



HIGHLIGHTS AND ACHIEVEMENTS

Mt Kare Gold/Silver Project PNG Funding The Development of High Grade Gold Zones

Finance

- A\$3.1M capital raising was completed at \$0.042 per share, to new and current shareholders;
- Indochine has been approached by potential investors seeking a joint venture (JV) investment in the Mt Kare Project, aimed to fund the project into production, linked to a cornerstone placement in IDC. Investment discussions are ongoing with several parties and the Company anticipates a conclusion in the near future;
- While discussions are underway with potential investors, work on site has been reduced until it becomes clearer that a joint venture will eventuate or the Company will continue to sole fund the project.

Landowner Investigation Report (LIR)

- Work continued on the LIR with government officials and Landowner clans.
- The final stage of the Landowner Investigation Study (LIS) was completed on-site at the Mt Kare Gold Project in January 2014 after more than two years of work. The LIS involved the marking of land boundaries by the identified primary landowners, validated by government officials and witnessed by relevant clans that have beneficial interest in these land boundaries. Key to this approach is the use of the 'malu', the clan's oral history developed over 15 generations, together with an assessment of genealogy, kinship, bloodlines, land use and customary criteria.
- The final phase of the Landowner Investigation Report (LIR) was work-shopped with government officials in Mt Hagen and is currently under discussions with the Hausman Clan. Once the LIR is accepted, rightful customary landowners and Indochine Mining can develop a socially responsible sharing of benefits with shareholders and Government.



ASX:IDC POMSx:IDC

Company Directors

Dermott McVeigh
Non-Executive Chairman
Gavan H Farley
Non-Executive Director
Craig Dawson
Non-Executive Director

Management

George Niumataiwalu
PNG Country Manager
Anthony W Burgess
Technical Geological Consultant
Ashok Jairath
Chief Financial Officer

Major Shareholders

Baker Steel Capital	11.0%
Genesis Asset Mgmt	10.0%
MCA Nominees	8.3%
Capital Group	7.3%
BlackRock	~4.0%

Corporate

Market Cap (30/07/14) ~\$30M
Shares Issued 1095M

Corporate Address

Level 3, 275 George Street
Sydney NSW 2000 Australia
info@indochinemining.com
www.indochinemining.com

Development of High Grade Gold Zones

- Initial work has been delayed on the underground drive (adit) and portal, for direct access to the high grade gold/silver zones as the Company advances its fundraising work and JV negotiations.

Underground Development Drive

- Initial work on the portal for an underground development drive (adit) has been delayed while the various finance discussions are advanced. Indochine is targeting an underground drilling programme and bulk sampling programme from an exploration adit. This is aimed at expanding the current 2.1 million ounces gold resource (42.5Mt at 1.5g/t Au 13.5g/t Ag for 2.1Moz Au, 18Moz Ag). Planned drilling is targeting the expected higher grade zones and to extend the zones down dip. The results of the adit development, drilling and sampling is planned to provide the project with robust data for mining and a feasibility study for a mining lease application.

Corporate

Cash and Shares on Issue

- The cash position was \$0.5 million at 30 June 2014 (refer to Appendix 5B). The issued capital is 1,095,830,301 fully paid ordinary shares as at 30 June 2014.

Finance

- A \$3.1M capital raising was completed at \$0.042 per share. Each two new IDC shares will have an attached unlisted option with a two year expiry and a strike price of \$0.085. The total number of options to be issued will be 46.2 million, subject to shareholder approval.

Board and Management Changes

- Hugh Thomas and Robert Thomson stepped down from the Board on 30 July 2014 and Dermott McVeigh was appointed as a Director and Chairman on 31 July 2014. The Company thanks Hugh and Robert for their hard work and wish them well for the future.
- Stephen Promnitz resigned as the Chief Executive Officer on 30 July 2014. The Company thanks Stephen for his efforts during his 3.5 years with the Company and wishes him well for his future endeavours.

Dermott McVeigh Chairman, Indochine Mining Limited

Company:

Indochine Mining Limited
Dermott McVeigh, Chairman
+61 2 8246 7007
info@indochinemining.com

Media:

Sig Degrees Investor Relations
Ben Jarvis
+61 2 9230 0661/+61 (0) 413 150 448
Ben.jarvis@sdir.com.au

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

INDOCHINE MINING LIMITED

ABN

16 141 677 385

Quarter ended ("current quarter")

30 June 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	20
1.2 Payments for (a) exploration & evaluation	(3,652)	(13,610)
(b) development	-	-
(c) production	-	-
(d) administration	(794)	(2,175)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	7	25
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(4,439)	(15,740)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(25)	(106)
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(25)	(106)
1.13 Total operating and investing cash flows (carried forward)	(4,464)	(15,846)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(4,464)	(15,846)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	2,935	15,412
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	-	(816)
	Net financing cash flows	2,935	14,596
	Net increase (decrease) in cash held	(1,529)	(1,250)
1.20	Cash at beginning of quarter/year to date	2,032	1,757
1.21	Exchange rate adjustments to item 1.20	(6)	(10)
1.22	Cash at end of quarter	497	497

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	11
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 **Explanation necessary for an understanding of the transactions**

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	1,544	1,544
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	4,500
4.2 Development	
4.3 Production	
4.4 Administration	1,000
Total	5,500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	196	1,372
5.2 Deposits at call	301	660
5.3 Bank overdraft		-
5.4 Other		-
Total: cash at end of quarter (item 1.22)	497	2,032

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	1,095,830,301	1,095,830,301	n/a
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	92,333,175	92,333,175	\$ 0.042
7.5	+Convertible debt securities <i>(description)</i>			

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (<i>description and conversion factor</i>)			Exercise price	Expiry date
		2,750,000		\$0.20	05/07/14
		25,000,000		\$0.20	30/09/14
		1,500,000		\$0.20	30/12/14
		5,000,000		US\$0.25	17/03/15
		4,000,000		\$0.20	30/12/15
	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	15,000,000		\$0.20	30/04/14
7.11	Performance options (<i>description</i>)	14,500,000		nil	16/01/18
		16,500,000		nil	31/03/19
7.12	Issued during quarter				
7.13	Exercised during quarter				
7.14	Expired during quarter				
7.15	Debentures (<i>totals only</i>)				
7.16	Unsecured notes (<i>totals only</i>)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ***Ashok Jairath***
(Company Secretary)

Date: 31 July 2014

Print name: Ashok Jairath

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

Disclosure Required Under Listing Rule 5.3.3 for the Quarter Ended 30 June 2014

31 July 2014

Company Announcements Office
Australian Securities Exchange

Pursuant to listing rule 5.3.3, Indochine Mining Limited provides the following information:

- 1) Mining Tenements held at the end of quarter:

Country	Tenement	Number of Tenement	Interest
Papua New Guinea	EL 1093	1	100%
Cambodia	EL 1075 – 1080 EL 1082 – 1084 EL 1086 – 1088	12	100%
Cambodia	EL 1199 – 1200	2	90%

- 2) Mining tenements acquired or disposed during the quarter and their location : None
- 3) The beneficial percentage interests held in farm – in or farm – out agreements at the end of the quarter: None
- 4) The beneficial percentage interests in farm – in or farm – out agreements acquired or disposed during the quarter: None

Ashok Jairath
Company Secretary