by Finders of a notice from the Performance Right Holder that the Performance Right Holder wishes the Performance Right to lapse;
 - (ii) the applicable Participant ceasing to be employed or engaged in accordance with clause 6(a);
 - (iii) a determination of the Board that the applicable Participant has acted fraudulently, dishonestly or in breach of the Participant's obligations to Finders or any company in the Group and the Performance Right is to be forfeited;
 - (iv) a determination of the Board that, in the case of a Performance Right Holder which is an Associate of an Eligible Participant or Director, that the Performance Rights Holder has ceased to be an Associate of the applicable Eligible Participant or Director;
 - (v) the Board notifying a Performance Right Holder that:
 - (A) pursuant to an application made to the court, the court orders a meeting to be held in relation to a proposed compromise or arrangement for the purpose of or in connection with a scheme for the reconstruction of Finders or its amalgamation with any other companies;
 - (B) Finders passes a resolution for voluntary winding up; or
 - (C) an order is made for the compulsory winding up of Finders.
- (c) If a takeover offer is made or a scheme of arrangement occurs in relation to the Company, and such takeover offer becomes unconditional or scheme of arrangement is approved, then the Vesting Conditions and the Performance Criteria under which Performance Rights have been issued to a Performance Right Holder are deemed to have been met and the Performance Rights will immediately vest.
- (d) In relation to clause 5(b) above the applicable Eligible Participant or Director is:
 - (i) if the Performance Right Holder is an Eligible Participant or Director, that Eligible Participant or Director; and
 - (ii) if the Performance Right Holder is an Associate of an Eligible Participant or Director, that Eligible Participant or Director.

6. CESSATION OF EMPLOYMENT

- (a) Where an Eligible Participant or Director ceases to be employed or engaged by a company within the Group (and is not immediately employed or engaged by another company within the Group) other than because of a Qualifying Reason, subject to clauses 6(c) and 6(d) below, any rights of the Eligible Participant or Director and any Associate Performance Right Holder of the Participant relating to Performance Rights which have not already become exercisable will automatically lapse.
- (b) Where an Eligible Participant or Director ceases to be employed or engaged by a company within the Group (and is not immediately employed or engaged by another company within the Group) because of a Qualifying Reason, the Board may determine the extent to which Performance Rights granted to the Eligible Participant or Director and any Associate Performance Right Holder of the Participant vest.
- (c) Where an Eligible Participant or Director ceases to be employed or engaged by a company within the Group (and is not immediately employed or engaged by another company within the Group) for any reason after the Eligible Participant's or Director's Performance Rights have vested but before Shares have been issued, Finders must issue the number of Shares to which the Eligible Participant or Director is entitled.
- (d) Notwithstanding the other provisions of this clause 6, the Board may, in its absolute discretion, issue Shares, or the cash equivalent, to Eligible Participant s or Directors where, in the Board's view, there are special circumstances under which it would be unfair not to issue Shares.

7. METHOD OF EXERCISE OF PERFORMANCE RIGHTS

- (a) Upon the Vesting Conditions and Performance Criteria being met, the Performance Rights will be deemed to have been automatically exercised by the Participant.
- (b) Upon exercise of Performance Rights, the Board shall allot and issue or transfer one Share for each Performance Right exercised, as soon as practicable after the exercise date to the Performance Right Holder.

8. NO TRANSFERS

A Performance Right may not be transferred, to any person at any time, save in circumstances where the Board has stipulated that some or all Performance Rights are transferable to the offeror under a takeover bid, if takeover offers are made for Shares under a takeover bid in accordance with the Corporations Act and both the offeror becomes entitled to more than 50% of the Shares the subject of the offers and the offers are made or declared unconditional (other than for prescribed occurrences).

9. SHARES PROVIDED ON EXERCISE

- (a) A Participant may transfer Shares acquired on the exercise of Performance Rights, subject to any restrictions contained in the Invitation and the restrictions contained in the Share Trading Policy.

- (b) Shares provided to a Participant on the exercise of a Performance Right will be provided on the terms of the Plan.
- (c) The Board may prescribe such other mechanisms as it considers necessary to restrict dealing Shares provided upon an exercise of Performance Rights, including placing Shares in a Holding Lock.

10. QUOTATION OF PERFORMANCE RIGHT AND SHARES

Performance Rights will not be quoted on the ASX. Finders will make application to the ASX for official quotation of Shares issued on the exercise of Performance Rights, if other Shares are listed at that time, as soon as practicable after the Shares are issued.

11. PARTICIPATION IN FUTURE ISSUES

11.1 Participation generally

A Participant may only participate in new issues of securities to holders of Shares if the Performance Right has been exercised, if that is permitted by its terms, and the Shares in respect of the Performance Right have been allotted or transferred before the record date for determining entitlements to the issue.

11.2 Bonus issues

If Finders makes a bonus issue of Shares or other securities pro rata to holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Shares have been allotted or transferred to the Participant in respect of a Performance Right before the record date for determining entitlements to the bonus issue then the rights attaching to that Performance Right will be altered as follows:

the number of Shares which the Performance Right Holder is entitled to acquire on exercise of the Performance Right (**S**) is determined by the formula:

$$S = N + (N \times R)$$

where:

N = The number of Shares per Performance Right which the Performance Right Holder is entitled to acquire on the record date to determine entitlements to the bonus issue.

R = The number of Shares (including fractions) offered under the bonus issue for each Share held.

11.3 Rights issues

If Finders makes an offer of Shares pro rata to all or substantially all holders of Shares (whether or not an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which the Performance Right Holder is entitled to acquire on exercise of the Performance Right will not be changed.

11.4 Reconstruction

In the event of any reconstruction of the issued ordinary capital of Finders before the exercise of a Performance Right, the number of Shares attaching to each Performance Right will be reconstructed in the manner specified below.

(a) If the manner is not specified then the Board will determine the reconstruction. In any event the reconstruction will not result in any additional benefits being conferred on Performance Right Holders which are not conferred on shareholders of Finders (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital) and in all other respects the terms for the exercise of Performance Rights will remain unchanged.

(b) In the event of any consolidation or sub-division of shares or reduction or cancellation of capital then the reconstruction will be determined by the following formulae:

(i) Consolidation and subdivision:

$$S = C \times \frac{B}{A};$$

(ii) Reduction of capital by return of share capital:

$$S = C;$$

(iii) Reduction of capital by cancellation of ordinary shares that is either lost or not represented by available assets:

$$S = C;$$

(iv) Pro rata cancellation of fully paid ordinary shares (not within (ii) or (iii)):

$$S = C \times \frac{B}{A};$$

where:

A = The total number of Shares on issue before the capital reconstruction;

B = The total number of Shares on issue after the capital reconstruction;

C = The number of Shares which the Performance Right Holder is entitled to acquire on exercise of an Performance Right before the reconstruction;

S = The number of Shares which the Performance Right Holder is entitled to acquire on exercise of a Performance Right after the reconstruction.

(c) Notwithstanding anything else in this clause 11.4, on any reorganisation of capital the rights of each Performance Right Holder may be changed to comply with the ASX Listing Rules applying to reorganisations of capital at the time of the reorganisation.

11.5 Advice

Finders must give notice to each Performance Right Holder of any adjustment to the number of Shares which the Performance Right Holder is entitled to acquire on exercise of a Performance Right.

12. OVERRIDING RESTRICTIONS ON GRANT AND EXERCISE

Notwithstanding the Plan or the terms of any particular Performance Right as granted, no Performance Right may be offered, granted or exercised if to do so:

- (a) would contravene the Corporations Act or the Listing Rules; or
- (b) would contravene the restrictions in the Share Trading Policy; or
- (c) would contravene the local laws or customs of the Eligible Participant's country of residence; or
- (d) in the opinion of the Board would require actions which are onerous or impractical.

13. ADMINISTRATION OF THE PLAN

- (a) The Plan will be administered by the Board in accordance with the terms of this Plan. The Board may make further rules for the operation of the Plan which are consistent with this Plan.
- (b) Any power or discretion which is conferred on the Board by this Plan must be exercised by the Board in the interests of and or for the benefit of Finders, and the Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person.
- (c) Any power or discretion which is conferred on the Board by this Plan may be delegated by the Board to a committee consisting of such Directors and/or other officers and/or employees of Finders as the Board thinks fit.
- (d) The decision of the Board as to the interpretation, effect or application of this Plan, the exercise by the Board of any power or discretion under this Plan or the giving of any consent or approval by the Board in connection with this Plan will be final and conclusive.
- (e) The Board may from time to time suspend the operation of this Plan and may at any time cancel this Plan. The suspension or cancellation of this Plan will not prejudice the existing rights of Participants.
- (f) Finders may from time to time require a Participant to complete and return additional documents as may be required by law to be completed by the Participant or such other documents which Finders considers should, for legal or taxation reasons, be completed by the Participant.

14. RIGHTS OF PARTICIPANTS

Except as expressly provided in this Plan, nothing in this Plan:

- (a) confers on any Eligible Participant the right to receive any Performance Rights;

- (b) confers on any Eligible Participant the right to continue as an Eligible Participant of Finders or any of its subsidiaries;
- (c) affects any rights which Finders or a subsidiary may have to terminate the engagement of any Eligible Participant;
- (d) may be used to increase damages in any action brought against Finders or a subsidiary in respect of any such termination; or
- (e) confers on an Eligible Participant any expectation to become a Participant.

15. AMENDMENT OF THESE RULES

- (a) Subject to clause 15(c), Finders may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of this Plan (including this clause 15), including but not limited to any amendment required to comply with the Listing Rules applying from time to time.
- (b) No amendment of the provisions of this Plan is to reduce the rights of any Participant in respect of Performance Rights granted under the Plan prior to the date of the amendment, other than an amendment introduced primarily:
 - (i) for the purpose of complying with, or conforming to, present or future State, Territory or Commonwealth legal requirements governing or regulating the maintenance or operation of the Plan or like plans;
 - (ii) to correct any manifest error or mistake; or
 - (iii) to enable any body corporate in the Group to comply with the Corporations Act or the Listing Rules or relevant instruments or relief granted by the Australian Securities and Investments Commission from time to time.
- (c) No amendment may be made except in accordance with, and in the manner stipulated (if any) by, the Listing Rules.
- (d) Subject to the above provisions of this clause 15, any amendment made pursuant to clause 15(a) may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made and, if so stated, amendments to this Plan, including the terms of Performance Rights, have the effect of automatically amending the terms of granted but unexercised Performance Rights.

16. NOTICES

Notices may be given by Finders to the Performance Right Holder in the manner prescribed by Finders' Constitution for the giving of notices to members of Finders and the relevant provisions of Finders' Constitution apply with all necessary modification to notices to Performance Right Holders.

17. GOVERNING LAW AND JURISDICTION

- (a) The Plan is governed by and will be construed and take effect in accordance with the laws of Western Australia

- (b) All disputes arising in connection with or under this Plan will be submitted to the exclusive jurisdiction of the courts of Western Australia.

Schedule 1 – Invitation

[Date]

[Name of employee]

[Address]

Finders Resources Limited Performance Rights Plan Invitation to Participate

Dear [name]

Invitation to apply for Performance Rights

The Board of Directors of Finders Resources Limited (**Finders**) is pleased to offer you the opportunity to acquire an ownership interest in the company by offering you Performance Rights in accordance with the terms and conditions of the Finders Resources Limited Performance Rights Plan (**Plan**).

Terms and conditions of offer

The Performance Rights are offered on, and are subject to the terms and conditions set out in:

- This invitation to participate (**Invitation**);
- The attached acceptance of invitation to participate (**Acceptance**); and
- The rules of the Plan (**Rules**).

A copy of the Rules accompanies this Invitation. You should read this Invitation, the Acceptance and the Rules carefully. Any advice given by Finders in connection with this Invitation is general advice only and you should consider obtaining your own financial and taxation advice from an independent person prior to deciding whether to accept the Invitation.

No payment will be required for the grant of a Performance Right.

You should note that your Performance Rights will not be exercisable until any Vesting Conditions and Performance Criteria relating to the Performance Rights (as set out below) are satisfied. Your Performance Rights may be forfeited if these do not occur.

The table below sets out further terms and conditions of the Invitation specific to you.

Commencement Date:	If you accept the Invitation, it is expected that the Performance Rights will be granted to you on or about [insert date]
Number of Performance Rights:	
Vesting Conditions:	
Performance Criteria:	
Offer Closing Date:	
Restrictions on dealing with shares on exercise of Performance Rights:	
Additional Terms:	

Acceptance of Invitation

If you wish to accept this Invitation to participate in the Plan, please complete the Acceptance form and return it to the company secretary by the Offer Closing Date set out above.

If you have any questions about this Invitation or the Plan, please feel free to contact [insert] on [telephone number].

Yours sincerely

[name]
[position]

Schedule 2 – Acceptance Form

To: The Company Secretary
 Finders Resources Limited
 Level 1
 5 Ord St
 West Perth WA 6005

**Finders Resources Limited Performance Rights Plan
Acceptance of Invitation to Participate**

I, _____

of _____

refer to the invitation to participate (**Invitation**) in the Finders Resources Limited Performance Rights Plan (**Plan**).

In accordance with the Invitation, I accept _____ Performance Rights in the Plan.

I authorise you to place my name on the register of Performance Rights holders of Finders Resources Limited (**Finders**) in respect of the Performance Rights granted to me and I agree to be bound by the terms and conditions of the Invitation, the Plan and the constitution of Finders.

Signed: _____

Dated: _____

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 9:00am (Perth time) on Wednesday, 24 May 2017.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 24 hours before the commencement of the meeting, therefore by **9:00am (Perth time) on Wednesday, 24 May 2017.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged:

- 📠 **By Fax** + 61 8 6555 3998
- ✉ **By Mail** Finders Resources Limited
Level 1, 5 Ord Street
West Perth WA 6005 Australia
- 👤 **In Person** Finders Resources Limited
Level 1, 5 Ord Street
West Perth WA 6005 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Finders Resources Limited

ABN 82 108 547 413

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Finders Resources Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **The Boardroom, Country Women's Association of Western Australia, 1176 Hay Street, West Perth, WA 6005 on Thursday, 25 May 2017 at 9:00am (Perth time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1, 4 and 5, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1, 4 and 5 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1, 4 and 5). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS
* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Ordinary Business				
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Director – Mr Gordon Galt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Business				
Resolution 3	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Employee Share Ownership Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1 <input type="text"/> Sole Director and Sole Company Secretary	Securityholder 2 <input type="text"/> Director	Securityholder 3 <input type="text"/> Director / Company Secretary
--	--	--

Contact Name..... Contact Daytime Telephone..... Date / / 2017

FINDERS RESOURCES LIMITED

APPOINTMENT OF CORPORATE REPRESENTATIVE

Pursuant to Section 250D of the Corporations Act 2001,

We, _____
(Insert name of Shareholder/Body Corporate)

ABN/ACN/ARBN _____

Hereby Authorise

(Insert name of appointee)

- (*) 1. To act as the Company's representative at all General Meetings of Finders Resources Limited ABN: 82 108 547 413.
- (*)2. To act as the Company's Representative at the Annual General Meeting to be held on 25 May 2017 at 9.00am (Perth time) and any adjournment thereof.

Dated this _____ day of _____ 2017

Executed by the corporation in accordance with its Constitution/Section 127 of the Corporations Act 2001 in the presence of:

(*) Director

(*) Sole Director & Sole Secretary

(*) Director/Secretary

Affix Common Seal here (optional)

() Delete if not applicable*

This authority may be sent to the registered office or share registry office of the Company in advance of the meeting as set out in the Notice of General Meeting which this appointment accompanies or handed in at the General Meeting when registering as a company representative. In either case, the authority will be retained by the Company.
