



For ASX Market Release: 15 June 2017

## Wetar Copper Project Update

### HIGHLIGHTS

#### Wetar Copper Project

- Copper cathode produced for April 2017 was 2,174 tonnes
- Copper cathode produced for May 2017 was 2,401 tonnes
- Unaudited C1 cash cost for April 2017 was US\$1.00/lb
- Unaudited C1 cash cost for May 2017 was US\$0.98/lb

#### Corporate

- 22.9 million options expired unexercised on 6 June 2017
- Outstanding options now 31.3 million with an exercise price of 25.56 cents

Managing Director Barry Cahill commented: *“Operators at the Wetar Copper Project continue to improve with the performance of the SX-EW plant in May exceeding the production rate required to achieve 28,000 t.p.a. copper cathode. Unit costs continue to perform, with potential for further reductions as the production profile increases.”*



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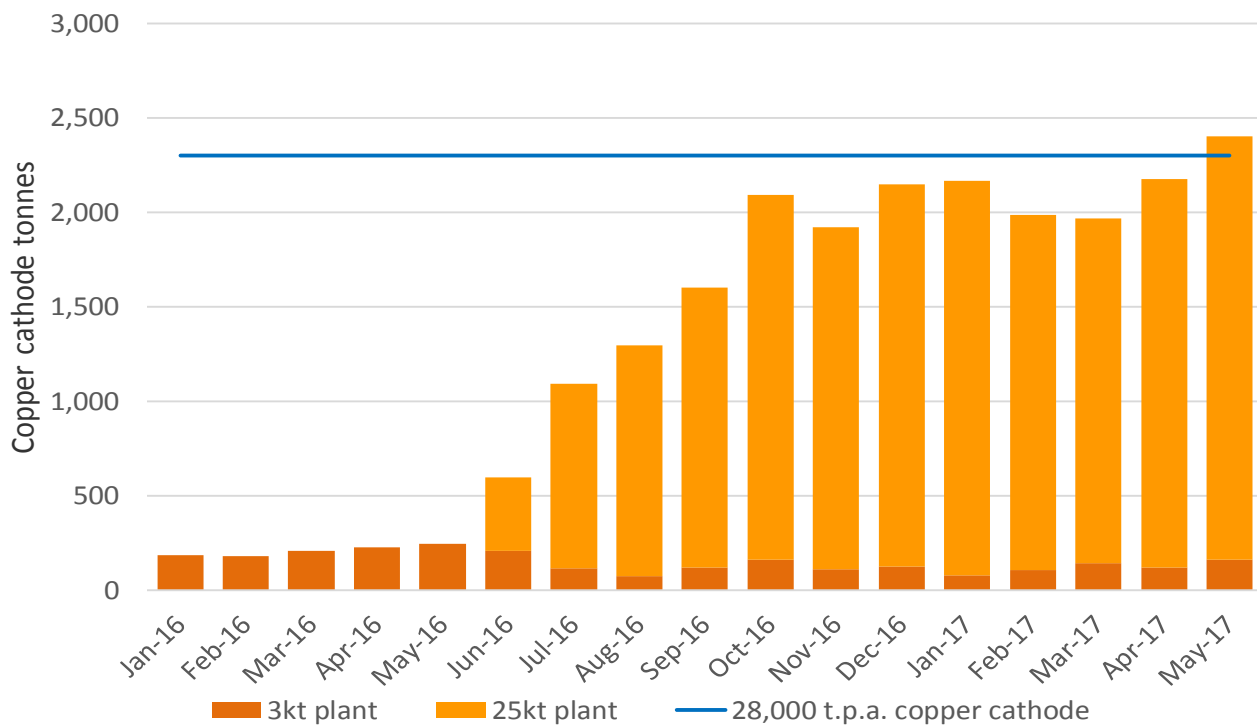
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## Wetar Copper Project Update June 2017

### WETAR COPPER PROJECT (FINDERS 74.1%)

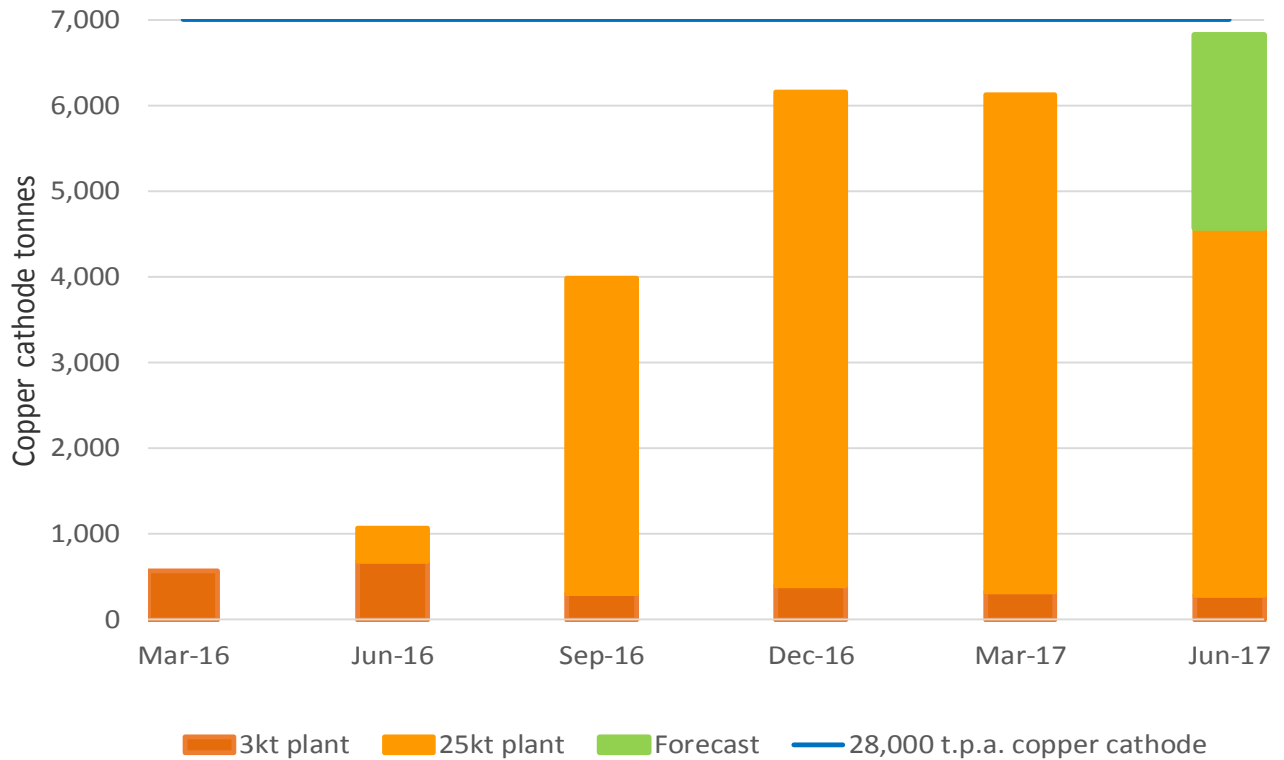
Finders Resources Limited (“Finders” or “the Company”) is pleased to update that the performance of the 3,000 t.p.a. and 25,000 t.p.a. SX-EW plant continues to improve with April 2017 production of 2,174 tonnes of copper cathode followed by record monthly production of 2,401 tonnes of copper cathode in May 2017. The following graph below shows the improving production profile from the plant, with the May production exceeding the annualised production target of 28,000 t.p.a. copper cathode.



Graph 1 – Copper Cathode Production 2016/17

The higher production levels have continued into June and the Wetar Project is on track to set a new quarterly production record for the June 2017 quarter as outlined in the following graph.

## Wetar Copper Project Update June 2017



Graph 2 – Quarterly Copper Cathode Production

The unaudited C1 cash cost for April 2017 was US\$1.00 per pound of copper produced, which is below the life of mine estimate of US\$1.05 per pound of copper. This result was followed by an unaudited cash cost of US\$0.98/lb for May 2017. The June 2017 quarter unit cost at forecast production is also expected to improve on the March 2017 quarter cost of US\$1.03 per pound.

## Wetar Copper Project Update June 2017

### CORPORATE

#### Capital Structure

Type of Security	Number on Issue		
<i>Fully Paid Ordinary Shares ("Shares") - Quoted on ASX</i>			
<b>Shares on issue at 14 June 2017 – Quoted on ASX</b>	<b>761,267,245</b>		
<i>Unlisted Employee Shares</i>			
Employee shares issued under the Finders Employee Share Ownership Plan at issue prices of 19c to 21c funded by loans from the company	600,000		
Vested and unvested Director's incentive Shares issued at issue prices from 20.08 cents to 30.08 cents funded by loans from the company and subject to performance and time based vesting conditions	10,500,000		
<b>Unlisted Employee Shares on issue at 14 June 2017</b>	<b>11,100,000</b>		
<i>Unlisted Options</i>	<i>Exercise Price</i>	<i>Expiry Date</i>	<i>No. of Options</i>
	A\$0.2556	22 Oct 2017	31,298,904
<b>Unlisted Options on issue at 14 June 2017</b>	<b>31,298,904</b>		
<i>Unlisted Converting Notes</i>	<i>Conversion Price</i>	<i>Maturity Date</i>	<i>No. of Shares</i>
US\$5,500,000	A\$0.427	16 Mar 2018	12,248,538

## Wetar Copper Project Update June 2017

### Background Information on Finders

Finders is the operator of the Wetar Copper Project (74.1% interest) located on Wetar Island in eastern Indonesia.

The Wetar Copper Project comprises the development, open pit mining and processing of the high-grade sulphide deposits at Kali Kuning and Lerokis located within 3 kilometres of the coast on Wetar Island. The project benefits from having existing infrastructure in place, particularly a wharf, camp and roads and partially exposed copper ore bodies from a prior gold mining era.

Finders currently operates a 25,000 tonne per annum (“t.p.a”) copper cathode solvent extraction-electrowinning (“SX-EW”) plant, commissioned in May 2016, and a 3,000 t.p.a SX-EW plant giving annual production capacity of 28,000 tonnes copper cathode. To date, the plants have produced over 25,000 tonnes of copper cathode. The copper sales to date have been at a premium to the LME price on average.

The project currently has a total debt of US\$78.0M (including a VAT facility) repayable over the period to March 2019 and has a projected cash operating cost of US\$1.05/lb Cu over the life of mine.

Opportunities for extending the mine life past the current 7 years are strongly founded on exploration upside, focussing initially on the nearby Meron satellite deposit, and other identified VMS copper and gold targets on Wetar Island including Karkopang.

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