



For ASX Market Release: 22 January 2019

CATHODE ADVANCE PAYMENT & AMENDED SHAREHOLDER LOAN

HIGHLIGHTS

- **BTR enters a US\$18.0m copper cathode advanced payment**
- **BTR increases unsecured shareholder loan facility by US\$25.0m**
- **Funds to be used for final project facility payments, working capital and capital expenditure requirements.**

Finders Resources Ltd (“**Finders**”) (FND:ASX) announces that its subsidiary, PT Batutua Tembaga Raya (“**BTR**”) and Posco Daewoo Corporation (“**Posco Daewoo**”) have entered in to a US\$18.0 million copper cathode advanced payment transaction (“**Advanced Payment**”). The key terms of the agreement include:

- Posco Daewoo to advance an US\$18.0 million advanced payment to BTR in exchange for 4,800 metric tonnes of copper cathode;
- The copper cathode is to be delivered in shipments of 400 metric tonnes per month over 12 months commencing in February 2019; and
- 60% of the value of each shipment is to offset the Advanced Payment amount over the first 9 months and may be adjusted in the final three months to ensure the Advanced Payment amount has been fully offset.

BTR has also amended the unsecured subordinated debt facility with PT Merdeka Copper and Gold Tbk (“**Merdeka**”) announced to the ASX on 23 July 2018 (“**Shareholder Loan**”) by an amount of US\$25.0 million on the following terms:

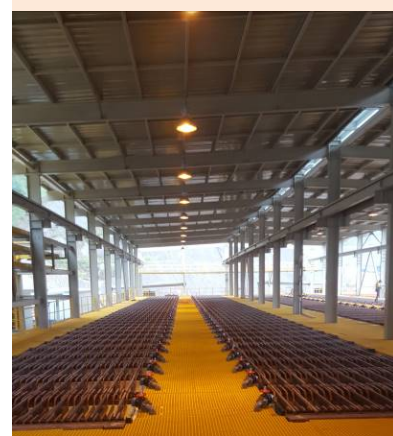
- Tranche 3 of US\$15.0m to be utilised on or before 31 March 2019;
- Tranche 4 of US\$10.0M to be utilised upon the unanimous agreement of Merdeka and Daewoo; and
- an interest rate of the 3-month LIBOR plus 5.5% per annum with unpaid interest to be capitalised to become part of the principal amount outstanding.

The total amount available under the Shareholder Loan is US\$38.8 million after Posco Daewoo exercised its right to provide its 22.0% pro-rated share of Tranches 1 and 2 of the Shareholder Loan.



Board of Directors
Mr Colin Moorhead
Non-Executive Chairman
Mr David Fowler
Executive Director & Acting CEO
Mr Gavin Caudle
Non-executive Director
Mr Gordon Galt
Non-executive Director
Mr Mark Sherman
Independent Non-executive Director
Mr Roderick Webster
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The funds provided under the Advanced Payment and amended Shareholder Loan will be utilised for the final payments of the senior secured project facility agreement for the Wetar Copper Project, working capital and capital expenditure requirements.

FOR FURTHER INFORMATION PLEASE CONTACT:

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BACKGROUND INFORMATION ON FINDERS

Finders is the operator of the Wetar Copper Project (74.1% economic interest) located on Wetar Island in Maluku Barat Daya, 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. Finders currently operates a 25,000 tonne per annum (“tpa”) copper cathode solvent extraction-electrowinning (“SX-EW”) plant, commissioned in May 2016, and a 3,000 tpa SX-EW plant for nameplate production capacity of 28,000 tpa copper cathode.