

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Finders Resources Limited

ABN

82 108 547 413

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	38,715	122,841
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	(24,992)	(68,349)
(d) staff costs	(3,997)	(13,163)
(e) administration and corporate costs	(147)	(2,209)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	81	211
1.5 Interest and other costs of finance paid	(1,489)	(4,830)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	8,171	34,501

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(826)	(1,839)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(826)	(1,839)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	200	2,260
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	21,824	25,065
3.6 Repayment of borrowings	(19,461)	(41,645)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (Net Hedge Payments)	(2,584)	(11,981)
3.10 Net cash from / (used in) financing activities	(21)	(26,301)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	13,439	13,766
4.2 Net cash from / (used in) operating activities (item 1.9 above)	8,171	34,501
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(826)	(1,839)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(21)	(26,301)
4.5 Effect of movement in exchange rates on cash held	769	1,405
4.6 Cash and cash equivalents at end of period	21,532	21,532

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5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	9,024	1,194
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (Debt Service Reserve Account)	12,508	12,245
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	21,532	13,439

6. Payments to directors of the entity and their associates**Current quarter
\$A'000**

6.1 Aggregate amount of payments to these parties included in item 1.2

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6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

7. Payments to related entities of the entity and their associates**Current quarter
\$A'000**

7.1 Aggregate amount of payments to these parties included in item 1.2

-

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	40,159	40,159
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	26,311	26,311
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The Group has a Senior Secured Project Finance Facility Agreement with a syndicate of banks consisting of a term loan (US\$29.0M outstanding) and a cost overrun facility (nil outstanding). Interest rates are LIBOR plus a margin, 5.50% for the term loan facility.

The Group has a US\$19.0 million of shareholder loan facilities provided by PT Merdeka Gold Tbk and Posco Deawoo Corporation allocated according to the per cent equity interests in PT Batutua Tembaga Raya of 78% (based on Finders Resources Limited) and 22% respectively. These shareholder loan facilities were fully drawn as at 30 September 2018.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,500
9.2 Development	4,700
9.3 Production	22,500
9.4 Staff costs	4,400
9.5 Administration and corporate costs	600
9.6 Other (provide details if material)	-
Interest and other costs of finance paid	2,200
Repayment of borrowings	12,300
Net hedge payments	3,400
9.7 Total estimated cash outflows	51,600

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 

Date: 31 October 2018

(Director)

Print name: David Fowler

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.