



Positive Feasibility Revision Results

- Significant reduction in capital to US\$133 million
- Life of mine average operating cost US\$1.11/lb, US\$0.94/lb at full production
- Bankable Feasibility Study expected October
- Mobilization for demo plant restart begun

Finders Resources Ltd (“Finders”) is pleased to announce that the preliminary work on its revised Bankable Feasibility Study for the Wetar Island copper cathode Project, which reflects a different and more detailed approach, is indicating significant reductions in the forecast capital requirement and faster delivery of project cashflows.

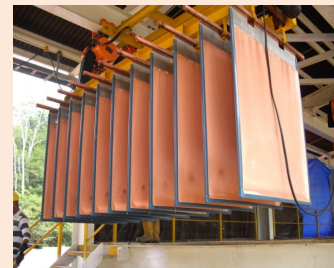
The revised design incorporates the changes announced on 26 July 2013. The new SX/EW plant is a single stage 25,000 tpa Cu capacity plant based upon an extension of the existing Finders owned 16,000 tpa ex-Whim Creek plant. The single stage design reduces construction cost and time compared to the previous two stage plant design.

The revised preliminary capital estimate is US\$133 million (before contingency), which is a reduction of over US\$34 million from the previous BFS. Key drivers of the reduction in capital, in addition to the move to a single 25,000 tpa SX/EW plant, include design changes to the heap leach pad earthworks program and heap leach stacking sequence, more detailed civil earthworks design, re-designed geotechnical pit and civil structures and modifications to the Kali Kuning pit mining sequence and schedule. These changes have also enabled a shorter construction period of 15 months, down from 24 months.

Operating costs from this preliminary study are estimated at US\$1.11/lb life of mine (similar to the previous model) but should reduce further as the Bankable Feasibility Study is finalised over the next few months. For the six years commencing from plant commissioning until production tails off, operating costs should be lower than the average at US\$0.94/lb. These operating cost estimates reflect an increase in mining costs as a result of design changes driven by the boundaries of the recently awarded forestry permit, together with general inflation of operating costs in Indonesia.

Finders expects to produce the revised Bankable Feasibility Study in October following another round of more detailed engineering and design work for the processing plant, crushing plant, civil earthworks and open pit. This engineering design will then provide the basis for the production of structured contract scopes and schedules, which will in turn provide the ability to conduct closer discussions with potential contractors.

The demonstration plant restart has been approved by the board and a letter of intent negotiated with the mining contractor with mobilization expected in mid-September.



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Initial work will focus on clearing the existing heaps and mining and stacking 140,000 tonnes of ore, as well as minor upgrading of the existing plant to 3,000 tpa. The upgraded demonstration plant together with the new plant will provide Finders with total capacity of 28,000 tpa.

Following completion of the Bankable Feasibility Study, Finders will re-engage with senior lenders and other potential financiers. The reduced capital requirement and level of detail provided in the engineering design, is expected to reduce the total funding requirement, extend the range of funding options available to the company and provide lower risk to lenders.

Full details will be released with the completion of the Bankable Feasibility Study in October.

- End -

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