



## FACSIMILE MESSAGE

**TO:** ASX Market Announcement Office  
**COMPANY:** ASX Limited  
**FACSIMILE NO:** 1300 135 638  
**DATE:** 17 November 2017  
**SUBJECT:** Eastern Field Developments Limited –Off Market Takeover Offer to acquire all the ordinary shares in Finders Resources Limited (FND)

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We act for Eastern Field Developments Limited (EFDL).

EFDL today lodged with the Australian Securities and Investment Commission (ASIC) a Replacement Bidder's Statement dated 17 November 2017 in respect of the Offer (**Replacement Bidder's Statement**) together with a copy of the Replacement Bidder's Statement marked up to show the changes from the original Bidder's Statement dated (and lodged with ASIC) on 23 October 2017. The Replacement Bidder's Statement together with the marked up copy were also served on Finders Resources Limited today.

In accordance with section 633A(2) of the Corporations Act 2001 (Cth) (as inserted by ASIC Class Order [CO 13/528]), we attach, on behalf of EFDL a copy of the Replacement Bidder's Statement of EFDL dated 17 November 2017 and a copy of the marked up copy.

Yours faithfully

A handwritten signature in black ink, appearing to read "Iffla Wade", written over a horizontal line.

Iffla Wade

# BIDDER'S STATEMENT

CONTAINING AN OFFER BY

## **EASTERN FIELD DEVELOPMENTS LIMITED**

(BVI Co No 1955552) (a company jointly owned by Procap Partners Limited,  
PT Saratoga Investama Sedaya Tbk. and PT Merdeka Copper Gold Tbk.)

to acquire ALL of your ordinary shares in

## **FINDERS RESOURCES LIMITED**

(ACN 108 547 413)

for \$0.23 cash per share

# ACCEPT

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to how to deal with it, you should consult your legal, financial or other professional adviser as soon as possible.

FINANCIAL ADVISER



LEGAL ADVISER

# IFFLAWADE

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### Introduction

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This document is a Replacement Bidder's Statement given by Eastern Field Developments Limited BVI Co No 1955552 (Eastern Field) under part 6.5 of the Corporations Act as amended by ASIC Class Order [CO 13/528] and sets out certain disclosures required by the Corporations Act together with the terms of the Offer to acquire your shares in Finders Resources Limited ACN 108 547 413 (Finders).

This Replacement Bidder's Statement is dated 17 November 2017 and replaces the Bidder's Statement dated 23 October 2017. It includes an Offer dated 20 November 2017 on the Offer Terms set out in Schedule 1.

Reference to the Bidder's Statement in this document are to the Replacement Bidder's Statement unless otherwise indicated.

A copy of this Bidder's Statement was lodged with ASIC and ASX on 17 November 2017. None of ASIC, ASX nor any of their officers takes any responsibility for the content of this Bidder's Statement.

#### Investment decisions

This Bidder's Statement constitutes only general advice and does not take into consideration your individual investment objectives, financial situation or particular needs. It does not contain personal advice. Eastern Field encourages you to seek independent financial and taxation advice before deciding whether or not to accept the Offer for Your Finders Shares.

#### Forward looking statements

Some of the statements in this Bidder's Statement may be in the nature of forward looking statements and statements of current intention. The forward looking statements in this Bidder's Statement reflect views and intentions held only at the date of the Original Bidder's Statement.

You should be aware that those statements are only predictions and involve inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and those deviations are both normal and to be expected.

None of Eastern Field, its officers or any person named in this Bidder's Statement with their consent or involved in the preparation of this Bidder's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. You should not place undue reliance on those statements.

#### Notice to Foreign Shareholders

This Bidder's Statement and the Offer are subject to Australian disclosure requirements which may be different from those applicable in other jurisdictions. This Bidder's Statement and the Offer do not constitute an offer in any place which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

#### Defined terms

A number of defined terms are used in this Bidder's Statement. These terms are explained in section 9.

#### Privacy statement

Eastern Field will collect your information from the register of Finders Shareholders. The Corporations Act permits information to be made available to certain persons, including Eastern Field. Your information may also be disclosed on a confidential basis to Eastern Field-related bodies corporate and external service providers and may be required to be disclosed to regulators such as ASIC. You can contact us for details of information held by us about you.

#### Information about Finders

The information in this Bidder's Statement about Finders, Finders' securities and the Finders Group has been prepared based on public information.

Information in this Bidder's Statement about Finders concerning Finders' business, assets and liabilities, financial position and performance, profits and losses, and prospects, has not been independently verified by Eastern Field. Accordingly, Eastern Field does not, except as required by law, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.

<b>Announcement Date</b>	<b>6 October 2017</b>
<b>Original Bidder's Statement lodged with Finders, ASIC and ASX</b>	<b>23 October 2017</b>
<b>Supplementary Bidder's Statement lodged with Finders, ASIC and ASX</b>	<b>17 November 2017</b>
<b>Replacement Bidder's Statement lodged with Finders, ASIC and ASX</b>	<b>17 November 2017</b>
<b>Date of Offer and date Offer opens</b>	<b>20 November 2017</b>
<b>Close of Offer Period (unless extended or withdrawn)</b>	<b>7.00pm (Perth time) on 20 December 2017</b>

## HOW TO ACCEPT

You may only accept the Offer for all Your Finders Shares.

Depending on the nature of your holding, you may accept the Offer in the following ways:

### Issuer sponsored shareholders

If Your Finders Shares are held on Finders' issuer sponsored sub register (such holdings will be evidenced by an "I" appearing next to your holder number on the enclosed Acceptance Form), to accept this Offer you must complete and sign the Acceptance Form enclosed with this Bidder's Statement and return it to the address indicated on the form before the Offer closes.

### CHESS sponsored shareholders

If Your Finders Shares are in a CHESS Holding (such holdings will be evidenced by an "X" appearing next to your holder number on the enclosed Acceptance Form), you may accept the Offer by either:

- completing and signing the Acceptance Form enclosed with this Bidder's Statement and returning it to the address indicated on the form, so that it is received in sufficient time for your Controlling Participant (normally your broker) to effect acceptance before the Offer closes; or
- contacting your Controlling Participant and instructing them to accept the Offer on your behalf before the Offer closes.

### Participants

If you are a CHESS Participant, acceptance of this Offer must be initiated in accordance with rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Full details on how to accept the Offer are set out in section 4 of Schedule 1 of this Bidder's Statement.

### Holder of unlisted shares

If Your Finders Shares are unlisted Finders Shares, to accept this Offer you must complete and sign the Acceptance Form enclosed with this Bidder's Statement and return it to the address indicated on the form before the Offer closes.

### Acceptance Form

The Acceptance Form which accompanies this Bidder's Statement forms part of the Offer. The requirements on the Acceptance Form must be observed in accepting the Offer for Your Finders Shares.

If you are in any doubt as to how to deal with this document or complete the Acceptance Form, you should consult your legal, financial or other professional adviser.

### Information line

If you have any questions about the Offer or how to accept it, please call Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am to 5.00pm (Perth time) Monday to Friday.

**EASTERN FIELD DEVELOPMENTS LIMITED  
(BYI Co No 1955552)**

(a company jointly owned by Procap Partners Limited, PT Saratoga Investama Sedaya Tbk. and PT Merdeka Copper Gold Tbk.)

17 November 2017

Dear Finders Shareholder

**Cash Offer to acquire your shares in Finders Resources Limited**

On behalf of Eastern Field Developments Limited (Eastern Field), I am pleased to present you with this all-cash offer to acquire all your ordinary shares in Finders Resources Limited (Finders).

**Offer Overview**

Eastern Field is a special purpose vehicle jointly owned by Procap Partners Limited (Provident), PT Saratoga Investama Sedaya Tbk (Saratoga) and PT Merdeka Copper Gold Tbk (Merdeka) (together the Consortium and each a Consortium Member) to make the Offer.

Eastern Field already has a relevant interest in approximately 19.8% of Finders Shares. This represents the largest relevant interest in Finders.

By accepting the Offer, you will receive \$0.23 cash for every one of Your Finders Shares (Offer), upon the Offer becoming unconditional. Importantly, the Offer is not subject to any funding condition.

The Offer represents an attractive premium to a range of relevant pricing metrics for Finders Shares, as calculated when Eastern Field announced its intention to make an Offer (6 October 2017):

- 7.6% to the 60 day VWAP of \$0.2138 per Share;
- 10.8% to the 90 day VWAP of \$0.2077 per Share;
- 18.0% to the 180 day VWAP of \$0.1949 per Share; and
- 91.7% to the most recent equity raising price of \$0.12 per Share as completed in November 2016.

In addition, the Offer price exceeds the recently disclosed average sale prices by Finders' former substantial shareholders, Resource Capital Fund IV L.P. (RCF), a leading global resources investor, and Australian Institutional Investor Acorn Capital Limited (Acorn).

The Offer provides you with the opportunity to realise certain cash value for all Your Finders Shares, with no transaction costs and no exposure to the potential risks and uncertainties associated with Finders' Wetar Copper Project (Wetar) and a continued investment in Finders.

These key risks and uncertainties include, but are not limited to:

1. Indonesian risks, including divestment obligations and ongoing permitting risks;
2. Metallurgical risks and associated copper recovery uncertainties;
3. Limited existing JORC Reserves and significant future exploration and development risks;
4. Current short remaining period of mining operations of approximately 3 years (based on unmined JORC Reserves, JORC Reserve depletion and disclosed projected stacking rates);
5. Production risks such as the interruption to the plant announced by Finders to the ASX on 27 September which will impact on September and October 2017 production; and
6. Future copper price and foreign exchange rate volatility.

If you do not accept the Offer but Eastern Field acquires control of Finders and does not proceed to compulsory acquisition, you will become a minority shareholder in Finders. This may have several implications for you including reduced liquidity in the Finders Shares and a reduced ability for you to sell Your Finders Shares. Finally, in the absence of our Offer, Your Finders Shares may trade below the Offer price.

#### Additional background to the Offer

Provident Minerals Limited (**Provident Minerals**), an associated entity of Provident and one of the Consortium Members, has been a Finders shareholder since 2012 and an active supporter of Finders, including providing assistance to Finders in connection with successful achievement of Indonesian regulatory approvals.

You should also be aware that Provident Minerals recently undertook an unsuccessful formal sale process for its Finders shareholding via its financial adviser Argonaut (**Sale Process**). The Sale Process involved approaching a large number of potential acquirers. Consistent feedback themes received from potential acquirers were that:

1. The involvement of a strong, reputable Indonesian group as a key investor in Finders was a key prerequisite to any investment;
2. Finders' attributable interest in Wetar is small on a global basis, based on the project's JORC Reserves and Resources statement and Finders' 74.1% interest in nameplate production of 28,000 tonnes of annual production; and
3. The current mining life is too short based on the project's JORC Reserves and Resources statement.

The Sale Process has since been discontinued after limited interest and no offers being received.

Provident Minerals and Saratoga have determined their existing interest in Finders was too small in the context of their existing portfolios. This Offer will enable them to materially increase the collective 19.8% shareholding in Finders alongside Merdeka, a gold producer with a significant copper-gold development project.

If the Offer is not successful, Provident Minerals and Saratoga will review their Finders investments and may divest all their Finders Shares via a market sell down process or other means and withdraw from their involvement in Finders.

Should Provident Minerals and Saratoga elect to divest all their Finders Shares, Finders Shareholders may face increased Indonesian risks and uncertainties that could materially impair the value of Finders Shares.

#### How to Accept the Offer

Details of our Offer, including its terms and conditions, are set out in Schedule 1. We encourage you to read this document and accept the Offer as soon as possible. The Offer is open for your acceptance until 7.00pm (Perth time) on 20 December 2017.

To accept the Offer, please follow the instructions on the Acceptance Form enclosed with this Bidder's Statement. Should you have any queries please contact Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am and 5.00pm (Perth time) Monday to Friday or visit the Eastern Field website at [www.easternfielddevelopments.com](http://www.easternfielddevelopments.com).

We appreciate your consideration of our Offer and look forward to receiving your acceptance for all Your Finders Shares.

Yours sincerely



David Fowler  
Eastern Field Developments Limited  
Director



## **Eastern Field's Offer**

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- 1** Eastern Field's Offer represents attractive value

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- 2** The Offer provides all cash certainty

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- 3** The Offer removes the risks and uncertainties associated with maintaining an investment in Finders

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- 4** Eastern Field already controls Finders largest shareholding with a relevant interest of 19.8%

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- 5** You may face minority shareholder risks if you do not accept and Eastern Field obtains control of Finders

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- 6** Should the Offer not be successful, the Consortium Members will review their Finders investments and may divest all their Finders Shares and withdraw from involvement in Finders

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- 7** The trading price of Your Finders Shares may fall if Eastern Field's Offer is not successful

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- 8** Eastern Field's Offer is the only offer available to you

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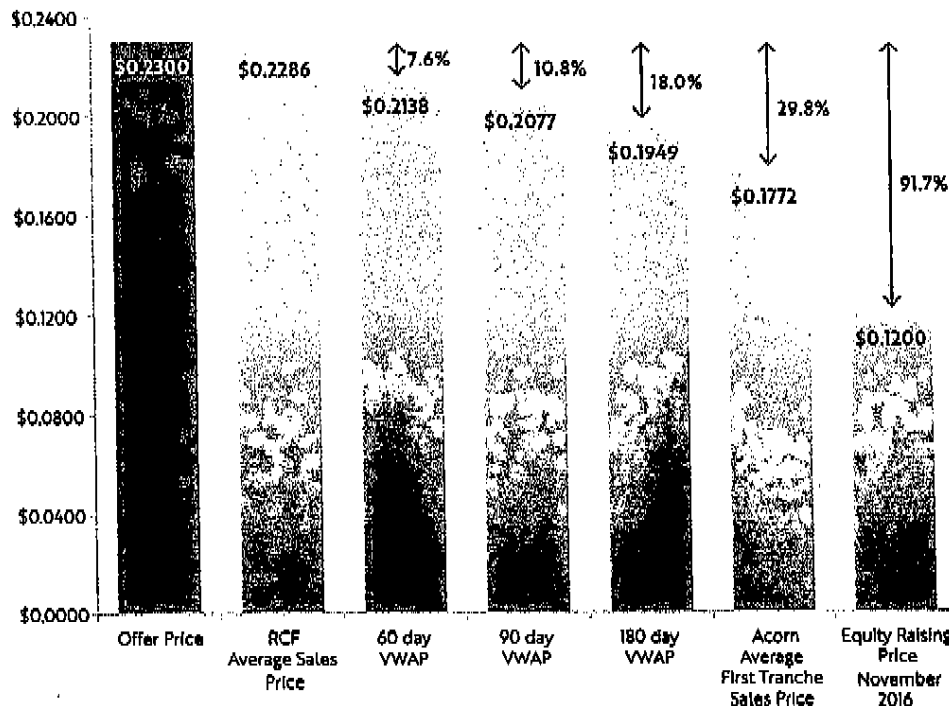
### 1.1 Eastern Field's Offer represents attractive value

The Eastern Field Offer is to acquire all of Your Finders Shares for \$0.23 cash consideration per Finders Share. This represents an attractive premium to the following pricing metrics for Finders Shares<sup>1</sup>:

- 7.6% to the 60 day VWAP of \$0.2138 per Share;
- 10.8% to the 90 day VWAP of \$0.2077 per Share;
- 18.0% to the 180 day VWAP of \$0.1949 per Share; and
- 91.7% to the most recent equity raising price of \$0.12 per Share as completed in November 2016.

In addition, the Offer price exceeds the recently disclosed average sale prices by Finders former substantial shareholders, Resource Capital Fund IV L.P. (RCF)<sup>2</sup>, a leading global resources investor, and Australian Institutional investor Acorn Capital Limited (Acorn)<sup>3</sup>.

Figure 1: Offer price is attractive to shareholders



The closing price for Finders Shares on 5 October 2017 (being the trading day immediately prior to the announcement of Eastern Field's intention to make an Offer on 6 October 2017) was \$0.23 per Share.

The closing price for Finders Shares on 14 November 2017 (being the trading day immediately prior to the date of printing of this Replacement Bidder's Statement on 15 November 2017) was \$0.24 per Share.

### 1.2 The Offer provides all cash certainty

The Eastern Field Offer provides Finders Shareholders with an opportunity to realise certain cash value for all their Finders Shares, with no transaction costs and no exposure to the potential risks and uncertainties associated with a continuing investment in Finders.

By accepting the Offer and the Offer becoming unconditional, you will:

- be paid \$0.23 in cash for each of Your Finders Shares;
- not incur any brokerage fees; and
- receive your cash consideration by the earlier of:
  - 21 days after the end of the Offer Period; and
  - within one month after the date the Offer becomes, or is declared, unconditional or the date you accept the Offer if at that time the Offer is unconditional.

The Offer is subject to Eastern Field obtaining a relevant interest in more than 50% of Finders Shares, FIRB approval and other conditions as set out in full in Schedule 2.

Importantly, the Offer is not subject to any funding condition.

- <sup>1</sup> VWAPs are calculated on the basis of ASX trading data sourced from IRESS Limited without the consent of IRESS Limited to the use of data, as permitted by ASIC Class Order 13/521. VWAPs of each of Finders Shares are calculated as at close of trade on the Pre-Announcement Trading Day (Thursday, 5 October 2017).
- <sup>2</sup> RCF reported on 6 September 2017 it ceased being a substantial shareholder in Finders after selling 50,000,000 Finders Shares (approximately 6.6% of Finders Shares on issue) at an average sale price of \$0.2286 per share.
- <sup>3</sup> Acorn reported on 17 February 2017 it reduced its substantial shareholding in Finders by selling 8,988,215 Finders Shares (approximately 1.2% of Finders Shares on issue) at an average sale price of \$0.1772 per share and that it retained 54,516,474 Finders Shares (approximately 7.2% of Finders Shares on issue). Acorn subsequently advised on 24 July 2017 it had sold Finders Shares on-market and ceased being a substantial shareholder in Finders.

The Offer removes the risks and uncertainties associated with maintaining an investment in Finders. The certainty of Eastern Field's all cash Offer compares favourably to the company specific and external risks and uncertainties to which Finders may be subject that could affect the trading price of Finders Shares.

If you do not accept the Offer you will remain exposed to the following key risks and uncertainties:

#### *Indonesian risks*

Finders' sole project is Wetar, which is located on a remote island in Eastern Indonesia.

As a developing nation Indonesia's fiscal and monetary controls, laws, policies and regulatory processes in many areas are less established and less predictable than in developed nations.

Possible sovereign risks associated with operating in Indonesia include:

1. changes to the terms of mining legislation;
2. changes in foreign ownership restrictions;
3. changes to royalty and tax arrangements;
4. failure to obtain or renew operating permits (e.g. permits to acquire and use explosives);
5. expropriation by the government or other bodies; and
6. ability to enforce legal rights.

Any of these factors may adversely affect Finders and its ability to produce copper and generate cashflow from Wetar.

In addition, mining regulations in Indonesia that affect Finders and relate to ownership of mining licences and are designed to align with the Indonesian Constitution and safeguard the principle that mineral deposits are developed for the benefit of Indonesia.<sup>4</sup> These regulations stipulate that companies with mining licences must be 51% Indonesian owned by the tenth year of production, with intermediate divestment milestones commencing from the end of the fifth year of production.

There remains uncertainty as to the application of these provisions in respect of Wetar given that mining relating to the demonstration plant first commenced in the quarter ended December 2008<sup>5</sup> and there are risks that these regulations may adversely affect the value of Finders.

#### **Metallurgical risks and associated copper recovery uncertainties**

Traditionally, copper heap leach operations focus on copper oxide and supergene sulphide deposits that are readily amenable to well proven acid leaching processes.

In contrast, Finders is a single project company and at Wetar it is currently mining at Kali Kuning, a copper sulphide deposit which includes copper minerals that require leach times in excess of 720 days to reach final recovery. As a result, Wetar's leaching process is considered non-conventional and more complex.

Finders' release to the ASX on 16 December 2016<sup>6</sup> indicated the average recoveries over a 720 day leach period, as currently used in Finders' production planning, are 75% for Kali Kuning and 50% for Lerokis.<sup>7</sup>

The project has been mining ore from Kali Kuning that has been stacked and progressively irrigated and leached since April 2015. To date, Finders has made limited disclosure on actual project recoveries compared to the assumed heap leach recovery curves, the potential impact on recovery of stockpile leach pads and the tonnes and grade of ore mined. If the actual copper recoveries from Kali Kuning under-perform the assumed average copper recovery of 75%, then this will have a material adverse impact on Finders' operational and financial performance.

In addition, the mineralogical characteristics of the Lerokis deposit are thought to vary from that of Kali Kuning and have been subject to less testwork than Kali Kuning. Consequently, Lerokis may have different leaching characteristics that may impact Wetar's production profile once Kali Kuning is depleted.

Extensive metallurgical testwork will be required to substantiate economic metallurgical recovery of other potential future deposits and there is no certainty that any such deposit will be amenable to the current processing approach.

#### **Limited existing JORC Reserves and significant future exploration and development risks**

Wetar only has a current short remaining period of mining operations of approximately 3 years based on unmined JORC Reserves as at 30 June 2016, estimated JORC Reserve depletion and disclosed projected stacking rates.<sup>8</sup>

Over the past 5 years, Finders has announced no material increase in JORC Resources. As a result, JORC Reserves, in

<sup>4</sup> These regulations include among others (i) Law No. 4 of 2009 on Coal and Mineral Mining; and (ii) Government Regulation No. 23 of 2010 on Implementation of Coal and Mineral Mining Activities, as amended by Government Regulation No. 24 of 2012, Government Regulation No. 1 of 2014, Government Regulation No. 77 of 2014 and Government Regulation No. 1 of 2017.

<sup>5</sup> See Finders announcement "Quarterly Report for Period Ending 31 December 2008" released to ASX 30 January 2009 and "Wetar Copper Project Resource Update" released to ASX 16 December 2016.

<sup>6</sup> See Finders announcement "Wetar Copper Project Resource Update" released to ASX 16 December 2016.

<sup>7</sup> Based on heap leach recovery curves modelled and extensive metallurgical test work and a series of demonstration heaps using Kali Kuning mineralisation during 2009 and 2010.

<sup>8</sup> As at 30 June 2016, unmined JORC Reserves totalled 7.8Mt as per Finders Announcement "Wetar Copper Project Resource Update" released to ASX 16 December 2016. Ore tonnes stacked in the period from 1 July 2016 to 30 June 2017 totalled 2.7Mt as disclosed in Finders Announcements "Half Year Financial Report Six month ended 30 June 2017" released to ASX 19 September 2017 and "Wetar Copper Project Q4 2016 Production" released to ASX 19 January 2017. Based on ore stacked of 2.7Mt during the period from 1 July 2016 and 30 June 2017, the implied remaining unmined JORC Reserve tonnage totals 5.1Mt. Assuming the projected annual stacking rate of 1.8Mt included in the Revised Bankable Feasibility Study for Wetar released to the ASX on 20 November 2013 continues to be achieved and the implied remaining JORC Reserve tonnage of 5.1Mt, then the remaining period of mining operations is approximately 3 years. Due to the leach cycle of 720 days, Wetar production will continue

terms of contained copper, have experienced no growth from 2012 to 2017.

Future development projects may require the successful completion of feasibility studies, agreement with the local community on access, receipt of necessary permits and adequate financing.

During the past 6 months, Finders has ceased to report southern exploration tenements as being owned by the Finders Group. These tenements were previously reported as having similar geological environments to Kali Kuning/Lerokis/Meron.

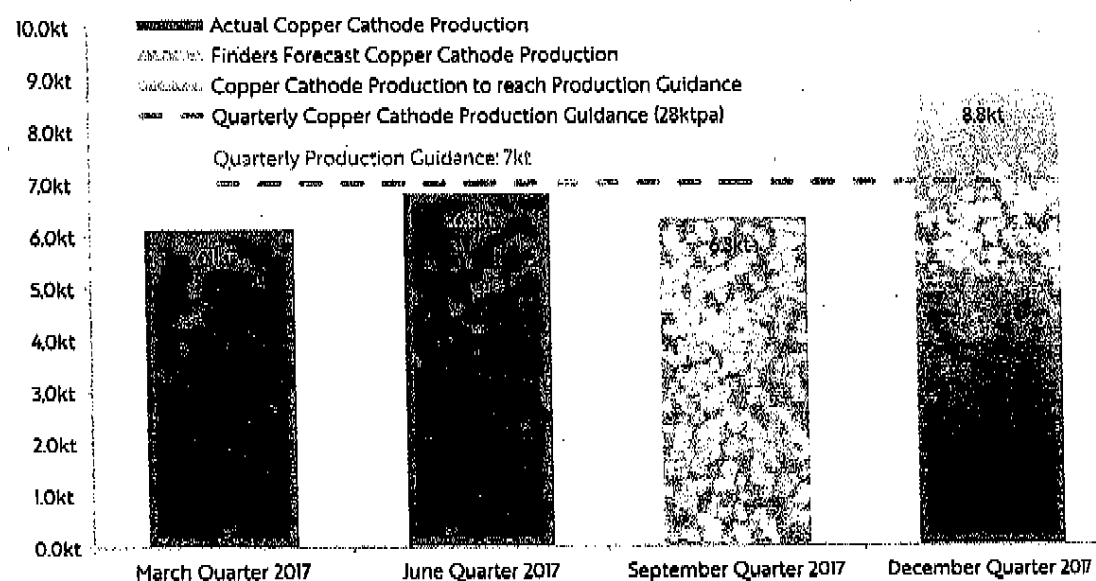
#### **Production underperformance and high operating costs relative to guidance**

On 27 September 2017, Finders announced an interruption to the major copper cathode solvent extraction-electrowinning (SX-EW) plant that is adversely affecting production of copper cathode.

As a consequence, Finders estimates that copper cathode production for the September 2017 quarter will fall approximately 500 tonnes below that achieved in the June 2017 quarter, with production in October 2017 also impacted<sup>9</sup>.

Assuming Finders' implied estimate of copper cathode production for the September 2017 quarter of 6,304 tonnes<sup>10</sup>, production in the December 2017 quarter will need to reach a minimum of 8,767 tonnes to meet the 2017 forecast copper cathode production guidance of 28,000 tonnes<sup>11</sup> (Production Guidance). Given Finders' guidance that production for October 2017 will be adversely affected, this makes it unlikely that the Production Guidance will be achieved.

Figure 3: 2017 Finders 11 Forecast Copper Cathode Production<sup>11</sup> & Production Guidance



Finders has also disclosed that it expects operating costs during the September 2017 quarter to increase because of the replacement of reagents and an increase in power usage due to circuit inefficiencies.

The forecast CI cash costs for the September 2017 quarter is expected to be in the range of US\$1.15 to US\$1.20 per pound of copper cathode produced<sup>12</sup> (vs US\$1.02 per pound of copper cathode produced in the June 2017 quarter<sup>13</sup>).

There has been limited public disclosure regarding the ongoing production underperformance and higher operating costs relative to company guidance to date. There are considerable risks and uncertainties that these operating issues may persist and continue to adversely impact the value of Your Finders Shares.

#### **Future copper price and foreign exchange rate volatility**

Finders' copper sales are priced in US dollars. Finders is therefore exposed to fluctuations in copper prices and foreign exchange rates.

The market prices for copper can fluctuate widely. These fluctuations are caused by numerous factors beyond the Company's control including, but not limited to, speculative positions taken by investors, global mine supply, global GDP growth and global or regional economic events. There is no assurance that copper prices will remain at current high levels.

By accepting the Offer, and the Offer becoming unconditional, you will be paid cash for Your Finders Shares and will not be exposed to the risks and uncertainties inherent in continuing to hold Your Finders Shares.

<sup>9</sup> beyond the estimated period of 3 years of mining operations, at rapidly reducing rates of copper production.

<sup>10</sup> See Finders announcement "Wetar Production Update" released to ASX 27 September 2017

<sup>11</sup> June 2017 quarterly copper cathode production totalled 6,804 tonnes as stated in the Finders Resources Limited Announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>12</sup> 2017 forecast stated in Finders announcements "2017 Annual General Meeting Presentation" released to ASX 25 May 2017 and "Presentation to Noosa Mining and Exploration Conference" released to ASX 21 July 2017

<sup>13</sup> Sourced from Finders Quarterly Production Reports

<sup>14</sup> See Finders announcement "Wetar Production Update" released to ASX 27 September 2017

<sup>15</sup> See Finders announcement "Quarterly Activities Report - June 2017" released to ASX 31 July 2017

**1.4 Eastern Field already controls Finders largest shareholding with a relevant interest of 19.8%**

Eastern Field already has a relevant interest in approximately 19.8% of the Finders Shares on issue. This represents the largest relevant interest in Finders.

**1.5 You may face minority shareholder risks if you do not accept and Eastern Field obtains control of Finders**

If you do not accept the Offer, but Eastern Field acquires control of Finders and does not proceed to compulsory acquisition, you will become a minority shareholder in Finders with limited influence in the running of the business.

Decisions made in respect of the business of Finders under the control of Eastern Field may, therefore, have an impact on those Finders Shareholders who do not accept the Eastern Field Offer.

Eastern Field's control over Finders may affect the liquidity of Finders Shares, thereby exposing remaining Finders Shareholders to greater volatility, less institutional support and limited analyst coverage. This could make it more difficult for you to sell Your Finders Shares at an attractive price in the future.

If the number of Finders Shareholders is less than that required by ASX Listing Rules to maintain an ASX listing then the ASX may suspend and/or de-list Finders Shares. If this occurs, any remaining Finders Shareholders will not be able to sell their Finders Shares on market.

**1.6 Should the Offer not be successful, the Consortium Members will review their Finders investments and may divest all their Finders Shares and withdraw from involvement in Finders**

Provident's associated entity, Provident Minerals, has been a Finders shareholder since 2012 and an active supporter of Finders, including providing assistance to Finders in connection with the successful achievement of Indonesian regulatory approvals. Provident Minerals also assisted Finders by introducing leading Indonesian investment company Saratoga as another supportive, high-quality Indonesian shareholder to Finders in 2013.

You should also be aware that Provident Minerals recently undertook an unsuccessful formal Sale Process for its Finders shareholding via its financial adviser Argonaut. The Sale Process occurred following Provident Minerals making a strategic decision to refocus on its investment in Merdeka, in preference to retaining its considerably smaller investment (by value) in Finders. The Sale Process involved approaching a large number of potential acquirers.

Consistent feedback themes received from potential acquirers was that:

1. The involvement of a strong, reputable Indonesian group as a key investor in Finders was a key prerequisite to any investment;
2. Finder's attributable interest in Wetar is small on a global basis based on Finders' 74.1% interest in nameplate production of 28,000 tonnes of annual production; and
3. The current mining life is too short based on the project's JORC Reserves and Resources statement.

The Sale Process has since been discontinued after limited interest and no offers being received.

Provident has now elected to form Eastern Field with several like-minded Indonesian groups to make this Offer to all shareholders to enable them to materially increase their investment in Finders.

If Eastern Field's Offer is not successful, Provident Minerals and Saratoga will undertake a review of their Finders investments and may divest their Finders Shares via a market sell-down process or other means and withdraw from involvement in Finders.

If Provident Minerals and Saratoga elect to divest all their Finders Shares then Finders Shareholders may face increased Indonesian risks and uncertainties that could materially impair the value of the Finders Shares.

You should be aware that prior to the Offer, Finders' average shares traded per month for Calendar Year 2017 represents only 2.0% of shares outstanding<sup>15</sup>. This means that should Provident Minerals and Saratoga choose to sell their Finders Shares on market then the full sale of their 19.8% interest may take a considerable time to be completed and may adversely impact the value of the Finders Shares.

**1.7 The trading price of Your Finders Shares may fall if Eastern Field's Offer is not successful**

If Eastern Field's Offer is not successful and there is no other offer made for Your Finders Shares, the trading price of Finders Shares may fall below the Offer Price.

**1.8 Eastern Field's Offer is the only offer available to you**

The Eastern Field Offer is the only offer available for all Your Finders Shares as at the date of the Original Bidder's Statement.

<sup>15</sup> Source: Bloomberg

## ABOUT THE OFFER

What is the Offer?	<p>Eastern Field is making an Offer to acquire all Your Finders Shares which are issued at the Register Date, being 24 October 2017.</p> <p>If you accept the Offer you will receive (subject to the conditions of the Offer being satisfied or waived) \$0.23 cash for each Finders Share that you elect to accept.</p>
How long is the Offer open for?	The Offer opens on 20 November 2017 and is scheduled to close at 7.00pm (Perth time) on 20 December 2017 (unless extended).
What are the conditions of the Offer?	<p>The Offer is subject to the following Conditions:</p> <ul style="list-style-type: none"> <li>(a) Receipt of FIRB Approval;</li> <li>(b) Eastern Field obtaining a relevant interest in more than 50% of Finders Shares;</li> <li>(c) no regulatory action;</li> <li>(d) no Target Prescribed Occurrences;</li> <li>(e) no Material Adverse Change;</li> <li>(f) third party consents;</li> <li>(g) no material acquisitions, disposals or commitments; and</li> <li>(h) no fall in the 3 Month Copper Price to below US\$6,000 for two consecutive days.</li> </ul> <p>This is only a summary of the key Conditions. The Conditions are set out in full in Schedule 2.</p> <p>Eastern Field may waive any or all of the Conditions in accordance with the Offer Terms.</p>
What happens if the Conditions are not satisfied?	If the Conditions to the Offer are not satisfied by the end of the Offer Period, the Offer will lapse, any acceptances will be cancelled and you will retain Your Finders Shares even if you have accepted the Offer.
Do I have to pay any fees?	<p>No brokerage costs, GST or stamp duty will be payable by you on acceptance of the Offer.</p> <p>If you choose to sell Your Finders Shares other than by acceptance of the Offer, you may incur brokerage costs and GST on those costs, and stamp duty may apply.</p>
What should I do?	<p>To accept the Offer, you should:</p> <ul style="list-style-type: none"> <li>(a) read this Bidder's Statement in full;</li> <li>(b) read the Finders Target's Statement in full (when issued);</li> <li>(c) consult your legal, financial or other professional adviser if you are in any doubt as to what action to take or how to accept the Offer; and</li> <li>(d) accept the Offer in the manner described on page 3 under the heading 'How to accept'.</li> </ul> <p>If you have any queries about the Offer, you may also call Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am to 5.00pm (Perth time) Monday to Friday.</p>
How do I accept the Offer?	<p>The Offer may only be accepted for all of Your Finders Shares.</p> <p>Full details on how to accept the Offer are set out on page 3 under the heading 'How to accept'.</p>
What will I receive if I accept the Offer?	If you accept the Offer, you will receive \$0.23 cash for each of Your Finders Shares subject to the satisfaction of the conditions of the Offer.

	<p>If you accept the Offer and the Offer is, or becomes unconditional, provided that the necessary transfer documents accompany your Acceptance Form, you will be paid within one month of the later of:</p> <p>(a) the date you accept the Offer; and</p> <p>(b) the date the Offer becomes unconditional.</p> <p>In any event, you will receive your payment within 21 days after the Offer closes (assuming all conditions of the Offer are satisfied or waived).</p>
Can I withdraw my acceptance?	<p>Once you accept the Offer (even while it remains subject to Conditions) you will not be able to sell Your Finders Shares on market or otherwise deal with the Rights attaching to Your Finders Shares, subject to your limited statutory rights to withdraw your acceptance in certain circumstances.</p>
What happens if I do not accept the Offer?	<p>If you do not accept the Offer, you will remain a Finders Shareholder and will not receive the cash consideration.</p> <p>However, Eastern Field may compulsorily acquire Your Finders Shares should it become entitled to do so. If this occurs, you will still receive the Offer Consideration for Your Finders Shares, though at a later date than you would have received it if you had accepted the Offer.</p>
Can I withdraw my acceptance?	<p>Your acceptance of the Offer is irrevocable and can only be withdrawn in certain circumstances described in the Corporations Act as set out in paragraph 4.7(a) of Schedule 1 of this Bidder's Statement.</p>
Can the Offer Period be extended?	<p>Yes, the Offer Period may be extended at the election of Eastern Field and as required under the Corporations Act. Eastern Field will give written notice of any extension of the Offer Period in accordance with the Corporations Act. Any extension will be announced to the ASX.</p>
What are the tax implications of accepting the Offer?	<p>A general description of the taxation treatment for certain Australian-resident Finders Shareholders accepting the Offer is set out in section 7.</p> <p>You should not rely on that general description as advice for your own affairs.</p> <p>You should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the Offer for Your Finders Shares.</p>
What if you are a foreign Shareholder?	<p>Foreign Shareholders will receive the same cash consideration as stipulated under the Offer, which will be paid in Australian dollars. However, the tax implications under the Offer for those foreign Shareholders may be different to those relating to Australian resident Shareholders.</p>
What are Eastern Field's intentions for Finders?	<p>Section 5 sets out detailed information about Eastern Field's intentions for Finders, including in circumstances where Eastern Field gains control of Finders, but does not compulsorily acquire all Finders Shares.</p>
Treatment of Finders Options	<p>Eastern Field is not making an offer for any Finders Options.</p>
What happens if I exercise my Finders Options?	<p>The Offer does not extend to Finders Shares that are issued after the Register Date, being 24 October 2017. If you exercise Your Finders Options prior to that date and are issued Finders Shares by that date, you can accept the Offer for those Finders Shares. You cannot accept this Offer for Finders Shares issued after that date following the exercise of your Finders Options.</p>
What not to do	<p>The information in this section is only a summary of Eastern Field's Offer and is qualified by the detailed information set out elsewhere in this Bidder's Statement. You should read the entire Bidder's Statement.</p>

## PROVIDENT MINERALS LTD. (FORMERLY & THE CONSORTIUM MEMBERS

### 3.1 Eastern Field

#### Overview

Eastern Field is a special purpose company established under the laws of the British Virgin Islands on 18 September 2017.

Eastern Field is jointly owned by Provident, Saratoga and Merdeka who each hold the following shares:

Provident	334 US\$1 ordinary shares
Saratoga	333 US\$1 ordinary shares
Merdeka	333 US\$1 ordinary shares

At the date of the Original Bidder's Statement, Eastern Field has not undertaken any business and has no assets other than its issued capital of US\$1,000 and has no liabilities other than in connection with the Offer.

#### Eastern Field Directors

The directors of Eastern Field at the date of the Original Bidder's Statement are:

##### David Fowler

David Fowler is an experienced corporate finance executive with over 25 years' experience working in the mining industry in Asia, South America and Australia. Mr Fowler is a director of Merdeka Copper Gold Tbk.

Mr Fowler holds a Bachelor of Business degree, is a Fellow of the Financial Services Institute of Australasia and was previously a member of the Institute of Chartered Accountants in Australia.

##### Harl Gurung

Harl Gurung leads the Corporate Finance and M&A section of the Provident Group. He was involved in all the three public listings for Provident Group companies on the Indonesian stock exchange – Tower Bersama (Infrastructure), Merdeka Copper Gold (Mining) and Provident Agro (Plantations). Recently, Harl led the planning, negotiations and establishment of the Indonesian e-commerce and logistics joint ventures between Provident and JD.com (the third largest e-commerce company in the world, after Amazon and Alibaba).

Harl holds a Masters in Electrical Engineering from the National University of Singapore, with First Class Honours.

### Procap Partners Limited

#### Overview

The Provident Group, which incorporates Procap Partners Limited and Provident Minerals, was established in 2004 and has invested in a wide range of investments in Indonesia including: telecommunications, agriculture, mining, oil & gas, biomass and e-commerce. In addition to establishing Merdeka, the Provident Group has successfully founded two other prominent IDX-listed companies as set out below:

- PT Tower Bersama Infrastructure Tbk. (30% ownership, market capitalisation US\$2.2 billion<sup>16</sup>); and
- PT Provident Agro (43% ownership, market capitalisation US\$194.9 million<sup>17</sup>).

The Provident Group is JD.com's strategic partner for its Indonesian e-commerce business and also has interests in e-commerce businesses in Singapore and Thailand. It is also JD.com's partner in PT Jaya Ekspress Transindo, an Indonesian logistics business.

#### Provident Directors

As at the date of the Original Bidder's Statement, the Provident Directors are:

Name	Position
Winato Kartono	Director
Hardi Wijaya Llong	Director
Gavin Caudle	Director
Douglas Lenpo Tay	Director

<sup>16</sup> Market capitalisation based on closing price as at 6 October 2017. Source Bloomberg

<sup>17</sup> Market capitalisation based on closing price as at 6 October 2017. Source Bloomberg



### 3.1. PT Saratoga Investama Sedaya (B)

PT Saratoga Investama Sedaya Tbk (IDX: SRTG) (Saratoga) is an Indonesian investment company with two decades of active investment experience in Indonesia.

Saratoga was founded in 1997 and specialises in early stage, growth stage and special situations investments in the natural resources, infrastructure and consumer goods sectors.

At the date of the Original Bidder's Statement, Saratoga has a market capitalisation of approximately US\$651.9 million<sup>18</sup> and a Net Asset Value of US\$1.6 billion<sup>19</sup> as at 30 June 2017.

#### 3.1.1 Saratoga's Board of Directors

As at the date of the Original Bidder's Statement, the Saratoga Board of Directors comprises:

Name	Position
Michael William P. Soeryadjaya	President Director
Ngo Jerry Go	Independent Director
Andi Esfandlari	Director

#### 3.1.2 Saratoga's Board of Commissioners

As at the date of the Original Bidder's Statement, the Saratoga Board of Commissioners comprises:

Name	Position
Edwin Soeryadjaya	President Commissioner
Joyce Soeryadjaya Kerr	Commissioner
Indra Cahya Uno	Commissioner
Sidharta Utama	Independent Commissioner
Anangga W. Roosdiono	Independent Commissioner

#### 3.1.3 Saratoga's Major Shareholders

As at 30 September 2017, the following persons and entities were substantial holders in Saratoga:

Substantial holder	Ownership
Edwin Soeryadjaya	31.0%
PT Unitras Pertama	32.6%
Sandiaga Salahuddin Uno	27.8%

#### 3.1.4 Publicly available information

A substantial amount of information about Saratoga is available in electronic form from Saratoga's website at <http://www.saratoga-investama.com>

Information on Saratoga's website does not form a part of this Bidder's Statement.

<sup>18</sup> Market capitalisation based on closing price as at 6 October 2017. Source Bloomberg

<sup>19</sup> Net Asset Value as disclosed in Saratoga's 1H 2017 Update Presentation

### 3.1 PT Merdeka Copper Gold Tbk.

PT Merdeka Copper Gold Tbk. (IDX: MDKA) (**Merdeka**) is an Indonesian listed mining company operating and developing the Tujuh Bukit project, located approximately 200km south-east of Surabaya in Indonesia.

Merdeka was founded in 2012 and acquired 100% ownership of the Tujuh Bukit project in 2014 after a settlement was reached between several parties who were in dispute.

At the date of the Original Bidder's Statement, Merdeka has a market capitalisation of approximately US\$620.2 million<sup>20</sup>.

#### Merdeka's Board of Directors

As at the date of the Original Bidder's Statement, the Merdeka Board of Directors comprises:

Name	Position
Adi Sjoekri	President Director
Colin Moorhead	Vice President Director & Chief Executive Office
Gavin Caudle	Executive Director
Hardi Liong	Director
Michael Soeryadjaya	Director
David Fowler	Director
Rony Hendropriyono	Director
Chrisanthus Supriyo	Independent Director

#### Merdeka's Board of Commissioners

As at the date of the Original Bidder's Statement, the Merdeka Board of Commissioners comprises:

Name	Position
Edwin Soeryadjaya	President Commissioner
Garibaldi Thohir	Commissioner
Dhohir Farisi	Independent Commissioner
Richard Bruce Ness	Independent Commissioner

#### Merdeka's Executive Management Team

As at the date of the Original Bidder's Statement, the key members of Merdeka's Executive Management Team comprise:

Name	Position
Colin Moorhead	Vice President Director & Chief Executive Office
David Fowler	Chief Financial Officer
Peter Scanlon	General Manager Studies and Construction
Gavin Caudle	Executive Director
James Francis	General Manager Operations

#### Merdeka's Major Shareholders

As at the date of the Original Bidder's Statement, Merdeka's major shareholders are listed below:

Substantial holder	Ownership
PT Provident Capital Indonesia <sup>21</sup>	21.0%
PT Saratoga Investama Sedaya Tbk <sup>22</sup>	18.3%
Garibaldi Thohir	6.8%
Merdeka Mining Partners Pte Ltd (Provident Group owns 44.75% and Saratoga's subsidiary PT Trimitra Karya Jaya owns 40.59% of this company)	6.9%
Maya Ambarsari	8.7%
Regional government of Banyuwangi	6.4%

#### Publicly available information

A substantial amount of information about Merdeka is available in electronic form from Merdeka's website at <http://www.merdekacoppergold.com>.

Information on Merdeka's website does not form a part of this Bidder's Statement.

<sup>20</sup> Market capitalisation based on closing price as at 6 October 2017. Source Bloomberg

<sup>21</sup> PT Provident Capital Indonesia (part of the Provident Group) owns 21.0% through the 16.5% holding of its wholly owned subsidiary PT Mitra Dava Musika and through the 4.5% holding of its wholly owned subsidiary PT Sriwaja Kapital

<sup>22</sup> Saratoga's holding is via its 86.5% interest in PT Trimitra Karya Jaya who has a 13.69% holding and a further 4.6% direct holding

#### 4.1 Disclaimer

The following information on Finders has been prepared by Eastern Field using publicly available information which has not been independently verified. Accordingly, Eastern Field does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.

The information on Finders in this Bidder's Statement should not be considered comprehensive. Certain information and risks in relation to Finders may exist in relation to which Eastern Field is unaware.

In addition, the Corporations Act requires Finders to provide a Target's Statement to Finders Shareholders in response to this Bidder's Statement, setting out certain material information concerning Finders. The Finders Board will have an opportunity to identify any additional information that may be material to a Finders Shareholder's decision, including to correct any information about Finders in this section, in the Target's Statement, which is due to be sent to Finders Shareholders no later than 15 days after this Bidder's Statement has been despatched.

#### 4.2 Overview of Finders

Finders Resources Limited (ASX Code: FND) (Finders) is an ASX listed copper producer operating the Wetar Copper Project (Wetar) located on the remote Wetar Island in the province Maluku Barat Daya, Eastern Indonesia. Typical access to Wetar Island is by boat which takes approximately 14 hours from Kupang.

Finders was incorporated on 30 March 2004 and listed on the ASX on 8 June 2007<sup>23</sup>.

As at 30 June 2017, Finders' economic ownership in Wetar was disclosed as 74.1%. The remaining economic interests are held by Posco Daewoo Corporation and a local Indonesian partner<sup>24</sup>.

Finders currently holds its economic interest in Wetar through subsidiary, PT Batutua Tembaga Raya (BTR), which is an Indonesian limited liability foreign capital investment company (PMA). BTR in turn holds 70% of PT Batutua Kharisma Permai (BKP) which is the registered holder of the mining assets.

Wetar comprises the brownfield development, open pit mining and processing of sulphide deposits at Kali Kuning and Lerokis located within 3 kilometres of the coast on Wetar Island, which is mountainous and heavily forested.

Wetar Island has a population of ~9,000 people who live mainly on the flat coastal plains relying predominantly on subsistence agriculture and spice exports<sup>25</sup>. Infrastructure for the Wetar Copper Project includes a wharf, accommodation camp, roads, on-site diesel power generators and an emergency access air strip.

Finders currently operates a 25,000 tonne per annum (tpa) copper cathode SX-EW plant, commissioned in May 2016, and a 3,000 tpa SX-EW expanded demonstration plant, commissioned in April 2014, giving a combined annual production capacity of 28,000 tonnes copper cathode.

Ore is currently sourced from the Kali Kuning pit with the Lerokis pit planned to provide ore feed in the future. Processing involves heap leaching of transitional and fresh sulphide ore followed by solvent exchange electrowinning to produce copper cathode.

For the six months ended June 2017, Finders produced 12,929 tonnes of copper cathode at a CI cash costs of US\$1.03/lb and an all-in sustaining cost (AISC) of US\$1.36/lb<sup>26</sup>.

Wetar only has a current short remaining period of mining operations of approximately 3 years based on unmined JORC Reserves as at 30 June 2016, estimated JORC Reserve depletion and disclosed projected stacking rates<sup>27</sup>.

As at 30 June 2017, Wetar had total debt of US\$73.6 million<sup>28</sup> (including a VAT facility)<sup>29</sup> repayable over the period to March 2019<sup>30</sup> and a cash position of A\$4.4 million<sup>31</sup>.

<sup>23</sup> Sourced from Finders Website: <http://findersresources.com/finders/company-profile/>

<sup>24</sup> See Finders announcement "Half Year Financial Report Six month ended 30 June 2017" released to ASX 19 September 2017

<sup>25</sup> Sourced from Finders Website: <http://findersresources.com/wetar-copper-project/project-description/>

<sup>26</sup> See Finders announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>27</sup> See footnote 8 on page 8 for supporting information

<sup>28</sup> See Finders announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>29</sup> See Finders announcement "June 2017 Half Year Results Summary" released to ASX 19 September 2017

<sup>30</sup> See Finders announcement "June 2017 Half Year Results Summary" released to ASX 19 September 2017

<sup>31</sup> See Finders announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

### 4.3 Finders Board and Senior Management

#### Finders Board

As at the date of the Original Bidder's Statement, the Finders Board<sup>32</sup> comprises:

Name	Position
Gary Comb	Non-Executive Chairman
Barry Cahill	Managing Director
Gavin Caudle	Non-Executive Director
Gordon Galt	Non-Executive Director

#### Finders Senior Management

As at the date of the Original Bidder's Statement, the key members of the Finders Senior Management team are<sup>33</sup>:

Name	Position
Barry Cahill	Managing Director
Wayne Apted	Chief Financial Officer
Susan Hunter	Company Secretary

### 4.4 Finders' Securities and Capital Structure

According to documents lodged by Finders with ASX as at the date of the Original Bidder's Statement, the following securities in Finders are currently on issue<sup>34</sup> and Finders has agreed to grant 11,000,000 performance rights<sup>35</sup>.

Class	Number
Fully paid ordinary shares	772,367,245 <sup>36</sup> including 10,500,000 Unlisted Employee Shares
Unlisted Converting Notes	12,248,538
Performance Rights	11,000,000 of which 4,000,000 have agreed to be granted to the Managing Director, Mr Barry Cahill <sup>37</sup>

Further Details in relation to the Unlisted Employee Shares, Unlisted Convertible Notes and Performance Rights are described below.

#### Performance Rights

At the Finders AGM held in May 2017, the directors asked shareholders to approve a performance rights plan adopted by the Finders Board (2017 Plan) under which a limited number of employees and directors of the Finders Group (eligible participants) may be offered performance rights over shares in the Company instead of annual bonuses. Performance rights entitle the holder to be issued shares once the vesting conditions are satisfied.

Shareholders were advised in the Explanatory Memorandum relating to the 2017 Plan that performance rights would be offered in lieu of part of or all of the eligible participant's annual short term incentive. The number of performance rights would be determined by the annual bonus entitlement and the market price of ordinary shares at the time of issue. The following example was given: "For instance, if an executive was entitled to a bonus of \$50,000 and the market price of shares in the Company at the time was \$0.25 then the executive would be entitled to 200,000 performance rights instead of the bonus. The rights would vest after a period to be set by the Board but expected to be 2 years. If the executive left prior to the end of the vesting period then he or she would forfeit their performance rights. At the end of the vesting period, the executive would be entitled to convert the rights to ordinary shares for nil consideration." After considering this explanation, Shareholders approved the 2017 Plan.

The 2017 Plan provides that if a takeover offer is made in relation to Finders and becomes unconditional, the vesting conditions and the performance criteria for the performance rights will be deemed to be met and the performance rights automatically vest (takeover vesting provision).

<sup>32</sup> See Finders announcement "Annual Report 2016" released to ASX 24 April 2017

<sup>33</sup> See Finders announcement "Change of Chief Financial Officer and Company Secretary" released to ASX 12 September 2017

<sup>34</sup> See Finders announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>35</sup> This was confirmed by Finders advisers in comments on the Announcement

<sup>36</sup> See Finders announcement "Appendix 3B - release from escrow" released to ASX 19 October 2017, "Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017 and "Final Share Buy-back Notice" released to ASX 28 April 2017

<sup>37</sup> See Finders announcement released to ASX 25 September 2017

Eastern Field has been informed by Finders' advisors that Finders has agreed to issue 11 million performance rights under the 2017 Plan which include the 4 million performance rights which the Company has announced are to be granted to the Managing Director, Mr Barry Cahill.<sup>38</sup> The announcement indicates that the 4 million performance rights would be granted to Mr Cahill as a long term incentive and be issued in 3 tranches. According to the announcement, Mr Cahill will also be granted the opportunity to earn a short term incentive paid in shares issued under the 2017 Plan equal to a percentage of his base salary each financial year subject to performance against key objectives set by the Board's remuneration committee.

Eastern Field is unaware of the vesting conditions and the performance criteria relating to the remaining 7 million performance rights and whether these performance rights were also issued as long term incentives notwithstanding the clear and unambiguous statement made to shareholders in the explanatory memorandum that they would be issued as short term incentives.

Whether the performance rights issue as a short term incentive (as set out in the explanatory memorandum for the AGM) or as a long term incentive (as is the case with Mr Cahill) is extremely relevant as the performance rights will vest and become rights to ordinary shares for which the holder will pay no consideration if the Offer becomes unconditional. While this may be appropriate where the participant takes the performance rights instead of a bonus payable to the participant, it is very different in the case of a long term incentive where in the early years it simply results in a windfall benefit for the participant.

Eastern Field would question whether the takeover vesting provision is an appropriate term to apply to a long term incentive. Finders shareholders may not have voted in favour of the 2017 Plan if they had been informed that it was also intended to issue performance rights as long term incentives under the 2017 Plan.

The effect of issuing performance rights under the 2017 Plan as a long term incentive can be seen in the context of the 4 million performance rights which have agreed to be granted to Mr Cahill. If the Offer becomes unconditional, he will be entitled to receive 4 million Finders Shares (which based on the Offer price would be worth \$920,000) regardless of whether he has made any progress in achieving the vesting conditions under his long term incentives.

The effect of the takeover vesting provision means that if the Offer becomes unconditional there will be an issue of 11,000,000 ordinary shares in Finders to the holders of the performance rights which equals 1.4% of the issued ordinary shares in Finders (which based on the Offer price would be worth \$2,530,000) without the payment of any further consideration. This clearly impacts on the price that a potential bidder will offer shareholders.

If the Offer becomes unconditional, the 11,000,000 shares will issue after the Register Date so they will be outside of the bid class and will not be capable of being sold into the Offer.

#### Unlisted Employee Shares

The Company has issued incentive shares to employees and the managing director under the Finders 2013 Employee Share Ownership Plan (ESOP) as well as incentive shares to the Non-Executive Chairman on similar terms to the ESOP. This share-based compensation under which the employees and directors purchase shares is funded by limited recourse loans from the Company and is accounted for as a share-based payment and expensed over the expected life of the options inherent in the arrangement with a corresponding credit to the share-based payments reserve. Incentive shares are issued under the ESOP subject to specified vesting conditions which are specific to each participant and only once these vesting conditions are satisfied.

The details of the Shares issued under the ESOP are<sup>39</sup> 10,500,000 vested and unvested Director's Incentive Shares issued at prices from \$0.2008 to \$0.3008 funded by loans from the Company and subject to performance and time base vesting conditions.

If the Offer becomes unconditional, under the ESOP the vesting conditions will be deemed to have been met and the loan made to fund the purchase of the shares becomes due and payable and the participant is permitted to sell the shares but has no liability for any shortfall between the sale price and the amount of the loan.

#### Unlisted Convertible Notes<sup>40</sup>

The Company raised US\$5,500,000 from Standard Bank Plc in 2012 pursuant to mandatory Converting Notes, which will convert into 12,248,538 shares in the Company on or before 16 March 2018 at a conversion price of \$0.427 per share. The Notes will convert into shares and have been treated as equity for accounting purposes.

If Converting Notes were exercised by the Register Date and the resulting shares issued by the Register Date, the resulting shares will be included in the bid class and be the subject of an Offer. Otherwise they will be outside of the bid class and will not be capable of being sold into the Offer.

<sup>38</sup> See Finders announcement released to ASX 25 September 2017

<sup>39</sup> See Finders announcement "Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017 and "Appendix 3B - release from escrow" released to ASX 19 October 2017

<sup>40</sup> See Finders announcement "Annual Report 2016" released to ASX 24 April 2017

#### 4.4 Unlisted options

Finders also had the following unlisted options:

Number	Grant Price	Expiry Date
31,298,904	\$0.2556	22 October 2017

To the extent they have not been exercised by the date of the Original Bidder's Statement, they will have expired. If they were exercised by the date of the Original Bidder's Statement and the resulting shares issued by the Register Date, the resulting shares will be included in the bid class and be the subject of an Offer.

#### 4.5 Substantial Shareholders

Based on publicly available information given to ASX as at the date of the Original Bidder's Statement, the following persons and entities were substantial holders in Finders Shares<sup>41</sup>.

Substantial holder	Finders Shares	Ownership
Eastern Field and Consortium Members	153,248,198 <sup>42</sup>	19.8%
Taurus SM Holdings Pty Limited	87,339,525 <sup>43</sup>	11.3%

#### 4.6 Financial results

On 20 September 2017, Finders issued its financial results for the half-year ended 30 June 2017. The financial results announcement is available via the ASX.

#### 4.7 Publicly available information

As a company listed on ASX, Finders is subject to regular reporting and continuous disclosure obligations. Among other things, Finders is required to immediately notify ASX of any information of which it becomes aware which a reasonable person would expect to have a material effect on the price or value of Finders Shares, subject to certain exceptions. Announcements made by Finders to ASX are available from the ASX website at [www.asx.com.au](http://www.asx.com.au).

Further publicly available information about Finders is available on its website at <http://findersresources.com>

<sup>41</sup> See Finders announcement "Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>42</sup> See Finders announcement "Presentation to Noosa Mining and Exploration Conference 2017" released to ASX 21 July 2017 and "Ceasing to be a substantial holder notices" released to ASX 24 July 2017 and 7 September 2017

<sup>43</sup> Provident Minerals also has a relevant interest in 106,214,208 of these shares

<sup>44</sup> See Finders announcement "Change in substantial shareholding" released to ASX 21 November 2016

### 5.1 Introduction and important notes

This section sets out Eastern Field's and the Consortium Members' current intentions for:

- the continuation of Finders' business;
- any major changes to be made to Finders' business, including any redeployment of the fixed assets of Finders; and
- the future employment of the present employees of Finders.

Eastern Field's current intentions for Finders have been formed following a review of facts, information and circumstances about Finders that were publicly available at the date of the Original Bidder's Statement.

The intentions set out in this section are subject to a general strategic review that Eastern Field will undertake soon after the Offer has closed. As such, statements set out in this section are statements of current intention only which may change as new information becomes available or circumstances change.

Eastern Field's intentions as set out in this Bidder's Statement have been approved by the Consortium Members and also reflect the intentions of the Consortium Members as at the date of the Original Bidder's Statement.

### 5.2 Intentions upon acquisition of 90 percent or more of Finders Shares

Without limiting the comments in section 5.1, this section sets out Eastern Field's current intentions should it acquire 90 percent or more of Finders Shares and become entitled to proceed to compulsory acquisition in respect of the outstanding Finders Shares it does not own.

#### Compulsory acquisition

At this time Eastern Field has made no decision on whether it will compulsorily acquire any outstanding Finders Shares under part 6A.1 of the Corporations Act if it becomes entitled to do so. Any decision will be made following, inter alia, a review of the tax considerations of Finders becoming a wholly owned subsidiary and the consequential delisting of Finders from the ASX.

#### Amend Finders constitution

If Finders becomes wholly owned by Eastern Field, Eastern Field will amend the constitution of Finders to reflect its status as a wholly owned subsidiary of Eastern Field and will seek to convert Finders from a public company to a proprietary company.

#### Directors

If Finders becomes wholly owned by Eastern Field, its directors will be nominated by the Eastern Field Board. The composition of the Finders Board during the transition period between Eastern Field becoming entitled to compulsorily acquire Finders Shares and that compulsory acquisition right being exercised will depend on the willingness of the Finders Board at that time to appoint Eastern Field nominees. Eastern Field intends to replace all members of the Finders Board (other than Mr Gavin Caudle) with Eastern Field nominee directors.

Those nominees have not yet been identified by Eastern Field.

#### Operations

Eastern Field has not had access to all information necessary to determine the current status of Finders' projects, and the financial status and other resources required in connection with the development of those projects. After the close of the Offer, Eastern Field (together with the reconstituted Finders Board) intends to conduct a broad-based review of Finders' overall business at a strategic, financial and operational level. The review will focus on Finders' operations assessing operational performance as well as what work is required in the future. This will determine the level of financial and other resources necessary to optimise the development of Finders' assets.

#### Employees

As stated above, Eastern Field will conduct a strategic review of Finders' business. As part of this strategic review, Eastern Field intends to evaluate the capabilities and fit of the existing Finders employees.

### 5.2 Intentions upon acquisition of less than 90 percent of Finders Shares

This section sets out Eastern Field's current intentions if, by virtue of acceptance of the Offer, it gains effective control of Finders but does not proceed to compulsory acquisition of the outstanding Finders Shares.

#### 5.2.1 Intentions

Depending on the level of ownership achieved, it is Eastern Field's intention to replace some or all of the members of the Finders Board (and the board of any company on which Finders has nominee directors) with Eastern Field's nominee directors. The number of directors that Eastern Field seeks to appoint will depend on its level of voting power in Finders. To ensure appropriate governance arrangements, Eastern Field may look to appoint independent directors to the Finders Board.

#### Intentions generally (including about matters at section 5.2 above)

If Finders becomes a controlled entity but not a wholly owned subsidiary of Eastern Field, it is the present intention of Eastern Field to procure that the new Finders Board implements the objectives and goals outlined in section 5.2 to the extent possible and appropriate.

#### Exploration and Development

Over the past 5 years, Finders has announced no material increase in resources. As a result, Wetar only has a current short remaining period of mining operations of approximately 3 years based on stated JORC Reserves as at 30 June 2016, estimated JORC Reserve depletion and disclosed projected stacking rates<sup>45</sup>.

Eastern Field considers that considerable additional focus on, and resources for, exploration and development activities will be required in the foreseeable future to ensure mining operations are able to continue beyond the currently estimated period of approximately 3 years. The requirement for additional focus and resources is considered particularly urgent in the context of time taken to achieve historical permits, once JORC Resources are defined.

Eastern Field intends to ensure more funding is available to fast track much needed exploration and development efforts. This may require further equity raisings.

#### Limitations on intentions

To the extent that Finders is not a wholly owned subsidiary of Eastern Field and there are minority shareholders of Finders, Eastern Field intends to ensure that the Eastern Field nominees appointed to the Finders Board will act at all times in accordance with their fiduciary duties and that all requisite shareholder approvals and other legal requirements are complied with in pursuing the intentions outlined above.

The requirement to have regard to those fiduciary duties in the context of a partly owned company and the possible requirements of minority shareholder approval may prevent this particular objective being achieved.

### 5.4 Intentions for Finders if not controlled by Eastern Field

The Offer is conditional upon, inter alia, Eastern Field acquiring a relevant interest in more than 50% of the Finders Shares. Eastern Field reserves its right to declare the Offer free of such a condition (or any other condition).

If the Offer is not successful, Provident Minerals and Saratoga will undertake a review of their Finders investment and may divest their Finders Shares via a market sell-down process or other means and withdraw from involvement in Finders.

### 5.5 Consortium Members' longer term intentions

Subject to receiving any necessary approvals from the shareholders of Merdeka it is the intention of the Consortium Members to fund the repayment of the loans of Eastern Field by issuing further shares in Eastern Field to Merdeka which would result in Merdeka acquiring a controlling interest in Eastern Field.

### 5.6 Intentions generally

Except for the changes and intentions set out in this section 5, Eastern Field intends, based on the information presently known to it:

- to continue to focus on Wetar; and
- otherwise not to make any major changes to the business of Finders or the deployment of Finders' assets.

<sup>45</sup> See footnote 8 on page 8 for supporting information



#### 6.1 Total cash consideration

The consideration for the acquisition of Your Finders Shares under the Offer will be satisfied wholly in cash via payment by Eastern Field.

The amount of cash that Eastern Field would be required to pay under the Offer if acceptances are received in respect of Finders Shares on issue as at the date of the Original Bidder's Statement would be A\$142.4 million\*\* (Offer Amount).

#### 6.2 Funding arrangements

The Consortium Members have committed on an irrevocable and unconditional basis to provide Eastern Field with up to the Offer Amount plus any associated transaction costs incurred by Eastern Field (Total Funding Amount).

The funding will stay in place as long as Eastern Field has an outstanding obligation to make payments under the Offer and is not subject to any conditions precedent. Eastern Field is entitled to call on the funds committed by the Consortium Members at any time for the purpose of making payments under the Offer, subject to the Offer becoming unconditional.

Saratoga, Provident and Merdeka have agreed as between themselves that they will fund the Total Funding Amount and the amount which will be required for Eastern Field to pay the purchase price to Provident Minerals and Saratoga under the Sale and Purchase Agreements referred to in section 8.3 in equal shares. The purchase price payable under the Sale and Purchase Agreements referred to in section 8.3 will be credited against Provident and Saratoga's funding commitments.

Saratoga will fund the balance of its funding commitment using the available cash reserves of Saratoga and its subsidiaries, which at the date of the Original Bidder's Statement amount to US\$77 million<sup>47</sup> and which are available to fund its portion of the Total Funding Amount and any shortfall Saratoga is required to fund directly to Eastern Field on account of Merdeka.

Provident will fund the balance of its funding commitment using available lines of credit, under its club facilities with its banking club<sup>48</sup>. The undrawn commitments under these facilities amount to US\$40 million and are currently available to be drawn down and may be used to fund its portion of the Total Funding Amount and any shortfall Provident is required to fund directly to Eastern Field on account of Merdeka.

Merdeka will fund its funding commitment using its available cash reserves (which at the date of the Original Bidder's Statement amount to US\$19 million) and the balance of its commitments will be sourced by drawing down under an existing US\$ credit facility provided by BNP Paribas, Societe Generale Hong Kong branch and The Hong Kong and Shanghai Banking Corporation Limited subject to it being amended as follows. Merdeka is currently negotiating with its lenders to permit a further US\$40 million to be drawn down to fund the balance of its portion of the Total Funding Amount. Saratoga and Provident have agreed that if the increased facility is not available by the time the commitment to Eastern Field is called upon, they will fund any shortfall of Merdeka's portion directly to Eastern Field until the funds are available.

The funds committed by the Consortium Members are not required for any other arrangements or obligations of the Consortium Members.

#### 6.3 No hedging

There are no current hedging arrangements in place for movements in exchange rates in respect of the arrangement described in this section 6. However Eastern Field expects that the funds available under those arrangements will be sufficient to pay the Total Funding Amount in the event of an adverse movement in exchange rates.

#### 6.4 Provision of consideration

On the basis of the arrangements described in this section 6, Eastern Field is of the opinion that it has reasonable grounds for holding the view, and holds the view, that it will be able to provide the consideration offered under the Offer as well as the costs associated with the Offer.

<sup>46</sup> Based on the 619,119,047 Finders Shares that Eastern Field is offering to acquire at \$0.23 per Share

<sup>47</sup> This includes a deposit of IDR370,000,000,000 which has been converted to USD using an exchange rate of 1USD = 13,500 IDR.

<sup>48</sup> Members of the Banking Club are Australia and New Zealand Banking Group Limited, Barclays Bank PLC, BNP Paribas, DBS Bank Ltd, The Hong Kong and Shanghai Banking Corporation Limited, Maybank Investment Bank Berhad and United Overseas Bank Limited

## 7.1 Introduction

The following is a summary of the potential Australian income tax consequences generally applicable to a Finders Shareholder who disposes of Finders Shares under the Offer. This summary is based on the law and practice in effect on the date of the Original Bidder's Statement.

The following summary is not intended to be an authoritative or complete statement of the tax law applicable to the specific circumstances of every Finders Shareholder.

In particular, the summary is only applicable to Finders Shareholders that are Australian residents for income tax purposes, hold post CGT shares, and hold their Finders Shares on capital account for income tax purposes.

The summary does not apply to Finders Shareholders who:

- hold their Finders Shares in the course of carrying on a business (e.g. as trading stock) or on revenue account (e.g. as part of a profit-making undertaking or scheme);
- acquired their Finders Shares pursuant to an employee share, rights or option scheme; or
- are subject to the Taxation of Financial Arrangements provisions in Division 230 of the Income Tax Assessment Act 1997.

All Finders Shareholders are advised to seek independent professional advice about their particular circumstances. Non-resident Finders Shareholders should seek their own advice on the Australian and foreign taxation consequences of any disposal of their Finders Shares.

## 7.2 CGT consequences on the disposal of Finders Shares

### CGT Event

A disposal by a Finders Shareholder of their Finders Shares pursuant to the Offer will constitute a CGT event for the Finders Shareholder. The date of the CGT event will be the date the contract to dispose of the Finders Shares is entered into by the Finders Shareholder, or in the case of compulsory acquisition, the date when the Finders Shareholder ceases to be the owner of Finders Shares.

### Calculation of Capital Gain or Capital Loss

Finders Shareholders will make a capital gain to the extent that the capital proceeds from the disposal of the Finders Shares are more than the cost base of those Finders Shares. Conversely, Finders Shareholders will make a capital loss to the extent that the capital proceeds from the disposal are less than their reduced cost base of those Finders Shares.

### Cost Base

The cost base of Finders Shares generally includes the purchase price paid for the shares and certain non-deductible incidental costs of their acquisition and disposal. The reduced cost base of the Finders Shares is usually determined in a similar, but not identical, manner.

### Capital Proceeds

The capital proceeds from a disposal of Finders Shares is generally the amount of consideration received by the Finders Shareholder for the disposal.

### Other Issues

If a Finders Shareholder makes a capital gain from a disposal of Finders Shares, the capital gain is aggregated with other capital gains made by the Finders Shareholder in the same income year. Any available capital losses of the Finders Shareholder from the same or previous income years may then be offset against the capital gains (subject to satisfaction of loss recoupment tests). If there is a capital gain remaining after application of available capital losses, the Finders Shareholder may be entitled to apply a discount (see below). Any net capital gain after applying the discount (if applicable) is included in assessable income of the Finders Shareholder in that income year.

Individuals, complying superannuation entities and trusts that have held the CGT asset to which the capital gain relates for at least 12 months before the CGT event may be entitled to discount the amount of the capital gain (after application of capital losses) by 50% in the case of individuals and trusts or by 33⅓% for complying superannuation entities. For trusts, the ultimate availability of the discount for beneficiaries of the trust in relation to distribution of capital gains by the trust will depend on the particular circumstances of the beneficiaries. No discount is available for Finders Shareholders that are companies.

If a Finders Shareholder makes a capital loss from the disposal of their Finders Shares, the capital loss may only be used to offset capital gains of the Finders Shareholder in the same or future income years (subject to satisfaction of loss recoupment tests).

#### **7.3 GST and stamp duty**

The disposal of Finders Shares under the Offer should not be subject to GST. Finders Shareholders may be charged GST on costs they incur which relate to the disposal transaction (e.g. legal, financial and tax adviser fees). Certain Finders Shareholders may be entitled to claim input tax credits or reduced input tax credits in relation to the GST amount incurred on these costs, but should seek independent tax advice in relation to their individual circumstances.

Finders Shareholders who dispose of their Finders Shares will not incur any Australian duty under the Offer. Eastern Field will pay any duty in connection with the Offer.

#### **7.4 Obtain your own taxation advice**

Do not rely on the comments or the statements contained in this Bidder's Statement as advice about your own affairs. The taxation laws are complex and there could be implications in addition to those generally described in this Bidder's Statement.

Accordingly, consult your own tax advisers for advice applicable to your individual needs and circumstances. To the extent permitted by law, neither Eastern Field nor any of its Directors or advisers accept any liability or responsibility in respect of any statement concerning the tax consequences to particular Finders Shareholders from disposing of their Finders Shares under the Offer.

### 8.1 Pro-bid agreements

On 6 October 2017, the Consortium Members and Eastern Field entered into a Consortium Agreement that sets out the basis on which the Consortium Members regulate as between themselves, all matters relating to the conduct of the Offer including the ownership and operation of Finders.

Under the Consortium Agreement Eastern Field is prohibited from taking certain actions including selling, transferring or otherwise disposing or granting an interest in its assets without the approval of all Consortium Members.

### 8.2 Interests in Finders securities

At the date of the Original Bidder's Statement and immediately before the first Offer is dispatched, the number of Finders Shares in which Eastern Field and the Consortium Members had a relevant interest is set out below:

Class of securities	Total number of shares in class in which Eastern Field and the Consortium Members had a relevant interest	% of Finders Shares on issue at the date of the Bidder's Statement
Finders Shares	153,248,198	19.8%

As at the date of the Original Bidder's Statement and immediately before the first Offer is dispatched, Eastern Field and the Consortium Members had voting power in Finders of 153,248,198 shares which at the date of the Original Bidder's Statement amounts to 19.8% of the voting power in Finders.

### 8.3 Dealings in Finders Shares and other securities

On 6 October 2017, Eastern Field entered into a conditional sale and purchase agreement with Provident Minerals Limited (an associate of Provident) and agreed to purchase 106,214,208 Finders Shares for a purchase consideration of \$0.23 per Finders Share subject to this Offer becoming unconditional on before the expiration of the Offer Period.

On 6 October 2017, Eastern Field entered into a conditional sale and purchase agreement with Saratoga and agreed to purchase 47,033,990 Finders Shares for a purchase consideration of \$0.23 per Finders Share subject to this Offer becoming unconditional on before the expiration of the Offer Period.

Except as set out above, neither Eastern Field nor any of the Consortium Members, nor any of their respective associates has provided, or agreed to provide, consideration for Finders Shares, Finders Options or any other Finders security under any purchase or other agreement during the four months before the date of the Original Bidder's Statement.

### 8.4 No escalation agreements

Neither Eastern Field nor any of the Consortium Members, nor any of their respective associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

### 8.5 Details of directors' relevant interests in Finders Shares

At the date of the Original Bidder's Statement, no directors of Eastern Field or Eastern Field's Members have a relevant interest in Finders Shares.

Winato Kartono, Hardi Wijaya and Gavin Caudle are each directors of Procap Partners Limited which has a relevant interest in the 153,248,198 shares which Eastern Field has agreed to buy. However none of Winato Kartono (who has a 40% interest in Procap Partners Limited), Hardi Wijaya (who has a 30% interest in Procap Partners Limited) or Gavin Caudle (who has a 30% interest in Procap Partners Limited), control Procap Partners Limited and therefore does not have a relevant interest in the 153,248,198 shares which Eastern Field has agreed to buy.

Each of Winato Kartono, Hardi Wijaya and Gavin Caudle are also directors of Provident Minerals which has a relevant interest in the 106,214,208 shares which are currently owned by Provident Minerals and which Eastern Field has agreed to buy. Provident Minerals is a subsidiary of Provident Capital Partners Pte Limited which in turn is owned by Winato Kartono (who has a 40% interest), Hardi Wijaya (who has a 30% interest) and Gavin Caudle (who has a 30% interest). As none of Winato Kartono, Hardi Wijaya and Gavin Caudle control Provident Capital Partners Pte Limited, none of them has a relevant interest in the 106,214,208 shares which are currently owned by Provident Minerals.

### 8.6 Including benefits given during previous four months

Except as set out in section 8.3 or elsewhere in this Bidder's Statement, neither Eastern Field nor the Consortium Members nor any of their respective associates has, during the period of four months before the date of the Original Bidder's Statement, or in the period commencing on the date of the Original Bidder's Statement and ending on the date of the Offer, given, offered or agreed to give, a benefit to another person where the benefit was likely to induce the other person, or an associate, to:

- (a) accept an Offer; or
- (b) dispose of Finders Shares,

which was a benefit not offered to all Finders Shareholders under the Offer.

### 8.7 Miscellaneous matters

#### ASIC relief

ASIC has published various class order instruments providing for modifications and exemptions that apply generally to all persons, including Eastern Field, about the operation of Chapter 6 of the Corporations Act. Eastern Field may rely on this class order relief.

Eastern Field has relied on the modification to section 636(3) of the Corporations Act in paragraph 11 of ASIC Class Order 13/521 'Takeover Bids' to include references to certain statements in documents lodged with ASIC and ASX without obtaining the consent of the persons to whom those statements are attributed.

As required by ASIC Class Order 13/521, Eastern Field will make available a copy of the documents containing these statements (or relevant extracts from these documents), free of charge to Finders Shareholders who request them before the end of the Offer Period. To obtain a copy of these documents (or the relevant extracts) Finders Shareholders should contact Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am to 5.00pm (Perth time) Monday to Friday.

#### Other regulatory matters

Other than FIRB Approval, Eastern Field is not aware of any regulatory approval which is required for it to acquire control or ownership of Finders.

### 8.8 Consents

This Bidder's Statement includes statements which are made in, or based on, statements made in public documents lodged with ASIC. Under ASIC Class Order 13/521, the makers of those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement. If you would like a copy of any of the documents that Eastern Field has relied upon in this regard (free of charge), please contact Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am and 5.00pm (Perth time) Monday to Friday.

As permitted by ASIC Class Order 07/429, this Bidder's Statement contains ASX share price trading information sourced from IRESS Limited without its consent.

In addition, the following parties have given and have not, before the time of lodgement of this Bidder's Statement with ASIC, withdrawn their written consent to be named in this Bidder's Statement in the form and context in which they were named:

- (a) Iffla Wade as Australian legal adviser to Eastern Field; and
- (b) Argonaut Capital Limited, as financial adviser to Eastern Field.

Each of the persons named above does not make, or purport to make, any statement in this Bidder's Statement other than those statements made in the capacity and to the extent that the person has provided its consent, as referred to above, and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of the Bidder's Statement other than as described.

### 8.9 FIRB Approval

Eastern Field is a foreign person under the FATA. Accordingly the Offer is subject to the approval or non-objection of the Treasurer, who receives advice from the Foreign Investment Review Board (FIRB) under the FATA (see Paragraph 1 of Schedule 2). Approval will not be given to the Offer if the Treasurer, on advice from FIRB, considers that the result of the Bidder's acquisition of Finders Shares will be contrary to the national interest.

The Bidder has filed the necessary application, together with a detailed submission, with FIRB before the date of the Original Bidder's Statement.

### 8.10 Status of Conditions

Section 8.9 describes matters relevant to the status, purpose and effect of the FIRB Condition. This section 8.10 describes the status of the remaining Conditions.

In relation to the Condition in Paragraph 3 of Schedule 2, at the date of this Bidder's Statement the Bidder is not aware of any decision, order, direction, action, proceeding, investigation or application which would result in the non-fulfilment of that Condition. Other than as set out in section 8.9 the Bidder has not identified, at the date of this Bidder's Statement, any particular regulatory actions or approvals which could lead to that Condition being triggered or which would be relevant to the Condition in Paragraph 3 of Schedule 2.

At the date of this Bidder's Statement, the Bidder is not aware of any event or circumstances which would result in the non-fulfilment of any of the Conditions in Paragraphs 4, 5 and 7 of Schedule 2.

At the date of this Bidder's Statement the Bidder is aware there may be change of control and other rights under agreements of the type referred to in Paragraph 6 of Schedule 2 but it is not aware of whether those change in control or other rights would result in the non-fulfilment of that Condition as it is not aware whether the holder of that right will waive or release that right, as permitted by that condition, so that the Condition is not triggered by the existence of that right.

Between the date of the Announcement and the date of this Bidder's Statement the 3 Month Copper Price has not fallen below US\$6,000 and accordingly the Condition set out in Paragraph 8 of Schedule 2 has not been triggered.

### 8.11 Other material information

Except as set out elsewhere in this Bidder's Statement, there is no other information that is:

- (a) material to the making of a decision by a Finders Shareholder whether or not to accept an Offer; and
- (b) known to Eastern Field,

and has not previously been disclosed to Finders Shareholders.

## 2.1 Definition:

## In this Bidder's Statement:

Acorn Capital	means the form of acceptance and transfer accompanying this Bidder's Statement.
Acorn Capital Limited	means Acorn Capital Limited.
Announcement Date	means 6 October 2017, being the date of announcement of the Offer.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by It (as the context requires).
ASX Settlement Operating Rules	means the settlement rules of ASX Settlement Pty Limited (ABN 49 008 504 532), the body which administers the CHESS system in Australia, a copy of which is available at <a href="http://www.asx.com.au">www.asx.com.au</a> .
Bidder	means Eastern Field Developments Limited.
Bidder's Statement	means this document, being the statement of Eastern Field under part 6.5 division 2 of the Corporations Act (as amended by ASIC Class Order (CO 13/528)) relating to the Offer.
Business Day	means a business day as defined in the Listing Rules.
CHESS Holding	means a number of shares which are registered on the Finders share register, being a register administered by the ASX and which records uncertificated holdings of Finders Shares.
Consortium Members	means Provident, Saratoga and Merdeka.
Consortium Agreement	means the Consortium Agreement between Eastern Field and the Consortium Members dated 6 October 2017.
Controlling Participant	In relation to Your Finders Shares, has the same meaning as in the ASX Settlement Operating Rules (normally your broker).
Corporations Act	means Corporations Act 2001 (Cth).
Conditions	means each of the conditions of the Offer set out in Schedule 2.
Eastern Field	means Eastern Field Developments Limited.
ESOP	means the Finders 2013 Employee Share Ownership Plan.
FATA	means the Foreign Acquisitions and Takeovers Act 1975 (Cth).
Financial Indebtedness	means any debt or other monetary liability (whether actual or contingent) in respect of moneys borrowed or raised or any financial accommodation including under or in respect of any: <ul style="list-style-type: none"> <li>(a) bill, bond, debenture, note or similar instrument;</li> <li>(b) acceptance, endorsement or discounting arrangement;</li> <li>(c) guarantee;</li> <li>(d) finance or capital lease;</li> <li>(e) agreement for the deferral of a purchase price or other payment in relation to the acquisition of any asset or service; or</li> <li>(f) obligation to deliver goods or provide services paid for in advance by any financier.</li> </ul>
Finders Group	means Finders Resources Limited ACN 108 547 413 and, where the context requires, each other member of the Finders Group.
Finders Board	means the board of directors of Finders from time to time.
Finders Group	means Finders and each of its Subsidiaries.
Finders Options	means options over unissued Finders Shares.

Term	Definition
Finders Shareholder	means a registered holder of Finders Shares.
Fully Paid Shares	means fully paid ordinary shares in the capital of Finders which exist at 24 October 2017.
Finders Shareholder	means that before the expiration of the Offer Period, the Treasurer of the Commonwealth of Australia providing written advice (on terms acceptable to Eastern Field) that the Commonwealth Government does not object to the transfer of the Finders Shares under FATA or due to the passage of time becomes precluded from making an order in relation to the transfer of the Finders Shares under FATA as specified in Item 1 of Schedule 2.
Foreign Shareholder	means a Finders Shareholder whose address on the Finders Share register is in a jurisdiction other than Australia or its external territories or New Zealand.
GST	has the meaning given to that term by the GST Act.
GST Act	means the A New Tax System (Goods and Services Tax) Act 1999 (Cth).
ASX	has the same meaning as in the ASX Settlement Operating Rules.
Insolvency Event	means any of the following events occurring in relation to a party: <ul style="list-style-type: none"> <li>(a) a liquidator, receiver, receiver and manager, administrator, official manager or other controller (as defined in the Corporations Act), trustee or controlling trustee or similar official is appointed over any of the property or undertaking of the party;</li> <li>(b) the party is, or becomes unable to, pay its debts when they are due or is or becomes unable to pay its debts within the meaning of the Corporations Act, or is presumed to be insolvent under the Corporations Act;</li> <li>(c) the party ceases to carry on business; or</li> <li>(d) an application or order is made for the liquidation of the party or a resolution is passed or any steps are taken to liquidate or pass a resolution for the liquidation of the party, otherwise than for the purpose of an amalgamation or reconstruction.</li> </ul>
Issuer Sponsored Holding	means a holding of Finders Shares on the Finders issuer sponsored sub register.
Listing Rules	means the listing rules of ASX, as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
Material Adverse Change	means any event, change, condition, matter or thing occurring or information is disclosed or announced by any member of the Finders Group, or becomes known to the Bidder, concerning any such event, change, condition matter or thing (each a Specified Event) which, whether individually or when aggregated with all Specified Events, has had or would be considered reasonably likely to have a material adverse effect on the: <ul style="list-style-type: none"> <li>(a) assets, liabilities, performance or prospects of the Finders Group; or</li> <li>(b) status or terms of (or rights attaching to) any material permits, licences or approvals issued by a Regulatory Authority and applicable to the Finders Group,</li> </ul> including, without limitation where the effect is a diminution, or likely diminution, in the value of the consolidated net assets of the Finders Group, by at least A\$5,000,000 against what it would reasonably have been expected to have been but for such Specified Event, but does not include: <ul style="list-style-type: none"> <li>(c) a Specified Event relating to changes in business conditions affecting the industry in which the Finders Group operates; or</li> <li>(d) a Specified Event that is fairly disclosed, or that is reasonably apparent on its face as potentially to flow from the Specified Event that is fairly disclosed in information publicly disclosed by any member of the Finders Group before the Announcement Date.</li> </ul>
Offer	means the offer for Finders Shares by Eastern Field on the Offer Terms.
Offer Consideration	means \$0.23 for each Finders Share that you own.
Offer Amount	has the meaning given to it in section 6.1
Offer Period	means the period during which the Offer will remain open for acceptance in accordance with the Offer Terms commencing on 20 November 2017 and ending at 7.00pm (Perth time) on 20 December 2017, or any later date to which the Offer is extended.



	means the terms of the Offer set out in Schedule 1 to this Bidder's Statement.
	means an entity admitted to participate in the Clearing House Electronic Sub-register system under rule 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.
	means Resource Capital Fund IV L.P.
	means the date set by Eastern Field under section 633(2) of the Corporations Act, being 24 October 2017.
Regulatory Authority	means a government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local and for these purposes includes ASX and ASIC.
Rights	means all accretions, rights or benefits of whatever kind attaching to or arising from Finders Shares directly or indirectly after the Announcement Date, including, without limitation, all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared, paid or made by Finders or any of its Subsidiaries.
SRP	has the same meaning as in the ASX Settlement Operating Rules.
Subsidiaries	has the meaning given to that term by section 9 of the Corporations Act.
SX-EV	means solvent extraction-electrowinning.
Takeover Bid	means the off-market takeover bid constituted by the dispatch of the Offers in accordance with the Corporations Act.
Target or Finders	means Finders Resources Limited ACN 108 547 413 and, where the context requires, each other member of the Finders Group.

means:

- (a) **(conversion)** the Target converts all or any of its shares into a larger or smaller number of shares;
- (b) **(reduction of share capital)** the Target resolves to reduce its share capital in any way;
- (c) **(buy-back)** the Target:
  - (i) enters into a buy-back agreement; or
  - (ii) resolves to approve the terms of a buy-back agreement under subsection 257C(1) or s257D(1) Corporations Act;
- (d) **(distribution)** the Target makes or declares, or announces an intention to make or declare, any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie);
- (e) **(issuing or granting shares or options)** the Target, or a subsidiary of the Target:
  - (i) issues shares;
  - (ii) grants an option over its shares; or
  - (iii) agrees to make such an issue or grant such an option, in each case to a person outside the Finders Group, other than pursuant to the exercise or vesting of any convertible securities (including, to avoid doubt, Performance Rights) that are:
    - (iv) existing as at, and the issue of which has been notified to the ASX before, the Announcement Date; or
    - (v) issued after the Announcement Date as contemplated by paragraph (f)(iii) or (f)(iv) below;
- (f) **(securities or other instruments)** the Target, or a subsidiary of the Target:
  - (i) issues securities or other instruments convertible into shares or debt securities; or
  - (ii) agrees to issue securities or other instruments convertible into shares or debt securities, in each case to a person outside the Target or its subsidiaries, other than:
    - (iii) securities or other instruments convertible into shares or debt securities existing as at, and the issue of which has been notified to the ASX before the Announcement Date; or
    - (iv) an issue of performance rights (Performance Rights) pursuant to the Finders' performance rights plan approved at its 2017 annual general meeting on 25 May 2017 (Performance Rights Plan) which meets the following conditions:
      - (A) the relevant Performance Rights when added to all other Performance Rights issued under the Performance Rights Plan does not exceed 11,000,000 Performance Rights; and
      - (B) the Performance Rights were offered to an Eligible Participant (as that term is defined in the Performance Rights Plan) prior to the Announcement Date.

For the avoidance of doubt, the issue of a Performance Right as permitted by this paragraph (iv) will not be a Target Prescribed Occurrence under Paragraph (m).

- (g) **(constitution)** the Target, or a subsidiary of the Target, adopts a new constitution or modifies or repeals its constitution or a provision of it;
- (h) **(disposals)** the Target, or a subsidiary of the Target, disposes, or agrees to dispose, of the whole or a substantial part of its business or property;
- (i) **(acquisitions, disposals or tenders)** the Target, or a subsidiary of the Target:
  - (i) acquires or disposes of;
  - (ii) agrees to acquire or dispose of; or
  - (iii) offers, proposes, announces a bid or tenders for, any material business, asset, interest in a joint venture, entity or undertaking;
- (j) **(charges)** the Target, or a subsidiary of the Target, charges, or agrees to charge, the whole or a substantial part of its business or property;
- (k) **(employment arrangements)** the Target, or a subsidiary of the Target:
  - (i) materially increases the remuneration of, or otherwise materially varies the employment arrangements with, any of its directors or key management employees;
  - (ii) accelerates the rights of any of its directors or key management employees to compensation or benefits of any kind; or
  - (iii) pays any of its directors or key management employees a termination or retention payment (otherwise than in accordance with an existing contract which, at the date of the Announcement, was in place and the material terms of which had been disclosed to the ASX), other than in the ordinary course of business, as a result of contracted arrangements that are consistent with past practice and in effect before the Announcement Date.

- (l) (commitments and settlements) the Target, or a subsidiary of the Target:
- (i) incurs a liability for unbudgeted opex where the amount of that liability when added to the liability for any other unbudgeted opex incurred in that calendar quarter exceeds US\$2,500,000;
  - (ii) incurs a liability for unbudgeted capex where the amount of that liability when added to the liability for any other unbudgeted capex incurred in that calendar quarter exceeds US\$750,000;
  - (iii) terminates or amends in a material manner any contract material to the conduct of the Target or its subsidiary's business;
  - (iv) waives any material third party default where the financial impact on the Target or its subsidiary will be in excess of \$200,000; or
  - (v) accepts as a settlement or compromise of a material matter (relating to an amount in excess of \$200,000) less than the full compensation due to the Target or a subsidiary of the Target, other than those arrangements notified to the Bidder on or before the Announcement Date;
- Unbudgeted opex** is operating expenditure which is not provided for in any budget approved by the Board of Finders at the Announcement Date or if it relates to the 2018 calendar year, is operating expenditure which is not provided for in the Wetar budget adopted by PT Batutua Tembaga Raya and approved by the Finders Board, other than Excluded Expenditure;
- Unbudgeted capex** is capital expenditure which is not provided for in any budget approved by the Board of Finders at the Announcement Date or if it relates to the 2018 calendar year, is capital expenditure which is not provided for in the Wetar budget adopted by PT Batutua Tembaga Raya and approved by the Finders Board, other than Excluded Expenditure;
- Excluded Expenditure** is a liability incurred in relation to the engagement of professional advisers to advise the Target in respect of the Offer, provided that the fees payable by the Target under those engagements are reasonable in the circumstances;
- (m) (652C events) an event set out in s.652C of the Corporations Act occurs in relation to the Target, or a subsidiary of the Target;
  - (n) (breach of law) the Target, or a subsidiary of the Target, takes or omits to take action which results in a breach of law material to the Target or a subsidiary;
  - (o) (related party) the Target, or a subsidiary of the Target, enters into or resolves to enter into a transaction with any related party of the Target as defined in section 228 Corporations Act; or
  - (p) (tax liability) the Target, or a subsidiary of the Target, does anything that results in a material taxable gain for the Target or a subsidiary by either causing a subsidiary to cease being a subsidiary of the Target or causing the Target, or a subsidiary of the Target to cease being a consolidated group.

Target's Statement	means the target's statement, to be prepared by Finders in response to this Bidder's Statement.
Total Funding Amount	has the meaning given to it in section 6.2.
tpa	means tonnes per annum
VWAP	means volume weighted average price.
Wetar	Wetar Copper Project
Your Finders Shares	subject to paragraphs 1.4 and 1.5 of Schedule 1, means the Finders Shares: <ul style="list-style-type: none"> <li>(a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Finders at 7.00 pm Perth time on the Register Date; or</li> <li>(b) to which you are able to give good title at the time you accept this Offer during the Offer Period.</li> </ul>
2017/18 FY	has the meaning given to it in section 4.4.

### 2.1 Interpretation

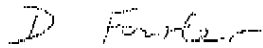
In this Bidder's Statement, unless the context otherwise requires:

- (a) headings are for convenience and do not affect the interpretation;
- (b) words or phrases defined in the Corporations Act have the same meaning in this Bidder's Statement;
- (c) a reference to a clause, section, schedule or annexure is a reference to a s clause, section, schedule or annexure of this Bidder's Statement;
- (d) words importing a gender include any gender;
- (e) a singular word includes the plural and vice versa;
- (f) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (g) a reference to a person includes a corporation, trust, partnership, unincorporated body, government and local authority or agency, or other entity whether or not it comprises a separate legal entity;
- (h) a reference to legislation or to a provision of legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it; and
- (i) a reference to "\$" or "dollar" is to the lawful currency of the Commonwealth of Australia.
- (j) a reference to "USD" or "US\$" is to the lawful currency of the United States of America.

The copy of the Original Bidder's Statement lodged with ASIC on 23 October 2017 was approved by a unanimous resolution passed by the directors of Eastern Field on 23 October 2017.

The copy of this Replacement Bidder's Statement that is to be lodged with ASIC has been approved by a unanimous resolution passed by the directors of Eastern Field on 17 November 2017.

Signed by David Fowler for and on behalf of Eastern Field.



**David Fowler**  
Eastern Field Developments Limited  
Director

## SCHEDULE 1

### Terms of the Offer

#### 1 Offer

- 1.1 Eastern Field (Bidder) offers to acquire all of Your Finders Shares, together with all Rights attaching to them, on the terms set out in this Schedule 1, incorporating the terms defined in section 9.1 and any other sections of this Bidder's Statement incorporated by reference, including the Conditions in Schedule 2. This Offer extends to any person who is able during the Offer Period to give good title to Finders Shares and has not already accepted an Offer for those Finders Shares.
- 1.2 This Offer extends to all Finders Shares that exist at the Register Date.
- 1.3 By accepting this Offer, you undertake to transfer to Eastern Field not only the Finders Shares to which the Offer relates but also all the Rights attached to the Finders Shares.
- 1.4 If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of Your Finders Shares to which this Offer relates:
  - (a) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Finders Shares;
  - (b) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Finders Shares you hold to which the Offer relates; and
  - (c) this Offer will be deemed to have been withdrawn immediately at that time.
- 1.5 If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of Finders Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those parcels and any parcel you hold in your own right. To validly accept the Offer for each parcel you must comply with the procedure in subsection 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, or if you have any questions or queries on the Offer or how to fill out the Acceptance Form, please call Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am to 5.00pm (Perth time) Monday to Friday.
- 1.6 This Offer is dated 20 November 2017.

#### 2 Offer Consideration

- 2.1 The Offer Consideration is \$0.23 for each Finders Share that you own.

#### 3 Offer Period

- 3.1 The Offer will remain open for acceptance during the period commencing on 20 November 2017, and ending at 7.00pm (Perth time) on 20 December 2017, unless it is withdrawn or extended under the Corporations Act.
- 3.2 Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer (being 20 November 2017) and ending at 7.00pm (Perth time) on the later of:
  - (a) 20 December 2017; or
  - (b) any date to which the Offer Period is extended.
- 3.3 Eastern Field reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.
- 3.4 If, within the last seven days of the Offer Period, either of the following events occurs:
  - (a) the Offer is varied to improve the consideration offered; or
  - (b) Eastern Field's voting power in Finders increases to more than 50%,then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

#### 4. *How to accept this Offer*

##### 4.1 General

- (a) Subject to paragraphs 1.4 and 1.5 of this Schedule 1, you may accept this Offer only for all of Your Finders Shares.
- (b) You may accept this Offer at any time during the Offer Period.

##### 4.2 Shares held in your name on Finders' issuer sponsored sub register (your SRN starts with an "I") or which are unlisted Finders Shares

To accept this Offer for Finders Shares held in your name on Finders' issuer sponsored sub-register (in which case your SRN will commence with "I") or which are unlisted Finders Shares, you must:

- (a) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (b) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form.

##### 4.3 Shares held in your name in a CHESS Holding (your HIN starts with an "X")

To accept this Offer for Shares held in a CHESS Holding (in which case your HIN will commence with "X") you should:

- (a) instruct your Controlling Participant (this is normally your broker) to initiate acceptance of this Offer on your behalf in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
- (b) if you are a Participant, initiate acceptance of this Offer in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

Alternatively, to accept this Offer for Finders Shares held in your name in a CHESS Holding (in which case your HIN will commence with "X"), you may sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form in sufficient time for it to be acted upon by your Controlling Participant. You must comply with any other applicable ASX Settlement Operating Rules.

##### 4.4 Shares of which you are entitled to be registered as holder

To accept this Offer for Finders Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:

- (a) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (b) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form.

##### 4.5 Acceptance Form and other documents

- (a) The Acceptance Form forms part of the Offer.
- (b) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Eastern Field at the address shown on the Acceptance Form before the end of the Offer Period.
- (c) When using the Acceptance Form to accept this Offer in respect of Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instructions on the Acceptance Form) are received by Eastern Field in time for Eastern Field to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (d) The postage and transmission of the Acceptance Form and other documents is at your own risk.

##### 4.6 Validity of acceptances

- (a) Subject to this paragraph 4.6 of this Schedule 1, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in this paragraph 4 of this Schedule 1.
- (b) Eastern Field will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Eastern Field is not required to communicate with you prior to or after making this determination. The determination of Eastern Field will be final and binding on all parties.
- (c) Notwithstanding paragraphs 4.2 to 4.5 of this Schedule 1, Eastern Field may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Finders Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Eastern Field.
- (d) Where you have satisfied the requirements for acceptance in respect of only some of Your Finders Shares, Eastern Field may, in its sole discretion, regard the Offer to be accepted in respect of those of Your Finders Shares but not the remainder.
- (e) Eastern Field will pay the consideration to you in accordance with clause 5, in respect of any part of an acceptance determined by Eastern Field to be valid.

#### 4.7 The effect of acceptance

- (a) Once you have accepted this Offer, you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Finders Shares from the Offer or otherwise dispose of Your Finders Shares, except as follows:
- (i) if by the end of the Offer Period, a condition referred to in paragraph 6 of this Schedule 1 has not all been satisfied or waived, this Offer and the contract resulting from your acceptance will automatically terminate and Your Finders Shares will be returned to you; or
  - (ii) if the Offer Period is extended for more than one month and the obligations of Eastern Field to pay the consideration are postponed for more than one month and, at the time, this Offer is subject to a condition referred to in paragraph 6 of this Schedule 1 has not all been satisfied or waived, you may be able to withdraw your acceptance and Your Finders Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- (b) By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to paragraph 4 of this Schedule 1, you will be deemed to have:
- (i) accepted this Offer (and any variation of it) in respect of, and, subject to the condition to this Offer referred to in paragraph 6 of this Schedule 1 being satisfied or waived, agreed to transfer to Eastern Field, Your Finders Shares (even if the number of Shares specified on the Acceptance Form differs from the number of Your Finders Shares), is subject to paragraphs 1.4 and 1.5 of this Schedule 1;
  - (ii) represented and warranted to Eastern Field, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Finders Shares (including any Rights) to Eastern Field is registered, that all Your Finders Shares are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), that you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Finders Shares (including any Rights) to Eastern Field, and that you have paid to Finders all amounts which at the time of acceptance have fallen due for payment to Finders in respect of Your Finders Shares;
  - (iii) irrevocably authorised Eastern Field (and any director or secretary, of Eastern Field) to alter the Acceptance Form on your behalf by inserting correct details relating to Your Finders Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by Eastern Field to make it an effective acceptance of this Offer or to enable registration of Your Finders Shares in the name of Eastern Field;
  - (iv) if you signed the Acceptance Form in respect of Finders Shares which are held in a CHESS Holding, irrevocably authorised Eastern Field (and any director or secretary of Eastern Field) to:
    - (A) instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Finders Shares in accordance with rule 14.14 of the ASX Settlement Operating Rules; and
    - (B) give any other instructions in relation to Your Finders Shares to your Controlling Participant, as determined by Eastern Field acting in its own interests as a beneficial owner and intended registered holder of those Finders Shares;
  - (v) irrevocably authorised and directed Finders to pay to Eastern Field, or to account to Eastern Field for, all Rights in respect of Your Finders Shares, subject, if this Offer is withdrawn, to Eastern Field accounting to you for any such Rights received by Eastern Field;
  - (vi) irrevocably authorised Eastern Field to notify Finders on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Finders Shares is the address specified by Eastern Field in the notification;
  - (vii) with effect from the time and date on which the conditions referred to in paragraph 6 of this Schedule 1 are satisfied or waived:
    - (A) irrevocably appointed Eastern Field (and any director or secretary of Eastern Field) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to Your Finders Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative, at all general meetings and all court convened meetings of Finders and to request Finders to register, in the name of Eastern Field or its nominee, Your Finders Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable); and
    - (B) agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting or any court-convened meeting of Finders or to exercise or purport to exercise any of the powers and rights conferred on Eastern Field (and its directors, secretaries and nominees) in paragraph 4.7(b)(vii) of this Schedule 1;
  - (viii) agreed that in exercising the powers and rights conferred by the powers of attorney granted under paragraph 4.7(b)(vii) of this Schedule 1, the attorney will be entitled to act in the interests of Eastern Field as the beneficial owner and intended registered holder of Your Finders Shares;
  - (ix) agreed to do all such acts, matters and things that Eastern Field may require to give effect to the matters the subject of this paragraph 4.7(b) of this Schedule 1 (including the execution of a written form of proxy to the same effect as paragraph 4.7(b)(vii) of this Schedule 1 which complies in all respects with the requirements of the constitution of Finders) if requested by Eastern Field;



- (x) agreed to indemnify Eastern Field in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or SRN or in consequence of the transfer of Your Finders Shares to Eastern Field being registered by Finders without production of your Holder Identification Number or your SRN for Your Finders Shares;
  - (xi) represented and warranted to Eastern Field that, unless you have notified it in accordance with paragraph 1.5 of this Schedule 1, Your Finders Shares do not consist of separate parcels of Shares;
  - (xii) Irrevocably authorised Eastern Field (and any nominee) to transmit a message in accordance with rule 14.17 of the ASX Settlement Operating Rules to transfer Your Finders Shares to Eastern Field Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer;
  - (xiii) Irrevocably authorised Eastern Field (and any nominee) to initiate a transfer of Your Finders Shares into Eastern Field's name, regardless of whether it has paid the consideration due to you under this Offer; and
  - (xiv) agreed, subject to the conditions of this Offer in paragraph 6 of this Schedule 1 being satisfied or waived, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Eastern Field may consider necessary or desirable to convey Your Finders Shares registered in your name and Rights to Eastern Field.
- (c) The undertakings and authorities referred to in paragraph 4.7(b) of this Schedule 1 will remain in force after you receive the consideration for Your Finders Shares and after Eastern Field becomes registered as the holder of Your Finders Shares.

## 5 Payment of consideration

### 5.1 When consideration is paid

Subject to clause 4.6(b) and this clause 5 of this Schedule 1 and the Corporations Act, you will be paid the consideration you are entitled to within one month of the later of:

- (a) the date you accept the Offer; and
- (b) the date the Offer becomes unconditional.

In any event, you will be paid within 21 days after the end of the Offer Period (assuming all Conditions are satisfied or waived).

### 5.2 Payment to be mailed by cheque

Payment of the cash amount to which you are entitled will be paid by cheque (or otherwise as agreed by Eastern Field) in Australian currency. Cheques will be sent to the address on the Acceptance Form by pre-paid ordinary mail or, if you have an overseas address, by pre-paid airmail at your risk.

### 5.3 Clearances for offshore residents

If, at the time of acceptance of this Offer any of the following:

- (a) Banking (Foreign) Exchange Regulations 1959 (Cth);
- (b) Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
- (c) Autonomous Sanctions Act 2011 (Cth); or
- (d) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Department of Foreign Affairs and Trade, the Australian Taxation Office or any other government authority be obtained before you receive any consideration for Your Finders Shares, or would make it unlawful for Eastern Field to provide any consideration to you for Your Finders Shares, you will not be entitled to receive any consideration for Your Finders Shares until all requisite authorities, clearances or approvals have been received by Eastern Field.

### 5.4 Where additional documents are required

Where the Acceptance Form requires additional documents to be given with your acceptance (such as a power of attorney), if the documents are given:

- (a) with your acceptance, Eastern Field will provide the consideration in accordance with clause 5.1 of this Schedule 1;
- (b) after acceptance and before the end of the Offer Period and the Offer is subject to a Condition at the time that Eastern Field is given the documents, Eastern Field will provide the consideration due to you on or before the earlier of:
  - (i) one month after the contract resulting from your acceptance of the Offer becomes unconditional; and
  - (ii) 21 days after the end of the Offer Period;
- (c) after acceptance and before the end of the Offer Period and the Offer is unconditional at the time that Eastern Field is given the documents, Eastern Field will provide the consideration due to you on or before the earlier of:
  - (i) one month after Eastern Field is given the documents; and
  - (ii) 21 days after the end of the Offer Period; or
- (d) after the end of the Offer Period, Eastern Field will provide the consideration within 21 days after the documents are given.

If you do not give Eastern Field the required additional documents within one month after the end of the Offer Period, Eastern Field may, in its sole discretion, rescind the contract resulting from your acceptance of the Offer.

**5.5 Where Eastern Field is entitled to any Rights**

If Eastern Field becomes entitled to any Rights on acceptance of this Offer, you must give Eastern Field all documents that Eastern Field needs to give Eastern Field title to those Rights. If you do not give those documents to Eastern Field, or if you have received the benefit of those Rights, Eastern Field will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Eastern Field) of those Rights.

**6 Conditions of the Offer****6.1 Conditions**

This Offer and the contract that results from acceptance of this Offer are subject to fulfilment of the Conditions.

**6.2 Nature of conditions**

Each of the Conditions set out in each paragraph and subparagraph of Schedule 2:

- (a) constitutes and will be construed as a separate, several and distinct condition;
- (b) is a condition subsequent; and
- (c) subject to the Corporations Act, until the expiration of the Offer Period will be for the benefit of Eastern Field alone and may be relied upon only by Eastern Field.

**6.3 Conditions apply to multiple events**

Where an event occurs that would mean at the time the event occurs a Condition would not be satisfied, each Condition affected by that event becomes two separate conditions on identical terms except that:

- (a) one of them relates solely to that event; and
- (b) the other specifically excludes that event.

Eastern Field may declare the Offer free under clause 6.5 from either of those conditions without declaring it free from the other and may do so at different times. This clause may apply any number of times to a Condition (including a condition arising from a previous operation of this clause).

**6.4 Effect of breach or non-fulfilment**

The breach or non-fulfilment of any of the Conditions does not prevent a contract arising to acquire Your Finders Shares resulting from your acceptance of this Offer. If at the end of the Offer Period, in respect of any Condition:

- (a) Eastern Field has not declared the Offers (and they have not become) free from that Condition; or
- (b) that Condition has not been satisfied,

all contracts resulting from the acceptance of the Offers and all acceptances that have not resulted in binding contracts are void. In that case, Eastern Field will return the Acceptance Form together with all documents to the address shown in the Acceptance Form.

**6.5 Eastern Field may decide Offer is free from all or any of the Conditions**

Eastern Field may at any time at its sole discretion but in compliance with section 650F and section 630(1) of the Corporations Act, declare the Offers free from all or any of the Conditions by written notice to Finders not later than seven days before the end of the Offer Period.

**6.6 Date for giving notice on status of Conditions**

The date for giving a notice on the status of the Conditions as required by section 630(1) of the Corporations Act is the date seven days before the end of the Offer Period, subject to variation under section 630(2) of the Corporations Act if the Offer Period is extended.

**6.7 Effect of acceptance**

Once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you, unless:

- (a) by the end of the Offer Period, the Conditions have not all been satisfied or waived in which case, this Offer will automatically terminate; and
- (b) the circumstances set out in section 650E of the Corporations Act apply.

By signing and returning the Acceptance Form, you will be deemed to have:

- (c) irrevocably accepted this Offer (and each variation of this Offer) in respect of all Your Finders Shares or such less number of Finders Shares that you identify as the subject of your acceptance in the Acceptance Form;
- (d) irrevocably authorised Eastern Field to alter the Acceptance Form on your behalf by:
  - (i) inserting correct details of Your Finders Shares;
  - (ii) filling in any blanks remaining on the Acceptance Form; and
  - (iii) rectifying any errors in, and omissions from, the Acceptance Form,as may be necessary to make the Acceptance Form a valid acceptance of this Offer and to enable registration of the transfer of Your Finders Shares to Eastern Field;
- (e) represented and warranted to Eastern Field, as a condition of the contract resulting from your acceptance of the Offer, that at the time of acceptance and at the time of transfer to Eastern Field:
  - (i) you have paid to Finders all amounts which are due for payment for Your Finders Shares;
  - (ii) all of Your Finders Shares are fully paid and free from all mortgages, charges, liens and other encumbrances of any nature; and
  - (iii) you have full power and capacity to sell and transfer those Finders Shares;

- (f) granted to Eastern Field and each of its directors power of attorney to:
  - (i) sign any document or do anything on your behalf necessary to cause Finders to issue a replacement share certificate for those Finders Shares; and
  - (ii) satisfy any formal requirement to transfer the relevant Finders Shares (including sign any share transfer form on your behalf);
- (g) agreed to:
  - (i) do anything necessary to ratify any act taken or purported to be taken by Eastern Field or any of its directors under the power of attorney granted by clause 6.7(f) of this Schedule 1; and
  - (ii) indemnify Eastern Field and each of its directors in respect of that act;
- (h) from the time of acceptance until the Offer has become unconditional, until the earlier of the withdrawal of your acceptance under section 650E of the Corporations Act or the end of the Offer Period, irrevocably appointed Eastern Field or any nominee of Eastern Field as your attorney to exercise all your powers and rights attaching to Your Finders Shares including (without limitation) to requisition, convene, attend and vote at all general meetings of Finders or appoint a proxy or proxies to attend and vote on your behalf at that meeting, where the passing or defeat of any resolution before the meeting might adversely affect the likelihood of the Offer being successful and to do so in a way which would prevent that effect arising;
- (i) on this Offer or any takeover contract becoming unconditional, irrevocably appointed Eastern Field or any nominee of Eastern Field as your attorney to exercise all your powers and rights attaching to Your Finders Shares including (without limitation):
  - (i) to requisition, convene, attend and vote at all general meetings of Finders or appoint a proxy or proxies to attend and vote on your behalf at that meeting; and
  - (ii) sign all documents and resolutions relating to Your Finders Shares, and generally to exercise all powers and rights which you may have as a Finders Shareholder and perform actions as may be appropriate to vest good title in Your Finders Shares in Eastern Field;
- (j) agreed that in exercising the powers conferred by the power of attorney in clause 6.7(h) of this Schedule 1, Eastern Field is entitled to act in the interests of Eastern Field; and
- (k) agreed not to attend or vote in person at any general meeting of Finders or to exercise or purport to exercise any of the powers conferred on Eastern Field or its nominee in clause 6.7(h) of this Schedule 1.

#### 6.8 Withdrawal

Eastern Field may withdraw unaccepted Offers at any time with the written consent of ASIC and subject to the conditions (if any) specified in that consent.

#### 6.9 Variation

Eastern Field may vary this Offer in accordance with the Corporations Act.

### 7 Acceptances by transferees and nominees

#### 7.1 Who may accept the Offer

During the Offer Period:

- (a) any person who is able to give good title to a parcel of Finders Shares may accept (if they have not already accepted an offer in the form of this Offer) as if an offer on terms identical with this Offer has been made to that person; and
- (b) any person who holds one or more parcels of Finders Shares as trustee, nominee, or otherwise on account of another person, may accept as if a separate offer had been made in relation to:
  - (i) each of those parcels; and
  - (ii) any parcel they hold in their own right.

#### 7.2 Holding shares

A person is taken to hold Finders Shares if the person is, or is entitled to be registered as, the holder of those Finders Shares.

#### 7.3 Holding shares on trust or as a nominee

A person is taken to hold Finders Shares on trust for, as nominee for, or on account of, another person if that person:

- (a) is entitled to be registered as the holder of Finders Shares; and
- (b) holds the interest in the Finders Shares on trust for, as nominee for, or on account of, that other person.

#### 7.4 Effective acceptance

An acceptance of an Offer under clause 7.1(b) of this Schedule 1 is ineffective unless:

- (a) the person who holds on account of another person, gives that other person written notice stating that the Finders Shares consist of a separate parcel; and
- (b) the acceptance specifies the number of Finders Shares in that parcel.

#### 7.5 Notice of acceptance

A notice under clause 7.4(a) of this Schedule 1 must be made in writing.

A person may, at the one time, accept for two or more parcels under clause 7.1 of this Schedule 1 as if there had been a single offer for a separate parcel consisting of those parcels.

**8 Other matters****8.1 Notices and other communications**

Subject to the Corporations Act, a notice or other communication given by Eastern Field to you in connection with this Offer is deemed to be duly given if it is in writing and:

- (a) is addressed to your address as recorded on the register of members of Finders or the address shown in the Acceptance Form; and
- (b) is sent by pre-paid ordinary mail, or in the case of an address outside Australia by pre-paid airmail, to you at either of those addresses.

**8.2 Return of documents**

If:

- (a) this Offer is withdrawn after your Acceptance Form has been sent to Eastern Field, but before it has been received; or
- (b) for any other reason Eastern Field does not acquire the Finders Shares to which your Acceptance Form relates, Eastern Field will despatch at your risk your Acceptance Form together with all other documents forwarded by you.

**9 Costs and expenses**

All costs and expenses of the preparation, despatch and circulation of the Offers and all stamp duty payable (for which Eastern Field is liable) for a transfer of Finders Shares for which Offers are accepted, will be paid by Eastern Field.

**10 Governing laws**

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Western Australia.

## CONDITIOES

Conditions to the offers under the proposed off-market takeover bid by Eastern Field Developments Limited for all the ordinary shares in Finders Resources Limited

The Offer and any contracts resulting from acceptance of the Offer are subject to fulfilment of the following conditions:

**1 FIRB approval**

That before the expiration of the Offer Period, the Treasurer of the Commonwealth of Australia provides written advice (on terms acceptable to Eastern Field) that the Commonwealth Government does not object to the transfer of the Finders Shares under the Foreign Acquisitions and Takeovers Act 1975 (Cth) (FATA) or due to the passage of time becomes precluded from making an order in relation to the transfer of the Finders Shares under the FATA (FIRB Approval).

**2 Minimum acceptance**

That before the expiration of the Offer Period, Eastern Field has received valid acceptances so that Eastern Field has a relevant interest in more than 50% of the Finders Shares at that time.

**3 No regulatory action**

Between the Announcement Date and the end of the Offer Period:

- (a) no preliminary or final decision, order or direction is made or issued by any Regulatory Authority;
- (b) no action, proceeding or investigation is announced, commenced or threatened by any Regulatory Authority; and
- (c) no application is made to any Regulatory Authority (other than by the Bidder or any associate of the Bidder),

which is likely to or purports or threatens to restrain, prohibit, impede or otherwise adversely affect the making of the Offer, the acquisition of Finders Shares by the Bidder, the rights of the Bidder in respect of the Target or Finders Shares (other than any action or decision by or application to ASIC or the Takeovers Panel in exercise of the powers or discretions conferred by the Corporations Act).

**4 No Target Prescribed Occurrences**

Between the Announcement Date and the end of the Offer Period, there is no occurrence of a Target Prescribed Occurrence.

**5 No Material Adverse Change**

Save as publicly announced to the ASX prior to the date of the Announcement, between 1 January 2017 and the end of the Offer Period, there is no occurrence of any Material Adverse Change.

**6 Third party consents**

If Finders, or a subsidiary of Finders, is a party to, is bound by, or is subject to:

- (a) a financing agreement;
  - (b) a joint venture agreement;
  - (c) a shareholders or cooperation agreement relating to shares in, or the operation of, a subsidiary of Finders; or
  - (d) a material agreement relating to Wetar,
- and as a result of the acquisition of Finders Shares under the Offer or any consequential change in control of Finders, another person who is a party to such agreement becomes entitled to exercise any rights (including termination rights or pre-emptive rights) under that agreement.

**7 No material acquisitions, disposals or commitments**

Between the Announcement Date and the end of the Offer Period, none of the following events occurs, are announced or become known to the Bidder:

- (a) any member of the Finders Group acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest therein) for an amount in aggregate greater than \$5,000,000; or
- (b) any member of the Finders Group disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or assets (other than excluded assets) (or any interest therein) for an amount, or in respect of which the book value is, in aggregate, greater than \$5,000,000, other than in the ordinary course of business; and
- (c) the Finders Group, incurs Financial Indebtedness, other than under a permitted hedging contract, which in aggregate exceeds A\$5,000,000.

For the purpose of this condition:

**excluded assets** means copper production from Wetar which is sold either on a spot basis in the ordinary course of the Finders Group business or under a permitted hedging contract.

**permitted hedging contract** is a hedging contract entered into by a member of the Finders Group which meets the following conditions:

- (i) the hedging contract is entered into in accordance with the existing hedging policy approved by the Finders Board and the PT Batutua Tembaga Raya Board (approved hedging policy);
- (ii) the sum of the amount of copper cathode the subject of the hedging contract and all other open hedging contracts entered into by a member of the Finders Group does not exceed 55% of the forecast production from the date that the relevant hedging contract is entered into until the earlier of the scheduled final repayment date under the Finders Group's bank financing facilities and 31 March 2019; and
- (iii) the price to be received under the hedging contract is not less than the floor price provided under the approved hedging policy or US\$6,000 (whichever is the higher amount).

**8 Copper Price**

Between the date of the Announcement and the end of the Offer Period, the 3 Month Copper Price at the close of business on the London Metal Exchange (as reported on Bloomberg as LME Copper 3 MO (\$)) under the security description "LMCAD\$03 LME Comdy") is below US\$6,000 on 2 consecutive days the London Metal Exchange is open for business.

Company

Eastern Field Developments

80 Raffles Place, #51-02, UOB Plaza,  
Singapore 048624

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

**Directors**

David Fowler

Hari Gurung

**Financial Adviser**

Argonaut Capital Pty Ltd

Level 30

Allendale Square

77 St Georges Terrace

PERTH WA 6000

+ 61 8 9224 6888

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

**Legal Advisers**

Iffla Wade

Level 3

307 Murray Street

Perth Western Australia

+61 8 9322 7111

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

## Finders Resources Limited

ACN 108 547 413

### Return your Form:



To Your Controlling Participant:  
Return this form directly to your  
stockbroker



By Mail:  
Automatic  
PO Box 2226  
Strawberry Hills NSW 2012



For all enquiries:  
Phone:  
(within Australia) 1300 288 664  
(outside Australia) +61 2 9698 5414

## TRANSFER AND ACCEPTANCE FORM – CHESS Holders

- ✎ This Acceptance Form must be received with sufficient time to allow processing prior to the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer (Offer) by Eastern Field Developments Ltd (Eastern Field) to acquire all of your Ordinary Shares in Finders Resources Ltd (Finders) (ACN 108 547 413) the terms of which are set out in the Replacement Bidder's Statement from Eastern Field dated 17 November 2017 as replaced or supplemented (the Bidder's Statement). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

### Step 1: Registration Name & Offer Details

Your consideration will be paid to the name(s) as they appear on the latest copy of the Finders Register, as provided to Eastern Field. The current address recorded on Eastern Field's copy of the Register is printed above and overleaf. If you have recently bought or sold Finders Shares your holding may differ from that shown. If you have already sold all your Finders Shares, do not complete or return this form.

### Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of Your Finders Shares. The consideration applicable is that set out in Schedule 1 to the Bidder's Statement.

As your Finders Ordinary Shares are in a CHESS holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you want Eastern Field to contact your Controlling Participant on your behalf, sign and return this form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise Eastern Field and Automatic to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this form, you represent and warrant to Eastern Field that, both at the time of returning this acceptance form and at the time the transfer to Eastern Field of the Ordinary Shares to which this form relates is registered, all of those shares are and will upon registration be fully paid up and free from all mortgages, charges, liens and other encumbrances of any kind and restrictions on

transfer of any kind, and that you have full power and capacity to sell and transfer the legal and beneficial ownership in those shares and that you have paid all amounts which at the time of acceptance have fallen due for payment in respect of those shares.

You should allow sufficient time for your Controlling Participant or Eastern Field to initiate the acceptance of Eastern Field's Offer on your behalf. Neither Eastern Field nor Automatic will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

**IMPORTANT!** Acceptance Forms cannot be returned by fax or hand delivery. Your Acceptance Form must be returned in the reply paid envelope enclosed with the Bidder's Statement.

Due to recent changes to delivery times by Australia Post, standard delivery may now take up to six Business Days, or longer from regional areas. Finders Shareholders should bear this in mind when returning Acceptance Forms using Australia Post.

### Step 3: Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders must sign.

**Power of Attorney:** Where signing under a Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

**Companies:** Where the holding is in the name of a company, this form must be signed in accordance with the Corporations Act, either as:

- a sole director and a company secretary OR a sole director (if no company secretary exists), OR
- two directors, OR
- a director and a company secretary.

**Overseas Companies:** Where the holding is in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased Estate:** All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

**Turn over to complete the form**



# Offer Acceptance Form

## STEP 1 Registration Name & Offer Details

For your security keep your SRN/ HIN confidential.

Registration Name:

Controlling Participant Identifier: \_\_\_\_\_

Offer Details:

Securityholding as at 7pm Perth time on 24 October 2017  
100% of your holding in Finders:

By accepting the Offer, you are accepting the Offer for ALL Your Finders Shares as recorded by Finders as being held by you at the date your acceptance is processed (even if different to the number stated above).

## STEP 2 Accept the Offer

If you correctly sign and return this form you will be deemed to have accepted the Offer for ALL of Your Finders Shares on the terms and conditions of the Offer as set out in the Bidder's Statement. The consideration applicable is that set out in Schedule 1 to the Bidder's Statement.

## STEP 3 Signatory of Securityholder(s) *This section must be completed*

I/We accept the Offer made by Eastern Field for all of my/our Ordinary Shares in Finders and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Ordinary Shares as per the above instruction.

Individual or Securityholder 1

Sole Director and Sole Company Secretary/ Sole Director

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date / /

\_\_\_\_\_

Your acceptance must be received with sufficient time to allow processing prior to the end of the Offer Period, which is 7.00pm (Perth time) on the last day of the Offer Period, being 20 December 2017 (unless extended by Eastern Field).

If you have any queries about the terms of the offer or how to accept, please call the Eastern Field Offer Information Line (Monday to Friday, between 9.00am and 5.00pm (Perth time)) on 1300 079 762 (within Australia) and +61 8 6314 6314 (outside Australia).

## Privacy Notice

Automic Pty Ltd (ACN 152 260 814) trading as Automic advises that Chapter 2C of the Corporation Act 2001 requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Primarily, your personal information is used in order to provide a service to you. We may also disclose the information that is related to the primary purpose and it is reasonable for you to expect the information to be disclosed. You have a right to access your personal information, subject to certain exceptions allowed by law and we ask that you provide your request for access in writing (for security reasons). Our privacy policy is available on our website – [www.automic.com.au](http://www.automic.com.au)

**Finders Resources Limited**

ACN 108 547 413

**Return your Form:**

- ☒ **By Mail:**  
 Automic  
 PO Box 2226  
 Strawberry Hills NSW 2012
- ☐ **For all enquiries:**  
 Phone:  
 (within Australia) 1300 288 664  
 (outside Australia) +612 9698 5414

**TRANSFER AND ACCEPTANCE FORM – Issuer Sponsored Holders**

☒ Your form must be received by no later than the end of the Offer Period

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer (Offer) by Eastern Field Developments Ltd (Eastern Field) to acquire all of your Ordinary Shares in Finders Resources Ltd (Finders) (ACN 108 547 413) the terms of which are set out in the Replacement Bidder's Statement from Eastern Field dated 17 November 2017 as replaced or supplemented (the Bidder's Statement). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

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**Step 1: Registration Name & Offer Details**

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**Step 2: Accept the Offer**

Only sign and return this form if you wish to accept the Offer for ALL of Your Finders Shares. The consideration applicable is that set out in Schedule 1 to the Bidder's Statement.

By signing this form, you represent and warrant to Eastern Field that, both at the time of returning this acceptance form and at the time the transfer to Eastern Field of the Ordinary Shares to which this form relates is registered, all of those shares are and will upon registration be fully paid up and free from all mortgages, charges, liens and other encumbrances of any kind and restrictions on

transfer of any kind, and that you have full power and capacity to sell and transfer the legal and beneficial ownership in those shares and that you have paid all amounts which at the time of acceptance have fallen due for payment in respect of those shares.

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**Step 3: Signing Instructions**

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**Joint Holding:** Where the holding is in more than one name, all of the securityholders must sign.

**Power of Attorney:** Where signing under a Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

**Companies:** Where the holding is in the name of a company, this form must be signed in accordance with the Corporations Act, either as:

- a sole director and a company secretary OR a sole director (if no company secretary exists), OR
- two directors, OR
- a director and a company secretary.

**Overseas Companies:** Where the holding is in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased Estate:** All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

**Turn over to complete the form**

# Offer Acceptance Form

## STEP 1 Registration Name & Offer Details

For your security keep your SRN/ HIN confidential.

Registration Name:

Offer Details:

Securityholding as at 7pm Perth time on 24 October 2017  
100% of your holding in Finders:

By accepting the Offer, you are accepting the Offer for ALL Your Finders Shares as recorded by Finders as being held by you at the date your acceptance is processed (even if different to the number stated above).

## STEP 2 Accept the Offer

If you correctly sign and return this form you will be deemed to have accepted the Offer for ALL of Your Finders Shares on the terms and conditions of the Offer as set out in the Bidder's Statement. The consideration applicable is that set out in Schedule 1 to the Bidder's Statement.

## STEP 3 Signatory of Securityholder(s) *This section must be completed*

I/We accept the Offer made by Eastern Field for all of my/our Ordinary Shares in Finders and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Ordinary Shares as per the above instruction.

Individual or Securityholder 1

Sole Director and Sole Company Secretary/ Sole Director (cross out titles as applicable)

Securityholder 2

Director

Securityholder 3

Director/Company Secretary (cross out titles as applicable)

Contact  
Name

Contact  
Daytime  
Telephone

Date / /

Your acceptance must be received by no later than the end of the Offer Period, which is 7.00pm (Perth time) on the last day of the Offer Period, being 20 December 2017 (unless extended by Eastern Field).

If you have any queries about the terms of the offer or how to accept, please call the Eastern Field Offer Information Line (Monday to Friday, between 9.00am and 5.00pm (Perth time)) on 1300 079 762 (within Australia) and +61 8 6314 6314 (outside Australia).

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# BIDDER'S STATEMENT

CONTAINING AN OFFER BY

**EASTERN FIELD DEVELOPMENTS LIMITED**

(BVI Co No 1955552) (a company jointly owned by Procap Partners Limited,  
PT Saratoga Investama Sedaya Tbk. and PT Merdeka Copper Gold Tbk.)

to acquire ALL of your ordinary shares in

**FINDERS RESOURCES LIMITED**

(ACN 108 547 413)

for \$0.23 cash per share

# ACCEPT

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to how to deal with it, you should consult your legal, financial or other professional adviser as soon as possible.

FINANCIAL ADVISER



LEGAL ADVISER

**IFFLA WADE**

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## Important notices

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This document is a Replacement Bidder's Statement given by Eastern Field Developments Limited BVI Co No 1955552 (Eastern Field) under part 6.5 of the Corporations Act as amended by ASIC Class Order [CO 13/528] and sets out certain disclosures required by the Corporations Act together with the terms of the Offer to acquire your shares in Finders Resources Limited ACN 108 547 413 (Finders).

This Replacement Bidder's Statement is dated 17 November 2017 and replaces the Bidder's Statement dated 23 October 2017. It includes an Offer dated ~~23 October 2017~~ 20 November 2017 on the Offer Terms set out in Schedule 1.

Reference to the Bidder's Statement in this document are to the Replacement Bidder's Statement unless otherwise indicated

A copy of this Bidder's Statement was lodged with ASIC and ASX on ~~23 October 2017~~ 17 November 2017. None of ASIC, ASX nor any of their officers takes any responsibility for the content of this Bidder's Statement.

### Investment decisions

This Bidder's Statement constitutes only general advice and does not take into consideration your individual investment objectives, financial situation or particular needs. It does not contain personal advice. Eastern Field encourages you to seek independent financial and taxation advice before deciding whether or not to accept the Offer for Your Finders Shares.

### Forward looking statements

Some of the statements in this Bidder's Statement may be in the nature of forward looking statements and statements of current intention. The forward looking statements in this Bidder's Statement reflect views and intentions held only at the date of this Original Bidder's Statement.

You should be aware that those statements are only predictions and involve inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and those deviations are both normal and to be expected.

None of Eastern Field, its officers or any person named in this Bidder's Statement with their consent or involved in the preparation of this Bidder's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. You should not place undue reliance on those statements.

### Notice to Foreign Shareholders

This Bidder's Statement and the Offer are subject to Australian disclosure requirements which may be different from those applicable in other jurisdictions. This Bidder's Statement and the Offer do not constitute an offer in any place which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

### Defined terms

A number of defined terms are used in this Bidder's Statement. These terms are explained in section 9.

**Privacy statement**

Eastern Field will collect your information from the register of Finders Shareholders. The Corporations Act permits information to be made available to certain persons, including Eastern Field. Your information may also be disclosed on a confidential basis to Eastern Field-related bodies corporate and external service providers and may be required to be disclosed to regulators such as ASIC. You can contact us for details of information held by us about you.

**Information about Finders**

The information in this Bidder's Statement about Finders, Finders' securities and the Finders Group has been prepared based on public information.

Information in this Bidder's Statement about Finders concerning Finders' business, assets and liabilities, financial position and performance, profits and losses, and prospects, has not been independently verified by Eastern Field. Accordingly, Eastern Field does not, except as required by law, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.



## Key Dates

Announcement Date	6 October 2017
<u>Original Bidder's Statement lodged with Finders, ASIC and ASX</u>	23 October 2017
<u>Supplementary Bidder's Statement lodged with Finders, ASIC and ASX</u>	<u>17 November 2017</u>
<u>Replacement Bidder's Statement lodged with Finders, ASIC and ASX</u>	<u>17 November 2017</u>
Date of Offer and date Offer opens	[# insert] <u>17 November 2017</u>
Close of Offer Period (unless extended or withdrawn)	7.00pm (Perth time) on [#insert] <u>18 December 2017</u>

## How to accept

You may only accept the Offer for all Your Finders Shares.

Depending on the nature of your holding, you may accept the Offer in the following ways:

### Issuer sponsored shareholders

If Your Finders Shares are held on Finders' Issuer sponsored sub register (such holdings will be evidenced by an "I" appearing next to your holder number on the enclosed Acceptance Form), to accept this Offer you must complete and sign the Acceptance Form enclosed with this Bidder's Statement and return it to the address indicated on the form before the Offer closes.

### CHESS sponsored shareholders

If Your Finders Shares are in a CHESS Holding (such holdings will be evidenced by an "X" appearing next to your holder number on the enclosed Acceptance Form), you may accept the Offer by either:

- completing and signing the Acceptance Form enclosed with this Bidder's Statement and returning it to the address indicated on the form, so that it is received in sufficient time for your Controlling Participant (normally your broker) to effect acceptance before the Offer closes; or
- contacting your Controlling Participant and instructing them to accept the Offer on your behalf before the Offer closes.

### Participants

If you are a CHESS Participant, acceptance of this Offer must be initiated in accordance with rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Full details on how to accept the Offer are set out in section 4 of Schedule 1 of this Bidder's Statement.

### Holder of unlisted shares

If Your Finders Shares are unlisted Finders Shares, to accept this Offer you must complete and sign the Acceptance Form enclosed with this Bidder's Statement and return it to the address indicated on the form before the Offer closes.

## Acceptance Form

The Acceptance Form which accompanies this Bidder's Statement forms part of the Offer. The requirements on the Acceptance Form must be observed in accepting the Offer for Your Finders Shares.

If you are in any doubt as to how to deal with this document or complete the Acceptance Form, you should consult your legal, financial or other professional adviser.

## Information line

If you have any questions about the Offer or how to accept it, please call Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am to 5.00pm (Perth time) Monday to Friday.

**EASTERN FIELD DEVELOPMENTS LIMITED**  
(BVI Co No 1955552)

*(a company jointly owned by Procap Partners Limited, PT Saratoga Investama Sedaya Tbk. and PT Merdeka Copper Gold Tbk.)*



~~23 October~~ 17 November 2017

Dear Finders Shareholder

**Cash Offer to acquire your shares in Finders Resources Limited**

On behalf of Eastern Field Developments Limited (**Eastern Field**), I am pleased to present you with this all-cash offer to acquire all your ordinary shares in Finders Resources Limited (**Finders**).

**Offer Overview**

Eastern Field is a special purpose vehicle jointly owned by Procap Partners Limited (**Provident**), PT Saratoga Investama Sedaya Tbk (**Saratoga**) and PT Merdeka Copper Gold Tbk (**Merdeka**) (together the **Consortium** and each a **Consortium Member**) to make the Offer.

Eastern Field already has a relevant interest in approximately 19.8% of Finders Shares. This represents the largest relevant interest in Finders.

By accepting the Offer, you will receive \$0.23 cash for every one of Your Finders Shares (**Offer**), upon the Offer becoming unconditional. Importantly, the Offer is not subject to any funding condition.

The Offer represents an attractive premium to a range of relevant pricing metrics for Finders Shares, as calculated when Eastern Field announced its intention to make an Offer (6 October 2017):

- 7.6% to the 60 day VWAP of \$0.2138 per Share;
- 10.8% to the 90 day VWAP of \$0.2077 per Share;
- 18.0% to the 180 day VWAP of \$0.1949 per Share; and
- 91.7% to the most recent equity raising price of \$0.12 per Share as completed in November 2016.

In addition, the Offer price exceeds the recently disclosed average sale prices by Finders' former substantial shareholders, Resource Capital Fund IV L.P. (**RCF**), a leading global resources investor, and Australian institutional investor Acorn Capital Limited (**Acorn**).

The Offer provides you with the opportunity to realise certain cash value for all Your Finders Shares, with no transaction costs and no exposure to the potential risks and uncertainties associated with Finders' Wetar Copper Project (**Wetar**) and a continued investment in Finders.

These key risks and uncertainties include, but are not limited to:

1. Indonesian risks, including divestment obligations and ongoing permitting risks;
2. Metallurgical risks and associated copper recovery uncertainties;
3. Limited existing JORC Reserves and significant future exploration and development risks;
4. Current short remaining period of mining operations of approximately 3 years (based on unmined JORC Reserves, JORC Reserve depletion and disclosed projected stacking rates);
5. Production risks such as the interruption to the plant announced by Finders to the ASX on 27 September which will impact on September and October 2017 production; and
6. Future copper price and foreign exchange rate volatility.

If you do not accept the Offer but Eastern Field acquires control of Finders and does not proceed to compulsory acquisition, you will become a minority shareholder in Finders. This may have several implications for you including reduced liquidity in the Finders Shares and a reduced ability for you to sell Your Finders Shares. Finally, in the absence of our Offer, Your Finders Shares may trade below the Offer price.

#### **Additional Background to the Offer**

Provident Minerals Limited (**Provident Minerals**), an associated entity of Provident and one of the Consortium Members, has been a Finders shareholder since 2012 and an active supporter of Finders, including providing assistance to Finders in connection with successful achievement of Indonesian regulatory approvals.

You should also be aware that Provident Minerals recently undertook an unsuccessful formal sale process for its Finders shareholding via its financial adviser Argonaut (**Sale Process**). The Sale Process involved approaching a large number of potential acquirers. Consistent feedback themes received from potential acquirers were that:

1. The involvement of a strong, reputable Indonesian group as a key investor in Finders was a key prerequisite to any investment;
2. Finder's attributable interest in Wetar is small on a global basis based on Finders' 74.1% interest in nameplate production of 28,000 tonnes of annual production; and
3. The current mining life is too short based on the project's JORC Reserves and Resources statement.

The Sale Process has since been discontinued after limited interest and no offers being received.

Provident Minerals and Saratoga have determined their existing interest in Finders is too small in the context of their existing portfolios. This Offer will enable them to materially increase the collective 19.8% shareholding in Finders alongside Merdeka, a gold producer with a significant copper-gold development project.

If the Offer is not successful, Provident Minerals and Saratoga will review their Finders investments and may divest all their Finders Shares via a market sell down process or other means and withdraw from their involvement in Finders.

Should Provident Minerals and Saratoga elect to divest all their Finders Shares, Finders Shareholders may face increased Indonesian risks and uncertainties that could materially impair the value of Finders Shares.

#### **How to Accept the Offer**

Details of our Offer, including its terms and conditions, are set out in Schedule 1. We encourage you to read this document and accept the Offer as soon as possible. The Offer is open for your acceptance until 7.00pm (Perth time) on ~~{# Insert}~~ 20 December 2017.

To accept the Offer, please follow the instructions on the Acceptance Form enclosed with this Bidder's Statement. Should you have any queries please contact Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am and 5.00pm (Perth time) Monday to Friday or visit the Eastern Field website at [www.easternfielddevelopments.com](http://www.easternfielddevelopments.com).

We appreciate your consideration of our Offer and look forward to receiving your acceptance for all Your Finders Shares.

Yours sincerely

**David Fowler**  
Eastern Field Developments Limited  
Director

**1 Why you should accept Eastern Field's Offer**

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<b>1</b>	<b>Eastern Field's Offer represents attractive value</b>
<b>2</b>	<b>The Offer provides all cash certainty</b>
<b>3</b>	<b>The Offer removes the risks and uncertainties associated with maintaining an investment in Finders</b>
<b>4</b>	<b>Eastern Field already controls Finders largest shareholding with a relevant interest of 19.8%</b>
<b>5</b>	<b>You may face minority shareholder risks if you do not accept and Eastern Field obtains control of Finders</b>
<b>6</b>	<b>Should the Offer not be successful, the Consortium Members will review their Finders investment and may divest all their Finders Shares and withdraw from involvement in Finders</b>
<b>7</b>	<b>The trading price of Your Finders Shares may fall if Eastern Field's Offer is not successful</b>
<b>8</b>	<b>Eastern Field's Offer is the only offer available to you</b>

### 1.1 Eastern Field's Offer represents attractive value

The Eastern Field Offer is to acquire all of Your Finders Shares for \$0.23 cash consideration per Finders Share. This represents an attractive premium to a range of relevant the following pricing metrics for Finders Shares<sup>1</sup>:

- 7.6% to the 60 day VWAP of \$0.2138 per Share;
- 10.8% to the 90 day VWAP of \$0.2077 per Share;
- 18.0% to the 180 day VWAP of \$0.1949 per Share; and
- 91.7% to the most recent equity raising price of \$0.12 per Share as completed in November 2016.

In addition, the Offer price exceeds the recently disclosed average sale prices by Finders former substantial shareholders, Resource Capital Fund IV L.P. (RCF)<sup>2</sup>, a leading global resources investor, and Australian institutional investor Acorn Capital Limited (Acorn)<sup>3</sup>.

The closing price for Finders Shares on 5 October 2017 (being the trading day immediately prior to the announcement of Eastern Field's intention to make an Offer on 6 October 2017) was \$0.23 per Share.

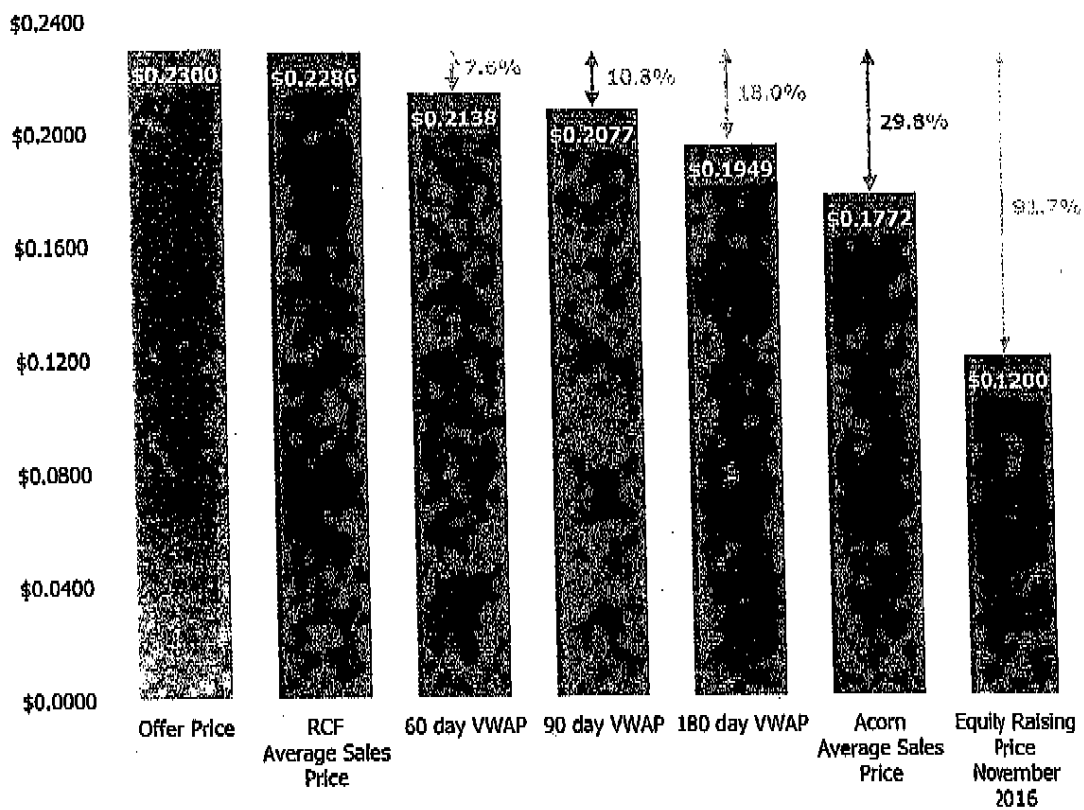
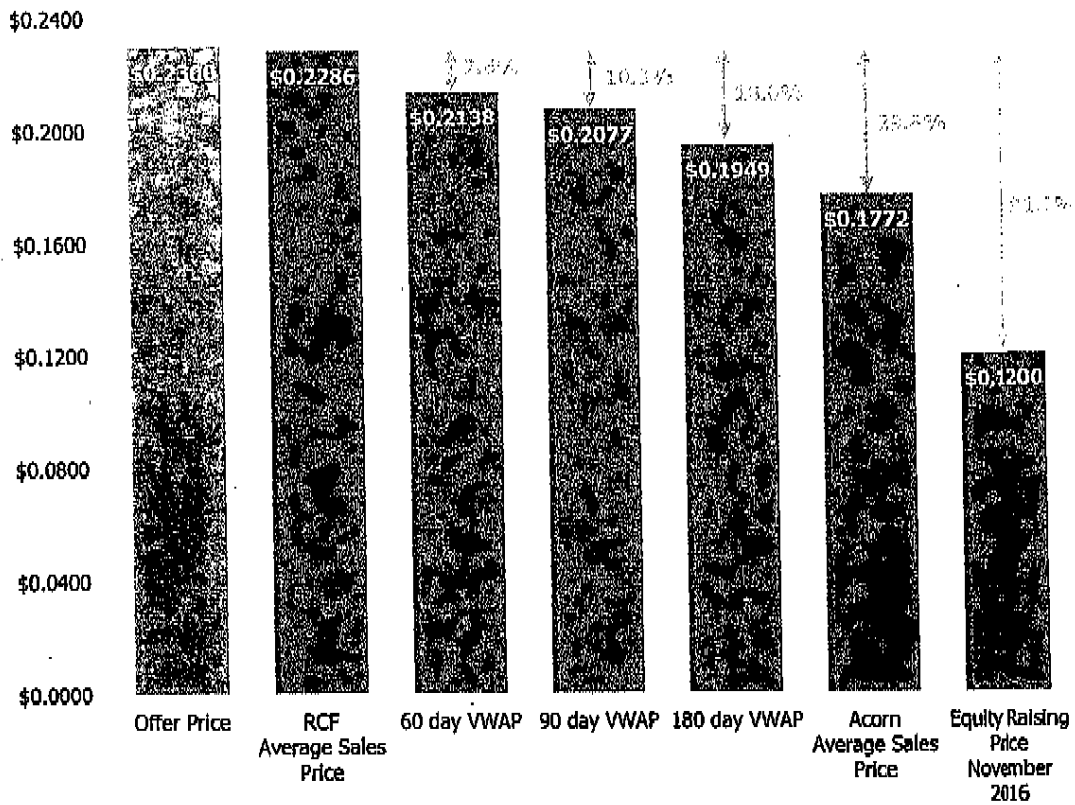
The closing price for Finders Shares on 14 November 2017 (being the trading day immediately prior to the date of printing of this Replacement Bidder's Statement on 15 November 2017) was \$0.24 per Share.

<sup>1</sup> VWAPs are calculated on the basis of ASX trading data sourced from IRESS Limited without the consent of IRESS Limited to the use of data, as permitted by ASIC Class Order 13/521. VWAPs of each of Finders Shares are calculated as at close of trade on the Pre-Announcement Trading Day (Thursday, 5 October 2017).

<sup>2</sup> RCF reported on 6 September 2017 it ceased being a substantial shareholder in Finders after selling 50,000,000 Finders Shares (approximately 6.6% of Finders Shares on Issue) at an average sale price of \$0.2286 per share.

<sup>3</sup> Acorn reported on 17 February 2017 it reduced its substantial shareholding in Finders by selling 8,988,215 Finders Shares (approximately 1.2% of Finders Shares on Issue) at an average sale price of \$0.1772 per share and that it retained 54,516,474 Finders Shares (approximately 7.2% of Finders Shares on Issue). Acorn subsequently advised on 24 July 2017 it had sold Finders Shares on-market and ceased being a substantial shareholder in Finders.

Figure 1: Offer price vs key price benchmarks



## 1.2 The Offer provides all cash certainty

The Eastern Field Offer provides Finders Shareholders with an opportunity to realise certain cash value for all their Finders Shares, with no transaction costs and no exposure to the potential risks and uncertainties associated with a continuing investment in Finders.

By accepting the Offer and the Offer becoming unconditional, you will:

- be paid \$0.23 in cash for each of Your Finders Shares;
- not incur any brokerage fees; and
- receive your cash consideration by the earlier of:
  - 21 days after the end of the Offer Period; and
  - within one month after the date the Offer becomes, or is declared, unconditional or the date you accept the Offer if at that time the Offer is unconditional.

The Offer is subject to Eastern Field obtaining a relevant interest in more than 50% of Finders Shares, FIRB approval and other conditions as set out in full in Schedule 2.

Importantly, the Offer is not subject to any funding condition.



### 1.3 The Offer removes the risks and uncertainties associated with maintaining an investment in Finders

The certainty of Eastern Field's all cash Offer compares favourably to the company specific and external risks and uncertainties to which Finders may be subject that could affect the trading price of Finders Shares.

If you do not accept the Offer you will remain exposed to the following key risks and uncertainties:

#### ■ Indonesian risks

Finders' sole project is Wetar, which is located on a remote island in Eastern Indonesia.

As a developing nation Indonesia's fiscal and monetary controls, laws, policies and regulatory processes in many areas are less established and less predictable than in developed nations.

Possible sovereign risks associated with operating in Indonesia include:

1. changes to the terms of mining legislation;
2. changes in foreign ownership restrictions;
3. changes to royalty and tax arrangements;
4. failure to obtain or renew operating permits (e.g. permits to acquire and use explosives);
5. expropriation by the government or other bodies; and
6. ability to enforce legal rights.

Any of these factors may adversely affect Finders and its ability to produce copper and generate cashflow from Wetar.

In addition, mining regulations in Indonesia that affect Finders and relate to ownership of mining licences and are designed to align with the Indonesian Constitution and safeguard the principle that mineral deposits are developed for the benefit of Indonesia.<sup>4</sup> These regulations stipulate that companies with mining licences must be 51% Indonesian owned by the tenth year of production, with intermediate divestment milestones commencing from the end of the fifth year of production.

There remains uncertainty as to the application of these provisions in respect of Wetar given that mining relating to the demonstration plant first commenced in the quarter ended December 2008<sup>5</sup> and there are risks that these regulations may adversely affect the value of Finders.

#### ■ Metallurgical risks and associated copper recovery uncertainties

Traditionally, copper heap leach operations focus on copper oxide and supergene sulphide deposits that are readily amenable to well proven acid leaching processes.

In contrast, Finders is a single project company and at Wetar it is currently mining at Kali Kuning, a copper sulphide deposit which includes copper minerals that require leach times in excess of 720 days to reach final recovery. As a result, Wetar's leaching process is considered non-conventional and more complex.

<sup>4</sup> These regulations include among others (i) Law No. 4 of 2009 on Coal and Mineral Mining; and (ii) Government Regulation No. 23 of 2010 on Implementation of Coal and Mineral Mining Activities, as amended by Government Regulation No. 24 of 2012, Government Regulation No. 1 of 2014, Government Regulation No. 77 of 2014 and Government Regulation No. 1 of 2017.

<sup>5</sup> See Finders announcement "Quarterly Report for Period Ending 31 December 2008" released to ASX 30 January 2009 and "Wetar Copper Project Resource Update" released to ASX 16 December 2016.

Finders' release to the ASX on 16 December 2016<sup>6</sup> indicated the average recoveries over a 720 day leach period, as currently used in Finders' production planning, are 75% for Kali Kuning and 50% for Lerokis.<sup>7</sup>

The project has been mining ore from Kali Kuning that has been stacked and progressively irrigated and leached since April 2015. To date, Finders has made limited disclosure on actual project recoveries compared to the assumed heap leach recovery curves, the potential impact on recovery of stockpile leach pads and the tonnes and grade of ore mined. If the actual copper recoveries from Kali Kuning under-perform the assumed average copper recovery of 75%, then this will have a material adverse impact on Finders' operational and financial performance.

In addition, the mineralogical characteristics of the Lerokis deposit are thought to vary from that of Kali Kuning and have been subject to less testwork than Kali Kuning. Consequently, Lerokis may have different leaching characteristics that may impact Wetar's production profile once Kali Kuning is depleted.

Extensive metallurgical testwork will be required to substantiate economic metallurgical recovery of other potential future deposits and there is no certainty that any such deposit will be amenable to the current processing approach.

#### ■ **Limited existing JORC Reserves and significant future exploration and development risks**

Wetar only has a current short remaining period of mining operations of approximately 3 years based on unmined JORC Reserves as at 30 June 2016, estimated JORC Reserve depletion and disclosed projected stacking rates.<sup>8</sup>

Over the past 5 years, Finders has announced no material increase in resources. As a result, JORC Reserves, in terms of contained copper, have experienced no growth from 2012 to 2017.

Future development projects may require the successful completion of feasibility studies, agreement with the local community on access, receipt of necessary permits and adequate financing.

During the past 6 months, Finders has ceased to report southern exploration tenements as being owned by the Finders Group. These tenements were previously reported as having similar geological environments to Kali Kuning/Lerokis/Meron.

#### ■ **Production underperformance and high operating costs relative to guidance**

On 27 September 2017, Finders announced an interruption to the major copper cathode solvent extraction-electrowinning (SX-EW) plant that is adversely affecting production of copper cathode.

<sup>6</sup> See Finders announcement "Wetar Copper Project Resource Update" released to ASX 16 December 2016

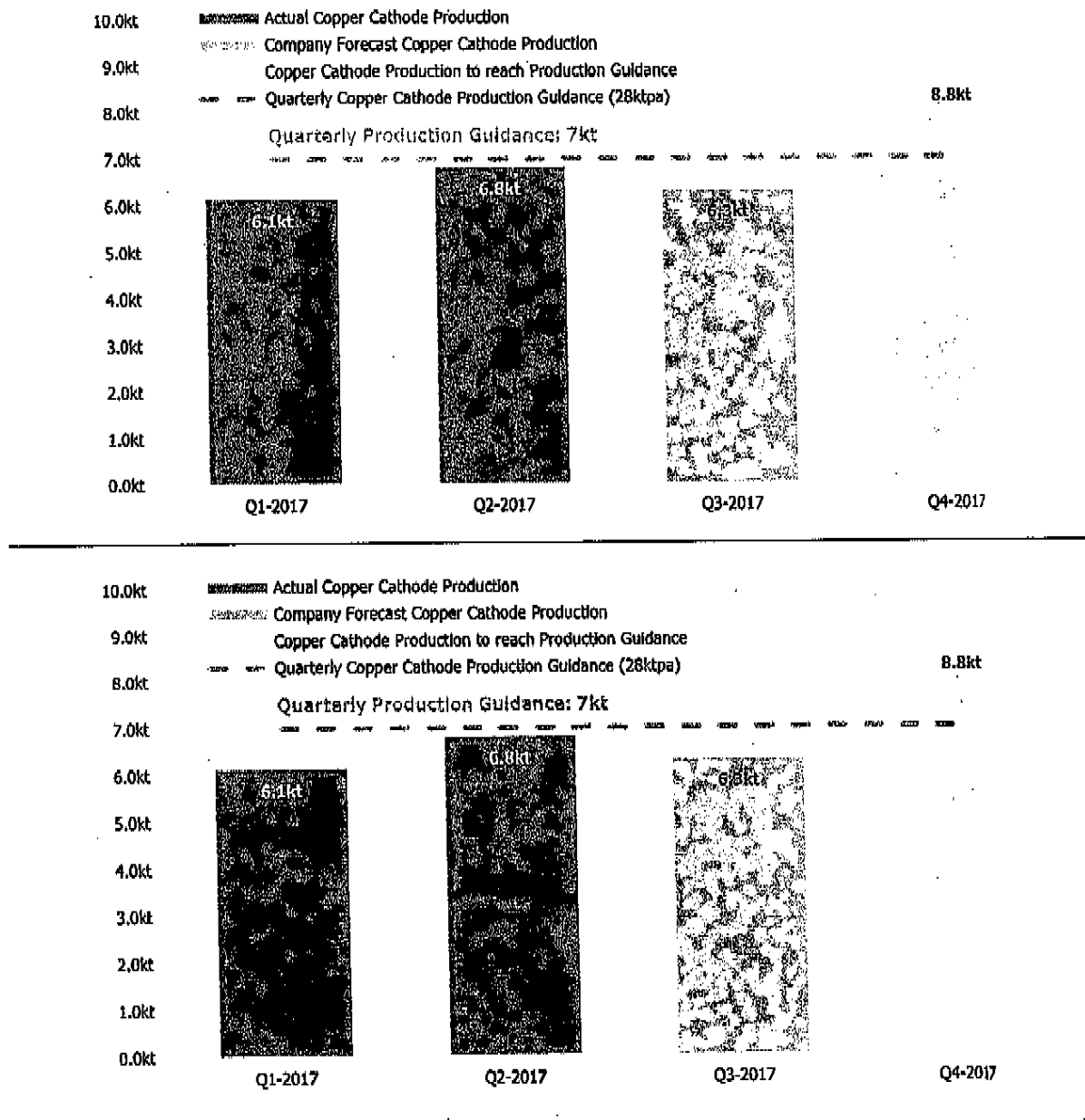
<sup>7</sup> Based on heap leach recovery curves modelled and extensive metallurgical test work and a series of demonstration heaps using Kali Kuning mineralisation during 2009 and 2010.

<sup>8</sup> As at 30 June 2016, unmined JORC Reserves totalled 7.8Mt as per Finders Announcement "Wetar Copper Project Resource Update" released to ASX 16 December 2016. Ore tonnes stacked in the period from 1 July 2016 to 30 June 2017 totalled 2.7Mt as disclosed in Finders Announcements "Half Year Financial Report Six month ended 30 June 2017" released to ASX 19 September 2017 and "Wetar Copper Project Q4 2016 Production" released to ASX 19 January 2017. Based on ore stacked of 2.7Mt during the period from 1 July 2016 and 30 June 2017, the implied remaining unmined JORC Reserve tonnage totals 5.1Mt. Assuming the projected annual stacking rate of 1.8Mt included in the Revised Bankable Feasibility Study for Wetar released to the ASX on 20 November 2013 continues to be achieved and the implied remaining JORC Reserve tonnage of 5.1Mt, then the remaining period of mining operations is approximately 3 years. Due to the leach cycle of 720 days, Wetar production will continue beyond the estimated period of 3 years of mining operations, at rapidly reducing rates of copper production.

As a consequence, Finders estimates that copper cathode production for the September 2017 quarter will fall approximately 500 tonnes below that achieved in the June 2017 quarter, with production in October 2017 also impacted<sup>9</sup>.

Assuming Finders' implied estimate of copper cathode production for the September 2017 quarter of 6,304 tonnes<sup>10</sup>, production in the December 2017 quarter will need to reach a minimum of 8,767 tonnes to meet the 2017 forecast copper cathode production guidance of 28,000 tonnes<sup>11</sup> (**Production Guidance**). Given Finders' guidance that production for October 2017 will be adversely affected, this makes it unlikely that the Production Guidance will be achieved.

**Figure 2: 2017 Finders Historical Copper Cathode Production<sup>12</sup> & Production Guidance**



<sup>9</sup> See Finders announcement "Wetar Production Update" released to ASX 27 September 2017

<sup>10</sup> June 2017 quarterly copper cathode production totalled 6,804 tonnes as stated in the Finders Resources Limited Announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>11</sup> 2017 forecast stated in Finders announcements "2017 Annual General Meeting Presentation" released to ASX 25 May 2017 and "Presentation to Noosa Mining and Exploration Conference" released to ASX 21 July 2017

<sup>12</sup> Sourced from Finders Quarterly Production Reports

Finders has also disclosed that it expects operating costs during the September 2017 quarter to increase because of the replacement of reagents and an increase in power usage due to circuit inefficiencies.

The forecast C1 cash costs for the September 2017 quarter is expected to be in the range of US\$1.15 to US\$1.20 per pound of copper cathode produced<sup>13</sup> (vs US\$1.02 per pound of copper cathode produced in the June 2017 quarter<sup>14</sup>).

There has been limited public disclosure regarding the ongoing production underperformance and higher operating costs relative to company guidance to date. There are considerable risks and uncertainties that these operating issues may persist and continue to adversely impact the value of Your Finders Shares.

■ **Future copper price and foreign exchange rate volatility**

Finders' copper sales are priced in US dollars. Finders is therefore exposed to fluctuations in copper prices and foreign exchange rates.

The market prices for copper can fluctuate widely. These fluctuations are caused by numerous factors beyond the Company's control including, but not limited to, speculative positions taken by investors, global mine supply, global GDP growth and global or regional economic events. There is no assurance that copper prices will remain at current high levels.

By accepting the Offer, and the Offer becoming unconditional, you will be paid cash for Your Finders Shares and will not be exposed to the risks and uncertainties inherent in continuing to hold Your Finders Shares.

<sup>13</sup> See Finders announcement "Wetar Production Update" released to ASX 27 September 2017

<sup>14</sup> See Finders announcement "Quarterly Activities Report – June 2017" released to ASX 31 July 2017

**1.4 Eastern Field already controls Finders largest shareholding with a relevant interest of 19.8%**

Eastern Field already has a relevant interest in approximately 19.8% of the Finders Shares on issue. This represents the largest relevant interest in Finders.

**1.5 You may face minority shareholder risks if you do not accept and Eastern Field obtains control of Finders**

If you do not accept the Offer, but Eastern Field acquires control of Finders and does not proceed to compulsory acquisition, you will become a minority shareholder in Finders with limited influence in the running of the business.

Decisions made in respect of the business of Finders under the control of Eastern Field may, therefore, have an impact on those Finders Shareholders who do not accept the Eastern Field Offer.

Eastern Field's control over Finders may affect the liquidity of Finders Shares, thereby exposing remaining Finders Shareholders to greater volatility, less institutional support and limited analyst coverage. This could make it more difficult for you to sell Your Finders Shares at an attractive price in the future.

If the number of Finders Shareholders is less than that required by ASX Listing Rules to maintain an ASX listing then the ASX may suspend and/or de-list Finders Shares. If this occurs, any remaining Finders Shareholders will not be able to sell their Finders Shares on market.

**1.6 Should the Offer not be successful, the Consortium Members will review their Finders investments and may divest all their Finders Shares and withdraw from involvement in Finders**

Provident's associated entity, Provident Minerals, has been a Finders shareholder since 2012 and an active supporter of Finders, including providing assistance to Finders in connection with the successful achievement of Indonesian regulatory approvals. Provident Minerals also assisted Finders by introducing leading Indonesian investment company Saratoga as another supportive, high-quality Indonesian shareholder to Finders in 2013.

You should also be aware that Provident Minerals recently undertook an unsuccessful formal Sale Process for its Finders shareholding via its financial adviser Argonaut. The Sale Process occurred following Provident Minerals making a strategic decision to refocus on its investment in Merdeka, in preference to retaining its considerably smaller investment (by value) in Finders. The Sale Process involved approaching a large number of potential acquirers.

Consistent feedback themes received from potential acquirers was that:

- The involvement of a strong, reputable Indonesian group as a key investor in Finders was a key prerequisite to any investment;
- Finder's attributable interest in Wetar is small on a global basis based on Finders' 74.1% interest in nameplate production of 28,000 tonnes of annual production; and
- The current mining life is too short based on the project's JORC Reserves and Resources statement.

The Sale Process has since been discontinued after limited interest and no offers being received.

Provident has now elected to form Eastern Field with several like-minded Indonesian groups to make this Offer to all shareholders to enable them to materially increase their investment in Finders.

If Eastern Field's Offer is not successful, Provident Minerals and Saratoga will undertake a review of their Finders investments and may divest their Finders Shares via a market sell-down process or other means and withdraw from involvement in Finders.

If Provident Minerals and Saratoga elect to divest all their Finders Shares then Finders Shareholders may face increased Indonesian risks and uncertainties that could materially impair the value of the Finders Shares.

You should be aware that prior to the Offer, Finders' average shares traded per month for Calendar Year 2017 represents only 2.0% of shares outstanding<sup>15</sup>. This means that should Provident Minerals and Saratoga choose to sell their Finders Shares on market then the full sale of their 19.8% interest may take a considerable time to be completed and may adversely impact the value of the Finders Shares.

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<sup>15</sup> Source: Bloomberg

**1.7 The trading price of Your Finders Shares may fall if Eastern Field's Offer is not successful**

If Eastern Field's Offer is not successful and there is no other offer made for Your Finders Shares, the trading price of Finders Shares may fall below the Offer Price.

**1.8 Eastern Field's Offer is the only offer available to you**

The Eastern Field Offer is the only offer available for all Your Finders Shares as at the date of ~~this~~ the Original Bidder's Statement.

## 2 Frequently asked questions about the Offer

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Question	Answer
<b>What is the Offer?</b>	<p>Eastern Field is making an Offer to acquire all Your Finders Shares which are issued at the Register Date, being 24 October 2017.</p> <p>If you accept the Offer you will receive (subject to the conditions of the Offer being satisfied or waived) \$0.23 cash for each Finders Share that you elect to accept.</p>
<b>How long is the Offer open for?</b>	<p>The Offer opens on <del>[-#insert]</del>20 November 2017 and is scheduled to close at 7.00pm (Perth time) on <del>[-#insert]</del>20 December 2017 (unless extended).</p>
<b>What are the conditions of the Offer?</b>	<p>The Offer is subject to the following Conditions:</p> <ul style="list-style-type: none"> <li>(a) Receipt of FIRB Approval;</li> <li>(b) Eastern Field obtaining a relevant Interest in more than 50% of Finders Shares;</li> <li>(c) no regulatory action;</li> <li>(d) no Target Prescribed Occurrences;</li> <li>(e) no Material Adverse Change;</li> <li>(f) third party consents;</li> <li>(g) no material acquisitions, disposals or commitments; and</li> <li>(h) no fall in the 3 Month Copper Price to below US\$6,000 for two consecutive days.</li> </ul> <p>This is only a summary of the key Conditions. The Conditions are set out in full in Schedule 2.</p> <p>Eastern Field may waive any or all of the Conditions in accordance with the Offer Terms.</p>
<b>What happens if the Conditions are not satisfied?</b>	<p>If the Conditions to the Offer are not satisfied by the end of the Offer Period, the Offer will lapse, any acceptances will be cancelled and you will retain Your Finders Shares even if you have accepted the Offer.</p>
<b>Do I have to pay any fees?</b>	<p>No brokerage costs, GST or stamp duty will be payable by you on acceptance of the Offer.</p> <p>If you choose to sell Your Finders Shares other than by acceptance of the Offer, you may incur brokerage costs and GST on those costs, and stamp duty may apply.</p>
<b>What should I do?</b>	<p>To accept the Offer, you should:</p> <ul style="list-style-type: none"> <li>(a) read this Bidder's Statement in full;</li> <li>(b) read the Finders Target's Statement in full (when issued);</li> <li>(c) consult your legal, financial or other professional adviser if you are in any doubt as to what action to take or how to accept the Offer; and</li> <li>(d) accept the Offer in the manner described on page [6] under the heading 'How to accept'.</li> </ul> <p>If you have any queries about the Offer, you may also call Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am to 5.00pm (Perth time) Monday to Friday.</p>



Question	Answer
<b>How do I accept the Offer?</b>	The Offer may only be accepted for all of Your Finders Shares. Full details on how to accept the Offer are set out on page [6] under the heading 'How to accept'.
<b>What will I receive if I accept the Offer?</b>	If you accept the Offer, you will receive \$0.23 cash for each of Your Finders Shares subject to the satisfaction of the conditions of the Offer.
<b>If I accept the Offer, when will I receive consideration for my Finders Shares?</b>	If you accept the Offer and the Offer is, or becomes unconditional, provided that the necessary transfer documents accompany your Acceptance Form, you will be paid within one month of the later of: (a) the date you accept the Offer; and (b) the date the Offer becomes unconditional. In any event, you will receive your payment within 21 days after the Offer closes (assuming all conditions of the Offer are satisfied or waived).
<b>What happens if I accept the Offer?</b>	Once you accept the Offer (even while it remains subject to Conditions) you will not be able to sell Your Finders Shares on market or otherwise deal with the Rights attaching to Your Finders Shares, subject to your limited statutory rights to withdraw your acceptance in certain circumstances.
<b>What happens if I do not accept the Offer?</b>	If you do not accept the Offer, you will remain a Finders Shareholder and will not receive the cash consideration. However, Eastern Field may compulsorily acquire Your Finders Shares should it become entitled to do so. If this occurs, you will still receive the Offer Consideration for Your Finders Shares, though at a later date than you would have received it if you had accepted the Offer.
<b>Can I withdraw my acceptance?</b>	Your acceptance of the Offer is irrevocable and can only be withdrawn in certain circumstances described in the Corporations Act as set out in paragraph 4.7(a) of this Bidder's Statement.
<b>Can the Offer Period be extended?</b>	Yes, the Offer Period may be extended at the election of Eastern Field and as required under the Corporations Act. Eastern Field will give written notice of any extension of the Offer Period in accordance with the Corporations Act. Any extension will be announced to the ASX.
<b>What are the tax implications of accepting the Offer?</b>	A general description of the taxation treatment for certain Australian-resident Finders Shareholders accepting the Offer is set out in section 7. You should not rely on that general description as advice for your own affairs. You should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the Offer for Your Finders Shares.
<b>What if you are a foreign Shareholder?</b>	Foreign Shareholders will receive the same cash consideration as stipulated under the Offer, which will be paid in Australian dollars. However, the tax implications under the Offer for those foreign Shareholders may be different to those relating to Australian resident Shareholders.
<b>What are Eastern Field's intentions for Finders?</b>	Section 5 sets out detailed information about Eastern Field's intentions for Finders, including in circumstances where Eastern Field gains control of Finders, but does not compulsorily acquire all Finders Shares.

Question	Answer
Treatment of Finders Options	Eastern Field is not making an offer for any Finders Options.
What happens if I exercise my Finders Options?	The Offer does not extend to Finders Shares that are issued after the Register Date, being 24 October 2017. If you exercise Your Finders Options prior to that date and are issued Finder Shares by that date, you can accept the Offer for those Finders Shares. You cannot accept this Offer for Finders Shares Issued after that date following the exercise of your Finders Options.
Important notice	The information in this section is only a summary of Eastern Field's Offer and is qualified by the detailed information set out elsewhere in this Bidder's Statement. You should read the entire Bidder's Statement.

### **3 Information on Eastern Field & the Consortium Members**

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#### **3.1 Eastern Field**

##### **Overview**

Eastern Field is a special purpose company established under the laws of the British Virgin Islands on 18 September 2017.

Eastern Field is jointly owned by Provident, Saratoga and Merdeka who each hold the following shares:

Provident	334 US\$1 ordinary shares
Saratoga	333 US\$1 ordinary shares
Merdeka	333 US\$1 ordinary shares.

At the date of ~~this~~the Original Bidder's Statement, Eastern Field has not undertaken any business and has no assets other than its issued capital of US\$1,000 and has no liabilities other than in connection with the Offer.

##### **Eastern Field Directors**

The directors of Eastern Field at the date of ~~this~~the Original Bidder's Statement are:

##### **David Fowler**

David Fowler is an experienced corporate finance executive with over 25 years' experience working in the mining industry in Asia, South America and Australia. Mr Fowler is a director of Merdeka Copper Gold Tbk.

Mr Fowler holds a Bachelor of Business degree, is a Fellow of the Financial Services Institute of Australasia and was previously a member of the Institute of Chartered Accountants in Australia.

##### **Hari Gurung**

Hari Gurung leads the Corporate Finance and M&A section of the Provident Group. He was involved in all the three public listings for Provident Group companies on the Indonesian stock exchange – Tower Bersama (Infrastructure), Merdeka Copper Gold (Mining) and Provident Agro (Plantations). Recently, Hari led the planning, negotiations and establishment of the Indonesian e-commerce and logistics joint ventures between Provident and JD.com (the third largest e-commerce company in the world, after Amazon and Alibaba).

Hari holds a Masters in Electrical Engineering from the National University of Singapore, with First Class Honours.

##### **Procap Partners Limited**

##### **Overview**

The Provident Group, which incorporates Procap Partners Limited and Provident Minerals, was established in 2004 and has invested in a wide range of investments in Indonesia including: telecommunications, agriculture, mining, oil & gas, biomass and e-commerce. In addition to establishing Merdeka, the Provident Group has successfully founded two other prominent IDX-listed companies as set out below:

- PT Tower Bersama Infrastructure Tbk. (30% ownership, market capitalisation US\$2.2 billion<sup>16</sup>); and
- PT Provident Agro (43% ownership, market capitalisation US\$194.9 million<sup>17</sup>).

The Provident Group is JD.com's strategic partner for its Indonesian e-commerce business and also has interests in e-commerce businesses in Singapore and Thailand. It is also JD.com's partner in PT Jaya Ekspress Transindo, an Indonesian logistics business.

### Provident Directors

As at the date of this ~~this~~ the Original Bidder's Statement, the Provident Directors are:

Name	Position
Winato Kartono	Director
Hardi Wijaya Liong	Director
Gavin Caudle	Director
Douglas Lenpo Tay	Director

## 3.2 PT Saratoga Investama Sedaya Tbk

### Overview

PT Saratoga Investama Sedaya Tbk (IDX: SRTG) (**Saratoga**) is an Indonesian Investment company with two decades of active investment experience in Indonesia.

Saratoga was founded in 1997 and specialises in early stage, growth stage and special situations investments in the natural resources, infrastructure and consumer goods sectors.

At the date of this ~~this~~ the Original Bidder's Statement, Saratoga has a market capitalisation of approximately US\$651.9 million<sup>18</sup> and a Net Asset Value of US\$1.6 billion<sup>19</sup> as at 30 June 2017.

### Saratoga's Board of Directors

As at the date of this ~~this~~ the Original Bidder's Statement, the Saratoga Board of Directors comprises:

Name	Position
Michael William P. Soeryadjaya	President Director
Ngo Jerry Go	Independent Director
Andi Esfandiari	Director

### Saratoga's Board of Commissioners

As at the date of this ~~this~~ the Original Bidder's Statement, the Saratoga Board of Commissioners comprises:

Name	Position
Edwin Soeryadjaya	President Commissioner
Joyce Soeryadjaya Kerr	Commissioner
Indra Cahya Uno	Commissioner
Sidharta Utama	Independent Commissioner

<sup>16</sup> Market capitalisation based on closing price as at 6 October 2017. Source Bloomberg

<sup>17</sup> Market capitalisation based on closing price as at 6 October 2017. Source Bloomberg

<sup>18</sup> Market capitalisation based on closing price as at 6 October 2017. Source Bloomberg

<sup>19</sup> Net Asset Value as disclosed in Saratoga's 1H 2017 Update Presentation

Anangga W. Roosdiono	Independent Commissioner
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### Saratoga's Major Shareholders

As at 30 September 2017, the following persons and entities were substantial holders in Saratoga:

Substantial holder	Ownership
Edwin Soeryadjaya	31.0%
PT Untras Pertama	32.6%
Sandiaga Salahuddin Uno	27.8%

### Publicly available information

A substantial amount of information about Saratoga is available in electronic form from Saratoga's website at <http://www.saratoga-investama.com>

Information on Saratoga's website does not form a part of this Bidder's Statement.

## 3.3 PT Merdeka Copper Gold Tbk

### Overview

PT Merdeka Copper Gold Tbk. (IDX: MDKA) (**Merdeka**) is an Indonesian listed mining company operating and developing the Tujuh Bukit project, located approximately 200km south-east of Surabaya in Indonesia.

Merdeka was founded in 2012 and acquired 100% ownership of the Tujuh Bukit project in 2014 after a settlement was reached between several parties who were in dispute.

At the date of this ~~the~~ Original Bidder's Statement, Merdeka has a market capitalisation of approximately US\$620.2 million<sup>20</sup>.

### Merdeka's Board of Directors

As at the date of this ~~the~~ Original Bidder's Statement, the Merdeka Board of Directors comprises:

Name	Position
Adi Sjoekri	President Director
Colin Moorhead	Vice President Director & Chief Executive Office
Gavin Caudle	Executive Director
Hardi Liong	Director
Michael Soeryadjaya	Director
David Fowler	Director
Rony Hendropriyono	Director
Chrisanthus Supriyo	Independent Director

### Merdeka's Board of Commissioners

As at the date of this ~~the~~ Original Bidder's Statement, the Merdeka Board of Commissioners comprises:

<sup>20</sup> Market capitalisation based on closing price as at 6 October 2017. Source Bloomberg

Name	Position
Edwin Soeryadjaya	President Commissioner
Garibaldi Thohir	Commissioner
Dhohir Farisi	Independent Commissioner
Richard Bruce Ness	Independent Commissioner

### Merdeka's Executive Management Team

As at the date of this the Original Bidder's Statement, the key members of Merdeka's Executive Management Team comprise:

Name	Position
Colin Moorhead	Vice President Director & Chief Executive Office
David Fowler	Chief Financial Officer
Peter Scanlon	General Manager Studies and Construction
Gavin Caudle	Executive Director
James Frands	General Manager Operations

### Merdeka's Major Shareholders

As at the date of this the Original Bidder's Statement, Merdeka's major shareholders are listed below:

Substantial holder	Ownership
PT Provident Capital Indonesia <sup>21</sup>	21.0%
PT Saratoga Investama Sedaya Tbk. <sup>22</sup>	18.3%
Garibaldi Thohir	6.8%
Merdeka Mining Partners Pte Ltd (Provident Group owns 44.75% and Saratoga's subsidiary PT Trimitra Karya Jaya owns 40.59% of this company)	6.9%
Maya Ambarsari	8.7%
Regional government of Banyuwangi	6.4%

### Publicly available information

A substantial amount of information about Merdeka is available in electronic form from Merdeka's website at <http://www.merdekacoppergold.com>.

Information on Merdeka's website does not form a part of this Bidder's Statement.

<sup>21</sup> PT Provident Capital Indonesia (part of the Provident Group) owns 21.0% through the 16.5% holding of its wholly owned subsidiary PT Mitra Dava Musika and through the 4.5% holding of its wholly owned subsidiary PT Sriwaja Kapital

<sup>22</sup> Saratoga's holding is via its 86.5% interest in PT Trimitra Karya Jaya who has a 13.69% holding and a further 4.6% direct holding

## **4 Information on Finders**

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### **4.1 Disclaimer**

The following information on Finders has been prepared by Eastern Field using publicly available information which has not been independently verified. Accordingly, Eastern Field does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.

The information on Finders in this Bidder's Statement should not be considered comprehensive. Certain information and risks in relation to Finders may exist in relation to which Eastern Field is unaware.

In addition, the Corporations Act requires Finders to provide a Target's Statement to Finders Shareholders in response to this Bidder's Statement, setting out certain material information concerning Finders. The Finders Board will have an opportunity to identify any additional information that may be material to a Finders Shareholder's decision, including to correct any information about Finders in this section, in the Target's Statement, which is due to be sent to Finders Shareholders no later than 15 days after this Bidder's Statement has been despatched.

### **4.2 Overview of Finders**

Finders Resources Limited (ASX Code: FND) (**Finders**) is an ASX listed copper producer operating the Wetar Copper Project (**Wetar**) located on the remote Wetar Island in the province Maluku Barat Daya, Eastern Indonesia. Typical access to Wetar Island is by boat which takes approximately 14 hours from Kupang.

Finders was incorporated on 30 March 2004 and listed on the ASX on 8 June 2007<sup>23</sup>.

As at 30 June 2017, Finders' economic ownership in Wetar was disclosed as 74.1%. The remaining economic interests are held by Posco Daewoo Corporation and a local Indonesian partner<sup>24</sup>.

Finders currently holds its economic interest in Wetar through subsidiary, PT Batutua Tembaga Raya (BTR), which is an Indonesian limited liability foreign capital investment company (PMA). BTR in turn holds 70% of PT Batutua Kharisma Permai (BKP) which is the registered holder of the mining assets.

Wetar comprises the brownfield development, open pit mining and processing of sulphide deposits at Kall Kunling and Lerokis located within 3 kilometres of the coast on Wetar Island, which is mountainous and heavily forested.

Wetar Island has a population of ~9,000 people who live mainly on the flat coastal plains relying predominantly on subsistence agriculture and spice exports<sup>25</sup>. Infrastructure for the Wetar Copper Project includes a wharf, accommodation camp, roads, on-site diesel power generators and an emergency access air strip.

Finders currently operates a 25,000 tonne per annum (tpa) copper cathode SX-EW plant, commissioned in May 2016, and a 3,000 tpa SX-EW expanded demonstration plant, commissioned in April 2014, giving a combined annual production capacity of 28,000 tonnes copper cathode.

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<sup>23</sup> Sourced from Finders Website: <http://findersresources.com/finders/company-profile/>

<sup>24</sup> See Finders announcement "Half Year Financial Report Six month ended 30 June 2017" released to ASX 19 September 2017

<sup>25</sup> Sourced from Finders Website: <http://findersresources.com/wetar-copper-project/project-description/>

Ore is currently sourced from the Kali Kuning pit with the Lerokis pit planned to provide ore feed in the future. Processing involves heap leaching of transitional and fresh sulphide ore followed by solvent exchange electrowinning to produce copper cathode.

For the six months ended June 2017, Finders produced 12,929 tonnes of copper cathode at a C1 cash costs of US\$1.03/lb and an all-in sustaining cost (AISC) of US\$1.36/lb<sup>26</sup>.

Wetar only has a current short remaining period of mining operations of approximately 3 years based on unmined JORC Reserves as at 30 June 2016, estimated JORC Reserve depletion and disclosed projected stacking rates.<sup>27</sup>

As at 30 June 2017, Wetar had total debt of US\$73.6 million<sup>28</sup> (including a VAT facility)<sup>29</sup> repayable over the period to March 2019<sup>30</sup> and a cash position of A\$4.4 million<sup>31</sup>.

#### 4.3 Finders Board and Senior Management

##### Finders Board

As at the date of ~~this~~the Original Bidder's Statement, the Finders Board<sup>32</sup> comprises:

Name	Position
Gary Comb	Non-Executive Chairman
Barry Cahill	Managing Director
Gavin Caudle	Non-Executive Director
Gordon Galt	Non-Executive Director

##### Finders Senior Management

As at the date of ~~this~~the Original Bidder's Statement, the key members of the Finders Senior Management team are<sup>33</sup>:

Name	Position
Barry Cahill	Managing Director
Wayne Apted	Chief Financial Officer
Susan Hunter	Company Secretary

#### 4.4 Finders' Securities and Capital Structure

According to documents lodged by Finders with ASX as at the date of ~~this~~the Original Bidder's Statement, the following securities in Finders are currently on issue<sup>34</sup> and Finders has agreed to grant 11,000,000 performance rights<sup>35</sup>:

<sup>26</sup> See Finders announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>27</sup> See footnote 8 on page 13 for supporting information

<sup>28</sup> See Finders announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>29</sup> See Finders announcement "June 2017 Half Year Results Summary" released to ASX 19 September 2017

<sup>30</sup> See Finders announcement "June 2017 Half Year Results Summary" released to ASX 19 September 2017

<sup>31</sup> See Finders announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>32</sup> See Finders announcement "Annual Report 2016" released to ASX 24 April 2017

<sup>33</sup> See Finders announcement "Change of Chief Financial Officer and Company Secretary" released to ASX 12 September 2017

<sup>34</sup> See Finders announcement "Quarterly Activities Report and Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>35</sup> This was confirmed by Finders advisers in comments on the Announcement



Class	Number
Fully paid ordinary shares	772,367,245 <sup>36</sup> including <del>11,100</del> 10,500,000 Unlisted Employee Shares
Unlisted Converting Notes	12,248,538
Performance Rights	11,000,000 of which 4,000,000 have agreed to be granted to the Managing Director, Mr Barry Cahill <sup>37</sup>

Further Details in relation to the Unlisted Employee Shares, Unlisted Convertible Notes and Performance Rights are described below.

### Performance Rights

At the Finders AGM held in May 2017, the directors asked shareholders to approve a performance rights plan adopted by the Finders Board (**2017 Plan**) under which a limited number of employees and directors of the Finders Group (**eligible participants**) may be offered performance rights over shares in the Company instead of annual bonuses. Performance rights entitle the holder to be issued shares once the vesting conditions are satisfied.

Shareholders were advised in the Explanatory Memorandum relating to the 2017 Plan that performance rights would be offered in lieu of part of or all of the eligible participant's annual short term incentive. The number of performance rights would be determined by the annual bonus entitlement and the market price of ordinary shares at the time of issue. The following example was given: "For instance, if an executive was entitled to a bonus of \$50,000 and the market price of shares in the Company at the time was \$0.25 then the executive would be entitled to 200,000 performance rights instead of the bonus. The rights would vest after a period to be set by the Board but expected to be 2 years. If the executive left prior to the end of the vesting period then he or she would forfeit their performance rights. At the end of the vesting period, the executive would be entitled to convert the rights to ordinary shares for nil consideration." After considering this explanation, Shareholders approved the 2017 Plan.

The 2017 Plan provides that if a takeover offer is made in relation to Finders and becomes unconditional, the vesting conditions and the performance criteria for the performance rights will be deemed to be met and the performance rights automatically vest (**takeover vesting provision**).

Eastern Field has been informed by Finders' advisors that Finders has agreed to issue 11 million performance rights under the 2017 Plan which include the 4 million performance rights which the Company has announced are to be granted to the Managing Director, Mr Barry Cahill.<sup>38</sup> The announcement indicates that the 4 million performance rights would be granted to Mr Cahill as a long term incentive and be issued in 3 tranches. According to the announcing, Mr Cahill will also be granted the opportunity to earn a short term incentive paid in shares issued under the 2017 Plan equal to a percentage of his base salary each financial year subject to performance against key objectives set by the Board's remuneration committee.

Eastern Field is unaware of the vesting conditions and the performance criteria relating to the remaining 7 million performance rights and whether these performance rights were also issued as long term incentives notwithstanding the clear and unambiguous statement made to shareholders in the explanatory memorandum that they would be issued as short term incentives.

Whether the performance rights issue as a short term incentive (as set out in the explanatory memorandum for the AGM) or as a long term incentive (as is the case with Mr Cahill) is

<sup>36</sup> See Finders announcement "Appendix 3B - release from escrow" released to ASX 19 October 2017, "Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017 and "Final Share Buy-back Notice" released to ASX 28 April 2017

<sup>37</sup> See Finders announcement released to ASX 25 September 2017

<sup>38</sup> See Finders announcement released to ASX 25 September 2017

extremely relevant as the performance rights will vest and become rights to ordinary shares for which the holder will pay no consideration if the Offer becomes unconditional. While this may be appropriate where the participant takes the performance rights instead of a bonus payable to the participant, it is very different in the case of a long term incentive where in the early years it simply results in a windfall benefit for the participant.

Eastern Field would question whether the takeover vesting provision is an appropriate term to apply to a long term incentive. Finders shareholders may not have voted in favour of the 2017 Plan if they had been informed that it was also intended to issue performance rights as long term incentives under the 2017 Plan.

The effect of issuing performance rights under the 2017 Plan as a long term incentive can be seen in the context of the 4 million performance rights which have agreed to be granted to Mr Cahill. If the bid becomes unconditional, he will be entitled to receive 4 million Finders Shares (which based on the Offer price would be worth \$920,000) regardless of whether he has made any progress in achieving the vesting conditions under his long term incentives.

The effect of the takeover vesting provision means that if the offer becomes unconditional there will be an issue of 11,000,000 ordinary shares in Finders to the holders of the performance rights which equals 1.4% of the issued ordinary shares in Finders (which based on the Offer price would be worth \$2,530,000) without the payment of any further consideration. This clearly impacts on the price that a potential bidder will offer shareholders.

If the bid becomes unconditional, the 11,000,000 shares will issue after the Register Date so they will be outside of the bid class and will not be capable of being sold into the Offer.

#### **Unlisted Employee Shares**

The Company has issued incentive shares to employees and the managing director under the Finders 2013 Employee Share Ownership Plan (ESOP) as well as incentive shares to the Non-Executive Chairman on similar terms to the ESOP. This share-based compensation under which the employees and directors purchase shares is funded by limited recourse loans from the Company and is accounted for as a share-based payment and expensed over the expected life of the options inherent in the arrangement with a corresponding credit to the share-based payments reserve. Incentive shares are issued under the ESOP subject to specified vesting conditions which are specific to each participant and only once these vesting conditions are satisfied.

The details of the Shares issued under the ESOP are as follows<sup>39</sup>:

~~(i) 600,000 Finders Shares issued under the ESOP at issue prices of \$0.19 to \$0.21 funded by loans from the Company; and~~

<sup>40</sup> 10,500,000 vested and unvested Director's Incentive Shares Issued at prices from \$0.2008 to \$0.3008 funded by loans from the Company and subject to performance and time base vesting conditions.

If the Offer becomes unconditional, under the Plan the vesting conditions will be deemed to have been met and the loan made to fund the purchase of the shares becomes due and payable and the participant is permitted to sell the shares but has no liability for any shortfall between the sale price and the amount of the loan.

#### **Unlisted Convertible Notes<sup>41</sup>**

<sup>39</sup> See Finders announcement "Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>40</sup> See Finders announcement "Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017 and "Appendix 3B - release from escrow" released to ASX 19 October 2017

<sup>41</sup> See Finders announcement "Annual Report 2016" released to ASX 24 April 2017

The Company raised US\$5,500,000 from Standard Bank Plc in 2012 pursuant to mandatory Converting Notes, which will convert into 12,248,538 shares in the Company on or before 16 March 2018 at a conversion price of \$0.427 per share. The Notes will convert into shares and have been treated as equity for accounting purposes.

If Converting Notes were exercised by the Register Date and the resulting shares issued by the Register Date, the resulting shares will be included in the bid class and be the subject of an Offer. Otherwise they will be outside of the bid class and will not be capable of being sold into the Offer.

#### Unlisted Options<sup>42</sup>

Finders also had the following unlisted options:

Number	Exercise price	Expiry date
31,298,904	\$0.2556	22 October 2017

To the extent they have not been exercised by the date of ~~this~~the Original Bidder's Statement, they will have expired. If they were exercised by the date of ~~this~~the Original Bidder's Statement and the resulting shares issued by the Register Date, the resulting shares will be included in the bid class and be the subject of an Offer.

#### 4.5 Substantial Shareholders

Based on publicly available information given to ASX as at the date of ~~this~~the Original Bidder's Statement, the following persons and entities were substantial holders in Finders Shares<sup>43</sup>.

Substantial holder	Finders Shares	Ownership
Eastern Field and Consortium Members	153,248,198 <sup>44</sup>	19.8%
Taurus SM Holdings Pty Limited	87,339,525 <sup>45</sup>	11.3%

#### 4.6 Financial results

On 20 September 2017, Finders issued its financial results for the half-year ended 30 June 2017. The financial results announcement is available via the ASX.

#### 4.7 Publicly available information

As a company listed on ASX, Finders is subject to regular reporting and continuous disclosure obligations. Among other things, Finders is required to immediately notify ASX of any information of which it becomes aware which a reasonable person would expect to have a material effect on the price or value of Finders Shares, subject to certain exceptions. Announcements made by Finders to ASX are available from the ASX website at [www.asx.com.au](http://www.asx.com.au).

Further publicly available information about Finders is available on its website at <http://findersresources.com>

<sup>42</sup> See Finders announcement "Quarterly Cash Flow Report June 2017" released to ASX 31 July 2017

<sup>43</sup> See Finders announcement "Presentation to Noosa Mining and Exploration Conference 2017" released to ASX 21 July 2017 and "Ceasing to be a substantial holder notices" released to ASX 24 July 2017 and 7 September 2017.

<sup>44</sup> Provident Minerals also has a relevant interest in 106,214,208 of these shares

<sup>45</sup> See Finders announcement "Change in substantial shareholding" released to ASX 21 November 2016

## 5 Eastern Field's intentions

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### 5.1 Introduction and Important note

This section sets out Eastern Field's and the Consortium Members' current intentions for:

- the continuation of Finders' business;
- any major changes to be made to Finders' business, including any redeployment of the fixed assets of Finders; and
- the future employment of the present employees of Finders.

Eastern Field's current intentions for Finders have been formed following a review of facts, information and circumstances about Finders that were publicly available at the date of ~~this~~ the Original Bidder's Statement.

The Intentions set out in this section are subject to a general strategic review that Eastern Field will undertake soon after the Offer has closed. As such, statements set out in this section are statements of current intention only which may change as new information becomes available or circumstances change.

Eastern Field's Intentions as set out in this Bidder's Statement have been approved by the Consortium Members and also reflect the intentions of the Consortium Members as at the date of ~~this~~ the Original Bidder's Statement.

### 5.2 Intentions upon acquisition of 90 percent or more of Finders Shares

Without limiting the comments in section 5.1, this section sets out Eastern Field's current intentions should it acquire 90 percent or more of Finders Shares and become entitled to proceed to compulsory acquisition in respect of the outstanding Finders Shares it does not own.

#### Compulsory acquisition

At this time Eastern Field has made no decision on whether it will compulsorily acquire any outstanding Finders Shares under part 6A.1 of the Corporations Act if it becomes entitled to do so. Any decision will be made following, inter alia, a review of the tax considerations of Finders becoming a wholly owned subsidiary and the consequential delisting of Finders from the ASX.

#### Amend Finders constitution

If Finders becomes wholly owned by Eastern Field, Eastern Field will amend the constitution of Finders to reflect its status as a wholly owned subsidiary of Eastern Field and will seek to convert Finders from a public company to a proprietary company.

#### Directors

If Finders becomes wholly owned by Eastern Field, its directors will be nominated by the Eastern Field Board. The composition of the Finders Board during the transition period between Eastern Field becoming entitled to compulsorily acquire Finders Shares and that compulsory acquisition right being exercised will depend on the willingness of the Finders Board at that time to appoint Eastern Field nominees. Eastern Field intends to replace all members of the Finders Board (other than Mr Gavin Caudle) with Eastern Field nominee directors.

Those nominees have not yet been identified by Eastern Field.

## **Operations**

Eastern Field has not had access to all information necessary to determine the current status of Finders' projects, and the financial status and other resources required in connection with the development of those projects. After the close of the Offer, Eastern Field (together with the reconstituted Finders Board) intends to conduct a broad-based review of Finders' overall business at a strategic, financial and operational level. The review will focus on Finders' operations assessing operational performance as well as what work is required in the future. This will determine the level of financial and other resources necessary to optimise the development of Finders' assets.

## **Employees**

As stated above, Eastern Field will conduct a strategic review of Finders' business. As part of this strategic review, Eastern Field intends to evaluate the capabilities and fit of the existing Finders employees.

### **5.3 Intentions upon acquisition of less than 90 percent of Finders Shares**

This section sets out Eastern Field's current Intentions if, by virtue of acceptance of the Offer, it gains effective control of Finders but does not proceed to compulsory acquisition of the outstanding Finders Shares.

## **Directors**

Depending on the level of ownership achieved, it is Eastern Field's intention to replace some or all of the members of the Finders Board (and the board of any company on which Finders has nominee directors) with Eastern Field's nominee directors. The number of directors that Eastern Field seeks to appoint will depend on its level of voting power in Finders. To ensure appropriate governance arrangements, Eastern Field may look to appoint independent directors to the Finders Board.

### **Intentions generally (including about matters at section 5.2 above)**

If Finders becomes a controlled entity but not a wholly owned subsidiary of Eastern Field, it is the present intention of Eastern Field to procure that the new Finders Board implements the objectives and goals outlined in section 5.2 to the extent possible and appropriate.

## **Exploration and Development**

Over the past 5 years, Finders has announced no material increase in resources. As a result, Wetar only has a current short remaining period of mining operations of approximately 3 years based on stated JORC Reserves as at 30 June 2016, estimated JORC Reserve depletion and disclosed projected stacking rates<sup>46</sup>.

Eastern Field considers that considerable additional focus on, and resources for, exploration and development activities will be required in the foreseeable future to ensure mining operations are able to continue beyond the currently estimated period of approximately 3 years. The requirement for additional focus and resources is considered particularly urgent in the context of time taken to achieve historical permits, once JORC Resources are defined.

Eastern Field intends to ensure more funding is available to fast track much needed exploration and development efforts. This may require further equity raisings.

## **Limitations on intentions**

To the extent that Finders is not a wholly owned subsidiary of Eastern Field and there are minority shareholders of Finders, Eastern Field intends to ensure that the Eastern Field nominees

<sup>46</sup> See footnote 8 on page 13 for supporting information

appointed to the Finders Board will act at all times in accordance with their fiduciary duties and that all requisite shareholder approvals and other legal requirements are complied with in pursuing the intentions outlined above.

The requirement to have regard to those fiduciary duties in the context of a partly owned company and the possible requirements of minority shareholder approval may prevent this particular objective being achieved.

#### **5.4 Intentions for Finders if not controlled by Eastern Field**

The Offer is conditional upon, inter alia, Eastern Field acquiring a relevant interest in more than 50% of the Finders Shares. Eastern Field reserves its right to declare the Offer free of such a condition (or any other condition).

If the Offer is not successful, Provident Minerals and Saratoga will undertake a review of their Finders investment and may divest their Finders Shares via a market sell-down process or other means and withdraw from involvement in Finders.

#### **5.5 Consortium Members' longer term intentions**

Subject to receiving any necessary approvals from the shareholders of Merdeka it is the intention of the Consortium Members to fund the repayment of the loans of Eastern Field by issuing further shares in Eastern Field to Merdeka which would result in Merdeka acquiring a controlling interest in Eastern Field.

#### **5.6 Intentions generally**

Except for the changes and intentions set out in this section 5, Eastern Field intends, based on the information presently known to it:

- to continue to focus on Wetar; and
- otherwise not to make any major changes to the business of Finders or the deployment of Finders' assets.

## 6 Sources of Consideration

### 6.1 Total cash consideration

The consideration for the acquisition of Your Finders Shares under the Offer will be satisfied wholly in cash via payment by Eastern Field.

The amount of cash that Eastern Field would be required to pay under the Offer if acceptances are received in respect of Finders Shares on issue as at the date of ~~this~~ the Original Bidder's Statement would be A\$142.4 million<sup>47</sup> (**Offer Amount**).

### 6.2 Funding arrangements

The Consortium Members have committed on an irrevocable and unconditional basis to provide Eastern Field with up to the Offer Amount plus any associated transaction costs incurred by Eastern Field (**Total Funding Amount**).

The funding will stay in place as long as Eastern Field has an outstanding obligation to make payments under the Offer and is not subject to any conditions precedent. Eastern Field is entitled to call on the funds committed by the Consortium Members at any time for the purpose of making payments under the Offer, subject to the Offer becoming unconditional.

Saratoga, Provident and Merdeka have agreed as between themselves that they will fund the Total Funding Amount and the amount which will be required for Eastern Field to pay the purchase price to Provident Minerals and Saratoga under the Sale and Purchase Agreements referred to in Section 8.3 in equal shares. The purchase price payable under the Sale and Purchase Agreements referred to in Section 8.3 will be credited against Provident and Saratoga funding commitment.

Saratoga will fund the balance of its funding commitment using the available cash reserves of Saratoga and its subsidiaries, which at the date of ~~this~~ the Original Bidder's Statement amount to US\$77 million<sup>48</sup> and which are available to fund its portion of the Total Funding Amount and any shortfall Saratoga is required to fund directly to Eastern Field on account of Merdeka.

Provident will fund the balance of its funding commitment using available lines of credit, under its club facilities with its banking club<sup>49</sup>. The undrawn commitments under these facilities amount to US\$40 million and are currently available to be drawn down and may be used to fund its portion of the Total Funding Amount and any shortfall Provident is required to fund directly to Eastern Field on account of Merdeka.

Merdeka will fund its funding commitment using its available cash reserves (which at the date of the Original Bidder's Statement amount to US\$19 million) and the balance of its commitments will be sourced by drawing down under an existing US\$ credit facility provided by BNP Paribas, Societe Generale Hong Kong branch and The Hong Kong and Shanghai Banking Corporation Limited subject to it being amended as follows. Merdeka is currently negotiating with its lenders to permit a further US\$40 million to be drawn down to fund the balance of its portion of the Total Funding Amount. Saratoga and Provident have agreed that if the increased facility is not available by the time the commitment to Eastern Field is called upon, they will fund any shortfall of Merdeka's portion directly to Eastern Field until the funds are available.

<sup>47</sup> Based on the 619,119,047 Finders Shares that Eastern Field is offering to acquire at \$0.23 per Share

<sup>48</sup> This includes a deposit of IDR370,000,000,000 which has been converted to USD using an exchange rate of 1USD = 13,500 IDR.

<sup>49</sup> Members of the Banking Club are Australia and New Zealand Banking Group Limited, Barclays Bank PLC, BNP Paribas, DBS Bank Ltd, The Hong Kong and Shanghai Banking Corporation Limited, Maybank Investment Bank Berhad and United Overseas Bank Limited

The funds committed by the Consortium Members are not required for any other arrangements or obligations of the Consortium Members.

### **6.3 No hedging**

There are no current hedging arrangements in place for movements in exchange rates in respect of the arrangement described in this section 6. However Eastern Field expects that the funds available under those arrangements will be sufficient to pay the Total Funding Amount in the event of an adverse movement in exchange rates.

### **6.4 Provision of consideration**

On the basis of the arrangements described in this section 6, Eastern Field is of the opinion that it has reasonable grounds for holding the view, and holds the view, that it will be able to provide the consideration offered under the Offer as well as the costs associated with the Offer.



## **7 Tax considerations**

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### **7.1 Introduction**

The following is a summary of the potential Australian Income tax consequences generally applicable to a Finders Shareholder who disposes of Finders Shares under the Offer. This summary is based on the law and practice in effect on the date of this the Original Bidder's Statement.

The following summary is not intended to be an authoritative or complete statement of the tax law applicable to the specific circumstances of every Finders Shareholder.

In particular, the summary is only applicable to Finders Shareholders that are Australian residents for income tax purposes, hold post CGT shares, and hold their Finders Shares on capital account for income tax purposes.

The summary does not apply to Finders Shareholders who:

- hold their Finders Shares in the course of carrying on a business (e.g. as trading stock) or on revenue account (e.g. as part of a profit-making undertaking or scheme);
- acquired their Finders Shares pursuant to an employee share, rights or option scheme; or
- are subject to the Taxation of Financial Arrangements provisions in Division 230 of the Income Tax Assessment Act 1997.

All Finders Shareholders are advised to seek independent professional advice about their particular circumstances. Non-resident Finders Shareholders should seek their own advice on the Australian and foreign taxation consequences of any disposal of their Finders Shares.

### **7.2 CGT consequences on the disposal of Finders Shares**

#### **CGT Event**

A disposal by a Finders Shareholder of their Finders Shares pursuant to the Offer will constitute a CGT event for the Finders Shareholder. The date of the CGT event will be the date the contract to dispose of the Finders Shares is entered into by the Finders Shareholder, or in the case of compulsory acquisition, the date when the Finders Shareholder ceases to be the owner of Finders Shares.

#### **Calculation of Capital Gain or Capital Loss**

Finders Shareholders will make a capital gain to the extent that the capital proceeds from the disposal of the Finders Shares are more than the cost base of those Finders Shares. Conversely, Finders Shareholders will make a capital loss to the extent that the capital proceeds from the disposal are less than their reduced cost base of those Finders Shares.

#### **Cost Base**

The cost base of Finders Shares generally includes the purchase price paid for the shares and certain non-deductible incidental costs of their acquisition and disposal. The reduced cost base of the Finders Shares is usually determined in a similar, but not identical, manner.

#### **Capital Proceeds**

The capital proceeds from a disposal of Finders Shares is generally the amount of consideration received by the Finders Shareholder for the disposal.

#### **Other Issues**

If a Finders Shareholder makes a capital gain from a disposal of Finders Shares, the capital gain is aggregated with other capital gains made by the Finders Shareholder in the same income year. Any available capital losses of the Finders Shareholder from the same or previous income years may then be offset against the capital gains (subject to satisfaction of loss recoupment tests). If there is a capital gain remaining after application of available capital losses, the Finders Shareholder may be entitled to apply a discount (see below). Any net capital gain after applying the discount (if applicable) is included in assessable income of the Finders Shareholder in that income year.

Individuals, complying superannuation entities and trusts that have held the CGT asset to which the capital gain relates for at least 12 months before the CGT event may be entitled to discount the amount of the capital gain (after application of capital losses) by 50% in the case of individuals and trusts or by 33⅓% for complying superannuation entities. For trusts, the ultimate availability of the discount for beneficiaries of the trust in relation to distribution of capital gains by the trust will depend on the particular circumstances of the beneficiaries. No discount is available for Finders Shareholders that are companies.

If a Finders Shareholder makes a capital loss from the disposal of their Finders Shares, the capital loss may only be used to offset capital gains of the Finders Shareholder in the same or future income years (subject to satisfaction of loss recoupment tests).

### **7.3 GST and stamp duty**

#### **GST**

The disposal of Finders Shares under the Offer should not be subject to GST. Finders Shareholders may be charged GST on costs they incur which relate to the disposal transaction (e.g. legal, financial and tax adviser fees). Certain Finders Shareholders may be entitled to claim input tax credits or reduced input tax credits in relation to the GST amount incurred on these costs, but should seek independent tax advice in relation to their individual circumstances.

#### **Duty**

Finders Shareholders who dispose of their Finders Shares will not incur any Australian duty under the Offer. Eastern Field will pay any duty in connection with the Offer.

### **7.4 Obtain your own taxation advice**

Do not rely on the comments or the statements contained in this Bidder's Statement as advice about your own affairs. The taxation laws are complex and there could be implications in addition to those generally described in this Bidder's Statement.

Accordingly, consult your own tax advisers for advice applicable to your individual needs and circumstances. To the extent permitted by law, neither Eastern Field nor any of its Directors or advisers accept any liability or responsibility in respect of any statement concerning the tax consequences to particular Finders Shareholders from disposing of their Finders Shares under the Offer.

## 8 Additional information

### 8.1 Pre-bid agreements

On 6 October 2017, the Consortium Members and Eastern Field entered into a Consortium Agreement that sets out the basis on which the Consortium Members regulate as between themselves, all matters relating to the conduct of the Offer including the ownership and operation of Finders.

Under the Consortium Agreement Eastern Field is prohibited from taking certain actions including selling, transferring or otherwise disposing or granting an interest in its assets without the approval of all Consortium Members.

### 8.2 Interests in Finder securities

At the date of this ~~the Original~~ Bidder's Statement and immediately before the first Offer is dispatched, the number of Finders Shares in which Eastern Field and the Consortium Members had a relevant interest is set out below:

Class of securities	Total number of shares in class in which Eastern Field and the Consortium Members had a relevant interest	% of Finders Shares on issue at the date of the Bidder's Statement
Finders Shares	153,248,198	19.8%

As at the date of this ~~the Original~~ Bidder's Statement and immediately before the first Offer is dispatched, Eastern Field and the Consortium Members had voting power in Finders of 153,248,198 shares which at the date of this ~~the Original~~ Bidder's Statement amounts to 19.8% of the voting power in Finders.

### 8.3 Dealings in Finders Shares and other securities

On 6 October 2017, Eastern Field entered into a conditional sale and purchase agreement with Provident Minerals Limited (an associate of Provident) and agreed to purchase 106,214,208 Finders Shares for a purchase consideration of \$0.23 per Finders Share subject to this Offer becoming unconditional on before the expiration of the Offer Period.

On 6 October 2017, Eastern Field entered into a conditional sale and purchase agreement with Saratoga and agreed to purchase 47,033,990 Finders Shares for a purchase consideration of \$0.23 per Finders Share subject to this Offer becoming unconditional on before the expiration of the Offer Period.

Except as set out above, neither Eastern Field nor any of the Consortium Members, nor any of their respective associates has provided, or agreed to provide, consideration for Finders Shares, Finders Options or any other Finders security under any purchase or other agreement during the four months before the date of this ~~the Original~~ Bidder's Statement.

### 8.4 No escalation agreements

Neither Eastern Field nor any of the Consortium Members, nor any of their respective associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

## 8.5 Details of directors' relevant interests in Finders Shares

At the date of this ~~this~~ the Original Bidder's Statement, no directors of Eastern Field or Eastern Field's Members have a relevant interest in Finders Shares.

Winato Kartono, Hardi Wijaya and Gavin Caudle are each directors of Procap Partners Limited which has a relevant interest in the 153,248,198 shares which Eastern Field has agreed to buy. However none of Winato Kartono (who has a 40% interest in Procap Partners Limited), Hardi Wijaya (who has a 30% interest in Procap Partners Limited) or Gavin Caudle (who has a 30% interest in Procap Partners Limited), control Procap Partners Limited and therefore does not have a relevant interest in the In the 153,248,198 shares which Eastern Field has agreed to buy.

Each of Winato Kartono, Hardi Wijaya and Gavin Caudle are also directors of Provident Minerals which has a relevant interest in the 106,214,208 shares which are currently owned by Provident Minerals and which Eastern Field has agreed to buy. Provident Minerals is a subsidiary of Provident Capital Partners Pte Limited which in turn is owned by Winato Kartono (who has a 40% interest), Hardi Wijaya (who has a 30% interest) and Gavin Caudle (who has a 30% interest). As none of Winato Kartono, Hardi Wijaya and Gavin Caudle control Provident Capital Partners Pte Limited, none of them has a relevant interest in the in the 106,214,208 shares which are currently owned by Provident Minerals.

## 8.6 Inducing benefits given during previous four months

Except as set out in section 8.3 or elsewhere in this Bidder's Statement, neither Eastern Field nor the Consortium Members nor any of their respective associates has, during the period of four months before the date of this ~~this~~ the Original Bidder's Statement, or in the period commencing on the date of this ~~this~~ the Original Bidder's Statement and ending on the date of the Offer, given, offered or agreed to give, a benefit to another person where the benefit was likely to induce the other person, or an associate, to:

- (a) accept an Offer; or
- (b) dispose of Finders Shares,

which was a benefit not offered to all Finders Shareholders under the Offer.

## 8.7 Miscellaneous matters

### ASIC relief

ASIC has published various class order instruments providing for modifications and exemptions that apply generally to all persons, including Eastern Field, about the operation of Chapter 6 of the Corporations Act. Eastern Field may rely on this class order relief.

Eastern Field has relied on the modification to section 636(3) of the Corporations Act in paragraph 11 of ASIC Class Order 13/521 'Takeover Bids' to include references to certain statements in documents lodged with ASIC and ASX without obtaining the consent of the persons to whom those statements are attributed.

As required by ASIC Class Order 13/521, Eastern Field will make available a copy of the documents containing these statements (or relevant extracts from these documents), free of charge to Finders Shareholders who request them before the end of the Offer Period. To obtain a copy of these documents (or the relevant extracts) Finders Shareholders should contact Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am to 5.00pm (Perth time) Monday to Friday.

### Other regulatory matters

Other than FIRB Approval, Eastern Field is not aware of any regulatory approval which is required for it to acquire control or ownership of Finders.

## 8.8 Consents

This Bidder's Statement includes statements which are made in, or based on, statements made in public documents lodged with ASIC. Under ASIC Class Order 13/521, the makers of those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement. If you would like a copy of any of the documents that Eastern Field has relied upon in this regard (free of charge), please contact Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am and 5.00pm (Perth time) Monday to Friday.

As permitted by ASIC Class Order 07/429, this Bidder's Statement contains ASX share price trading information sourced from IRESS Limited without its consent.

In addition, the following parties have given and have not, before the time of lodgement of this Bidder's Statement with ASIC, withdrawn their written consent to be named in this Bidder's Statement in the form and context in which they were named:

- (a) Iffia Wade as Australian legal adviser to Eastern Field; and
- (b) Argonaut Capital Limited, as financial adviser to Eastern Field.

Each of the persons named above does not make, or purport to make, any statement in this Bidder's Statement other than those statements made in the capacity and to the extent that the person has provided its consent, as referred to above, and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of the Bidder's Statement other than as described.

## 8.9 FIRB Approval

Eastern Field is a foreign person under the FATA. Accordingly the Offer is subject to the approval or non-objection of the Treasurer, who receives advice from the Foreign Investment Review Board (FIRB) under the FATA (see Paragraph 1 of Schedule 2). Approval will not be given to the Offer if the Treasurer, on advice from FIRB, considers that the result of the Bidder's acquisition of Finders Shares will be contrary to the national interest.

The Bidder has filed the necessary application, together with a detailed submission, with FIRB before the date of this ~~the~~ Original Bidder's Statement.

## 8.10 Status of Conditions

Section 8.9 describes matters relevant to the status, purpose and effect of the FIRB Condition. This section 8.10 describes the status of the remaining Conditions.

In relation to the Condition in Paragraph 3 of Schedule 2, at the date of this Bidder's Statement the Bidder is not aware of any decision, order, direction, action, proceeding, investigation or application which would result in the non-fulfilment of that Condition. Other than as set out in Section 8.9 the Bidder has not identified, at the date of this Bidder's Statement, any particular regulatory actions or approvals which could lead to that Condition being triggered or which would be relevant to the Condition in Paragraph 3 of Schedule 2.

At the date of this Bidder's Statement, the Bidder is not aware of any event or circumstances which would result in the non-fulfilment of any of the Conditions in Paragraphs 4, 5 and 7 of Schedule 2.

At the date of this Bidder's Statement the Bidder is aware there may be change of control and other rights under agreements of the type referred to in Paragraph 6 of Schedule 2 but it is not aware of whether those change in control or other rights would result in the non-fulfilment of that Condition as it is not aware whether the holder of that right will waive or release that right, as permitted by that condition, so that the Condition is not triggered by the existence of that right.

Between the date of the Announcement and the date of this Bidder's Statement the 3 Month Copper Price has not fallen below US\$6,000 and accordingly the Condition set out in Paragraph 8 of Schedule 2 has not been triggered.

#### **8.11 Other material information**

Except as set out elsewhere in this Bidder's Statement, there is no other information that is:

- (a) material to the making of a decision by a Finders Shareholder whether or not to accept an Offer; and
- (b) known to Eastern Field,

and has not previously been disclosed to Finders Shareholders.

## 9 Definitions and interpretation

### 9.1 Definitions

In this Bidder's Statement:

Term	Definition
<b>Acceptance Form</b>	means the form of acceptance and transfer accompanying this Bidder's Statement.
<b>Acorn</b>	means Acorn Capital Limited.
<b>Announcement Date</b>	means 6 October 2017, being the date of announcement of the Offer.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the context requires).
<b>ASX Settlement Operating Rules</b>	means the settlement rules of ASX Settlement Pty Limited (ABN 49 008 504 532), the body which administers the CHESS system in Australia, a copy of which is available at <a href="http://www.asx.com.au">www.asx.com.au</a> .
<b>Bidder</b>	means Eastern Field Developments Limited.
<b>Bidder's Statement</b>	means this document, being the statement of Eastern Field under part 6.5 division 2 of the Corporations Act (as amended by ASIC Class Order [CO 13/528]), relating to the Offer.
<b>Business Day</b>	means a business day as defined in the Listing Rules.
<b>CHESS Holding</b>	means a number of shares which are registered on the Finders share register, being a register administered by the ASX and which records uncertificated holdings of Finders Shares.
<b>Consortium Members</b>	means Provident, Saratoga and Merdeka.
<b>Consortium Agreement</b>	means the Consortium Agreement between Eastern Field and the Consortium Members dated 6 October 2017.
<b>Controlling Participant</b>	In relation to Your Finders Shares, has the same meaning as in the ASX Settlement Operating Rules (normally your broker).
<b>Corporations Act</b>	means Corporations Act 2001 (Cth).
<b>Conditions</b>	means each of the conditions of the Offer set out in Schedule 2.
<b>Eastern Field</b>	means Eastern Field Developments Limited.
<b>ESOP</b>	means the Finders 2013 Employee Share Ownership Plan.
<b>FATA</b>	means the Foreign Acquisitions and Takeovers Act 1975 (Cth).
<b>Financial Indebtedness</b>	means any debt or other monetary liability (whether actual or contingent) in respect of moneys borrowed or raised or any financial accommodation including under or in respect of any:

Term	Definition
	<ul style="list-style-type: none"> <li>(a) bill, bond, debenture, note or similar instrument;</li> <li>(b) acceptance, endorsement or discounting arrangement;</li> <li>(c) guarantee;</li> <li>(d) finance or capital lease;</li> <li>(e) agreement for the deferral of a purchase price or other payment in relation to the acquisition of any asset or service; or</li> <li>(f) obligation to deliver goods or provide services paid for in advance by any financier.</li> </ul>
<b>Finders or Target</b>	means Finders Resources Limited ACN 108 547 413 and, where the context requires, each other member of the Finders Group.
<b>Finders Board</b>	means the board of directors of Finders from time to time.
<b>Finders Group</b>	means Finders and each of its Subsidiaries.
<b>Finders Options</b>	means options over unissued Finders Shares.
<b>Finders Shareholder</b>	means a registered holder of Finders Shares.
<b>Finders Shares</b>	means fully paid ordinary shares in the capital of Finders which exist at 24 October 2017.
<b>FIRB Approval</b>	means that before the expiration of the Offer Period, the Treasurer of the Commonwealth of Australia providing written advice (on terms acceptable to Eastern Field) that the Commonwealth Government does not object to the transfer of the Finders Shares under FATA or due to the passage of time becomes precluded from making an order in relation to the transfer of the Finders Shares under FATA as specified in Item 1 of Schedule 2.
<b>Foreign Shareholder</b>	means a Finders Shareholder whose address on the Finders Share register is in a jurisdiction other than Australia or its external territories or New Zealand.
<b>GST</b>	has the meaning given to that term by the GST Act.
<b>GST Act</b>	means the A New Tax System (Goods and Services Tax) Act 1999 (Cth).
<b>HIN</b>	has the same meaning as in the ASX Settlement Operating Rules.
<b>Insolvency Event</b>	<p>means any of the following events occurring in relation to a party:</p> <ul style="list-style-type: none"> <li>(a) a liquidator, receiver, receiver and manager, administrator, official manager or other controller (as defined in the Corporations Act), trustee or controlling trustee or similar official is appointed over any of the property or undertaking of the party;</li> <li>(b) the party is, or becomes unable to, pay its debts when they are due or is or becomes unable to pay its debts within the meaning of the Corporations Act, or is presumed to be insolvent under the Corporations Act;</li> <li>(c) the party ceases to carry on business; or</li> </ul>



Term	Definition
	(d) an application or order is made for the liquidation of the party or a resolution is passed or any steps are taken to liquidate or pass a resolution for the liquidation of the party, otherwise than for the purpose of an amalgamation or reconstruction.
<b>Issuer Sponsored Holding</b>	means a holding of Finders Shares on the Finders Issuer sponsored sub register.
<b>Listing Rules</b>	means the listing rules of ASX, as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
<b>Material Adverse Change</b>	<p>means any event, change, condition, matter or thing occurring or information is disclosed or announced by any member of the Finders Group, or becomes known to the Bidder, concerning any such event, change, condition matter or thing (each a <b>Specified Event</b>) which, whether individually or when aggregated with all Specified Events, has had or would be considered reasonably likely to have a material adverse effect on the:</p> <ul style="list-style-type: none"> <li>(a) assets, liabilities, performance or prospects of the Finders Group; or</li> <li>(b) status or terms of (or rights attaching to) any material permits, licences or approvals issued by a Regulatory Authority and applicable to the Finders Group,</li> </ul> <p>Including, without limitation where the effect is a diminution, or likely diminution, in the value of the consolidated net assets of the Finders Group, by at least A\$5,000,000 against what it would reasonably have been expected to have been but for such Specified Event, but does not include:</p> <ul style="list-style-type: none"> <li>(c) a Specified Event relating to changes in business conditions affecting the industry in which the Finders Group operates; or</li> <li>(d) a Specified Event that is fairly disclosed, or that is reasonably apparent on its face as potentially to flow from the Specified Event that is fairly disclosed in information publicly disclosed by any member of the Finders Group before the Announcement Date.</li> </ul>
<b>Offer</b>	means the offer for Finders Shares by Eastern Field on the Offer Terms.
<b>Offer Consideration</b>	means \$0.23 for each Finders Share that you own.
<b>Offer Amount</b>	has the meaning given to it in section 6.1
<b>Offer Period</b>	means the period during which the Offer will remain open for acceptance in accordance with the Offer Terms commencing on <del>[#Insert]</del> <u>120 November 2017</u> and ending at 7.00pm (Perth time) on <del>[#Insert]</del> <u>20 December 2017</u> , or any later date to which the Offer is extended.
<b>Offer Terms</b>	means the terms of the Offer set out in Schedule 1 to this Bidder's Statement.
<b>Participant</b>	means an entity admitted to participate in the Clearing House Electronic Sub-register system under rule 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.

Term	Definition
RCF	means Resource Capital Fund IV L.P.
Register Date	means the date set by Eastern Field under section 633(2) of the Corporations Act, being 24 October 2017.
Regulatory Authority	means a government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local and for these purposes includes ASX and ASIC.
Rights	means all accretions, rights or benefits of whatever kind attaching to or arising from Finders Shares directly or indirectly after the Announcement Date, including, without limitation, all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared, paid or made by Finders or any of its Subsidiaries.
SRN	has the same meaning as in the ASX Settlement Operating Rules.
Subsidiaries	has the meaning given to that term by section 9 of the Corporations Act.
SX-EW	means solvent extraction-electrowinning.
Takeover Bid	means the off-market takeover bid constituted by the dispatch of the Offers in accordance with the Corporations Act.
Target or Finders	means Finders Resources Limited ACN 108 547 413 and, where the context requires, each other member of the Finders Group.
Target Prescribed Occurrence	<p>means:</p> <ul style="list-style-type: none"> <li>(a) <b>(conversion)</b> the Target converts all or any of its shares into a larger or smaller number of shares;</li> <li>(b) <b>(reduction of share capital)</b> the Target resolves to reduce its share capital in any way;</li> <li>(c) <b>(buy-back)</b> the Target: <ul style="list-style-type: none"> <li>(i) enters into a buy-back agreement; or</li> <li>(ii) resolves to approve the terms of a buy-back agreement under subsection 257C(1) or s257D(1) Corporations Act;</li> </ul> </li> <li>(d) <b>(distribution)</b> the Target makes or declares, or announces an intention to make or declare, any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie);</li> <li>(e) <b>(issuing or granting shares or options)</b> the Target, or a subsidiary of the Target: <ul style="list-style-type: none"> <li>(i) issues shares;</li> <li>(ii) grants an option over its shares; or</li> <li>(iii) agrees to make such an issue or grant such an option,</li> </ul> </li> </ul> <p>In each case to a person outside the Finders Group, other than pursuant to the exercise or vesting of</p>

Term	Definition
	<p>any convertible securities (including, to avoid doubt, Performance Rights) that are:</p> <ul style="list-style-type: none"> <li>(iv) existing as at, and the issue of which has been notified to the ASX before, the Announcement Date; or</li> <li>(v) issued after the Announcement Date as contemplated by paragraph (f)(iii) or (f)(iv) below;</li> </ul> <p>(f) <b>(securities or other instruments)</b> the Target, or a subsidiary of the Target:</p> <ul style="list-style-type: none"> <li>(i) issues securities or other instruments convertible into shares or debt securities; or</li> <li>(ii) agrees to issue securities or other instruments convertible into shares or debt securities,</li> </ul> <p>in each case to a person outside the Target or its subsidiaries, other than:</p> <ul style="list-style-type: none"> <li>(iii) securities or other instruments convertible into shares or debt securities existing as at, and the issue of which has been notified to the ASX before the Announcement Date; or</li> <li>(iv) an issue of performance rights <b>(Performance Rights)</b> pursuant to the Finders' performance rights plan approved at its 2017 annual general meeting on 25 May 2017 <b>(Performance Rights Plan)</b> which meets the following conditions: <ul style="list-style-type: none"> <li>(A) the relevant Performance Rights when added to all other Performance Rights issued under the Performance Rights Plan does not exceed 11,000,000 Performance Rights; and</li> <li>(B) the Performance Rights were offered to an Eligible Participant (as that term is defined in the Performance Rights Plan) prior to the Announcement Date.</li> </ul> <p>For the avoidance of doubt, the issue of a Performance Right as permitted by this paragraph (iv) will not be a Target Prescribed Occurrence under Paragraph (m).</p> </li> </ul> <p>(g) <b>(constitution)</b> the Target, or a subsidiary of the Target, adopts a new constitution or modifies or repeals its constitution or a provision of it;</p> <p>(h) <b>(disposals)</b> the Target, or a subsidiary of the Target, disposes, or agrees to dispose, of the whole or a substantial part of its business or property;</p> <p>(i) <b>(acquisitions, disposals or tenders)</b> the Target, or a subsidiary of the Target:</p> <ul style="list-style-type: none"> <li>(i) acquires or disposes of;</li> <li>(ii) agrees to acquire or dispose of; or</li> </ul>

Term	Definition
	(iii) offers, proposes, announces a bid or tenders for, any material business, asset, Interest in a joint venture, entity or undertaking;
(j)	<b>(charges)</b> the Target, or a subsidiary of the Target, charges, or agrees to charge, the whole or a substantial part of its business or property;
(k)	<b>(employment arrangements)</b> the Target, or a subsidiary of the Target: <ul style="list-style-type: none"> <li>(i) materially increases the remuneration of, or otherwise materially varies the employment arrangements with, any of its directors or key management employees;</li> <li>(ii) accelerates the rights of any of its directors or key management employees to compensation or benefits of any kind; or</li> <li>(iii) pays any of its directors or key management employees a termination or retention payment (otherwise than in accordance with an existing contract which, at the date of the Announcement, was in place and the material terms of which had been disclosed to the ASX), other than in the ordinary course of business, as a result of contracted arrangements that are consistent with past practice and in effect before the Announcement Date;</li> </ul>
(l)	<b>(commitments and settlements)</b> the Target, or a subsidiary of the Target: <ul style="list-style-type: none"> <li>(i) incurs a liability for unbudgeted opex where the amount of that liability when added to the liability for any other unbudgeted opex incurred in that calendar quarter exceeds US\$2,500,000;</li> <li>(ii) incurs a liability for unbudgeted capex where the amount of that liability when added to the liability for any other unbudgeted capex incurred in that calendar quarter exceeds US\$750,000;</li> <li>(iii) terminates or amends in a material manner any contract material to the conduct of the Target or its subsidiary's business;</li> <li>(iv) waives any material third party default where the financial impact on the Target or its subsidiary will be in excess of \$200,000; or</li> <li>(v) accepts as a settlement or compromise of a material matter (relating to an amount in excess of \$200,000) less than the full compensation due to the Target or a subsidiary of the Target, other than those arrangements notified to the Bidder on or before the Announcement Date;</li> </ul> <p><b>Unbudgeted opex</b> is operating expenditure which is not provided for in any budget approved by the Board of Finders at the Announcement Date or if it</p>

Term	Definition
	relates to the 2018 calendar year, is operating expenditure which is not provided for in the Wetar budget adopted by PT Batutua Tembaga Raya and approved by the Finders Board, other than Excluded Expenditure;
	<b>Unbudgeted capex</b> is capital expenditure which is not provided for in any budget approved by the Board of Finders at the Announcement Date or if it relates to the 2018 calendar year, is capital expenditure which is not provided for in the Wetar budget adopted by PT Batutua Tembaga Raya and approved by the Finders Board, other than Excluded Expenditure;
	<b>Excluded Expenditure</b> is a liability incurred in relation to the engagement of professional advisers to advise the Target in respect of the Offer, provided that the fees payable by the Target under those engagements are reasonable in the circumstances;
	(m) <b>(652C events)</b> an event set out in s.652C of the Corporations Act occurs in relation to the Target, or a subsidiary of the Target;
	(n) <b>(breach of law)</b> the Target, or a subsidiary of the Target, takes or omits to take action which results in a breach of law material to the Target or a subsidiary;
	(o) <b>(related party)</b> the Target, or a subsidiary of the Target, enters into or resolves to enter into a transaction with any related party of the Target as defined in section 228 Corporations Act; or
	(p) <b>(tax liability)</b> the Target, or a subsidiary of the Target, does anything that results in a material taxable gain for the Target or a subsidiary by either causing a subsidiary to cease being a subsidiary of the Target or causing the Target, or a subsidiary of the Target to cease being a consolidated group.
<b>Target's Statement</b>	means the target's statement, to be prepared by Finders in response to this Bidder's Statement.
<b>Total Funding Amount</b>	has the meaning given to it in section 6.2.
<b>tpa</b>	means tonnes per annum
<b>VWAP</b>	means volume weighted average price.
<b>Wetar</b>	Wetar Copper Project
<b>Your Finders Shares</b>	subject to paragraphs 1.4 and 1.5 of Schedule 1, means the Finders Shares: <ul style="list-style-type: none"> <li>(a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Finders at 7.00 pm Perth time on the Register Date; or</li> <li>(b) to which you are able to give good title at the time you accept this Offer during the Offer Period.</li> </ul>
<b>2017 Plan</b>	has the meaning given to it in section 4.4.

## 9.2 Interpretation

In this Bidder's Statement, unless the context otherwise requires:

- (a) headings are for convenience and do not affect the interpretation;
- (b) words or phrases defined in the Corporations Act have the same meaning in this Bidder's Statement;
- (c) a reference to a clause, section, schedule or annexure is a reference to a clause, section, schedule or annexure of this Bidder's Statement;
- (d) words importing a gender include any gender;
- (e) a singular word includes the plural and vice versa;
- (f) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (g) a reference to a person includes a corporation, trust, partnership, unincorporated body, government and local authority or agency, or other entity whether or not it comprises a separate legal entity;
- (h) a reference to legislation or to a provision of legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it; and
- (i) a reference to "\$" or "dollar" is to the lawful currency of the Commonwealth of Australia.
- (j) a reference to "USD" or "US\$" is to the lawful currency of the United States of America.

## 10 Approval of Bidder's Statement

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The copy of the Original Bidder's Statement lodged with ASIC on 23 October 2017 was approved by a unanimous resolution passed by the directors of Eastern Field on 23 October 2017.

The copy of this Replacement Bidder's Statement that is to be lodged with ASIC has been approved by a unanimous resolution passed by the directors of Eastern Field on 23 October 17 November 2017.

Signed by David Fowler for and on behalf of Eastern Field.

**David Fowler**  
Eastern Field Developments Limited  
Director

## Schedule 1

### Terms of the Offer

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#### 1 Offer

- 1.1 Eastern Field (Bidder) offers to acquire all of Your Finders Shares, together with all Rights attaching to them, on the terms set out in this Schedule 1, incorporating the terms defined in section 9.1 and any other sections of this Bidder's Statement incorporated by reference, including the Conditions in Schedule 2. This Offer extends to any person who is able during the Offer Period to give good title to Finders Shares and has not already accepted an Offer for those Finders Shares.
- 1.2 This Offer extends to all Finders Shares that exist at the Register Date.
- 1.3 By accepting this Offer, you undertake to transfer to Eastern Field not only the Finders Shares to which the Offer relates but also all the Rights attached to the Finders Shares.
- 1.4 If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of Your Finders Shares to which this Offer relates:
- (a) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Finders Shares;
  - (b) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Finders Shares you hold to which the Offer relates; and
  - (c) this Offer will be deemed to have been withdrawn immediately at that time.
- 1.5 If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of Finders Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those parcels and any parcel you hold in your own right. To validly accept the Offer for each parcel you must comply with the procedure in subsection 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, or if you have any questions or queries on the Offer or how to fill out the Acceptance Form, please call Eastern Field on 1300 079 762 (for callers within Australia) or +61 8 6314 6314 (for callers outside Australia) between 10.00am to 5.00pm (Perth time) Monday to Friday.
- 1.6 This Offer is dated ~~[#insert]~~ 17 November 2017.

#### 2 Offer Consideration

- 2.1 The Offer Consideration is \$0.23 for each Finders Share that you own.

#### 3 Offer Period

- 3.1 The Offer will remain open for acceptance during the period commencing on ~~[#insert]~~ 20 November 2017, and ending at 7.00pm (Perth time) on ~~[#insert]~~ 20 December 2017, unless it is withdrawn or extended under the Corporations Act.

3.2 Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer (being ~~XX October~~ 20 November 2017) and ending at 7.00pm (Perth time) on the later of:

- (a) ~~xx~~ 20 December 2017; or
- (b) any date to which the Offer Period is extended.

3.3 Eastern Field reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.

3.4 If, within the last seven days of the Offer Period, either of the following events occurs:

- (a) the Offer is varied to improve the consideration offered; or
- (b) Eastern Field's voting power in Finders increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

## 4 How to accept this Offer

### 4.1 General

- (a) Subject to paragraphs 1.4 and 1.5 of this Schedule 1, you may accept this Offer only for all of Your Finders Shares.
- (b) You may accept this Offer at any time during the Offer Period.

### 4.2 Shares held in your name on Finders' Issuer sponsored sub register (your SRN starts with an "I") or which are unlisted Finders Shares

To accept this Offer for Finders Shares held in your name on Finders' Issuer sponsored sub-register (in which case your SRN will commence with "I"), or which are unlisted Finders Shares, you must:

- (a) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (b) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form.

### 4.3 Shares held in your name in a CHESS Holding (your HIN starts with an "X")

To accept this Offer for Shares held in a CHESS Holding (in which case your HIN will commence with "X") you should:

- (a) instruct your Controlling Participant (this is normally your broker) to initiate acceptance of this Offer on your behalf in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
- (b) if you are a Participant, initiate acceptance of this Offer in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

Alternatively, to accept this Offer for Finders Shares held in your name in a CHESS Holding (in which case your HIN will commence with "X"), you may sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions



on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form in sufficient time for it to be acted upon by your Controlling Participant.

You must comply with any other applicable ASX Settlement Operating Rules.

#### **4.4 Shares of which you are entitled to be registered as holder**

To accept this Offer for Finders Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:

- (a) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (b) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form.

#### **4.5 Acceptance Form and other documents**

- (a) The Acceptance Form forms part of the Offer.
- (b) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Eastern Field at the address shown on the Acceptance Form before the end of the Offer Period.
- (c) When using the Acceptance Form to accept this Offer in respect of Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instructions on the Acceptance Form) are received by Eastern Field in time for Eastern Field to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (d) The postage and transmission of the Acceptance Form and other documents is at your own risk.

#### **4.6 Validity of acceptances**

- (a) Subject to this paragraph 4.6 of this Schedule 1, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in this paragraph 4 of this Schedule 1.
- (b) Eastern Field will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Eastern Field is not required to communicate with you prior to or after making this determination. The determination of Eastern Field will be final and binding on all parties.
- (c) Notwithstanding paragraphs 4.2 to 4.5 of this Schedule 1, Eastern Field may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Finders Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Eastern Field.
- (d) Where you have satisfied the requirements for acceptance in respect of only some of Your Finders Shares, Eastern Field may, in its sole discretion, regard the Offer to be accepted in respect of those of Your Finders Shares but not the remainder.

- (e) Eastern Field will pay the consideration to you in accordance with clause 5, in respect of any part of an acceptance determined by Eastern Field to be valid.

#### 4.7 The effect of acceptance

- (a) Once you have accepted this Offer, you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Finders Shares from the Offer or otherwise dispose of Your Finders Shares, except as follows:
  - (i) if by the end of the Offer Period, a condition referred to in paragraph 6 of this Schedule 1 has not all been satisfied or waived, this Offer and the contract resulting from your acceptance will automatically terminate and Your Finders Shares will be returned to you; or
  - (ii) If the Offer Period is extended for more than one month and the obligations of Eastern Field to pay the consideration are postponed for more than one month and, at the time, this Offer is subject to a condition referred to in paragraph 6 of this Schedule 1 has not all been satisfied or waived, you may be able to withdraw your acceptance and Your Finders Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- (b) By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to paragraph 4 of this Schedule 1, you will be deemed to have:
  - (i) accepted this Offer (and any variation of it) in respect of, and, subject to the condition to this Offer referred to in paragraph 6 of this Schedule 1 being satisfied or waived, agreed to transfer to Eastern Field, Your Finders Shares (even if the number of Shares specified on the Acceptance Form differs from the number of Your Finders Shares), subject to is subject to a paragraphs 1.4 and 1.5 of this Schedule 1;
  - (ii) represented and warranted to Eastern Field, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Finders Shares (including any Rights) to Eastern Field is registered, that all Your Finders Shares are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), that you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Finders Shares (including any Rights) to Eastern Field, and that you have paid to Finders all amounts which at the time of acceptance have fallen due for payment to Finders in respect of Your Finders Shares;
  - (iii) Irrevocably authorised Eastern Field (and any director or secretary, of Eastern Field) to alter the Acceptance Form on your behalf by inserting correct details relating to Your Finders Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by Eastern

Field to make it an effective acceptance of this Offer or to enable registration of Your Finders Shares in the name of Eastern Field;

- (iv) If you signed the Acceptance Form in respect of Finders Shares which are held in a CHESS Holding, irrevocably authorised Eastern Field (and any director or secretary of Eastern Field) to:
  - (A) instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Finders Shares in accordance with rule 14.14 of the ASX Settlement Operating Rules; and
  - (B) give any other instructions in relation to Your Finders Shares to your Controlling Participant, as determined by Eastern Field acting in its own interests as a beneficial owner and intended registered holder of those Finders Shares;
- (v) Irrevocably authorised and directed Finders to pay to Eastern Field, or to account to Eastern Field for, all Rights in respect of Your Finders Shares, subject, if this Offer is withdrawn, to Eastern Field accounting to you for any such Rights received by Eastern Field;
- (vi) Irrevocably authorised Eastern Field to notify Finders on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Finders Shares is the address specified by Eastern Field in the notification;
- (vii) with effect from the time and date on which the conditions referred to in paragraph 6 of this Schedule 1 are satisfied or waived:
  - (A) irrevocably appointed Eastern Field (and any director or secretary of Eastern Field) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to Your Finders Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative, at all general meetings and all court-convened meetings of Finders and to request Finders to register, in the name of Eastern Field or its nominee, Your Finders Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable); and
  - (B) agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting or any court-convened meeting of Finders or to exercise or purport to exercise any of the powers and rights conferred on Eastern Field (and its directors, secretaries and nominees) in paragraph 4.7(b)(vii) of this Schedule 1;
- (viii) agreed that in exercising the powers and rights conferred by the powers of attorney granted under paragraph 4.7(b)(vii) of this Schedule 1, the attorney will be entitled to act in the interests of Eastern Field as the beneficial owner and intended registered holder of Your Finders Shares;
- (ix) agreed to do all such acts, matters and things that Eastern Field may require to give effect to the matters the subject of this paragraph 4.7(b) of this Schedule 1 (including the execution of a written form of proxy to the same effect as paragraph 4.7(b)(vii) of this Schedule 1 which complies in all respects with the requirements of the constitution of Finders) if requested by Eastern Field;
- (x) agreed to indemnify Eastern Field in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or SRN or in consequence of the transfer of Your Finders Shares to Eastern Field being registered by Finders

without production of your Holder Identification Number or your SRN for Your Finders Shares;

- (xi) represented and warranted to Eastern Field that, unless you have notified it in accordance with paragraph 1.5 of this Schedule 1, Your Finders Shares do not consist of separate parcels of Shares;
  - (xii) irrevocably authorised Eastern Field (and any nominee) to transmit a message in accordance with rule 14.1.7 of the ASX Settlement Operating Rules to transfer Your Finders Shares to Eastern Field Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer;
  - (xiii) irrevocably authorised Eastern Field (and any nominee) to initiate a transfer of Your Finders Shares into Eastern Field's name, regardless of whether it has paid the consideration due to you under this Offer; and
  - (xiv) agreed, subject to the conditions of this Offer in paragraph 6 of this Schedule 1 being satisfied or waived, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Eastern Field may consider necessary or desirable to convey Your Finders Shares registered in your name and Rights to Eastern Field.
- (c) The undertakings and authorities referred to in paragraph 4.7(b) of this Schedule 1 will remain in force after you receive the consideration for Your Finders Shares and after Eastern Field becomes registered as the holder of Your Finders Shares.

## **5 Payment of consideration**

### **5.1 When consideration is paid**

Subject to clause 4.6(b) and this clause 5 of this Schedule 1 and the Corporations Act, you will be paid the consideration you are entitled to within one month of the later of:

- (a) the date you accept the Offer; and
- (b) the date the Offer becomes unconditional.

In any event, you will be paid within 21 days after the end of the Offer Period (assuming all Conditions are satisfied or waived).

### **5.2 Payment to be mailed by cheque**

Payment of the cash amount to which you are entitled will be paid by cheque (or otherwise as agreed by Eastern Field) in Australian currency. Cheques will be sent to the address on the Acceptance Form by pre-paid ordinary mail or, if you have an overseas address, by pre-paid airmail at your risk.

### **5.3 Clearances for offshore residents**

If, at the time of acceptance of this Offer any of the following:

- (a) Banking (Foreign) Exchange Regulations 1959 (Cth);
- (b) Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
- (c) Autonomous Sanctions Act 2011 (Cth); or
- (d) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Department of Foreign Affairs and Trade, the Australian Taxation Office or any other government authority be

obtained before you receive any consideration for Your Finders Shares, or would make it unlawful for Eastern Field to provide any consideration to you for Your Finders Shares, you will not be entitled to receive any consideration for Your Finders Shares until all requisite authorities, clearances or approvals have been received by Eastern Field.

#### **5.4 Where additional documents are required**

Where the Acceptance Form requires additional documents to be given with your acceptance (such as a power of attorney), if the documents are given:

- (a) with your acceptance, Eastern Field will provide the consideration in accordance with clause 5.1 of this Schedule 1;
- (b) after acceptance and before the end of the Offer Period and the Offer is subject to a Condition at the time that Eastern Field is given the documents, Eastern Field will provide the consideration due to you on or before the earlier of:
  - (i) one month after the contract resulting from your acceptance of the Offer becomes unconditional; and
  - (ii) 21 days after the end of the Offer Period;
- (c) after acceptance and before the end of the Offer Period and the Offer is unconditional at the time that Eastern Field is given the documents, Eastern Field will provide the consideration due to you on or before the earlier of:
  - (i) one month after Eastern Field is given the documents; and
  - (ii) 21 days after the end of the Offer Period; or
- (d) after the end of the Offer Period, Eastern Field will provide the consideration within 21 days after the documents are given.

If you do not give Eastern Field the required additional documents within one month after the end of the Offer Period, Eastern Field may, in its sole discretion, rescind the contract resulting from your acceptance of the Offer.

#### **5.5 Where Eastern Field is entitled to any Rights**

If Eastern Field becomes entitled to any Rights on acceptance of this Offer, you must give Eastern Field all documents that Eastern Field needs to give Eastern Field title to those Rights. If you do not give those documents to Eastern Field, or if you have received the benefit of those Rights, Eastern Field will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Eastern Field) of those Rights.

## **6 Conditions of the Offer**

### **6.1 Conditions**

This Offer and the contract that results from acceptance of this Offer are subject to fulfilment of the Conditions.

### **6.2 Nature of conditions**

Each of the Conditions set out in each paragraph and subparagraph of Schedule 2:

- (a) constitutes and will be construed as a separate, several and distinct condition;
- (b) is a condition subsequent; and
- (c) subject to the Corporations Act, until the expiration of the Offer Period will be for the benefit of Eastern Field alone and may be relied upon only by Eastern Field.

### **6.3 Conditions apply to multiple events**

Where an event occurs that would mean at the time the event occurs a Condition would not be satisfied, each Condition affected by that event becomes two separate conditions on identical terms except that:

- (a) one of them relates solely to that event; and
- (b) the other specifically excludes that event.

Eastern Field may declare the Offer free under clause 6.5 from either of those conditions without declaring it free from the other and may do so at different times. This clause may apply any number of times to a Condition (including a condition arising from a previous operation of this clause).

### **6.4 Effect of breach or non-fulfilment**

The breach or non-fulfilment of any of the Conditions does not prevent a contract arising to acquire Your Finders Shares resulting from your acceptance of this Offer. If at the end of the Offer Period, in respect of any Condition:

- (a) Eastern Field has not declared the Offers (and they have not become) free from that Condition; or
- (b) that Condition has not been satisfied,

all contracts resulting from the acceptance of the Offers and all acceptances that have not resulted in binding contracts are void. In that case, Eastern Field will return the Acceptance Form together with all documents to the address shown in the Acceptance Form.

### **6.5 Eastern Field may decide Offer is free from all or any of the Conditions**

Eastern Field may at any time at its sole discretion but in compliance with section 650F and section 630(1) of the Corporations Act, declare the Offers free from all or any of the Conditions by written notice to Finders not later than seven days before the end of the Offer Period.

### **6.6 Date for giving notice on status of Conditions**

The date for giving a notice on the status of the Conditions as required by section 630(1) of the Corporations Act is the date seven days before the end of the Offer Period, subject to variation under section 630(2) of the Corporations Act if the Offer Period is extended.

### **6.7 Effect of acceptance**

Once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you, unless:

- (a) by the end of the Offer Period, the Conditions have not all been satisfied or waived in which case, this Offer will automatically terminate; and
- (b) the circumstances set out in section 650E of the Corporations Act apply.

By signing and returning the Acceptance Form, you will be deemed to have:

- (c) Irrevocably accepted this Offer (and each variation of this Offer) in respect of all Your Finders Shares or such less number of Finders Shares that you identify as the subject of your acceptance in the Acceptance Form;

- (d) Irrevocably authorised Eastern Field to alter the Acceptance Form on your behalf by:

- (i) inserting correct details of Your Finders Shares;
- (ii) filling in any blanks remaining on the Acceptance Form; and
- (iii) rectifying any errors in, and omissions from, the Acceptance Form,

as may be necessary to make the Acceptance Form a valid acceptance of this Offer and to enable registration of the transfer of Your Finders Shares to Eastern Field;

- (e) represented and warranted to Eastern Field, as a condition of the contract resulting from your acceptance of the Offer, that at the time of acceptance and at the time of transfer to Eastern Field:

- (i) you have paid to Finders all amounts which are due for payment for Your Finders Shares;
- (ii) all of Your Finders Shares are fully paid and free from all mortgages, charges, liens and other encumbrances of any nature; and
- (iii) you have full power and capacity to sell and transfer those Finders Shares;

- (f) granted to Eastern Field and each of its directors power of attorney to:

- (i) sign any document or do anything on your behalf necessary to cause Finders to issue a replacement share certificate for those Finders Shares; and
- (ii) satisfy any formal requirement to transfer the relevant Finders Shares (including sign any share transfer form on your behalf);

- (g) agreed to:

- (i) do anything necessary to ratify any act taken or purported to be taken by Eastern Field or any of its directors under the power of attorney granted by clause 6.7(f) of this Schedule 1; and
- (ii) indemnify Eastern Field and each of its directors in respect of that act;

- (h) from the time of acceptance until the Offer has become unconditional, until the earlier of the withdrawal of your acceptance under section 650E of the Corporations Act or the end of the Offer Period, Irrevocably appointed Eastern Field or any nominee of Eastern Field as your attorney to exercise all your powers and rights attaching to Your Finders Shares including (without limitation) to requisition, convene, attend and vote at all general meetings of Finders or appoint a proxy or proxies to attend and vote on your behalf at that meeting, where the passing or defeat of any resolution before the meeting might adversely affect the likelihood of the Offer being successful and to do so in a way which would prevent that effect arising;

- (i) on this Offer or any takeover contract becoming unconditional, irrevocably appointed Eastern Field or any nominee of Eastern Field as your attorney to exercise all your powers and rights attaching to Your Finders Shares including (without limitation):
  - (i) to requisition, convene, attend and vote at all general meetings of Finders or appoint a proxy or proxies to attend and vote on your behalf at that meeting; and
  - (ii) sign all documents and resolutions relating to Your Finders Shares, and generally to exercise all powers and rights which you may have as a Finders Shareholder and perform actions as may be appropriate to vest good title in Your Finders Shares in Eastern Field;
- (j) agreed that in exercising the powers conferred by the power of attorney in clause 6.7(h) of this Schedule 1, Eastern Field is entitled to act in the interests of Eastern Field; and
- (k) agreed not to attend or vote in person at any general meeting of Finders or to exercise or purport to exercise any of the powers conferred on Eastern Field or its nominee in clause 6.7(h) of this Schedule 1.

#### 6.8 **Withdrawal**

Eastern Field may withdraw unaccepted Offers at any time with the written consent of ASIC and subject to the conditions (if any) specified in that consent.

#### 6.9 **Variation**

Eastern Field may vary this Offer in accordance with the Corporations Act.

### 7 **Acceptances by transferees and nominees**

#### 7.1 **Who may accept the Offer**

During the Offer Period:

- (a) any person who is able to give good title to a parcel of Finders Shares may accept (if they have not already accepted an offer in the form of this Offer) as if an offer on terms identical with this Offer has been made to that person; and
- (b) any person who holds one or more parcels of Finders Shares as trustee, nominee, or otherwise on account of another person, may accept as if a separate offer had been made in relation to:
  - (i) each of those parcels; and
  - (ii) any parcel they hold in their own right.

#### 7.2 **Holding shares**

A person is taken to hold Finders Shares if the person is, or is entitled to be registered as, the holder of those Finders Shares.

#### 7.3 **Holding shares on trust or as a nominee**

A person is taken to hold Finders Shares on trust for, as nominee for, or on account of, another person if that person:

- (a) is entitled to be registered as the holder of Finders Shares; and
- (b) holds the interest in the Finders Shares on trust for, as nominee for, or on account of, that other person.



#### **7.4 Effective acceptance**

An acceptance of an Offer under clause 7.1(b) of this Schedule 1 is ineffective unless:

- (a) the person who holds on account of another person, gives that other person written notice stating that the Finders Shares consist of a separate parcel; and
- (b) the acceptance specifies the number of Finders Shares in that parcel.

#### **7.5 Notice of acceptance**

A notice under clause 7.4(a) of this Schedule 1 must be made in writing.

A person may, at the one time, accept for two or more parcels under clause 7.1 of this Schedule 1 as if there had been a single offer for a separate parcel consisting of those parcels.

### **8 Other matters**

#### **8.1 Notices and other communications**

Subject to the Corporations Act, a notice or other communication given by Eastern Field to you in connection with this Offer is deemed to be duly given if it is in writing and:

- (a) is addressed to your address as recorded on the register of members of Finders or the address shown in the Acceptance Form; and
- (b) is sent by pre-paid ordinary mail, or in the case of an address outside Australia by pre-paid airmail, to you at either of those addresses.

#### **8.2 Return of documents**

If:

- (a) this Offer is withdrawn after your Acceptance Form has been sent to Eastern Field, but before it has been received; or
- (b) for any other reason Eastern Field does not acquire the Finders Shares to which your Acceptance Form relates,

Eastern Field will despatch at your risk your Acceptance Form together with all other documents forwarded by you.

### **9 Costs and expenses**

All costs and expenses of the preparation, despatch and circulation of the Offers and all stamp duty payable (for which Eastern Field is liable) for a transfer of Finders Shares for which Offers are accepted, will be paid by Eastern Field.

### **10 Governing laws**

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Western Australia.

## Schedule 2

Conditions to the offers under the proposed off-market takeover bid by Eastern Field Developments Limited for all the ordinary shares in Finders Resources Limited

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The Offer and any contracts resulting from acceptance of the Offer are subject to fulfilment of the following conditions:

### **1 FIRB approval**

That before the expiration of the Offer Period, the Treasurer of the Commonwealth of Australia provides written advice (on terms acceptable to Eastern Field) that the Commonwealth Government does not object to the transfer of the Finders Shares under the Foreign Acquisitions and Takeovers Act 1975 (Cth) (FATA) or due to the passage of time becomes precluded from making an order in relation to the transfer of the Finders Shares under the FATA (**FIRB Approval**).

### **2 Minimum acceptance**

That before the expiration of the Offer Period, Eastern Field has received valid acceptances so that Eastern Field has a relevant interest in more than 50% of the Finders Shares at that time.

### **3 No regulatory action**

Between the Announcement Date and the end of the Offer Period:

- (a) no preliminary or final decision, order or direction is made or issued by any Regulatory Authority;
- (b) no action, proceeding or investigation is announced, commenced or threatened by any Regulatory Authority; and
- (c) no application is made to any Regulatory Authority (other than by the Bidder or any associate of the Bidder),

which is likely to or purports or threatens to restrain, prohibit, impede or otherwise adversely affect the making of the Offer, the acquisition of Finders Shares by the Bidder, the rights of the Bidder in respect of the Target or Finders Shares (other than any action or decision by or application to ASIC or the Takeovers Panel in exercise of the powers or discretions conferred by the Corporations Act).

### **4 No Target Prescribed Occurrences**

Between the Announcement Date and the end of the Offer Period, there is no occurrence of a Target Prescribed Occurrence.

### **5 No Material Adverse Change**

Save as publicly announced to the ASX prior to the date of the Announcement, between 1 January 2017 and the end of the Offer Period, there is no occurrence of any Material Adverse Change.

## 6 Third party consents

If Finders, or a subsidiary of Finders, is a party to, is bound by, or is subject to:

- (a) a financing agreement;
- (b) a joint venture agreement;
- (c) a shareholders or cooperation agreement relating to shares in, or the operation of, a subsidiary of Finders; or
- (d) a material agreement relating to Wetar,

and as a result of the acquisition of Finders Shares under the Offer or any consequential change in control of Finders, another person who is a party to such agreement becomes entitled to exercise any rights (including termination rights or pre-emptive rights) under that agreement.

## 7 No material acquisitions, disposals or commitments

Between the Announcement Date and the end of the Offer Period, none of the following events occurs, are announced or become known to the Bidder:

- (a) any member of the Finders Group acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest therein) for an amount in aggregate greater than \$5,000,000; or
- (b) any member of the Finders Group disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or assets (other than excluded assets) (or any interest therein) for an amount, or in respect of which the book value is, in aggregate, greater than \$5,000,000, other than in the ordinary course of business; and
- (c) the Finders Group, incurs financial indebtedness, other than under a permitted hedging contract, which in aggregate exceeds A\$5,000,000.

For the purpose of this condition:

**excluded assets** means copper production from Wetar which is sold either on a spot basis in the ordinary course of the Finders Group business or under a permitted hedging contract.

**permitted hedging contract** is a hedging contract entered into by a member of the Finders Group which meets the following conditions:

- (i) the hedging contract is entered into in accordance with the existing hedging policy approved by the Finders Board and the PT Batutua Tembaga Raya Board (**approved hedging policy**);
- (ii) the sum of the amount of copper cathode the subject of the hedging contract and all other open hedging contracts entered into by a member of the Finders Group does not exceed 55% of the forecast production from the date that the relevant hedging contract is entered into until the earlier of the scheduled final repayment date under the Finders Group's bank financing facilities and 31 March 2019; and
- (iii) the price to be received under the hedging contract is not less than the floor price provided under the approved hedging policy or US\$6,000 (whichever is the higher amount).

## 8 Copper Price

Between the date of the Announcement and the end of the Offer Period, the 3 Month Copper Price at the close of business on the London Metal Exchange (as reported on Bloomberg as LME Copper 3 MO (\$)) under the security description "LMCAD503 LME Comdty") is below US\$6,000 on 2 consecutive days the London Metal Exchange is open for business.

## Corporate directory

### Company

Eastern Field Developments Limited  
80 Raffles Place, #51-02, UOB Plaza,  
Singapore 048624  
[www.easternfielddevelopments.com](http://www.easternfielddevelopments.com)

### Directors

David Fowler  
Hari Gurung

### Financial Adviser

Argonaut Capital Limited  
Level 30  
Allendale Square  
77 St Georges Terrace  
PERTH WA 6000  
+ 61 8 9224 6888  
[www.argonaut.com](http://www.argonaut.com)

### Legal Advisers

Iffla Wade  
Level 3  
307 Murray Street  
Perth Western Australia  
+61 8 9322 7111  
[www.ifflawade.com](http://www.ifflawade.com)

**Finders Resources Limited**

ACN 108 547 413

Address 1 Address 1-1  
 Address 1 Address 2-1  
 Address 1 Address 3-1  
 Address 1 Address 4-1  
 Address 1 Address 5-1  
 Address 2 Address 6-1

Name  
 Address

**Return your Form:****By Mail:**

10/11/17  
 10/11/17  
 10/11/17  
 10/11/17  
 10/11/17  
 10/11/17

**For all enquiries:**

Phone:  
 (within Australia) 1800 233 997  
 (outside Australia) +61 8 9322 7887

**TRANSFER AND ACCEPTANCE FORM – Issuer Sponsored Holders**

**Your form must be received by no later than the end of the Offer Period**

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer (Offer) by Eastern Field Developments Ltd (Eastern Field) to acquire all of your Ordinary Shares in Finders Resources Ltd (Finders) (ACN 108 547 413) the terms of which are set out in the Replacement Bidder's Statement from Eastern Field dated 22 October 2017 as replaced or supplemented (the Bidder's Statement). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

**Step 1: Registration Name & Offer Details**

Your consideration will be paid to the name(s) as they appear on the latest copy of the Finders Register, as provided to Eastern Field. The current address recorded on Eastern Field's copy of the Register is printed above and overleaf. If you have recently bought or sold Finders Shares your holding may differ from that shown. If you have already sold all your Finders Shares, do not complete or return this form.

**Step 2: Accept the Offer**

Only sign and return this form if you wish to accept the Offer for ALL of Your Finders Shares. The consideration applicable is that set out in Schedule 1 to the Bidder's Statement.

By signing this form, you represent and warrant to Eastern Field that, both at the time of returning this acceptance form and at the time the transfer to Eastern Field of the Ordinary Shares to which this form relates is registered, all of those shares are and will upon registration be fully paid up and free from all mortgages, charges, liens and other encumbrances of any kind and restrictions on

transfer of any kind, and that you have full power and capacity to sell and transfer the legal and beneficial ownership in those shares and that you have paid all amounts which at the time of acceptance have fallen due for payment in respect of those shares.

**IMPORTANT!** Acceptance Forms cannot be returned by fax or hand delivery. Your Acceptance Form must be returned in the reply paid envelope enclosed with the Bidder's Statement.

Due to recent changes to delivery times by Australia Post, standard delivery may now take up to six Business Days, or longer from regional areas. Finders Shareholders should bear this in mind when returning Acceptance Forms using Australia Post.

**Step 3: Signing Instructions**

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders must sign.

**Power of Attorney:** Where signing under a Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

**Companies:** Where the holding is in the name of a company, this form must be signed in accordance with the Corporations Act, either as:

- a sole director and a company secretary OR a sole director (if no company secretary exists), OR
- two directors, OR
- a director and a company secretary.

**Overseas Companies:** Where the holding is in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased Estate:** All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

**Turn over to complete the form**







## Finders Resources Limited

ACN 108 547 413

## Return your Form:



To Your Controlling Participant:  
Return this ~~form~~ directly to your  
stockbroker



## By Mail:

Automic  
PO Box 2228  
Strawberry Hills NSW 2127  
Barcode 2228  
Level 12 225 George Street  
SYDNEY NSW 2000



## For all enquiries:

Phone:  
Eastern Field Offer Information line:  
(within Australia) 1300 288 8644346  
079 782  
(outside Australia) +61 2 9698 6414  
6214 6214

Name & Address 1 >  
Name & Address 2 >  
Name & Address 3 >  
Name & Address 4 >  
Name & Address 5 >  
Name & Address 6 > Name  
Address

## TRANSFER AND ACCEPTANCE FORM – CHESSE Holders

- ⦿ This Acceptance Form must be received with sufficient time to allow processing prior to the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer (Offer) by Eastern Field Developments Ltd (Eastern Field) to acquire all of your Ordinary Shares in Finders Resources Ltd (Finders) (ACN 108 547 413) the terms of which are set out in the Replacement Bidder's Statement from Eastern Field dated 23 October 17 November 2017 as replaced or supplemented (the Bidder's Statement). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

## Step 1: Registration Name &amp; Offer Details

Your consideration will be paid to the name(s) as they appear on the latest copy of the Finders Register, as provided to Eastern Field. The current address recorded on Eastern Field's copy of the Register is printed above and overleaf. If you have recently bought or sold Finders Shares your holding may differ from that shown. If you have already sold all your Finders Shares, do not complete or return this form.

## Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of Your Finders Shares. The consideration applicable is that set out in Schedule 1 to the Bidder's Statement. As your Finders Ordinary Shares are in a CHESSE holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you want Eastern Field to contact your Controlling Participant on your behalf, sign and return this form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise Eastern Field and Automic to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this form, you represent and warrant to Eastern Field that, both at the time of returning this acceptance form and at the time the transfer to Eastern Field of the Ordinary Shares to which this form relates is registered, all of those shares are and will upon registration be fully paid up and free from all mortgages, charges,

liens and other encumbrances of any kind and restrictions on

transfer of any kind, and that you have full power and capacity to sell and transfer the legal and beneficial ownership in those shares and that you have paid all amounts which at the time of acceptance have fallen due for payment in respect of those shares.

You should allow sufficient time for your Controlling Participant or Eastern Field to initiate the acceptance of Eastern Field's Offer on your behalf. Neither Eastern Field nor Automic Boardroom will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

**IMPORTANT!** Acceptance Forms cannot be returned by fax or hand delivery. Your Acceptance Form must be returned in the reply paid envelope enclosed with the Bidder's Statement.

Due to recent changes to delivery times by Australia Post, standard delivery may now take up to six Business Days, or longer from regional areas. Finders Shareholders should bear this in mind when returning Acceptance Forms using Australia Post.

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Entering contact details is not compulsory, but will assist us if we need to contact you.

*Turn over to complete the form*

PAROLE  
RECEIVED \_\_\_\_\_  
BY \_\_\_\_\_  
DATE \_\_\_\_\_

RECEIVED \_\_\_\_\_  
BY \_\_\_\_\_  
DATE \_\_\_\_\_

[illegible]

