



For ASX Market Release: 06 March 2017

## High Grade Copper Results from Lerokis

Finders Resources Limited (ASX:FND) is pleased to provide the following update on pre-development activities at the Lerokis Deposit within the Wetar Copper Project.

- High grade copper mineralisation intersected in geotechnical and metallurgical diamond drill holes signifying potential to expand the existing resource in the southwest and northeast portions of Zone 5, and in the north and west of Zone 1S
- Significant intersections included:
  - 18m at 5.39% Cu, 0.97g/t Au, 56.8g/t Ag, 0.64% Zn, 0.55% Pb from 6m in LERGT012 – Zone 1S
  - 12m at 3.8g% Cu, 0.63g/t Au, 19.4g/t Ag, 2.41% Zn, 0.17% Pb from 26m in LERGT013 – Zone 5
  - 24m at 5.84% Cu, 0.48g/t Au, 25.3g/t Ag, 0.39% Zn, 0.16% Pb from 12m in LERGT014 – Zone 5
  - 26.2m at 8.01% Cu, 1.35g/t Au, 73g/t Ag, 2.6% Zn, 0.69% Pb from 4m in LERMH01 – Zone 1S
  - 34m at 5.28% Cu, 1.09g/t Au, 75g/t Ag, 3.59% Zn, 0.84% Pb from 10m in LERMH02A – Zone 1S
  - 18.4m at 2.22% Cu, 0.79g/t Au, 20g/t Ag, 0.65% Zn, 0.15% Pb from 15.6m in LERMH06
- 2,000m RC drilling program scheduled to commence late March 2017 in advance of a Mineral Resource estimate update

Managing Director Barry Cahill commented:

*“Our focus at Wetar has now turned to pre-development activities associated with the second open pit mine at Lerokis following the successful completion of the first phase of development at Kali Kuning. The additional assay data acquired from the geotechnical and metallurgical cores from Lerokis, as outlined in this announcement, suggests that there is potential to expand the resource inventory. Any future incremental increase to the existing Ore Reserve from this work has the ability to translate directly to the bottom line for all shareholders.”*



### Contacts:

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

### Phil Retter

Investor Relations

NWR Communications

[phil@nwrcommunications.com.au](mailto:phil@nwrcommunications.com.au)

T: +61 407 440 882

### Perth Office:

Level 1, 5 Ord 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)



# Wetar Copper Project - Lerokis Update

## Geotechnical Diamond Hole Assay Results

As part of a detailed geological and mining review of the Zone 5 and Zone 1S domains for the planned Lerokis mine development (Figures 1 - 3), three diamond holes previously drilled for geotechnical purposes were sampled and submitted for analysis. Significant assay results from half cores of these holes are summarised in Table 1.

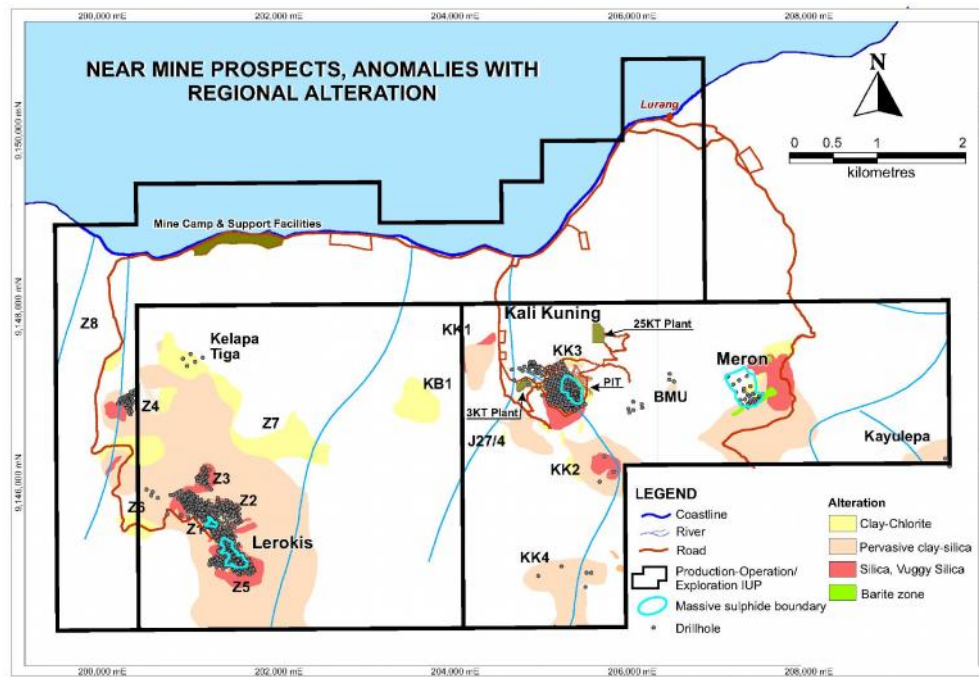


Figure 1 – Plan of Wetar Copper Project showing location of Lerokis deposit

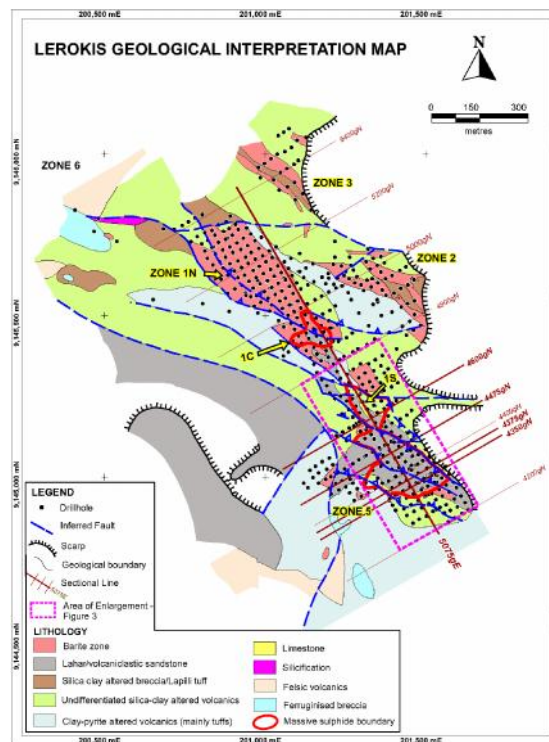


Figure 2 – Plan of Lerokis deposit

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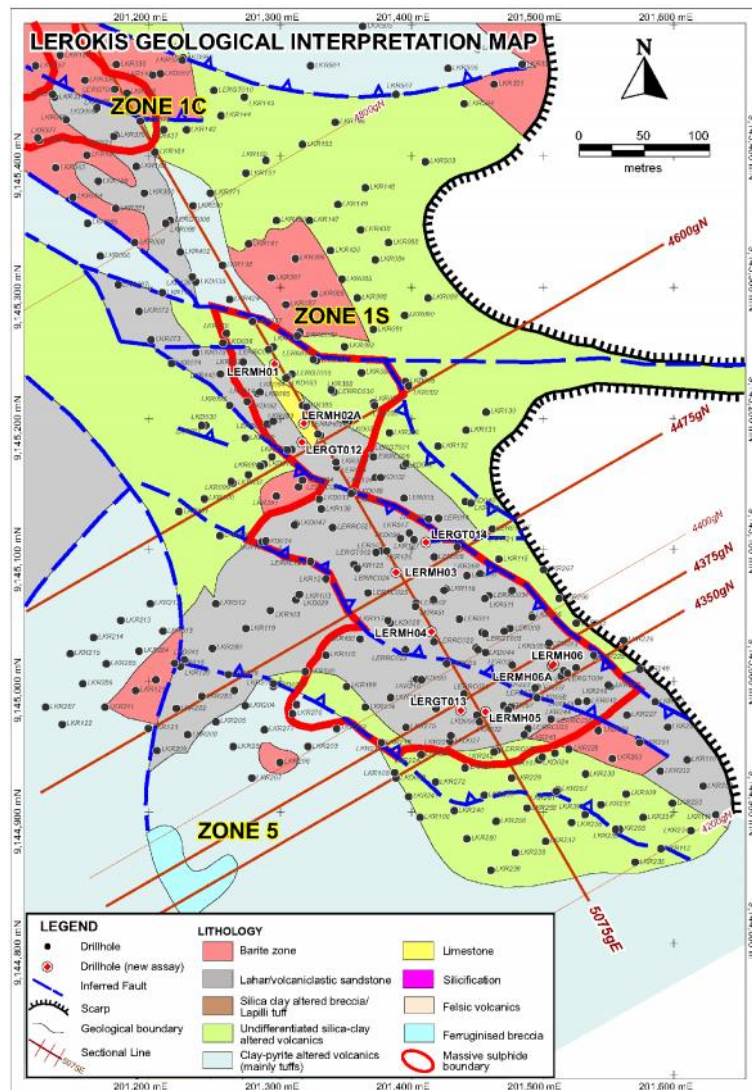


Figure 3 – Enlarged plan of Lerokis (southern end), showing drill holes

Table 1 - Significant intersections from Lerokis geotechnical holes. Intercepts calculated using 0.3%Cu cut-off grade and allowing for up to 2m of internal sub-grade material.

Hole_ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (ppm)	Ag (ppm)	Zn (%)	Pb (%)
LERGT012	6.0	24.0	18.0	5.39	0.97	56.8	0.64	0.55
LERGT013	2.0	10.0	8.0	1.12	0.37	12.6	0.11	n/a
	26.0	38.0	12.0	3.80	0.63	19.4	2.41	0.17
	43.7	58.0	14.3	0.71	n/a	n/a	n/a	n/a
LERGT014	12.0	36.0	24.0	5.84	0.48	25.3	0.39	0.16

Hole LERGT012 confirmed the existing interpretation of the mineralisation for Zone 1S (Figure 4), while the results from hole LERGT013 and LERGT014 indicate good potential for extensions to the high-grade copper mineralisation outside of the planned Zone 5 open pit (Figures 5 and 6 respectively).



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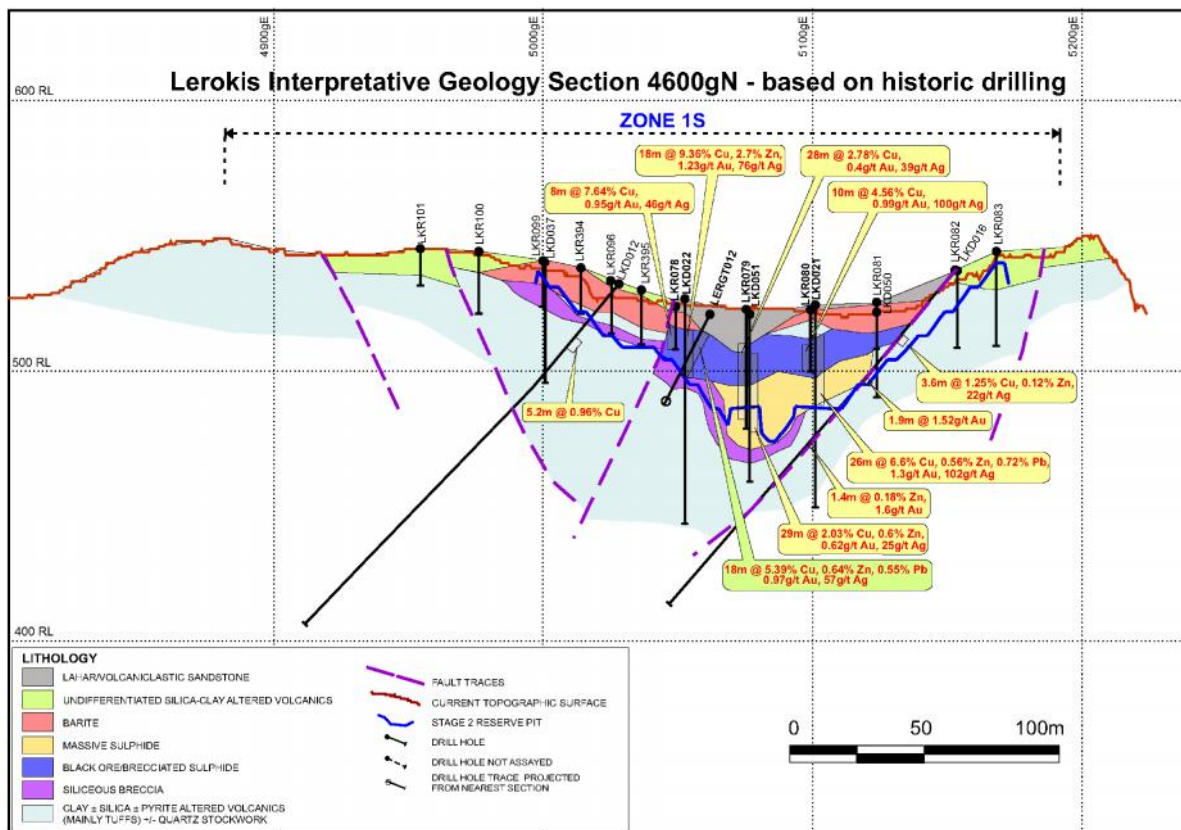


Figure 4 – Cross section 4600mN showing the location of hole LERGT012

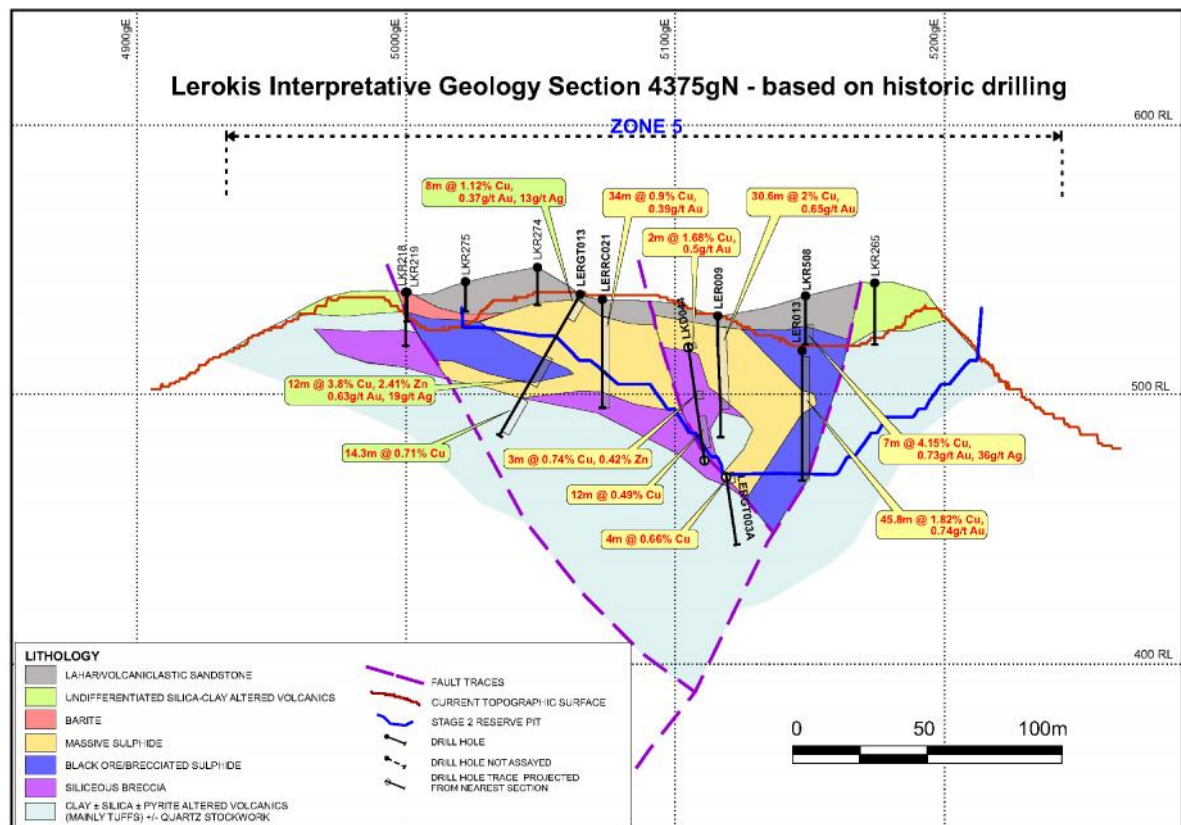


Figure 5 – Cross section 4375mN showing the location of hole LERGT013

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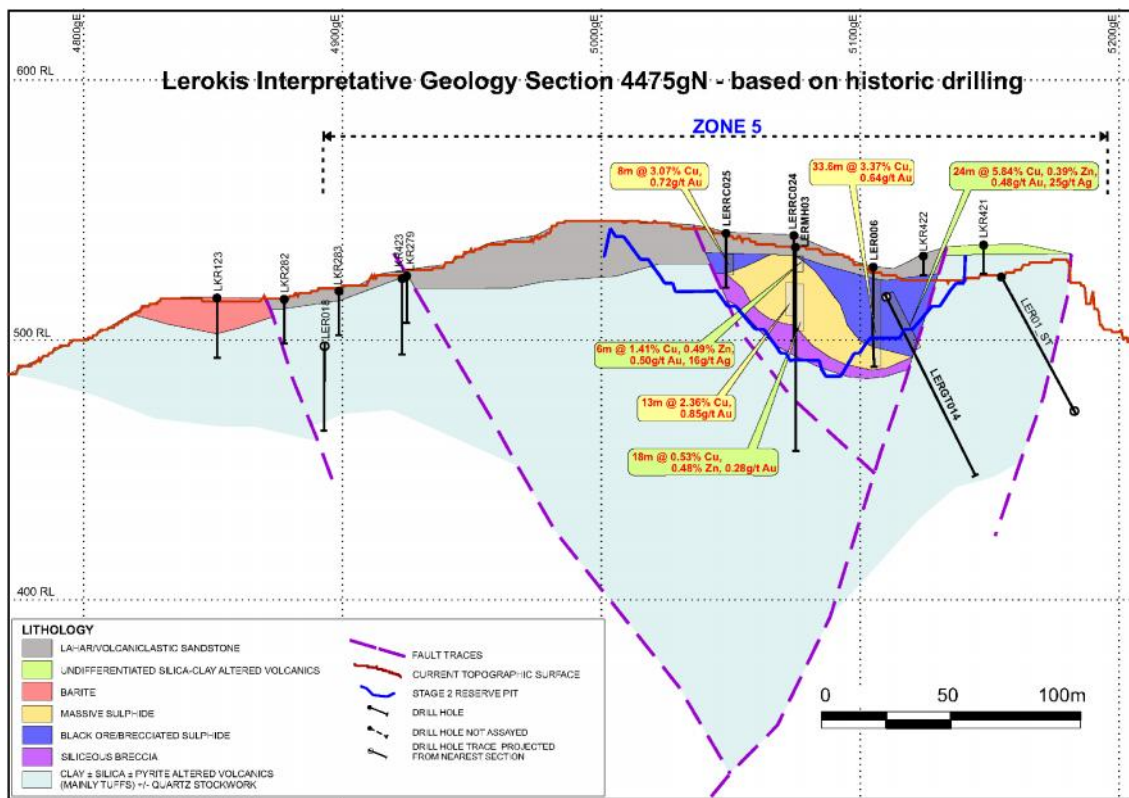


Figure 6 – Cross section 4475mN showing the location of holes LERGT014 and LERMH03

### Metallurgical Diamond Hole Assay Results

An 8 hole program of large diameter diamond drilling was undertaken during the first half of 2016 to provide additional samples of mineralisation for confirmatory metallurgical testing on leach characteristics and terminal recoveries in advance of final design and construction planning activities. Two of the holes were re-drills due to adverse ground conditions. Significant assay results from quarter core samples are summarised in Table 2.

Table 2 - Significant intersections from Lerokis metallurgical holes. Intercepts calculated using 0.3%Cu cut-off and allowing for up to 2m of internal sub-grade material.

Hole_ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (ppm)	Ag (ppm)	Zn (%)	Pb (%)
LERMH01	4.0	30.2	26.2	8.01	1.35	73	2.60	0.69
LERMH02A	10.0	44.0	34.0	5.28	1.09	75	3.59	0.84
LERMH03	4.0	10.0	6.0	1.41	0.50	16	0.49	0.22
	14.0	32.0	18.0	0.53	0.28	7	0.48	0.06
LERMH04	6.0	14.0	8.0	0.77	0.18	15	0.07	0.05
LERMH05	16.0	52.0	36.0	1.73	0.49	14	0.90	0.14
LERMH06	2.0	6.6	4.6	0.67	0.23	15	0.05	0.12
	15.6	34.0	18.4	2.22	0.79	20	0.65	0.15
	42.0	46.0	4.0	0.64	0.34	6	0.32	0.02
	56.0	58.0	2.0	1.84	0.34	5	0.15	0.01
LERMH06A	4.0	47.5	43.5	1.66	0.56	19	1.05	0.12

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Hole LERMH01 was drilled into the north of Zone 1S and intersected better than expected high grade copper mineralisation over a significant interval (26.2m at 8.01% Cu, Figure 7). Previous logging indicated this area was dominated by massive pyrite, however, recent re-logging has confirmed that high-grade mineralisation is associated with brecciated sulphide assemblages and black ore. Additional follow-up drilling will be required to determine the full extent of this mineralisation to the west and north.

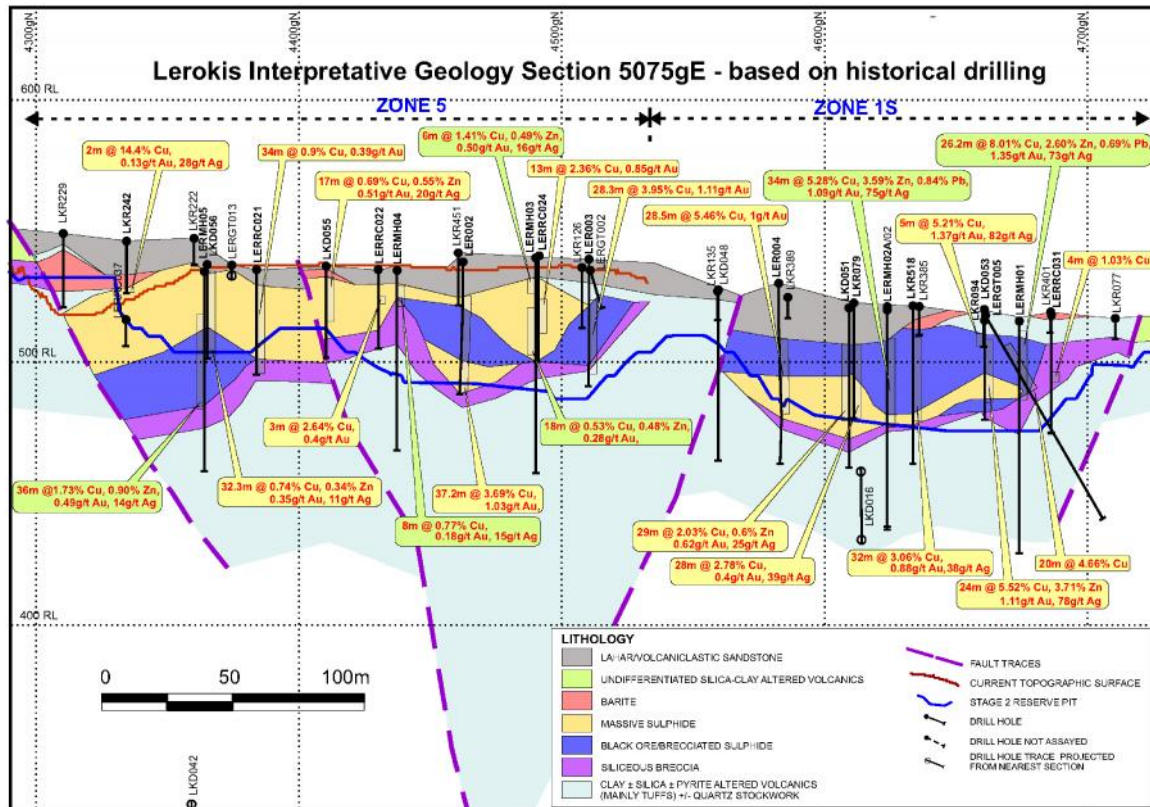


Figure 7 – Long section 5075gE showing the location of holes LERMH01, LERMH02A, LERMH03, LERMH04 & LERMH05

Hole LERMH02A was drilled approximately 50m south of LERMH01 and also returned a highly significant result of 34m at 5.28% Cu in comparison to nearby holes (Figure 7). Re-logging of this hole has confirmed that the high grades are dominantly associated with brecciated sulphide and black ore assemblages, similar to LERMH01.

Hole LERMH03 was drilled in the north of Zone 5 and intersected two intervals of lower grade copper mineralisation within the expected position (Figures 6 and 7). LERMH04 was drilled in the central portion of Zone 5 and returned one interval of lower grade mineralisation as expected (Figure 7).

Hole LERMH05 was drilled in the south of Zone 5 and returned higher grades than the surrounding holes albeit narrower than the expected interval (Figures 7 and 8). LERMH06 was drilled proximal to the same section line above an interpreted feeder zone (Figure 8). This hole was targeting high grade breccia mineralisation and returned four significant intercepts albeit with lower than expected grades within a mixed zone of breccia and massive pyrite assemblages.

LERMH06A was drilled adjacent to LERMH06 (Figure 8) and was abandoned early due to poor ground conditions. The vast majority of the hole was mineralised, albeit at overall lower grades than expected due predominantly to large intervals of more massive pyrite assemblages.



## Wetar Copper Project - Lerokis Update

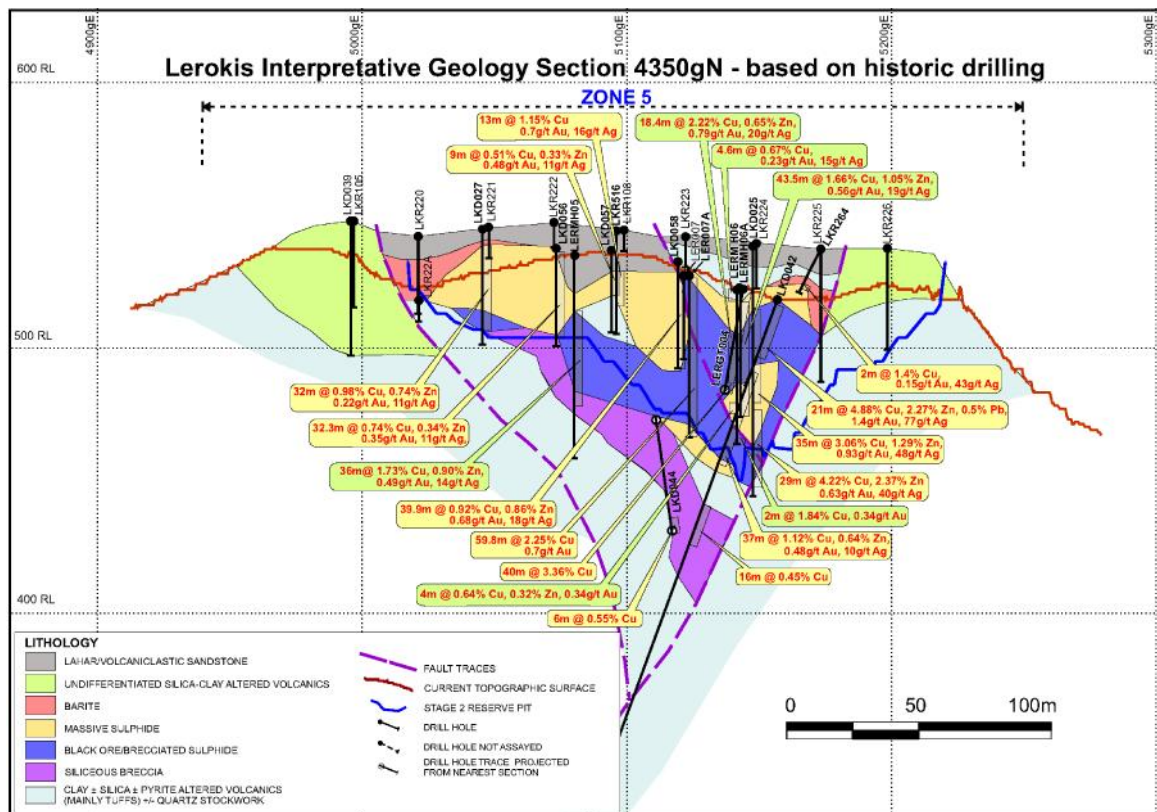


Figure 8 – Cross section 4350mN showing the location of hole LERMH05, LERMH06 and LERMH06A

The assay data from the geotechnical and metallurgical holes confirmed the Zone 1S and Zone 5 interpretations and provide additional data that can be incorporated into the planned Mineral Resource estimate update following completion of the upcoming 2,000m RC drilling program. This drilling program has been designed to define the margins of the interpreted mineralisation outlines and ensure that the areas earmarked for mine infrastructure have been effectively sterilised.

### Drill Hole Details

Hole_ID	EOH (m)	Easting	Northing	RL	Azimuth	Dip	Datum
LERGT012	80.0	201316.3	9145182.0	521.0	270	-60	UTM WGS84 Zone 52S
LERGT013	60.3	201437.7	9144977.7	537.1	245	-60	UTM WGS84 Zone 52S
LERGT014	90.0	201410.8	9145105.9	525.8	90	-60	UTM WGS84 Zone 52S
LERMH01	81.5	201295.4	9145241.5	515.8	0	-90	UTM WGS84 Zone 52S
LERMH02A	79.0	201318.0	9145196.5	520.0	0	-90	UTM WGS84 Zone 52S
LERMH03	61.0	201388.2	9145083.1	535.8	0	-90	UTM WGS84 Zone 52S
LERMH04	68.5	201415.2	9145037.3	535.0	0	-90	UTM WGS84 Zone 52S
LERMH05	76.0	201456.3	9144976.4	534.5	0	-90	UTM WGS84 Zone 52S
LERMH06	58.0	201507.0	9145011.5	521.6	0	-90	UTM WGS84 Zone 52S
LERMH06A	47.5	201508.0	9145012.5	521.6	0	-90	UTM WGS84 Zone 52S

## Wetar Copper Project - Lerokis Update

### Competent Persons Statement

#### Exploration Results and Targets

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 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.

### JORC Table 1 – Checklist of Assessment and Reporting Criteria

#### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
<b>Sampling techniques</b>	<p>The Wetar Copper Project is currently comprised of two copper bearing massive sulphide deposits. The Kali Kuning and Lerokis deposits are located in close proximity to each other (~4km) on Wetar Island, Maluku Province, Indonesia.</p> <p>Both were exposed but not mined during a distinctly separate gold mining operation focused on the precious metal-rich barite “sands” carried out during the 1990s by a subsidiary of Billiton International, PT Prima Lirang Mining (PLM).</p> <p>Each deposit has been drill tested by multiple phases of both diamond and reverse circulation drilling that includes diamond/diamond and diamond /RC twinned holes.</p> <p>Pre-mining hole spacing is based on a nominal 25m x 25m grid spacing where samples were collected in one metre downhole intervals and assayed for copper and other associated base and precious metals.</p> <p>Lerokis is unmined as a source of future copper feed to the existing KKV Heap Leach SX-EW operation and is not planned for extraction until Year 3 of the current production schedule (2019).</p>
<b>Drilling techniques</b>	<p>PLM drilled 52 DD holes (2,043m) and 114 RC holes (1,143m) into the mineralised envelope at Lerokis. However, many of these did not adequately test the massive sulphide horizon below the precious metal open pit operations.</p> <p>Finders Resources Limited (FND) commenced drilling in 2005 and up until the end of 2015 had completed an additional 20 DD holes (1,418m) and 17 RC holes (417m) at Lerokis. In 2016, eight additional metallurgical test holes (498m including re-drills) were completed using PQ sized diamond drilling techniques to obtain further samples for confirmatory column testwork.</p> <p>DD has mostly utilised large diameter triple tube drilling techniques (predominately PQ &amp; HQ) with downsizing to NQ core only to complete holes that encountered difficult drilling conditions. RC drilling was completed with a conventional 5½ inch face sampling hammer.</p>



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Criteria	Commentary
<b>Drill sample recovery</b>	<p>DD core recoveries were measured on a routine basis and stated for each sample interval. Samples obtained from RC drilling were bagged, weighed and riffle split to a 4kg sample for dispatch to the assay laboratory.</p> <p>Historic DD recoveries were 70% in massive sulphide mineralisation.</p>
<b>Logging</b>	<p>Records for historic PLM drilling comprise skeletal drill logs and hand drafted drilling sections. Full geological logging is available for many but not all pre-2005 programs.</p> <p>FND drilling has been processed using detailed logging procedures developed specifically for the Wetar copper project.</p> <p>DD holes also collected structural information for use in geotechnical evaluation and were photographed prior to sampling for a permanent record and for desktop study purposes. Specific identified geotechnical drillholes were logged according to a supplied legend from the relevant geotechnical consultants involved with the project at the time of drilling.</p>
<b>Sub-sampling techniques and sample preparation</b>	<p>DD cores were historically sampled in one metre intervals. Half core was retained for metallurgical testing while quarter core was sent for chemical assay and the remaining quarter retained in core storage boxes as a permanent record. Any subsequent holes have been half cored for assay with 50% retained and stored.</p> <p>RC samples were bagged in 1m intervals, weighed, and riffle split to 4kg sample for assay. One in twenty samples were duplicated assay splits. Sub sampling checks were also completed by compositing pulverised sub-samples (3m or 5m) at the lab as an additional check on the validity or representivity of the sub sampling assays.</p> <p>Samples were sun dried on site prior to transportation to labs in Jakarta for chemical assay.</p>
<b>Quality of assay data and laboratory tests</b>	<p>Historic copper assaying by PLM used the AAS1/4 method whereby AAS4 was the relevant ore grade technique for copper values &gt;1%Cu. Samples were also assayed for gold by the FAS1 method and arsenic, antimony and barium results were obtained from pressed powder x-ray fluorescence (XRF).</p> <p>FND assay procedures evolved through several stages whereby the initial drilling (LER001-020) was assayed in one metre intervals for total copper, gold, silver, arsenic and antimony only when activity was focussed on the development of a base metal project involving conventional beneficiation via froth flotation.</p> <p>From drillhole KKG025 onwards all samples were analysed for total copper (Intertek GA50), water soluble copper (GA40a), acid soluble copper (GA41) and ferric soluble copper (GA41A). Three metre composite samples of all prior drilling (LER001-013) were also re-assayed using these methods as individual assays rather than as sequential assays.</p> <p>Subsequent copper recoveries in column testwork significantly exceeded the ferric copper assay prediction and a re-assay campaign of composite samples from Lerokis resource definition drilling was completed for cyanide soluble copper using the Intertek CN10 method. This work involved the preparation of new 5m composites from stored pulps using intervals corresponding with the bench drillhole composites used in the resource estimation process. These composites were subsequently assayed for total copper (GA50), water soluble copper (GA40a) and ferric soluble copper (GA41A) in conjunction with the cyanide soluble copper (CN10).</p> <p>Both the PLM and FND programs included the inclusion of standard and blank samples (~1 in 20) and the re-assay of composited pulps. QA/QC results were reviewed by the relevant</p>

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Criteria	Commentary
	consultants at the time and concluded that the results contained no issues. Inserted blanks showed no evidence of significant cross contamination. Inserted standards reported within 2% of the recommended value while check assays of selected high grade samples (~7% Cu) were approximately 4% lower than the original assays.
<b>Verification of sampling and assaying</b>	Historic drilling results were reviewed by the consultants who completed the earlier mineral resource estimates.
<b>Location of data points</b>	<p>Collar and other general survey work was completed using GPS technology.</p> <p>Drilling used a local mine grid for Lerokis that is rotated approximately 30° to the west of true north. All data is subsequently transformed into UTM WGS-84, Zone 52S for resource estimation and mine planning purposes.</p> <p>Downhole surveys using an Eastman camera were completed for 12 LER holes. Dip and azimuth variation down hole averages 2.0 degrees per 100m and similarly for inclined holes due to the relatively shallow nature of the drilling. These deviations are trivial and indicate that dips and azimuths at the collar used at the end of hole for unsurveyed holes will result in insignificant errors.</p>
<b>Data spacing and distribution</b>	The Lerokis deposit has been drilled to a nominal 25m x 25m hole spacing. Assays have been composited into 2m length intervals for resource estimation purposes.
<b>Orientation of data in relation to geological structure</b>	The Lerokis deposit is essentially several sub-horizontal lensoidal bodies and as such the drilling has either been vertical or 60 degree inclined to Mine Grid east. Drilled intersections are for the most part indicative of the true deposit thickness.
<b>Sample security</b>	Bagged drill samples were generally packed into wooden boxes and shipped to Kupang (West Timor) where they were airfreighted to Jakarta for sample preparation and assay. In some programs the samples were crushed and split in Kupang prior to sending to Jakarta for final assay analysis.
<b>Audits or reviews</b>	Drilling and sampling methods were independently reviewed by the consultants involved in the resource estimation process and were found to be suitable.

### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<b>Mineral tenement and land tenure status</b>	<p>The Wetar Copper Project (FND ~73.5%) is a fully permitted and operational mine and SX-EW treatment facility located on Wetar Island, part of the Maluku Barat Daya Regency (MBD), in the Maluku Province of the Republic of Indonesia. Key permits are listed below:</p> <ul style="list-style-type: none"> <li>IUP Exploitation 543-124 Tahun 2011 for copper, 2,733Ha expiry 9/6/2031, held by PT Batutua Kharisma Permai (BKP), a subsidiary of FND.</li> <li>AMDAL environmental permit for life of mine granted April 2010.</li> <li>Forestry permit (Pinjam Pakai) Number SK478/Menhut II/2013) for 134.63Ha valid to December 2031.</li> </ul>

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Criteria	Commentary
<b>Exploration done by other parties</b>	Extensive exploration including drilling and mining was carried out during the period 1990-1997 by PT Prima Lirang Mining (a subsidiary of Billiton). The gold/precious metals exploration, mining and processing activities were subsequently rehabilitated at the completion of mining.
<b>Geology</b>	<p>Wetar Island is composed of Neogene volcanic rocks and minor oceanic sediments and forms part of the Inner Banda Arc. The island preserves ~4.7 million year old precious metal-rich volcanogenic massive sulphide and barite deposits.</p> <p>The polymetallic massive sulphides are dominated by pyrite, with minor chalcopyrite that are cut by late fractures infilled with copper minerals (covellite, chalcocite, tennantite–tetrahedrite, enargite, bornite). Barite orebodies are developed on the flanks and locally overly the massive sulphides.</p> <p>Hydrothermal alteration around the orebodies is zoned and dominated by illite–kaolinite–smectite with local alunite and pyrophyllite.</p> <p>Sulphide mounds showing talus textures are localised onto faults, which provided the main pathways for high-temperature hydrothermal fluids and the development of associated stockworks.</p> <p>The orebodies were covered and preserved by post-mineralisation chert, gypsum, limestone, lahars, subaqueous debris flows and pyroclastic rocks.</p> <p>The economic copper mineralisation at Lerokis occurs predominantly within coherent massive sulphide units with some minor lower grade material occurring within intensely altered andesitic tuffs in the footwall and lateral extent of the massive sulphide units.</p> <p>The contact between the massive sulphide and footwall units is generally quite sharp.</p>
<b>Drill hole Information</b>	A large body of drilling data has been used to generate the mineral resource estimates for the Lerokis deposit. This data has been described in detail in Section 1 (above). Drillhole locations (including plans of all holes used) have been provided in many previous releases to the Australian Securities Exchange (ASX) by Finders Resources Ltd – ASX:FND.
<b>Data aggregation methods</b>	Two metre, length weighted composites of the relevant drilling data has been used as the basis for the calculation of the mineral resource estimate for each deposit.
<b>Relationship between mineralisation widths and intercept lengths</b>	<p>The Lerokis deposit is essentially several sub-horizontal lensoidal bodies and as such the drilling has either been vertical or 60 degree inclined to Mine Grid east. Drilled intersections are therefore indicative of the true deposit thickness.</p> <p>Mineralised zone thicknesses are large when compared to the composites used for the resource estimation and therefore all composites are regarded as representing true thicknesses and therefore have equal weighting in the estimation process.</p>
<b>Diagrams</b>	Plans and cross sections showing drill locations and distribution of ore types for Lerokis have been provided in many previous releases to the ASX by FND.
<b>Balanced reporting</b>	It is considered that all substantive material relevant to the resource estimation process has been reported.
<b>Other substantive exploration data</b>	FND (through ~73.5% owned subsidiary PT Batutua Tembaga Raya (BTR) has successfully operated a five tonne per day SX-EW demonstration plant to test leach kinetics, optimise process design and to provide additional data for project finance purposes over the period February 2009 to December 2010. This plant treated material from the Kali Kuning deposit



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Criteria	Commentary
	<p>and produced and sold LME Grade A copper quality cathodes without many specification issues.</p> <p>An upgraded 3Ktpa demonstration plant has operated continuously since February 2014 using heap leach pads containing approximately 635Ktpa of mineralisation that was mined from the Kali Kuning deposit up until the end of April 2016. The operation continued to solely produce predominantly LME Grade A copper cathodes until commissioning commenced for the newly constructed plant (see below).</p> <p>Full-scale mining at the Kali Kuning deposit subsequently commenced in April 2015 to provide feed to the expanded interim operation that has ultimately led to the recent commissioning of a newly constructed 25Ktpa copper cathode operation (H2 CY2016). Grade control assays and additional crusher data has generally validated the accuracy of the current mineral resource estimate.</p> <p>The understanding of the unmined Lerokis deposit benefits from this activity.</p>
<b>Further work</b>	<p>It is anticipated that future work at the Lerokis deposit will comprise ongoing grade control drilling as the mine is developed in line with the Company's copper production profile. Feedback from the crusher and processing plant will continue to provide a valuable reconciliation of mine production over time.</p> <p>A minor RC delineation drilling program of approximately 2,000m will be conducted into several small zones at the Lerokis deposit (Q2, 2017) to remove ambiguity in several areas of geometric complexity prior to an updated Mineral Resource Estimate for final open pit design and production scheduling.</p>

### 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.

## Wetar Copper Project - Lerokis Update

### Wetar Copper Project Mineral Resources & Ore Reserves

A full and complete copy of JORC Table 1 including Sections 3 and 4 (not included above) has been provided in a previous ASX release titled, "Wetar Copper Project Resource and Reserve Update" and dated 16<sup>th</sup> December 2016. Persons requiring additional information concerning the current Mineral Resource and Ore Reserve Estimate as at the 30<sup>th</sup> June 2016 are referred to that release.

Wetar Copper Project – Ore Reserve Estimate as at 30 <sup>th</sup> June 2016							
	Proved		Probable		Total		
	Mt	Cu%	Mt	Cu%	Mt	Cu%	Cu (Kt)
<b>Kali Kuning Open Pit (COG 0.4% Cu)</b>							
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
<b>Total</b>	<b>4.6</b>	<b>2.4</b>	<b>0.7</b>	<b>2.2</b>	<b>5.3</b>	<b>2.4</b>	<b>126</b>
Waste					3.9		
Stripping Ratio					0.7		
<b>Lerokis Open Pit (COG 0.5% Cu)</b>							
Primary	2.1	2.3	0.4	2.0	2.5	2.3	59
<b>Total</b>	<b>2.1</b>	<b>2.3</b>	<b>0.4</b>	<b>2.0</b>	<b>2.5</b>	<b>2.3</b>	<b>59</b>
Waste					1.9		
Stripping Ratio					0.8		
<b>Total Kali Kuning and Lerokis Open Pits</b>							
COG as above	6.7	2.4	1.2	2.2	7.8	2.3	184
<b>Heap Leach Pads (ex-mine minus cathode production and decommissioned leach pads)</b>							
Kali Kuning	0.8	2.4	-	-	0.8	2.4	18
<b>Total</b>	<b>0.8</b>	<b>2.4</b>	<b>-</b>	<b>-</b>	<b>0.8</b>	<b>2.4</b>	<b>18</b>
<b>Total Ore Reserve (including Heap Leach Pads)</b>							
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.

## Wetar Copper Project - Lerokis Update

Wetar Copper Project - Mineral Resource Estimate as at 30 <sup>th</sup> June 2016									
	Measured		Indicated		Inferred		Total		
	Mt	Cu%	Mt	Cu%	Mt	Cu%	Mt	Cu%	Cu (Kt)
<b>Kali Kuning Resource (COG 0.4% Cu)</b>									
Primary	3.6	2.7	0.5	2.8	0.03	2.7	4.2	2.7	114
Transition	0.8	1.2	0.3	1.4	0.08	1.7	1.2	1.3	15
Leached	0.1	0.5	0.01	0.8	0.01	1.1	0.2	0.6	1
<b>Total</b>	<b>4.6</b>	<b>2.4</b>	<b>0.8</b>	<b>2.3</b>	<b>0.1</b>	<b>1.9</b>	<b>5.5</b>	<b>2.4</b>	<b>130</b>
<b>Lerokis Resource (COG 0.5% Cu)</b>									
Primary	2.1	2.4	0.4	2.2	0.1	1.5	2.6	2.3	61
<b>Total</b>	<b>2.1</b>	<b>2.4</b>	<b>0.4</b>	<b>2.2</b>	<b>0.1</b>	<b>1.5</b>	<b>2.6</b>	<b>2.3</b>	<b>61</b>
<b>Total Kali Kuning and Lerokis Open Pits</b>									
COG as above	6.7	2.4	1.2	2.3	0.2	1.7	8.1	2.4	191
<b>Heap Leach Pads (ex-mine minus cathode production and decommissioned leach pads)</b>									
Kali Kuning Valley	0.8	2.4	-	-	-	-	0.8	2.4	18
<b>Total</b>	<b>0.8</b>	<b>2.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.8</b>	<b>2.4</b>	<b>18</b>
<b>Total Mineral Resource (including Heap Leach Pads)</b>									
<b>TOTAL</b>	<b>7.5</b>	<b>2.4</b>	<b>1.2</b>	<b>2.3</b>	<b>0.2</b>	<b>1.7</b>	<b>8.9</b>	<b>2.4</b>	<b>210</b>

Note – Rounding errors may occur. Mineral Resources which are not included in the following Ore Reserve compilation do not have demonstrated economic viability.

### 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.



## Wetar Copper Project - Lerokis Update

### 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.

## Wetar Copper Project - Lerokis Update

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