

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

FINDERS RESOURCES LIMITED

ABN

82 108 547 413

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1.1 Receipts from product sales and related debtors | - | - |
| 1.2 Payments for: (a) exploration & evaluation | (185) | (320) |
| (b) development | (1,357) | (2,571) |
| (c) pre-development | (2,136) | (5,040) |
| (d) administration | (1,224) | (2,602) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 10 | 33 |
| 1.5 Interest and other costs of finance paid | (119) | (306) |
| 1.6 Taxes and value added tax refund (paid) | (193) | 58 |
| 1.7 Other (provide details if material) | - | - |
| Net Operating Cash Flows | (5,206) | (10,747) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: | | |
| (a) prospects | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | (353) | (715) |
| 1.9 Proceeds from sale of: | | |
| (a) prospects | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | - | - |
| 1.10 Loans to other entities | - | - |
| 1.11 Loans repaid by other entities | - | - |
| 1.12 Other (provide details if material) | (55) | (55) |
| Net investing cash flows | (407) | (770) |
| 1.13 Total operating and investing cash flows (carried forward) | (5,613) | (11,516) |

+ See chapter 19 for defined terms.

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| | | Current quarter | Year to date (9 months) |
|---|--|-----------------|----------------------------|
| | | \$A'000 | \$A'000 |
| 1.13 | Total operating and investing cash flows (brought forward) | (5,613) | (11,516) |
| Cash flows related to financing activities | | | |
| 1.14 | Proceeds from issues of shares, options, etc. | 14,868 | 20,868 |
| 1.15 | Payment for share issue expenses | (103) | (546) |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other (provide details if material) | - | - |
| Net financing cash flows | | 14,766 | 20,322 |
| Net increase (decrease) in cash held | | 9,152 | 8,805 |
| 1.20 | Cash at beginning of quarter/year to date | 1,420 | 1,770 |
| 1.21 | Exchange rate adjustments to item 1.20 | (5) | (8) |
| 1.22 | Cash at end of quarter | 10,567 | 10,567 |

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 937 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | |

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 Payments for salaries, director fees and consulting fees. Payment included salaries and fees previously deferred but paid during quarter following resignation of the directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NA

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NA

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | - | - |
| 3.2 Credit standby arrangements | - | - |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|--------------|
| 4.1 Exploration and evaluation | 50 |
| 4.2 Development | 3,000 |
| 4.3 Pre-development | 3,000 |
| 4.4 Administration | 1,600 |
| Total | 7,650 |

Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 1,869 | 547 |
| 5.2 Deposits at call | 8,698 | 873 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other (provide details) | - | - |
| Total cash at end of quarter (item 1.22) | 10,567 | 1,420 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|-----------------------|----------------------------------|--|----------------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed | NA | | | |
| 6.2 Interests in mining tenements acquired or increased | NA | | | |

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Issued and quoted securities at end of current quarter

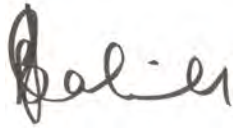
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|---|--|--|--|
| 7.1 Preference *securities <i>(description)</i> | | | | |
| 7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | | | | |
| 7.3 *Ordinary securities | 487,385,936 | 487,385,936 | | |
| 7.4 Changes during quarter (a) Increases through issues - <i>Exercise of options</i> - <i>Share placement</i> - <i>Conversion of loan</i> (b) Decreases through returns of capital, buy-backs | 50,000,000 24,340,310 54,907,094 | 50,000,000 24,340,310 54,907,094 | 20 cents 20 cents 16.5 cents | 20 cents 20 cents 16.5 cents |
| 7.5 *Convertible debt securities Converting Notes | US\$5,500,000 Converting Notes (unlisted) which will convert into 12,248,538 Shares in the Company on or before 16 March 2018 | | | |
| 7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | | | | |
| 7.7 Options <i>(description and conversion factor)</i> | 500,000 16,000,000 22,857,144 31,298,904 | Nil Nil Nil Nil | <i>Exercise price</i> 30 cents 50 cents 35 cents 25.56 cents | <i>Expiry date</i> 16.04.2014 24.10.2014 06.06.2017 22.10.2017 |
| 7.8 Issued during quarter | | | | |
| 7.9 Exercised during quarter | 50,000,000 | Nil | 20 cents | 30.09.2013 |
| 7.10 Expired during quarter | 2,000,000 | Nil | 30 cents | 08.05.2014 |
| 7.11 Employee shares Unvested employee shares funded by loans from the company and subject to performance-based vesting conditions | 8,082,000 | Nil | 39-43 cents | |
| 7.12 Debentures <i>(totals only)</i> | | | | |
| 7.13 Unsecured notes <i>(totals only)</i> | | | | |

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 31 October 2013
Director

Print name: Barry Cahill

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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