

High Grade Gold in Drill holes (14m at 20g/t Au) at Indochine's Mt Kare Gold/Silver Project, PNG

WRZ North drilling - holes 205SD13 & 206SD13

Company Announcements Office
Australian Securities Exchange

18 July 2013

Indochine Mining Limited (ASX: IDC) ("Indochine") is pleased to report high grade gold assays, up to 14 metres at 20 g/t gold, from drill holes 205SD13 and 206SD13, which extend gold mineralisation in the WRZ North zone at the company's Mt Kare Gold-Silver Project, PNG.

Highlights include:

- 14 m at 20.4 g/t gold from surface; and
- 48 m at 3.6 g/t gold from 68 m down hole,
Including 12 m at 6.1 g/t gold (drill hole 206SD13).
- 37 m at 3.3 g/t gold from 93 m down hole,
Including 7 m at 7.3 g/t gold; and
- 46 m at 3.4 g/t gold from 172 m down hole; and
Including 6 m at 7.6 g/t gold (drill hole 205SD13).

Drill hole 205SD13 has extended the known high grade gold mineralisation down dip by up to 65 m in this part of the WRZ North zone and confirmed the continuity of the zone. Drill hole 206SD13 has extended the high grade gold mineralisation up dip.

Recent drilling has targeted extensions to known mineralisation and to provide better resource definition. Drill holes 205SD13 and 206SD13 are located in the WRZ North and targeted down dip extensions to high grade zones. Both high grade zones are within 150 metres of the surface of the hillside and are suitable for a rapid, low cost underground mining option, which would significantly improve the robust economics of Mt Kare.

Indochine completed an extensive drilling program in 2012 as part of the project pre-feasibility study, with recent drilling targeting high grade zones. An updated resource estimate, announced on 10 July, confirmed two high grade zones of 400,000 ounces at 5.4 g/t gold in 2.1 Mt, with a doubling of the Measured and Indicated resource category and an increase in the total resource to 2.1 Moz gold, 18 Moz silver (43 Mt @ 1.5 g/t Au, 13.5 g/t Ag) or 2.5 Moz gold equivalent.

205SD13 results (higher grade zones)

- 7 m at 7.3 g/t gold, and 32 g/t Ag from 104 m downhole;
- 3 m at 8.8 g/t gold, and 8 g/t Ag from 119 m downhole ;
- 3 m at 7.0 g/t gold, 20 g/t silver from 183 m downhole;
- 6 m at 7.6 g/t gold, 14 g/t silver from 210 m downhole;
- 3 m at 10.1 g/t gold, 21 g/t silver from 210 m downhole.

206SD13 results (higher grade zones)

- 14 m at 20.4 g/t gold, 42 g/t silver from surface;
Incl. 3 m at 88.9 g/t gold, 51 g/t silver.
- 3 m at 9.3 g/t gold, 230 g/t silver from 36 m downhole.
- 12 m at 6.1 g/t gold, 54 g/t silver from 81 m downhole.
Incl. 2 m at 11 g/t gold, 128 g/t silver

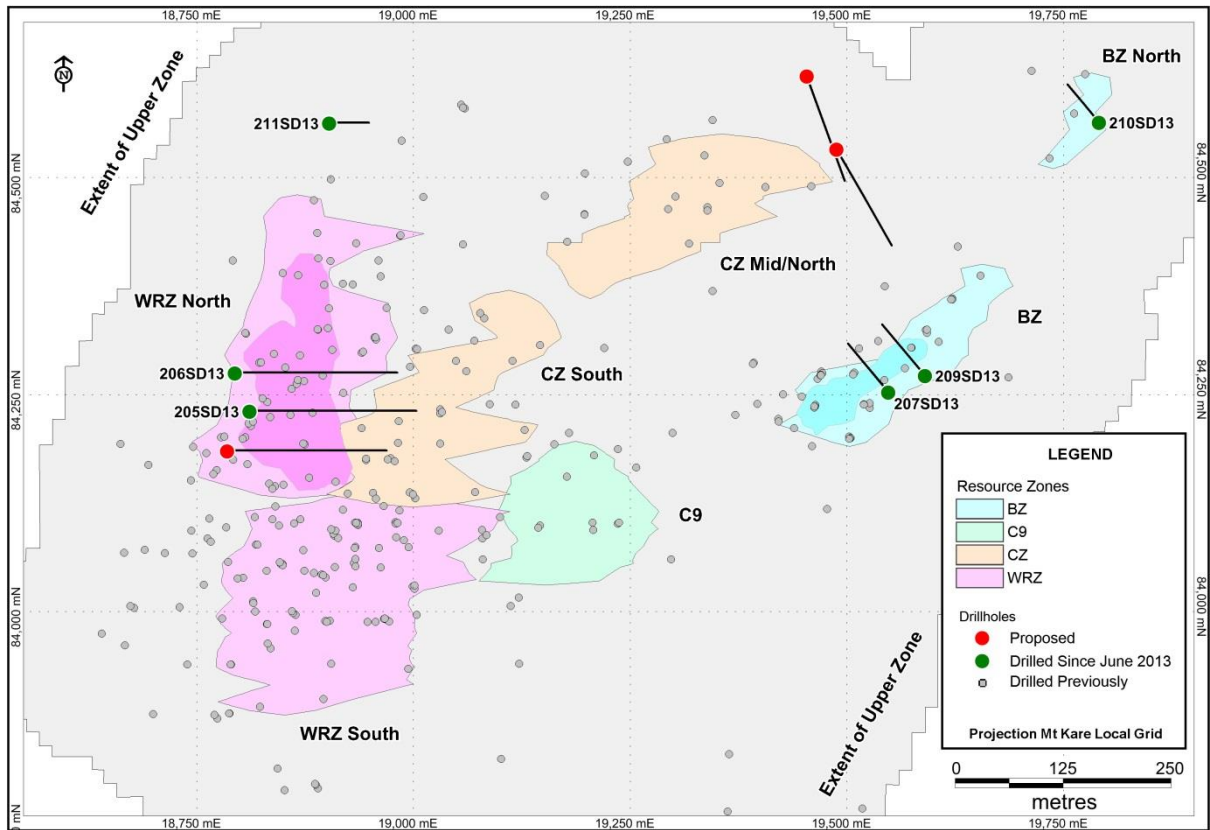


Figure 1: Location of reported and future drillholes

Hole	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Domain	
205SD13	29.00	59.00	30.00	3.1	14	WRZ	
	63.00	87.00	24.00	2.3	19		
	93.00	130.00	37.00	3.3	15		
	incl	104.00	111.00	7.00	7.3		32
	incl	119.00	122.00	3.00	8.8		8
		134.00	141.00	7.00	1.2		6
		172.00	218.00	46.00	3.4		11
	incl	183.00	186.00	3.00	7.0		20
	incl	210.00	216.00	6.00	7.6		14
	incl	221.00	232.00	11.00	1.3		5
206SD13	0.00	14.00	14.00	20.4	42	WRZ	
	incl	0.00	3.00	3.00	88.9		51
		22.00	64.00	42.00	2.1		28
	incl	36.00	39.00	3.00	9.3		230
		68.00	116.00	48.00	3.6		55
	incl	81.00	93.00	12.00	6.1		54
	incl	110.00	112.00	2.00	11.0		128
		121.00	137.00	16.00	0.9		6
		155.00	158.00	3.00	0.7		6
	202.00	206.00	4.00	1.4	9		

Table 1: Assays from reported drillholes

		Mt Kare Local Plane Grid					
Hole	Zone	Easting	Northing	RL	Azimuth	Dip	Depth
205SD13	WRZ	718921	9384406	2,897.0	90.0	-46.0	277.4
206SD13	WRZ	718904	9384450	2,902.0	90.0	-47.0	275.3

Table 2: Location of reported drillholes

About Indochine Mining Limited

Indochine Mining Limited's flagship asset is the Mt Kare gold/silver project in the highlands of PNG. A major increase in the quality of the resource was recently announced with two substantial high grade zones averaging 5 - 20 g/t gold, with intersections over 100 g/t gold. The current focus is to extend these high grade zones as they allow for a rapid, low cost underground mining option at significantly reduced capital costs than announced in the company's 2012 pre-feasibility study.

Mt Kare is situated 15 km from the adjoining 28 Moz world-class Porgera gold mine, with which it shares many similarities. Porgera is one of the world's top 10 gold mines, with over 500,000 oz/yr production for over two decades, and has developed significant infrastructure, including roads and power lines, nearby to Mt Kare. Porgera started as an high grade underground mine and later developed a major open cut operation, now more than 500 metres deep.

The Mt Kare project's total Mineral Resource is 43 Mt at 1.5 g/t Au for 2.1 Moz Au, 18 Moz Ag or a 2.5 million ounce gold equivalent, with nearly 75% in the higher confidence Measured and Indicated category, based on 454 diamond drill holes (73,639m), as at July 2013.

Two high grade zones have been confirmed, with 400,000 oz gold at 5.4 g/t Au in 2.3 Mt, with alternative modelling showing 10 g/t Au with zones locally grading 20 g/t Au. Both high grade zones are within 150 metres of the surface of the hillside and will be suitable for a rapid underground development which would significantly improve the strong economics of the Mt Kare project. The company is confident of both extending these zones and increasing the average grade with further drilling as well as locating more high grade zones. Drilling is underway on these high grade gold zones.

The company's 2012 pre-feasibility study set out options for development, which will be optimised for underground mining of the high grade zones utilising the recently updated resource model and new integrated geological model.

Indochine, and its wholly owned PNG subsidiary, Summit Development Limited, commenced this project over 2 years ago and has attracted a group of major offshore investors in the US, UK and Europe, due to the scale and grade of the project, including some of the world's top funds, BlackRock, Baker Steel and Capital Group.

Stephen Promnitz, Chief Executive Officer, **Indochine Mining Limited**

Competent Person Statement

Anthony W. Burgess, a qualified consultant for Indochine Mining Ltd, is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken, being reported herein as exploration results, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition). Anthony W. Burgess has consented to the public reporting of these statements and results and the form and context in which they appear.

Company:
Indochine Mining Limited - Stephen Promnitz, CEO
info@indochinemining.com + 61 2 8246 7007

Media:
Six Degrees Investor Relations - Fergus Ross
+61 2 9230 0661