



INDOCHINE MINING LIMITED

ACN 141 677 385

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Indochine Commences Drilling of Bonanza Zones at Mt Kare Gold/ Silver Project, PNG

Drilling has commenced on Bonanza Gold Zones with prior results of more than 100 grams/tonne gold at Indochine's Mt Kare Gold/Silver Project, PNG.

A two part drilling program is aimed to test quartz roscoelite mineralisation which is associated with bonanza gold grades. The close spaced drillholes are aimed to define the structural relationships, the grade and the extent of the quartz roscoelite mineralisation prior to extending the programme further.

The detailed characterisation of the bonanza zones has the potential to rapidly add ounces to the resource base and make a significant improvement to the currently robust economics of the project.

Initial drillholes are aimed at a breccia associated with a lithological contact at the Black Zone (BZ) and subsequently to investigate a similar quartz roscoelite association with known fault structures in the Western Roscoelite Zone (WRZ).

Quartz roscoelite mineralisation, in the appropriate structural setting, is responsible for spectacular gold grades in confined volumes as demonstrated by the bonanza grade Zone VII at the Porgera Gold Mine, 15 kilometres to NE, which contained 5.1 Million ounces gold at 27 g/t gold within a space approximately 500 m long by 90 m high by 40 m wide.

The first holes are in the BZ where prior assay results have included 17 metres at 100 grams/tonne gold, with the highest prior result of 1 metre at 1650 g/t gold associated with quartz roscoelite mineralization.

Holes will test two previous drill sites in the WRZ with intersections of 21.3 m at 458 grams per tonne (g/t) gold, 158 g/t silver and 12 m at 184 g/t gold, 74 g/t silver. Both holes appear to be associated with a major fault zone linking the WRZ and the C9 Pipe. Quartz roscoelite mineralization predominates within the C9 Pipe, a deep seated structure that appears to have acted as a conduit for the passage of quartz roscoelite gold-rich fluids to the surface.

The drill targets were identified following a comprehensive review by geological consultant, Tony Burgess, who was the Senior Resource Geologist and Competent Person for Resource Definition at the neighbouring Porgera mine during a period of prolific gold discovery. His view is that Mt Kare possesses several high grade zones with "bonanza gold occurrences" with "an identical signature to the 'bonanza' quartz roscoelite zones at Porgera".

INDOCHINE MINING LIMITED

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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.