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TO: ASX Market Announcement Office
COMPANY: ASX Limited
FACSIMILE NO: 1300 135 638
DATE: 12 December 2017
SUBJECT: Eastern Field Developments Limited –Off Market Takeover Offer to acquire all the ordinary shares in Finders Resources Limited (FND)

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We act for Eastern Field Developments Limited (EFDL).

On behalf of EFDL, we attach a statement by EFDL relating to the extension of the offer period for its takeover offer for the ordinary shares in Finders Resources Limited (ACN 108 547 413) (Finders).

In accordance with section 650D of the Corporations Act 2001 (Cth) (Act), we enclose a formal notice of variation extending the offer period.

We also attach a notice under section 650F of the Act, under which EFDL declares its offers and any contract resulting from the acceptance of an offer free from the minimum acceptance conditions set out in paragraph 2 of Schedule 2 to the Replacement Bidders Statement dated 17 November 2017.

A copy of the attached notices have separately been given to Finders.

Yours faithfully



Iffla Wade

EASTERN FIELD DEVELOPMENTS LIMITED
(BVI Co No 1955552)

*is a company jointly owned by Procap Partners Limited, PT Saratoga Investama Sedaya Tbk
and PT Merdeka Copper Field Tbk.*



12 December 2017

Dear Finders Shareholder,

Eastern Field Developments Limited takeover offer to purchase your shares in Finders Resources Limited

Eastern Field Developments Limited (**EFDL**) has now reviewed the Target's Statement of Finders Resources Limited (ACN 108 547 413) (**Finders**) dated 5 December 2017 sent to shareholders for the purpose of assisting them in their consideration of EFDL's takeover offer to purchase the ordinary shares in Finders (**Offer**).

EFDL considers that the Target's Statement contains material omissions and misleading statements and is writing to Finders requesting they clarify a number of the statements in the Target's Statement and provide further information to shareholders to enable them to fully consider the Offer. A copy of the letter will be placed on EFDL's web page at <http://www.easternfielddevelopments.com/>.

Of particular concern to EFDL is the manner in which the Target's Statement deals with the production problems which Finders is currently experiencing and the information provided in relation to recoveries, both of which are key value drivers for the project.

EFDL urges shareholders to defer consideration of the Target's Statement until such clarification and further information is made available.

To enable this to occur, EFDL has agreed to extend the offer period for its Offer which will now close at 7.00pm (Perth time) on Friday, 19 January 2018. EFDL has no present intention to extend the new closing date of the Offer but reserves the right to do so.

The formal notice of variation under section 650D of the Corporations Act 2001 (Cth) (**Act**) in relation to this extension is attached to this announcement.

EFDL also attaches a notice under section 650F of the Act, under which EFDL declares its Offer and any contract resulting from the acceptance of the Offer free from the minimum acceptance condition of EFDL acquiring a relevant interest in more than 50% of the Finders Shares as set out in paragraph 2 of Schedule 2 to the Replacement Bidder's Statement dated 17 November 2017.

Production issues

Finders has now announced 4 production downgrades in the last 3 months:

- 27 September 2017: September 2017 Quarter production downgraded to 6,300 tonnes - actual production for the quarter was ultimately 6,131 tonnes.
- 31 October 2017: December 2017 Quarter production downgraded to between 5,700 and 6,000 tonnes.
- 17 November 2017: December 2017 Quarter production further downgraded to between 4,000 and 5,000 tonnes.
- 5 December 2017: The Target's Statement notes that December 2017 Quarter production is expected to be at the low end of the 4,000 to 5,000 range - Behre Dolbear Australia (BDA), the Independent Technical Expert engaged for the purpose of the Target's Statement, notes that forecast production for the December quarter has been reduced to 4,170 tonnes, which is "well short of the 7,000t per quarter production target".

EFDL suspects that the fall in production has been mostly caused by the reprocessing of the dump leached material (which is partially leached and therefore has less copper to be extracted and is slower leaching). This should have been anticipated at the time the 2017 production plan was prepared and should have been factored into the expected production and cost levels for the September and December quarters. Despite this, guidance for 2017 was for 28,000 tonnes. However it is now forecast that production for 2017 will be 23,230 tonnes, materially below guidance.

The Target's Statement states that the Independent Directors "expect production to return to June 2017 quarter rates during the March 2018 quarter and name plate capacity of 28,000 tpa thereafter".

Based on our understanding of the issues, EFDL has no confidence that Finders will achieve such levels and is concerned there will be further downgrades forthcoming.

EFDL will be requesting Finders to explain why Finders considers that production for the March 2018 Quarter will reach 6,800 tonnes when the reprocessing of the slow leaching dump leached material is not completed and the impact of the lower grades and slower leaching properties of such materials will continue to affect 2018 production.

EFDL will also be requesting Finders to explain why Finders considers that the project will operate at or above nameplate production for the rest of the life of the project. EFDL notes that since commissioning the 25,000 tonne plant, Wetar has never operated at nameplate production for an entire quarter.

Recoveries

In its report, BDA has confirmed the appropriateness of the assumed recovery rates of 72% for Kali Kuning and 55% for Lerokis. This is consistent with EFDL's analysis as set out in its announcement dated 28 November 2017 and refutes Finders' claims concerning significantly higher recovery rates.

In the Target's Statement, the Independent Directors suggest that the higher rates experienced in testing of certain Lerokis ore has general application to the whole Lerokis resource and include an estimate of the additional copper cathode which would be obtained if the 88% recovery rate were achieved for Lerokis.

However as noted by BDA on page 38 of their report where they reject the general application of the 88% recovery rate, the material which had the high recovery rate "was from the upper levels of the deposit representing leached and transition material, while tests on deeper massive sulphide material, which represents approximately 60% of the reserve, still showed recoveries trending towards 50-55%".

EFDL will be requesting Finders to explain why it has been suggested the 88% recovery rate applies to the whole Lerokis resource in clear contradiction to BDA's statement.

EFDL will also be requesting Finders to disclose the actual recoveries which have been achieved to date for all its pads. This should be possible given the length of leaching that has now occurred. EFDL estimates that based on tonnes stacked by quarter, the grade of the ore stacked and the amount of copper cathode produced, Finders recoveries are materially below the amount which would be expected to be produced after applying the Wetar BFS leach extraction curve.

If you have any questions about the Offer, please contact the Offer Information Line on 1300 079 762 (within Australia) or +61 8 6314 6314 (from outside Australia).

Yours sincerely



David Fowler
Eastern Field Developments Limited
Director

NOTICE OF VARIATION OF OFFER – EXTENSION OF OFFER PERIOD

To:

Australian Securities & Investments
Commission

Finders Resources Limited

Each holder of Finders Shares to
whom an offer referred to below has
been made

Eastern Field Developments Limited (EFDL), gives notice under section 650D of the
Corporations Act 2001 (Cth) that:

- (a) it varies the offers dated 20 November 2017 (**Offers**) made pursuant to its replacement bidder's statement dated 17 November 2017 (**Bidder's Statement**) relating to its off-market takeover bid for all of the ordinary shares in Finders Resources Limited (ACN 108 547 413) (**Finders**) by extending the Offer Period by 30 days so that it now ends at 7.00pm (Perth time) on Friday, 19 January 2018 (unless further extended); and
- (b) the terms of the variation by replacing the date "20 December 2017" wherever appearing in the Bidder's Statement with references to "19 January 2018".

The original of this notice was lodged with the Australian Securities and Investments Commission on 12 December 2017.

The Australian Securities and Investments Commission takes no responsibility for the contents of this notice.

Terms used in this notice (unless otherwise defined) have the meanings given in the Bidder's Statement.

This notice has been approved by resolution passed by the directors of EFDL under section 650D (3A) of the Corporations Act, as modified by ASIC CO [13/521].

Dated 12 December 2017

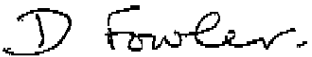
NOTICE OF WAIVER OF MINIMUM ACCEPTANCE CONDITION

Eastern Field Developments Limited (**EFDL**), gives notice under section 650F of the Corporations Act 2001 (Cth) that in relation to the offers dated 20 November 2017 (**Offers**) made pursuant to its replacement bidder's statement dated 17 November 2017 (**Bidder's Statement**) relating to its off-market takeover bid for all of the ordinary shares in Finders Resources Limited (ACN 108 547 413) (**Finders**) that it declares the **Offers** and any contract resulting from acceptances of the **Offers** free from the minimum acceptance condition set out in paragraph 2 of Schedule 2 to the Bidder's Statement.

As at the date of this notice, EFDL's voting power in Finders is 19.84%, comprising 153,248,198 shares out of a total of 772,367,245 ordinary shares on issue.

Terms used in this notice (unless otherwise defined) have the meanings given in the Bidder's Statement.

Dated 12 December 2017



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David Fowler - Director