Indochine's Finalisation of Capital Raising, Cleansing Notice and LR Disclosure

Companies Announcements Office   12 Sptemeber 2014

Further to the announcement of 18 August 2014, Indochine Mining Limited (ASX&PMSoX: IDC) ("Indochine" or the "Company") is pleased to announce the finalization of a capital raising of $3,541,440 via private placement of 110,670,000 new IDC shares at $0.032 per share with new and existing sophisticated and professional investors (before costs). The placement includes 1 free attaching unlisted 2 year option, for every 2 shares issued in the placement with an exercise price of $0.07 cents. The issue of options is subject to shareholder approval

The above placement was finalised on Friday, 12 September 2014. The funds will be used for:

- Development of the exploration adit at the Company's Mt Kare site; and

- General working capital purpose

Secondary Trading Exemption: Section 708A(6) Notice & Appendix 3B
Notice pursuant to subsection 708A(5)(e)of the Corporations Act 2001 (Cth)(Act)

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A. By the company giving this notice to the ASX, a sale of the Securities noted above will fall within the exemption in section 708A(5) of the Act.

1. Indochine Mining Limited has announced a private placement of 110,670,000 shares at a price of $0.032 per share to sophisticated and professional investors to raise $3,541,440 (before costs). The placement includes 1 free attaching unlisted 2 year option, for every 2 shares issued in the placement with an exercise price of $0.07 cents. The issue of options is subject to shareholder approval

2. As required under subsection 708A(6) of the Act, the Company advises that:

- the Company issued the Securities to sophisticated and professional investors without the disclosure to investors under Part 6D.2 of the Act;

- this Notice is being given pursuant to subsection 708A(5)(e) of the Act;
   a) the provisions of Chapter 2M of the Act as they apply to the Company,
   b) and section 674 of the Act; and

- as at the date of this Notice, there is no information :
   I. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and

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II.   that investors and their professional advisers would reasonably require for the purposes of making an informed assessment of the assets and liabilities, the financial position and performance, the profits and losses and the prospects of the Company, or the rights and liabilities attaching to the Securities.

A copy of the Appendix 3B for the issue is attached.

Ashok Jairath
Chief Financial Officer & Company Secretary
Indochine Mining Limited

Appendix 3B

New issue announcement,
application for quotation of additional securities
and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Indochine Mining Limited (IDC)

ABN

16 141 677 385

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1   +Class of +securities issued or to be issued

- Fully Paid Ordinary Shares

2   Number of +securities issued or to be issued (if known) or maximum number which may be issued

110,670,000 Fully Paid Ordinary Shares. Each two new share will have an attached option with a 2 year expiry and a strike price of $0.07 subject to shareholder approval.

450,000 Fully Paid Ordinary Shares vested Under Staff Performance Options. The Staff Option Plan was approved at the AGM on 28 November 2012

+ See chapter 19 for defined terms.

3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	**- 110,670,000 shares pursuant to $3,541,440 raised via private placement at $0.032.** **- 450,000 shares issued at zero exercise price that vested under the Staff Option Plan on completion of the performance hurdle.**
4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	**Yes – shares rank equally in all respects with all existing IDC fully paid ordinary shares**
5	Issue price or consideration	**- $0.032 per fully paid ordinary share. Each two new share will have an attached option with a 2 year expiry and a strike price of $0.07, subject to shareholder approval.**
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	**The funds from the placement will be used for the development of the exploration adit and general working capital.**
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	**Yes**

6b	The date the security holder resolution under rule 7.1A was passed	**19 November 2013**
6c	Number of ⁺securities issued without security holder approval under rule 7.1	
6d	Number of ⁺securities issued with security holder approval under rule 7.1A	**96,519,760**
6e	Number of ⁺securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	**Nil**
6f	Number of securities issued under an exception in rule 7.2	**Nil**
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	**VWAP: $0.02895; Source: Bloomberg** **Issue Date: 12 September 2014** **Issue Price :$0.032**
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	**N/A**
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	**See completed Annexure 1**
7	Dates of entering ⁺securities into uncertificated holdings or despatch of certificates	**12 September 2014**

		Number	⁺Class
8	Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in section 2 if applicable)	**1,206,950,301**	**Fully Paid Ordinary Shares**

+ See chapter 19 for defined terms.

Number	+Class
33,250,000	**Unquoted, unrestricted and unlisted options exercisable at $0.20 on various dates.**
5,000,000	**Unquoted and unlisted options exercisable at US$0.25 each on 17 March 2015.**
30,550,000	**Unquoted Staff Performance Options at zero exercise price upon reaching certain performance targets, on or before 31 March 2019. These options are issued under Staff Option Plan approved at the AGM on 28 November 2012**

9   Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable)

10   Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Full participation in any future dividends.

Part 2 - Bonus issue or pro rata issue

11 to 33

Not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34   Type of securities
(*tick one*)

(a)   ☒   Securities described in Part 1

(b)   ☐   All other securities

          Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:
• the date from which they do
• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

+ See chapter 19 for defined terms.

	Number	+Class
42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)		

Quotation agreement

1   +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2   We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

    Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3   We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4   We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: *Ashok Jairath*.... Date: 12 September 2014
                 Company Secretary

Print name: A. JAIRATH

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for ⁺eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	**965,200,471**
Add the following: • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2	**Nil**
• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval	**Nil**
• Number of partly paid ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	**Nil**
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	**Nil**
"A"	**965,200,471**
Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*

Multiply "A" by 0.15	**144,780,070**

Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used

Insert number of equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	 **Nil** **Nil** - **38,296,655 shares issued on 31 March 2014** - **92,333,174 shares issued on 6 June 2014** - **14,150,240 shares issued on 12 September 2014**
"C"	**144,780,070**

Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1

"A" x 0.15 *Note: number must be same as shown in Step 2*	**144,780,070**
Subtract "C" *Note: number must be same as shown in Step 3*	**144,780,070**
Total ["A" x 0.15] – "C"	**NIL** *[Note: this is the remaining placement capacity under rule 7.1]*

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	**965,200,471**
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	**96,520,047**
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	**– 96,519,760 shares issued on 12 September 2014**
"E"	**96,519,760**

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	**96,520,047**
Subtract "E" *Note: number must be same as shown in Step 3*	**96,519,760**
Total ["A" x 0.10] – "E"	**287** *Note: this is the remaining placement capacity under rule 7.1A*