

TO: ASX Market Announcement Office

COMPANY: ASX Limited

DATE: 17 July 2018

SUBJECT: Eastern Field Developments Limited – Off Market Takeover Offer to
acquire all the ordinary shares in Finders Resources Limited (FND) –
Second Supplementary Bidder's Statement

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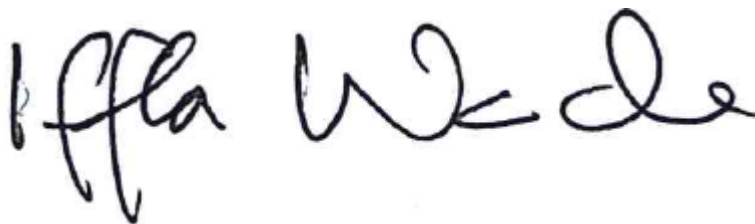
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We act for Eastern Field Developments Limited (**EFDL**).

On behalf of EFDL, we attach Third Supplementary Bidder's Statement dated 17 July 2018 issued by EFDL in relation to its takeover offer for the ordinary shares in Finders Resources Limited (ACN 108 547 413) (**Finders**).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Iffla Wade', written in a cursive style.

Iffla Wade

Third Supplementary Bidder's Statement

1. Introduction

This document is the third supplementary bidder's statement dated 16 July 2018 (**Third Supplementary Bidder's Statement**) to the bidder's statement dated 23 October 2017 (**Original Bidder's Statement**) issued by Eastern Field Developments Limited BVI Co No 1955552 (**Eastern Field**) in relation to its off-market takeover bid for all the ordinary shares in Finders Resources Limited ACN 108 547 413 (**Finders**) that existed as at the Register Date and lodged with the Australian Securities and Investments Commission (ASIC) on 23 October 2017

This Third Supplementary Bidder's Statement supplements, and should be read together with, Eastern Field's Original Bidder's Statement, its first supplementary bidder's statement dated 17 November 2017, the replacement bidder's statement dated 17 November 2017 and its second supplementary bidder's statement dated 21 March 2018 (collectively, the **Bidder's Statement**).

2. Taurus Acceptances

In its second supplementary bidder's statement, Eastern Field disclosed that it had received acceptances in respect of 87,339,525 Finders Shares made by or on behalf of Taurus Funds Management Pty Ltd (**Taurus**) who had (as publicly disclosed to the ASX by Finders in its announcement of 7 December 2017) notified Finders that it did not intend to accept the Offer at the Offer Price of \$0.23 per Finders share in respect of the Finders Shares that Taurus manages, on the basis that Taurus considered that the Offer Price did not reflect the fair value of Finders Shares.

On 28 March 2018, ASIC lodged an application with the Takeovers Panel seeking a declaration of "unacceptable circumstances" under section 657A(1) of the Corporations Act in respect of the statements concerning Taurus' intention not to accept the Offer (**Taurus Intention Statements**) and Taurus' subsequent acceptance of Eastern Field's bid.

The Takeovers Panel (Yasmin Allen, Stephanie Charles and Karen Evans-Cullen (sitting President)) (**Initial Panel**), by its declaration and orders dated 26 April 2018, ordered that the Taurus acceptances be cancelled on expiry of the period ending 1 May 2018 (or a later date if there is any stay or suspension of the Initial Panel's orders). On 30 April 2018, the President of the Panel ordered a stay of the orders pending a review of the Initial Panel's declaration and orders. On 6 June 2018, the review Panel (Ian Jackman SC, Ron Malek (sitting President) and David Williamson) (**Review Panel**), affirmed the decision of the Initial Panel to make a declaration of unacceptable circumstances but the majority (comprising of Ian Jackman SC and David Williamson) decided that it was not open to them to make the same orders as the Initial Panel. The remaining member of the Review Panel (Ron Malek) supported the Initial Panel's orders. Accordingly by a 2:1 decision, the Review Panel set aside the Initial Panel's orders and made fresh orders in their place.

Under the new orders: (i) the Taurus acceptances will be cancelled immediately following the expiry of the Offer Period (**Offer Close**); (ii) Taurus is granted a right to put the Taurus shares to Eastern Field after the later of the Offer Close and 30 November 2018 (**Trigger Date**), for 23 cents per Finders share on the same terms as the terms of the Takeover Bid (**Takeover Terms**); and (iii) Eastern Field is granted a right to call for the Taurus shares after the Offer Close for 23 cents per Finders share on the Takeover Terms.

The Review Panel also ordered Taurus to pay compensation to certain shareholders who acquired Finders shares on market at more than 23c per share in the period 7 December 2017 to 19 March 2018 (inclusive).

Eastern Field has now reviewed the reasons of the Review Panel majority on why the Review Panel decided that it was not open to them to make the same orders as the Initial Panel and why the Review Panel decided the revised orders were appropriate and satisfied the requirements of s657D(2) of the Corporations Act, which relevantly empowers the Takeovers Panel to make orders where the Panel is satisfied that the orders (i) protect the rights and interests of a person affected by the unacceptable circumstances; or (ii) ensure that a takeover bid proceeds (as far as possible) in a way that it would have proceeded if the circumstances had not occurred.

ASIC by ASIC Instrument 18-0617 dated 13 July 2018 has granted a modification of the Corporations Act to enable Eastern Field to commence proceedings in the Federal Court before the end of the Offer Period.

On 16 July 2018, Eastern Field applied to the Federal Court seeking judicial review of the decision of the Review Panel pursuant to section 5 of the Administrative Decisions (Judicial Review) Act 1977 (Cth) and a suspension or stay of the orders made by the Review Panel. Eastern Field is seeking to set aside the orders made by the Review Panel on 6 June 2018 and restore the orders made by the Initial Panel on 26 April 2018.

The grounds for the review include:

- erroneous exercise of power by the Review Panel in that the Review Panel did not properly address the relevant requirements of s 657D(2) and
- failure of the Review Panel to consider relevant matters and proceeding without evidence which meant that the Review Panel did not comply with the requirement under s 657D (1) to refrain from making any order if satisfied that the order would unfairly prejudice any person, in this case Eastern Field,

including that certain parts of the Review Panel's decision were unreasonable, involved illogical or irrational reasoning, and were of such an unreasonable character that no reasonable panel could have made them.

3. Other

3.1 Lodgement with ASIC

A copy of this Third Supplementary Bidder's Statement was lodged with ASIC on 17 July 2018.

This Third Supplementary Bidder's Statement will prevail to the extent on any inconsistency with the Bidder's Statement.

Neither ASIC nor any of its officers take any responsibility for the contents of this Third Supplementary Bidder's Statement.

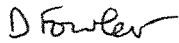
3.2 Defined terms

Words and phrases defined in the Bidder's Statement have the same meaning in this Third Supplementary Bidder's Statement unless the context requires otherwise.

3.3 Authorisation

This Third Supplementary Bidder's Statement has been approved by a resolution passed by the directors of Eastern Field Developments Limited BVI Co No 1955552.

Dated 17 July 2018



David Fowler

Director

For and on behalf of Eastern Field Developments Limited