

1 September 2015

T +61 8 9214 1444
F +61 8 9214 1400
E perth@fh.com.au
www.ferrierhodgson.com

TO CREDITORS AS ADDRESSED

Dear Sir / Madam

**Summit Development Ltd (SDL / the Company)
PNG Company No. 1-73895**

We refer to our previous correspondence dated 2 April 2015 advising of the appointment of Voluntary Administrators to parent entity, Indochine Mining Limited (IDC) on 27 March 2015 and advise we were subsequently appointed as Deed Administrators on 4 June 2015.

We now provide an update on the progress of the administration to date.

Renewal of Exploration Licence EL1093 (EL1093)

As previously advised, SDL was served with a summons by a number of plaintiffs seeking:

- An injunction restraining the Mineral Resource Authority from conducting the Wardens Hearing at Mt Kare; and
- Relief from the changes to the weighting of rights of various landowner clans or sub clans in some areas covered by the Landowner Investigation Study (LIS).

In February 2015, the Company announced that the PNG National Court of Justice had:

1. Discharged the injunction, enabling the Company to proceed with the Warden's Hearing which was pivotal to the renewal of the Company's Exploration Licence.

As a consequence, SDL is pleased to announce that the Warden's Hearing was successfully completed at Mt Kare on 6 May 2015.

2. Ordered the Company to undergo a mediation process at Mt Kare involving all parties to the injunction, with the process to be mediated by a National Court of Justice accredited mediator. The mediation was successfully conducted at Mt Kare between 18 July and 20 July 2015 in the presence of:
 - Justice Kandakasi of the PNG National Court of Justice, Deputy Magistrate Mark Pupaka and the appointed mediator, Mr Craig Jones.
 - Plaintiffs and their lawyers.
 - Defendants and their lawyers.
 - All Landowner clans identified in the Landowner Investigation Report (LIR).

Following the mediation at site, the parties then re-convened at Mt Kare on 17 August 2015 to complete the vetting of all clan members identified in the LIR.

The Company is pleased to announce that the mediation was successfully completed with all clans signing the Agreement in the presence of the Mediators, which now enables the Company to complete the registration of the LIR with the Lands Department under the Lands Act.

With all legal and community challenges having been positively dealt with, the Company is now awaiting a final outcome of its application to renew EL1093, which incorporates the Mt Kare Gold Project. We understand that this application is with the Honourable Minister for Mining for a final decision.

Under PNG Mining Act 1992, section 112, the current exploration licence that reached its expiry date on 28 August 2014 continues to be in full force until the renewal application has been determined.

Finance

The secured creditor has extended a new loan facility to IDC to fund the costs associated with maintaining the Mt Kare Gold Project EL 1093 in good standing, including the funding of the Wardens Hearing completed on 6 May 2015, the funding of mediation which was conducted on site from 18 July 2015 to 20 July 2015 and then re-convened on 17 August 2015.

It remains IDC's intention that SDL creditors receive repayment in full for their outstanding debts. The payment of SDL creditors remains subject to confirmation that EL1093 has been renewed which will allow certainty for funding of the project to be completed.

We respect that this has been a trying process for you and we genuinely appreciate the patience of creditors whilst we work hard to complete the registration approval.

Other Matters

We have been advised that former IDC Chief Executive Officer, Steven Promnitz, has contacted a number of SDL creditors seeking support to take legal against IDC and or SDL.

We advise that Mr Promnitz has already commenced proceedings in the Federal Court of Australia, those proceedings were dismissed on 17 August 2015 by the Honourable Justice White and Mr Promnitz was ordered to pay IDC and the Deed Administrators' costs of appearing in those proceedings.

We advise that Mr Promnitz does not have SDL's or IDC's authority to speak on its behalf and any creditors should contact the Company in respect of any concerns or queries they may have.

In the meantime, we confirm that we will advise creditors of any further developments on this matter as they may arise. Alternatively, creditors should not hesitate in contacting us to discuss any concerns.

Yours faithfully
Indochine Mining Limited


Martin Jones
Deed Administrator