



For ASX Market Release: 25 September 2017

FINDERS RESOURCES LIMITED

Managing Director's Employment Agreement

Finders Resources Limited (Finders or the Company) has entered into a new Executive Services Agreement with its Managing Director Barry Cahill following the expiry of the previous Executive Services Agreement. Key terms of the agreement are set out in the appendix.

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APPENDIX

Executive Service Agreement between Barry Cahill and Finders Resources Limited Summary of the Key Terms

Term

The contract is effective from 1 July 2017 until terminated by either party in accordance with its terms.

Total Fixed Remuneration

\$450,000 per annum inclusive of superannuation.

Short Term Incentive

Opportunity to earn an incentive, paid in shares, to a value equal to a percentage of base salary in respect of each financial year subject to performance against key objectives set by the remuneration committee. Full bonus of 100% of salary is only paid for considerable additional value-added in addition to consistently exceeding expected Company performance relative to Company objectives. The shares will be issued under the Performance Rights Plan of the Company approved at the 2017 Annual General Meeting or a replacement plan adopted by the Company.

Long Term Incentive

Grant of Performance Rights over 4,000,000 shares under the terms of the existing Performance Rights Plan approved at the 2017 Annual General Meeting. The shares will be issued in one tranche of 1,000,000 (Tranche 1) and two tranches of 1,500,000 (Tranche 2 and 3) and have the following performance and vesting conditions:

- (i) Tranche 1. Company copper production achieving 35-40,000 tonnes of copper cathode per annum and a resource life of at least 6 years at a similar cost base (C1 in the lower half of the copper cost curve), or, the Board at its discretion deciding another alternative Project model and production level provides a better long term resource value to shareholders and Barry Cahill remaining Managing Director of the Company for at least two years from the date of issue of the performance rights;
- (ii) Tranche 2. Company copper production of 40-50,000 tonnes of copper cathode per annum and a resource life of at least 8 years at a similar cost base (C1 in the lower half of the copper cost curve), and Barry Cahill remaining Managing Director of the Company for at least two years from the date of issue of the performance rights; and
- (iii) Tranche 3. Either completion of a positive BFS on organic growth in copper or another commodity, or completion of a value accretive acquisition that increases growth and Company NPAT, while maintaining Company production and cost performance, and Barry Cahill remaining Managing Director of the Company for at least two years from the date of issue of the performance rights.

Payments on termination

The contract can be terminated by either party with 12 months' notice or by payment in lieu, except in certain circumstances where no notice period applies (in the case of summary dismissal by the Company) or 3 months' notice period applies (in the case of a termination by Barry Cahill for change of employment responsibilities or location or Company insolvency).

Non-Compete and Non-Solicitation

Barry Cahill may not be involved in any competitive business during the term of the agreement and is subject to a 12 month non-solicitation period following the termination of the agreement.