



For ASX Market Release: 2 July 2018

## WETAR COPPER PROJECT FACILITY AGREEMENT UPDATE

### HIGHLIGHTS

- Finders has reached in principle agreement with the Lenders under the Wetar Copper Project Facility Agreement on amendments to the Facility Agreement.
- US\$4.5m has been released from the Debt Service Reserve Account under the Facility Agreement (DSRA) to pay principal and interest due at 30 June 2018. This will reduce the DSRA balance from US\$13.5m to US\$9.0m.
- BTR is required to arrange a US\$19.0m shareholder loan facility and drawdown US\$12.0m under that facility before 31 July 2018. This will provide funds for working capital and capital expenditure requirements.

Finders Resources Ltd ("Finders") (FND:ASX) announces that Finders and its subsidiary, PT Batutua Tembaga Raya ("BTR"), have reached in-principle agreement with the banking group comprising BNP Paribas, Commonwealth Bank of Australia, Societe Generale Hong Kong Branch and The Hongkong and Shanghai Banking Corporation Limited Jakarta Branch (the "Lenders") under the senior secured project facility agreement for the Wetar Copper Project (the "Facility Agreement") for amendments to the Facility Agreement. The key terms of the agreement, to be implemented in two steps, include:

#### Step One:

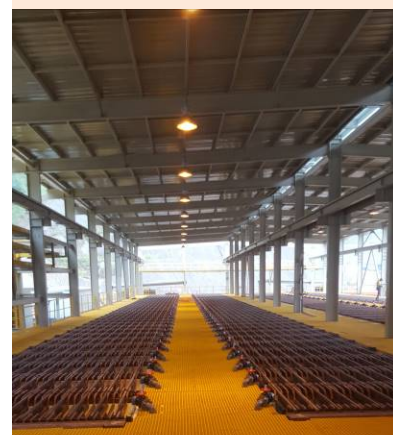
Finders, BTR and the facility agent under the Facility Agreement, BNP Paribas (the "Facility Agent"), on behalf of the Lenders, have signed a letter agreement under which it has been agreed:

- The Facility Agent has directed BTR's bank to transfer US\$4.5m from BTR's debt service reserve account under the Facility Agreement (the "DSRA") for the sole purpose of paying principal and interest due under the Facility Agreement on 29 June 2018; and
- The negotiation period between Finders and the Lenders that has arisen in relation to the Review Event under the Facility Agreement that has occurred as a result of the Change in Control arising from the takeover offer by Eastern Field Developments Limited for Finders ("Change in Control Review Event") will be extended until 16 July 2018.



**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**  
 Independent Non-executive Director

**Perth Office:**  
 25 Colin Street  
 West Perth WA 6005  
 T: +61 8 6555 3996  
 F: +61 8 6555 3998  
[E: info@findersresources.com](mailto:info@findersresources.com)  
 ASX Code: FND  
[www.findersresources.com](http://www.findersresources.com)



## Step Two:

- BTR will arrange a BTR shareholder unsecured subordinated debt facility with Eastern Field Developments Limited or an associated entity ("**Shareholder Loan**") in an aggregate amount of US\$19m on or before 16 July 2018;
- BTR will drawdown US\$6.0m from the Shareholder Loan on or before 16 July 2018;
- BTR will drawdown a further US\$6.0m, for an aggregate amount of US\$12.0m, from the Shareholder Loan on or before 31 July 2018;
- The Lenders will agree to amendments to the Facility Agreement to cap the total amount of funds that are required to be held in the DSRA at US\$9.0m; and
- The Lenders will confirm that the Change in Control arising from the takeover offer by Eastern Field Developments Limited for Finders is acceptable and that the Change in Control Review Event is no longer continuing.

The in-principle agreement reached between Finders, BTR and the Lenders in relation to the items in Step 2 above is subject to final Lender credit committee approval and the parties agreeing and executing formal legal documentation to reflect the agreement.

Under the existing terms of the Facility Agreement the total amount of funds that were required to be deposited in the DSRA were expected to increase to US\$18.0m at 30 June 2018. Capping the DSRA funding obligation under the Facility Agreement at US\$9.0m and the additional funds to be provided to BTR under the Shareholder Loan will be important steps towards placing the Wetar Copper Project in a position where capital can be allocated to sustain operations and enhance long term value. Finders will announce the shareholder lender prior to provision of the loan on 16 July 2018.

## FOR FURTHER INFORMATION PLEASE CONTACT:

Mr David Fowler  
Executive Director & Acting CEO

25 Colin Street  
West Perth WA 6005  
T: +61 8 6555 3996

## 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.