

finders
resources ltd

**AGM Presentation
May 2017**

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Exploration Targets:

References to Exploration Targets or Targets in this document are in accordance with guidelines of the JORC Code (2012). As such it is important to note that the reported targets are based on existing data, historical production and geology models. Any references to grade and quantity are conceptual in nature. Exploration carried out to date is insufficient to be able to estimate and report mineral resources in accordance with the JORC Code (2012). It is uncertain if further exploration will result in the determination of a Mineral Resource.

Corporate Overview

CAPITAL STRUCTURE

Ordinary shares	774 million ¹
Options (Unlisted, Out of the Money)	54 million ²
Share Price (24 May 2017)	A\$0.175
Market Capitalisation	~A\$134 million
Finders Cash	US\$3 million

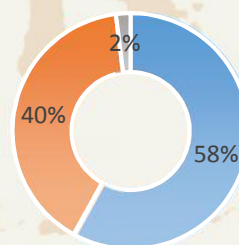
PROJECT FINANCIALS (BTR³) Finders 74.1%

Debt Facility (19 May 2017)	~US\$75 million
VAT Facility (19 May 2017)	~US\$3.1 million
Cash (31 March 2017)	~US\$3.2 million
Hedge (17 May 2017)	~(US\$12 million)

BOARD

Gary Comb	Independent Chairman
Barry Cahill	Managing Director
Gordon Galt	Non-executive Director (Taurus rep)
Gavin Caudle	Non-executive Director (Provident rep)

REGISTER



■ Institutions ■ Public ■ Management

Provident Minerals	13.7%
Taurus Resources	11.3%
Resource Capital Fund	9.5%
Saratoga	8.5%
Acorn Capital	7.1%

1. Includes 12m shares issued as part of mandatory converting notes (commercially ordinary shares) but excludes 11.1m shares issued to employees at prices from 19c to 30c per share subject to vesting conditions which are not dilutive at current prices
2. Exercise prices: 31m at 25.6c, 23m at 35c
3. Finders Indonesian subsidiary, PT Batutua Tembaga Raya

Wetar Copper Project Summary

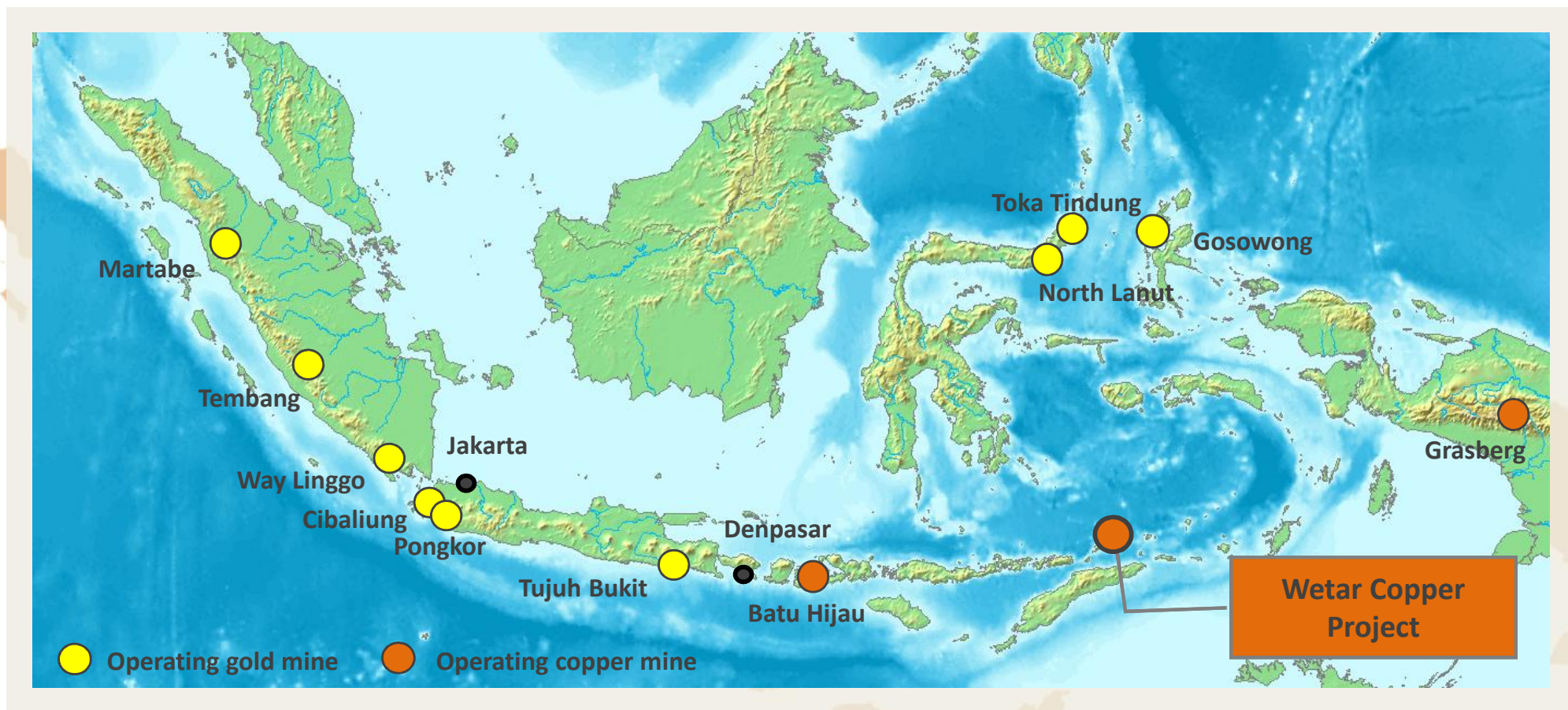
- **3,000 t.p.a.** copper cathode plant operational and generating revenue
- **25,000 t.p.a.** copper cathode plant producing
- Fully permitted and financed with total debt facility paid down to **US\$78.1 million**
- Finders' ownership **~74.1%**
- Projected initial mine life of **~7 years**
- Life of mine grade of **2.3% Cu**
- Projected LOM C1 cash cost of **US\$1.05/lb**
- Several satellite targets identified to grow mine life

Two Successful Quarters of Production

- December 2016 quarter
- Copper cathode produced: **6,159 tonnes**
- C1 net direct cash cost: **US\$1.08 per lb**
- Project EBITDA: **US\$10.9 million**
- Copper cathode produced but not sold: **2,880 tonnes**

- March 2017 quarter
- Copper cathode produced: **6,125 tonnes**
- C1 net direct cash cost: **US\$1.03 per lb**
- Project EBITDA: **US\$21.9 million**
- Copper cathode produced but not sold: **2,253 tonnes with value of US\$13.1 million**

Project Location

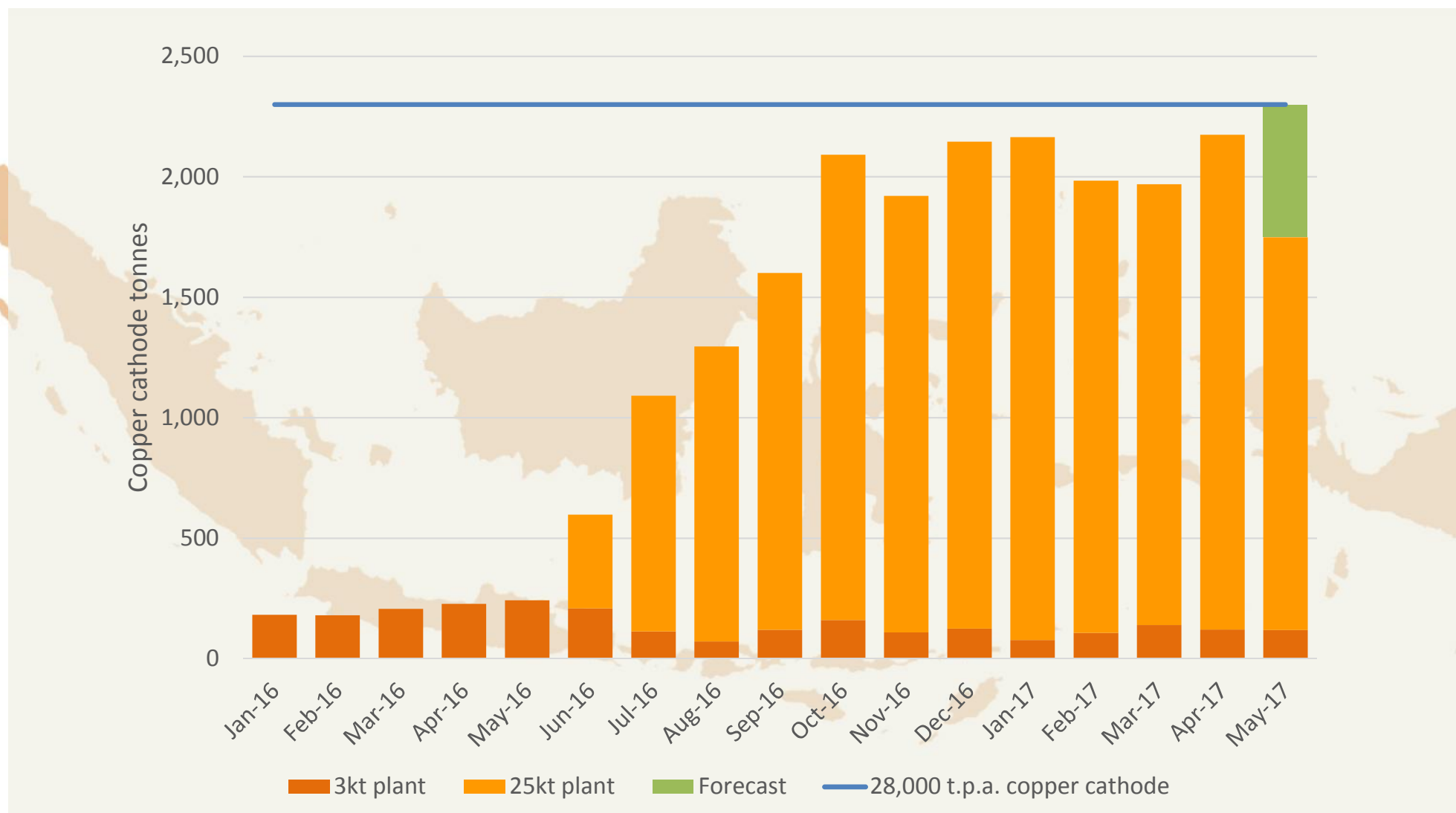


SX-EW Copper Cathode Plants

- 3,000 t.p.a. copper cathode SX-EW Plant
- Original 1,800 t.p.a. demonstration plant produced 2,440 t LME Grade A copper cathode between 2009 and 2010
- Heap leach recoveries reached 87.5%
- Plant upgrade to 3,000 t.p.a. commissioned in March 2014 with ~5,000t copper cathode shipped to date

- 25,000 t.p.a. copper cathode SX-EW Plant
- Refurbished and upgraded plant with proven SX-EW technology and nameplate capacity of 25,000 t.p.a. copper cathode
- Producing at nameplate - currently fine tuning
- Over 18,000 tonnes of copper cathode stripped
- Stacking newly constructed heap leach pads at Kali Kuning to build solution inventory

Copper Cathode Production 2016/17

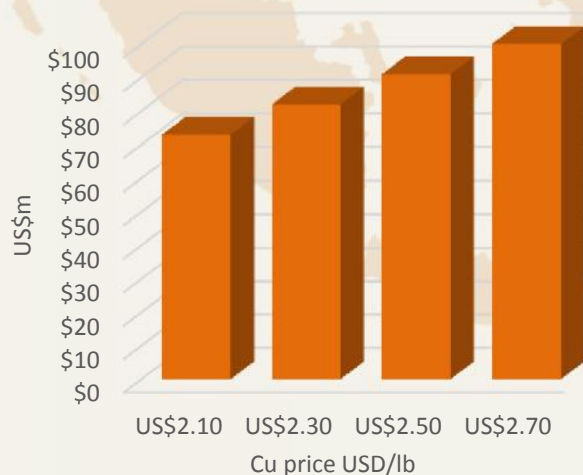


Forecast: Full Year 2017

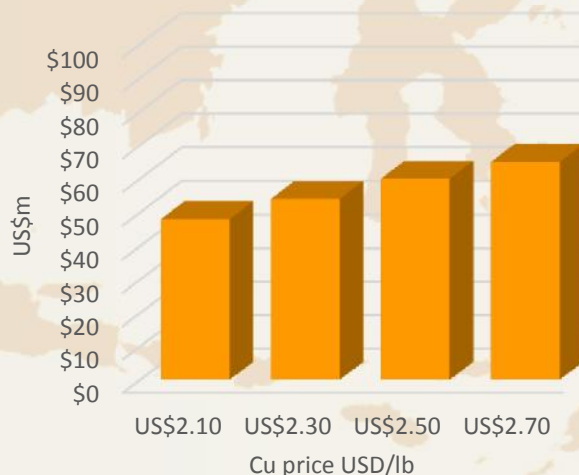
- **28,000 t.p.a.** copper cathode at full production from both plants
- Average copper recovery ~ **75%**
- C1 cash cost **US\$1.05 per pound**

Sensitivity Analysis (post debt facility and hedge)

Project EBITDA



Operating Cash



NPAT



Project Fundamentals

- **28,000 t.p.a.** copper cathode at full production from both plants
- **18 month** payback at a copper price of US\$6,000 per tonne
- **~ 7 year** mine life
- High grade Ore Reserve – **8.6Mt at 2.3% Cu**, current strip ratio **<1:1**
- Average copper recovery - **75%**
- LOM C1 cash cost **US\$1.05 per pound**

Sensitivity Analysis (post debt facility)

Project IRR



Project post tax NPV₁₀ (US\$m)



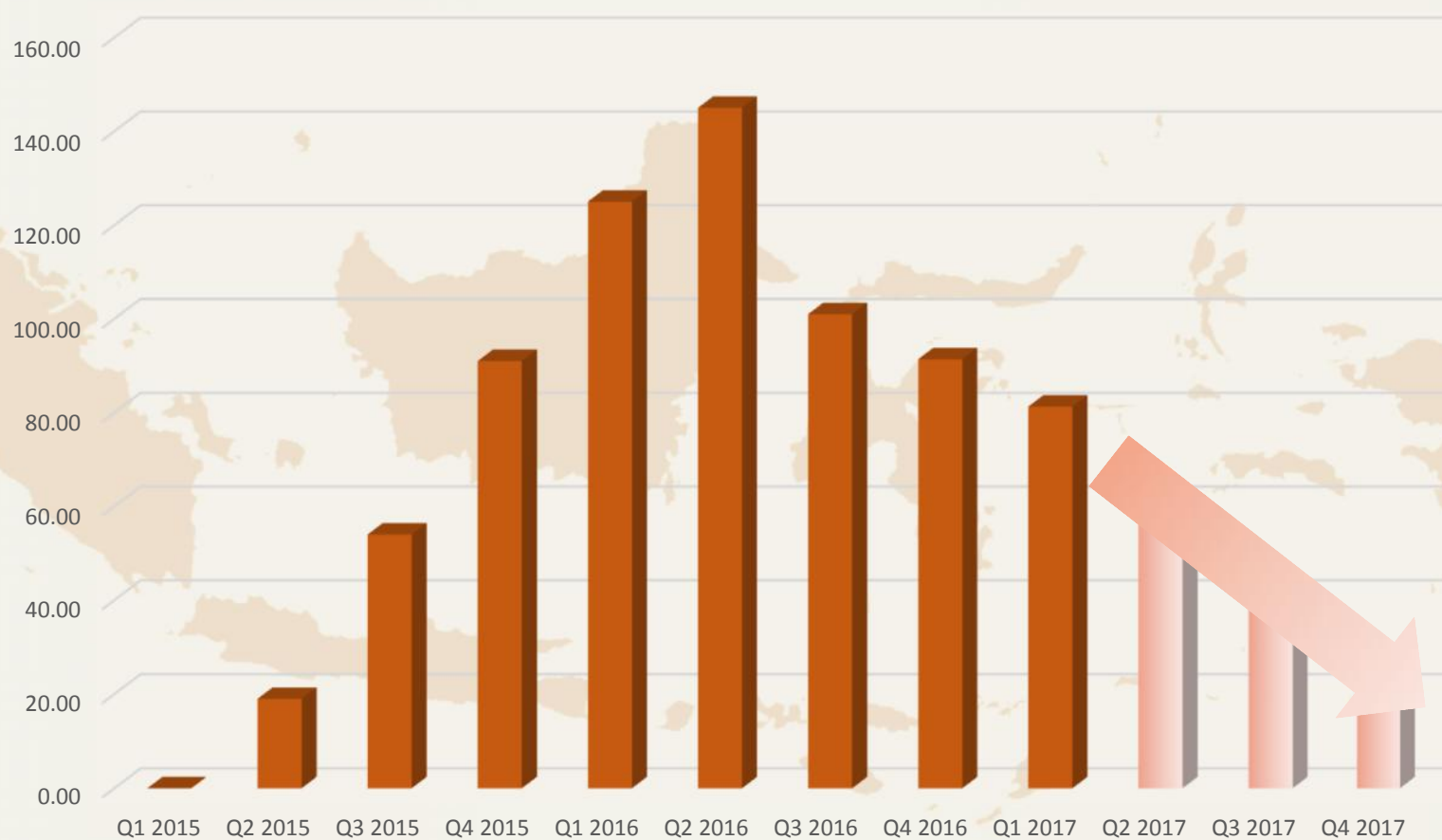
LOM Cash Surplus (US\$m)



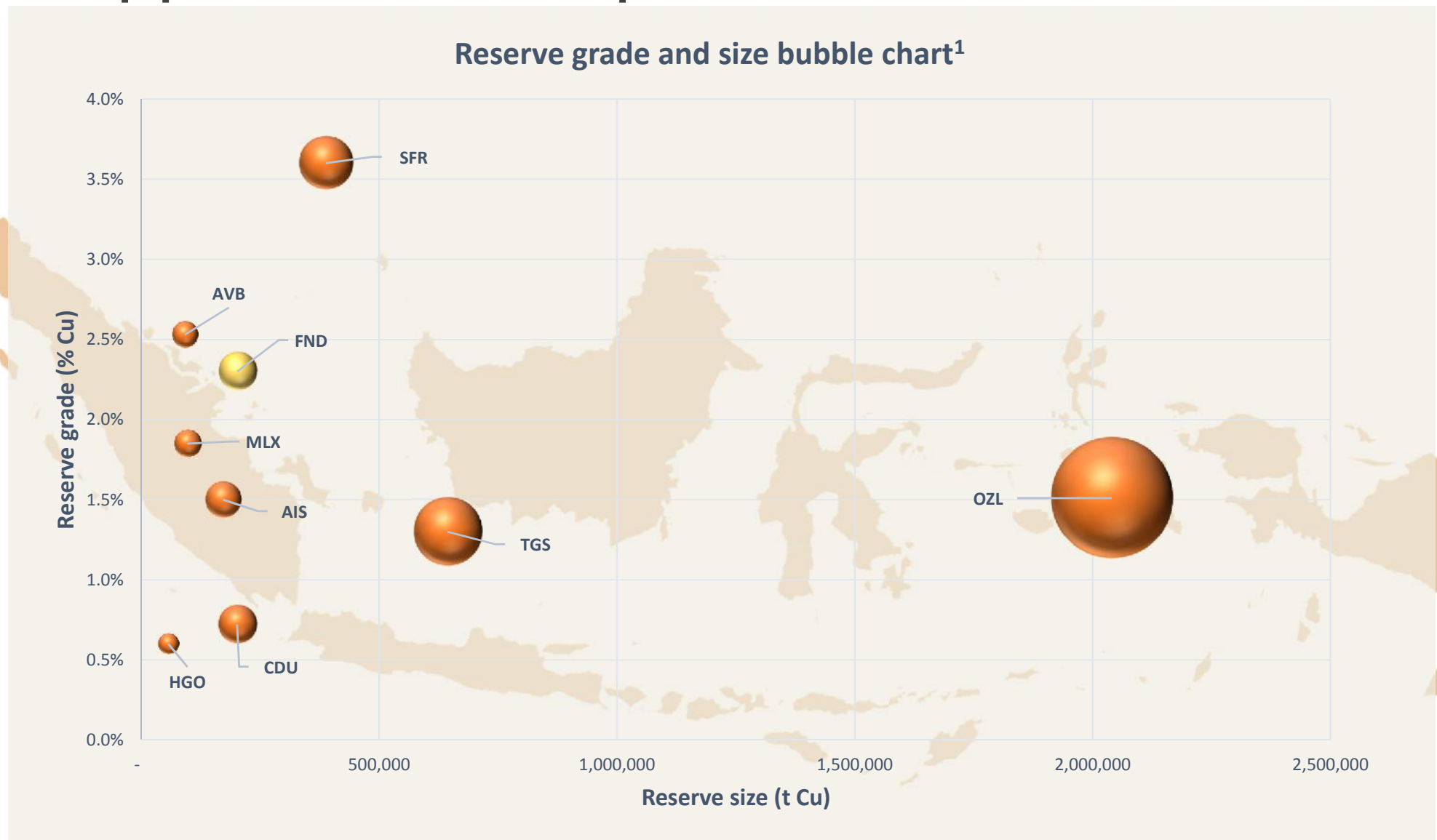
Debt Profile

- Focus is on rapid debt reduction

Debt Profile (US\$m)

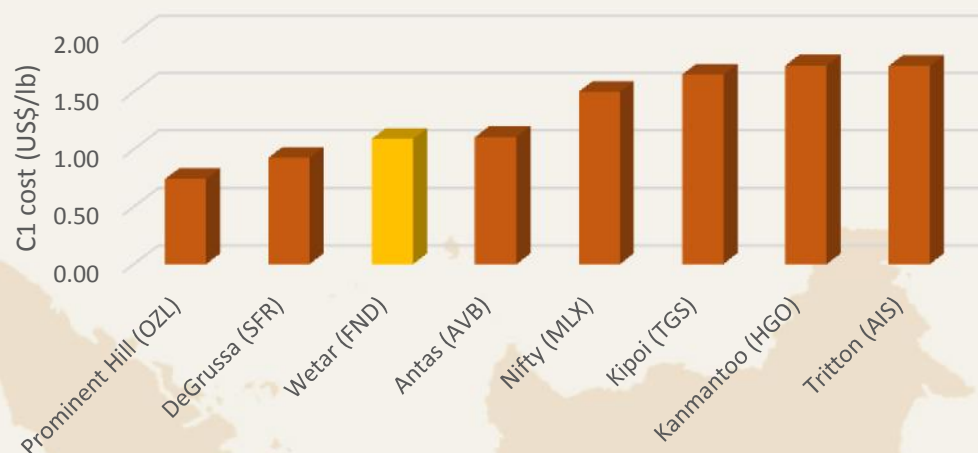


Copper Peer Comparison



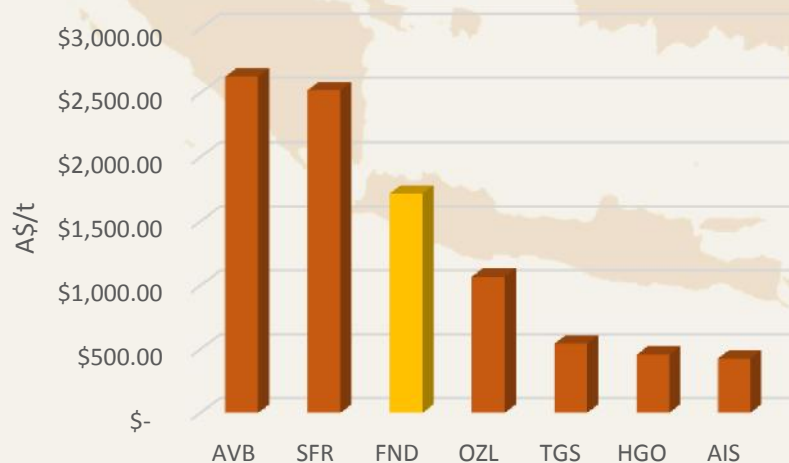
Copper Peer Comparison

2016 C1 cash cost (US\$/lb Cu)

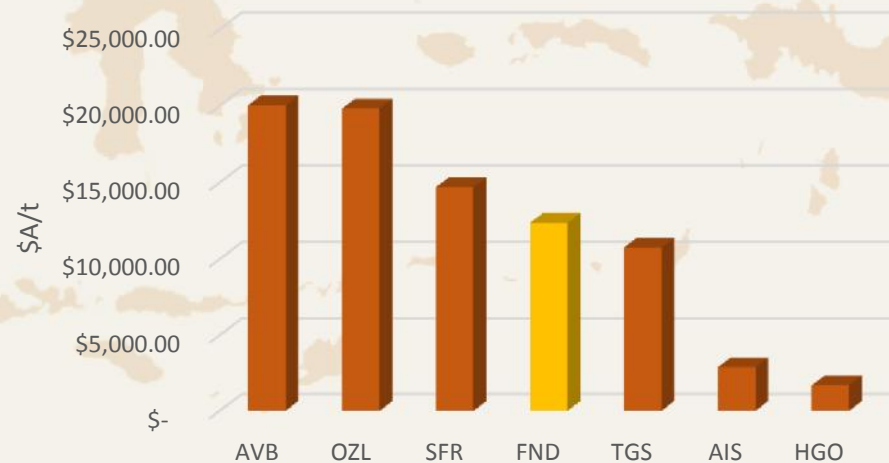


- Finders stacks up on all measures

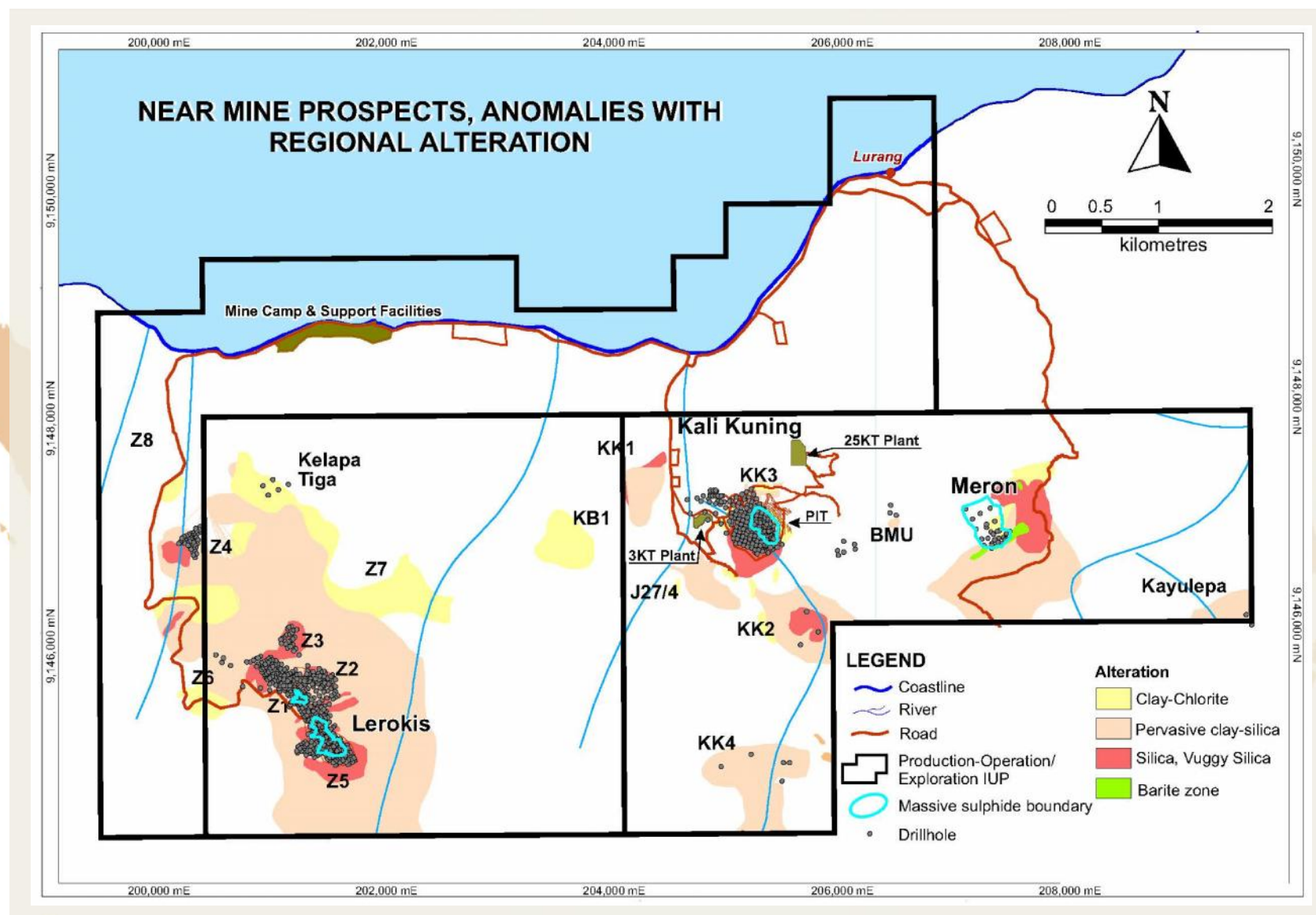
EV/copper reserve tonne¹



EV/annual copper production tonne^{1,2}

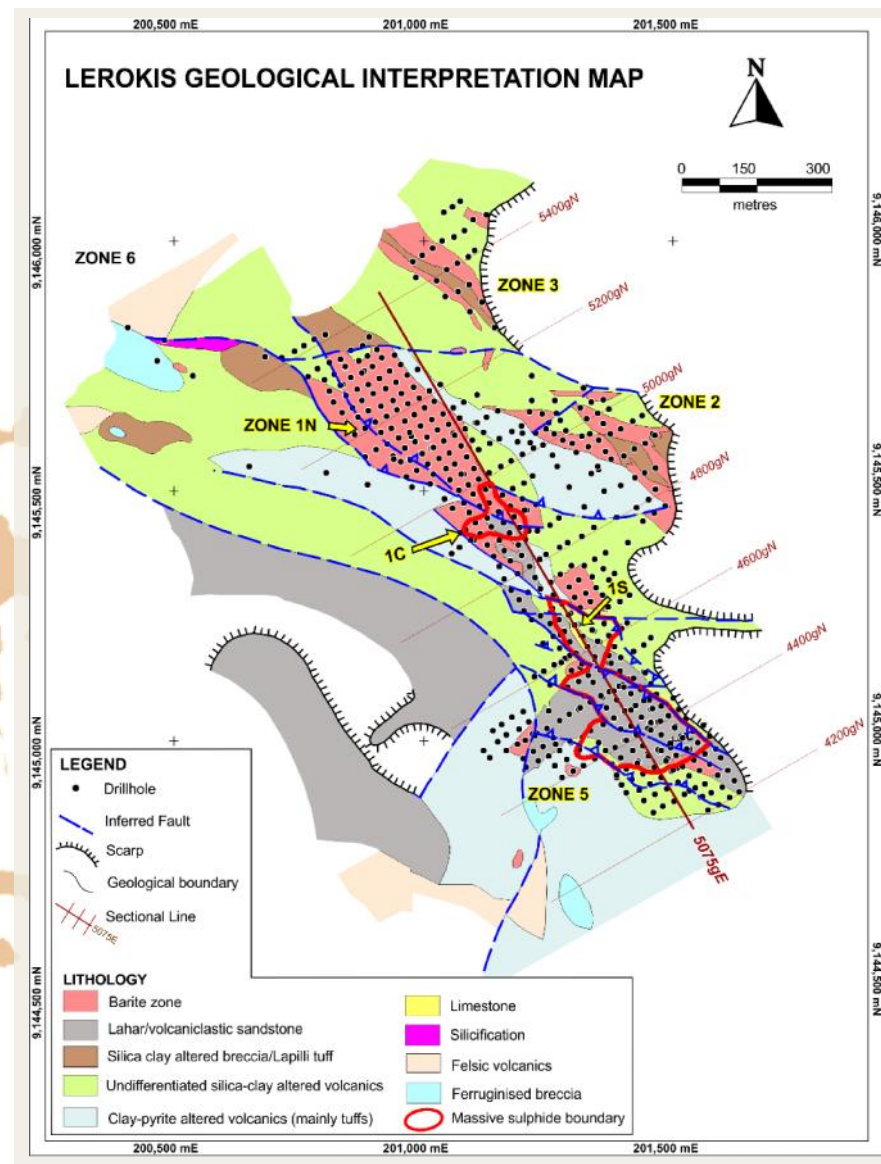


Near Mine Opportunities

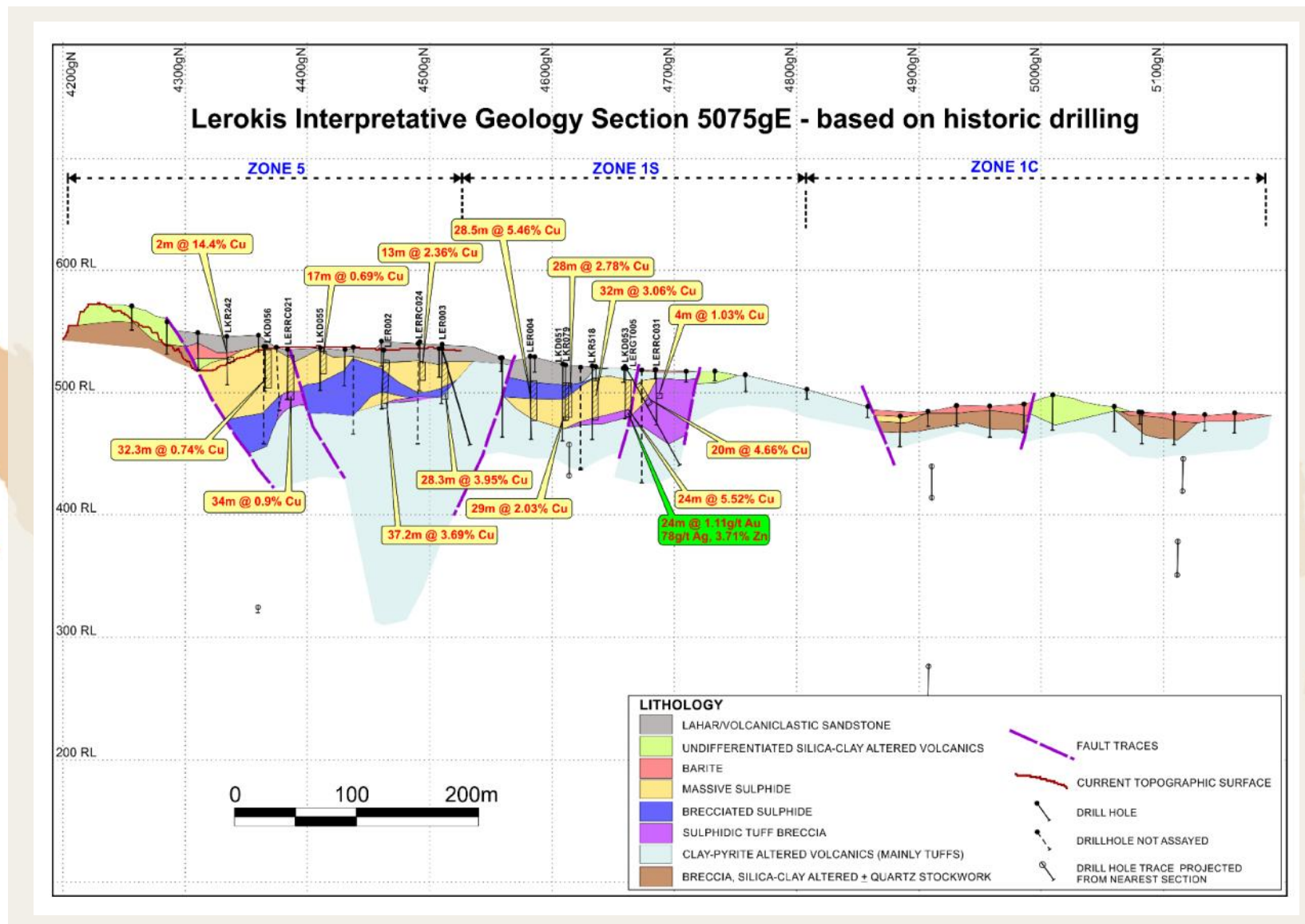


Lerokis

- Lerokis Ore Reserve located ~4km from leach pads
- Challenging terrain, access has restricted exploration
- First stage of regional EM survey targeting massive sulphide repetitions around planned Lerokis mine site and immediate environs completed
- Good potential exists to incrementally increase Lerokis resource
- Commenced a 35 hole (~1,900m) drill program for infrastructure, sterilization and the addition of near mine resources
- Opportunity to exploit remnant and unmined barite/Au/Ag mineralization overlaying and adjacent to known massive sulphides

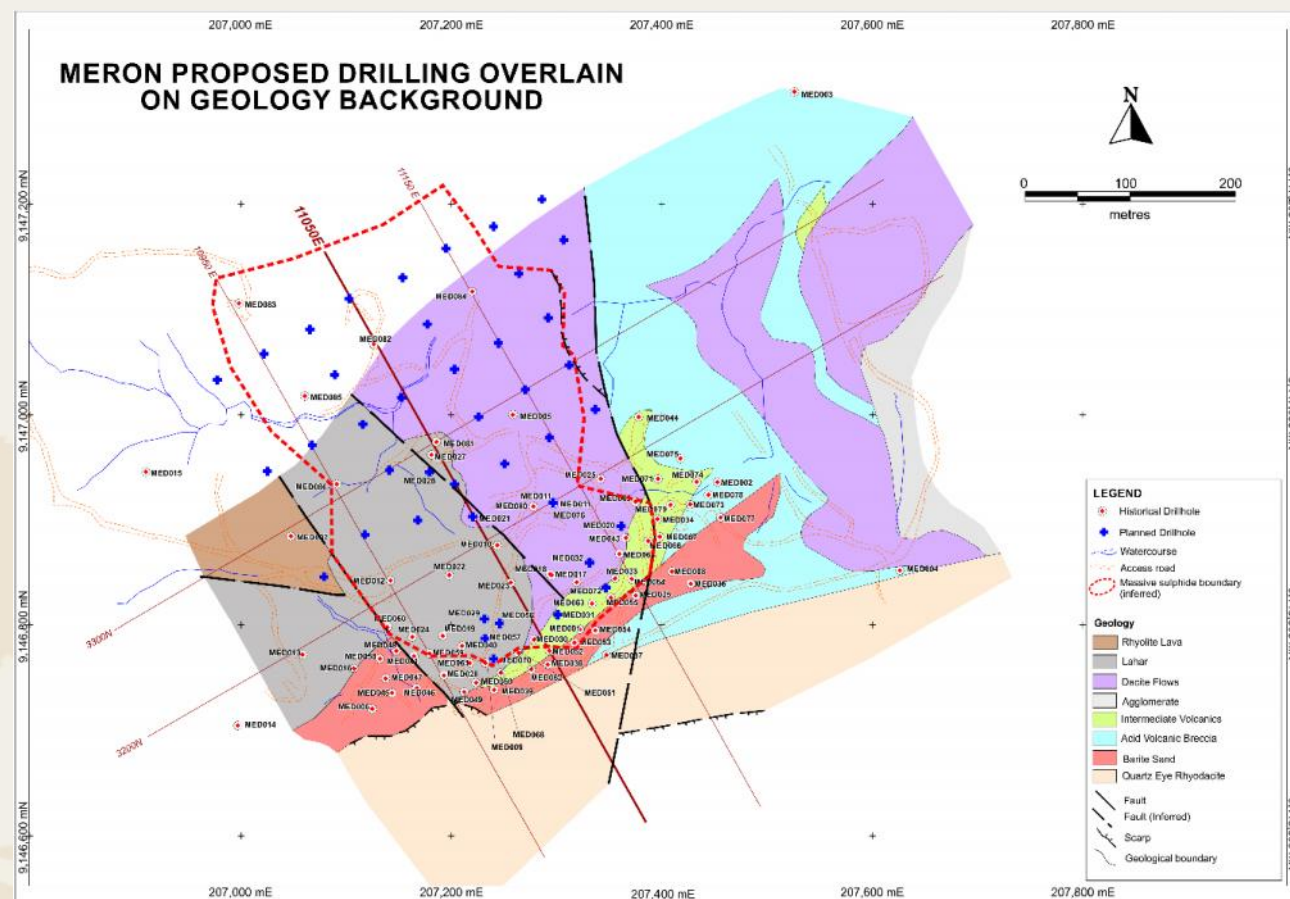


Lerokis

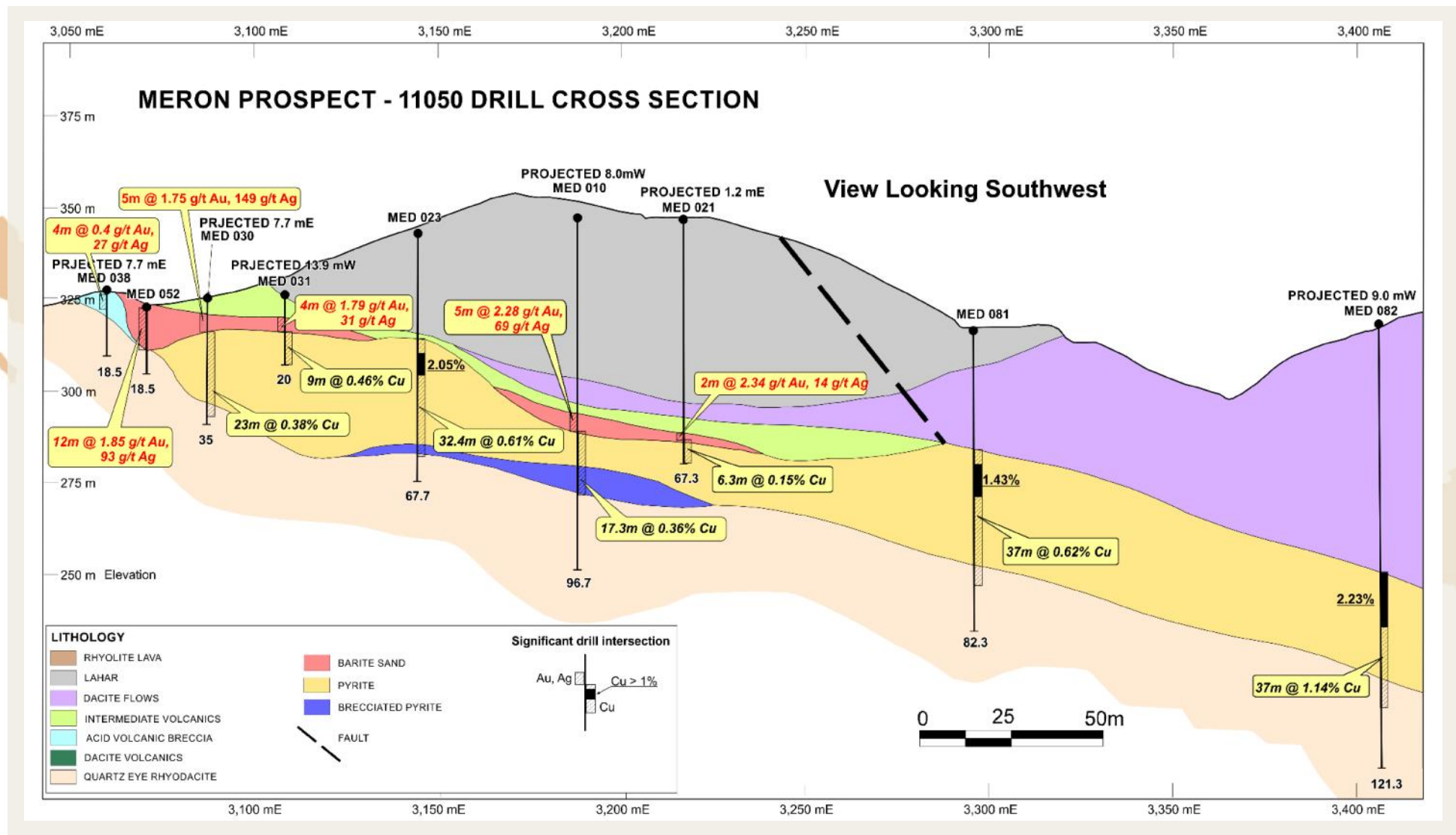


Exploration Upside – Meron

- Meron located ~1 km from leach pads
- Shallow dipping massive sulphide body with variable copper enrichment
- Totally concealed below volcanic rocks - open to north & west
- Hole MED082 intersected 37m at 1.14% Cu, 0.49g/t Au & 15g/t Ag
- Step out & infill resource definition drilling planned (42 holes for ~4,600m)
- +5Mt massive sulphide exploration target based on geophysical surveys (TEM), structural interpretation and historic drilling
- Overlain by ~0.3Mt gold deposit recoverable as part of open pit pre-strip



Exploration Upside – Meron



Summary – Investment Case

- Modest market capitalisation of ~A\$134 million
- Highly experienced Board /management team and supportive institutional shareholder base
- Wetar project producing at nameplate capacity of 28,000 t.p.a. copper cathode
- High margin operation at current copper prices with short payback
- Excellent potential to grow mine life through incremental resource expansion and regional exploration

A scenic landscape photograph of a mountain range with a valley in the foreground. The word "APPENDICES" is overlaid in large white text. The image shows a lush green valley with a winding road and a small settlement, surrounded by dense forest and jagged mountain peaks under a blue sky with scattered clouds. A large tree trunk is visible on the right side of the frame.

APPENDICES

Wetar Heap Leach - Why does it work?



- Massive sulphide heap leach – clean ore and good percolation
- Leaching process generates heat and acid
- Irrigation/aeration controls temperature
- Heap construction parameters proven
- Leached solution to solvent extraction (SX)
- Electrowinning (EW) to produce copper cathode



Wetar Project Ore Reserves

Wetar Copper Project – Ore Reserve Estimate as at 30 th June 2016							
	Proved		Probable		Total		
	Mt	Cu%	Mt	Cu%	Mt	Cu%	Cu (Kt)
Kali Kuning Open Pit (COG 0.4% Cu)							
Primary	3.6	2.7	0.5	2.7	4.1	2.7	111
Transition	0.8	1.2	0.3	1.3	1.1	1.2	13
Leached	0.1	0.5	0.01	0.8	0.1	0.6	1
Total	4.6	2.4	0.7	2.2	5.3	2.4	126
Waste					3.9		
Strip Ratio					0.7		
Lerokis Open Pit (COG 0.5% Cu)							
Primary	2.1	2.3	0.4	2.0	2.5	2.3	59
Total	2.1	2.3	0.4	2.0	2.5	2.3	59
Waste					1.9		
Strip Ratio					0.8		
Total Kali Kuning and Lerokis Open Pits							
COG as above	6.7	2.4	1.2	2.2	7.8	2.3	184
Heap Leach Pads (ex-mine minus cathode production and decommissioned leach pads)							
Kali Kuning	0.8	2.4	-	-	0.8	2.4	18
Total	0.8	2.4	-	-	0.8	2.4	18
Total Ore Reserve (including Heap Leach Pads)							
COGs as above	7.4	2.4	1.2	2.2	8.6	2.3	202

Notes – The Ore Reserve Estimate for the open pit mines is derived from the Mineral Resource block models for the Kali Kuning and Lerokis deposits. The tonnes and grades are stated to a number of significant digits reflecting the confidence of the estimate. Since each number and total is rounded individually the columns and rows in the above table may not show exact sums or weighted averages of the reported tonnes and grades. “Stripping Ratio” refers to the ratio of the waste to the ore tonnage.

Competent Persons Statement

Mineral Resource Estimate

The information in this report that relates to mineral resource estimation for the Kali Kuning and Lerokis deposits is based on prior work completed by external consultants that has been reviewed by Mr Terry Burns who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy (#107527).

Mr Burns has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Burns is contracted by Banda Minerals Pty Ltd, a 100% owned subsidiary of Finders Resources Limited, and consents to the inclusion in the reports of the matters based on his information in the form and context in which it appears.

Ore Reserve Estimate

The information in this report that relates to the in-situ ore reserve estimation at the Kali Kuning and Lerokis deposits is based on ongoing and prior work completed by external consultants and PT Batutua Tembaga Raya employees that has been reviewed by Mr Nick Holthouse who is a full-time employee of PT Batutua Tembaga Raya (a subsidiary of Finders Resources Limited) and who is a Member of the Australasian Institute of Mining and Metallurgy (#305303). The information in this report that relates to the ore reserve estimation for the heap leach pads is based on ongoing and prior work completed by external consultants and PT Batutua Tembaga Raya employees that has been reviewed by Mr Augy Wilangkara who is a full time employee of PT Batutua Tembaga Raya (a subsidiary of Finders Resources Limited) and who is a Member of the Australasian Institute of Mining and Metallurgy (#206768).

Both Mr Holthouse and Mr Wilangkara have sufficient experience which is relevant to the style of mineralisation, the type of deposit and the beneficiation method under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Both Mr Holthouse and Mr Wilangkara consent to the inclusion in the report of the matters based on their reviewed information in the form and context in which it appears.

Exploration Results

The information in this report that relates to Exploration Results and Targets is based on information compiled by Mr Terry Burns who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy (#107527). Mr Burns has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Burns is an exploration consultant contracted by Banda Minerals Pty Ltd, a 100% owned subsidiary of Finders Resources Limited, and consents to the inclusion in the reports of the matters based on his information in the form and context in which it appears.

Finance

Syndicate of banks

- BNP Paribas
- Commonwealth Bank of Australia
- Hong Kong and Shanghai Banking Corporation
- Societe Generale

Senior loan facilities

- US\$69.0 million term loan facility
- US\$6.0 million cost overrun facility
- US\$3.1 million VAT working capital facility
- Total of US\$78.1 million
- 13,950 tonnes of copper hedged at an average price of US\$4,802 from May 2017 to March 2019

Project level equity

- US\$45 million equity and debt funding from Daewoo
- 22.6% equity in Finders Indonesian subsidiary company which has a 95% economic interest in Wetar
- Marketing rights for 20% of copper cathode production
- Marketing partners secured for other 80% production

Permitting and Approvals



- Finders has a 77.4% equity in Indonesian subsidiary, PT Batutua Tembaga Raya (“BTR”), in partnership with Daewoo. BTR in turn has an economic interest of 95% in the Wetar copper project
- BTR holds a 20 year exploitation permit (“IUP”) valid to 2031
- BTR holds a business license for processing and refining valid to 2031
- BTR holds a production stage forestry use permit (“Pinjam Pakai”) which allows the company to carry out development, mining and production activities until 2031
- All other exploration areas are held under granted exploration IUPs

Other Opportunities

- Production of clean acid
- Gold and silver in barite sands. ~400,000 oz Au and 12,500,000 oz Ag previously recovered
- Gold and silver in massive sulphides
- Zinc and lead in massive sulphides
- Copper bearing sulphides in stockworks

- KK2 - KK4 (Karkopang) - isolated massive sulphide bodies adjacent to KKV infrastructure
- Baru Manu (BMU) - known barite/Au/Ag intercepts with anomalous copper and deeper TEM anomaly
- Kali Besar (KBI) - surficial base metal anomaly with no drilling
- Kelapa Tiga - surficial base metal anomaly with limited drilling
- Remnant and unmined barite/Au/Ag accumulations in the Lerokis area

Contact

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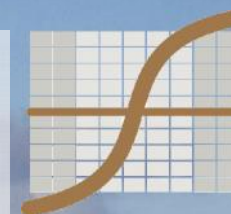
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