



For ASX Market Release: 20th January 2017

Wetar Copper Project Financing Update

- Project ownership increased from 72% to 73.5%
- Project finance facilities finalised following the hedge restructure announced in September 2016
- Total Project debt (inclusive of the VAT loan facility) currently stands at US\$91M

Finders Resources Limited (ASX:FND) is pleased to provide an update on for the Wetar Copper Project ("Project").

The restructure of the finance facilities for Finders Indonesian subsidiary PT Batutua Tembaga Raya ("BTR") has now been successfully completed. Following the hedge restructure announced on 15 September 2016, which yielded proceeds of US\$42.5 million, a number of additional changes were made to the senior debt facilities including:

- Minimum mandatory copper hedging for 2017 - 2019 reduced from 32,951 tonnes to 16,476 tonnes;
- Additional discretionary hedging lines available for up to 6,000 tonnes of copper; and
- Repayment profile amended to reflect the revised cashflow profile of the Project.

Finders also completed a placement of shares to raise A\$12 million as previously announced to the market on 10 November 2016. A portion of the proceeds raised from the placement was invested into BTR to be applied towards resource development, new projects and working capital. This investment increased Finders equity ownership in the Wetar Copper Project from 72% to 73.5% following the dilution of joint venture partner Posco Daewoo Corporation.

Managing Director Barry Cahill commented: *"With the successful debt restructure behind us and with the new 25,000 t.p.a. copper cathode SX-EW plant operating at nameplate capacity, our efforts can now be redirected towards debt reduction following the recent improvement in the copper price and to growing the Project's mine life. I look forward to providing further details on our resource expansion and exploration initiatives in the near future."*



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Background Information on Finders

Finders is the operator of the Wetar Copper Project (73.5% interest) located 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. 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 for annual production capacity of 28,000 tonnes copper cathode. To date, the plants have produced over 15,000 tonnes of copper cathode, of which 90% was sold at a premium to the LME price and without specification issues.

The project has a total debt of US\$91M (including a VAT facility) repayable over three years to 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 7.5 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.

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