

Appendix 3B

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

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

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

Name of entity

FINDERS RESOURCES LIMITED

ABN

82 108 547 413

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | | | | | | | | | | | | | |
|-----|--|---|-----|----------------|---------------------------|-----|------------------|--|-----|--------------|---|-----|-----------|---|
| 1 | +Class of +securities issued or to be issued | Unquoted Convertible Notes | | | | | | | | | | | | |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>If fully converted, the noteholder would convert:</p> <ol style="list-style-type: none"> 1. The principal outstanding to 3,841,426 of the Finders Resources Limited's (Company's) ordinary fully paid shares; and 2. The interest coupons into the Company's fully paid ordinary shares at a conversion price equal to the 5-day volume weighted average price of Company's shares for the 5 trading days before the interest payment date. | | | | | | | | | | | | |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">(a)</td> <td style="width: 25%;">Maturity date:</td> <td>Three years from drawdown</td> </tr> <tr> <td style="text-align: center;">(b)</td> <td>Conversion rate:</td> <td>Convertible to the Company's ordinary fully paid shares at A\$0.40, subject to usual anti-dilution provisions.</td> </tr> <tr> <td style="text-align: center;">(c)</td> <td>Coupon rate:</td> <td>12% per annum payable quarterly. The noteholder may elect to convert the interest coupons into the Company's ordinary fully paid shares at a conversion price equal to the 5-day volume weighted average price of the Company's shares for the 5 trading days before the interest payment date.</td> </tr> <tr> <td style="text-align: center;">(d)</td> <td>Security:</td> <td>2nd ranking floating charge</td> </tr> </table> | (a) | Maturity date: | Three years from drawdown | (b) | Conversion rate: | Convertible to the Company's ordinary fully paid shares at A\$0.40, subject to usual anti-dilution provisions. | (c) | Coupon rate: | 12% per annum payable quarterly. The noteholder may elect to convert the interest coupons into the Company's ordinary fully paid shares at a conversion price equal to the 5-day volume weighted average price of the Company's shares for the 5 trading days before the interest payment date. | (d) | Security: | 2 nd ranking floating charge |
| (a) | Maturity date: | Three years from drawdown | | | | | | | | | | | | |
| (b) | Conversion rate: | Convertible to the Company's ordinary fully paid shares at A\$0.40, subject to usual anti-dilution provisions. | | | | | | | | | | | | |
| (c) | Coupon rate: | 12% per annum payable quarterly. The noteholder may elect to convert the interest coupons into the Company's ordinary fully paid shares at a conversion price equal to the 5-day volume weighted average price of the Company's shares for the 5 trading days before the interest payment date. | | | | | | | | | | | | |
| (d) | Security: | 2 nd ranking floating charge | | | | | | | | | | | | |

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Not applicable – not quoted.</p>				
<p>5 Issue price or consideration</p>	<p>Total drawdown of US\$ 1,000,000.00 (A\$1,536,570.37).</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Drawdown the Company in accordance with the terms and conditions of the Convertible Note Facility Agreement totalling up to US\$ 1,500,000.00 (Facility) between the Company and RCF Capital Fund IV L.P (RCF). Details of the Facility were announced on 16 January 2009</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>20 January 2009</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1234 997 1279">Number</th> <th data-bbox="997 1234 1283 1279">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1279 997 1400">83,982,517</td> <td data-bbox="997 1279 1283 1400">Ordinary fully paid shares</td> </tr> </tbody> </table>	Number	+Class	83,982,517	Ordinary fully paid shares
Number	+Class				
83,982,517	Ordinary fully paid shares				

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9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable)	Number		⁺ Class
		181,818	Ordinary fully paid shares restricted until 13 June 2009.	
		3,090,367	Options, each to acquire one fully paid ordinary share at an exercise price of 50 cents expiring 20 March 2009.	
		1,322,881	Options, each to acquire one fully paid ordinary share at an exercise price of 24 UK pence expiring 22 March 2009.	
		500,000	Options, each to acquire one fully paid ordinary share at an exercise price of 68.75 cents expiring 13 June 2010. These options are restricted until 13 June 2009.	
Convertible Notes totalling US\$ 1,000,000.00 (A\$1,536,570.37) drawn down in accordance with the terms and conditions of the US\$ 1,500,000 Convertible Note Facility between the Company and RCF. Details of the Convertible Note Facility include:				
	(a)	Maturity date:	Three years from drawdown	
	(b)	Conversion rate:	Convertible to Finders shares at A\$0.40, subject to usual anti-dilution provisions	
	(c)	Coupon rate:	12% per annum payable quarterly. The noteholder may elect to convert the interest coupons into the Company's ordinary fully paid shares at a conversion price equal to the 5-day volume weighted average price of the Company's shares for the 5 trading days before the interest payment date.	
	(d)	Security:	2 nd ranking floating charge	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	There has been no change to the dividend policy.		

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

- | | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |

+ See chapter 19 for defined terms.

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

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

33 ⁺Despatch date

Part 3 - Quotation of securities

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

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

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

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

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

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

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39 Class of +securities for which
quotation is sought

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

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

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

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41 Reason for request for quotation now

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

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

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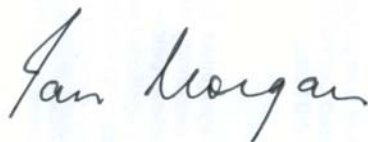
	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Date: 10 February 2009
(~~Director~~/Company secretary)

Print name: Ian Morgan

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