



14 August 2014

## Finders Executes Daewoo Funding Agreements

- Finders and Daewoo execute final Investment and Loan Agreements
- Daewoo's economic interest in Wetar project currently 24.1%
- Offtake and Procurement Agreements cement broader partnership
- Agreements to help fund expansion to 28,000tpa of copper cathode by 2H 2015

Copper producer Finders Resources Limited ("Finders"; ASX code: FND) is pleased to announce it has entered into a number of agreements with Daewoo International Corporation ("Daewoo"). The Agreements are intended to give effect to US\$45 million of funding to be provided by Daewoo to Finders' Wetar Copper Project ("Project") in Indonesia, as announced on 12 May 2014. The funding is project level equity and loans to expand the Wetar plant from its current capacity of 3,000 tonnes per annum of copper cathode to 28,000tpa. The expanded plant is expected to be commissioned in the second half of 2015.

Under the Agreements, Daewoo will subscribe for shares in and provide loans to Finders' wholly owned Indonesian subsidiary, PT Batutua Tembaga Raya ("BTR"). Daewoo will acquire an economic interest of 24.1% in BTR in exchange for US\$45 million project funding. Key points of the financing are:

- Daewoo's economic interest will commence at 24.1% but may vary between 24.1% and 27% if certain defined Indonesian taxation, regulatory or royalty changes occur in the future.
- As a 24.1% shareholder of BTR, Daewoo will be entitled to appoint two representatives to BTR's Board of Directors and one representative to its Board of Commissioners.
- Closing of the subscription and loans is subject to certain conditions being met, including approval by the Indonesian Investment Authority, BTR entering into a satisfactory Design and Construct contract in relation to the expansion project and execution of the Senior Facility Agreement. Finders expects the remaining conditions precedent to be met this quarter.
- The agreements include an Offtake Agreement in relation to 20% of cathode production from the Project. On closing, Finders will have secured offtake partners for 100% of its cathode production.



### Contacts:

**Mr Gary Comb**  
Non-Executive Chairman  
**Mr Barry Cahill**  
Managing Director  
**Mr James Wentworth**  
Chief Financial Officer

### Sydney Office:

Suite 901, Level 9  
60 Pitt Street  
Sydney NSW 2000  
T: +61 2 8084 1812  
F: +61 2 8068 2540

E: [info@findersresources.com](mailto:info@findersresources.com)

ASX Code: FND

[www.findersresources.com](http://www.findersresources.com)





- BTR will also enter into a Procurement Agreement with Daewoo under which BTR will be able to access Daewoo's procurement and technical expertise for the benefit of the project. BTR is already working with Daewoo in relation to a number of opportunities.

Finders' Managing Director Barry Cahill said "We are looking forward to working with our new partner Daewoo as we bring the Wetar Copper Project into commercial production. We believe the current project is just the beginning of the opportunities for Daewoo and Finders to work together."

Daewoo's Senior Vice President Kyu-Jin Jung said "We are very pleased to participate in the Project and to work together with Finders to make this Project successful. The Project, we believe, is a stepping stone for the long and prosperous partnership between Finders and Daewoo."



Representatives of Daewoo, Finders and BTR at the Signing Ceremony in Jakarta



### About Finders Resources Ltd

Finders is a proven low cost copper cathode producer, now fully funded and developing a high-grade 28,000tpa copper mine on Wetar Island in Indonesia, where Finders has commenced mining and copper cathode production. This project is a high-grade, open pit with a 8.9Mt @ 2.4% Cu reserve and a 1:1 strip ratio. The Company has an operational plant capable of producing 3,000tpa copper cathode through sulphide heap leach SX-EW. This plant has validated the economics of the Wetar project, as detailed in the revised November 2013 Bankable Feasibility Study, which includes project cash costs of \$US0.88 a pound copper at efficient production levels (\$1.05/lb life of mine). The Company intends to add 25,000tpa to copper cathode capacity via the refurbishment and re-assembly of the former Whim Creek plant and the building of associated leach pads and infrastructure.

Finders also has a highly prospective, advanced gold-silver exploration project in Sumatra.

### About Daewoo

Daewoo, a member of the POSCO Family, is a leading international trader, investor and project organizer in Korea. It has 117 overseas units in 58 countries. Daewoo is actively participating in the natural resources sector, with investments in dozens of global projects including Block A-1/A-3 gas field (operator) in Myanmar, Ambatovy nickel project in Madagascar and Narrabri Coal in Australia.

For further information please visit [findersresources.com](http://findersresources.com)

**Barry Cahill**  
**Managing Director**  
Tel: +61 (0)408 952 080  
[bjc@findersresources.com](mailto:bjc@findersresources.com)

**Robert Gundelach**  
**NWR Communications**  
+61 (0)451 896 420  
[robert@nwrcommunications.com.au](mailto:robert@nwrcommunications.com.au)