



For ASX Market Release: 31 October 2017

Wetar Production Update

Finders Resources Limited (“**Finders**” or “**the Company**”) refers to its ASX announcement of 27 September 2017 regarding an interruption to the 25,000 tpa copper cathode SX-EW plant at its 74.1% owned Wetar Copper Project from a “crud run event” that affected the production of copper cathode during the last week of September and into October 2017.

As a consequence of the unexpected interruption, copper cathode production for the September 2017 quarter was reduced slightly to 6,131 tonnes, compared to the 6,804 tonnes produced in the June quarter. The C1 cash cost was at lower end of the revised guidance provided in that announcement at US\$1.15/lb, with an AISC cost of US\$1.66/lb. The C1 cash cost remains in the lowest quartile of the cost curve. Notwithstanding the interruption, an EBITDA of US\$21.0 million was achieved and was slightly below the US\$22.5 million EBITDA recorded for the June quarter.

Forecast copper cathode production for the December 2017 quarter is currently estimated at between 5,700 to 6,000 tonnes at a C1 cost of between US\$1.15/lb to US\$1.25/lb for an EBITDA of ~US\$20 million at current copper prices. In addition to the ongoing impact of the “crud run event” into October, lower quantities of high grade ore are scheduled to be delivered to the pads for stacking and leaching as the priority will be on moving old, partially leached material from the former truck dump leach pads, therefore reducing the quantity of leachable copper available for stripping during the December 2017 quarter. The rehandling and relining work on the former truck dump leach pads is planned to be completed by the end of the calendar year. It is important to note there will be no loss of recoverable copper from the life of mine reserve profile, it is simply delayed in the production profile.

The current full year to 31 December 2017 production forecast is 24,500 to 25,000 tonnes of copper cathode at a C1 cost of between US\$1.09 and US\$1.11/lb.



Contacts:

Mr Gary Comb
Non-Executive Chairman
Mr Barry Cahill
Managing Director
Mr Wayne Apted
Chief Financial Officer

Phil Retter

Investor Relations

NWR Communications

phil@nwrcommunications.com.au

T: +61 407 440 882

Perth Office:

25 Colin Street

West Perth WA 6005

T: +61 8 6555 3996

F: +61 8 6555 3998

E: info@findersresources.com

ASX Code: FND

www.findersresources.com



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