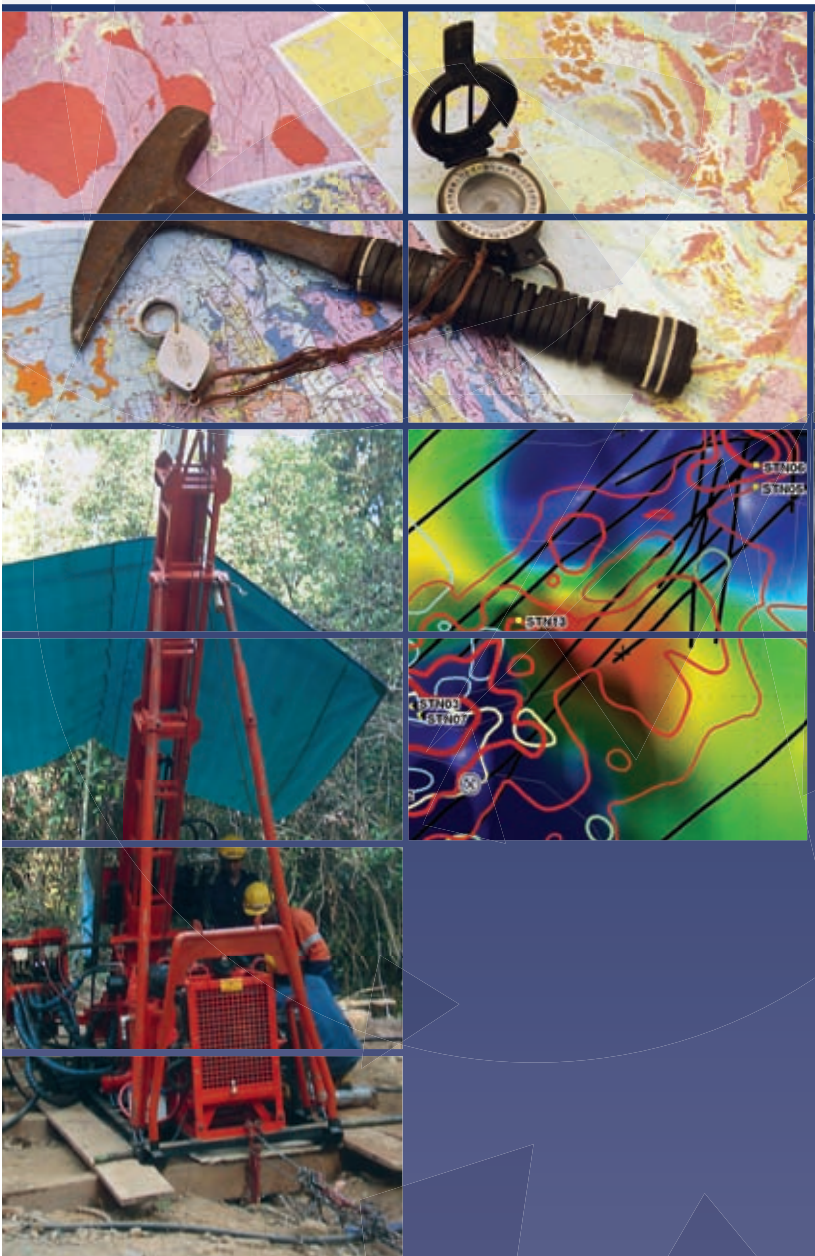
INDOCHINE MINING LIMITED
ACN 141 677 385



Prospectus

Prospectus for the issue of 60,000,000 Shares to be offered for subscription at $0.20 cents each to raise $12,000,000.

With provision to accept oversubscriptions of a further 65,000,000 Shares at $0.20 cents each to raise up to an additional $13,000,000.

This Prospectus is a Replacement Prospectus and replaces the prospectus lodged with ASIC on the 09 June 2010. This Prospectus is dated 18 June 2010 and was lodged with the ASIC on that date.

This is an important document that you should read in its entirety. If you do not understand it, you should consult your professional adviser without delay. The Shares offered by this Prospectus should be considered speculative.

Sponsoring Brokers to the Offer: **Novus Capital Limited** (AFSL 238168)

Important Notice

The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which the Prospectus relates.

The expiry date of this Prospectus is 5.00pm AEST on that date which is 13 months after the date the Prospectus that was lodged with the ASIC on the 9th June 2010. No Shares may be issued on the basis of this Prospectus after the Expiry Date.

An application will be made to the ASX within seven (7) days after the date of this Prospectus for Official Quotation of the Shares, the subject of this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered speculative.

EXPOSURE PERIOD

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. Potential investors should be aware that this examination may result in the identification of deficiencies in the Prospectus and, in those circumstances any Application that has been received may need to be dealt with in accordance with Section 724 of the Corporations Act.

Applications for Shares under this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on persons who lodge Applications prior to the expiry of the Exposure Period.

Contacts

Registered Office

Indochine Mining Limited
Suite 503, Level 5, 2 Bligh Street
Sydney NSW 2000
Telephone 02 8246 7007
Facsimile 02 9246 7005
www.indochinemining.com

Directors

Ian W Ross
Non-Executive Chairman

David Evans
Managing Director

Gavan H Farley
Non-Executive Director and Company Secretary

Sponsoring Brokers to the Offer

Novus Capital Limited
Level 24, Royal Exchange Building, 56 Pitt Street
SYDNEY NSW 2000
Telephone 02 9375 0100
Facsimile 02 9247 4844
www.novuscapital.com.au

Investigating Accountants

RSM Bird Cameron Corporate Pty Ltd
Level 12, 60 Castlereagh Street
Sydney NSW 2000
Telephone 02 9233 8933
Facsimile 02 9233 8521
www.rsmi.com.au

Auditors

RSM Bird Cameron Partners
Level 12, 60 Castlereagh Street
Sydney NSW 2000
Telephone 02 9233 8933
Facsimile 02 9233 8521
www.rsmi.com.au

Taxation Advisors

RSM Bird Cameron
Level 12, 60 Castlereagh Street
Sydney NSW 2000
Telephone 02 9233 8933
Facsimile 02 9233 8521
www.rsmi.com.au

Independent Geological Consultants

Al Maynard & Associates
Consulting Geologists
9/280 Hay Street
Subiaco WA 6008
Telephone 08 9388 1000
Facsimile 08 9388 1768
www.geological.com.au

Solicitors to the Offer

Eakin McCaffery Cox
Level 28, BT Tower, 1 Market Street
Sydney NSW 2000
Telephone 02 9265 3000
Facsimile 02 9261 5918
www.eakin.com.au

Share Registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000
Telephone 02 8280 7111
Facsimile 02 8280 0303
www.linkmarketservices.com.au

Corporate Advisers

Empire Securities Group
Level 5, 2 Bligh Street
Sydney NSW 2000
Telephone 02 9251 4329
Facsimile 02 9475 5435
www.empiresecuritiesgroup.com

Table of Contents

Section 1
Investment Highlights

- **First Mover Advantage for the Group**
  - The Group has the largest landholding of all mining companies in Cambodia (>4,000km^2)
  - the Tenements are located in two large contiguous areas that make exploration more efficient
  - Well established for three years, with over $16m already spent
  - All Licenses held by applicable members of the Group are 100% held by them which makes it easier to do Joint Ventures, Farm-in and other co-operative ventures
  - The Company has a strong international Institutional Shareholder base
- **Cambodia an underexplored Gem**
  - Virtually virgin territory in a region known for world class gold and copper deposits
  - Already some significant confirmed resources, such as Oz Minerals Limited (ASX – OZL and ACN 005 482 824) and advanced exploration projects, such as Southern Gold Limited (ASX – SAU and ACN 107 424 519), near groups tenements
  - Preliminary exploration results very encouraging as noted in section 8
  - Artisanal gold (local small scale mining) mining activity within the North Kratie Project area
- **Cambodia the Country**
  - Relatively Stable Political Environment
  - Excellent local work force
  - Good Modern Mining Governance Regime
- **Major Resource Companies operating in Cambodia, include**
  - Oz Minerals Ltd (ACN 005 482 824)
  - Southern Gold Ltd
  - Chevron (USA) (NYSE – CVX))
  - Jogmec (Japan) (www.jogmec.com)
- **Aggressive drilling campaign budgeted for the next two years**

- **Scout drilling programme completed, highlights of the drilling intersections include:**

Hole	From m	Width m	Au g/t	Ag g/t	Cu %	Zn %	Pb %
STN01	37.7	0.6	14.4	6.8	–		
STN02	52.2	1.2	7.8	11.6	–	0.3	0.23
STN03	61.8	9.6	0.76	5.0	–	0.15	–
STN04	35.0	0.8	9.2	10.0	–	0.15	0.11
STN06	41.6	9.5	1.1	0.3	–	–	–
STN07	109.6	1.3	2.6	22.4	–	0.21	0.29
STN09	21.5	10.9	0.4	5.0	0.23	–	–
And from	55.1	3.5	0.7	–	0.4	–	–
STN12	81.8	3.0	0.6	4.7	–	–	–
STN16	92.6	1.4	1.4	26.3	–	0.89	0.21

Section 2
Chairman's Letter

Dear Shareholders and Investors,

On behalf of the Directors of Indochine Mining Limited (**IML or the Compan**y), I am delighted to invite you to subscribe for 60,000,000 Shares at an issue price of $0.20 cents to raise $12,000,000, with provision to accept oversubscriptions of a further 65,000,000 Shares at $0.20 cents each to raise an additional $13,000,000.

One of the Company's wholly owned Subsidiaries, Indochine Resources Ltd (**IRL**), commenced exploration in Cambodia in 2007 and has developed a number of prospective targets for further exploration in this country. The Company currently operates in two project areas, namely Kratie and Ratanakiri, which cover over 4,500 km^2 of prospective area in central and northern Cambodia. The Tenements are held by wholly owned Subsidiaries of the Company pursuant to either Licences (15 in total) or Memoranda of Understanding (**MOU**) (2 in total) that were issued by the Cambodian Ministry of Industry, Mines and Energy (**Ministry**) representing the Royal Cambodian Government. Also, two of the Company's wholly owned Subsidiaries have Six (6) Foreign Investment Applications in Laos. These documents are described in more detail in Sections 7, 8 and 11 of the Prospectus.

The Kratie Project (**Kratie Project**) is located in central Cambodia and is prospective for both precious and base metals. The recent completion of our scout drilling programme has confirmed the mineral potential for this area. This area also has evidence of current and historical artisanal mining and the Company's focus has been around these areas.

The Ratanakiri Project (**Ratanakiri Project**) is located to the north of Cambodia and runs along the southern border of Laos and the western border of Vietnam. As with the Kratie Project, the Ratanakiri Project is also prospective for both precious and base metals. Ground geological and geophysical exploration work carried out to date has identified a number of prospective targets for further exploration.

A well qualified team has been assembled in Phnom Penh, Kratie and Ratanakiri to enable the planning, implementation and completion of the exploration programmes of the Group designed to achieve maximum coverage of these project areas.

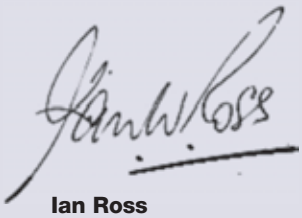
The Kingdom of Cambodia, a nation with a great history and enthusiastic and enterprising people is rapidly rebuilding itself. After emerging from years of violence and war, that caused significant damage, devastation and degradation of its developmental capacities, the country took up the challenge of reconstruction, sustained economic development and integration with the global community. Cambodia is located in the tropical region of Southeast Asia in the Lower Mekong region. It has an 800km border with Thailand in the West, 450km border with the Lao PDR in the North, 1,250km with Vietnam in the East and a coastline of 440km. The physical landscape is dominated by the lowland plains around the Mekong River and the Tonle Sap Lake.

The Company intends to use the funds raised from the Offer towards exploration activities at both the Kratie Project and Ratanakiri Project areas, where previous geological and geophysical work has identified valid targets.

Whilst the Board believes these Projects demonstrate significant potential to host economic mineralisation, an investment in the Company should be considered speculative and it is recommended that prospective investors consider the risks set out in Section 6 of this Prospectus and seek professional investment advice before investing.

The Board looks forward to a successful listing on the Australian Securities Exchange (**ASX**) and to welcoming new Shareholders to the Company and the ongoing support of existing Shareholders.

Yours sincerely,



Ian Ross
Chairman and Non-Executive Director

Section 3
Details of the Offer

This section is intended as an introduction and not as a summary of this Prospectus. It should be read in conjunction with the remainder of this Prospectus.

3.1 Electronic Prospectus

A copy of this Prospectus will be made available on the Company's website **www.indochinemining.com**. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person from passing onto another person the Application Form unless it is attached to or is accompanied by the complete and unaltered version of this Prospectus. During the Offer Period, any person may obtain a hard copy of this Prospectus by contacting the Company on (02) 8246 7007 or by email at info@indochinemining.com. Copies of the Prospectus shall be provided free of charge.

Neither the Company, other members of the Group or any other person in connection with the preparation of this Prospectus, including its directors or professional advisors, guarantees the performance of the Shares offered pursuant to this Prospectus, or the performance of the Company or the return of any capital investment.

3.2 Risk Factors

Prospective investors should read this Prospectus in its entirety, and before deciding on whether to apply for Shares under this Prospectus, should consider the risk factors in Section 6, which include:

(i) No guarantee of exploration success;

(ii) Resource estimates are imprecise and may prove to be inaccurate; and

(iii) Commodity price volatility and exchange rate risk.

The risk factors set out in Section 6 and other general risks applicable to all investments in listed securities, not specifically referred to, may in the future affect the values of the Shares. Accordingly an investment in the Company should be considered speculative.

3.3 Indicative Dates

Lodgment of Prospectus with ASIC	9 June, 2010
Opening Date	22 June, 2010
Closing Date (5pm AEST)	23 July, 2010
Allotment of Shares	29 July, 2010
Despatch of Shareholders' Holding Statements	30 July, 2010
Expected date for listing on ASX	6 August, 2010

The above dates are indicative only and may vary without notice. The Company reserves the right to vary the Closing Date without prior notice, which may have a consequential effect on other dates.

3.4 Offer

This Prospectus constitutes an offer by the Company of a minimum of 60,000,000 Shares at an issue price of $0.20 cents per Share to raise $12,000,000 ("**Minimum Subscription**"). The Company has made a provision to accept oversubscriptions (of a further $13,000,000 at an issue price for $0.20 cents per Share totaling an additional 65,000,000 Shares ("**Oversubscription**").

All Shares issued pursuant to this Prospectus will be issued as fully paid Shares and, when issued, will rank equally in all respects with the Shares already on issue.

Applications must be for a minimum of 10,000 Shares, representing a minimum investment of $2,000 and thereafter in multiple of 1,000 Shares, and can only be made by completing the Application Form located at the back of this Prospectus.

The Company reserves the right to reject any Application or to allocate any investor fewer Shares than the number applied for by that investor.

If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus, the Directors will not allot any Shares and the Company will repay all Application Monies received, without interest, as soon as practicable.

3.5 Purpose, and use of proceeds, of the Offer

The purpose of this Offer is to raise funds to:

(i) Undertake a drilling programme at the Company's Kratie and Ratanakiri Projects, proving up identified targets and any further targets identified as a result of the Company's drilling programme;

(ii) Conduct and continue soil sampling and MMI programmes in the Kratie and Ratanakiri Projects, with follow up mapping, soil sampling and exploration target identification;

(iii) Identify any unknown targets within the Tenements;

(iv) Obtain exploration or mining rights to additional identified exploration areas as they become known; and

(v) To provide funding to enable to Company to investigate and take up any investment opportunities in the energy and resource sector.

It is intended to apply the funds raised from the Offer as follows:

(a) Provide working capital for the Company to meet the above purposes of the Offer as set out in Section 3.5 (i) to (v) of this Prospectus;

(b) Pay the expenses of the Offer as detailed in Section 12 of the Prospectus; and

(c) Meet the ongoing administration costs of the Company.

These costs are more detailed in the tables below.

It is intended to apply funds raised from the Offer as follows (assuming the Minimum Subscription is fully subscribed to raise $12,000,000 and no Oversubscriptions are accepted):

Activity	**Year 1** $,000	**Year 2** $,000	**Total** $,000
Exploration and development expenditure	$3,925	$3,097	$7,022
Working capital and company overheads	$986	$1,878	$2,864
Estimated cost of Offer	$2,114	$0	$2,114
Total Funds Applied	$7,025	$4,975	$12,000

Exploration and development expenditure will be applied to the Company's exploration projects as follows:

Exploration and development expenditure:			
Kratie project	1,989	1,391	3,380
Ratanakiri project	1,936	1,706	3,642
Total	**3,925**	**3,097**	**7,022**

In the event Oversubscriptions (of up to $13,000,000) are accepted, a total of $25,000,000 will be raised. It is intended to apply these funds as follows:

Activity	**Year 1** $,000	**Year 2** $,000	**Total** $,000
Exploration and development expenditure	$3,925	$11,465	$15,390
Working capital and company overheads	$987	$5,464	$6,451
Estimated cost of Offer	$3,159	$0	$3,159
Total Funds Applied	$8,071	$16,929	$25,000

Exploration and development expenditure will be applied to the Company's exploration projects as follows:

Exploration and development expenditure:			
Kratie project	1,989	5,419	7,408
Ratanakiri project	1,936	6,046	7,982
Total	**3,925**	**11,465**	**15,390**

In the event less than $25,000,000 but more than the Minimum Subscription of $12,000,000 is raised, the application of the proceeds will be reduced on a pro rata basis.

It should be noted that the budgets will be subject to modification on an ongoing basis depending upon the results obtained from exploration work carried out. In particular, year 2 budget expenditure will vary depending on the results obtained from exploration and evaluation programs in year 1, which may lead to increased or decreased levels of expenditure on certain applications and projects.

The Directors consider that following completion of the Offer, the Company will have sufficient working capital to achieve the objectives set out in this Prospectus for a period of at least two years.

3.6 Capital Structure

The capital structure of the Company following the completion of the Offer is summarised below.

Share Capital

	Minimum Subscription		Maximum Subscription	
Shares	**Number of Shares**	**%**	**Number of Shares**	**%**
Shares on issue at the date of this Prospectus	256,739,195	80.67%	256,739,195	66.99%
Shares issued pursuant to the Prospectus (assuming the Minimum Subscription and the Oversubscription are fully subscribed)	60,000,000	18.85%	125,000,000	32.62%
Shares issued pursuant to Employment Agreements upon successful listing	1,500,000	0.47%	1,500,000	0.39%
Total Shares on issue following completion of the Offer	318,239,195	100.00%	383,239,195	100.00%

Options

	Minimum Subscription		Maximum Subscription	
Options	**Number of Options**	**%**	**Number of Options**	**%**
Options on issue at the date of this Prospectus	88,580,000	81.58%	88,580,000	81.58%
Broker Options to be issued subject to Official Listing	20,000,000	18.42%	20,000,000	18.42%
Total Options on issue following completion of the Offer	108,580,000	100.00%	108,580,000	100.00%

Directors and Officers in the Company

The interest, direct or indirect of the Directors and officers in the securities of the Company are as follows:

Director/Officer	Number of Shares	Number of Options
Ian W Ross (Non-Executive Director and Chairman)	–	4,000,000
Gavan H Farley (Non-Executive Director)**	500,000	2,000,000
David A Evans (Managing Director)	17,527,181*	15,000,000
Ross M Hill (Alternate Director)	6,000,000	5,000,000

* Under the employment agreement entered into between the Company and David Evans, upon successful listing David Evans will be issued 1,500,000 shares. (For the details of this agreement please see Section 11.2(i))

** Gavan H Farley is the General Manager of Empire Securities Group.

3.7 Allotment

Allotment of the Shares under this Prospectus will take place as soon as practicable after the Closing Date. Application Monies will be held in a subscription account until allotment. This account will be established and kept by the Company in trust for each Applicant (**Applicant**). Any interest earned on the Application Monies will be for the benefit of the Company only and such will be retained by the Company irrespective of whether or not allotment of the Shares takes place.

Where the number of Shares allotted is less than the number applied for, the surplus monies will be returned by cheque within three (3) Business Days of the allotment of Shares as described in Section 3.3. Where no allotment is made in these circumstances, the amount tendered on Application will be returned in full within three (3) Business Days of the allotment of shares as described in Section 3.3. Interest will not be paid on monies refunded.

3.8 Restricted Securities

Subject to the ASX Listing Rules, certain of the Shares and Options, may be classified by the ASX as being restricted securities and such may be required to be held in escrow for up to twenty four (24) months and may not be transferred, assigned or otherwise disposed of during that period. If the ASX classifies certain Shares or Options as being restricted securities, prior to Official Quotation of the Shares, the holders of the Shares or Options that are to be classified as restricted securities will be required to enter into appropriate restriction agreements with the Company, if so required.

3.9 Issue of Securities

Subject to the ASX granting conditional approval for the Company to be admitted to the Official List, the issue of Shares to Applicants will occur as soon as possible after the Closing Date, following which Holding Statements will be dispatched. It is the responsibility of Applicants to determine their allocation prior to any trading of the Shares.

Applicants who sell Shares before they receive their Holding Statements will do so at their own risk. Pending the issue of the Shares, or return of the Application Monies, the Application Monies will be held in trust for the Applicants.

3.10 Applicants Outside of Australia

The distribution of this Prospectus outside Australia may be restricted by law.

The Prospectus does not constitute an Offer of Shares in any jurisdiction where, or to any person whom, it would not be lawful to issue the Prospectus or make the Offer. It is the responsibility of the Applicant who is resident outside Australia to ensure compliance with all laws of any country relevant to the Application, and any such Applicant should consult their professional advisers as to whether any government or other consent is required, or whether any formalities need to be observed to enable them to apply for and be issued Shares. The failure to comply with any applicable restrictions may constitute violation of securities law in those jurisdictions.

No action has been taken to register or qualify the Shares of the Offer to permit a public offering of the Shares in any jurisdiction outside Australia.

3.11 ASX Listing

The Company will apply to the ASX within 7 days after the date of this Prospectus for admission to the Official List and for Official Quotation of the Shares offered under this Prospectus and the existing Shares on issue.

Despite section 3.4, if approval for Official Quotation is not granted within three (3) months after the date of this Prospectus (or such longer period as is permitted by the Corporations Act), the Company will not allot or issue any of the Shares offered by this Prospectus, and it will repay all Application Monies without interest as soon as practicable.

If no allotment or issue is made in these circumstances, all monies paid on Application for the Shares will be refunded without interest within the time period set out under the Corporations Act.

The ASX takes no responsibility for the contents of this Prospectus including the experts' report which it contains. The fact that the ASX may admit the Company to its Official List is not to be taken in any way as an indication of the merits of the Company and the Shares offered pursuant to this Prospectus. Official Quotation, if granted, of the Shares offered by this Prospectus will commence as soon as practicable after the issue of Holding Statements to those persons receiving Shares under this Prospectus.

3.12 Tax File Number

An Applicant is not obliged to quote his or her Tax File Number (**TFN**). However, in the case where no TFN is quoted, the Company must deduct tax from any dividends payable (to the extent that they are unfranked) at the top personal marginal tax rate plus Medicare levy.

There are special rules relating to the quotation or non-quotation of TFNs applying to different categories of Applicants such as non-residents of Australia, tax exempt bodies, joint holders and other special categories. Applications by individuals, companies and trustees, amongst others are largely unaffected by the special rules and therefore may quote a TFN by simply completing the TFN details on the Application Forms. The above does not purport to be an exhaustive statement of the law relating to TFN's and is provided as a guide only. If you are in any doubt you should consult your professional adviser.

3.13 CHESS

The Company will apply to the ASX in accordance with the Listing Rules and the ASTC Settlement Rules, to participate in the (**CHESS**), operated by the ASX Settlement and Transfer Corporation Pty Ltd (**ASTC**) a wholly owned subsidiary of the ASX, in accordance with the Listing Rules and the ASTC Settlement Rules. Because the sub-register is electronic, ownership of securities can be transferred without having to rely on paper documentation. The Company will sponsor registration of Shareholdings through the Share Registar.

On admission to CHESS, the Company will operate an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together will make up the Company's principal register of securities.

Under CHESS, the Company will not issue certificates to Shareholders in respect of Shares. Instead, the Company will provide Shareholders with a Holding Statement that sets out the number of Shares allotted and issued to that Shareholder under this Prospectus and their total holding of Shares in the Company.

This statement will also advise investors of either their Holder Identification Number (**HIN**) in the case of a holding on the CHESS sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer-sponsored sub-register.

3.14 Enquires in Relation to the Offer

The Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial or mining adviser.

3.15 Underwriting

The Offer is not underwritten.

3.16 Sponsoring Brokers to the Offer

On 8 June 2010 the Company entered into a mandate letter whereby Novus Capital would act as Sponsoring Broker to the Offer and to assist in the raising of capital for the Company ("Novus Mandate"). Under the Novus Mandate, Novus Capital is entitled to receive a one off sponsoring broker fee of $50,000 plus GST, as well as a monthly retainer of $10,000 plus GST. Novus Capital is also entitled under the Novus Mandate to a brokerage fee of 6% on amount raised generally under the Offer, a management fee of 2% on the total funds raised pursuant to the Offer (plus GST). Novus Capital (or its nominee as directed) upon successful completion of the Offer will also be issued the Broker Options.

3.17 Commissions on Application Forms

The Company reserves the right to pay a commission of up to 8% (inclusive of goods and services tax) of amounts subscribed to any licensed securities dealer or Australian financial services licensee in respect of valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian Financial Services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

3.18 How to Apply

An Application constitutes you to subscribing for Shares on the terms and conditions as contained in the Offer. An Application to subscribe for Shares can only be made on the Application Form contained in this Prospectus.

Applications must be for a minimum of 10,000 Shares representing a minimum investment of $2,000 and thereafter in multiples of 1,000 Shares.

If you decide to apply for Shares, you must:

a) complete the enclosed Application Form; and

b) pay the Application Monies by cheque drawn on and payable at any Australian bank in Australian dollars.

An Application for Shares can be made by:

a) completing and lodging the Application Form for Shares contained at the end of this Prospectus; or

b) completing a paper copy of the relevant Application Form which accompanies the electronic version of this Prospectus, both of which can be downloaded from **www.indochinemining.com**

The Application Form must be completed in accordance with the instructions set out on the back of the Application Form. An Application Form must be accompanied by a cheque in Australian dollars. Cheques must be made payable to "Indochine Mining Limited" and crossed "Not Negotiable". Payment for the Shares must be made in full at the issue price of $0.20 cents for each Share subscribed for.

Applications received by the Company that do not meet the above requirements may be refused at the discretion of the Directors.

An Application for Shares may be accepted in full, or any lesser number or rejected by the Company. If any Application is rejected, in whole or in part, the relevant Application Monies will be repaid without interest.

Completed Application Forms with any accompanying cheques should be, at any time after the Opening Date, delivered to the Share Register, at either of the following addresses:

Postal delivery:

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Hand delivery:

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Completed Application Forms and cheque(s) must be received at the above address before 5.00pm (AEST) on the Closing Date, though investors should be aware that the Directors may close the Offer before then

No stamp duty is payable by the Applicants in respect of the Applications.

Section 4
Board of Directors and Management

4.1 Board of Directors

Ian W Ross Dip Bus (London), A.C.I.B (U.K.)
Chairman and Non-Executive Director

Ian has a wealth of experience from working in the finance and mining industry for over 45 years in London, New York and Sydney. Since moving to Sydney in 1979 he has been involved at a senior executive level in the development of countless major mining developments in the Asian Region. Ian has lived in China for 5 years during which time he incorporated his own mining company which was taken over by the Canadian entrepreneur Robert Friedland in 1992. Upon returning to Sydney, Ian continued to work directly for Robert Friedland and in a range of senior executive roles in the Ivanhoe Group of Companies throughout the world until his retirement in 2005.

Ian is a non-executive director of the ASX listed Union Resources Limited, and was non-Executive Chairman of the ASX listed Intec Limited until his retirement on 31 December 2007.

David A Evans BSc
Managing Director

David has a career spanning over 15 years in the mining industry and financial services sector. David is the founder of Indochine Resources Limited and he previously founded and successfully listed Jupiter Mines Limited on the ASX. David has a strong track record for assembling mining and exploration assets across a range of mineral commodities in Australia and internationally and successfully funding and listing those assets on the ASX.

Since beginning work in 1994 as a geologist, David has worked with various Australian mining projects including Great Central Mines NL's Bronzewing Gold Ming, Anaconda Nickel NL's Murrin Murrin Nickel Cobalt Project and Ashton Mining Ltd's Merlin Diamond Project in the Northern Territory. David has also worked in the stock broking industry as both analyst and dealer as well as in the area of corporate finance and investment banking.

Gavan H Farley Dipl. Bus, MBA (Finance), MAICD
Non-Executive Director and Company Secretary

Gavan has a career spanning 30 years in international management in the UK, Germany, USA, Africa and the Caribbean. Gavan is currently General Manager of Empire Securities Group, a non-executive director of Pilbara Mining Ltd. and a director of FCMS Holdings Inc in the USA. Previously, Gavan was Managing Director of Farley Laserlab USA Inc and Farley Europe Ltd, a high technology engineering manufacturing, and factory automation concern now owned by a major Chinese public company.

4.2 Management

David Meade BSc
Chief Geologist

David is a geologist with 15 years experience in mineral exploration across a broad range of commodities and deposit styles in Asia, Australia and Africa. He holds a BSc in Applied Geology and is a member of Australian Institute of Geoscientists (AIG) and Society of Economic Geologists (SEG).

David has extensive experience in South-East Asia where he has worked on advanced projects in Laos, exploration projects in Vietnam and Thailand and exploration throughout Indonesia. His experience covers a range of project stages from grass roots, near mine exploration and resource definition to feasibility stage.

Highlights include:

a. Greenfields discovery – leading the team that discovered the Juking Sopan gold deposits in Kalimantan, Indonesia.
b. Brownfields discovery, delineation of significant new gold mineralisation trends at Sepon, Laos, within the existing mine camp.
c. Technical roles in feasibility studies that have lead to successful large scale mining projects, Lumwana, Zambia and Phu Kham, Laos.

Ross M Hill B.Leg S (Law) Macq
Alternate Director

Ross Hill is an experienced licenced lawyer and leading advocate with a combined 19 years of business and professional experience. Ross has for several years acted as an Executive and Independent Director of a range of private, listed and unlisted public companies with mining activities based throughout South East Asia. Ross has extensive administrative experience and has developed a keen interest in Environmental Law and Practice & International Law & Business. Ross Hill & Associates Pte Ltd is a registered legal and business consultancy service in Phnom Penh Cambodia wherein he, as the now non-executive principal, is very well respected and connected. Ross is a renowned negotiator and facilitator of all business dealings and instruments with expertise in the South East Asian region.

Section 5
Corporate Governance

5.1 Corporate Governance Material

The Directors are responsible for protecting the rights and interests the Shareholders through the implementation of sound strategies and action plans and the development of an integrated framework of controls over the Company's resources, functions and assets.

To assist in its corporate governance responsibilities, the Board has adopted a Corporate Governance Charter. An extract of this Charter is available on the Company's website **www.indochinemining.com**.

5.2 General

The Company has formally constituted committees of the Board of Directors.

The Directors consider that the Company is of a size that its affairs are of such complexity as to justify the formation of special or separate committees. The Board as a whole, together with the appointed committees, is able to address the governance aspects of the Company's activities and ensure that it adheres to appropriate ethical standards. The composition of the Company's Committee's is premised on there being 3 Directors. The current mix may be reviewed from time to time, if and when the composition of the Board increases in size and expertise.

This information below outlines the main corporate governance policies which the Directors have adopted.

5.3 Composition of the Board

The Board currently comprises three (3) Directors. The names qualifications and relevant experience of each Director are set out in Section 4 of this Prospectus. There is no requirement for any Director's Shareholding qualification.

Board policy is that the Board will constantly review and monitor its performance. As the Company's activities increase in size, nature and scope, the size of the Board will be reviewed periodically and the Board may seek to appoint persons who, in the opinion of the Board, will provide specialist expertise required for the Board to adequately perform its role.

5.4 Board Membership

The Board acts as a nomination committee. Members of the Board have been brought together to provide a blend of qualifications, skills and national and international experience required for managing a company operating within the mining industry.

5.5 Appointment and Retirement of Directors

The Constitution provides that Directors are subject to retirement by rotation, by order of length of appointment. Retiring Directors are eligible for re-election by Shareholders at the Annual General Meeting of the Company.

5.6 Duties of Directors

Directors are expected to accept all duties and responsibilities associated with the running of a public company, to act in the best interests of the Company and to carry out their duties and responsibilities with due care and diligence.

Directors are required to take into consideration conflicts when accepting appointments to other Boards. Accordingly, Directors wishing to accept appointment to other Boards must first seek approval from the Board, approval of which will not be unreasonably withheld.

5.7 Independent Professional Advice

The Board has determined that individual Directors may, in appropriate circumstances, engage outside advisers at the Company's expense. The engagement of an outside adviser is subject to the prior approval of the Board, which will not be unreasonably withheld.

5.8 Compensation Arrangements and Remuneration Committee

The maximum aggregate amount payable to Non-Executive Directors as Directors' fees has been set at $350,000 per annum. The Constitution provides that Director's fees can only be increased by resolution at a General Meeting.

The Company has established a Remuneration Committee comprising two (2) Non-Executive Directors (Ian W Ross and Gavan H Farley) with the objective of maintaining and reviewing the Company's remuneration policies and practices and reporting to the Board on such matters. An extract of the Remuneration Committee Charter is available on the Company's website **www.indochinemining.com**.

The Board is responsible for reviewing and negotiating the compensation arrangements of senior executives and consultants.

5.9 Audit Committee

The Board has an Audit Committee comprising of two (2) Non-Executive Directors (Ian W Ross and Gavan H Farley). The Company has adopted an Audit Committee Charter setting out the composition, purpose, powers and scope of the audit committee as well as reporting requirements to the Board as a whole. An extract of this Charter is available at the Company's website, **www.indochinemining.com**.

5.10 Internal Management Controls

The Company's main assets are located in Cambodia. Control over the operations is exercised by the exploration and operation managers employed by the Company.

The Board also monitors the performance of outside consultants engaged from time to time to complete specific projects and tasks in the manner described in their respective engagements.

5.11 Identifying Significant Business Risks

The Board regularly monitors operational and financial performance of the Company's activities. In conjunction with the Company's Audit Committee, it monitors and receives advice on areas of operation and financial risk and considers strategies for appropriate risk management. All operational and financial strategies adopted are aimed at improving the value of the Company's Shares, however, the Directors recognize that mineral exploration and evaluation is inherently risky.

5.12 ASX Corporate Governance

To further enhance listed entities' disclosure of corporate governance issues, the ASX Corporate Governance Council (CGC) was established for the purpose of setting an agreed set of corporate governance standards of best practice of Australian listed entities. The CGC has released its Principles of Good Corporate Governance and Best Practice Recommendations 2nd Edition (**ASX Guidelines**) in August 2007 which will apply to the Company's financial statements upon listing on the ASX. The ASX Guidelines articulate eight (8) core principles that CGC believes underlie good corporate governance.

The information below outlines the main corporate governance policies of the Company which the Board has adopted as well as addressing in some detail the ASX Guidelines.

Before referring to the specific principles set out in the ASX Guidelines and the steps being taken by the Company to comply with those, the following factors should be noted:

- Each of the Directors dedicates considerable time and effort to the affairs of the Company. The Directors manage to do so within busy schedules for other work and business commitments and as a consequence, the principal focus of their endeavours (while operating within a sound base for corporate governance) must necessarily be promotion of the Company's activities and improving Shareholder value;
- The Company is committed to adopting corporate governance policies commensurate with its business activities and as mentioned earlier has adopted a formal Corporate Governance Charter, setting out the roles and responsibilities of the independent committees described above.

It is within the above context that the Directors are establishing the appropriate processes to ensure that they are compliant with the ASX Guidelines on being admitted to the Official List, should that occur. In the context those Guidelines, the Directors make the following observations in relation to the Company's corporate governance status:

ASX Guidelines	Summary of IDC's position
Principle One *Lay solid foundations for management and oversight*	The Company has one (1) Executive Director, David Evans, and a Chief Geologist, David Meade, each subject to contracts regulating their roles with the Company, and who report to the Board
Principle Two *Structure Board to Add Value*	The Company has two (2) Independent Directors (Ian W Ross and Gavan H Farley) and a Board with extensive public company experience
Principle Three *Promote Ethical and Responsible Decision Making*	The Company has adopted: • Code of Conduct for Directors and Company Officers • Trading Policy • Continuous Disclosure Policy and Procedure
Principle Four *Safeguard Integrity in Financial Reporting*	The Company has established a separately constituted Audit Committee. The Committee comprises Ian W Ross and Gavan H Farley
Principle Five *Make Timely and Balanced Disclosure*	The Company has defined, under its Trading Policy and Continuous Disclosure Policy and Procedure, an internal protocol for the reporting of material information to Shareholders and the ASX
Principle Six *Respect the Right of Shareholders*	The Company is committed to all Shareholders and stakeholders having equal and timely access to material information regarding the operations and results of the Company. The Company will make regular ASX announcements and make these available on its website
Principle Seven *Recognise and Manage Risk*	The Board of Directors has under its role reviewing and ratifying systems of risk management and internal compliance and control
Principle Eight *Remunerate Fairly and Responsibly*	A Remuneration Committee has been established which is charged with making recommendations as to all aspects of Executive and Non-Executive Director and Management and Committee remuneration packages. The Remuneration Committee comprises Ian W Ross and Gavan H Farley.

Section 6
Risk Factors

6.1 Introduction

An investment in the Shares being offered under this Prospectus is not risk free. Exploration and evaluation for minerals is generally considered a high-risk activity, and the worst case scenario is that most or all of the investment could be lost.

The future performance of the Company and the future investment performance of the Shares may be influenced by a range of factors. Many are outside the control of the Board. Prior to making any decision to accept the Offer, investors should carefully consider the following risk factors applicable to the Company.

Careful consideration should be given to the following risk factors, as well as the other information contained in this Prospectus and the Applicant's own knowledge and enquiries, before an investment decision is made. Some of the risks may be mitigated by the Company using safeguards and appropriate systems and taking certain actions. Some of the risk may be outside the control of the Company and not capable of mitigation. There are also general risks associated with any investment in Shares.

The risks described in this Section 6 are not to be taken as exhaustive. The specific risks considered and others not specifically referred to, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

6.2 Risk Specific to investing in the Company

In addition to the general market and economic risks noted above, investors should be aware of the risks specific to an investment in the Company. The major risks are described below.

(i) Exploration and Evaluation Risk

Potential investors should understand that mineral exploration and development are high-risk undertakings. While the Company has attempted to reduce the risk by selecting projects that have identified advanced mineral targets, there is no guarantee of success. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

(ii) Government Policy and Sovereign Risk

The availability and rights to explore and mine, as well as industry profitability generally, can be affected by changes in government policy that are beyond the control of the Company.

At present, the Company is not aware of any proposed changes to policy that would affect its Tenements or Foreign Investment Applications ("FIA's").

Changing attitudes to environmental, land care, cultural heritage and indigenous land right's issues, together with the nature of the political process, provide the possibility for future policy changes. There is a risk that such changes may affect the Company's exploration plans or, indeed, its rights and or obligations with respect to the Tenements or FIA's.

The Tenements are located in Cambodia and FIA's are located in Laos. This introduces both sovereign and economic risks to investing in Shares. Sovereign risks include, without limitation, changes in the terms of mining tenements, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may in the future adversely affect the Company's interests in these countries and the market price of the Shares.

(iii) Change in Commodity Price

The Company's possible future revenues will probably be derived mainly from the sale of minerals and/or royalties gained from potential joint ventures or from mineral projects sold. Consequently, the Company's potential future earnings could be closely related to the price of these commodities.

Mineral prices fluctuate and are affected by numerous industry factors including demand for minerals, forward selling by producers, production cost levels in major producing regions and macroeconomic factors, eg inflation, interest rates, currency exchange rates and global and regional demand for, and supply of, minerals. If the market price for minerals sold by the Company were to fall below the costs of production and remain at such a level for any sustained period, the Company would experience losses and could have to curtail or suspend some or all of its proposed mining activities. In such circumstances, the Company would also have to assess the economic impact of any sustained lower commodity prices on recoverability.

(iv) Operational Risk

If the Company decides to develop and commission a mine, the operations of the Company, including mining and processing, may be affected by a range of factors. These include failure to achieve predicted grade exploration, mining and processing, technical difficulties encountered in commissioning and operating plant and equipment, mechanical failure, metallurgical problems which affect extraction rates and costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, unexpected shortages or increases in the cost of consumables, spare parts, and plant and equipment.

(v) Sustainability of Growth and Margins

The sustainability of growth and the level of profit margins from operations are dependent on a number of factors outside the Company's control. Industry margins in all sectors of the Company's activities are likely to be subject to continuing but varying pressures, including competition from other current or potential supplies.

(vi) Financing

The Company's ability to effectively implement its business strategy over time may depend in part on its ability to raise additional funds. There can be no assurance that any such equity or debt funding will be available to the Company on favourable terms or at all. If adequate funds are not available, the Company may not be able to take advantage of opportunities or otherwise respond to competitive pressures.

(vii) Reliance on Key Personnel

Whilst the Company has just one executive director and few senior personnel, its progress in pursuing its exploration and evaluation programmes within the time frames and within the costs structure as currently envisaged could be dramatically influenced by the loss of existing key personnel and a failure to secure and retain additional key personnel as the Company's exploration programme develops. The resulting impact from such loss would be dependent upon the quality and timing of the employee's replacement.

Although the key personnel of the Company have a considerable amount of experience and have previously been successful in their pursuits of acquiring, exploring and evaluating mineral projects, there is no guarantee or assurance that they will be successful in delivering or meeting the objectives of the Company as set out in this Prospectus.

(viii)Exchange Rate Risk

The Group holds tenements in Cambodia and Laos and has contracts in currencies other than Australian Dollars, which are primarily in United States Dollars and therefore revenues, earnings, assets and liabilities of the Group may be exposed adversely to exchange rate fluctuation.

(ixi) Industrial Risk

Industrial disruptions, work stoppages and accidents in the course of the Company's operations could result in losses and delays, which may adversely affect profitability.

(x) Environmental Risk

The Company's operations and projects are subject to National and International laws and regulation regarding environmental hazards wherever it or its subsidiaries conduct their operations. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to remediate current and former facilities and locations where operations are or were conducted. Significant liability could be imposed on the Company for damages, clean up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by the Company or its subsidiaries (including damage that results from mining and exploration activities), or non compliance with environmental laws or regulations. The Company proposes to minimize these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage.

(xi) Insurance Arrangements

The Company intends to ensure that insurance is maintained within ranges of coverage that the Company believes to be consistent with industry practice and having regard to the nature of activities conducted. No assurance however, can be given that the Company will be able to obtain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any such claims.

(xii) Nature of Licences and Foreign Investment Applications

As described in this Prospectus, a number of the Tenements are the subject of Licences and **FIA's**. The renewal of these Licences and FIA's is subject to the relevant Group member's compliance with contractual requirements.

Whilst the Company is not aware of any reason why it cannot comply with such requirements, no guarantee can be given that it will be able to do so at that time

Additionally, there is a risk that, due to factors beyond the control of the Company or applicable Group member, those FIA's may never be granted.

(xiii) Management Actions

Directors will, to the best of their knowledge, experience and ability (in conjunction with their management) endeavour to anticipate, identify and manage the risks inherent in the activities of the Company, but without assuming any personal liability for the same, with the aim of eliminating, avoiding and mitigating the impact of risks on the performance of the Company and its security.

(xiv) Land Access Risk

Land access is critical for exploration and evaluation to succeed. In all cases, the acquisition of prospective tenements is a competitive business in which propriety knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.

Access to land for exploration purposes can be affected by land ownership, including private (freehold) land and designated National Parks. Rights to mineral tenements carry with them various obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area.

6.3 General Risks

A summary of the major general risks are described below.

(i) Share Market Risk

The market price of shares can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the international resources sector and exploration companies in particular.

There are a number of factors (both national and international) that may affect the Share market price and neither the Company nor its Directors have control of those factors.

(ii) General Economic Conditions

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that economic climate include the general level of economic activity, interest rates, inflation and other economic factors. The price of commodities and level of activity within the mining industry will also be of particular relevance to the Company.

(iii) Legislative Change

Changes in Australian and foreign government regulation and policies may adversely affect the financial performance or the current and proposed operations generally of the Company. The Company is not aware of any current or proposed material changes in relevant regulations or policy save for those referred to in Part B of section 7 and section 11.6 of this Prospectus relating to legal reforms to mining law in Laos

(iv) Henry Review

The Government's much anticipated "Australia's Future Tax System Report" (AFTSR), more commonly known as the "Henry Review", was released on 2 May 2010 and proposed a Resource Super Profits Tax (RSPT) to commence on 1 July 2012.

The RSPT and a new Resource Exploration Rebate (RER) will apply to producing mining companies and small exploration companies with activities in Australia.

The Group does not currently have exploration or mining activities in Australia and accordingly we understand the proposed RSPT and RER will not apply to Group. No discussion paper or draft legislation on the new measures has been released by the Government as of the date of this Prospectus. As a result we are not able to confirm with any certainty whether or not the proposals announced as a part of the Henry review will effect the company in its future operations. Our expectation however is that the proposals of the Government will not directly impact Group.

(v) Unforeseen Expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses are subsequently incurred, the expenditure proposal of the Company may be adversely affected.

6.4 General

Any combination of the above factors may materially affect any individual mineral project assets, operations or financial performance of the Company and value of its securities. To that extent the Shares offered in this Prospectus are subject to significant risk and uncertainty with respect to return or preservation of capital, the price (if any) at which the Shares may trade and the payment of dividends at any future time.

The above list of risk factors ought not to be taken as an exhaustive list of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

Section 7
Project Summary

Introduction

The Company is an Australian public company, which was established on 27 January 2010 to oversee the operations of the other members of the Group. The Company is the parent company of a number of wholly owned Subsidiaries as listed in the flow chart below (Figure 1).

The Group's business operations are conducted primarily in Phnom Penh and its current primary business operations involve exploring for viable mineral deposits in Cambodia. The Group has assembled a professional exploration team of experienced geoscientists, while the Company is directed by an experienced Board with emphasis in mining.

Figure 1: Group Structure

Name	Former Name	Date of Incorporation	Brief Description
INDOCHINE MINING LIMITED (IML)	N/A	27/01/2010	Holding company and sets policies for the Group.
INDOCHINE RESOURCES LIMITED (IRL)	Battle Mountain	22/05/2006	Subsidiary company and holder of 13 Minerals Ltd Licences and an applicant in respect of 4 FIA's.
ASIA PACIFIC GOLD AND COPPER COMPANY LIMITED (APGC)	N/A	11/10/2007	Subsidiary company and holder of 3 Licences as well as being a party to 2 MOU's.
ARIES MINING LIMITED	N/A	16/12/2004	Subsidiary company and an applicant in respect of 2 FIA's.
INDOCHINE RESOURCES (CAMBODIA) LIMITED	N/A	04/09/2007	Subsidiary company conducting exploration activities in Cambodia.
ASIA PACIFIC GOLD AND COPPER (CAMBODIA) LIMITED	N/A	25/05/2008	Subsidiary company currently dormant.

A CAMBODIA

Cambodia has had very little mining exploration in the past essentially missing the 20th Century mining booms due to internal and regional conflicts. A member of the Group, IRL, is one of several foreign companies pioneering modern exploration techniques, with first pass prospecting beginning around 2005.

Already a new gold province is beginning to emerge, with various styles of mineralisation identified associated with intrusive centres across the northern part of Cambodia.

A trend of gold occurrences and artisanal mining centres follows a West/North West (WNW) structurally controlled trend spanning this country. This includes the recently announced resource at Okvau (605,000oz, Oz Minerals March 2010) .

The Group has built a large tenement package covering two highly prospective areas within this province. The Tenements form two blocks known as the Kratie and Ratanakiri Projects covering approximately 4,300 km^2. Figure 2 depicts the

Figure 2: Cambodian Projects Location Map

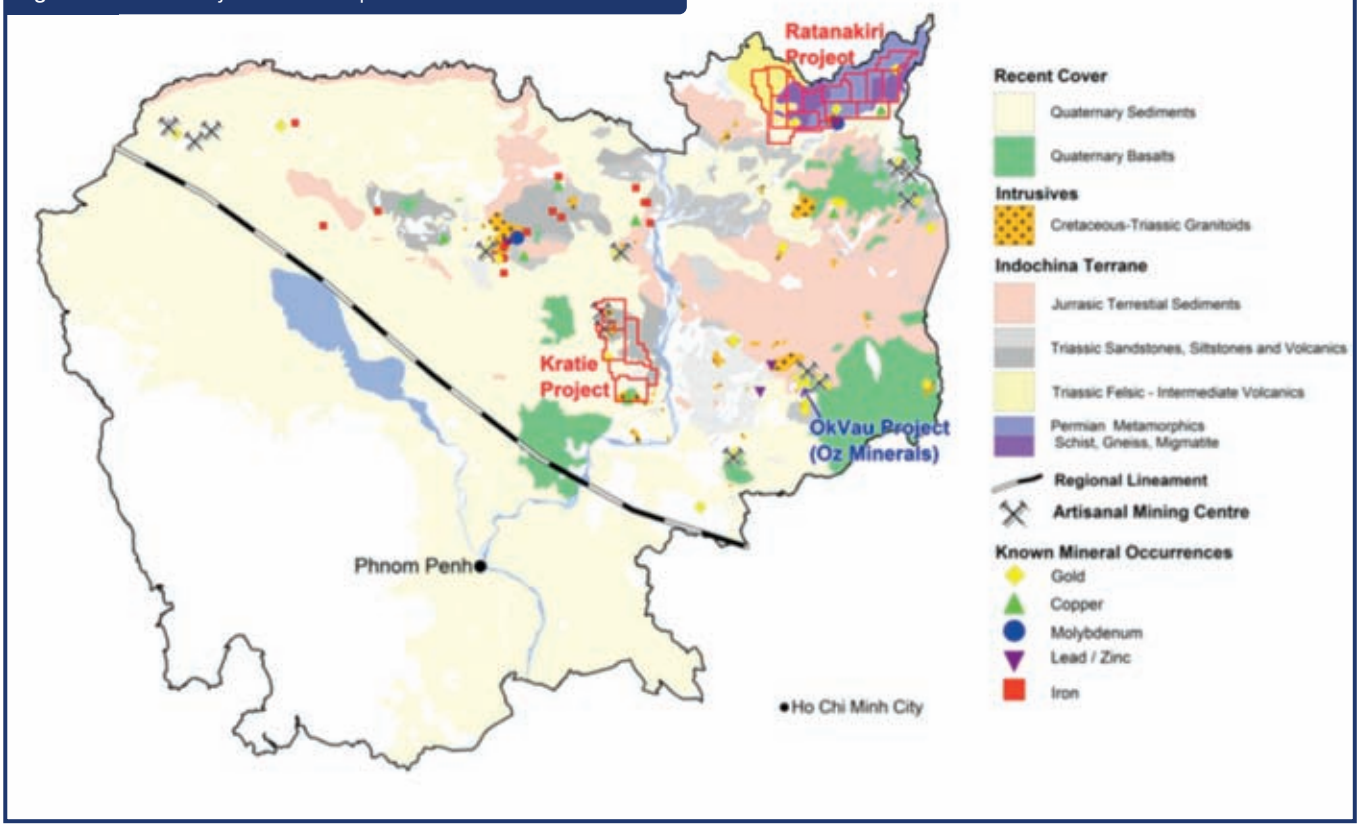
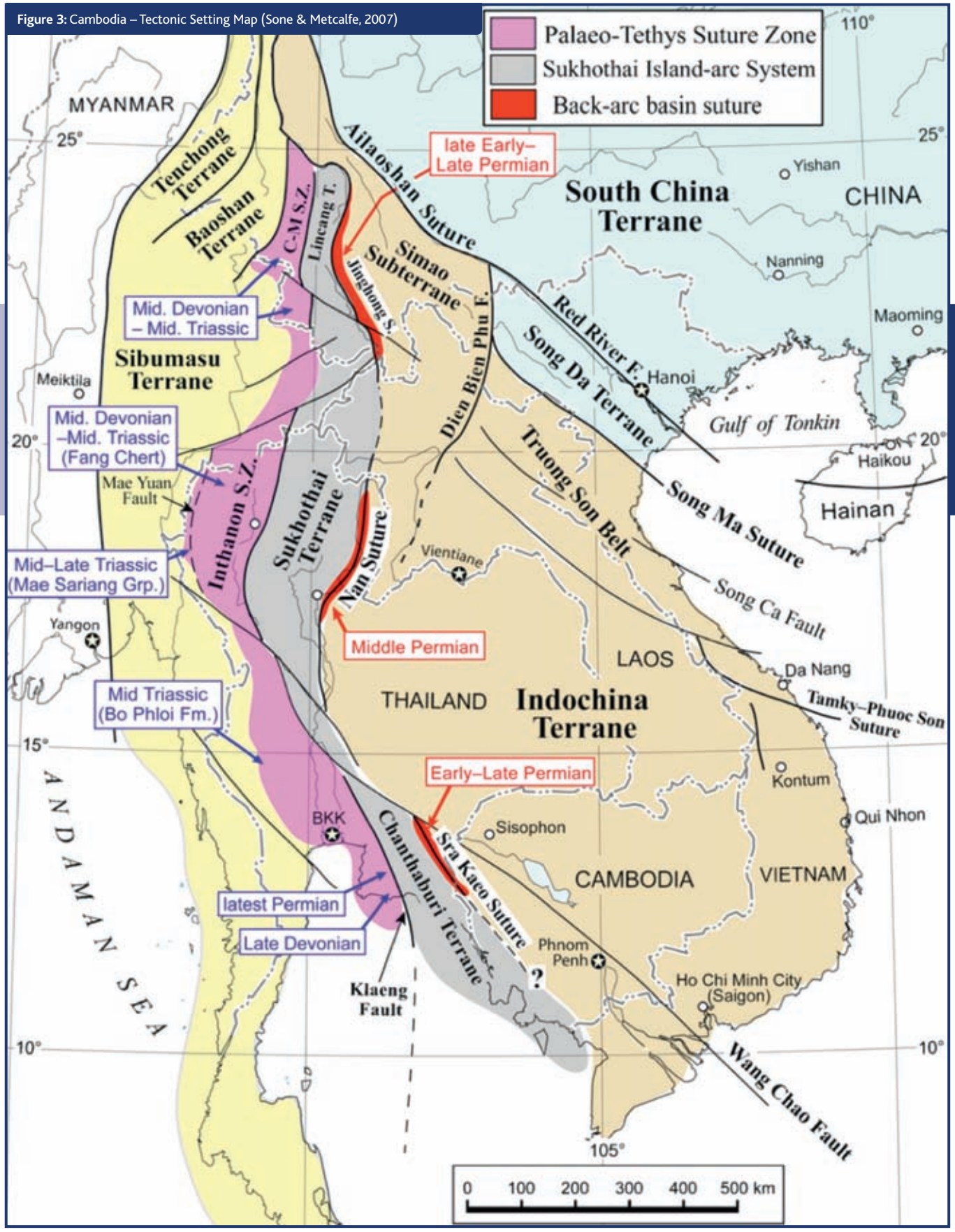


Figure 3: Cambodia – Tectonic Setting Map (Sone & Metcalfe, 2007)



Project locations over regional geology with mineral occurrences and artisanal mining centres.

The Kratie Project lies in the centre of the emerging gold district with favourable host rocks mapped across the Tenement and small scale mining operations known to exploit high grade gold veins in the north-west of the project.

The Ratanakiri Project lies in the remote far north-east of the country. Similar intrusive centres have been mapped

here as well as older metamorphosed rocks exposed along the Laos and Vietnamese borders. Alluvial gold workings and favourable host rocks for large tonnage deposits make this area very prospective for delineating economic occurrences.

Subsequent to securing tenure on these projects exploration commenced in 2007. Indochine Resources Ltd has built up a solid exploration base, beginning with the acquisition of high definition satellite imagery, and the completion of an airborne magnetic and radiometric survey.

Regional scale structural, geological and alteration interpretations identified initial high priority targets for follow-up exploration. Field based exploration activities have followed including mapping, geochemical sampling of streams and soils, and diamond drilling.

Cambodian Regional Geology

Most of Cambodia is part of a stable, continental tectonic plate known as the Kontum Massif that is mostly covered by a sequence of Triassic-Jurassic sandstones and siltstones of the Khorat Basin (Fig 3). These sediments are primarily terrestrial in origin and contain extensive bedded non-fossiliferous sediments. The Permo-Carboniferous Truongson and Loei Fold Belts bound the Kontum Massif to the north and west respectively. These fold belts contain arc type volcano-sedimentary sequences including andesitic volcanics and limestones.

The Kontum Massif and the Khorat Basin sediments have been intruded by a suite of small to medium sized dioritic to granitic plugs. The range of composition suggests a fractionating magma source. Most of the intrusives have large irregular hornfels halos indicating that the roof zones of the plugs are only partially exposed. Several hornfels areas without apparent intrusives indicate the presence of plugs at a shallow depth below the current erosion surface. This is an ideal environment for the development of intrusion related gold deposits.

Tenements

(1) Kratie Project

The Kratie Project comprises five (5) Tenements that cover an area of 1,410 km^2 (Table 1), three of the areas are held under Licences and two are the subject of two MOU's.

Two Licences are held by IRL and the third is held by Asia Pacific Gold & Copper Company Limited (**APGCC**) as set out in the table below. Both these entities are wholly owned Subsidiaries of the Company (Table 1).

Table 1: Kratie Project Tenement Listing

Kratie	Holder	Area	Licence No/MOU.	Area km^2	Start Date	Extend To
1	IRL	O' Chos	1085	247	06/07/07	06/07/2011
2	IRL	Phnom Pros	1081	271	06/07/07	06/07/2011
3	APGCC	Santuk	130	292	04/12/07	04/12/2011
4	APGCC	Sambour	MOU 1	300	04/02/10	04/08/2010
5	APGCC	Preak Prasab and Sambour	MOU 2	300	04/02/10	04/08/2010
TOTAL				**1,410**		

Table 2: Ratanakiri Project Tenement Listing

Ratanakiri	Licence Name	Licence No.	Area km^2	Start Date	Extend To
1	Boeung Nging Kang	1075	200	06/07/07	6/07/2011
2	Pong Peay	1076	200	06/07/07	6/07/2011
3	Stung Tapork	1077	200	06/07/07	6/07/2011
4	Viengkham	1078	200	06/07/07	6/07/2011
5	Kham Darang	1079	200	06/07/07	6/07/2011
6	Stung Tapork	1080	200	06/07/07	6/07/2011
7	Prek Lang	1082	200	06/07/07	6/07/2011
8	Koh Pang (Bong)	1083	200	06/07/07	6/07/2011
9	Stung Kham pha	1084	200	06/07/07	6/07/2011
10	Ka Chhok	1086	200	06/07/07	6/07/2011
11	Bar Kham	1087	200	06/07/07	6/07/2011
12	Batak (Pa Tak)	1088	200	06/07/07	6/07/2011
13	Om Smang	525	252	12/06/2008	12/06/2012
14	Preak Kousieb	526	248	12/06/2008	12/06/2012
TOTAL			**2,900**		

Plate 1: Kratie Project Area, Phnom Chi, Steung Nambrai small scale mining area – with handpicked ore in bags for processing.

The MOU's have been signed by APGCC and the Ministry. These provide APGCC with exploration rights in respect of the nominated areas and, if the Company is satisfied with the areas' prospectivity, priority and first right of refusal is given to APGCC to apply for full exploration and exploitation licences. The MOU's are also referred to in the table below (Table 1).

(2) Ratanakiri Project

The Ratanakiri Project comprises fourteen (14) Licences covering an area of 2,900 km^2 (Table 2). The first 12 of these Licences as listed in the table below are held by IRL (Table 2). The Company has also recently entered into a Share Purchase Option Agreement with Ratanakiri Consulting Company Pte Ltd to acquire the shares in that company ("**Agreement**"). Ratanakiri Consulting Company is the Licence holder of the two (2) remaining Licences numbered 13 and 14 in Table 2. Further details about this Agreement are provided in Section 11 of this Prospectus.

Kratie Project Summary

The Phnom Chi area at Kratie has a long history of mining activity using panning and sluicing to recover gold, augmented by limited underground mining (Plate 1). Historically, farmers seasonally produced gold by mining rich placers occurring near to their villages.

In total, 12 main targets were short listed for immediate investigation. Some have been subdivided and many are discussed below in order of priority. Reconnaissance geological mapping was carried out within the licence area; rock types encountered include granitoids, diorite, andesite, basalt, siltstone, sandstone, conglomerate and volcaniclastics.

Drillhole targets were selected to test the vein at depth and the two main nearby copper anomalies. A scout drilling program completed in early 2010 to test several targets on the Kratie project is considered very successful with most holes encountering mineralisation (Table 3).

Table 3: Drilling Highlights

Hole	From m	Width m	Au g/t	Ag g/t	Cu %	Zn %	Pb %
STN01	37.7	0.6	14.4	6.8	–		
STN02	52.2	1.2	7.8	11.6	–	0.3	0.23
STN03	61.8	9.6	0.76	5.0	–	0.15	–
STN04	35.0	0.8	9.2	10.0	–	0.15	0.11
STN06	41.6	9.5	1.1	0.3	–	–	–
STN07	109.6	1.3	2.6	22.4	–	0.21	0.29
STN09	21.5	10.9	0.4	5.0	0.23	–	–
And from	55.1	3.5	0.7	–	0.4	–	–
STN12	81.8	3.0	0.6	4.7	–	–	–
STN16	92.6	1.4	1.4	26.3	–	0.89	0.21

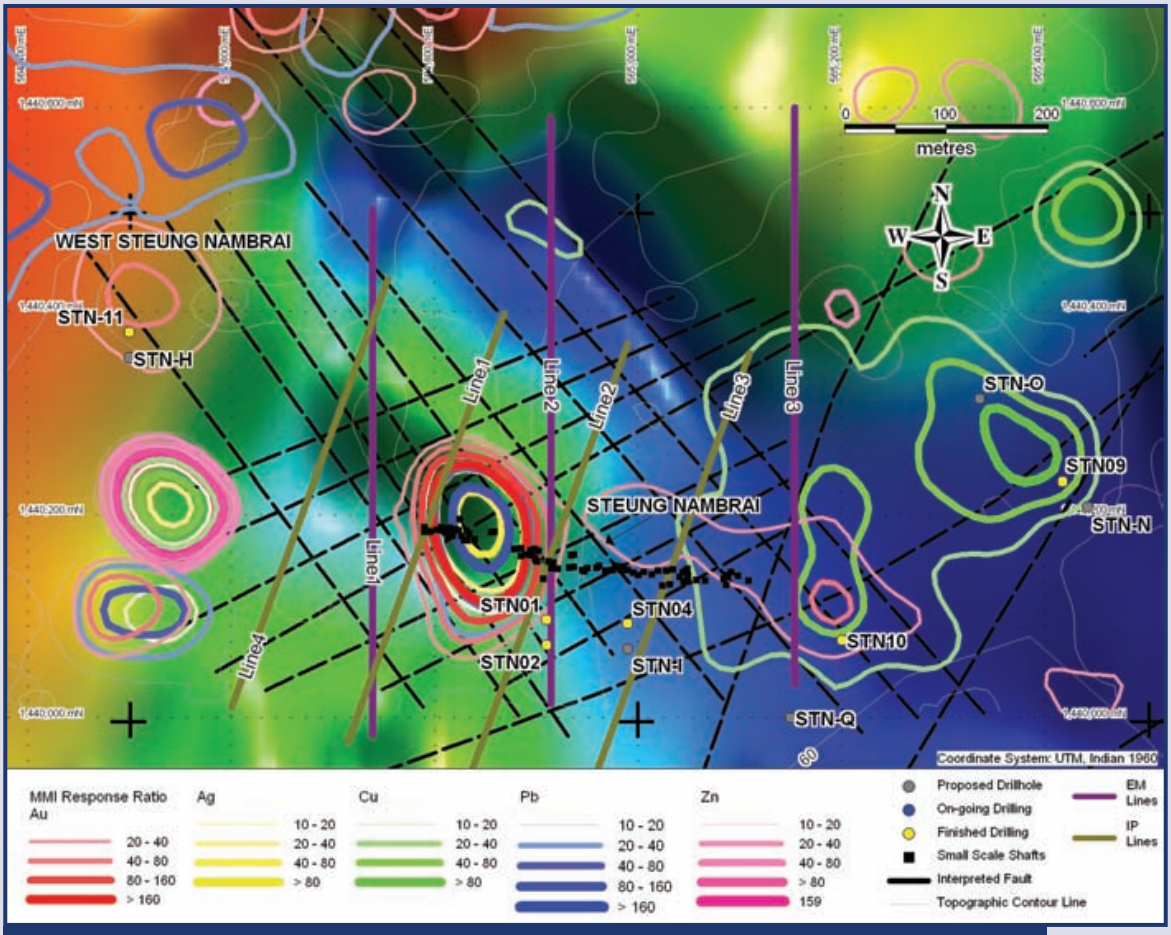


Figure 4: Kratie Area, Steung Nambrai Area Drillhole Location; Geophysical Survey Lines and MMI Contour Map.

During December 2009 a drilling campaign conducted by IRL in respect of three holes was completed to test a vein structure that is hosted in volcaniclastic siltstones and sandstones in depth. All holes intersected vein material showing no structural complexity and some evidence for undetected faults since the vein intersection occurs at a higher elevation than the projection of the underground vein.

To the east of the Steung Nambrai line of workings, two bulls-eye style soil geochemistry copper anomalies were identified (Figure 4). The trend of these anomalies coincides with a strong NE trending fault that is prominent in the Ikonos satellite imagery. STN09 and STN10 (Figure 4) were drilled to test these anomalies. Both holes intersected diorite intrusives with quartz-calcite veinlets mineralised with pyrite and chalcopyrite within bleached argillic altered rocks associated with andesitic volcanic zones. This stockwork style mineralisation and the associated assay values are typical of results from many mineralized copper/gold porphyry systems.

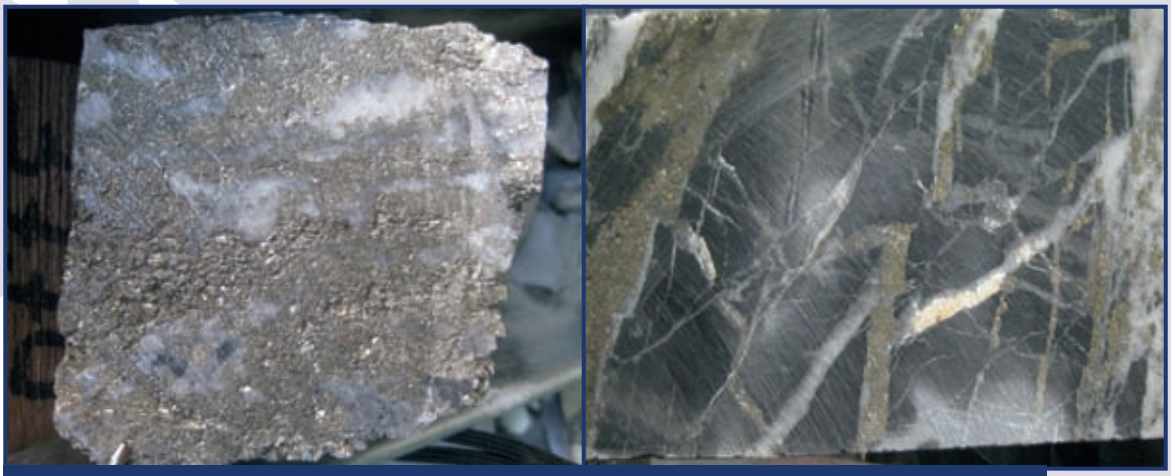


Plate 2: 64mm Core (L) Quartz sulphide from STN01 at 37.7m and STN02 brecciated and faulted material from 52.2m

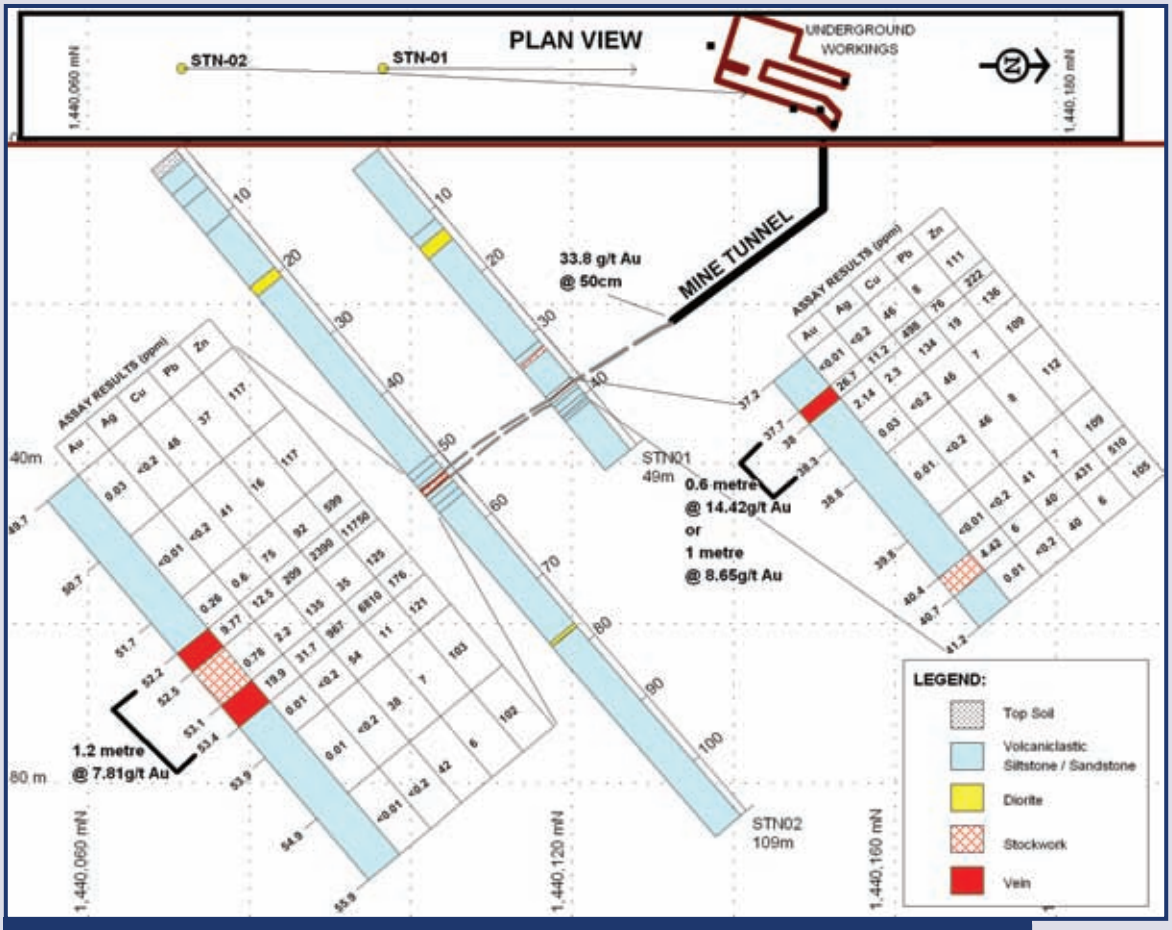


Figure 5: Cross Section 564910E through STN01 and STN02 at Kratie Area, Steung Nambrai Small Scale Workings.

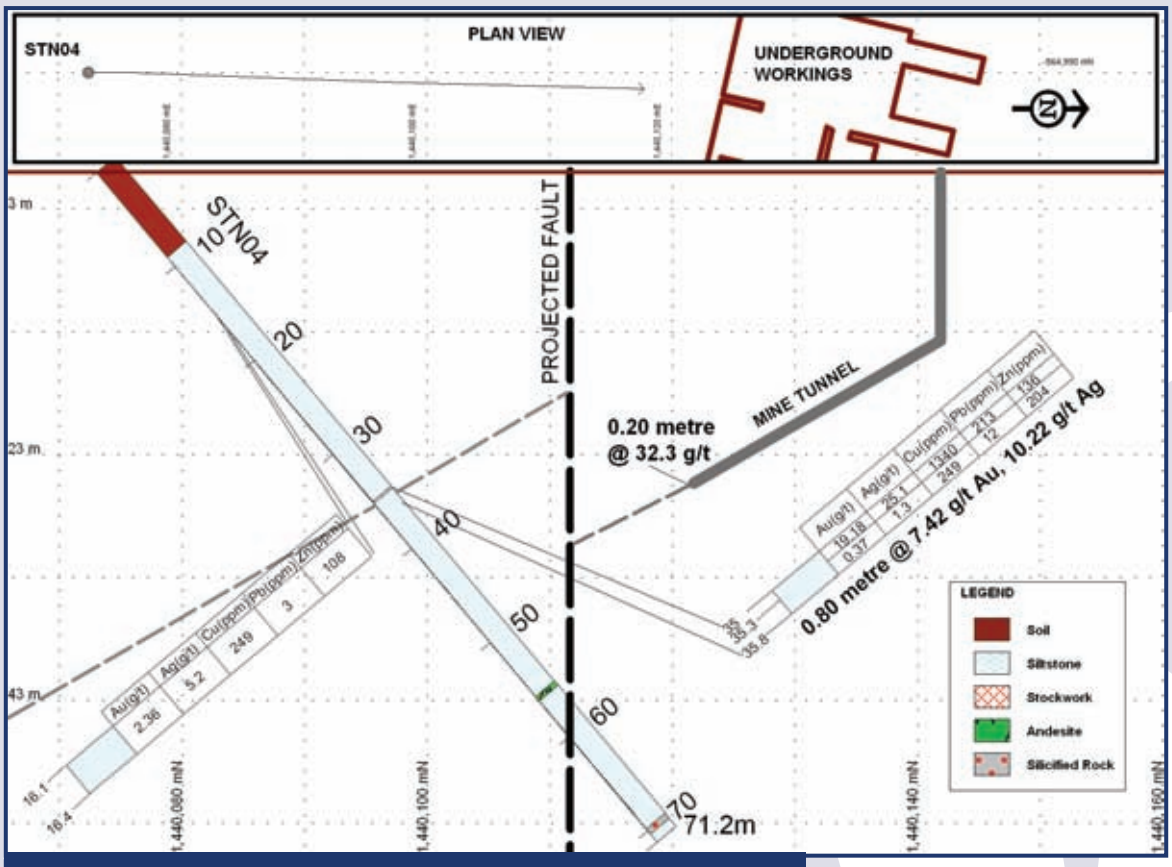
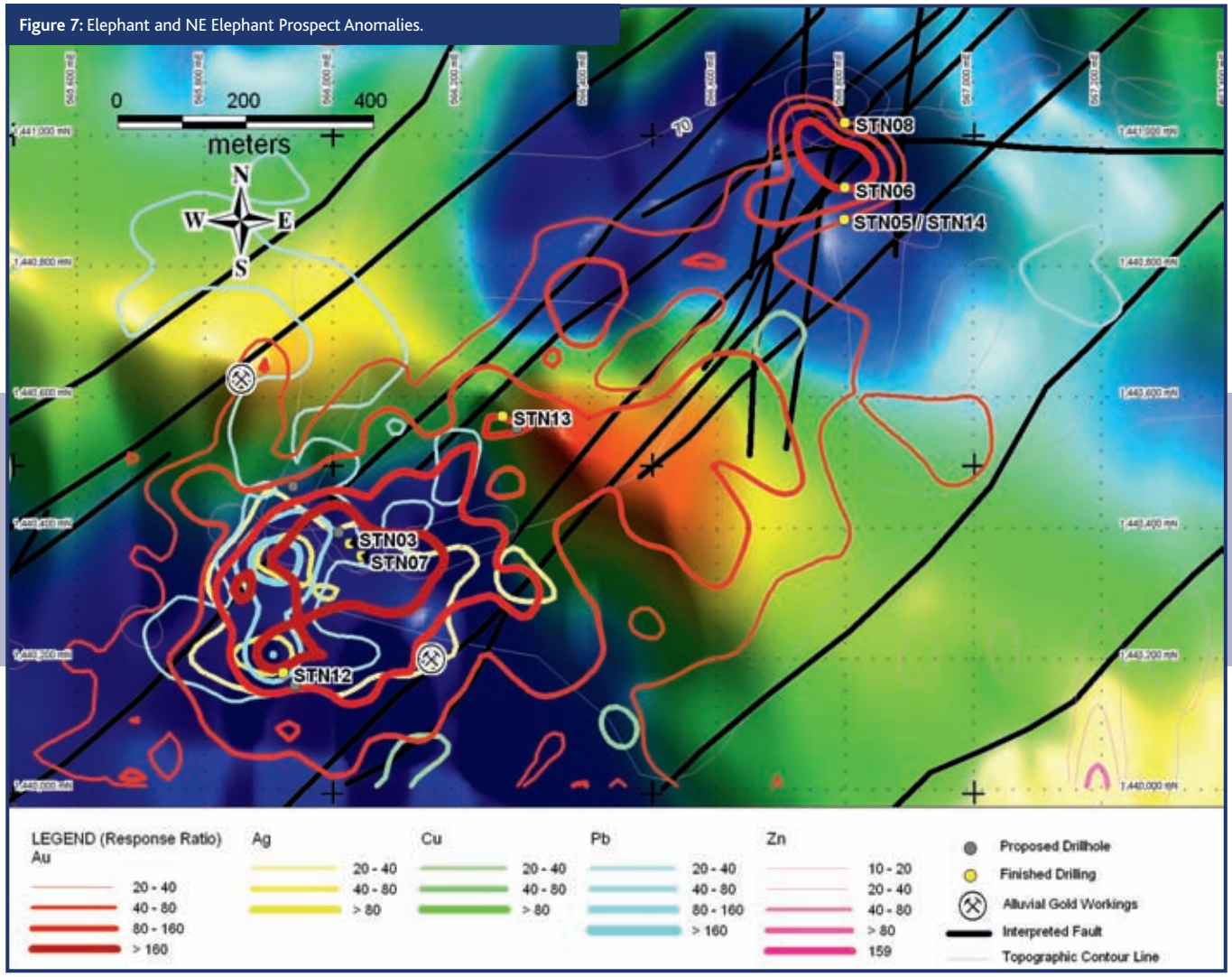


Figure 6: Cross Section 564990E through STN04 at Kratie Area, Steung Nambrai.

Figure 7: Elephant and NE Elephant Prospect Anomalies.



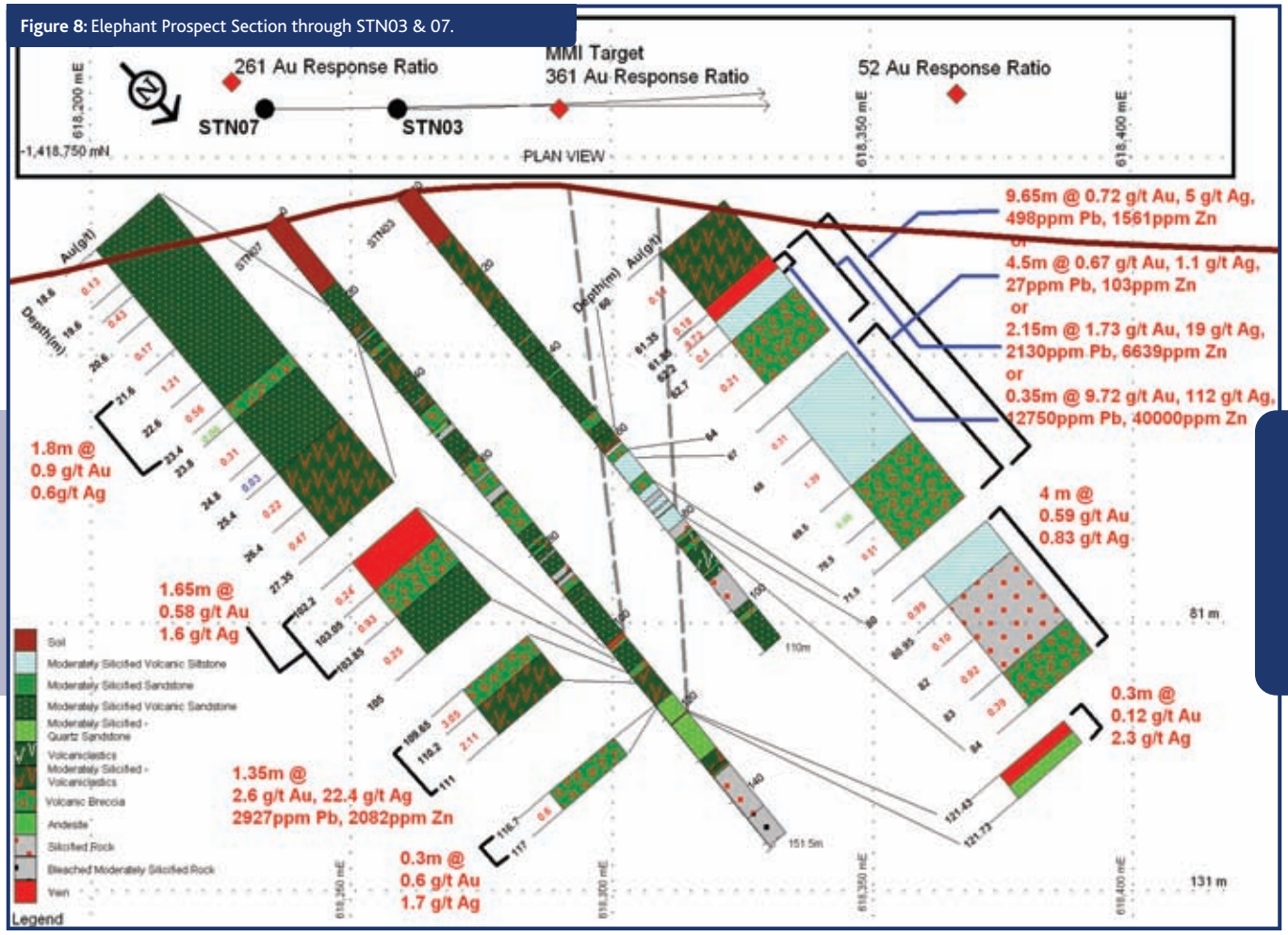
Elephant Prospect, Kratie Area

The Elephant prospect, found in the Kratie Area, is defined by a soil geochemistry anomaly with dimensions of 1.3km NE to SW from the main Elephant area to the Elephant Northeast zone and up to 600m NW to SE. There are four distinct highly anomalous zones that have been targeted for drilling; three in the main area and the fourth designated as Elephant Northeast. Float rock chip samples of silicified volcaniclastics have returned assays up to 20.0g/t Au.

Drilling of these targets commenced in January 2010 with 4 holes for 438m completed at Elephant NE and 4 holes for 495m completed in the main area. Stratigraphic units intersected include volcaniclastic siltstones and sandstones that in places have undergone brecciation accompanied by strong silicification that has been micro-fractured and mineralised by fine grained sulphides.

Plate 3: Breccia and Sulphide Mineralisation at 110.0m in STN07 at Elephant Prospect.

Figure 8: Elephant Prospect Section through STN03 & 07.



The main intersection of note is a sub-vertical zone of coherent values of elevated base metals. Narrow high grade vein intersections can be correlated between STN03 and STN07 that occurs almost vertically below the peak of the gold anomaly. Gold values of 1.7g/t Au over 2.15m from 61.8m, 0.7g/t Au over 4.5m from 67.0m and also with 0.6g/t Au over 4.0m from 80.0 in STN03 while STN07 intersected 0.6g/t Au over 1.6m from 102.2m and 2.6g/t Au over 1.3m from 109.6m in brecciated vein material that appears to be better developed at depth.

Ratanakiri Project

There are no current or historical records of mining for minerals within the Ratanakiri Project area. Evidence of wide-spread alluvial mining activity was observed by IRL during field work programs. Due to the difficult nature of the terrain in the area of work, progress has been mainly restricted to the dry season. In addition, geological exploration work has been conducted within the boundaries of the National Park and IRL has employed world standard environmental techniques to cause minimum disturbance. A total of 7,001 samples were collected for all the Licences owned by IRL to date.

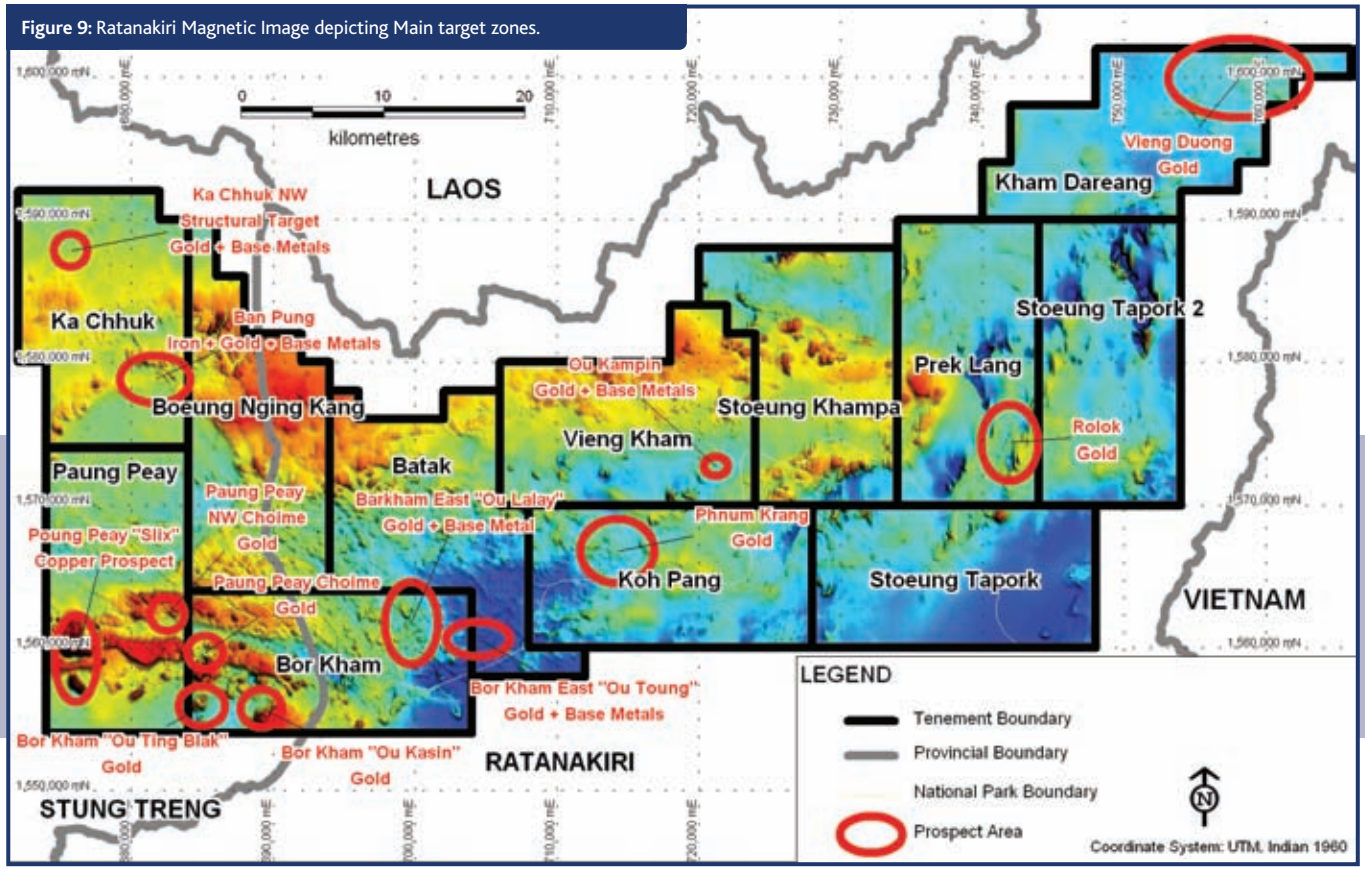
Target selection was from a combination of the interpretation of SPOT-5 images that shows a possible intrusive in the centre of an arcuate feature in the west of the area. A probable second intrusive occurs to the north of this, which lies on the edge of a ring fracture and with pronounced NW and NE structural overprint.

ASTER satellite images for the western Ratanakiri tenements indicate an “unroofed intrusive” complex. The feature is well located in the prospect and is interpreted to have a faulted southern margin that indicates it is highly prospective for high level mineralisation. Possible gossan development also exists in the area. The regional scale of the fracture sets together with the potentially unroofed intrusive centre increases the prospectivity of the area for porphyry and deep seated hydrothermal mineralisation.

The Landsat satellite data over the Ratanakiri East area indicates principally northwest structural features but with a central shear that is curvilinear and trends to the northeast. The structural and alteration features interpreted show a complex sequence of northeast and northwest faults and an east trending regional shear. A number of arcuate features of varying size from one to twelve kilometres in diameter are present. These are interpreted as an intrusive and probable collapse structure.

The Poung Peay Prospect has been developed by a combination of structural analysis, stream sediment sampling and some soil sampling. Three main areas of Poung Peay Choime, Poung Peay NW Choime and the Poung Peay Slix have been identified as highly anomalous. At Poung Peay the prospect has magnetic and topographic highs trending east to west which bound the targets to the north and south. In addition, a series of magnetic bodies cut across the major trend. Main fault structures cut the area generally with a NE trend. The stream sediment sampling indicated significant anomalies in the gold values over a 3km x 4km area.

Figure 9: Ratanakiri Magnetic Image depicting Main target zones.



Reconnaissance sampling to the west of Poung Peay during early 2008 located some float rock samples with significant assay results. Sample PP2 has an assay result of 2.05% Mo, 0.146 % Cu and 0.28g/t Au while PP4 returned assay values of 1.04% Cu and 8g/t Ag.

Stream sediment samples collected along Ou Kampin returned anomalous gold values that range from 54ppb to 1.2g/t gold. These anomalous gold values increase in the upper tributary of Ou Kampin. The stream coincides with a projected regional fault structure that runs across Bor Kham and Poung Peay generally trending in an East-West direction. According to the locals, Vietnamese used to extract alluvial gold from the Ou Kampin area.

Stream sediment samples were also collected along the tributaries of Ou Kray, Ou Pang and Ou Lulu. However only one sample from Ou Pang returned an anomalous value for gold of 0.56 g/t. No anomalous values were noted for other metals.

During sampling and mapping several areas with quartz veining were identified and in one instance near Choime an area of trial mine production was noted. Several of the veins have returned encouraging assay results with assay values of up to 1.27 g/t Au and 1.0m wide. The MMI survey has identified three strong fault related anomalies, two of which are associated with the veining. These three anomalous zones warrant drill testing.

This area has a history of artisanal mining and is considered very prospective for gold with initial assay results within the range from 60–150ppb Au. Anomalous values for lead and zinc from this area range from 75–166ppm and 100–285ppm respectively.

Later sampling returned gold values from 90ppb to 0.69g/t with the anomalism increasing towards the head of the catchments of the streams. There are also significant elevated gold and zinc values in the stream sediment samples with zinc values along Ou Ting Blak and Ou Tol ranging between 104-163ppm Zinc. Samples from Ou Kasin have anomalous values of gold and arsenic. The gold values range from 60ppb to 2.25g/t and the arsenic, which is often a good pathfinder element for gold, ranges from 8-12 ppm.

MMI soil samples collected along the eastern side of Ou Kasin and Ou Kasiep returned strong indications of anomalous areas and infill sampling has been completed. Some samples show significantly high response ratio values (up to 58) with three anomalies closely associated with NE trending faults. The highest gold value is on the upper tributary of Ou Pring Pring making this area a high priority target.

The Bor Kham East Ou Toung Prospect is developing as a strong base metal target some 2km east-west by 1km north-south with elevated Leadvalues. The current results are open in all directions and infill sampling has been conducted to help define the limits of the anomalous area.

B LAOS

The Company has six (6) Foreign Investment Applications (**FIA's**) in the Lao Peoples Democratic Republic, which to date have not been granted. The FIA's cover prospective areas principally targeting gold and copper mineralisation.

Below is a brief insight into the industry, regulatory framework, and some political risk considerations for investors in Laos.

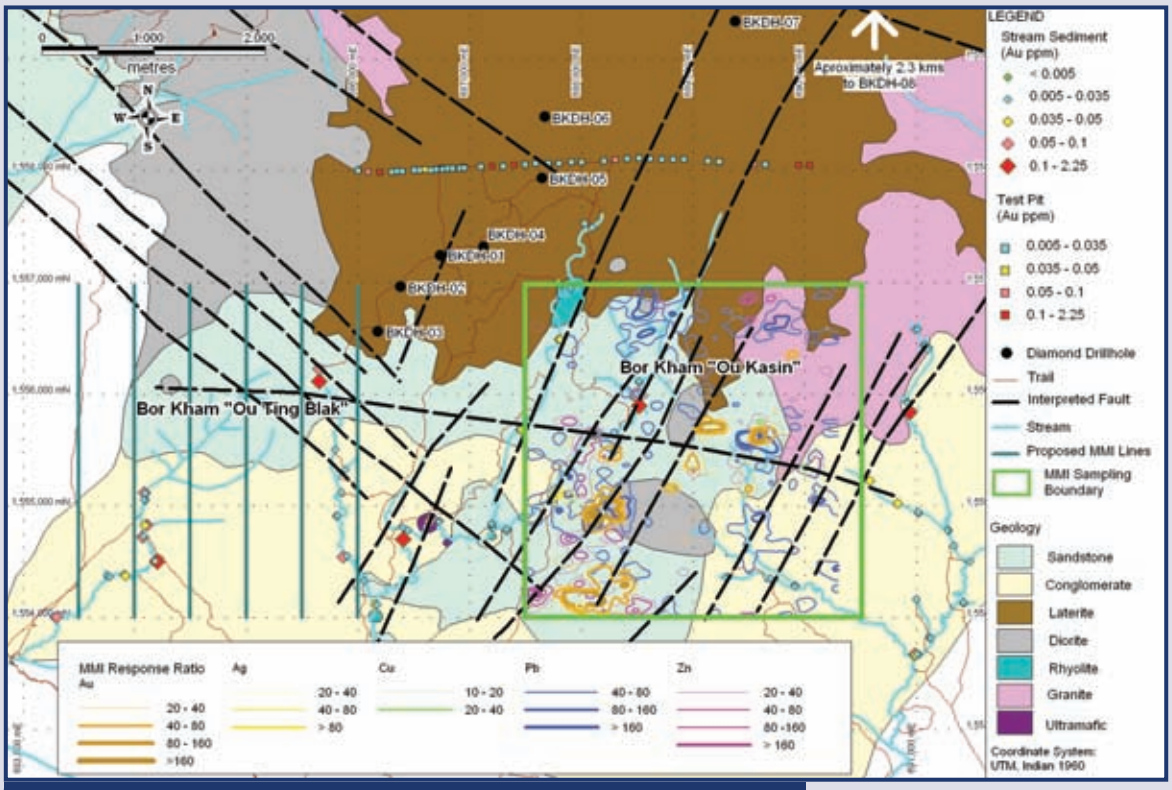


Figure 6: Cross Section 564990E through STN04 at Kratie Area, Steung Nambrai.

Key institutions

The Lao Ministry of Energy and Mines appears to be the main policy development body, and lead agency for energy related matters in Laos, while others such as the Ministry of Agriculture and Forestry has remit over issues such as land clearance related to natural resource exploration and production.

Energy related Projects and Development ('**P&D**') activities, including contract negotiations, lies under the authority of the Ministry of Energy and Mines, although there also exists a line of authority from Ad-hoc Committees established under the auspices of the Prime Minister's Office, indicating that this office has a direct hand and influence in major decisions.

Regulatory Framework

The Laos mining industry is governed by the 1997 Mining Law and the Implementing Decree which was approved in October 2002. The law and the decree cover the Promotion, Management and Development of Mineral Resources, set out requirements for Mineral Development Projects, Conditions for Obtaining a Mining License, Obligations of Mining Licensee, Termination of Mining Activities and Arbitration.

In January 2007 the Lao government introduced a moratorium on issuing new mining exploration licences due to a rising number of exploration rights holders merely sitting on these rights for speculative and resale purposes and not conducting specified exploration activities. The Lao government also reviewed and canceled existing licenses by those holders who had not carried out proper mining activities. By 2008 however, the government lifted its moratorium and began re-issuing exploration licenses.

On 8 December 2008 the Lao National Assembly passed a new Mining Law, however the implementation documents are currently being drafted and it is unclear when these may be completed and approved by the government. It is also unclear as to whether the 2008 law can come into full effect until the implementation documents contemplated by this law have been completed. Legislation passed in 1997 states that investment in mining activities in the Laos shall take place under the following forms:

1. Sole investment by the State; 2. Joint investment between the State and domestic or foreign parties; or 3. Collective or private investment from domestic parties.

Concessions are not granted in excess of 30 years, but may be extended two times, each time for no more than ten years as approved by the Government on a case by case basis.

A national moratorium on the issue of new licences is in place until implementation documentation and procedures are finalized in respect of the new 2008 Mining Law. In anticipation of those procedures and given a noted informal practical shift in Lao Investment & Planning Department policies, the Company is refining and defining the current FIA's from a geological and administrative viewpoint to allow for immediate progress on the lifting of the moratorium.

Foreign Investment climate

Laos has recently loosened foreign investment restrictions resulting in a marked increase in foreign business. Foreign investment is guided by the Law on the Promotion and Management of Foreign Investment, which sets out the rights and responsibilities of the government and foreign businesses in Laos.

Mining, as one of the two major foreign investments has been a major contributor to Laos' increased growth of approx 6% per year, and the government appears keen to promote the sector.

Political risk and interference in major projects

Having the government as a partner seems to be the accepted way of moderating discretionary government actions. The level of fairness of the regulatory system appears to largely depend on if an investor is willing to allow the Laos government to take an option for, or an initial equity stake in the project, usually 10–20%, as can be witnessed with other mining operations in the country, such as Banpu's Hong Sa coal mine and coal fired power plant, which is currently due for completion in 2012.

In addition to Joint Ventures between the government and the private party, the Laotian government can be offered what is effectively an exercisable equity option to acquire a portion of a mining business. It has exercised these options with two large mining companies in 2008 (Oxiana and PanAust).

Laos adopted the Anti-Corruption law in 2006, and is now making attempts at more transparency and working towards reducing corruption in state departments.

Laos PDR Regional Geology

The tectonic history of Laos commences with the Cambrian rocks deposited on a Proterozoic basement and includes two island arcs developed along the margins of a large stable area of Precambrian rocks, broadly triangular in plan, with the apex pointing northwards in the region of the present Vientiane Basin. The older Cambrian-Jurassic arc outcropped east of the continental block as the NW trending Truongson Belt that extends from Vietnam through the Laos panhandle and into north-central Laos. To the east and parallel to this arc, a major crustal suture developed along which are exposed Ophianic crustal ophiolites.

The younger Silurian-Jurassic arc developed as the Louangphrabang Belt to the west of the continental block and now strikes NNE from Pak Lay in the western corner of Laos and terminates near the Chinese border. The two arcs were the leading edges of the Shan and South China Plates, which on 'collision' with the Indonesian continent caused much sliding and thrusting of older strata. A period of uplift followed in the Cretaceous with red-bed formation in the stable continental area. The oldest geological units forming the Basement Complex comprise Lower and Middle Proterozoic rocks, mostly gneisses, schists, quartzite and marble. Palaeozoic Rock, Mezozoic rocks include limestones, clays sandstones, red sands, mudstones and minor evaporates. The Cenozoic is characterized by sands and clays, igneous intrusives as both felsic and mafic forms.

Laos Foreign Investment Application (FIA) Summary

The Group's projects in Laos comprise six FIA's that cover an area of 11,134km^2.

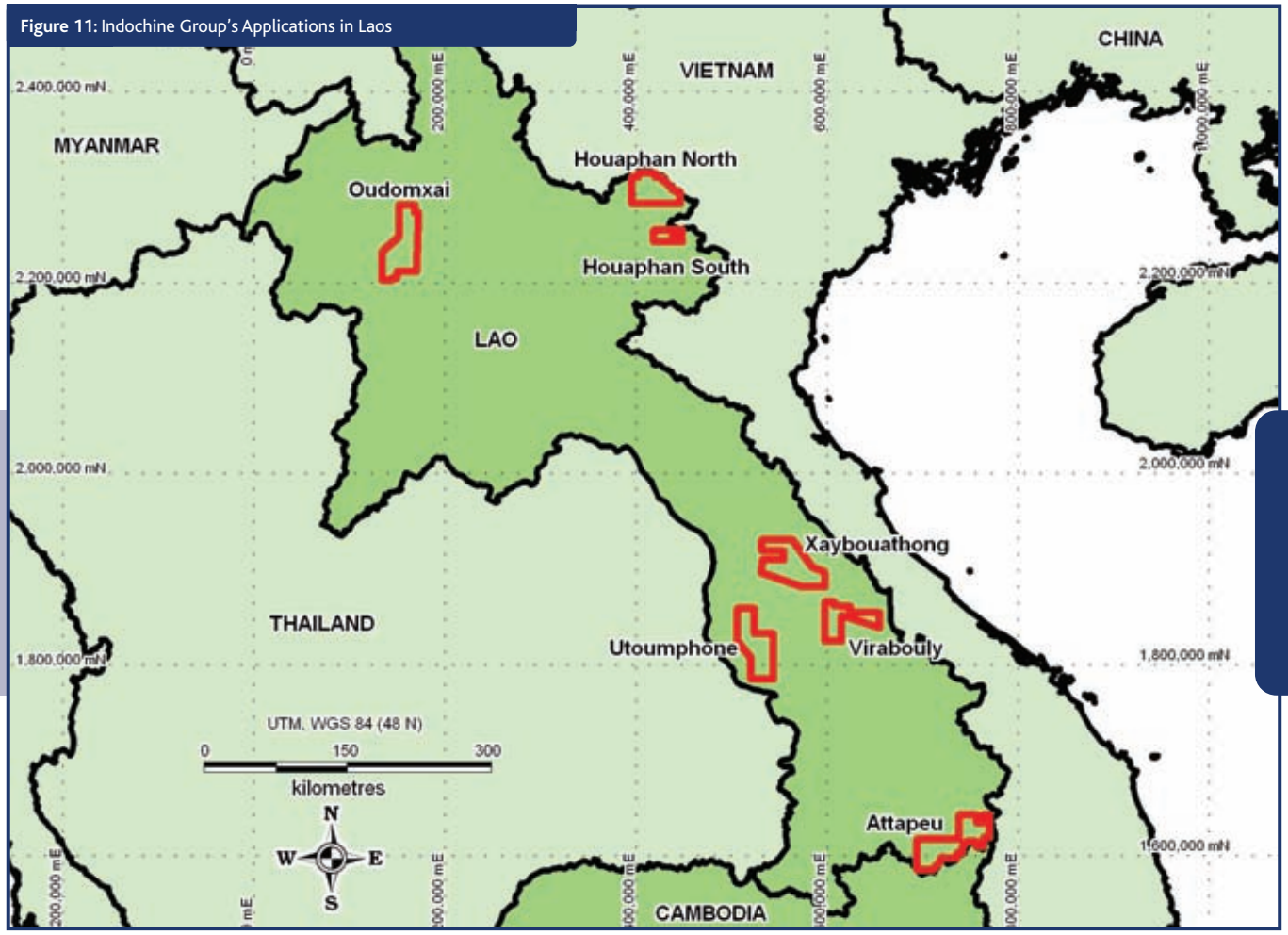
Laos Project Overview

The two FIA's named Xaybouathong and Virabouly are positioned near the towns in Laos with the same names (hence the description used) and these applications partially adjoin the China MinMetals Non-Ferrous Co. Limited Sepon mining tenements and the Savannahket Project is directly to the west. The Attapeu project is located immediately north of the company's Ratanakiri project in Cambodia. Oudoumaxi and Houaphan North & Houaphan South are in the north of the country. All projects are prospective for gold and base metals. The four main prospects of

Table 4: Laos Application Details

Laos	Holder	Area Name	Area Km^2	Application Date
1	IRL	Attapeu	2,000	5/07/06
2	Aries Mining Ltd	Sepon	2,026	7/04/06
3	IRL	Virabouly	1,101	27/06/08
4	IRL	Savannahket	1,860	19/12/06
5	IRL	Oudomxai	2,561	12/01/07
6a	Aries Mining Ltd	Houaphan	1,285	28/07/06
6b	Aries Mining Ltd	Houaphan Sth	301	28/07/06
TOTAL			**11,134**	

Figure 11: Indochine Group's Applications in Laos



Xaybouathong, Attapeu, Savannahket and Oudoumaxi are interpreted to cover various controlling large intrusive complexes dissected by faults and are ringed by arcuate fractures. All of the intrusive complexes have known mineralisation close by. Additionally a series of parallel arcuate structures are truncated by regional shear zones.

The tectonic history of Laos commences with the Cambrian rocks deposited on a Proterozoic basement and includes two island arcs developed along the margins of a large stable area of Precambrian rocks, broadly triangular in plan, with the apex pointing northwards in the region of the present Vientiane Basin. The older Cambrian-Jurassic arc outcropped east of the continental block as the NW trending Truongson Belt that extends from Vietnam through the Lao panhandle and into north-central Lao. To the east and parallel to this arc a major crustal suture developed along which are exposed ophiolites.

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The oldest geological units forming the Basement Complex comprise Lower and Middle Proterozoic rocks, mostly gneisses, schists, quartzite and marble. The Mezozoic rocks include limestones, clays sandstones, red sands, mudstones and minor evaporates. The Cenozoic is characterized by sands and clays, igneous intrusives as both felsic and mafic forms.

The main rock types are from the Palaeozoic and Mesozoic periods and consist of continental fluvial and shallow to deep marine sediments. The numerous granitoid plutons (granodiorites, monzonites and quartz porphyries) were emplaced during seven main intrusive episodes between the Precambrian and late Tertiary times and are closely associated with much of the known mineralisation; most are Devonian to Triassic in age. Permo-Triassic acid extrusive rocks comprising rhyolites and dacites are more common in the southern part of the country.

To date, the most promising metal occurrences in Laos are associated with either Permian-Triassic silicic volcanics or with the abundant Devonian to Silurian granitic intrusives.

A common feature in the major deposits being explored or mined in Laos is the association of intrusives, carbonate rich rocks and intersecting structures. The same conditions apply in Cambodia which has essentially the same geology.

Section 8
Independent Consulting Geological Report

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Australian and International Exploration and Evaluation of Mineral Properties

INDEPENDENT GEOLOGICAL REPORT for INDOCHINE MINING LIMITED

MINERAL EXPLORATION PROJECTS in THE ROYAL KINGDOM OF CAMBODIA and LAO PEOPLES DEMOCRATIC REPUBLIC

Prepared by:
B.J. Varndell (BScSpec Hons Geol) FAusIMM
A.J. Maynard BAppSc(Geol), MAIG, MAusIMM

May, 2010

The Directors,
Indochine Resources Ltd
Level 10, 17–19 Bridge Street,
Sydney NSW 2000.

2nd June, 2010

Dear Sirs;

Preamble

At your request Al Maynard and Associates ("AM&A") have prepared this independent geological report ("Report") on the mineral assets which Indochine Mining Ltd. ("the Company" or "Indochine") either owns outright or holds an interest therein. The tenements are located in the Royal Kingdom of Cambodia.

Two of the Company's, wholly owned subsidiaries, Indochine Resources Ltd and Aries Mining Limited, have made between them six (6) Foreign Investment Applications in respect of certain areas in the Lao Peoples Democratic Republic.

The Independent Geological Report set out in this Prospectus has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports (Valmin Code), the Joint Ore Resources Committee (JORC) Code and Guidelines for reporting on mineral exploration results and ore resources and the rules and guidelines relating to Independent Expert Reports set by the Australian Securities Industry Commission ("ASIC") and the Australian Securities Exchange ("ASX").

This report has been prepared for inclusion in a Prospectus to be issued by Indochine on or about 4th June, 2010 offering for subscription for the issue of 60,000,000 Shares to be offered for subscription at $0.20 cents each to raise $12,000,000 and with provision to accept oversubscriptions of a further 65,000,000 Shares at $0.20 cents each to raise up to an additional $13,000,000. This report has been prepared by Allen J. Maynard and Brian J Varndell.

- Allen J. Maynard is the Principal of AM&A, a qualified geologist, a Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and a Member of the Australian Institute of Geoscientists ("AIG"). He has had 30 years experience in mineral exploration and evaluation and more than 25 years experience in mineral asset valuation.

- Brian J. Varndell is an associate of AM&A, a qualified geologist and a Fellow of the AusIMM. He has more than 35 years experience in mineral exploration, resource and reserve calculation and the evaluation of mineral properties.

Neither the writers nor any of their associates or employees have any material interest either direct, indirect or contingent in Indochine nor in any of the mineral assets included in this report nor in any other Indochine asset nor has any such interest existed previously.

AM&A has had no input into the formulation of any of the mineral tenements under review. This geological report has been prepared by AM&A strictly in the role of an independent consulting geologist. The present status of tenements listed in this report is based on information provided by Indochine and the report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development. Indochine has warranted to AM&A that full disclosure has been made of all material information in its possession or knowledge and that such information is complete, accurate and true. None of the information provided by Indochine has been specified as being confidential and not to be disclosed in our reports. As recommended by the Valmin Code, Indochine has indemnified AM&A for any liability that may arise from AM&A's reliance on information provided by Indochine or not provided by Indochine.

Fees for the preparation of this report are being charged at normal commercial rates with expenses being reimbursed at cost. AM&A estimate their professional costs for preparing this report to be $24,000.00. Payment of fees and expenses is in no way contingent upon the conclusions of these documents, nor on the outcome of the proposed listing of Indochine. Site visits have been made to some the project areas (Kratie & Ratanakiri) in the recent past. Information used in the preparation of this report has been derived from technical information provided by Indochine and other publicly available data. The writers are generally familiar with the various geological settings and styles of mineralisation and combined with the technical data available are able to make informed comments on the project areas.

For the purpose of Sections 731 to 733 of the *Corporations Act*, AM&A were involved in the preparation of the Independent Consulting Geologists' Report included in this Prospectus, and have authorised or caused the issue of this part of the Prospectus only. AM&A has given consent in writing to the issue of the Prospectus with this Independent Report included in the form and context it was provided and has not withdrawn that consent before the lodgement of the Prospectus with the Australian Securities and Investments Commission ("ASIC").

We are of the opinion that:

- Indochine has satisfactory and clearly defined exploration and expenditure programs which are reasonable having regard to the stated objectives of the Company; and
- Sufficient exploration work has taken place in the past two years to justify the budgeted exploration and expenditure program.

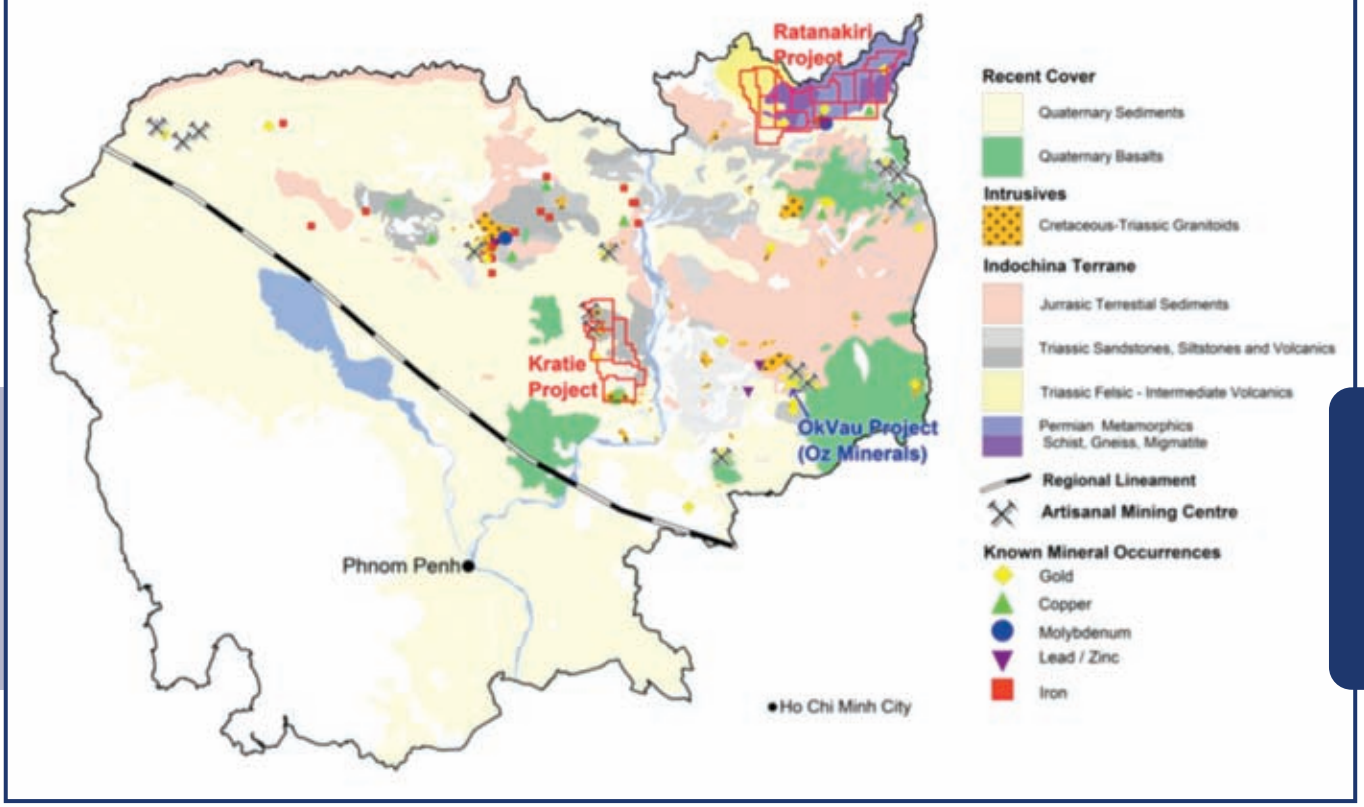
Indochine's exploration programs are included in the report and have been phased over two years, but they may be altered in view of results gained which could revise the emphasis of current priorities.

AM&A observes Section 947B of the *Corporations Act 2001 (Cwlth)*. In accordance with *Corporations Regulation 7.6.01(1)(u)* and *Corporations Amendment Regulations 2003* (No. 7) 2003 No. 202, this Independent Consulting Geologists' Report is not financial product advice but is intended to provide investors with expert opinion on matters relevant to an investment in the Company. Allen J Maynard and AM&A are not operating under an Australian financial services license and the advice in this Independent Consulting Geologists' Report is an opinion on matters other than financial products and does not include advice on a financial product.

Yours faithfully,

Allen J. Maynard
BAppSc(Geol), MAIG, MAusIMM.

Figure 1: Cambodian Projects Location Map



Executive Summary

Indochine Mining Ltd ("**IML**" or the "**Company**") is a public unlisted company registered in Australia and based in Phnom Penh exploring for viable mineral deposits in Cambodia. The Company has assembled a professional exploration team of experienced geoscientists and is directed by a well-experienced Board with expertise in mining.

Cambodia has had very little mining exploration in the past essentially missing the 20th century mining booms due to internal and regional conflicts. IML is one of several foreign companies pioneering modern exploration techniques, with first pass prospecting beginning around 2005.

Already a new gold province is beginning to emerge, with various styles of mineralisation identified associated with intrusive centres across the northern part of the country. A trend of gold occurrences and artisanal mining centres follows a WNW structurally controlled trend spanning the country. This includes the recently announced resource at Okvau (605,000oz, Oz Minerals March 2010).

IML has built a large tenement package covering two highly prospective areas within this province. The tenements form two blocks known as the Kratie and Ratanakiri Projects covering approximately 4,300 km^2. Figure 1 depicts the project locations draped over regional geology showing main mineral occurrences and artisanal mining centres.

The Kratie Project lies in the centre of the emerging gold district with favourable host rocks mapped across the tenement and small scale mining operations known to exploit high grade gold veins in the north west of the project.

The Ratanakiri Project lies in the remote far north east of the country, similar intrusive centres have been mapped here as well as older metamorphosed rocks exposed along the Laos and Vietnamese borders. Alluvial gold workings and favourable host rocks for large tonnage deposits make this area very prospective for delineating economic occurrences.

Subsequent to securing tenure on these projects exploration commenced in 2007. IML has built up a solid exploration base, beginning with acquisition of high definition satellite imagery, and the completion of airborne magnetic and radiometric surveys.

Regional scale structural, geological and alteration interpretations identified initial high priority targets for follow up exploration. Field based exploration activities included mapping, geochemical sampling of streams and soils, and diamond drilling.

A scout drilling program completed in early 2010 to test several targets on the Kratie Project is considered very successful with 75% of holes encountering reportable mineralisation outlined by MMI soil sampling. Highlights of this drilling include;

- STN01 from 37.7 with 0.6m at 14.4g/t Au, 6.8g/t Ag
- STN02 from 52.2 with 1.2m at 7.8g/t Au, 11.6g/t Ag, 0.23% Pb and 0.30% Zn
- STN03 from 61.8 with 9.6m at 0.76g/t Au, 5.0g/t Ag and 0.15% Zn
- STN04 from 35.0 with 0.8m at 9.2g/t Au, 10.0g/t Ag, 0.11% Pb and 0.15% Zn
- STN06 from 41.6 with 9.5m at 1.1g/t Au,0.3g/t Ag

- STN07 from 109.6 with 1.3m at 2.6g/t Au, 22.4g/t Ag, 0.29%Pb and 0.21% Zn
- STN09 from 21.5 with 10.9m at 0.4g/t Au, 5.0g/t Ag and 0.23% Cu and from 55.1 with 3.5m at 0.7g/t Au, 2.0g/t Ag and 0.4% Cu
- STN12 from 81.8 with 3.0m at 0.6g/t Au and 4.7g/t Ag
- STN16 from 92.6 with 1.4m at 1.4g/t Au, 26.3g/t Ag, 0.21% Pb and 0.89% Zn

The Company, through its wholly owned subsidiaries, has six (6) Foreign Investment Applications in the Lao Peoples Democratic Republic, which to date have not been granted. These applications cover prospective areas principally targeting gold and copper mineralisation.

A two year exploration budget of US$11.3M is proposed.

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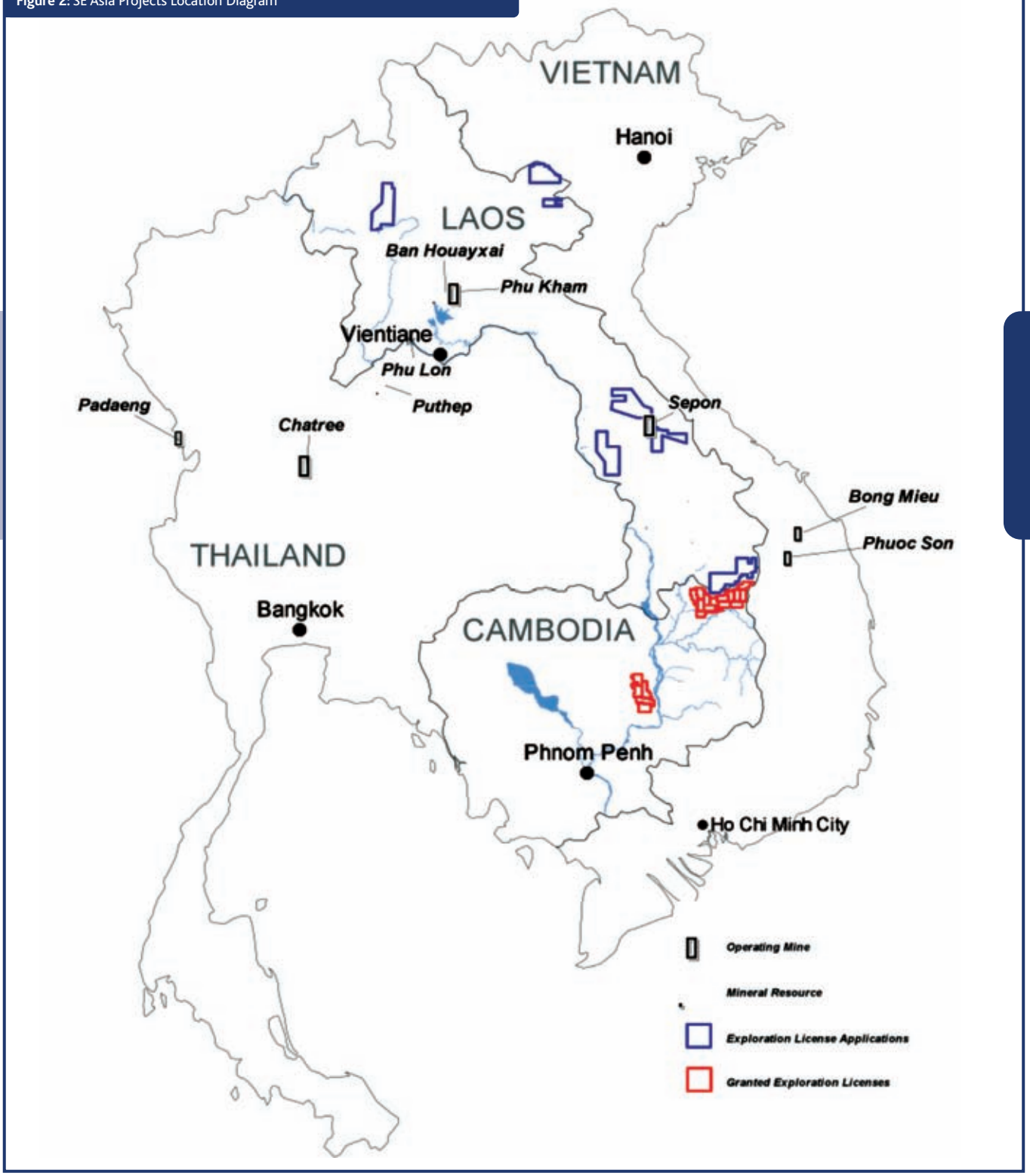


1.0 INTRODUCTION

IML is a public unlisted exploration company that operates two projects in Cambodia. Fourteen licences are owned by Indochine Resources Ltd ("**IRL**") and one is owned by Asia Pacific Gold & Copper Company Ltd ("**APGCC**"). Both entities are wholly owned subsidiaries of IML. APGCC also entered into two **MOU's**. IML has an option to acquire the Ratanakiri Consultancy Company Pte Ltd ("**RCC**") that owns two additional licences at Ratanakiri.

All licences are located in the Kratie, Kampong Thom, Ratanakiri and Stueng Treng Provinces. These licences were selected primarily on interpreted structural, alteration and mineralising features observed in remote sensing images and secondarily on limited literature reviews.

In Laos, a number of wholly owned subsidiaries of IML have made Foreign Investment Applications. IRL has made four (4), while Aries Mining Ltd ("**Aries**") holds three (3). ("**FIA's**").

2.0 PROPERTY LOCATION, ACCESS AND TENURE

2.1 Property Location and Access

Both Cambodia and Laos have good bitumen road networks that in Cambodia connects Kratie, Kampong Thom and Ratanakiri with Phnom Penh and Siem Reap. These roads are two-lane with bridges over all major rivers and provide good all weather access. The roads were built by aid grants from various foreign governments and were constructed to 'western' standards.

2.1.1 Kratie

The Kratie Project area is 315km northeast of Phnom Penh (Fig 1). The licences straddle the Preach Prasab and Sambour District Boundaries. Travel from Phnom Penh is via the national roads No 6, 7 and 13 to Kratie. Access to site is by ferry across the Mekong River and then further travel is on lateritic gravel tracks.

2.1.2 Ratanakiri

The Ratanakiri Project is located 600km northeast of Phnom Penh in Ratanakiri and Stueng Treng Provinces (Fig 1). It is bounded to the east by Vietnam and to the north by Laos Access from Phnom Penh is via national road No. 7 across Kampong Cham, Kratie and Stueng Treng Provinces.

The project area is generally one of rugged terrain so access is usually by walking, motorbike or helicopter. In order to reach the project area the Tonle San River has to be crossed by ferry.

2.1.3 Laos

The six FIA's are known as Houaphan North and South, Oudomaxi, Xaybouathong, Virabouly, Utoumphone and Attepeu.

2.2 Property Tenure

The FIA's are in good standing.

2.2.1 Kratie

The Kratie Project comprises five tenements that cover an area of 1,410km^2 (Table 1), three of the areas are held under Exploration Licences ("Licences") and two under MOU's.

Two Licences are held by IRL and the third is held by APGCC a wholly owned subsidiary of IML.

Table 1: Kratie Project Tenement Listing

Kratie	Holder	Area	Licence No/MOU.	Area km^2	Start Date	Extend To
1	IRL	O' Chos	1085	247	06/07/07	06/07/2011
2	IRL	Phnom Pros	1081	271	06/07/07	06/07/2011
3	APGCC	Santuk	130	292	04/12/07	04/12/2011
4	APGCC	Sambour	MOU 1	300	04/02/10	04/08/2010
5	APGCC	Preak Prasab and Sambour	MOU 2	300	04/02/10	04/08/2010
TOTAL				**1,410**		

Table 2: Ratanakiri Project Tenement Listing

Ratanakiri	Licence Name	Licence No.	Area km^2	Start Date	Extend To
1	Boeung Nging Kang	1075	200	06/07/07	6/07/2011
2	Pong Peay	1076	200	06/07/07	6/07/2011
3	Stung Tapork	1077	200	06/07/07	6/07/2011
4	Viengkham	1078	200	06/07/07	6/07/2011
5	Kham Darang	1079	200	06/07/07	6/07/2011
6	Stung Tapork	1080	200	06/07/07	6/07/2011
7	Prek Lang	1082	200	06/07/07	6/07/2011
8	Koh Pang (Bong)	1083	200	06/07/07	6/07/2011
9	Stung Kham pha	1084	200	06/07/07	6/07/2011
10	Ka Chhok	1086	200	06/07/07	6/07/2011
11	Bar Kham	1087	200	06/07/07	6/07/2011
12	Batak (Pa Tak)	1088	200	06/07/07	6/07/2011
13	Om Smang	525	252	12/06/2008	12/06/2012
14	Preak Kousieb	526	248	12/06/2008	12/06/2012
TOTAL			**2,900**		

Table 3: Laos Tenement Details

Laos	Holder	FIA Name	Area Km²	Application Date
1	IRL	Attapeu	2,000	5/07/06
2	Aries Mining Ltd	Sepon	2,026	7/04/06
3	IRL	Virabouly	1,101	27/06/08
4	IRL	Savannahket	1,860	19/12/06
5	IRL	Oudomxai	2,561	12/01/07
6a	Aries Mining Ltd	Houaphan Nth	1,285	28/07/06
6b	Aries Mining Ltd	Houaphan Sth	301	28/07/06
TOTAL			**11,134**	

The MOU's have been signed by APGCC and the Cambodian Ministry of Industry Mines & Energy. These give APGCC exploration rights in the nominated areas. If Indochine is satisfied with the areas' prospectivity, priority and first right of refusal is given to APGCC to apply for full exploration & exploitation licences

2.2.2 Ratanakiri

The Ratanakiri Project comprises 14 Licences covering an area of 2,900km² (Table 2). The first 12 of these Licences as listed in the Table 2 are held by IRL. IML has also recently entered into a Share Purchase Option Agreement with Ratanakiri Consulting Company Pte Ltd to acquire the shares in that company which is the Licence holder of the two (2) Licences numbered 13 and 14 in Table 2.

2.2.3 Laos

The Lao Projects comprise six FIA's that cover an area of 11,134.4km² (Table 3).

3.0 CLIMATE, INFRASTRUCTURE AND PHYSIOGRAPHY

3.1 Climate

The average temperatures in Cambodia range from 21-35°C (69-95°F) and the country is influenced by tropical monsoons. The country consequently has two distinct seasons. During the rainy season spot temperatures can drop below 21°C, there is generally high humidity with daily rainfall. The dry season lasts from November to April when spot temperatures can rise above 40°C during April.

3.2 Local Resources

Larger-scale agriculture occurs on rice, palm, maize, and rubber plantations. Other economic activities in the Ratanakiri province include gem mining, commercial logging, and small-scale trading activities. Gems such as ruby, sapphire and zircon are generally mined using traditional methods. Logging, particularly illegal logging, has been a problem both for environmental reasons and because of land alienation.

3.3 Physiography

Camodia covers an area of 181,035km², sharing an 800km border with Thailand in the north and west, a 541km border with Laos in the north, and a 1,228km border with Vietnam in the east and southeast. It has 443km of coastline along the Gulf of Thailand. The most distinctive geographical feature is the lacustrine plain, formed by the inundations of the Tonle Sap (Great Lake), of about 2,590 km² during the dry season and expanding to about 24,605 km² during the rainy season. Most areas of the country are generally flat with rolling topography and a few mountain ranges.

4.0 HISTORY OF MINING AND CURRENT EXPLORATION ACTIVITIES

Cambodia, with a population of around 13 million, has a mineral resources potential that has never been explored in a modern systematic manner. As a consequence the country remains largely under-explored.

Metallic minerals identified in the country are gold, antimony, bauxite, chromium, copper, lead, manganese, molybdenum, silver, tin, tungsten, and zinc. In addition, Cambodia has resources of such industrial minerals as carbonate rocks, fluorite, quartz, silica sand, and sulphur.

Iron deposits, minor gold, coal, copper and manganese have been reported in the Kampong Thom area. Substantial deposits of bauxite discovered in the early 1960s in Mondolkiri Province have yet to be developed. Potter's clay is common and deposits of phosphates, used in fertiliser production, occur in the southern Kampot Province and near Phnom Sampou.

4.1 History of Mining at Phnom Chi, Kratie

The Phnom Chi area at Kratie has a long history of mining activity using panning and sluicing to recover gold, augmented by limited underground mining (Plate 1). Historically, farmers seasonally produced gold by mining rich placers occurring near to their villages.

Plate 1: Kratie Area, Phnom Chi, Steung Nambrai small scale mining area

As a consequence of the 1970s civil war in Cambodia all gold mining activity ceased. During the Khmer Rouge reign in the early 1980s some locals from the Kratie and Kampong Thom Provinces, driven by extreme poverty, would risk their lives to mine the Phnom Chi deposits. At that time, they would pay taxes to the Khmer Rouge soldiers who controlled the area.

4.2 History of Mining in Ratanakiri

There are no recorded major extractions from metallic mineral deposits within the Ratanakiri Project. Evidence of wide-spread alluvial mining activity was observed by IML during field work programs.

4.3 Current Exploration

Several mining and exploration companies are currently operating in Cambodia. This includes Southern Gold Limited, Liberty Mining International a subsidiary of Transol Corporation Limited, Oz Minerals Limited, Elray Resources Inc, Kenertec Co Ltd and other companies such as Southern Mining Company, a local entity.

In March 2010 Oz Minerals Limited announced an initial resource statement for their Ok Vau property that is some 70km due east of Kratie. The deposit area covers 400m x 500m on surface over a complex fault zone with quartz veining that has been drill tested to 400m depth. An Inferred resource of 8.1Mt at 2.3g/t Au at a 0.5g/t cut-off for 605,000oz. IML's Kratie Project lies along strike from Ok Vau and contains similar style mineralisation.

5.0 GEOLOGICAL SETTING

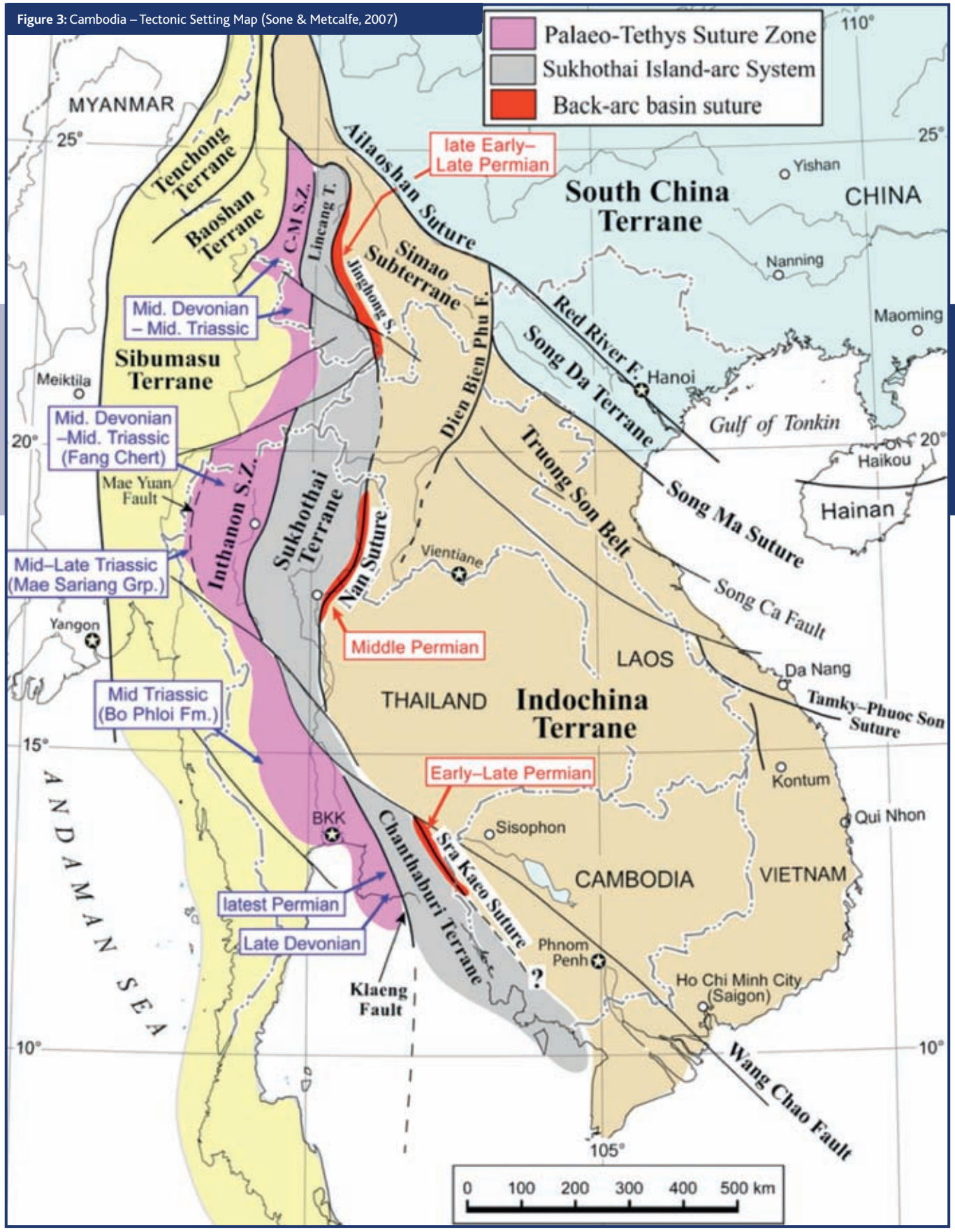
5.1 Geology and Tectonic Setting

Most of Cambodia is part of a stable, continental tectonic plate known as the Kontum Massif that is mostly covered by a sequence of Triassic-Jurassic sandstones and siltstones in the Khorat Basin (Fig 3). These sediments are primarily terrestrial in origin and contain extensive bedded non-fossiliferous sediments. The Permo-Carboniferous Truongson and Loei Fold Belts bound the Kontum Massif to the north and west respectively. These fold belts contain arc type volcano-sedimentary sequences including andesitic volcanics and limestones.

The Kontum Massif and the Khorat Basin sediments have been intruded by a suite of small to medium sized dioritic to granitic plugs. The range of composition suggests a fractionating magma source. Most of the intrusives have large irregular hornfels halos indicating that the roof zones of the plugs are only partially exposed. Several hornfels areas without apparent intrusives indicate the presence of plugs at a shallow depth below the current erosion surface. This is an ideal environment for the development of intrusion related gold deposits.

The Kratie area is a largely sediment covered zone that is underlain by Triassic to Jurassic sediments. These are intruded in the NW by intrusive granitoids of probably cretaceous age seen in outcrop at Phnom Chi and the Kdei area in the north. Much of the bedrock at Kratie is covered with more recent sediments and colluvial sands.

Figure 3: Cambodia – Tectonic Setting Map (Sone & Metcalfe, 2007)



The Ratanakiri area in the north is an older and more deeply eroded zone of typically Permo-Triassic meta-sediments, volcanics and intrusives. This is bounded by younger Jurassic and Tertiary terrestrial and near shore sediments. It forms a high standing mountainous block on the Cambodian – Laos – Vietnam Borders. The northern part of this older block is sutured to the north and south on to a block of Jurassic sediments.

6.0 DEPOSIT AND TARGET STYLES AND MINERALISATION

6.1 Deposit Styles

A review of the geology indicates that the IML project areas could host any of the following mineralisation styles listed in this section.

1. Vein style intrusion related gold in and around the granite suite intrusives – this could occur spatially anywhere in the area.
2. Intrusive related porphyry deposits as seen elsewhere in Cambodia.
3. Higher level replacement style gold in sediments.
4. Skarn deposits – these are typically associated within calcareous rocks near intrusive deposits. They are contact zones with magnetite or base metal mineralisation and could occur in the Ratanakiri Project area.
5. Volcanogenic Massive Sulphides ('VMS') deep sea vent type deposits usually associated with sea floor collision or island arc spreading zones. Cambodia has extensive suturing and movement of micro-tectonic plates. It is possible that these features could be located within the project areas
6. Exhumed lower level epithermal deposits that are more likely to occur in central Ratanakiri.
7. Sedimentary alluvial – colluvial – eluvial – outwash deposits. Much of the gold has been reworked and concentrated in streams and rivers where accumulations may form viable deposits.
8. Carlin sediment and replacement style deposits focussed distal to a volcanic centre that may be possible in the south of Ratanakiri.
9. Massive lateritic enrichment of iron, manganese, alumina or gold that have been recognised in other areas of Cambodia. IML have identified limited occurrences in the project areas and are actively seeking extensions.

The current focus is primarily for styles 1–5. These ore-body models already show some very promising results and are the major priority for current ongoing work.

7.0 EXPLORATION METHODOLOGY

Exploration programs started in early 2008 to investigate the potential of both project areas. The company also became a co-sponsor for the research project "Ore Deposits of South East Asia" being conducted by CODES, ARC centre of ore deposit research at the University of Tasmania.

7.1 Remote Sensing Digital Data

7.1.1 Satellite Imagery

Satellite imagery including IKONOS data with 1.0m resolution and full coverage of ASTER, Landsat ETM7+ and Spot-5 were purchased and interpreted by ENCOM (remote-sensing consultants based in Sydney) to map the geological structures present. Initial targets within the projects were primarily selected from these interpretations.

7.1.2 Airborne Aeromagnetic and Radiometric Data Interpretation

Aerial magnetic and radiometric surveys were completed on both Cambodian projects using a contracted UTS fixed wing aircraft. Detailed images and interpretations were compiled using these data sets (Figs 5 and 6).

The airborne data set in Cambodia comprises 37,000 line kilometres of data flown in June 2008 and provides a data set that helps understand and map geology in the project areas. It provides a focus to exploration as it enables more direct targeting for exploration. Observations on the data show:

- The aeromagnetic data processing augments the understanding of regional structures, faults and geological boundaries;
- It shows a multiple-scale set of lineaments and faults that are currently under investigation;
- Computer modelling of the data has shown some very significant features to support many of the specific types of targets that have been generated.
- Ratanakiri RTP ("Total Magnetic Intensity Reduced to the Pole") is shown in Figure 4. The variety of processing methods produces some valuable and useful images that facilitate interpretation.

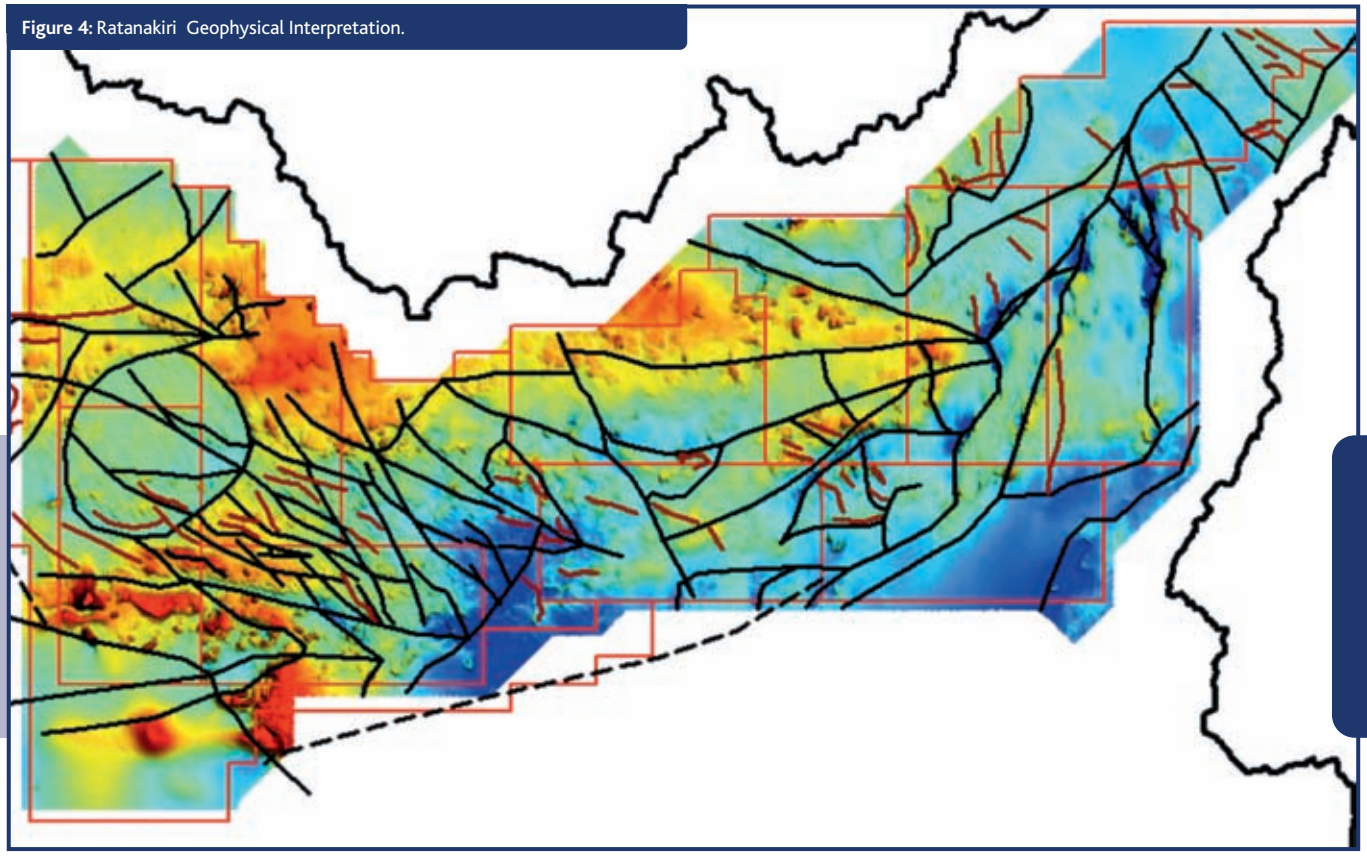
7.1.2.2 RTP method

Due to the dipolar nature of the geomagnetic field, magnetic anomalies located anywhere other than at the magnetic poles are asymmetric even when the magnetic source distribution is symmetrical. This complicates interpretation. Pole reduction (RTP) takes the anomaly, as measured at any latitude, and transforms it into that which would have been measured if the body had been laid at the magnetic pole i.e. the area where the field inclination is vertical and the anomalies from symmetrical bodies are symmetrical.

7.1.2.3 1st and 2nd Vertical Derivatives

Vertical derivatives of aeromagnetic and gravity datasets are routinely used as an aid to the interpretation process because they enhance detail and sharpen geophysical anomalies. Since they are a form of high-pass filter they also have the undesirable property of enhancing noise. Traditionally, the second order vertical derivative of a dataset would be calculated, and if this proved too noisy then the first-order derivative map would be used. Recently, much interest has been shown in the use of derivatives of fractional order to achieve a derivative map that contains the correct balance between the enhancement of signal and noise.

Figure 4: Ratanakiri Geophysical Interpretation.



7.1.2.4 Edge enhancement and specialized Filters

There are various additional filters that try to remove "noise" from the data in order to enhance other features. Edge tracking and edge enhancement filters use parts various filters and some other functions that sharpen the edge of a feature to more accurately better describe its position and shape.

7.2 Geochemistry

The company has conducted extensive geochemical sampling at Kratie and Ratanakiri areas since mid-2008. Some infill sampling based on early anomaly identification has already occurred to narrow down and assist drill target selection.

7.2.1 Stream Sediment Sampling

Regional stream sediment samples were initially collected in easily accessible areas to test the method at Ratanakiri; this program has recently been resuscitated in order to complete full coverage. It was also designed to narrow down the structural targets. A total of 1,036 samples have been collected and analysed at the McPhar Laboratory (Philippines). Elements analysed included Cu, Au, Pb, Zn, As, Mo, Sb and Ag.

7.2.2 Soil Geochemistry

Soil sampling surveys were conducted over structural targets. Orientation surveys collected sampled from A, B and C horizons. After comparison of results it was decided to use the A horizon soils and assay by a partial leach method (MMI) for infill sampling to simplify sample collection.

7.2.3 Rock Chip Sampling

Rock chip samples were collected from outcrop and float where mineralisation or alteration was observed during field traverses. The samples were tested by multi-element analysis.

7.2.4 Test Pits

Test pits are dug with nominal dimensions of 1.7m x 1.5m until they intercept bedrock. Vertical channel soil samples from a 3cm x 3cm groove are collected from every 1m. At the base of the pit a horizontal channel sample is also collected. Samples have been submitted to McPhar Laboratories in the Philippines for multi-element analysis.

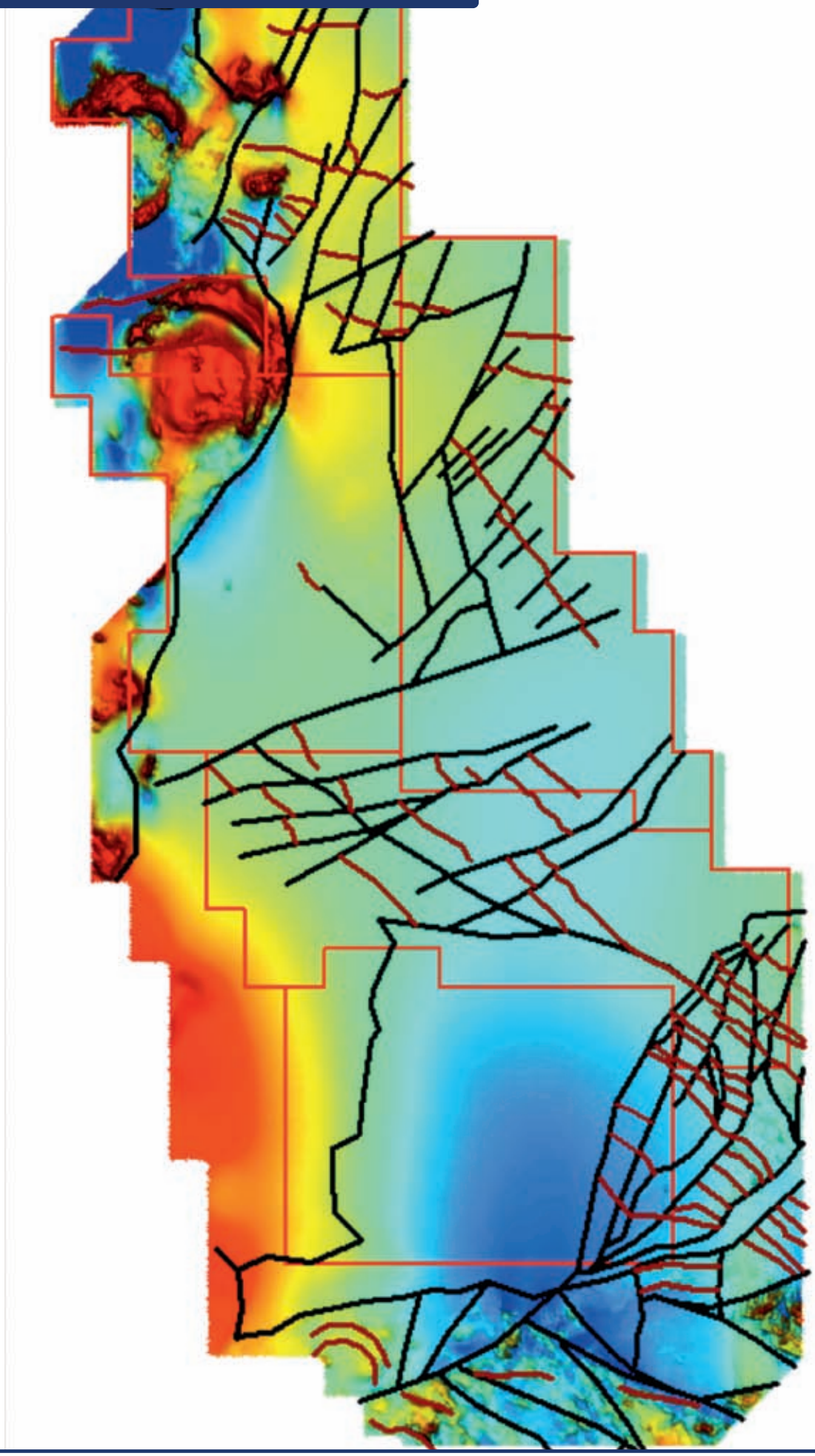
Several geochemical methods were employed to test the various licence areas. These include stream sediment, rock chip, auger-soil, MMI-soil and test pit sampling with follow up drilling where appropriate.

7.3 Related Studies – CODES

IML is a joint industry partner with Barrick Australia, Kingsgate Consolidated, Newmont, Pan Australian OZ Minerals, MMG, Monument Mining and Southern Gold for the "CODES" program "Ore Deposits of SE Asia". Summary findings to date include:

- The geology of Cambodia shows many similarities to the important Loei and Sukothai Fold Belts of Thailand;
- The preliminary CODES' Report forms a basis for further targeting of mineral resources in Cambodia;
- Although the 'Russian Geological Map' is shown to have some inaccuracies it can be widely used for ground selection for exploration targets.

Figure 5: Kratie Geophysical Interpretation



7.4 Drilling

The first limited three week diamond drilling program commenced on 6th December 2008 at the Bor Kham Iron Prospect in Ratanakiri. The purpose of the program was to determine the actual thickness and possible continuity of the lateritic horizon. Eight holes were drilled in the area for a total of 160m with full details presented below.

The second program involving two man-portable rigs commenced on 27th December 2009 at the small scale workings of Steung Nambrai and in the O'Chos area. In total 16 holes for 1,627.6m were drilled with full details presented below.

7.5 Sample Preparation, Analysis and Security

The company follows a standard operating procedure for sample handling to ensure the security and integrity of the samples from collection to storage in the library.

7.5.1 Soil and Stream Sediment Samples

A spreadsheet of soil sample details is prepared by the geologist as soon as the samples arrive from the field showing the sample id, northing, easting, elevation, soil type, soil colour, soil horizon, sampling type, rock type observed, alteration, vegetation, remarks, and date sample was taken.

For stream sediment samples a spreadsheet of details is prepared by the geologist as soon as the samples arrive from the field showing the sample id, northing, easting, elevation, observed rock, remarks, creek, date, contamination if any, stream order, vegetation, sediment colour, weathering, precipitates, stream flow, floats.

7.5.2 Samples Storage

Upon arrival from the field samples are stored separately by category. The store room supervisor arranges and organises the storeroom so it is clear where each group of samples is stored. He is also responsible for the security of the store room that is always locked and access restricted only to authorized personnel.

7.6 Data Verification

IML follows a series of standard protocols to ensure reproducibility and validity of data. It also has a series of security and sample handling protocols to ensure chain of custody of samples is maintained. They also review results from any testing and do not rely on just one set or group of data to reach a conclusion. The company looks for consistency across the chemical, geological and geophysical data when drawing conclusions.

7.7 Quality Control/Quality Assurance (QA/QC)

The Company has implemented QA/QC procedures in line with accepted international practices. Regarding samples sent for assay, whether they are from soil samples or rock chip or drill core samples, the Company inserts standards, duplicates and blanks into the sample stream in an appropriate ratio to help verify and validate the assay laboratory's results. In addition to this, the assay laboratory itself includes its own QA/QC procedures which in turn, includes standards and duplicate samples (repeats) and having samples sent to separate independent laboratories for 'Umpire Assays'.

8.0 RESULTS FOR KRATIE

Integration of all available imagery and aeromagnetic interpretations was used in target generation. The MMI sampling methodology was selected as the most appropriate to conduct orientation surveys over target areas with initial lines being from 500m to 2km apart dependent on the aerial extent of the target. Infill sampling was then conducted over anomalous zones to aid drill target selection. In some areas check auger sampling was undertaken but did not produce any different anomaly definition. Drilling commenced at Steung Nambrai and Elephant in late December 2009.

The Spot 5 Landsat imagery shows a series of north-eastern trending structures near the Phnom Chi intrusive centres which is better defined on the RTP magnetic image of the area (Figure 5). The entire project area is interpreted to have highly prospective shear zones and there is strong evidence of high level intrusive activity together with collapse structures. These provide an ideal environment for the development of porphyry and epithermal/mesothermal styles of mineralisation.

Satellite imagery interpretation also indicates two possible intrusive centres within a complex circular feature that appear to coincide with mapped intrusives (Fig 5). Structural lineaments are generally trending northeast and north-south and appear to have offset the arcuate features. One known gold prospect lies just to the west of the licence area and amethyst has been mined from within the licence at Rhom Jepong that is near the eastern margin of the Phnom Chi granitic intrusive.

In total 12 main targets were short listed for immediate investigation, some have been subdivided and many are discussed below in order of priority. Reconnaissance geological mapping was carried out within and outside the licence area; rock types encountered include granitoids, diorite, andesite, basalt, siltstone, sandstone, conglomerate and volcaniclastics. Subsequent sample methodology included stream sediment, rock chip, auger-soil, MMI-soil, test pit and drillcore sampling (Table 4). In all 20,951 samples have been analysed in Kratie to date.

Table 4: Summary of Kratie Sample Statistics

Licence	MMI	Rockchip	Auger Soil	Drillhole (Total No)	Drillhole (Total m)	Drillhole Samples
1081 Phnom Bros	3,908					
1085 O'Chos	7,533	72	1,959	16	1,627	1,479
1217 Preak Prasab	3,113	13				
MOU Sambour	0					
MOU Santuk	1,231					
TOTAL	**15,785**	**85**	**1,959**	**16**	**1,627**	**1,479**

8.1 Greater Kdei Area

Initial work post target selection involved wide spaced line orientation MMI sampling that included the Kratie North, Greater Kdei area along with East and southeast Phnom Chi and Kratie South (Fig 6).

8.1.1 Steung Nambrai Prospect

During the orientation and subsequent infill phase of MMI sampling in this NW portion of the licence a significant line of small scale mine workings were located (Plate 1 above). The area is structurally complex with two sets of faults, NE–SW and NW–SE dominating.

When grab samples from the surface dumps returned high gold values up to 116g/t a surface and underground mapping exercise was initiated. All shaft collars were located using a digital GPS system and two areas were mapped and channel sampled underground. Two channel samples of average width of 27cm produced a mean value of 36.8g/t Au.

The main extent of artisanal shafts covers over 300m of strike length centred on 564692E, 1440464N. Little production appears to have occurred within the first 30m to the west or in the eastern 80m. The central main zone has been broken up by NW trending faults into shorter strike zones of perhaps 20–50m in length – the Ikonos (satellite) imagery indicates seven of these NW faults transecting this zone. Other interpreted faults trend NE and there are at least six of them. Soil geochemical (MMI) anomalies indicate a strike length of some 550m.

Two samples of typical underground material were collected during a site visit to the area in August, 2009. One sample, SN001 is of typical host wall rock material and SN002 is a piece of selected ore-grade material from near the centre of the shafts area. Both samples have been reported on by Roger Townend and Associates ("Townend") who provide mineralogical and petrological services. Assays of portions of the inspected samples were conducted by SGS Laboratories in Perth.

In the central zone many 100kg bags of ore are stored awaiting transport to Snonong for mill treatment. Many of the miners state these bags grade 7–8 'tailing' which is equivalent to 50–60g/t Au (Plate 1).

The views below and on page 46 (Plates 2 & 3) show the nature of the stopes developed by the local miners. The possible high grade sulphide material is derived from within a shear zone-hosted vein deposit that dips at 300 south. It is interpreted that the structural control is by Riedel shears with higher-grade vein material developed in the R prime (R') direction; these situations/sites are often termed 'jogs'. The main shear is developed across the bedding of the host rocks. The Ikonos image of the area shows several interpreted faults in both NW and NE directions and these play a part in control of the mineralisation trend.

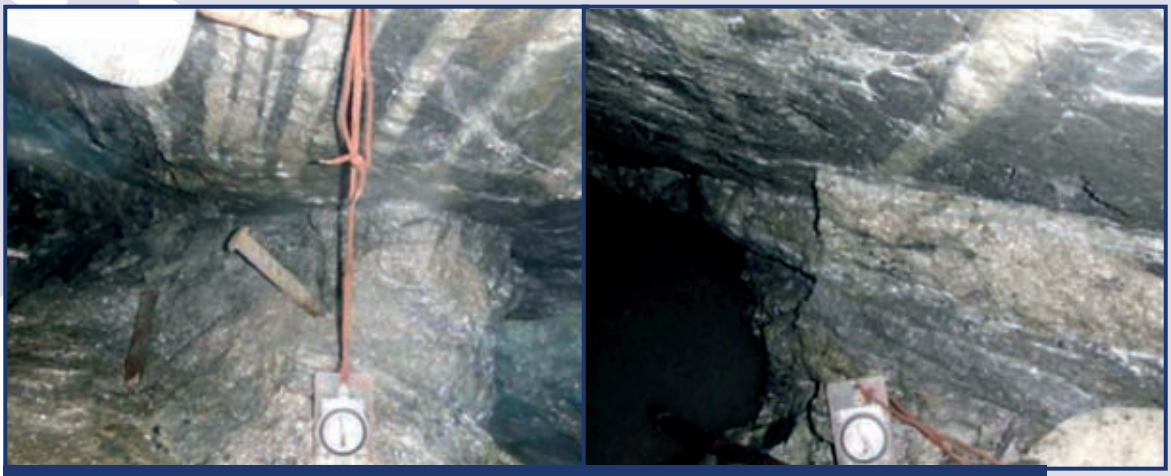
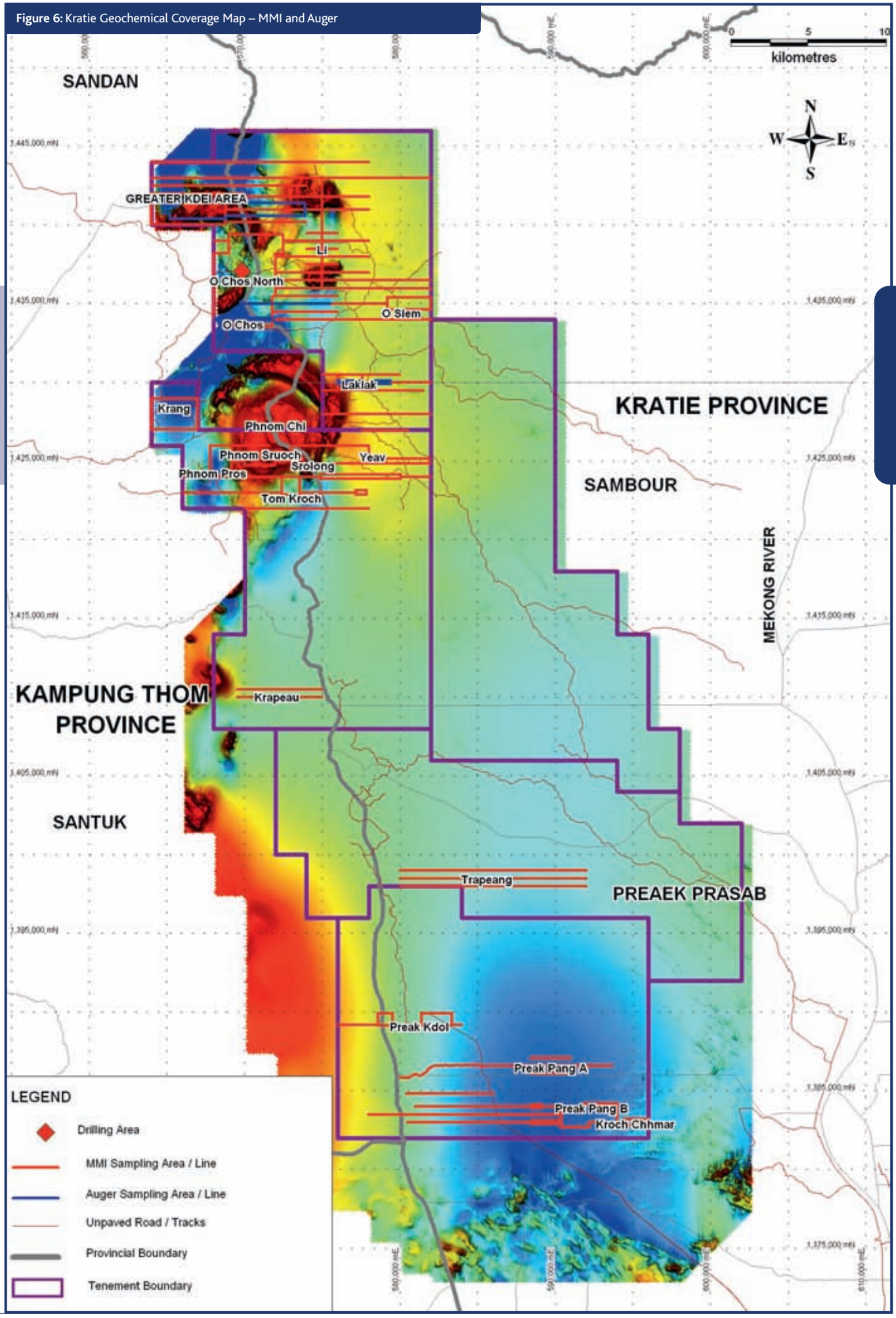


Plate 2: Potentially high grade mineralisation from 0.5m wide 30° dipping vein

Figure 6: Kratie Geochemical Coverage Map – MMI and Auger



8.1.2 Petrological Report Summary with Assay

8.1.2.1 Wall Rock

Townend reported (Quote) "...These centimetre width alternate bands are very fine-grained in thin section, making optical identification difficult. Accordingly, a portion of each band was separated and examined by XRD.

As seen in plate 4 the dark colour of band A is due to the content of fine biotite which is lacking in band B together with 5% mineralisation that includes sulphides. These are absent in band B which is dominated by the pale coloured pyroxene.

The two lithologies therefore appear to represent an alternation of basic igneous composition and one that is quite acidic, if not sediment.

Essentially the material is thought to be of volcaniclastic origin containing components of both aerial and terrestrial material probably deposited into shallow water in an island arc setting...".

8.1.2.2 Ore Material

Townend classified the specimen as "an auriferous gold base metal sulphide rich quartz vein in contact with a lithic breccia". Significant elements detected by assay are reported in the Table below.

Townend commented that determining the conditions of formation is equivocal with this simple ubiquitous assemblage. It has characteristics of both low sulphur (common tellurides), and high sulphur (electrum, vuggy quartz) epithermal styles and the geochemistry is also ambiguous (Plate 5).

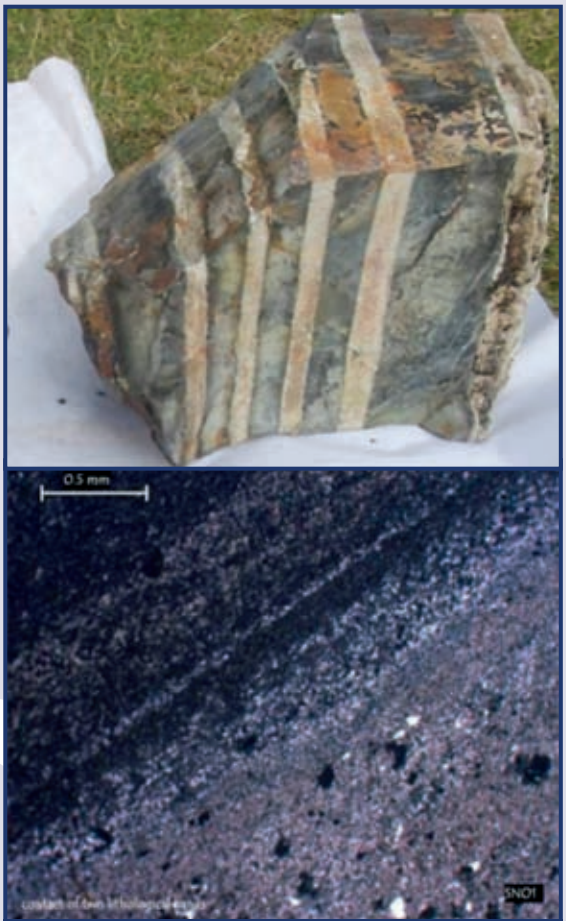


Plate 3: Wall rock and photomicrograph of band contact

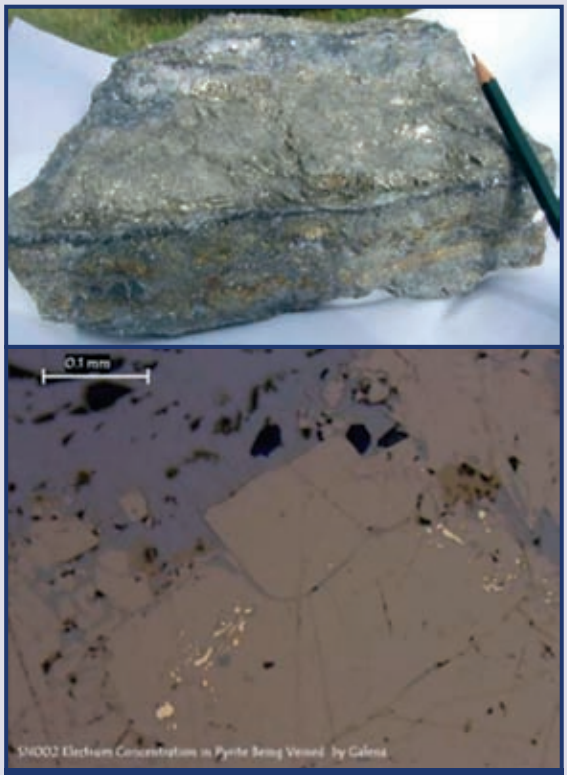
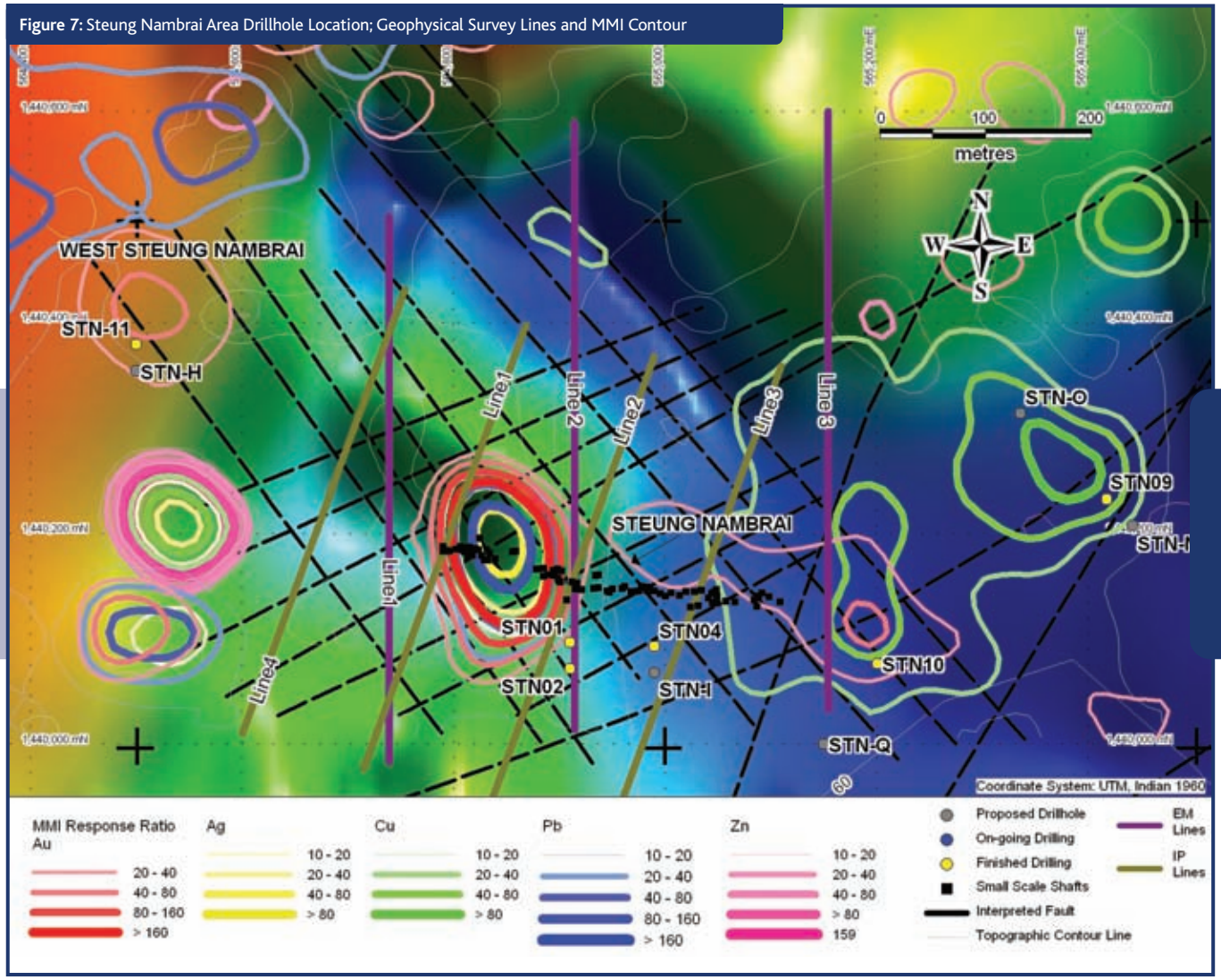


Plate 4: Quartz Sulphide Vein and Electrum in Pyrite

Table 5: Steung Nambrai high Grade Ore Sample Significant Assay Results

ID	Au	Ag	Cu	Pb	Zn	Fe	S	As	Bi	Te	Sb	Cd	Mo
Unit	ppm	ppm	%	%	%	%	%	ppm	ppm	ppm	ppm	ppm	ppm
SN002	105.5	380	4.30	10.40	5.83	25.00	30.70	1340	309	67.6	921	283	1.6

Figure 7: Steung Nambrai Area Drillhole Location; Geophysical Survey Lines and MMI Contour



8.1.3 Geochemistry

The 550m long soil geochemical (MMI) anomaly shown in the contoured map indicates a possible faulted off extension to the line of workings displaced to the NW (Figs 7 and 8). The eastern strike extension continues for some 170m east of the last shaft.

Drillhole targets were selected to test the vein in depth. The remaining copper, zinc and lead anomalies in the area will be investigated during the Year 1 program of work.

During the December 2009 drilling campaign three holes were completed to test the vein structure that is hosted in volcaniclastic siltstones and sandstones in depth (Fig 7). All holes intersected vein material with collar details listed in Table 7 and intersection details presented in Table 8. A cross sectional interpretation showing no structural complexity is presented for STN1 and 2 (Fig 9 & Plate 5) while the cross section for STN04 shows some evidence for undetected faults since the vein intersection occurs at a higher elevation than the projection of the underground vein (Fig 10).

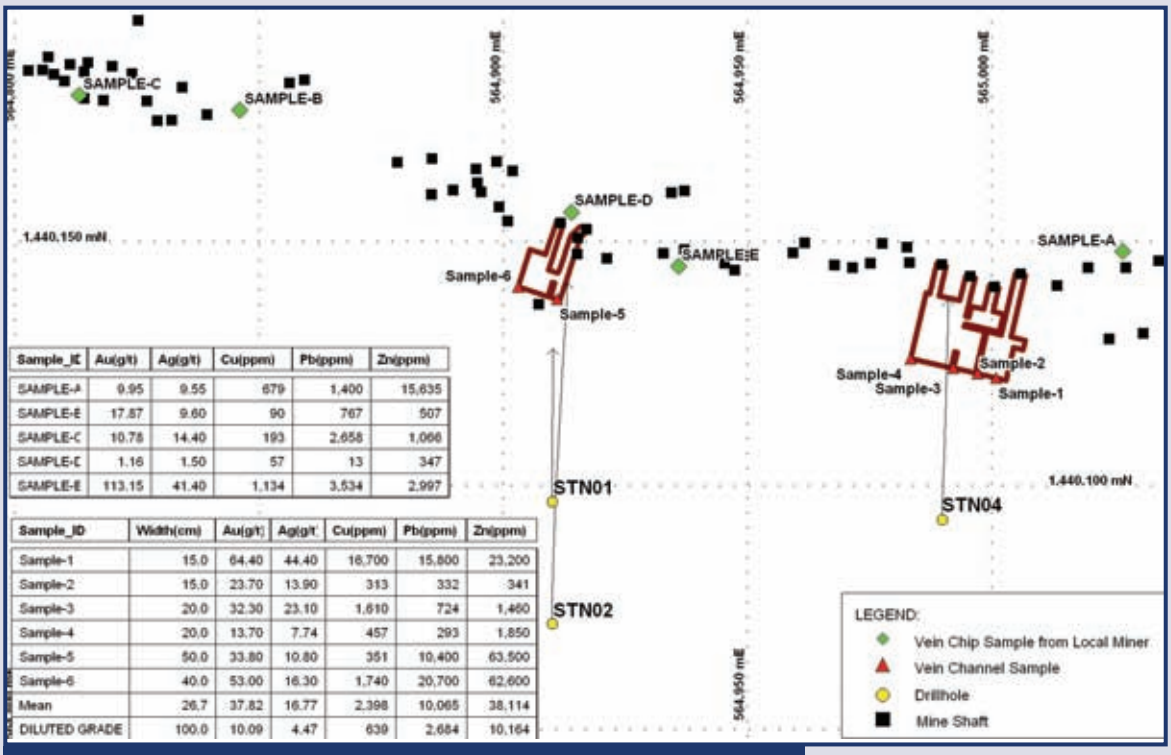
Table 6: Steung Nambrai Prospect Drillhole Collar Details

Hole	East	North	Depth	Azimuth	Dip
STN01	564910	1440106	49.00	000	-50˚
STN02	564910	1440081	109.00	000	-50˚
STN04	564990	1440093	71.20	000	-50˚

Table 7: Key Drillhole Intersections at Steung Nambrai Workings

Hole	From	To	Width	Au	Ag	Cu	Pb	Zn	Bi	As	Fe	S
	m	m	m	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%
STN01	37.7	38.3	0.6*	14.4	6.7	316	47	179	15.0	1214	17.10	15.66
and	40.4	40.7	0.3	4.4	6.0	40	431	510	2.0	582	1.57	1.13
STN02	52.2	53.4	1.2*	7.8	11.6	362	2318	3044	9.25	519	6.70	5.24
STN04	16.1	16.4	0.3	2.4	5.2	249	3	108	<2	32	4.65	na
and	35.0	35.8	0.8*	7.4	10.2	658	87	179	4.0	228	5.76	na

* Main zone



Sample_ID	Au(g/t)	Ag(g/t)	Cu(ppm)	Pb(ppm)	Zn(ppm)
SAMPLE-A	0.95	9.55	679	1,400	15,635
SAMPLE-E	17.87	9.60	90	767	507
SAMPLE-C	10.78	14.40	193	2,658	1,066
SAMPLE-D	1.16	1.50	57	13	347
SAMPLE-B	113.15	41.40	1,134	3,534	2,997

Sample_ID	Width(cm)	Au(g/t)	Ag(g/t)	Cu(ppm)	Pb(ppm)	Zn(ppm)
Sample-1	15.0	64.40	44.40	16,700	15,800	23,200
Sample-2	15.0	23.70	13.90	313	332	341
Sample-3	20.0	32.30	23.10	1,610	724	1,460
Sample-4	20.0	13.70	7.74	457	293	1,850
Sample-5	50.0	33.80	10.80	351	10,400	63,500
Sample-6	40.0	53.00	16.30	1,740	20,700	62,600
Mean	26.7	37.82	16.77	2,398	10,065	38,114
DILUTED GRADE	100.0	10.09	4.47	639	2,684	10,164

Figure 8: Steung Nambrai Small Scale Workings Central Area Map

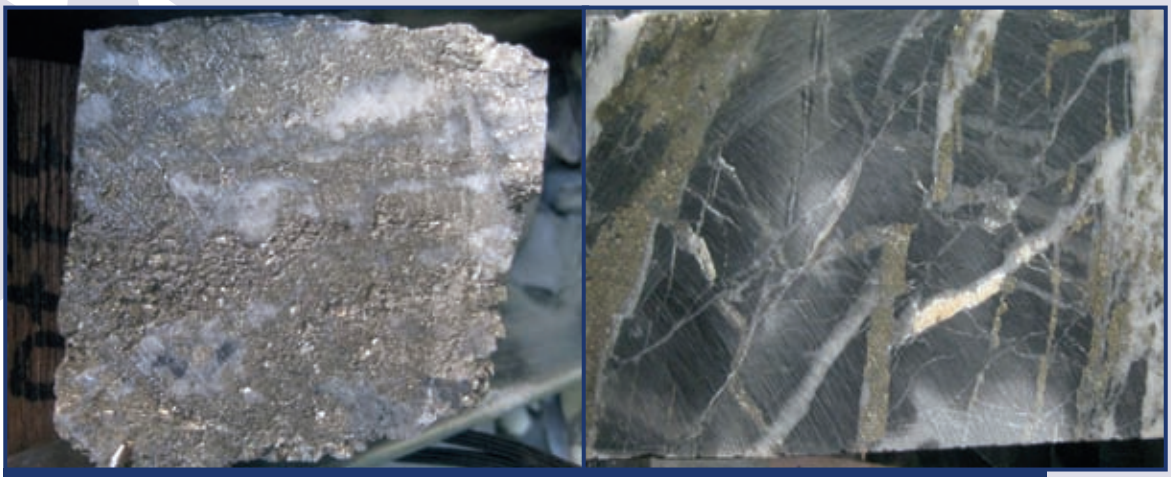


Plate 5: 64mm Core (L) Quartz sulphide from STN01 at 37.7m and STN02 brecciated and faulted material from 52.2m

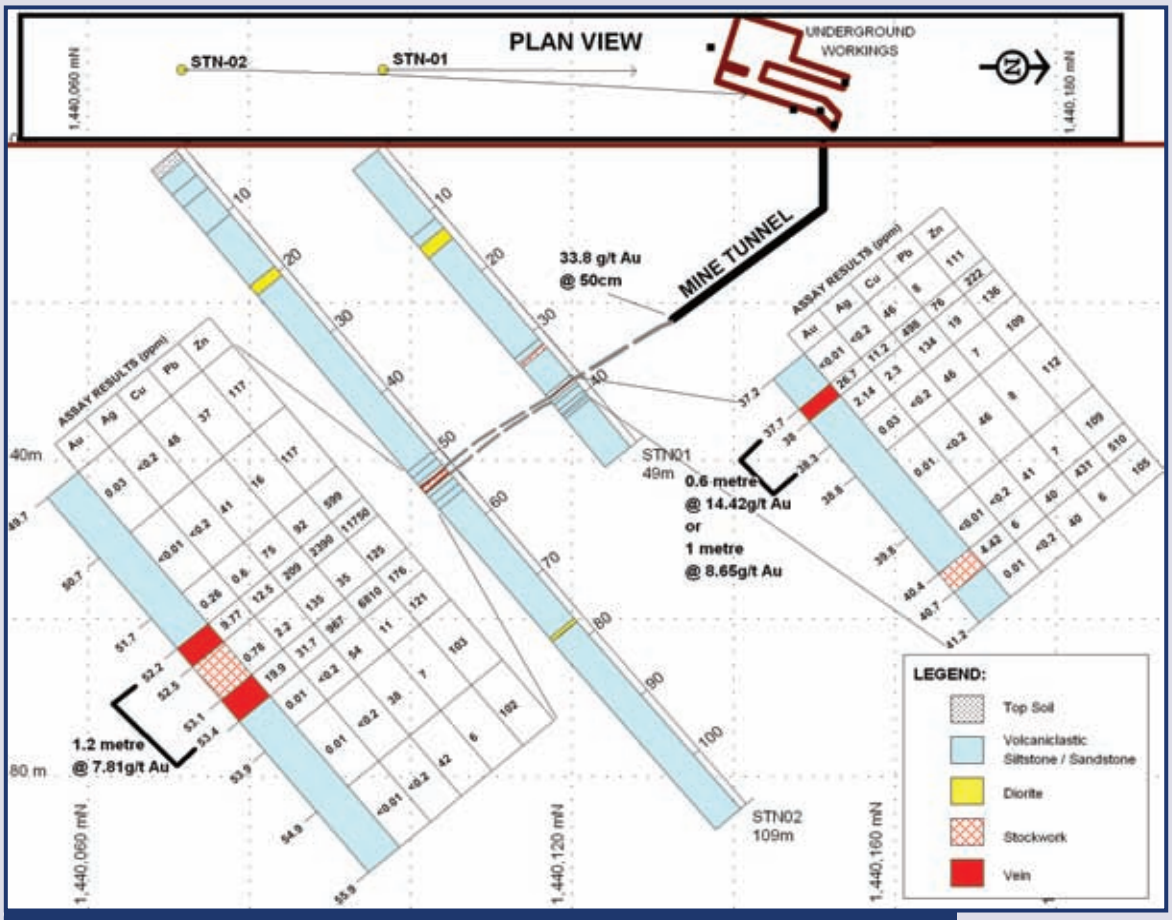


Figure 9: Cross Section 564910E through STN01 and STN02 at Steung Nambrai Small Scale **Workings.**

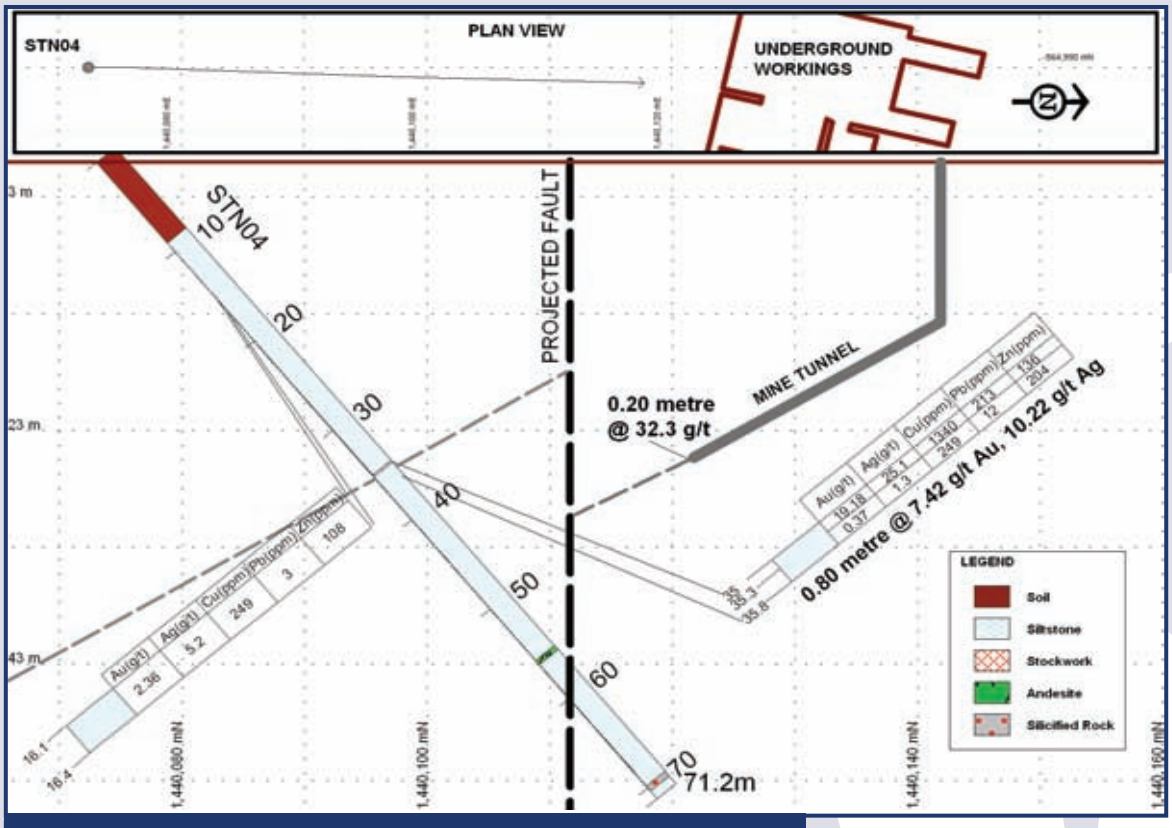


Figure 10: Cross Section 564990E through STN04 at Steung Nambrai.

8.1.4 Copper Anomaly

To the east of the Steung Nambrai line of workings two 'bulls-eye' style copper anomalies were identified. The trend of these anomalies coincides with a strong NE trending fault that is prominent in the Ikonos imagery. This trend continues to the SW where it coincides with an EM anomaly at the end of Line 3 from the geophysical survey. STN09 was drilled to test the strongest copper anomaly while STN10 was drilled to test the second strongest anomaly close to the EM anomaly position (Fig 7).

Both holes stockwork style mineralisation and its values are typical of results from many mineralised copper/gold porphyry systems and bode well for infill drill programs.

STN09 intersected three mineralised zones (Tables 8 & 9) with the best being 10.9m with 0.37g/t Au and 0.23% Cu from 21.5m (Fig 11). These zones require further drillhole investigation. Hole STN10, which intersected very weak stinger zones, was collared too far to the NW to intersect the main potential corridor of mineralisation. Additional drill-holes have been planned in this area to further elucidate this copper/gold mineralisation area.

Table 8: Steung Nambrai Possible Northwest Extension

Hole	East	North	Depth	Azimuth	Dip
STN09	565418	1440232	98.9	315	-50
STN10	565201	1440076	67.8	315	-50
Total			**166.7**		

Table 9: Drillhole Intersections at Steung Nambrai Possible NW Extension

Hole	From m	To m	Width m	Au g/t	Ag g/t	Cu %	Bi ppm	Mo ppm
STN09	21.5	32.4	10.9	0.37	5.0	0.23	31.3	6.9
incl	21.5	22.1	0.6	0.28	4.5	0.20	3.0	2.0
and	27.4	31.4	4.0	0.61	10.4	0.44	82.6	13.2
STN09	55.1	58.6	3.5	0.74	2.0	0.40	138.0	16.7
STN10	62.0	63.0	1.0	0.27	<0.2	0.0145	65.0	2.0

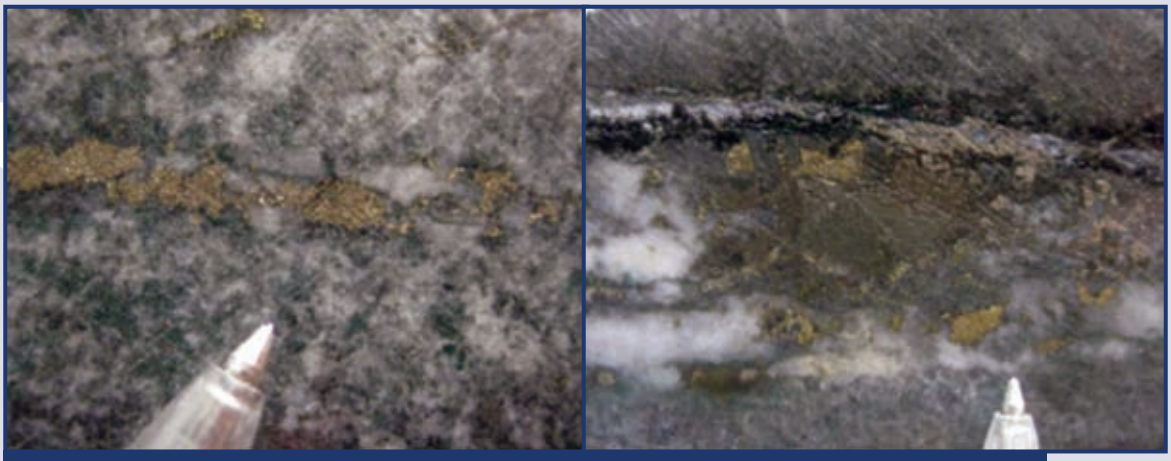
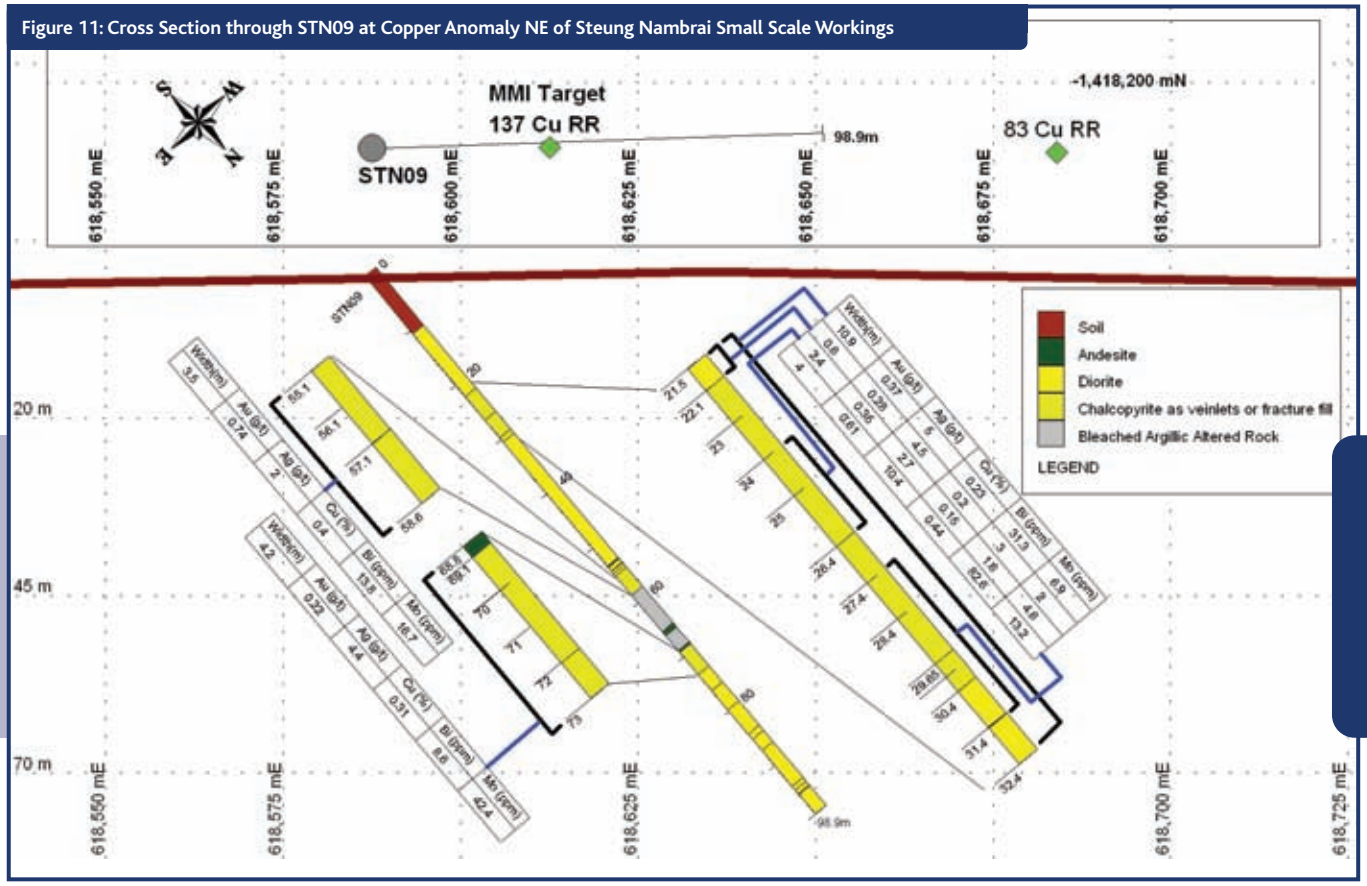


Plate 6: Mineralisation at 26.2m (L) and 30.3m (R) in STN09 at Copper Anomaly NE of Steung Nambrai Small Scale Workings

Figure 11: Cross Section through STN09 at Copper Anomaly NE of Steung Nambrai Small Scale Workings



8.2 Elephant Prospect

The Elephant anomaly is very well defined with dimensions of 1.3km NE to SW from the main Elephant area to the Elephant Northeast zone and up to 600m NW to SE (Figs 6 and 12). There are four distinct highly anomalous zones that have been targeted for drilling; three in the main area and the forth designated as Elephant Northeast. Float rock chip samples of silicified volcaniclastics have returned assays up to 20.0g/t Au.

Drilling of these targets commenced in January 2010 with four holes for 438m completed at Elephant NE and four holes for 495m in the main area (Tables 10 to 13). Stratigraphic units intersected include volcaniclastic siltstones and sandstones that in places have undergone brecciation accompanied by strong silicification that has been micro-fractured and mineralised by fine grained sulphides.

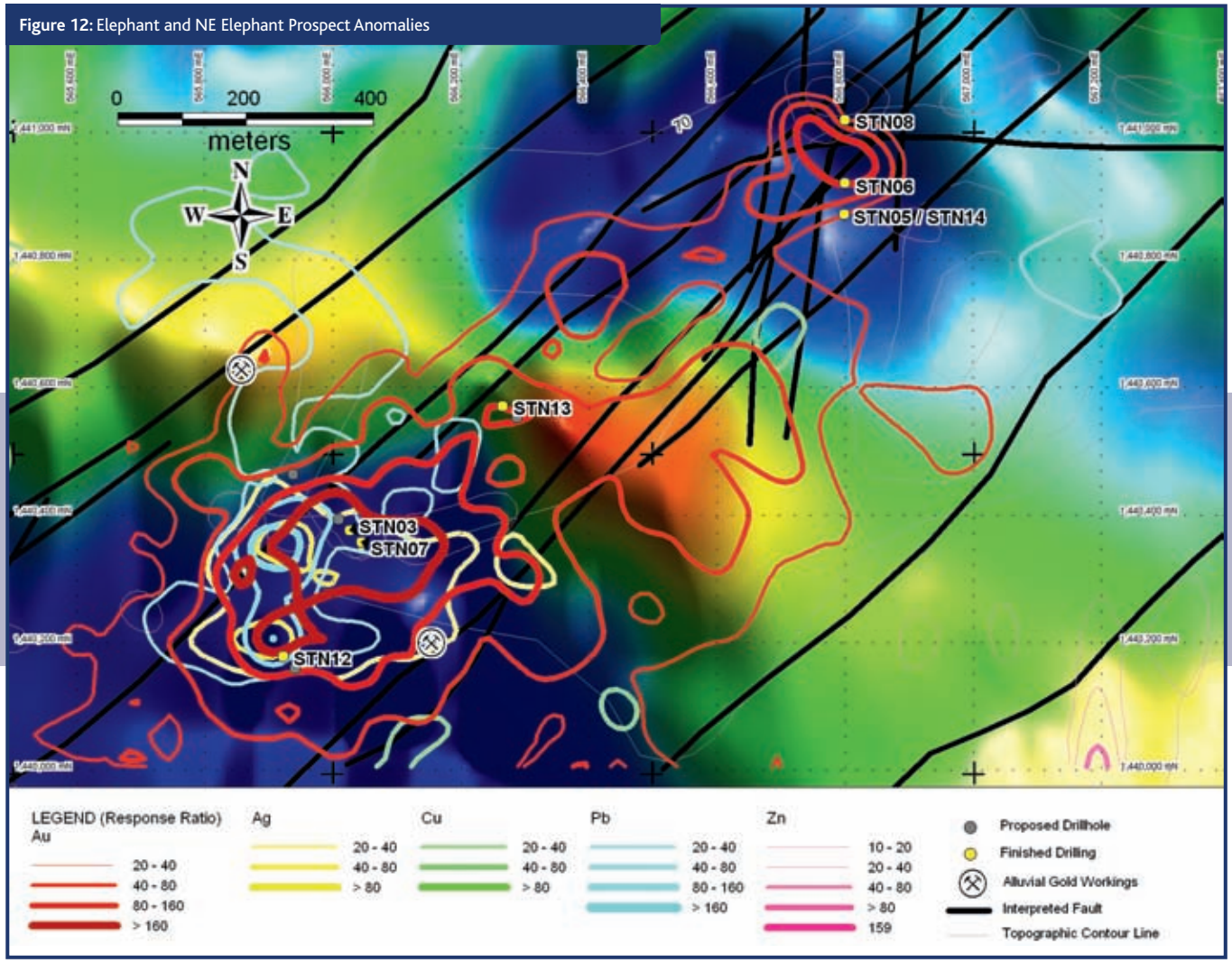
Table 10: Elephant Prospect Drillhole Collar Details

Hole	East	North	Depth	Azimuth	Dip
STN03	566026	1440376	110.0	315	-50
STN07	566044	1440358	148.0	315	-50
STN12	565922	1440178	115.7	315	-50
STN13	566265	1440571	121.7	315	-50
Total			**495.4**		

Table 11: Key Drillhole Intersections at the Elephant Prospect

Hole	From m	To m	Width m	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm
STN03	61.85	71.5	9.65	0.76	5.04	53	498	1,560	25.2
Incl	61.85	62.2	0.35	9.7	112	391	12750	40,000	77.0
STN07	21.6	23.4	1.8	0.9	0.6	10	19	100	3.0
And	109.65	111.0	1.35	2.6	22.4	143	2927	2,082	38.9
STN12	81.8	84.8	3.0	0.8	4.7	17	13	185	3.0
STN13	17.9	18.9	1.0	2.3	1.1	10	37	45	177.0

Figure 12: Elephant and NE Elephant Prospect Anomalies



The main intersection of note is a sub-vertical zone of coherent values of elevated base metals. Narrow high grade vein intersections can be correlated between STN03 and STN07 that occur almost vertically below the peak of the gold anomaly with a response ratio ("RR") of 361 (Plate 8 and Fig 13). Gold values of 1.7g/t Au over 2.15m from 61.8m, 0.7g/t Au over 4.5m from 67.0m and also 0.6g/t Au over 4.0m from 80.0 in STN03 while STN07 intersected 0.6g/t Au over 1.6m from 102.2m and 2.6g/t Au over 1.3m from 109.6m in brecciated vein material that is better developed at depth.

Both STN12 (Fig 14) and STN13 (Fig 15) achieved encouragingintersections and both profiles require additional drillholes to fully understand the structure of the mineralised intersections.

Plate 7: Breccia and Sulphide Mineralisation at 110.0m in STN07 at Elephant Prospect

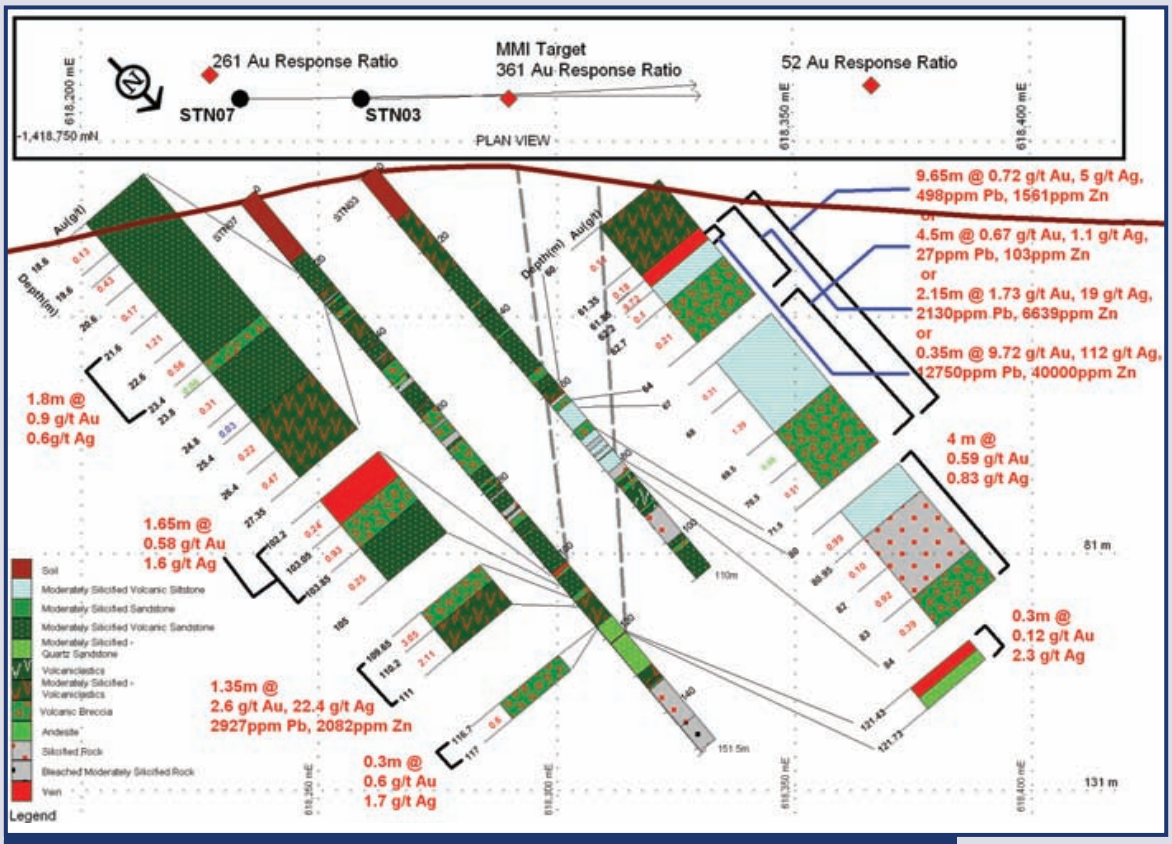


Figure 13: Elephant Prospect Section through STN03 and 07

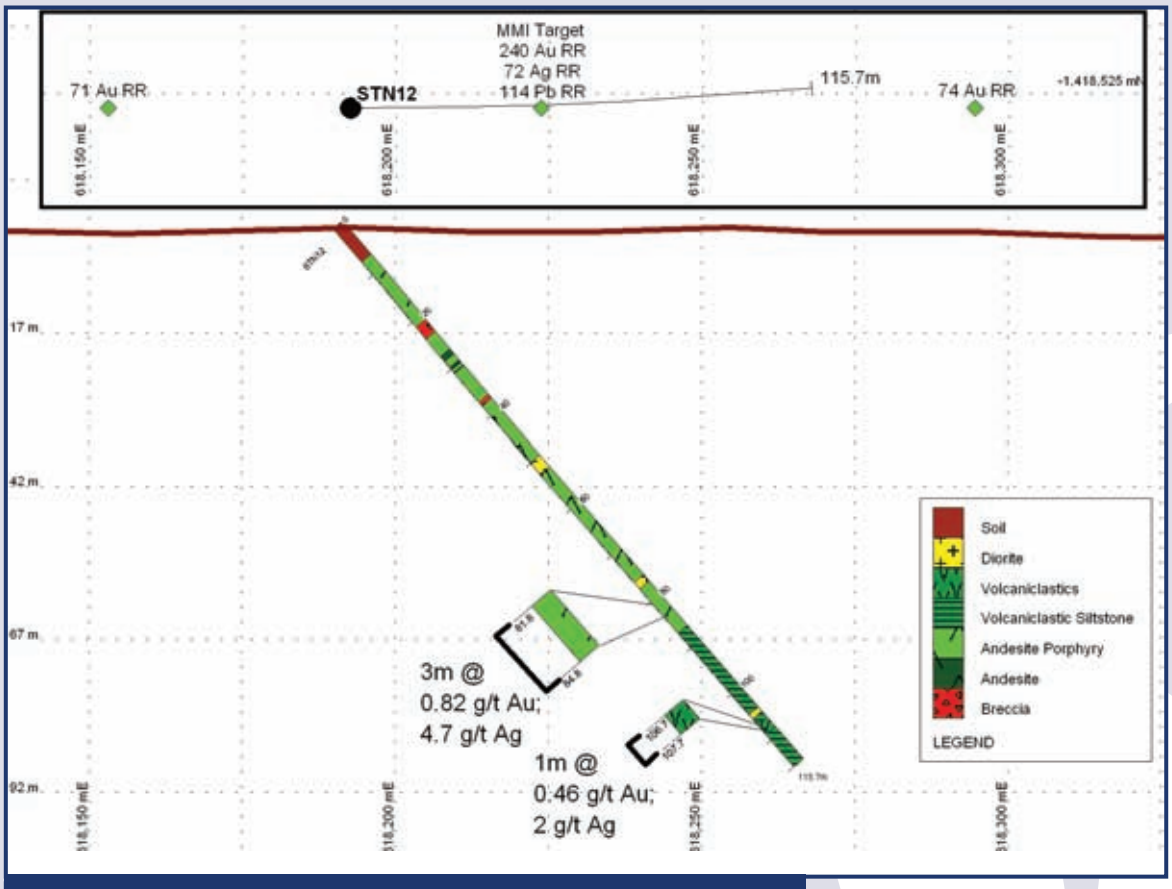


Figure 14: Section Through STN12 – Elephant Prospect

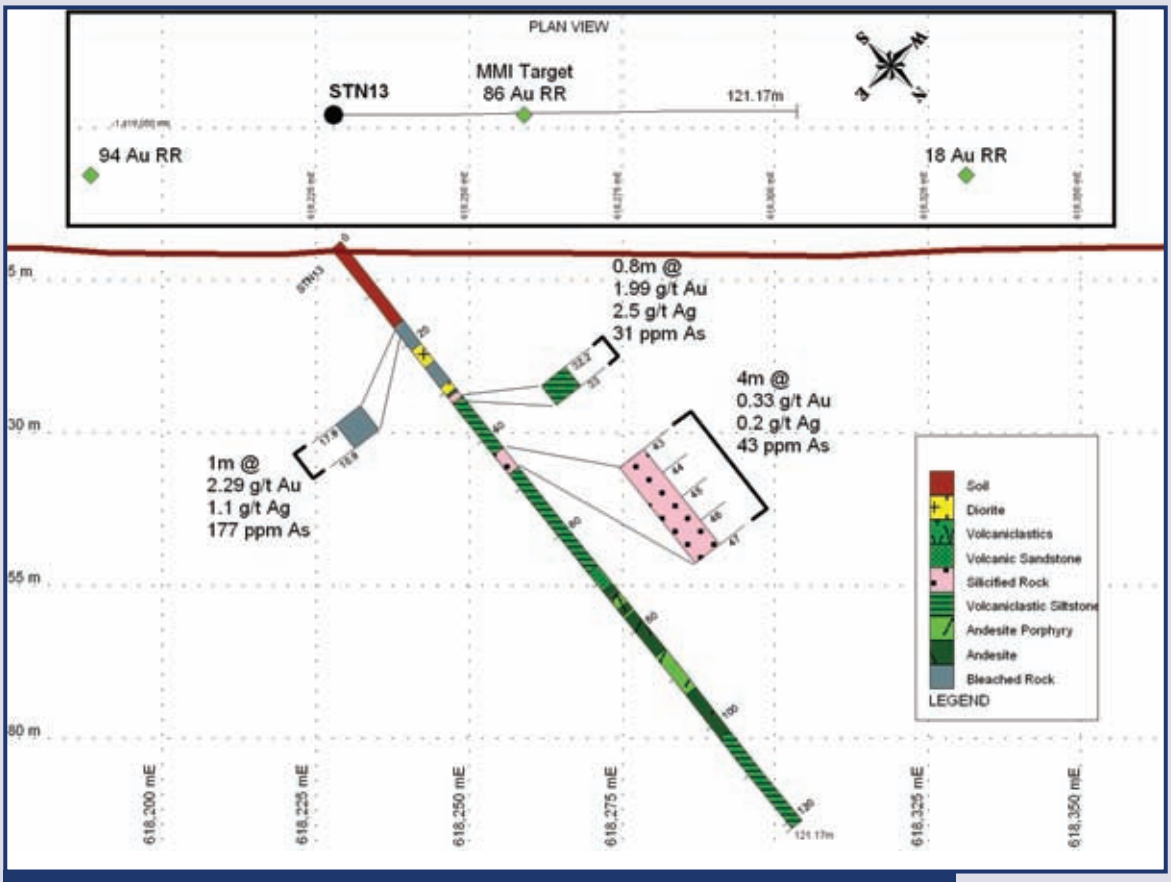


Figure 15: Section Through STN13 - Elephant Prospect

8.2.1 Elephant Northeast Prospect

The Elephant Northeast prospect is on the NW flank of a small hill where surface float samples assayed up to 20.6g/t Au within an anomaly that measures some 133 x 75m in a NW-SE direction (Fig 12). STN05 was collared to the SW of an apparent fault and failed to intersect mineralisation. STN06 was collared closer to the peak RR position and intersected mineralisation as pyrite on fractures in an hydro-brecciated and silicified volcaniclastic tuff. The main intersection in STN06 contains 1.1g/t Au over 9.5m from 41.6m that includes 2.0g/t Au over 3.7m from 41.6m.

STN08 was drilled as a 'scissor hole' to check the northern contact zone of the anomaly where no significant mineralisation was encountered while STN14 was drilled to check the mineralisation below STN06 in depth and intersected 0.61g/t Au over 3.0m from 65.7m (Tables 12 & 13, Fig 16).

Table 12: Elephant Prospect Drillhole Collar Details

Hole	East	North	Depth	Azimuth	Dip
STN05	566799	1440872	87.6	315	-50
STN06	566800	1440920	100.6	000	-50
STN08	566800	1441020	111.2	180	-50
STN14	566800	144872	139.0	000	-50
Total			**438.4**		

Table 13: Drillhole Intersections at the Elephant Northeast Prospect.

Hole	From m	To m	Width m	Au g/t	Ag g/t	As ppm	Sb ppm
STN06	41.6	51.1	9.5	1.1	0.3	39.8	8.5
inc	41.6	45.3	3.7	2.0	0.2	43.6	4.6
STN14	65.7	68.7	3.0	0.61	0.67	80	23
and	82.7	83.7	1.0	0.97	0.1	13	2

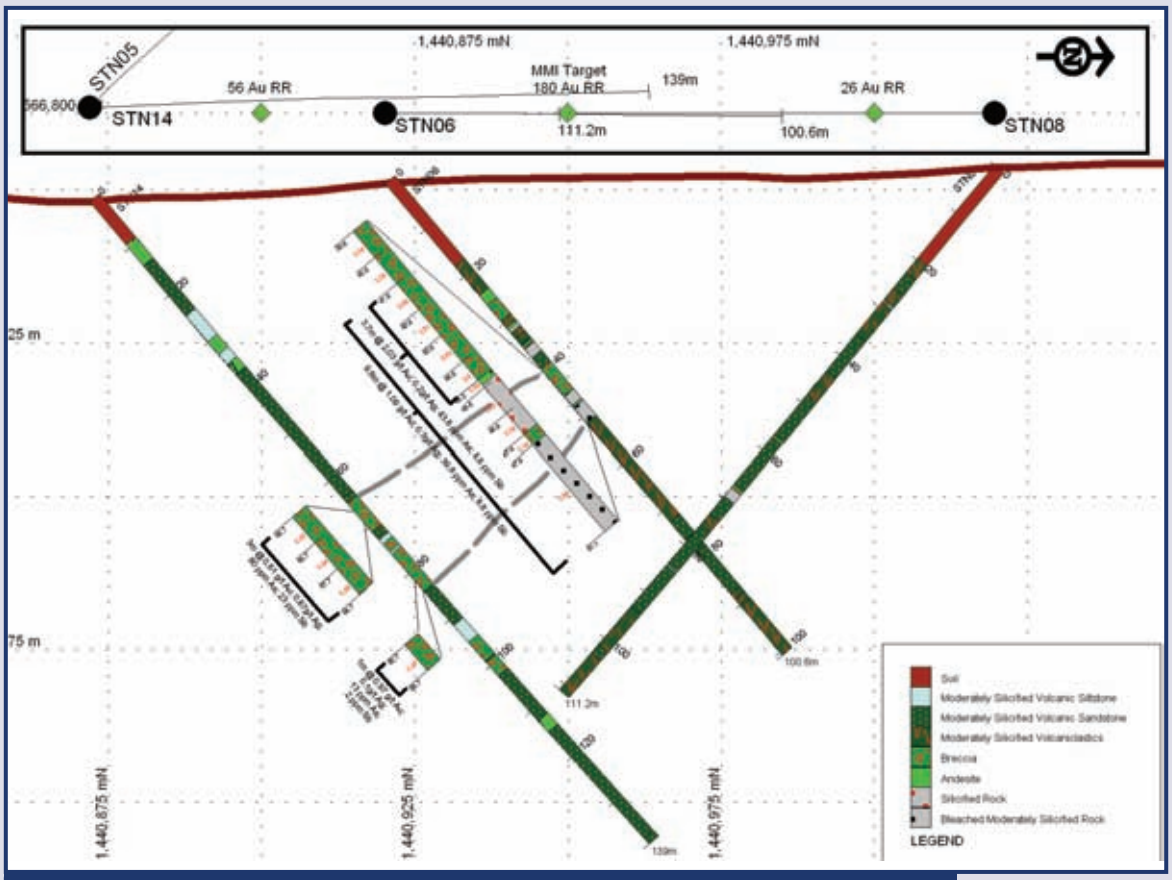


Figure 16: Cross section Through STN06, 08 & 14.

8.3 Kdei and Kdei Central Prospects

The Kdei area is characterised by flat terrane where the only outcrop encountered was lithic trachytic tuff. Two geochemical anomalies have been outlined, the western one having dimensions 200x50m in an east–west orientation and with a peak RR of 124. The eastern anomaly has dimensions 100x50zm in north-south orientation with a peak gold RR of 77.

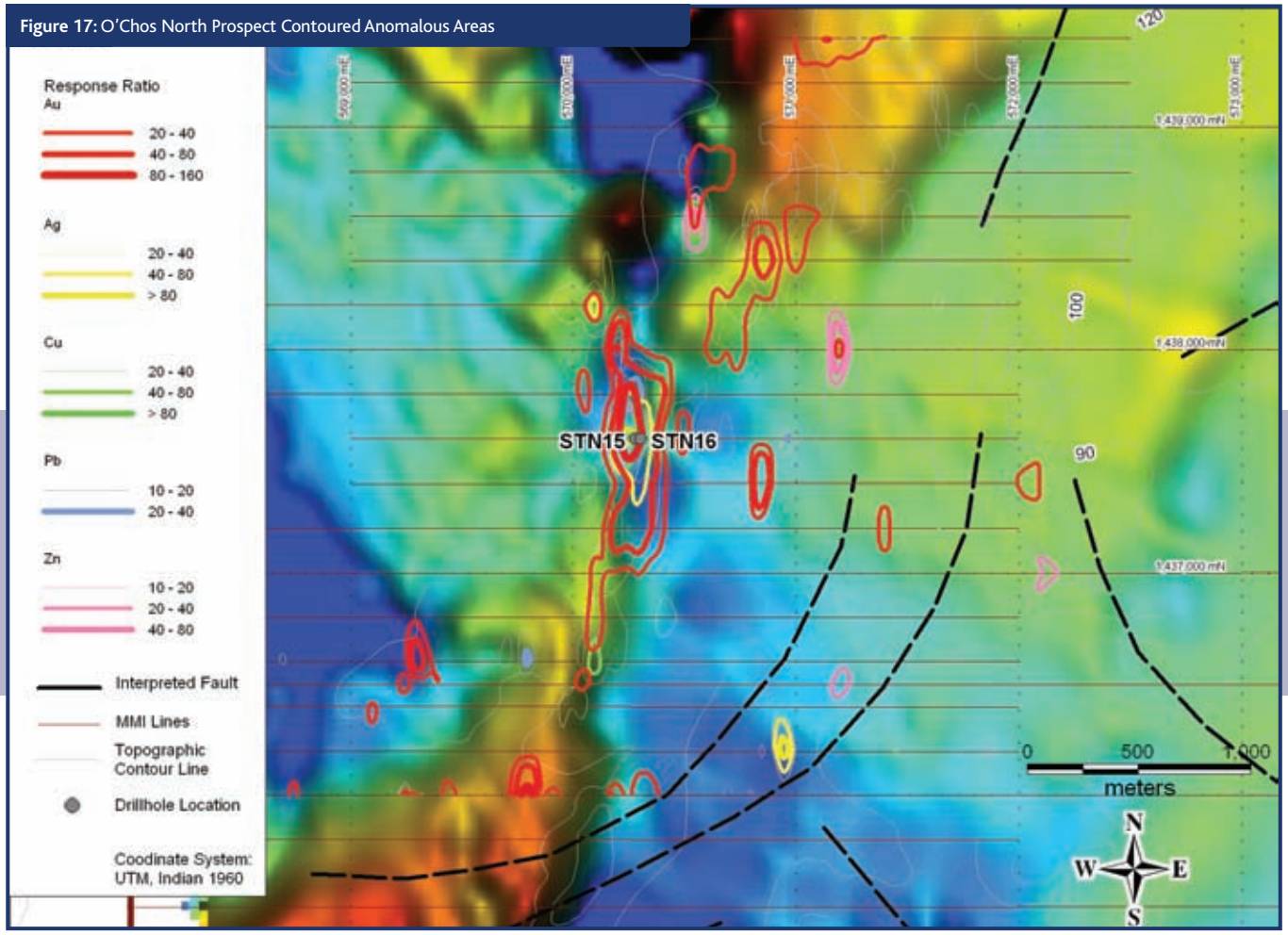
It is clear that there is a strong correlation between structures, rock types enlightened by magnetic imagery processing and soil geochemistry. This has increased confidence in targeting methods used.

8.4 O'Chos Northeast Prospect

The RTP image indicates a strong shear structure truncating the edge of an elliptical intrusive feature. The orientation soil survey showed that this structure is highly anomalous in copper, silver and gold over a strike length of at least 2km with a NNE trend and the 200m spaced lines indicate several strong coherent multi-element targets. The anomaly is open to the south and it continues arcuately to the NE for another 1.0km (Fig 17).

The strongest of the RR at 167 for gold with coincident silver and copper responses was tested by drillholes STN15 and 16 (Tables 15 and 16) that intersected a sequence including shallow silicified sandstone that overlies diorite and monzodiorites that have been intruded by andesitic dykes. Some zones contained stockwork quartz veinlets at various structural attitudes that suggest a form of stockwork

Figure 17: O'Chos North Prospect Contoured Anomalous Areas



affinities. Sulphide mineralisation observed included pyrite, galena, molybdenite on fractures and chalcopyrite. Mineralised intersections were achieved on this first profile so infill and extension MMI sampling is required to better define future drill targets.

Table 14: O'Chos Prospect Drillhole Collar Details

Hole	East	North	Depth	Azimuth	Dip
STN15	570275	1437601	104.0	270	-50
STN16	570300	1437601	131.0	270	-50
Total			**235.0**		

Table 15: Drillhole Intersections at the O'Chos Northeast Prospect

Hole	From m	To m	Width m	Au g/t	Ag g/t	Cu ppm	Pb ppm	Zn ppm	Mo ppm
STN15	22.4	22.7	0.3	0.15	7.1	216	300	759	2
and	92.8	95.4	2.6	0.03	1.8	66	559	349	28
STN16	31.0	32.2	1.2	0.44	12.4	146	96	48	1
and	92.6	94.0	1.4	1.33	26.3	595	2,158	8910	12

8.5 Summary of Drillhole Mineralisation

Three styles of mineralisation were encountered in this drilling campaign

- Structurally controlled vein/breccia infill
- intrusion hosted Cu/Mo veins
- replacement in sediments adjoining silicified hydrobreccia

These styles are components of the models earlier recognised by the company. Infill and extension drilling at many locations is justified.

8.6 Other area Prospects

Geochemical anomalies are listed in Table 17 below. Large areas of the Kratie Project remain to be tested by either stream sediment survey or orientation soil sampling. The main geophysical targets are listed in Table 17 and shown in Figure 18.

A simple classification system can be applied to the magnetic anomalies observed on both data sets. There are three principal categories of magnetic anomalies.

Table 16: Current Geochemical Anomalies in Kratie Project

No.	Name	P1	P2	P3	Samples Required
1	Steung Nambrai	3	2	2	0
2	Elephant	4	1	0	0
3	Kdei	3	2	2	500
4	Kdei East	0	3		1,000
5	O'Chos North	2	2	0	0
6	Li	2	0	0	300
7	Li South Copper	0	3	0	200
8	O'Chos South	0	3	0	170
9	Srolong	1	5	5	400
10	Yeav	1	5	7	150
11	Phnom Pros	1	2	3	100
12	Tom Kroch	2	0	0	140
13	Lak Lak	0	1	0	40
14	O'Siem	0	2	0	
15	Trapeang	1	1	0	0
16	Kroch Chmar	0	0	1	0
17	Preak Kdol	0	2	0	200
18	Preak Pang A	2	0	0	645
19	Preak Pang B	3	4	0	200
20	Krang	0	4	0	200
Total		**25**	**42**	**20**	**4,345**

Table 17: Ranked Geophysical Anomalous Areas

Anomaly Domain	Indicative Host Geology	Comments
K1A	High magnetic volcano associated, mafics? skarns?	High amplitude magnetic zone with several mineralised shears and discrete bullseye anomalies at O'Chos. More MMI required.
K2A	High magnetic volcano associated, mafics? skarns?	High magnetic amplitude zone requiring more geochemistry.
K3A	High magnetic volcano associated, mafics? skarns?	See above and has almost no MMI data to date.
K4A	High magnetic volcano associated, mafics? skarns?	As above. This relatively large area north and east of Stung Nambrai needs detailed MMI data. There is evidence in the magnetics for quite extensive NW-SE trending linear structures
K5A	Volcanic cones. scoria, tuffs lava sheets	High amplitude complex magnetic signatures related to the extensive extrusive volcanics. More regional infill MMI data are required
K6A	Volcanic cones. scoria, tuffs lava sheets	
K7A	Granitic gneiss poorly deformed with intrusive centres	5 discrete sub linear intrusive related magnetic anomalies lie in this unexplored zone
K8D	Granodiorite no deformation	There is no magnetic anomalism in this zone. The absence of magnetic anomalies or features does not imply lack of prospectively but rather uniformity of rock type.
K9B	Andesite - sediments variable shears, faults, dykes	This large area is characterised by subtle liner feature and a number of small discrete bullseye magnetic anomalies. There are several obvious jogs apparent on the images. More focussed MMI work is recommended. The south east part show more detail and suggest shallow basement
K10A	High magnetic volcano associated, mafics? skarns?	Large complex zoned magnetic anomaly. Preliminary modelling indicates a complex large shallow causative magnetic source. The regional MMI shows a large Cu response.
K11A	High magnetic volcano associated, mafics? skarns?	Prominent magnetic feature has to date limited MMI and given the large Cu anomaly on the similar magnetic feature K10A, more work is required.
K12C	Granitic gneiss poorly deformed	A featureless area outside that part already investigated with MMI

Figure 18: Kratie North, Magnetic Field overlay of interpreted and modelled magnetic bodies

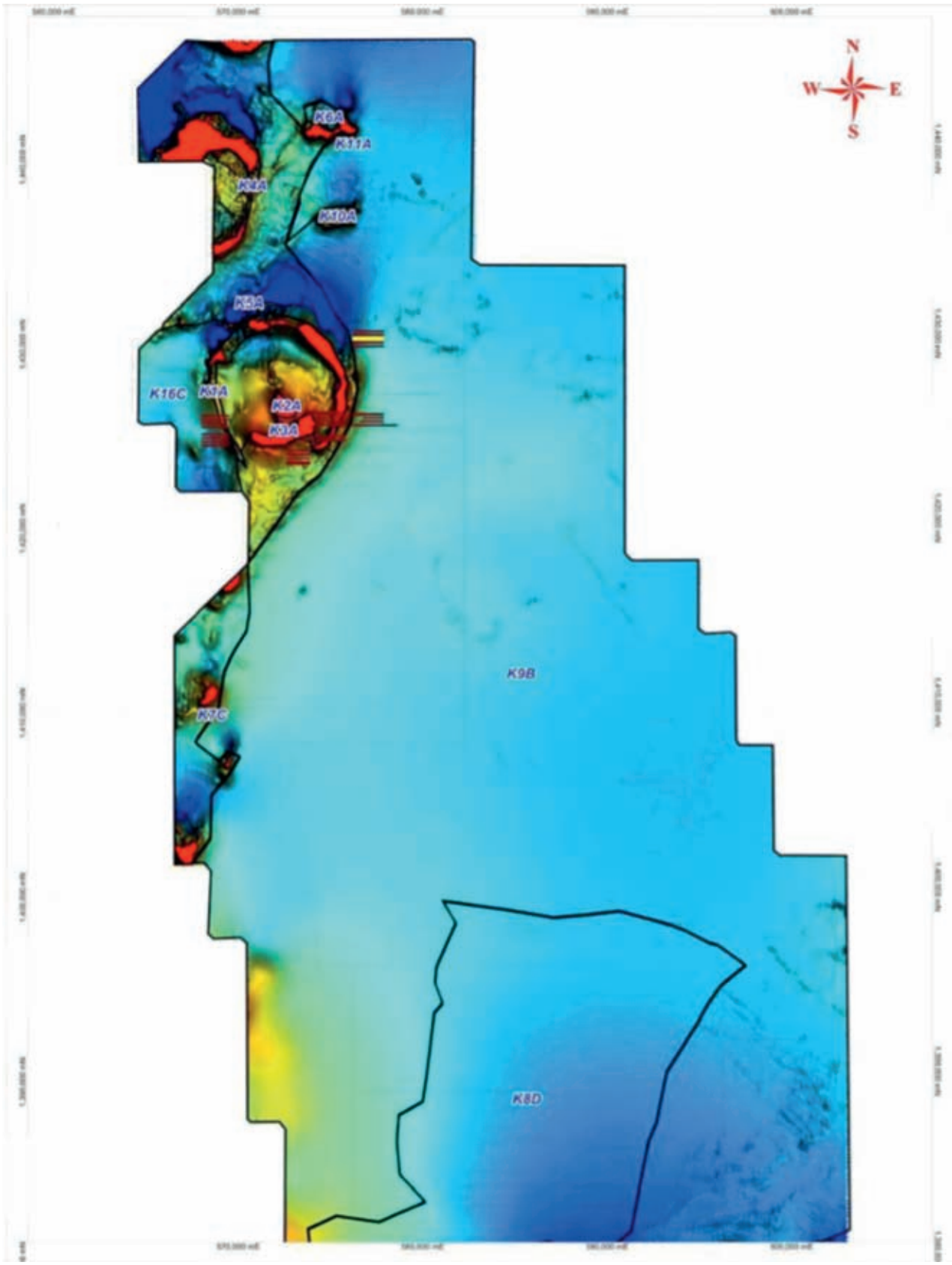
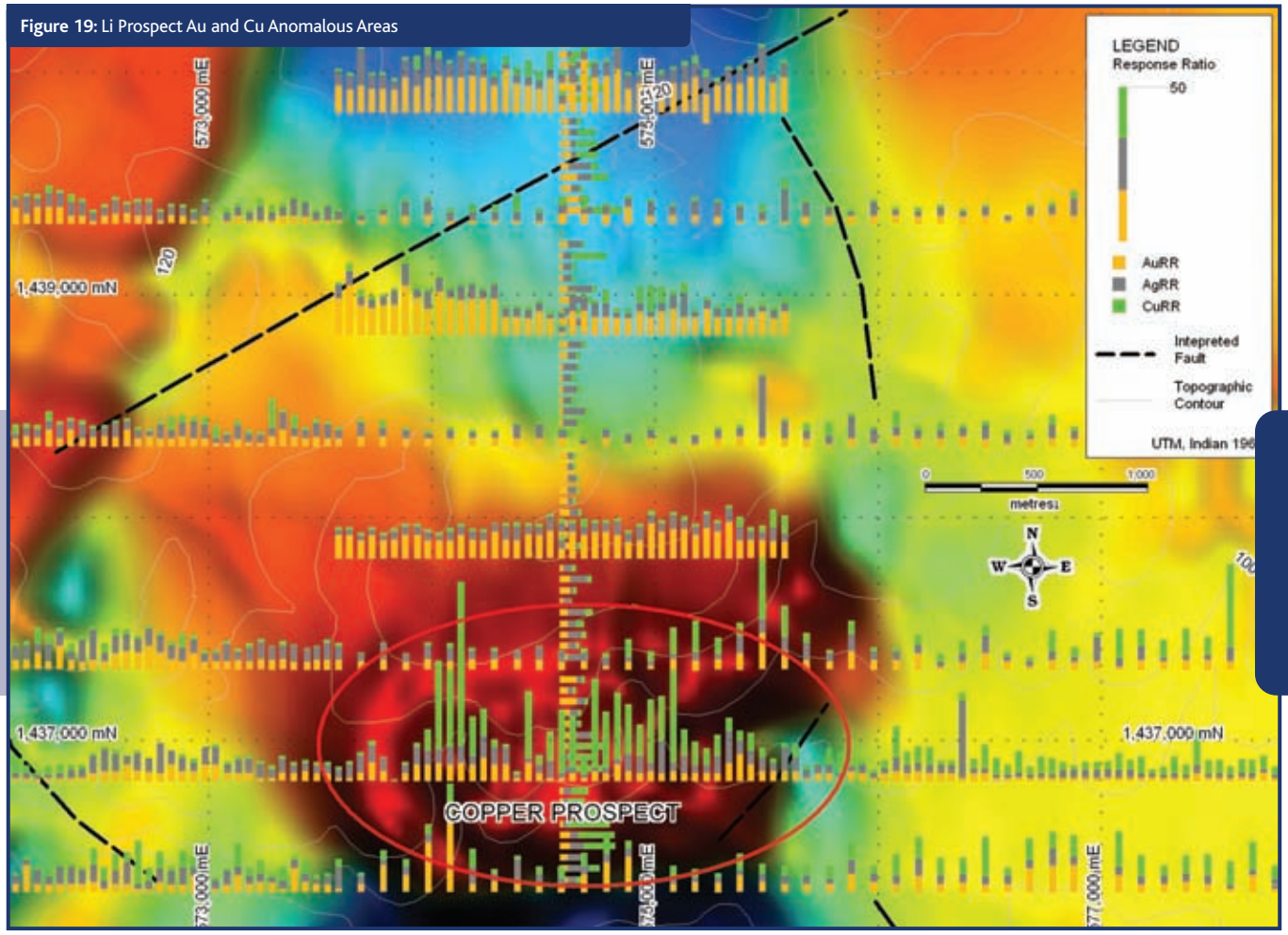


Figure 19: Li Prospect Au and Cu Anomalous Areas



8.6.1 O'Chos Main Prospect

The O'Chos area requires additional infill sampling to target possible extensions of the O'Chos north structure that currently has a peak RR for gold of 51.

8.6.2 Li Prospect

The RTP image indicates a strong shear structure parallel to the other one 2.0km to the west that truncates the edge of a circular intrusive feature. The orientation MMI survey (Fig 19) indicated that this structure is highly anomalous for copper and the infill lines indicate two zones of interest, The first zone is a copper-silver anomaly that coincides with a very strong magnetic feature that suggests a high level intrusive plug some 2.5km east-west and 1.0km in the north-south direction. The second is a lower order gold anomaly. Both require infill sampling to the current 500m line spacing.

8.6.3 Srolong

Anomalous values at this prospect (Fig. 20) are localized over NE trending structures and infill sampling over the priority targets is included in the Year 1 program of work.

8.6.4 Yeav

Anomalous values at this prospect (Fig 21) are localized over NE trending structures that in some zones become intricate. Infill sampling over the priority targets is included in the Year 1 program of work.

8.6.5 Preak Pang B

Anomalous values at this prospect are localized over NE trending structures that wrap around a circular feature (Fig 22). Infill sampling over the priority targets is included in the Year 1 program of work.

8.6.6 Tom Kroch, Trapeang, Krang and others

Anomalous values at these prospects are localized over various structures and infill sampling over the main priority targets has been included in the Year 1 program of work.

For the remaining targets such as the internal intrusive area of Phnom Chi, O'Chos South, Phnom Pros, Lak Lak, O'Siem, Kroch Chmar, Preak Kdol, Preak Pang A and all the new targets further work will be included in the Year 1 program and budget.

8.6.7 Uranium

Uranium anomalism has been detected at LakLak (Fig 23) where the southern line produced an end of line anomaly with a peak U RR of 136.

At Phnom Sruoch, a northwest anomaly that is open to the north, has a peak uranium RR of 86. The Srolong area has a peak U RR of 96 while at Tom Kroch a peak U RR of 64 occurs within an anomaly open to north and south. All these areas require infill and extension sampling.

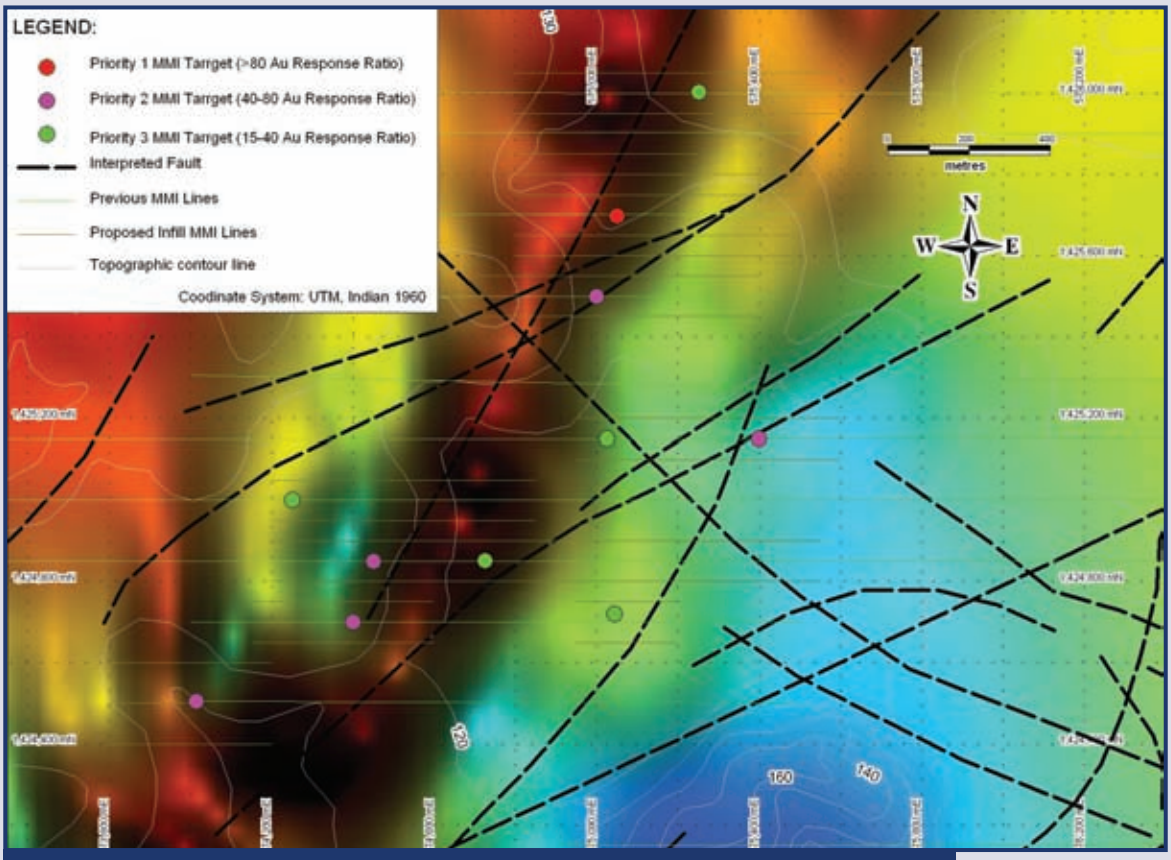


Figure 20: Srolong Prospect Anomalous Areas

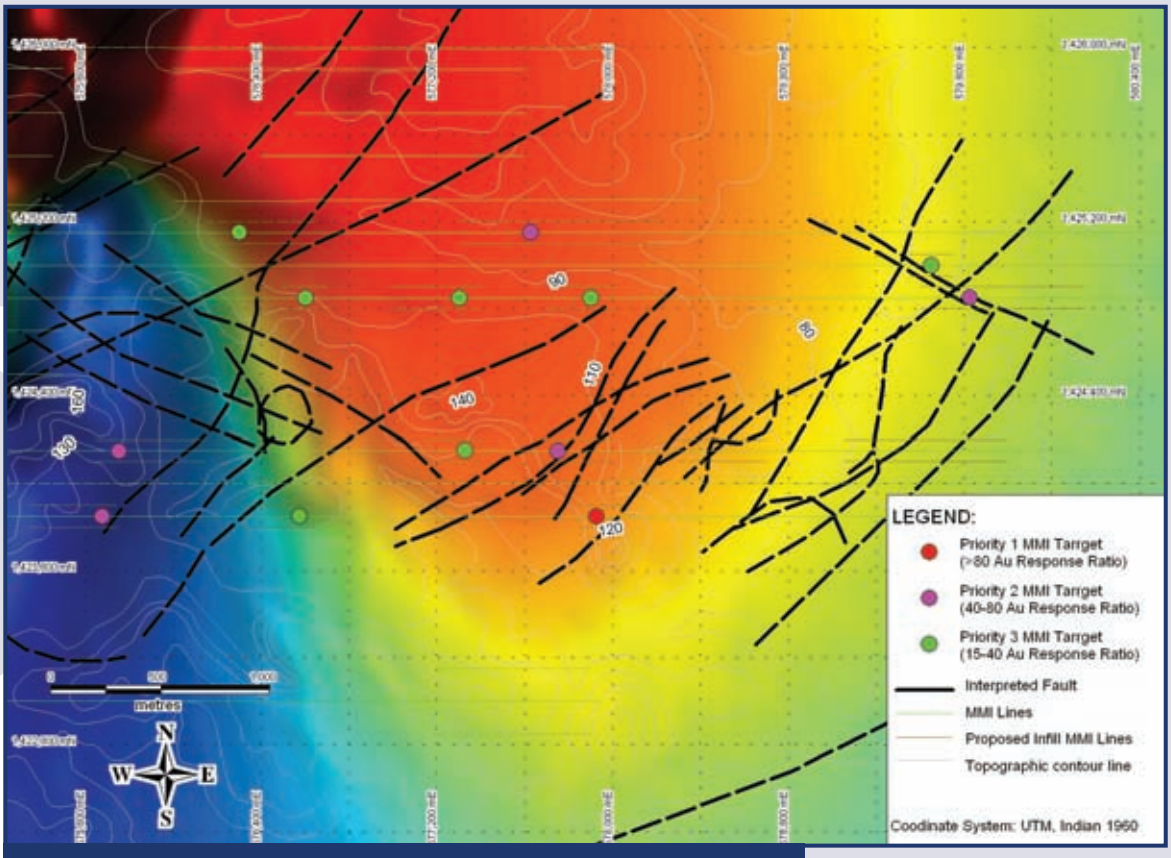


Figure 21: Yeav Prospect Anomalous Areas

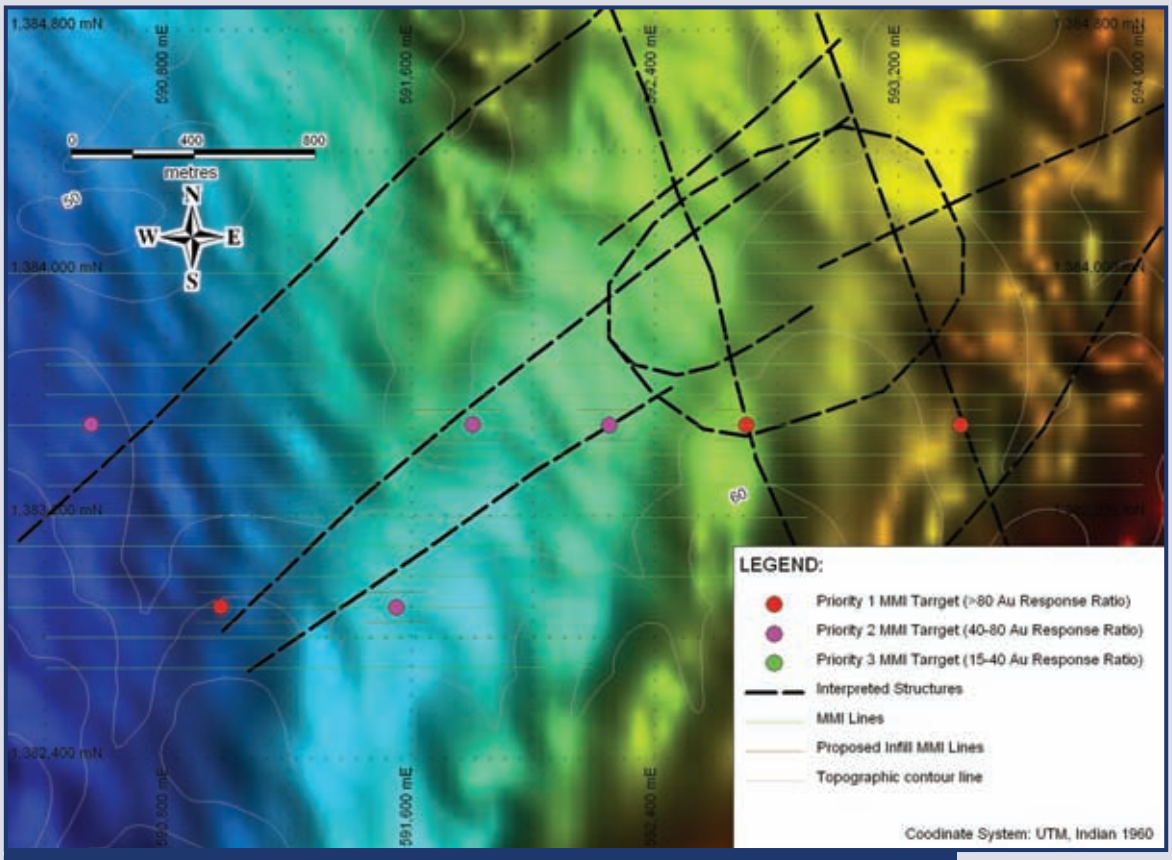


Figure 22: Preak Pang Prospect Map of MMI Priority Anomalous Areas

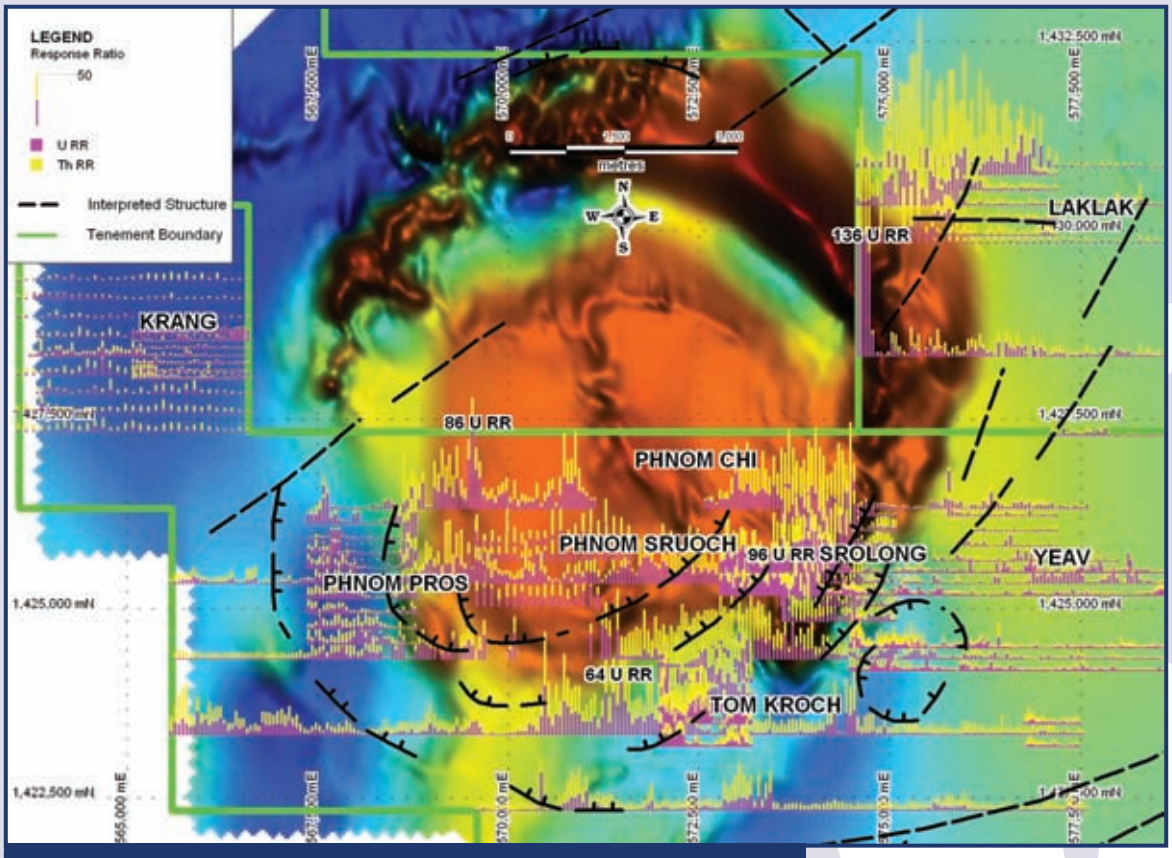
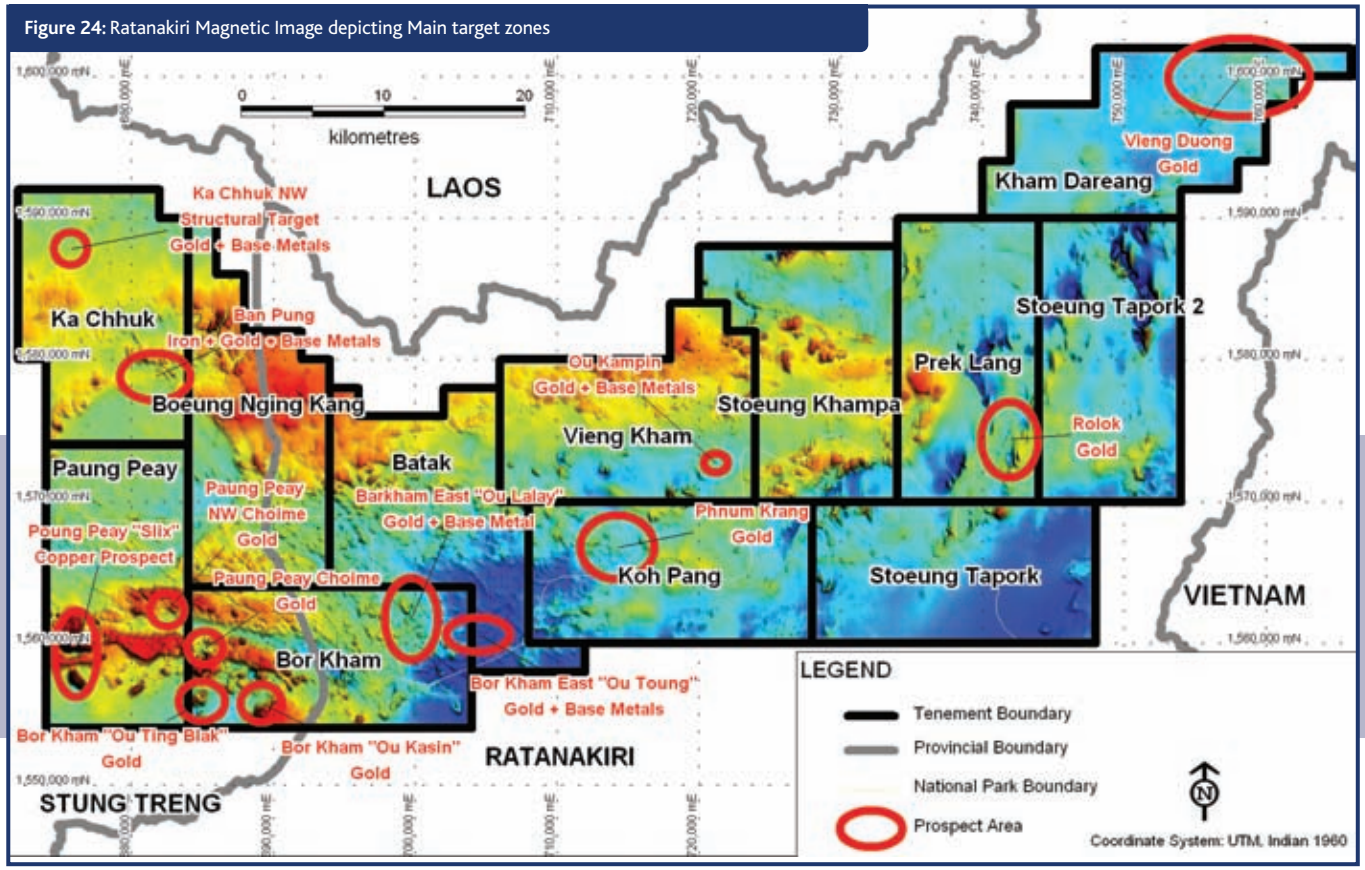


Figure 23: Outer Phnom Chi Intrusive Uranium Anomalism

Figure 24: Ratanakiri Magnetic Image depicting Main target zones



9.0 RESULTS FOR RATANAKIRI

9.1 Introduction

Due to the difficult nature of the terrane in the area work progress has been more restricted to the dry season. In addition only work of a purely 'non invasive' nature has been conducted within the boundaries of the National Park. A total of 8,160 samples (Table 18) have been analysed for all the licences to date.

Target selection was from the interpretation of SPOT-5 images that shows a possible intrusive in the centre of an arcuate feature in the west of the area (Fig 24 & 25). A probable second intrusive occurs to the north of this on the edge of a ring fracture and with pronounced NW and NE structural overprint.

ASTER images for the western Ratanakiri tenements indicate an "unroofed intrusive" complex. The feature is well located in the prospect and is interpreted to have a faulted southern margin that indicates it is highly prospective for

Table 18: Summary of Ratanakiri Sample Statistics.

Licence	MMI	Rock chip	Auger Soil	Stream Sed.	Test pits	D'hole (No.)	D'hole (m)	D'hole Samples
1075 Boeung Nging Kang		31		7				
1076 Paung Peay	1084	94	363	89				
1077 Stoeung Tapork		14		122				
1078 Vieng Kham		31		41				
1079 Kham Dareang		9		43				
1080 Stoeung Tapork		7		52				
1082 Prek Lang		13		92				
1083 Koh Pang	81	34		140				
1084 Stoeung Khampa		1		2				
1086 Ka Chhuk		48						
1087 Bor Kham	4118	115		513	173	8	161	162
1088 Batak	481	16		15				
TOTALS	**5764**	**413**	**363**	**1116**	**173**	**8**	**161**	**162**

high level mineralisation. The regional scale of the fracture sets together with the unroofed intrusive centre increases the prospectivity of the area for porphyry and deep seated hydrothermal mineralisation.

The Landsat data over the Ratanakiri East area indicates principally northwest trending structural features with a central shear that is curvilinear and trends to the northeast. The structural and alteration features interpreted show a complex sequence of northeast and northwest trending faults and an east trending regional shear. A number of arcuate features of varying size from one to twelve kilometres in diameter are present. These are interpreted as an intrusive and collapse structure.

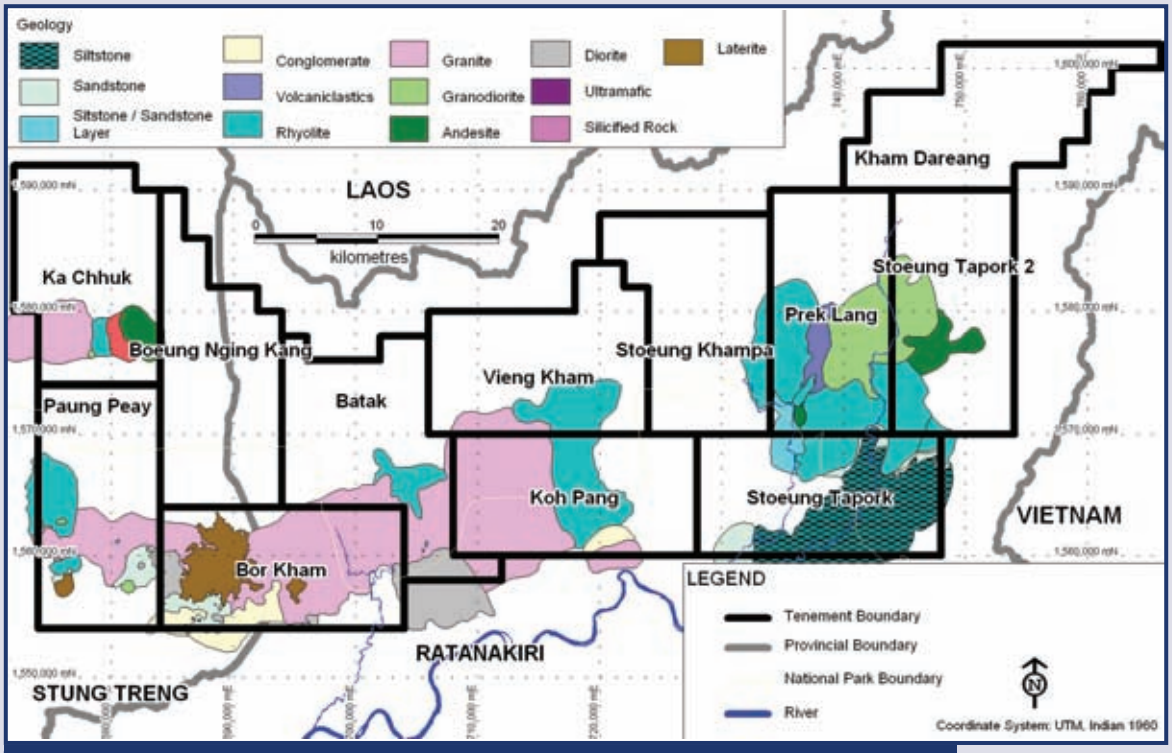


Figure 25: Interpreted Geological Map of the Ratanakiri Project Area

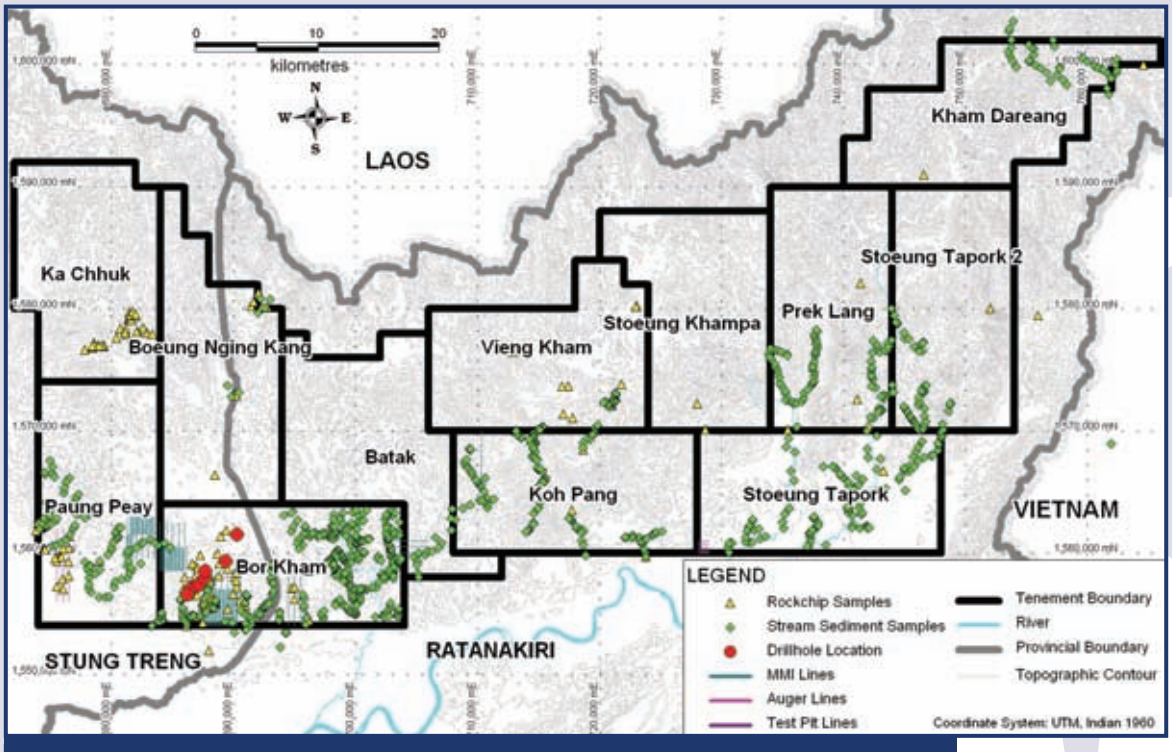
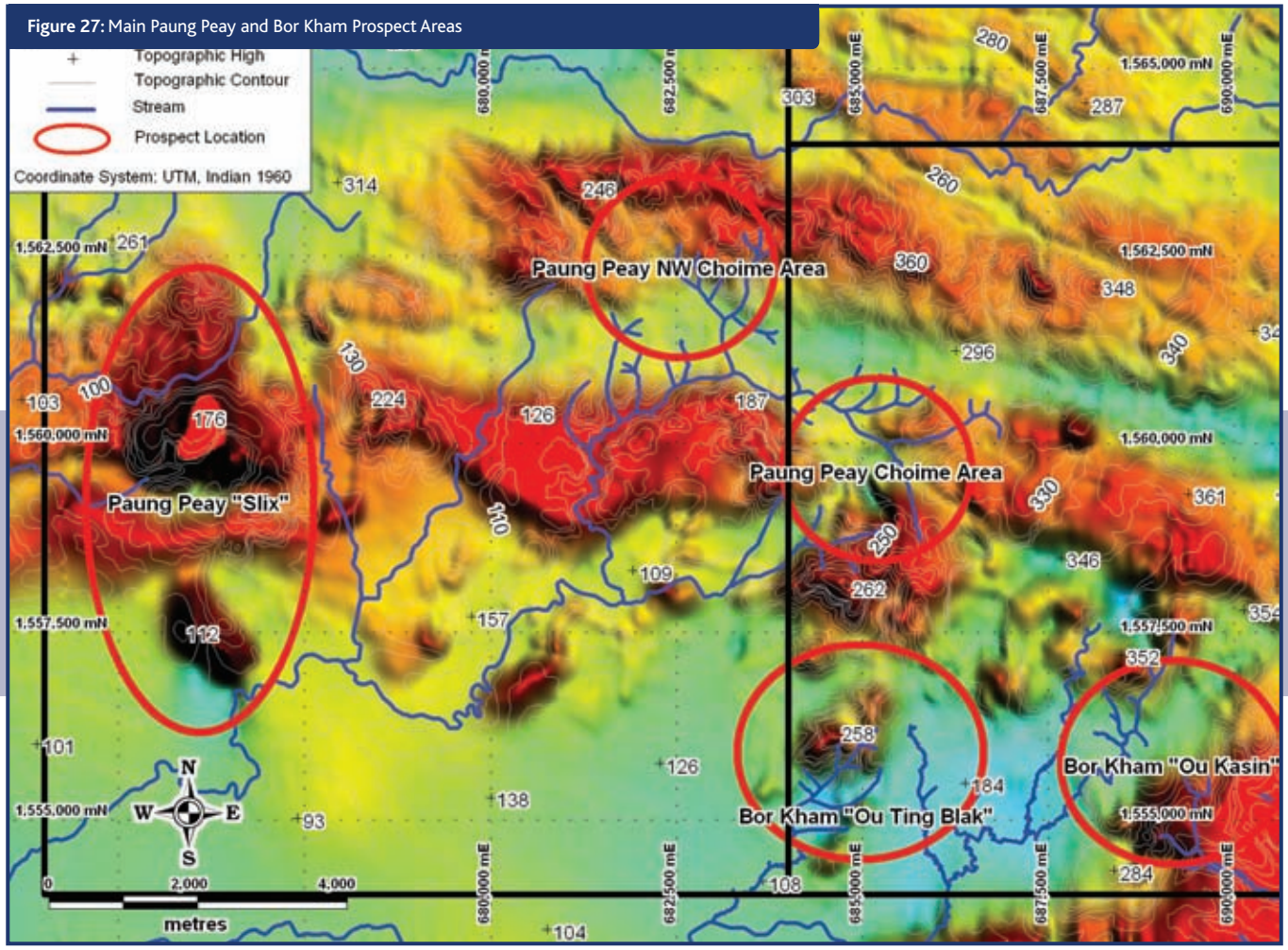


Figure 26: Stream sediment and soil sample locations at Ratanakiri

Figure 27: Main Paung Peay and Bor Kham Prospect Areas



Initial work programs are designed to investigate these areas and key statistics are presented in Table 18.

Results from the stream sediment samples showed very promising results (Fig 26). Several potential gold and base metal targets are defined in three main key areas (Fig 27).

9.2 Paung Peay Prospect

The Paung Peay Prospect has been developed by a combination of structural analysis, stream sediment sampling and MMI soil sampling. Three main areas of Paung Peay Choime, Paung Peay NW Choime and the Paung Peay Slix have been identified as highly anomalous (Figs 28 & 29). At Paung Peay the prospect has magnetic and topographic highs trending west to east which bound the targets to the north and south. In addition, a series of magnetic bodies cut across the major trend. Main fault structures cut the area generally with a NE trend. The stream sediment sampling indicated significant anomalies in the gold values over a 3km x 4km area (Fig 26).

Reconnaissance sampling to the west of Paung Peay during early 2008 located some float rock samples with significant assay results. Sample PP2 has an assay result of 2.05% Mo, 0.146 % Cu and 0.28g/t Au while PP4 returned assay values of 1.04% Cu and 8g/t Ag.

Stream sediment samples collected along Ou Kampin returned anomalous gold values that range from 54ppb to 1.2g/t Au. These anomalous gold values increase in the upper tributary of Ou Kampin. The stream coincides with a projected regional fault structure that runs across Bor Kham and Paung Peay generally trending in an East-West direction. According to the locals, Vietnamese used to extract alluvial gold from the Ou Kampin area.

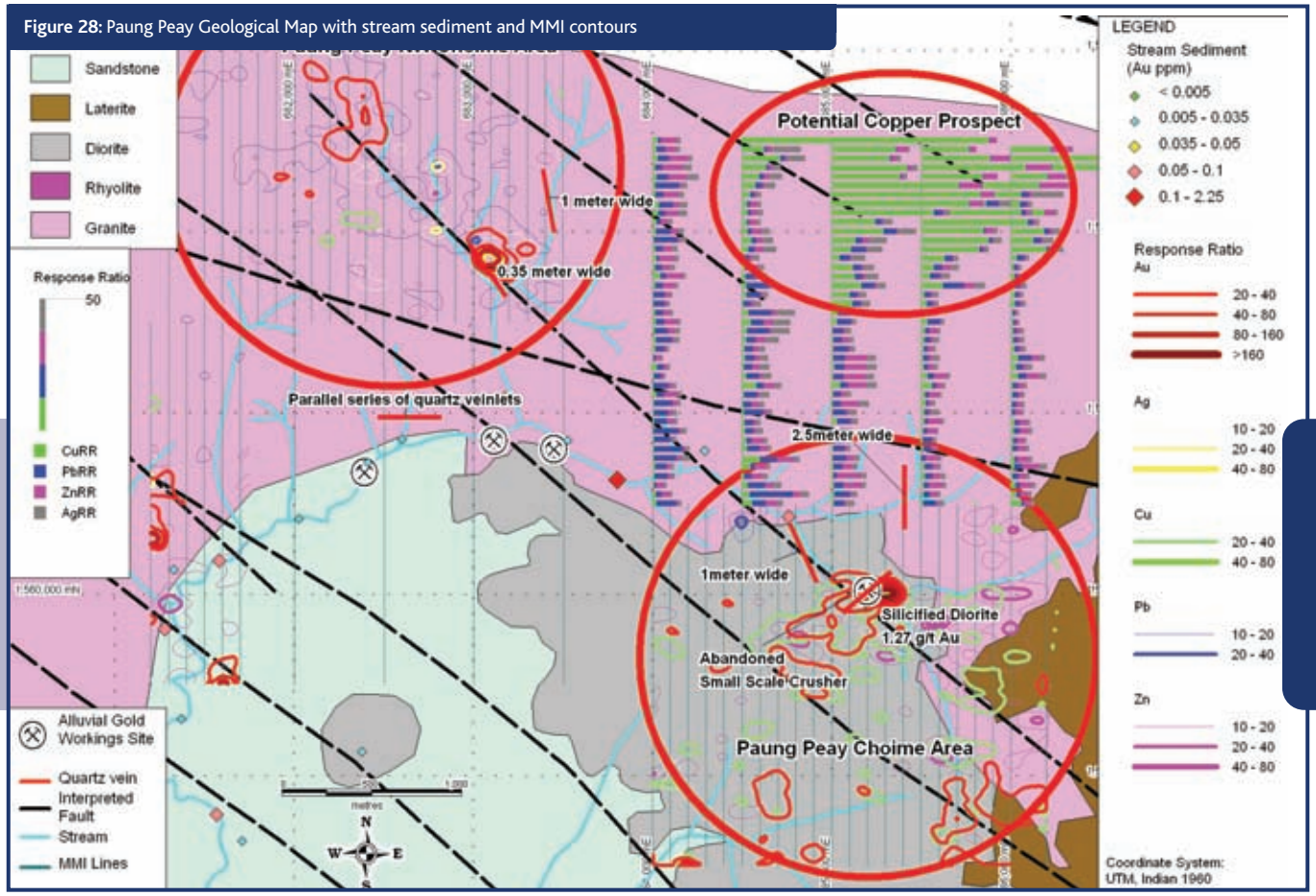
Stream sediment samples were also collected along the tributaries of Ou Kray, Ou Pang and Ou Lulu. However only one sample returned an anomalous value for gold of 0.56 g/t. from Ou Pang. No anomalous values were noted for other metals.

During sampling and mapping several areas of quartz veining were identified and in one instance near Choime, an area of trial mine production was noted. Several of the veins have returned encouraging assay results with values of up to 1.27 g/t Au and up to 1.0m wide (Fig 28). The MMI survey has identified three strong fault related anomalies two of which are associated with the veining. These three anomalous zones warrant drill testing.

The presence of strong coincident gold and copper MMI anomalies 300m east-west by 200m north-south centred on a fault and over a mapped silicified diorite intrusive with local gold mining in the neighbouring vicinity ranks this area as a high priority drill target.

In the NW Choime area two strong gold anomalies associated with quartz veining also require drill testing. In addition to the north of Choime a strong copper anomaly open to

Figure 28: Paung Peay Geological Map with stream sediment and MMI contours



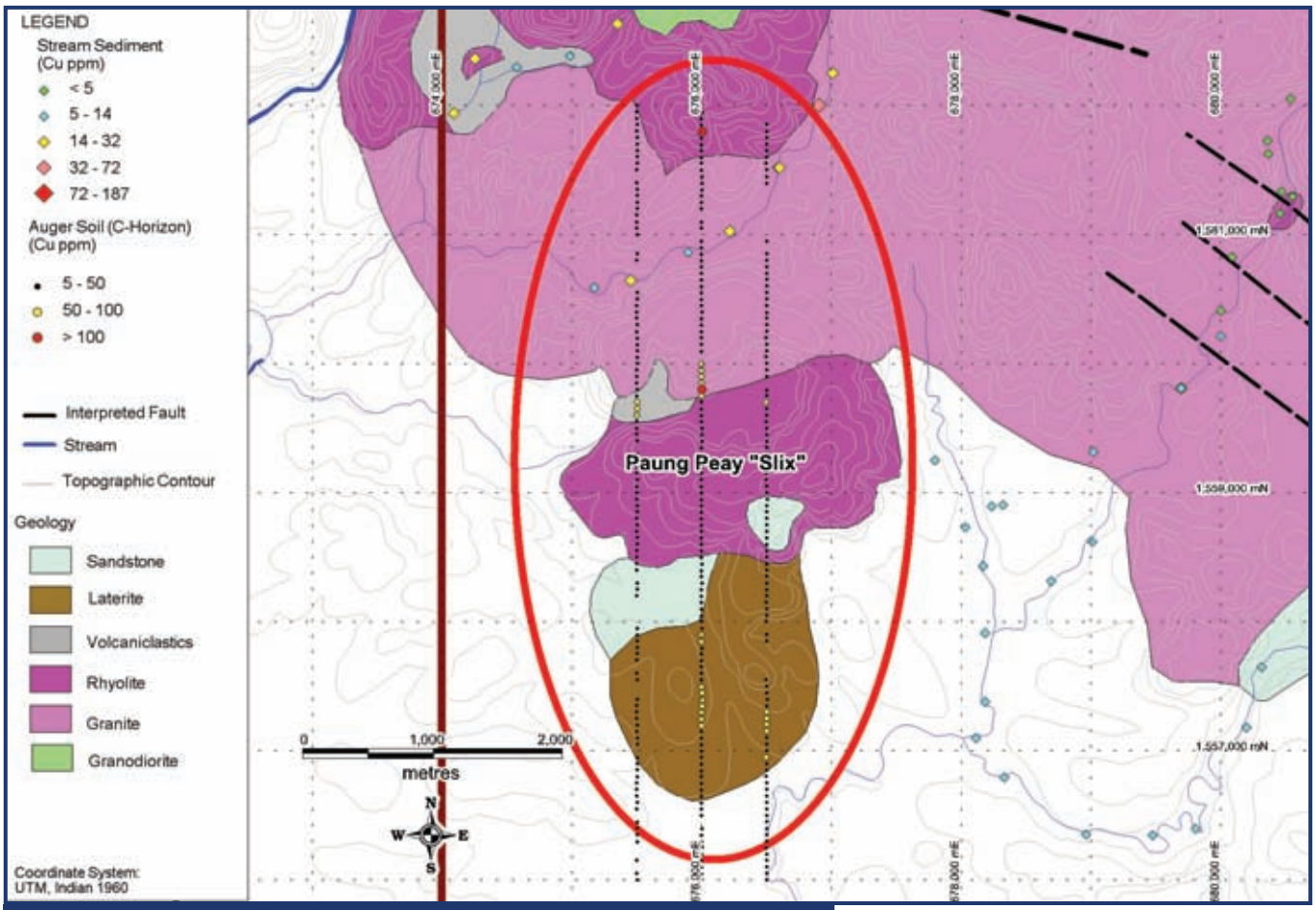
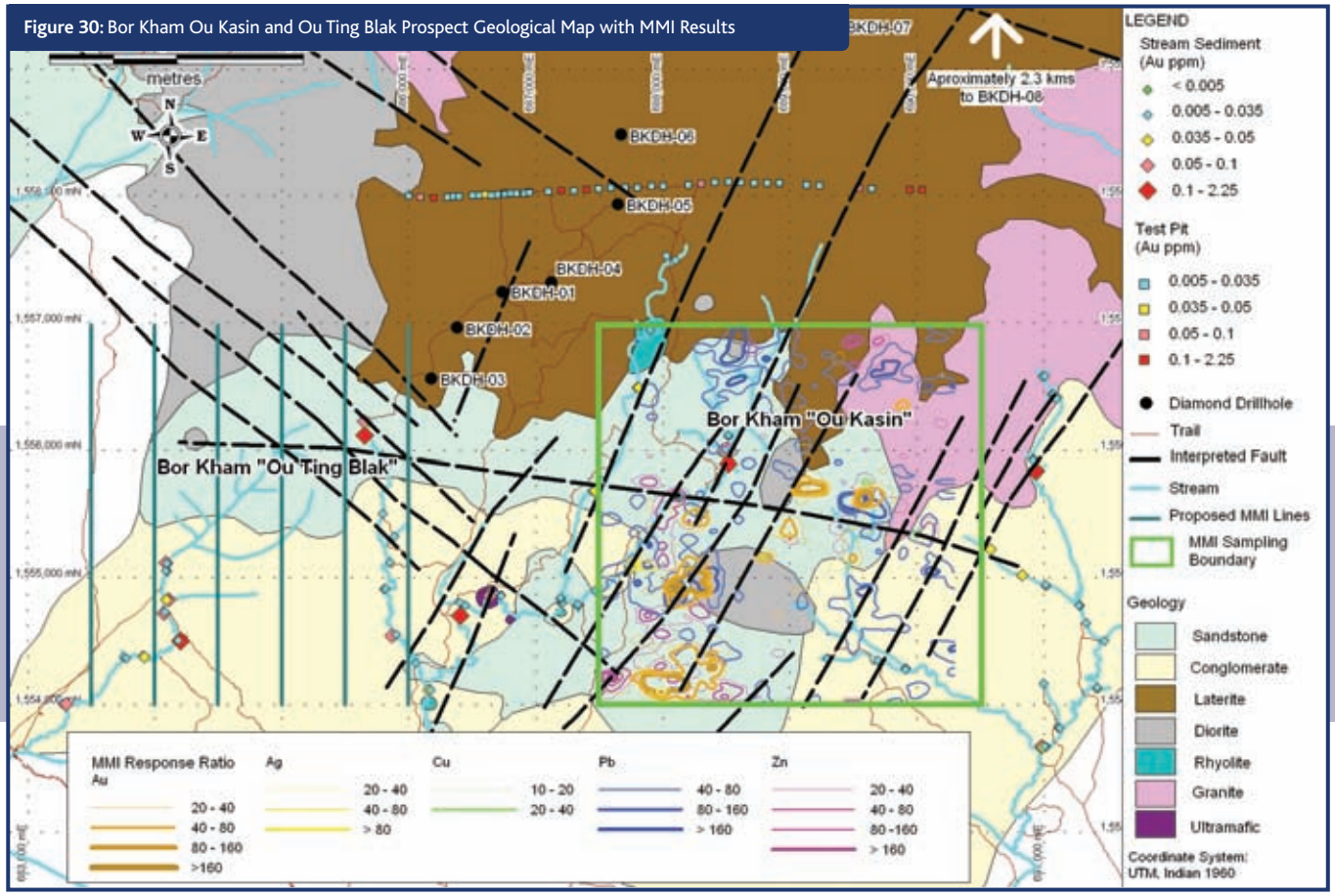


Figure 29: Paung Peay Slix Geological Map with Copper and Gold Anomalous Areas

Figure 30: Bor Kham Ou Kasin and Ou Ting Blak Prospect Geological Map with MMI Results



the north is indicated across five orientation MMI lines; infill and extension sampling is required in order to better define this anomaly.

In the Slix area infill sampling is required in the region of a granite and rhyolite contact that may be structurally controlled (Fig 29).

Allowance for scout drilling and more soil sampling has been included in the Year 1 program and budget.

9.3 Bor Kham Prospect

This prospect area is situated along the eastern side of the Bor Kham licence area where an iron enrichment cap to the cuirasse is concentrated along the plateau at 300m elevation.

Completed activities include test pits, rock chip sampling, limited diamond drilling and comprehensive stream sediment sampling survey that led to selected areas being subjected to MMI soil sampling.

Rock chip sampling of outcrops around the plateau edge returned data to help determine the potential thickness of the cap. Several rock chip samples returned assay results for iron that range between 32.7–56.8%Fe.

Test pits were dug to determine the thickness of the soil laterite cap. Thirty-nine test pits were dug in this area trending in an east-west direction. The laterite soil cover ranges from 1.0m to 6.7m with an average of 2.85m. 173 samples from the test pits were sent for laboratory testing. The iron values for the soil laterite cap have an assay of up to 41.1% Fe while aluminium ranges up to 15.8% Al_2O_3. Anomalous gold values of up to 180ppb were also returned from the soil laterite test pit material.

9.3.1 Bor Kham South Gold Prospect

This area has a history of artisanal mining and is considered very prospective for gold with initial assay results within the range from 60–150ppb Au. Anomalous values for lead and zinc from this area range from 75–166ppm and 100–285ppm respectively.

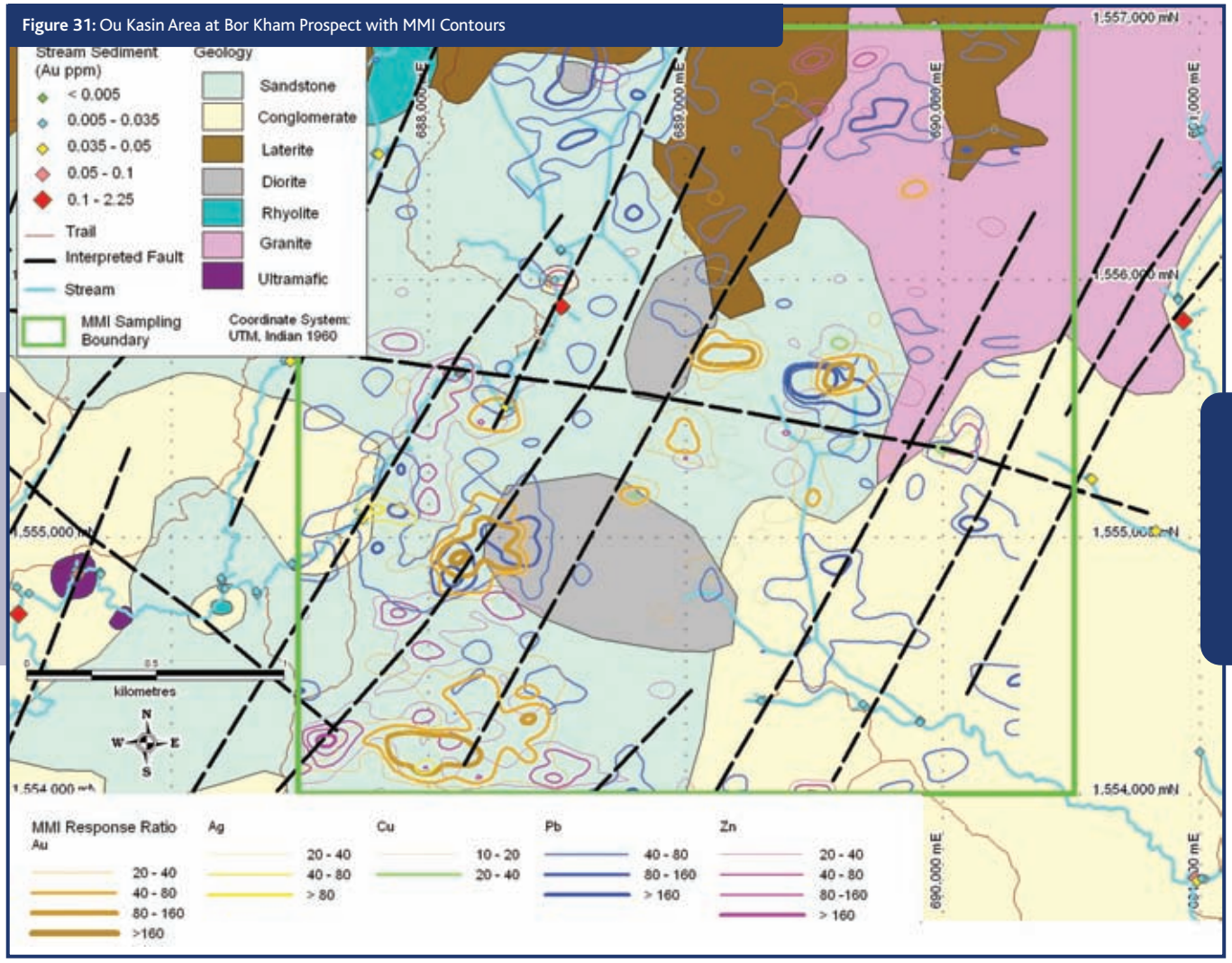
Later sampling returned gold values from 90ppb to 0.69g/t with the anomalism increasing towards the head of the catchments of the streams. There are also significant elevated gold and zinc values in the stream sediment samples with zinc values along Ou Ting Blak and Ou Tol ranging between 104–163ppm.

Samples from Ou Kasin have anomalous values of gold and arsenic. The gold values range from 60ppb to 2.25g/t and the arsenic, which is often a good pathfinder element for gold, ranges from 8–12ppm (Fig 30 & 31).

These anomalous values increase towards the upper tributary of Ou Kasin. The arsenic values suggest sulphide mineralisation and infers an altered sulphidic source.

Samples from Ou Kasiep and its tributaries also have anomalous values of gold. Ou Pring and Ou Tingkil show stream sediment values for gold values of 60ppb and 150ppb respectively.

Figure 31: Ou Kasin Area at Bor Kham Prospect with MMI Contours



An MMI soil survey over this zone has identified three very strong gold anomalous zones that appear to be related to faults. Two of the anomalies have coincident lead anomalism and all three represent drill targets.

9.3.2 Bor Kham Ou Toung Base Metal Prospect

MMI soil samples collected along the eastern side of Ou Kasin and Ou Kasiep returned strong indications of anomalous areas and infill sampling has been completed. Some samples show significantly high RR values (up to 58) with three anomalies closely associated with NE trending faults. The high gold value is on the upper tributary of Ou Pring-making this area a high priority target (Fig 32 and 33).

The Bor Kham East Ou Toung Prospect is developing as a strong base metal target some 2.0km east-west by 1.0km north-south with elevated Pb values. The current results are open in all directions and infill sampling has been conducted to help define the limits of the anomalous area.

The Bor Kham Ou Toung 'paddock' has identified three drill-ready targets while at Ou Lalay infill sampling is required to better outline the zinc and lead anomalies.

9.3.3 Bor Kham Iron Mineralisation

A deposit of pisolitic-cuirasse iron mineralisation was identified in the central portion of Bor Kham Plateau and is projected to concentrate above the 300m contour interval. This deposit is composed of silica and hematite with some limonite staining. Large exposures of the deposit are found within the western portion of Bor Kham licence area.

The Bor Kham area has been divided into the three prospect areas of Bor Kham SW Gold Prospect; Bor Kham East Gold and Base Metal Prospect and the Bor Kham Iron Mineralisation Prospect.

9.3.3.1 Diamond Drilling

A diamond drilling program commenced on 29th November, 2008 and was completed on the 28th December 2008 to determine the thickness and extent of the iron deposit (Table 19). Four the eight holes that total 160.5m intercepted hematite. The total intersection length was 16.9m of hematite for an average thickness of 4.2m. The thinnest hematite zone was 2.0m while the thickest was 6.6m. These results indicate the hematite mineralisation occurs as lenses rather than as a single massive deposit. The balance of the core had significant assays as depicted in Tables 20 and 21below and in Figure 34.

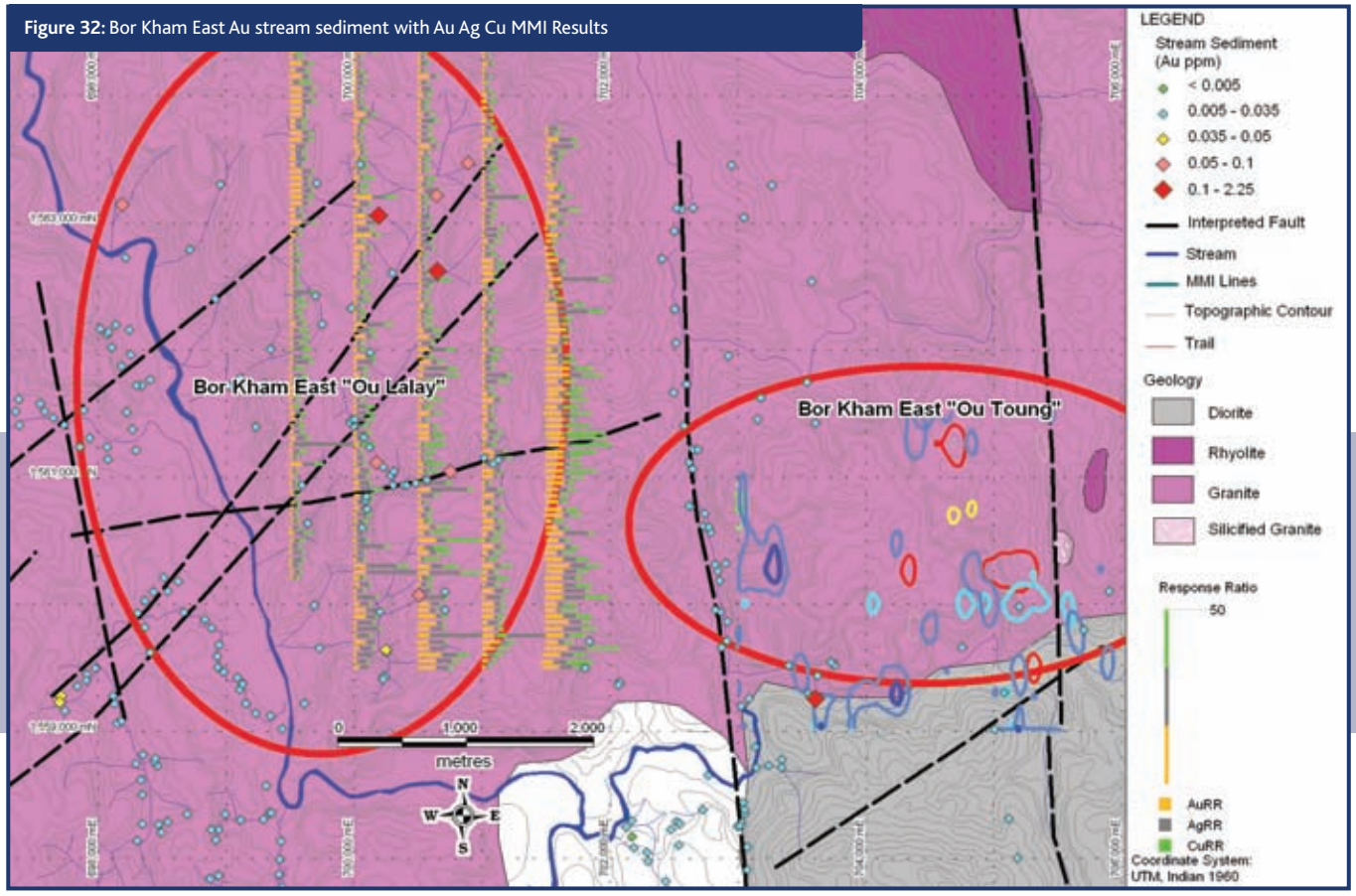


Figure 32: Bor Kham East Au stream sediment with Au Ag Cu MMI Results

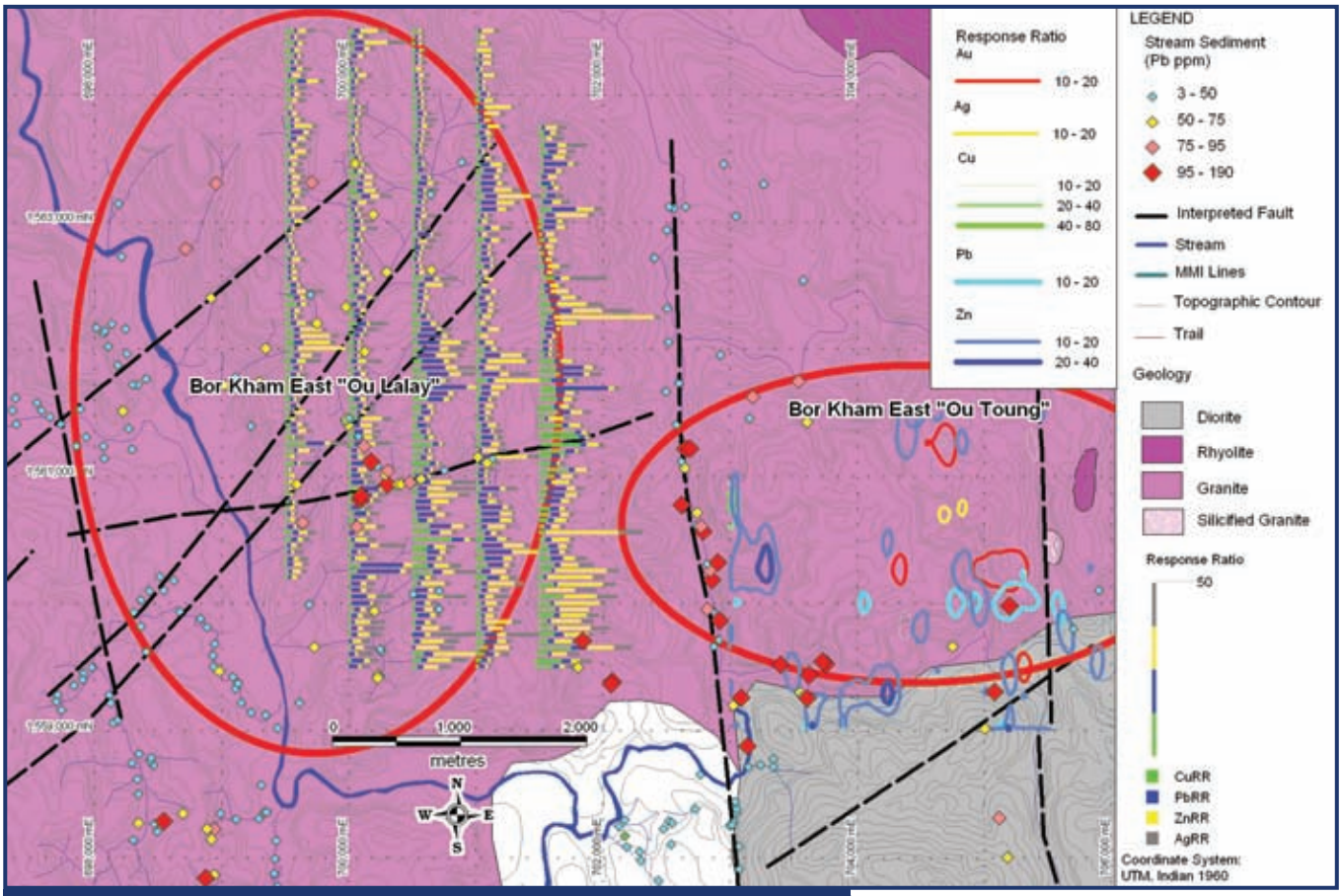


Figure 33: Bor Kham East Pb stream sediment with Cu Pb Zn MMI Results

Figure 34: Long Section View through Bor Kham Drillholes

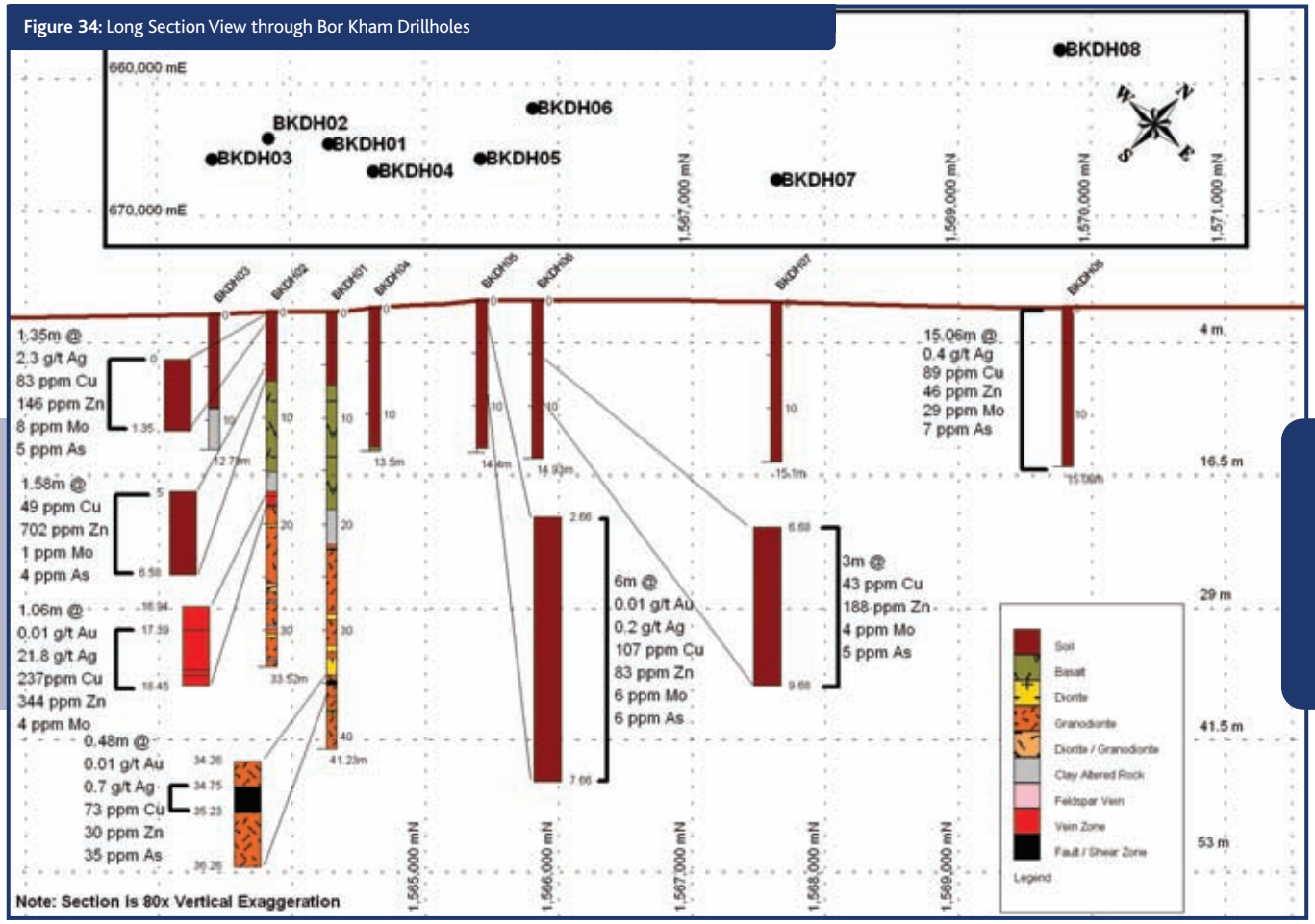


Table 19: Bor Kham Iron Prospect Drillhole Collar Details

Hole	East	North	RL	Depth	Dip
BKDH-01	686736	1557243	305	41.23	-90
BKDH-02	686378	1556964	306	33.52	-90
BKDH-03	686175	1556562	296	12.79	-90
BKDH-04	687125	1557322	320	13.5	-90
BKDH-05	687644	1557937	350	14.4	-90
BKDH-06	687670	1558485	349	14.93	-90
BKDH-07	689376	1559339	343	15.1	-90
BKDH-08	690261	1561503	323	15.06	-90
Total				**160.53**	

Table 20: Drillhole Intersections at Bor Kham Iron Prospect

Hole	From m	To m	Width m	Ag g/t	Cu ppm	Zn ppm	Mo ppm	As ppm
BKDH01	34.75	35.23	0.48	0.7	73	30	<1	35
BKDH02	0	1.35	1.35	2.3	83	146	8	5
	5.00	6.58	1.58	<0.2	49	702	1	4
and	17.39	18.45	1.06	21.8	237	344	4	3
BKDH05	2.66	7.66	6.00	0.2	107	83	6	6
BkDH06	6.68	9.68	3.00	<0.2	43	188	4	5
BKDH08	0	15.06	15.06	0.4	89	46	29	7

Interesting results were encountered in BKD02 with silver anomalism, BKD05 with copper anomalism and, BKD06 with zinc anomalism. This may coincide with the zone in BKD05 and also in BKD08 which is a broad molybdenum anomaly. Additional drilling will be required to better explain these initial anomalies.

9.4 Other Areas

Reconnaissance work has been conducted throughout the remainder of the Ratanakiri licences. Additional stream sediment sampling has been planned (Table 21). Results from this survey will be combined with the many structural targets already identified to plan ongoing work programs.

At Paung Peay and Bor Kham strong anomalies have been identified and require infill and extension sampling. Eighteen magnetic and structural targets are enumerated in Table 22 and Figure 24 and require primary investigation. Work programs are catered for in the Year 1 Budget.

Table 21: Ratanakiri Ranked MMI Targets and Required Work

Name	P1	P2	P3	Samples Required
Bor Kham Ou Kasin	7	2	4	300
Paung Peay	4	5	11	1600
Bor Kham East			4	500
Total	**11**	**7**	**19**	**2,400**

Table 22: Ratanikiri Main Ranked magnetic Targets

Anomaly Domain	Indicative Host Geology	Comments
R1B	Jurassic sediments with coal and volcanic	A few small bullseye magnetic anomalies. Major shear boundary on north East boundary
R3C	Jurassic sediments	Basinal non-magnetic sediments. One very deep discrete magnetic anomaly. A course fabric of dykes and or shears. Possibility of jogs and similar structural intersection targets.
R2B	Jurassic sediments with coal and volcanics	Several curvi linear discrete magnetic anomalies related to igneous bodies? Coal is a possibility but outside scope of magnetics for direct detection and description.
R4B	P-Tr. shales, talc-silicates, marble	Crenulated fabric due to volcanics? Numerous curve linear magnetic anomalies especially in the north
R5C	Metasediments	No magnetic detail. This does not necessarily reduce prospectivity but magnetics is of limited use.
R6C	Metasediments	Little magnetic relief. The area may well still be attractive but more amenable to other techniques.
R7C	Metasediments	Magnetically homogenous. Other exploration techniques may be appropriate.
R8A	Jurassic sediments with coal and volcanics	Discrete high amplitude magnetic anomalies are present and likely to be associated with igneous intra sediment volcanism
R9A	Magnetic granitoids	A number of large discrete magnetic bullseye and curve linear prominent anomalies. A very prominent shear zone forms the northern boundary
R10A	Granodiorite, heavily faulted	Heavily faulted with two principal directions. Many jogs and associated dilation zones. Several discrete high amplitude magnetic anomalies.
R18B	Granite with low tectonism	Large granitic area displaying low number and degree of faulting. There are several discrete magnetic anomalies that are deserving of exploration attention.
R11A	Adamellite-Granodiorite	Several enticing shears occur in the area. More exploration recommended.
R12C	Carboniferous sediments	Little magnetic relief with a few anomalies. The area may benefit from more exploration..
R13B	Carboniferous sediments	Little magnetic relief. The area may well still be attractive but more amenable to other techniques.
R14B	Carboniferous sediments	Several magnetic anomalies and linear features. More work required.
R15B	Porphyritic granitoid	Sparse magnetic anomalies.
R16A	Magnetic granitoids	Interesting linear and arcuate high amplitude anomalism. Priority area from a magnetics standpoint.
R17B	Granodiorite with medium magnetic response	Contains a large circular feature of unknown origin. The DTM shows correspondence. Field inspection warranted along the contact area.

10 Lao PDR

10.1 Introduction

The two FIA's of Xaybouathong and Virabouly near Sepon partially adjoin the China MinMetals Non-Ferrous Metals Co. Limited ("MMG") Sepon mine tenements, with the Utoumphone Project directly to the west and Virabouly to the south (Fig 35). The Attapeu Project is located immediately north of the Company's Ratanakiri Project in Cambodia. Oudoumaxi, Houaphan North and Houaphan South are in the north of the country. All areas are considered prospective for gold and base metals.

The five main prospects of Xaybouathong, Virabouly, Attapeu, Utoumphone and Oudomaxi cover large intrusive complexes, dissected by faults and are ringed by arcuate fractures. The intrusive complexes all have known mineralisation close by. Additionally a series of parallel arcuate structures are truncated by regional shear zones.

The key characteristics listed below occur within the project areas:

- Calcareous sedimentary host rocks.
- Well developed deep structures.
- Intrusives.
- Lithological contacts.
- Anticlinal folding.
- Shallow dipping stratigraphy.
- Structures associated with porphyry sills.
- Various styles of mineralisation prevail including Carlin, epithermal and porphyry styles.
- Epithermal gold mineralisation is associated with the shallow continental sediments.
- Continental sediments host numerous stratabound base metal and epithermal gold deposits of Triassic-Jurassic age.
- Granitic intrusives affect the projects and are related to outcropping gold and copper occurrences.
- The projects contain strong structures and regional trending shears which are interpreted to act as the mineralisation conduits.
- The granites of the area are located close to four known gold occurrences and show numerous similarities to other known copper/gold deposits of the region.
- Mineralisation is related to the deep seated granites, collapse structures, arcuate structures and hydrothermal solutions.
- The projects may contain high level epithermal systems, porphyry systems and diatreme breccias known to be associated with copper and gold mineralisation worldwide.

10.2 Structural History and Regional Geology

The tectonic history of Laos commences with the Cambrian rocks deposited on a Proterozoic basement and includes two 'island arcs' developed along the margins of a large stable area of Precambrian rocks, broadly triangular in plan, with the apex pointing northwards in the region of the present Vientiane Basin. The older Cambrian-Jurassic arc outcropped east of the continental block as the NW trending Truongson Belt that extends from Vietnam through the Lao panhandle and into north-central Laos. To the east and parallel to this arc a major crustal suture developed along which are exposed ophiolites.

The younger Silurian-Jurassic arc developed as the Louangphrabang Belt to the west of the continental block and now strikes NNE from Pak Lay in the western corner of Laos and terminates near the Chinese border. The two arcs were the leading edges of the Shan and South China Plates, which on 'collision' with the Indonesian continent caused much sliding and thrusting of older strata. A period of uplift followed in the Cretaceous with red-bed formation in the stable continental area.

The oldest geological units forming the Basement Complex comprise Lower and Middle Proterozoic rocks, mostly gneisses, schists, quartzite and marble. Palaeozoic and Mezozoic rocks include limestones, clays sandstones, red sands, mudstones and minor evaporates. The Cenozoic is characterized by sands and clays, igneous intrusives as both felsic and mafic forms.

10.3 Mineralisation

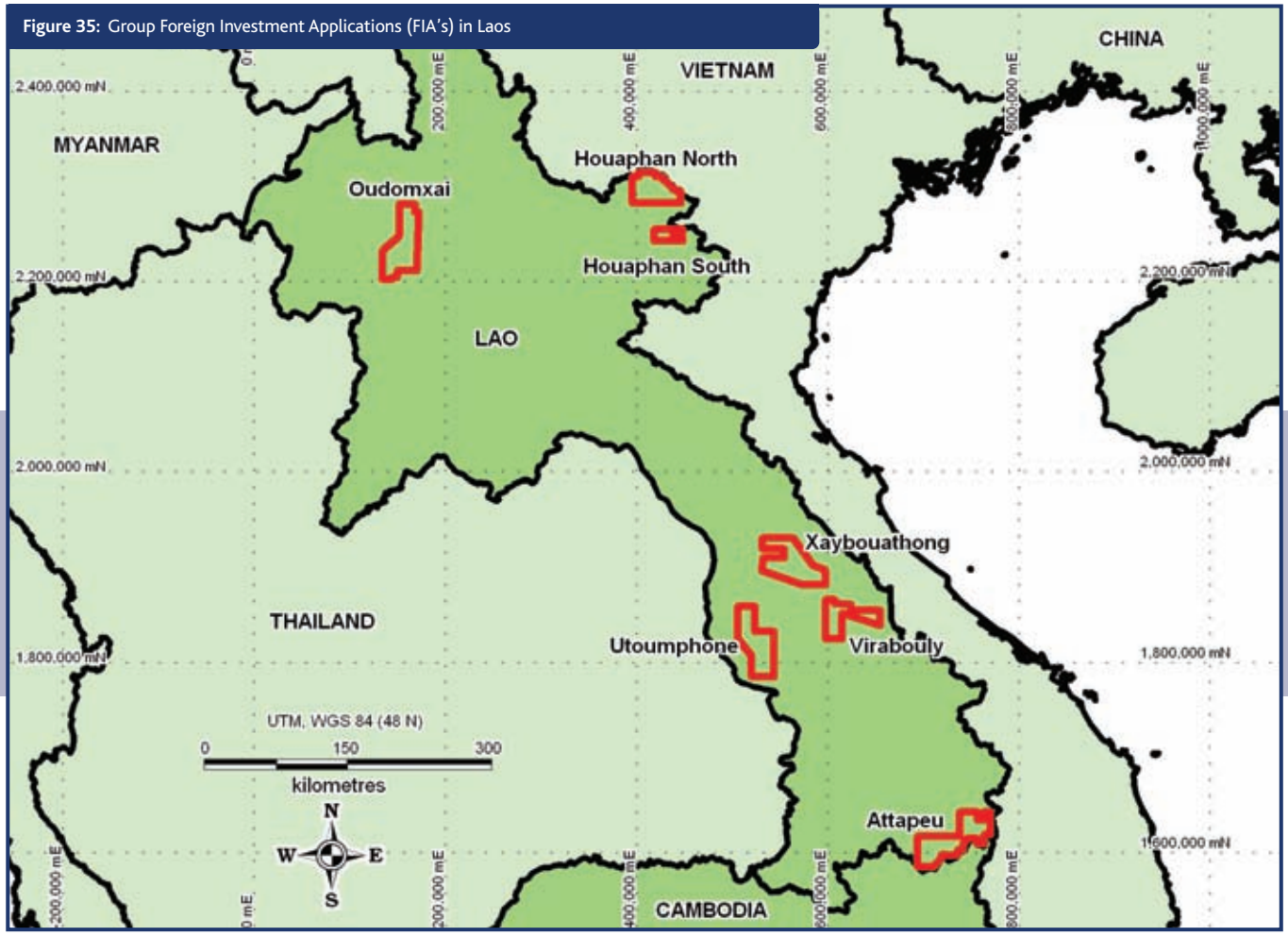
The main rock types are from the Palaeozoic and Mesozoic periods and consist of continental fluvial and shallow to deep marine sediments.

To date, the most promising metal occurrences in Laos are associated with either Permian-Triassic silicic volcanics or with the abundant Devonian to Silurian granitic intrusives.

About 60 gold occurrences and 46 copper occurrences are recorded in Laos, with many concentrated in the south in the vicinity of the Koh Kong/Attapeu tenement. They show a strong correlation with granitic intrusions. Some 75 lead and zinc occurrences are also documented with the first to come into production located in the Vientiane province, where the Kaiso zinc mine (40% Zn) has an annual production of 30,000 to 40,000t of metal.

A common feature in the major deposits being explored for or mined in Laos is the association of intrusives, carbonate rich rocks and intersecting structures. The same conditions apply in Cambodia which has essentially the same geology.

Figure 35: Group Foreign Investment Applications (FIA's) in Laos



10.4 Current Exploration Status

With the changed economic climate and the lack of modern exploration, Laos is attracting more foreign companies. By late 1998, Laos had issued only eight licences for non-industrial minerals (gold, tin and zinc).

A number of Australian companies are now established in Laos and have recently announced exploration success in locating gold and base metal projects, generally in joint venture with local companies. Key companies include ("MMG") at Sepon where gold occurs as fine disseminations in highly altered calcareous sedimentary rocks.

Pan Australian Resources Limited operates the Phu Bia Gold Project and First Pacific Mining Lao Co. Ltd of Pha Luang, has a lead-oxide mine.

Other companies actively exploring include Rox Resources Limited, Argonaut Resources NL, Southern Gold Cambodian Tenements (SAU) and Hill End Gold.

10.5 Attapeu Project

The Attapeu Project is located in the most southern part of Lao PDR on the Cambodian border and in the Koh Kong and Attapeu provinces. It is positioned directly adjacent to the north of the Company's Ratanakiri Project located in northern Cambodia.

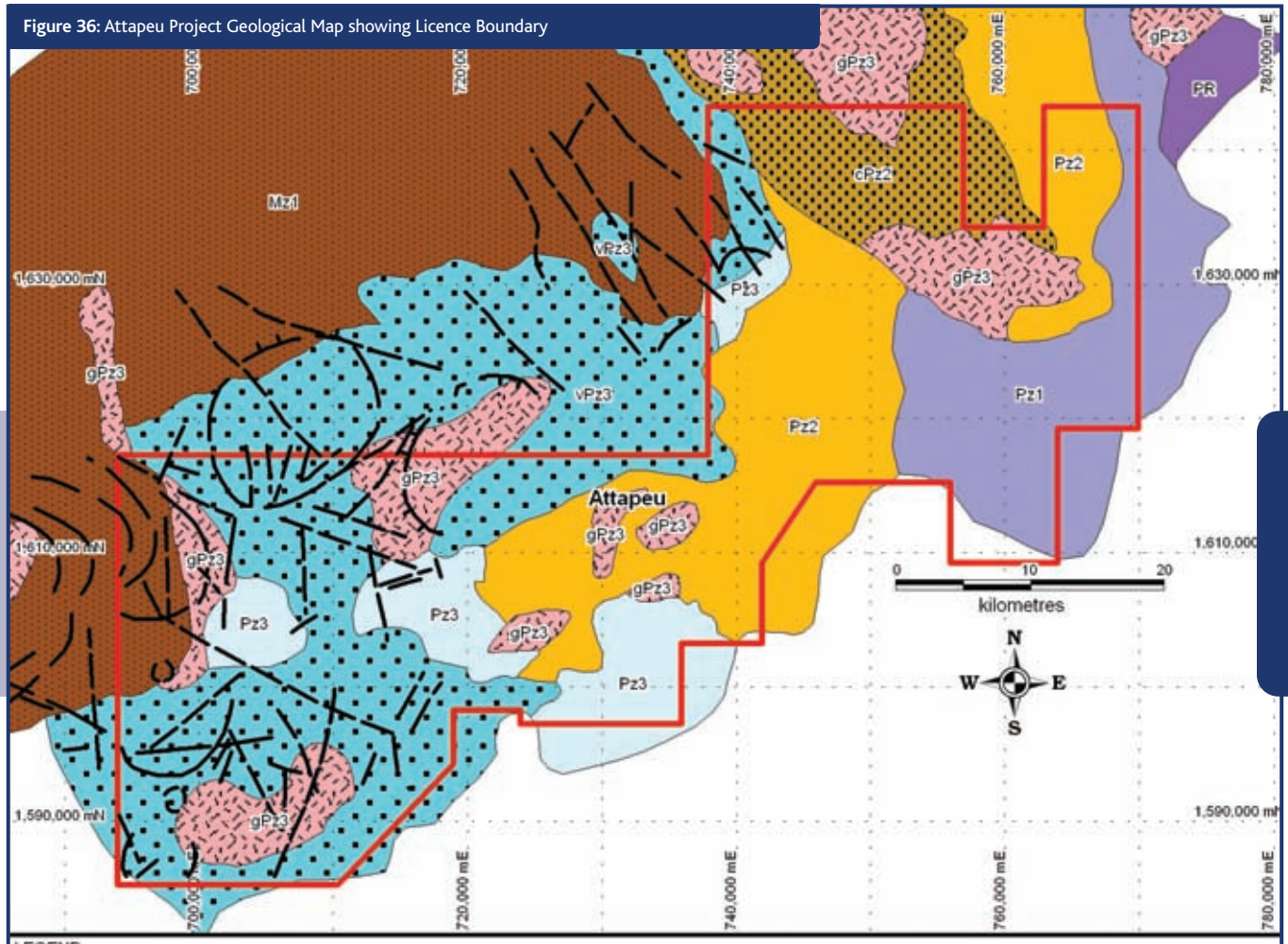
The Attapeu copper and gold project is made up of one ELA totalling 2,000km^2 (Fig 36). The Attapeu licence straddles the Attapeu and Kong Provinces with one minor road and a few villages along the extensive river systems.

The regional geology is known from one limited to 1:1,000,000 scale geological map. Rocks include a Precambrian basement sequence along the Vietnam border that includes low grade metamorphic schists and marbles. Ordovician rocks occur on the eastern side of the tenement against the border with Vietnam and Cambodia and comprise deepwater volcanics and sediments, including limestones, mafic, intermediate and silicic volcanic rocks that have been slightly metamorphosed. Three gold areas are indicated within the Ordovician, two of which are alluvial and one hydrothermal on the contact with an intrusive.

Devonian-material includes marine volcano-sedimentary sequences which extend 150km northwards in a broad belt. Within the tenement these include shallower continental sediments possibly of Silurian age. One epithermal gold area is indicated. Permian shallow shelf sequences are host rocks to a number of base metal and alluvial gold prospects close to the Cambodian border. Possibly ten intrusives of Permian age are within the tenement.

No detailed exploration or government mapping has covered this area but some alluvial gold occurrences and one base-metal occurrence have been noted. Lao Department of Geology and Mines reports state that the Triassic rhyolitic rocks of the Attapeu-Champasak area near the Cambodian

Figure 36: Attapeu Project Geological Map showing Licence Boundary



LEGEND

Mz1 — Mid Triassic - Late Jurassic
Mostly continental sequence with local shallow water marine facies persisting from upper Paleozoic. Continental red-clayey arenites with occasional thin coal seams and conglomerates in paralic intercalations, middle Triassic marine limestone units occur at the base of this interval, interbedded with clays in NE and NW. Marine Liassic in SE.

Pz3 / vPz3 / cPz3 — Pz3 (Late Permian – Early Triassic) / vPz3 (Early Permian – Early Triassic) / cPz3 (Mid Carboniferous – Mid Permian)
Shallow shelf sea sequence interdigitated with a volcanosedimentary sequence. Mostly sandstone, siltstone and shale in the N and SW. Some silicic, intermediate and mafic extrusive rocks (v) associated with subvolcanic intrusive centres. Bedded to massive dark gray to light gray marine limestone (c) from extensive karst tracts in N and E, and in the E are intercalated with siltstone, mudstone and some coal seams. Epiclastic rocks predominate over the limestones in the W and S.

cPz2 — Late Devonian – Early Carbiniferous
Mostly shallow shelf sea sequence of muddy limestones (c). Some continental Carboniferous in Vientiane basin, salavan (S central) and Phongsali Devonian (N).

Pz2 — Late Silurian – Late Devonian
Mostly marine volcanosedimentary sequence with mudrocks, wackes, arenites, silicic and intermediate volcanic rocks, ightly metamorphosed.

Pz1 — Cambrian - Mid Silurian
Deep-water marine volcanosedimentary sequence, metamorphosed to low or low-medium grades in the E; mudrocks, wackes, seric schists and arenites, amphibolite, black limestone, mafic, intermediate and silicic volcanic rocks.

PR — Proterozoic
Scattered outcrops arreas of low to high grade metamorphic rocks close to the NE and SE borders with Vietnam.

gPz3 — Granitoid plutons (g); mostly granodiorite to monzogranite.

Aster Interpreted Structure

Tenement Boundary

Coordinate System: UTM, WGS84, 48N

border are prospective for epithermal gold and stratabound base metal deposits.

The Encom report over the project area describes a complex sequence of northeast and northwest faults and an east trending regional shear, as well as a number of arcuate features of varying size from 1.0–12.0km in diameter. Encom considered the arcuate features possibly relate

to intrusive emplacement, magma cooling and collapse structures. They occur in the Devonian and Permian rock units and may be eroded remnants of volcanic centres in the Quaternary, possibly responsible for the large area of flood basalt south of the border.

Mineralisation Potential in the area is related to structures that are dissected by an east-west trending, regional scale shear. This structure could act as a conduit for ore formation. Mineralisation target types in this area include high level epithermal, porphyry systems, and the potential for diatreme breccia deposits directly related to the magmatic phases.

Figure 36 of the Attapeu Project area principally details structural and intrusive features. Structural lineations and interpreted intrusives (as arcuate features) are shown, as well as a series of targets highlighted for their interpreted alteration or structural appearance. These are:

- Target 1 – An interpreted eroded intrusive complex dissected by north-south faults and ringed by curvilinear fractures. Within this area, are three high priority areas (marked by crosses).
- Target 2 – A relatively small area containing a possible eroded intrusive complex dissected by a series of north-south and northeast trending structures, interpreted to be faults. This appears to be a prospective environment for the development of porphyry style mineralization.
- Target 3 – An area of parallel arcuate structures truncated by a regionally extensive ENE trending shear, structures through this area would be prospective for both lode and shear style mineralisation. Isolated gossan development is also interpreted in the western end of the area.

Year 1 work will include stream sediment sampling, soil and rock sampling, mapping, structural interpretations with target definition, ground TEM and airborne magnetic. Year 2 work will involve target selection and drilling.

10.6 Xaybouathong and Virabouly Projects

The Xaybouathong Project is located in the Savannahket Province and is a single licence application covering 2,026km^2 (Fig 37). The project area covers a portion of a classic back-arc 'pull-apart basin' environment that is highly prospective for a host of mineral types. The IML licence covers ground to the south of the MMG Sepon licence area and mine. The project area is mineralised with occurrences of copper, lead, tin chromium and gold recorded.

The Tenement is within the northwest trending Palaeozoic Truongson Fold Belt of the Indochina Terrane, near the eastern margin of the intra-continental Khorat Basin and on the western flank of the Anamitic Fold Belt. The geology is dominated by three major geologic units, the Proterozoic gneissic and schistose Kontum Massif, the central Upper Palaeozoic volcano-sedimentary Truongson Fold Belt sequence and the overlying Jurassic Khorat Basin.

The Fold Belt has been intruded by plutonic to sub-volcanic rocks which have been preferentially emplaced along west and west-northwest trending faults. Rhyo-dacites and andesites are associated with the Sepon Mineral District and each is associated with intense hydrothermal alteration. The Sepon Mineral District stratigraphy comprises Devonian to Carboniferous aged continental fluvial and shallow to deep marine sediments deposited in a half graben basin.

The main exploration targets include:

- Target 1: A discrete, faulted circular structure that is probably an eroded intrusive centre and is considered prospective for mineralisation development.
- Target 2: A major intrusive centre with incisions indicating alteration along northeast-east northeast fractures. It is prospective for Au-Cu porphyry mineralisation.

The ASTER interpretation of the Sepon Project indicates dominant fault directions to the northwest that run parallel to the Truongson fault system and east-west, parallel to the basin bounding faults. The intersection of east-west and north-east trending faults is important in localising mineralisation centred on porphyry intrusive stocks and associated dyke and sill complexes of similar composition. Six intrusive centres, located on a 35km structure in the area, have been the focus of intense hydrothermal activity with large scale alteration and mineralisation.

The Xaybouathong and Virabouly Projects are interpreted to have similar geology, structure and intrusives to those found at the MMG Sepon copper-gold mine and the Company's application is known to host occurrences of copper, gold and silver mineralisation. The Company's exploration methodology is to explore for Sepon or Carlin style mineralisation including, intrusions, intense hydrothermal alteration, structural controls for emplacement of intrusions, intersecting faults and shears, altered sediments, graben development and porphyry intrusives, dykes and sills.

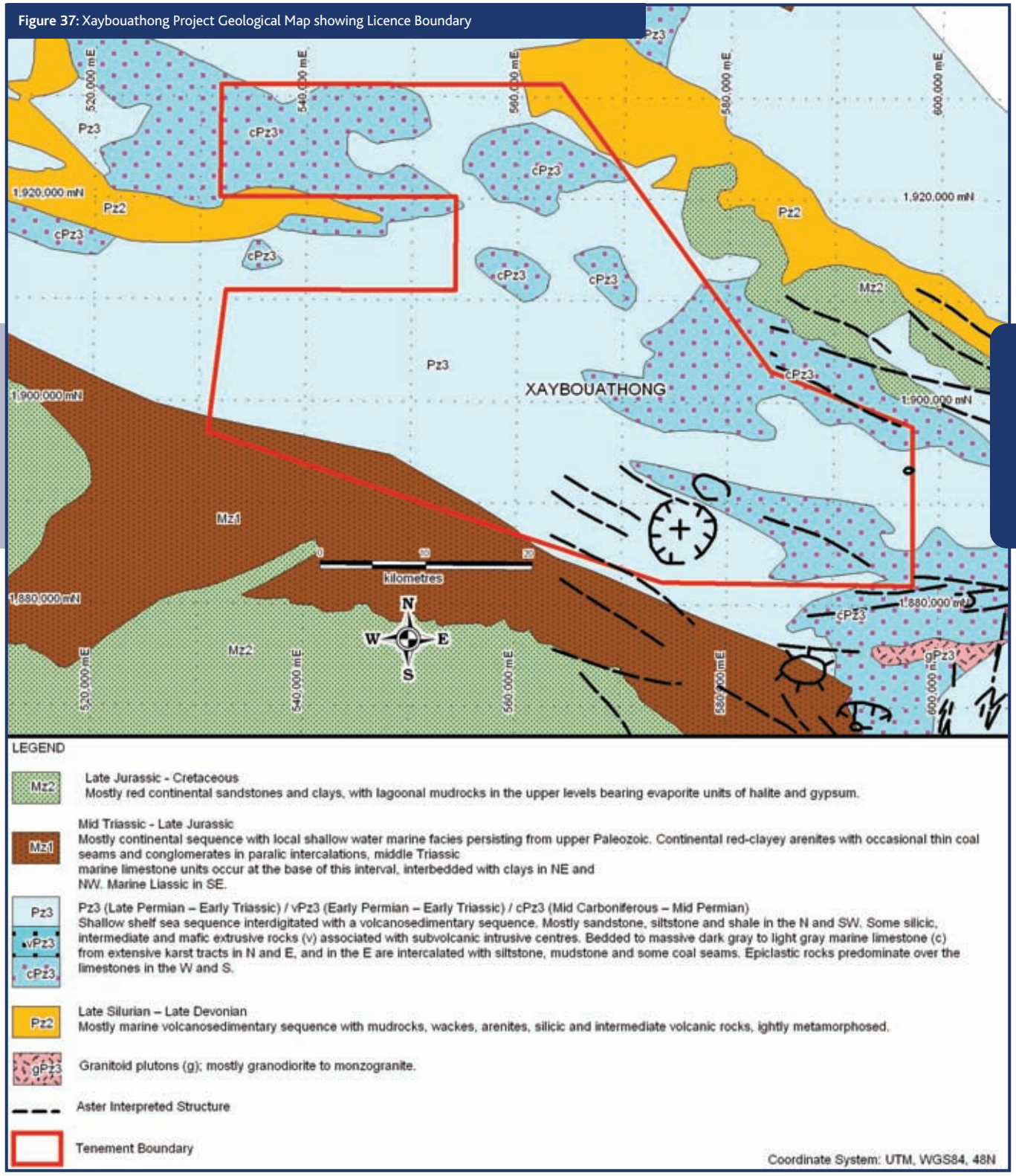
At Virabouly a manganese prospecting area near Phuo Katot, Na Xeng village, Phin District in Utoumphone Province is 20km from Phin. The area comprises a single application covering 1,101km^2 and covers ground south of the MMG Sepon copper-gold mine (Fig 38).

Access from Vientiane is southwards for 580km by bitumen road then 10km east via gravel road and finally 4km by walking tracks.

Locally the prospect covers red beds of the Triassic-Jurassic Khorat Formation. Also present are minor Silurian -Devonian mica schists and volcanoclastic tuffs. The local structure is dominated by northwest trending faults.

Manganese mineralisation is dominated by pyrolusite in podiform quartz veins up to 5m wide and over 1.0km in strike length. Sepon or Carlin style mineralisation including, intrusions, intense hydrothermal alteration, structural controls for emplacement of intrusions, intersecting faults and shears, altered sediments, graben development and porphyry intrusives, dykes and sills also constitute exploration targets.

Figure 37: Xaybouathong Project Geological Map showing Licence Boundary



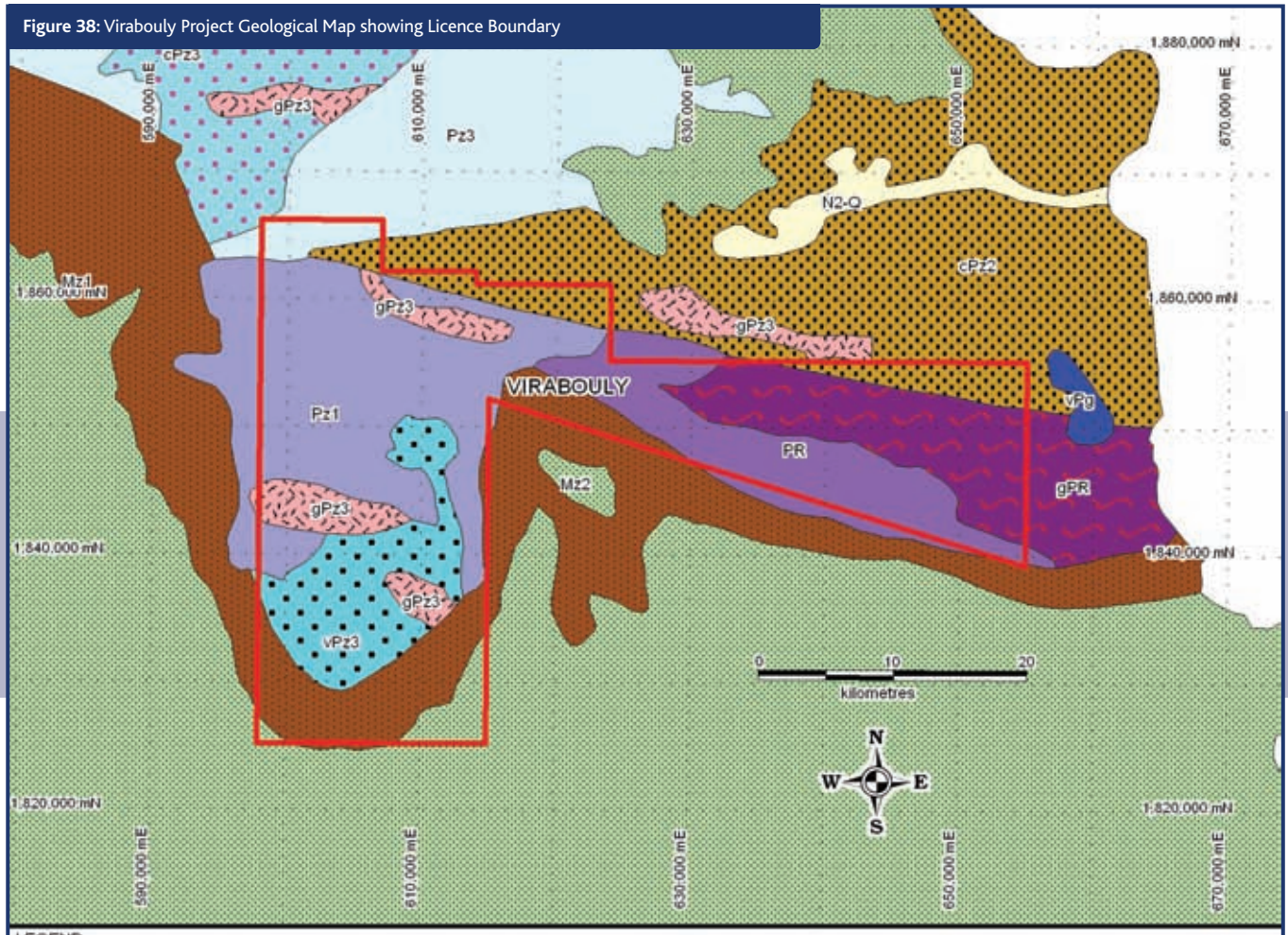
Year 1 work will include stream sediment sampling, soil and rock sampling, mapping, structural interpretations with target definition, ground TEM and airborne magnetic. Year 2 work will involve target selection and drilling.

10.7 Utoumphone Project

The Utoumphone Project is located in the Savannahket Province in the middle of Laos PDR next to the border with Thailand and south west of the Sepon Project. The Utoumphone copper and gold project comprises one licence application totalling 1,860km2. The project area contains an intrusive cluster developed towards the intersection of northeast and northwest structures as evidenced in the Landsat imagery. This combination of geological features is considered a prime exploration target.

The regional geological map shows that the tenement is within the intra-continental Khorat Basin comprising mostly Cretaceous sandstones and clays, with the upper sequences

Figure 38: Virabouly Project Geological Map showing Licence Boundary

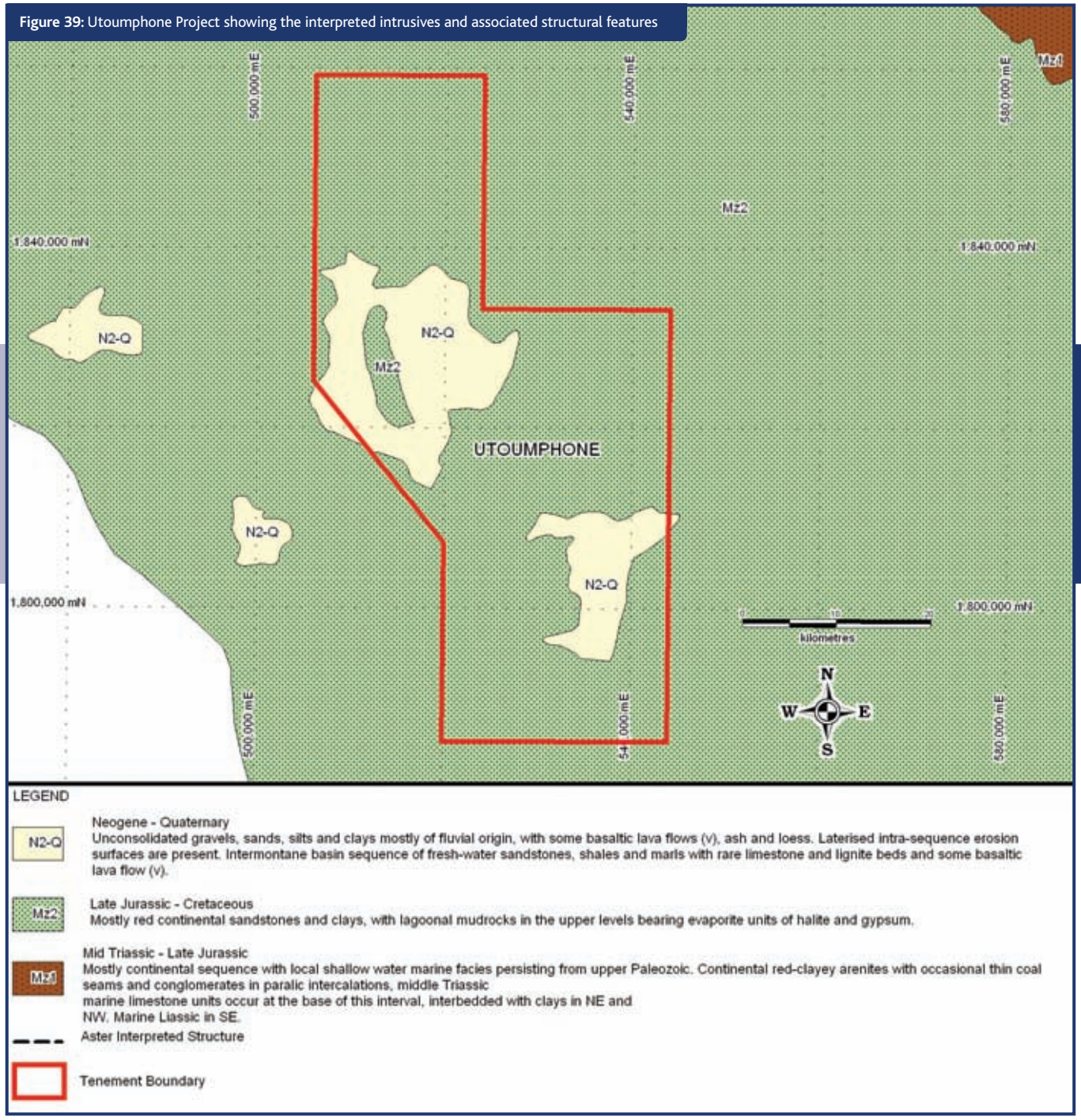


LEGEND

N2-Q	Neogene - Quaternary Unconsolidated gravels, sands, silts and clays mostly of fluvial origin, with some basaltic lava flows (v), ash and loess. Laterised intra-sequence erosion surfaces are present. Intermontane basin sequence of fresh-water sandstones, shales and marls with rare limestone and lignite beds and some basaltic lava flow (v).
vPg	Paleogene Alkali basaltic lava flows (v) (basanitoid types) with associated eruptive veinlets.
Mz2	Late Jurassic - Cretaceous Mostly red continental sandstones and clays, with lagoonal mudrocks in the upper levels bearing evaporite units of halite and gypsum.
Mz1	Mid Triassic - Late Jurassic Mostly continental sequence with local shallow water marine facies persisting from upper Paleozoic. Continental red-clayey arenites with occasional thin coal seams and conglomerates in paralic intercalations, middle Triassic marine limestone units occur at the base of this interval, interbedded with clays in NE and NW. Marine Liassic in SE.
Pz3 vPz3 cPz3	Pz3 (Late Permian – Early Triassic) / vPz3 (Early Permian – Early Triassic) / cPz3 (Mid Carboniferous – Mid Permian) Shallow shelf sea sequence interdigitated with a volcanosedimentary sequence. Mostly sandstone, siltstone and shale in the N and SW. Some silicic, intermediate and mafic extrusive rocks (v) associated with subvolcanic intrusive centres. Bedded to massive dark gray to light gray marine limestone (c) from extensive karst tracts in N and E, and in the E are intercalated with siltstone, mudstone and some coal seams. Epiclastic rocks predominate over the limestones in the W and S.
cPz2	Late Devonian – Early Carbiniferous Mostly shallow shelf sea sequence of muddy limestones (c). Some continental Carboniferous in Vientiane basin, salavan (S central) and Phongsali Devonian (N).
Pz1	Cambrian - Mid Silurian Deep-water marine volcanosedimentary sequence, metamorphosed to low or low-medium grades in the E; mudrocks, wackes, seric schists and arenites, amphibolite, black limestone, mafic, intermediate and silicic volcanic rocks.
PR	Proterozoic Scattered outcrops arreas of low to high grade metamorphic rocks close to the NE and SE borders with Vietnam.
gPz3	Granitoid plutons (g); mostly granodiorite to monzogranite.
gPR	Granitoid plutons of the Truongson belt (g); alkali granites, some migmatites and tonalities.
	Aster Interpreted Structure
	Tenement Boundary

Coordinate System: UTM, WGS84, 48N

Figure 39: Utoumphone Project showing the interpreted intrusives and associated structural features



including evaporitic units of halite and gypsum. The underlying folded, peneplained and rifted Palaeozoic sediments was deposited under shallow marine conditions dominated by carbonate-rich sediments.

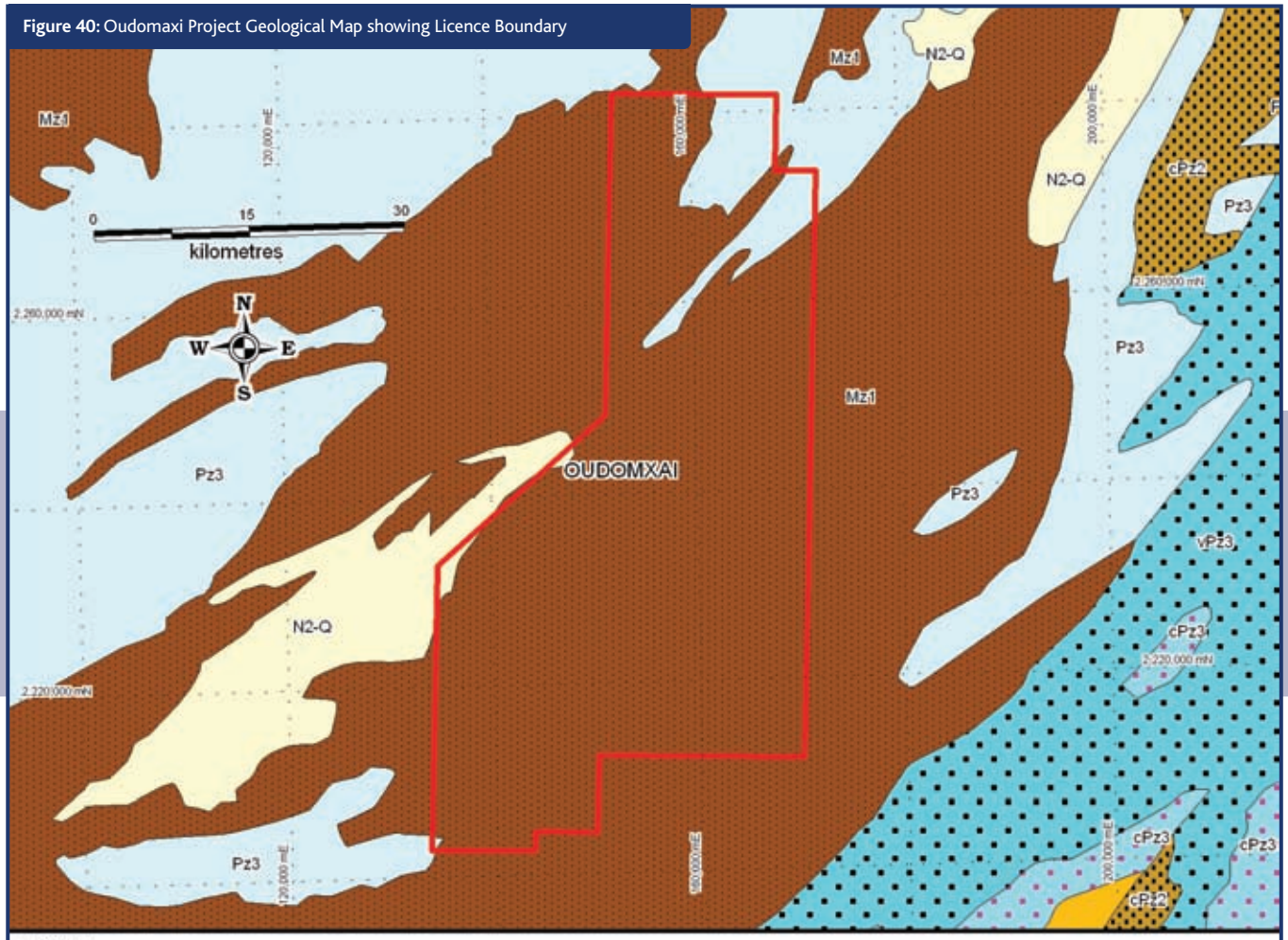
Late Tertiary laterite, lava flows, fresh water sediments and sands cover portions of the area. Three deposits of salt and gypsum are noted by government mapping. Cretaceous evaporite deposits in the Utoumphone plain, as well as the Vientiane plain are known to contain limitless quantities of high grade rock salt (potassium and sodium chloride) and gypsum.

The main exploration targets include:

- Target 1: The ASTER coverage of the Utoumphone Project indicates a number of targets including a large regional 15km circular structure containing arcuate fracture sets. North-south faulting dissecting this target contains a number of possible sites for possible mineralisation development.
- Target 2 and 3: To the south and southeast, elliptical target areas are identified from fractured and dissected arcuate features that are clearly observable in the enhanced ASTER data. The main trend of the observed structures is north-northeast whereas the predominant direction of lineation to the north is north-northwest.

Year 1 work will include stream sediment sampling, soil and rock sampling, mapping, structural interpretations with target definition, ground TEM and airborne magnetic. Year 2 work will involve target selection and drilling.

Figure 40: Oudomaxi Project Geological Map showing Licence Boundary



LEGEND

N2-Q — Neogene - Quaternary
Unconsolidated gravels, sands, silts and clays mostly of fluvial origin, with some basaltic lava flows (v), ash and loess. Laterised intra-sequence erosion surfaces are present. Intermontane basin sequence of fresh-water sandstones, shales and marls with rare limestone and lignite beds and some basaltic lava flow (v).

Mz1 — Mid Triassic - Late Jurassic
Mostly continental sequence with local shallow water marine facies persisting from upper Paleozoic. Continental red-clayey arenites with occasional thin coal seams and conglomerates in paralic intercalations, middle Triassic marine limestone units occur at the base of this interval, interbedded with clays in NE and NW. Marine Liassic in SE.

Pz3 / vPz3 / cPz3 — Pz3 (Late Permian – Early Triassic) / vPz3 (Early Permian – Early Triassic) / cPz3 (Mid Carboniferous – Mid Permian)
Shallow shelf sea sequence interdigitated with a volcanosedimentary sequence. Mostly sandstone, siltstone and shale in the N and SW. Some silicic, intermediate and mafic extrusive rocks (v) associated with subvolcanic intrusive centres. Bedded to massive dark gray to light gray marine limestone (c) from extensive karst tracts in N and E, and in the E are intercalated with siltstone, mudstone and some coal seams. Epiclastic rocks predominate over the limestones in the W and S.

cPz2 — Late Devonian – Early Carbiniferous
Mostly shallow shelf sea sequence of muddy limestones (c). Some continental Carboniferous in Vientiane basin, salavan (S central) and Phongsali Devonian (N).

Pz2 — Late Silurian – Late Devonian
Mostly marine volcanosedimentary sequence with mudrocks, wackes, arenites, silicic and intermediate volcanic rocks, lightly metamorphosed.

Aster Interpreted Structure

Tenement Boundary

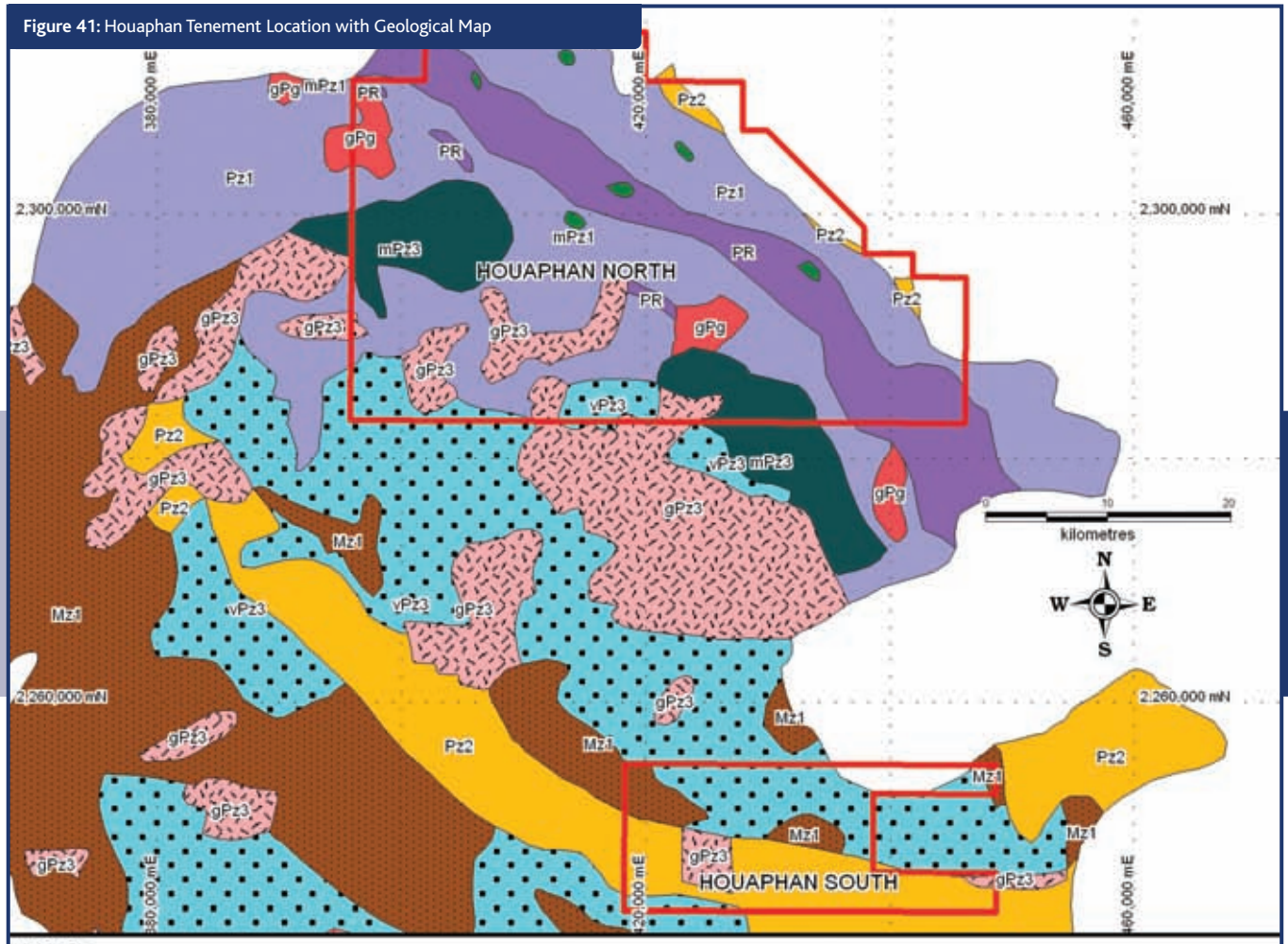
Coordinate System: UTM, WGS84, 48N

10.8 Oudomaxi Copper-Gold Project

The Oudomaxi Project is located in the northwest region of the Laos PDR in the Oudomaxi province. It comprises one FIA totalling 2,561km² (Fig 40). The imagery interpretations indicate a complex imbricate tectonic setting dominated by a north east shear fabric and the development of east-west tensional structures.

The project is almost exclusively within a Mesozoic terrane and includes mainly continental, clayey arenites, conglomerate, some coal and intercalations of marine limestone. The Mesozoic units lie within a broad anticline trending northerly and flanked by Palaeozoic rocks of the Muong Xai Belt. One copper and one coal prospect is indicated on the government map.

Figure 41: Houaphan Tenement Location with Geological Map



LEGEND

Mz1 — Mid Triassic - Late Jurassic
Mostly continental sequence with local shallow water marine facies persisting from upper Paleozoic. Continental red-clayey arenites with occasional thin coal seams and conglomerates in paralic intercalations, middle Triassic marine limestone units occur at the base of this interval, interbedded with clays in NE and NW. Marine Liassic in SE.

Pz3 / vPz3 / cPz3 — Pz3 (Late Permian – Early Triassic) / vPz3 (Early Permian – Early Triassic) / cPz3 (Mid Carboniferous – Mid Permian)
Shallow shelf sea sequence interdigitated with a volcanosedimentary sequence. Mostly sandstone, siltstone and shale in the N and SW. Some silicic, intermediate and mafic extrusive rocks (v) associated with subvolcanic intrusive centres. Bedded to massive dark gray to light gray marine limestone (c) from extensive karst tracts in N and E, and in the E are intercalated with siltstone, mudstone and some coal seams. Epiclastic rocks predominate over the limestones in the W and S.

Pz2 — Late Silurian – Late Devonian
Mostly marine volcanosedimentary sequence with mudrocks, wackes, arenites, silicic and intermediate volcanic rocks, ightly metamorphosed.

Pz1 — Cambrian - Mid Silurian
Deep-water marine volcanosedimentary sequence, metamorphosed to low or low-medium grades in the E; mudrocks, wackes, seric schists and arenites, amphibolite, black limestone, mafic, intermediate and silicic volcanic rocks.

PR — Proterozoic
Scattered outcrops arreas of low to high grade metamorphic rocks close to the NE and SE borders with Vietnam.

gPg — Minor granitoid intrusion (g); gabbro-monzonite to dacite quartz porphyry.

mPz3 — Granitoid plutons (g); mostly granodiorite and monzogranite, with less abundant gabbro (m) and silicic subvolcanic intrusive rocks.

gPz3 — Granitoid plutons (g); mostly granodiorite to monzogranite.

mPz1 — Granitoid plutons (g) with some associated gabbro intrusives (m)

Tenement Boundary

Coordinate System: UTM, WGS84, 48N

IML has applied for ground that contains the combination of suitable trap rocks, associated structures and intrusive rock units that are prospective for mineralisation.

Exploration Targets include:

- Target 1: North-south regional shear zone intersected with oblique faults. Structure hosts arcuate features with possible intrusive centres and is considered highly prospective.
- Target 2: A regional shear zone with oblique faults similar to Target 1. Discrete arcuate features present.
- Target 3: A strongly dissected and faulted area in the south with cross-cutting shears and faults. A deeper intrusive is possibly indicated by the intensity of shearing and faulting.

Year 1 work will include stream sediment sampling, soil and rock sampling, mapping, structural interpretations with target definition, ground TEM and airborne magnetic. Year 2 work will involve target selection and drilling. Budget amounts are presented in the summary in Table 23.

10.9 Houaphan North & South

These two FIA's cover two portions of ground in the north of the country with 1285km^2 in the north block and 301.4km^2 in the southern block (Fig 41).

The northern FIA in the main covers essentially Proterozoic, high grade metamorphic rocks with overlying Cambrian to mid-Silurian volcano-sedimentary sequences draped to the northeast and southwest. In the extreme northeast some late Silurian volcano-sedimentary sequences have been recognised.

To the southwest and central portions of theFIA , several styles of granitoid intrusives have been noted that vary from gabbroic through granodiorites to monzo-granites. In the extreme southwest minor Early Permian to Early Triassic volcano-sedimentary sequences have been recorded.

The southern FIA comprises essentially Late-Silurian to Late Jurassic volcano-sedimentary sequences with a centrally placed granitoids intrusive.

Exploration targets include mineralisation associated with intrusions, intense hydrothermal alteration, structural controls for emplacement of intrusions, intersecting faults and shears, altered sediments, graben development and porphyry intrusives.

11 Work Program and Budget

11.1 Kratie

11.1.1 Kdei area

Where required, additional MMI soil samples will be collected to determine the continuity of all the anomalies identified in the work to date. In addition, new target areas require orientation investigation. Several of the current anomalies are of such significantly high levels to warrant scout drill testing and allowance has been made for their investigation.

Additional drilling is required at all prospects checked to date as well as at newly identified targets.

11.1.2 Phnom Chi Copper-Gold-Uranium Prospects

MMI-soil sampling around and within the intrusive centre needs to be consolidated to complete the already identified anomalies and complete the coverage. Areas with strong response ratios will be checked to identify continuity.

11.1.3 Southern Area

Geological mapping associated with stream sediment sampling within the area surrounding the anomalies requires final consolidation and new interpreted targets require investigation. An allowance for drill investigation of first priority targets is included in the budget.

11.2 Ratanakiri

11.2.1 Paung Peay Gold Prospect

An allowance for scout diamond drilling followed by RC infill drilling is included in the budget.

11.2.2 Bor Kham SW Gold Prospect

An allowance for scout diamond drilling followed by RC infill drilling is included in the budget.

11.2.3 Bor Kham East Gold and Other Base Metal Prospect

Once all MMI results are to hand, additional sampling will be planned as required along with more detailed geological mapping around the anomalous zones. An allowance for scout diamond drilling followed by RC infill drilling is included in the budget.

11.2.4 Bor Kham Iron and Gold Prospect

The recommendation here is to continue in the northern and southern zones of the previous test pits to determine the continuity of the anomalous gold areas that will include detailed geological mapping and rock chip sampling along the anomalous gold tributary.

11.3 Others

Petrographic studies on some selected rock samples will be undertaken to aid proper nomenclature of the specimens. This study will also help the company interpret mineralisation and alteration present.

XRF analyses of alteration clay mineralogy for each alteration target. At least ten will be required that may require 20-30 separate assays. There is a need to accurately identify clay mineral zoning and groups in each area to better assess the exposed level in the epithermal sequence.

11.4 Laos

In Laos, all the normal greenfields exploration activities will be undertaken including the flying of detailed aeromagnetic and radiometric data acquisition as a precursor to additional primary target selection.

11.5 Exploration Budget

The following budget (Table 23) is proposed with Year 2 expenditure dependent on continued positive results from the Year 1 program.

Table 23: Exploration Budget for Two Year Plan

Function	Year 1 Units	Year 1 $000s	Year 2 Units	Year 2 $000s	Total Units	Total $000s
Minimum Subscription						
Additional Landsat Image interpretation		50		50		100
Additional Magnetic survey interpretation		50		50		100
Field Mapping	200km	100	200km	100	400km	200
Infill and extension soil geo-chemistry	40,000	1,600	20,000	672	60,000	2,272
Data compilation		0		100		100
Drilling Diamond	5,000m	675	5,000m	676	10,000m	1,351
Drilling RC	10,000m	1,000	10,000m	1000	20,000m	2,000
Drill assay		450		450		900
Total		**3,925**		**3,098**		**7,023**
Maximum Subscription						
Additional Landsat Image interpretation		50		50		100
Additional Magnetic survey interpretation		50		50		100
Field Mapping	200km	100	400km	440	600km	540
Infill and extension soil geo-chemistry	40,000	1600	60,000	2,400	100,000	4,000
Data compilation		0		100		100
Drilling Diamond	5,000m	675	25,000m	3,375	25,000m	4,051
Drilling RC	10,000m	1000	40,000m	4,000	30000m	5,000
Drill assay		450		1,050		1,500
Total		**3,925**		**11,465**		**15,391**

12 Conclusions

IML has established a portfolio of highly prospective mineral exploration tenements in Cambodia with significant gold and base-metal mineralization already identified by the Company's recent exploration work as described above.

In Cambodia, the Steung Nambrai line of workings, situated on the margins of a major intrusive complex, are interpreted to represent the upper portions of an epithermal deposit with existingpotential for 'bonanza zones' to be preserved at depth. The recognized veins may well be just the first of many that couldl ultimately constitute a cluster comprising a major goldfield. Further drilling in this area is warranted and justified based on results to date.

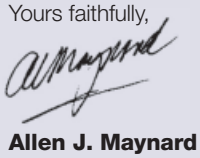
The Elephant and O'Chos prospects represent mineralisation occurrences associated with intrusive rock types andbodes well for additional discoveries of similar styles of mineralisation.

The Ratanakiri Project area has two well advanced targets at Paung Peay and Bar Kham with strong anomalies already defined. At these prospects other zones still require infill and extension MMI sampling.

The whole Ratanakiri area warrants and requires a continued systematic exploration program. IML has already commenced geological mapping and further geochemical sampling to better define future drill targets.

In the Lao PDR, two of the Company's wholly owned subsidiaries, Indochine Resources Limited and Aries Limited have made between them six Foreign Investment Applications in respect of project areas that are at early exploration stages and warrant detailed investigation along the same lines as already successfully developed in the Cambodian tenements. These Laos areas either have reported mineralization within them or represent strike-continuations of known mineralization that is immediately adjacent to them.

Yours faithfully,



Allen J. Maynard

With grateful acknowledgement to the Staff and all other Consultants to IML for their contributions.

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14 Glossary of Technical Terms and Abbreviations

Acid Rock	A loose term applied to igneous rocks in which high silica minerals dominate (also "felsic")
Aeromagnetic Survey	A survey made from the air for the purpose of recording magnetic characteristics of rocks.
Alluvial	Transported and deposited by water.
Alluvium	Gravel and other sediment found along rivers and creeks.
Alteration Zone	Zone within which rock forming minerals have been chemically changed.
Andesite	A volcanic rock intermediate in composition between basalt and rhyolite, composed mainly of feldspar and one or more mafic minerals.
Anomaly	Value higher or lower than the expected or norm.
Anomalous	Outlining a zone of potential exploration interest but not necessarily of commercial significance.
Arsenic	A mineral, the native element, occurring in grey masses.
Arsenopyrite	A tin white mineral composed of iron, arsenic and sulphur.
Auger sampling	A sampling technique utilising a screw-like tool to obtain shallow samples.
Auriferous	Gold bearing
Banded Iron Formation	A chemical sedimentary rock composed of silica and iron oxide rich layers. Abbreviation = (BIF)
Basalt	A fine grained volcanic rock composed primarily of plagioclase feldspar and mafic minerals.
Basement	Usually synonymous with Archaean and Proterozoic terrain.
Base metal	Generally a metal inferior in value to the precious metals, eg. copper, lead, zinc, nickel.
Basic rocks	Igneous rocks containing between 45 and 52% silica, distinct from acid or intermediate rocks.
Basin	A low area of the earth's crust in which sediments accumulate.
Bed	Individual sedimentary layer
Bedding	A rock surface parallel to the surface of deposition.
Bedrock	Any solid rock underlying unconsolidated material.
Block	Structural area of the continental landmass.
Breccia	Rock consisting of angular fragments in a finer grained matrix, distinct from conglomerate.
Calcite	A common mineral, calcium carbonate, $CaCO_3$.
Carbonate	A sedimentary rock or mineral formed of calcium, magnesium or iron carbonate minerals. A salt or ester of carbonic acid; a compound containing the radical CO_3^{2-}, commonly found altering pre- existing rocks.
Chalcopyrite	A copper iron sulphide mineral, an important ore of copper, $CuFeS_2$.
Channel Sample	A sample of material taken continuously across a rock face.
Chert	A compacted, siliceous rock of organic or precipitated origin.
Chlorite	A term used for a group of greenish coloured platy hydrous silicates of aluminium, ferrous iron and magnesium, which are closely related to the micas.
Clast	An individual constituent of sediment or sedimentary rock produced by the physical disintegration of a larger mass.
Clastic	A sedimentary rock composed of broken fragments of pre-existing rocks.
Clinopyroxene	A group name for monoclinic pyroxenes. Abbrev. cpx. Syn: monopyroxene. CF: orthopyroxene.
Complex	An assemblage of rocks or minerals intricately mixed or folded together.
Conformable	Beds deposited upon one another in uninterrupted sequence.
Conglomerate	Sedimentary rock formed by the cementing together of rounded water-worn pebbles, distinct from breccia.
Country rock	A general term applied to rock surrounding or penetrated by mineral veins.
Craton	A relatively immobile part of the earth, generally of large size.
Diamond drill	Rotary drilling using diamond impregnated bits, to produce a solid continuous core sample of the rock.
Diatreme	Breccia filled volcanic pipe formed by a gaseous explosion.
Dip	The angle at which a rock layer, fault of any other planar structure is inclined from the horizontal.
Disseminated	Fine particles of the ore mineral dispersed through the enclosing rock.
Dolerite	A medium grained intrusive rock mainly composed of feldspar and pyroxene.
Domain	The areal extent of given lithology or environment.
Drusy	A term used to express the appearance or habit of a crystalline aggregate whose surface is covered with a layer of small crystals.
Dyke	A tabular intrusive body of igneous rock that cuts across bedding at a high angle.
Eluvium	Material formed by the weathering of rock, still at, or near, its point of formation (eluvial – adj)

EM Survey	Electro-magnetic survey to measure physical properties of the earth.
Eocene	A division of geological time from 58 to 37 million years ago.
Epigenetic	Said of a mineral deposit of later origin than the enclosing rocks. Can be used to describe processes occurring at or near the surface of the earth. When used to describe ore deposits there are 6 main groups; (a) contact metamorphic deposits,(b) pegmatite deposits, (c) deposits of the deep–seated vein zone,(d) deposits of the intermediate vein zone, (e) deposits of the shallow vein zone, (f) surface deposits formed by springs of magmatic origin.
Epithermal	Deposit formed in and along cracks and fissures in rocks by deposition at shallow depths of ascending hot solutions.
Fault	A fracture in rocks on which there has been movement on one of the sides relative to the other, parallel to the fracture.
Feldspar	A group of abundant rock forming aluminous silicate minerals containing potassium, sodium, calcium or barium.
Felsic	Descriptive of an igneous rock which is predominantly of light coloured minerals (antonym: of mafic).
Fine Ounce	Equal to 31.1035 grams of gold.
Fire assay	Assay procedure involving heating the sample in a furnace to ensure complete extraction of all the contained precious metal.
Float	Pieces of rock, separated from their parent strata, scattered over the surface.
Footwall	Rocks underlying mineralisation.
Gabbro	A coarse grained rock consisting of plagioclase and mafic minerals.
Galena	The principal ore of lead, a sulphide mineral – PbS
Geochemistry	Study of variation of chemical elements in rocks or soils.
Geochemical survey	The systematic study of the variation of chemical elements in rocks and soil.
Geophysical	A systematic study of the variation of physical properties in rocks survey and soils.
Geophysics	Study of the earth by quantitative physical methods.
Gneiss	A metamorphic rock with compositional banding of light and dark minerals often of granitic composition.
Grab sample	Sample of rock or sediment taken more or less indiscriminately at any place.
Granite	A coarse grained igneous rock consisting essentially of quartz and more alkali feldspar than plagioclase.
Granodiorite	A coarse-grained acid igneous rock consisting of quartz (20-40%),calc-alkali feldspar and various ferromagnesian minerals dominated by hornblende, biotite and minor magnetite and sphene.
Hangingwall	Rocks overlying mineralisation.
Hematite	A common oxide of iron.
Induced Polarisation	(IP) Surface electrical method of geophysical surveying.
Inferred Resource	A resource inferred from geoscientific evidence, drillholes, underground openings or other sampling procedures where lack of data is such that continuity cannot be predicted with confidence and where geoscientific data may not be known with a reasonable level of reliability.
Indicated	A resource sampled by drillholes, underground openings, or other Resource sampling procedures at locations too widely spaced to ensure continuity and where geoscientific data are known with a reasonable level of reliability.
Intercept	The length of rock or mineralisation traversed by a drillhole.
Intermediate	Igneous rocks whose composition is intermediate between acid and mafic rocks.
Intrusive	Having, while fluid, been injected into the earth's crust and solidifying before reaching the surface.
JORC	Joint Ore Reserves Committee- Australasian Code for Reporting of Identified Resources and Ore Reserves.
Jurassic	A time period from approximately 212 to 142 million years ago.
Landsat	An unmanned satellite designed to provide multi spectral imagery of the earth's surface.
Laterite	A red, residual soil, cemented in place, containing iron and aluminium oxides but leached of quartz.
Lineament	A naturally occurring major linear feature in the earth's crust, often associated with mineral deposits.
Lode	A deposit of potentially valuable material or minerals between definite boundaries.
Mafic	A loosely used group name for silicate minerals that are rich in iron and magnesium, and for rocks in which these minerals are abundant.
Magnetic Survey	Systematic collection of readings of the earth's magnetic field.
Massive Sulphides	A mass of rock exceeding 40% sulphide minerals.
Measured	A resource intersected by drillholes, underground openings or other Resource sampling procedures at locations which are spaced closely enough to confirm continuity and where geoscientific data are reliably known.
Mesa(s)	Isolated tableland area with steep sides.
Metasediment	Sedimentary rocks that have been recrystallised by metamorphism.
Mineral Resource	A tonnage or volume of rock or mineralisation of economic interest.
Mineralisation	In economic geology, the introduction of valuable elements into a rock body.

Miocene	The division of geological time extending back from 5.5–22.5 million years from the present.
Ordovician	A time period from 500 to 440 million years ago.
Ore	A mixture of minerals, host rock and waste material which is expected to be mineable at a profit.
Orebody	A continuous, well defined mass of ore.
Outcrop	The surface expression of a rock layer (verb: to crop out).
Palaeo	Relating to the past, ancient or fossil.
Palaeocene	A division of geological time from 66 to 58 million years ago.
Palaeochannel	A drainage channel of the geological past which may be buried.
Palaeozoic	A time period from approximately 590 to 225 million years ago.
Paragneiss	A metamorphic rock presumed to have formed from an original igneous rock.
Pegmatite	A very coarse grained igneous rock formed at a late stage of magmatic differentiation.
Permian	A division of geological time from 280 to 225 million years ago.
Petrological studies	The systematic description of rocks in hand specimen and thin section.
Phanerozoic	The geological age after the end of the Proterozoic till the present, that is from 570 million years ago.
Photogeology	The geological interpretation of aerial photographs.
Photo lineament	A linear feature interpreted from aerial photos.
Porphyritic	A term describing igneous rocks containing relatively large crystals set in a finer grained groundmass (called a porphyry qv).
Porphyry	A rock with conspicuous crystals in a fine-grained ground mass.
Primary	Mineralisation which has not been affected by near surface mineralisation oxidising process.
Proterozoic	The geological age after Archaean, approximately 570 to 2400 million years ago.
Proved Reserve	An ore reserve stated in terms of mineable tonnes and grade in which the corresponding identified Mineral Resource has been defined in three directions by excavation or drilling (including minor extensions beyond actual openings and drillholes), and where the geological factors that limit the orebody are known with sufficient confidence that the Mineral Resource is categorised as Measured.
Pyrite	A mineral compound of iron and sulphur, FeS_2 "Fools Gold"
Pyroclastic	A fragment of volcanic rock, resulting from explosive activity or eruption.
Pyroxene	A group of silicate minerals containing iron and magnesium, with calcium and sodium or aluminium. The group includes some of the commonest rock forming minerals.
Pyrrhotite	An iron and sulphur mineral also known as magnetic pyrites. $Fe_{n-1}S_n$ with n ranging from 5 to 16.
Quartz	A very common mineral composed of silicon dioxide – SiO_2.
Quartzite	A metamorphic rock composed almost entirely of quartz.
Quaternary	A division of geological time ranging between 1.8 million years and the present.
RAB	Rotary Air Blast (as related to drilling) – A drilling technique in which the sample is returned to the surface outside the rod string by compressed air.
RC	Reverse Circulation (as relating to drilling) – A drilling technique in which the cuttings are recovered through the drill rods thus minimising sample losses and contamination.
Recent	Geological age from about 20,000 years ago to present (synonym: Holocene).
Reconnaissance	A general examination or survey of a region with reference to its main features, usually as a preliminary to a more detailed survey.
Regolith	The mantle or mantle of loose, incoherent rock material, of whatever origin, that nearly everywhere forms the surface of the land and rests on the hard or "bed" rocks.
Remote Sensing Imagery	Geophysical data obtained by satellites processed and presented as photographic images in real or false colour combinations.
Reserve	In-situ mineral occurrence which has had mining parameters applied to it, from which valuable or useful minerals may be recovered.
Resource	In-situ mineral occurrence from which valuable or useful minerals may be recovered, but from which only a broad knowledge of the geological character of the deposit is based on relatively few samples or measurements.
Reverse Fault	A fracture in rocks in which the strata above the fracture have been displaced up the fracture plane relative to the strata below the fracture.
Sandstone	A cemented or otherwise compacted detrital sediment composed predominantly of quartz grains.
Saprolite	Weathered rock in which the original rock textures are still recognisable
Schist	A type of metamorphic rock with a platy, foliated or laminated texture.
Sediment	Rocks formed by the deposition of solids from water.
Shale	A laminated sediment in which the constituent particles are predominantly clay sized (smaller than 0.0039mm in diameter).
Shear (zone)	A zone in which shearing has occurred on a large scale so that the rock is crushed and brecciated.
Silica	Silicon dioxide, SiO_2 (cf .Quartz)
Silicified	Containing a high proportion of silicon dioxide.
Sill	A sheet like body of igneous rock that is conformable with the layers it intrudes.

Silt	A sediment in which most of the particles are between 0.0625mm and 0.0039mm diameter.
Siltstone	A very fine-grained clastic rock composed predominantly of silt sized particles.
Silurian	A time period from 440 to 400 million years ago.
Silver	(Native) Silver naturally occurring uncombined with other elements.
Slate	A finely foliated metamorphic rock that results from the metamorphism of rocks such as shale under stress.
Soil sampling	Systematic collection of soil samples at a series of different locations in order to study the distribution of soil geochemical values.
Sphalerite	A zinc iron sulphide mineral, an important zinc ore.
Splay fault	A secondary shear or fault divergent from the principal structure.
Stockwork	An interlocking system of small veins or lodes.
Stratigraphy	The succession of superimposition of rock strata. Composition, sequence and correlation of stratified rock in the earth's crust.
Strike	The direction or bearing of the outcrop of an inclined bed or structure on a level surface.
Stringer	A narrow vein or irregular filament of mineral traversing a rock mass.
Subcrop	The surface expression of a mostly concealed rock layer.
Sulphide	A group of minerals in which one or more metals is found in combination with sulphur.
Sulphidic	Containing metallic sulphide minerals mainly iron sulphides.
Supergene Enrichment	Said of a mineral deposit or enrichment formed near the surface generally by descending groundwater.
Supergene Ores	Alteration of ore minerals by exposure to oxygen and water.
Syncline	A fold where the rock strata dip inwards towards the axis (antonym: anticline).
Tertiary	A division of geological time ranging between 65 million years and 1.8 million years ago.
Tonalite	A plutonic rock containing the major minerals plagioclase, quartz and hornblende or biotite or both.
Triassic	A time period from approximately 248 to 212 million years.
Trachybasalt	An extrusive rock intermediate in composition between trachyte and basalt, characterised by the presence of both calcic plagioclase and alkali feldspar, along with clinopyroxene, olivine, and possibly minor analcime or leucite.
Trachyte	A group of fine-grained, generally porphyritic, extrusive rocks having alkali feldspar and minor mafic minerals (biotite, hornblende, or pyroxene) as the main components.
Tuff (aceous)	A compacted pyroclastic rock of cemented volcanic ash.
Ultramafic	Synonymous with ultrabasic.
Unconformable	Descriptive of rocks on either side of an unconformity.
Unconformity	Lack of parallelism between rock strata in sequential contact, caused by a time break in sedimentation.
Vein	A narrow intrusive mineral body.
Volcanic	Relating to the eruption of a volcano.
Volcanic	Describes clastic fragments of volcanic origin.
Volcanogenic	Derived from volcanic activity.
Wacke	A sandstone consisting of angular and unsorted mineral and rock fragments.
Weathering	A process of change to rocks brought about by their exposure to oxygen and water.
Xenolith	A fragment of other rock or of an earlier solidified portion of the same mass enclosed in an igneous rock; an inclusion; an enclave.
X-Ray	A method of chemical analysis
Fluorescence	(XRF)
Zircon	Zirconium silicate mineral.

CHEMICAL SYMBOLS

Ag	Silver	Mg	Magnesium
Al	Aluminium	Mn	Manganese
As	Arsenic	Mo	Molybdenum
Au	Gold	Ni	Nickel
Ce	Cerium	Pb	Lead
Co	Cobalt	Sn	Tin
Cr	Chromium	U	Uranium
Cu	Copper	W	Tungsten
Fe	Iron	Zn	Zinc

ABBREVIATIONS

cm	centimetre	m	metre
g	gram	m^2	square metre
g/t	gram per tonne	m^3	cubic metre
ha	hectare	mm	millimetre
kg	kilogram	M	million
km	kilometre	t	tonne
km^2	square kilometre	oz	troy ounce, equivalent to 31.103477g.

UNITS OF CONCENTRATION

ppb	parts per billion
ppm	parts per million

Section 9
Financial Information

9.1 Overview

The information contained in this Section is to be read in conjunction with, and is qualified in its entirety by, the assumptions set out in this Section and the risk factors as described in Section 6 of this Prospectus.

The Company was established on 27 January 2010 for the purpose of being the ultimate holding company of the Group. The financial information presented in this Section 9 has been prepared on the basis that the Company had been the head entity of the Group as at 31 December 2009.

This Section 9 contains the following financial information for the Group prepared by the Directors:

1. A summary unaudited Pro forma consolidated balance sheet as at 31 December 2009 as if the Group had been under the control of the Company at 31 December 2009, as well as Pro forma adjustments including acquisition and corporate restructure entries as follows:

   a) Acquisition of Aries Mining Limited (**Aries**)

   On 11 February 2010, IRL made an offer to Aries shareholders to acquire all the issued capital of Aries (**the Aries Offer**). The Aries Offer received 100% acceptance and was closed on 18 March 2010.

   Under the Aries Offer IRL issued 3 million new IRL ordinary shares with a total value of $437,433 to Aries shareholders for all the issued shares of Aries.

   IRL also forgave a loan of $219,225, previously fully impaired on the books of IRL payable by Aries to IRL.

   b) Acquisition of APGC

   IRL purchased 100% of the shares in APGC for total consideration of $146,611: $79,417 paid in cash and the remaining $67,194 satisfied by the issue of 500,584 IRL ordinary shares.

   c) APGC founder loans

   The founding shareholders of APGC had lent monies to APGC for its successful operation. As at 31 December 2009, these outstanding loans amounted to $143,957. As part of the purchase of APGC by IRL, these loans have been satisfied by the forgiveness of $23,621 by the founders, the payment of $48,423 in cash and the issue of 552,325 IRL ordinary shares with a value of $71,913.

   d) Corporate Restructure and Capital Reduction

   Since 27 January 2010, the Group has undergone a corporate restructure designed to give better protection to the Group's assets and to facilitate more efficient reporting and management. The steps taken under this corporate restructure are as follows:

   i. The Company was established 27 January 2010 and IRL was issued all the issued capital of IML being two (2) shares with a total value of $2.

   ii. The following steps were undertaken simultaneously:

      a. All the shareholders of IRL cancelled their shares in IRL in consideration for receiving the same number of new shares (as previously held by them in IRL) in the Company;

      b. The Company cancelled its two (2) shares in IRL; and

      c. IRL issued two (2) shares to the Company, simultaneously.

   iii. IRL transferred its shareholding in Indochine Resources (Cambodia) Limited (**IRC** to the Company.

iv. IRL cancelled all its shares in APGC and APGC issued new shares to the Company at the same time.

v. IRL cancelled all its shares in Aries and Aries issued new shares to the Company at the same time.

vi. APGC transferred its holding in Asia Pacific Gold & Copper Company (Cambodia) Limited (**APGCC**) to the Company.

2. A summary Pro forma consolidated balance sheet for the Group as at 31 December 2009 has been prepared as if the Group had been under the control of the Company at 31 December 2009 and reflects the following Pro forma adjustments: a) those outlined in 1. above, b) adjustments related to the offer to the public by the Company of the Minimum Subscription as follows:

   a) The issue of 60,000,000 Shares at an issue price of $0.20 per Share, thereby increasing the issued Share capital and the cash of the Company by $12,000,000.

   b) The incurrence of $2,114,070 of costs related to the Offer ($1,260,036 being paid in cash and $854,034 being paid in Shares and Options), with all costs related to the Offer being applied to issued capital.

3. A summary Pro forma consolidated balance sheet for the Indochine Group as at 31 December 2009 has been prepared as if the Group had been under the control of the Company at 31 December 2009 and reflects the following as Pro forma adjustments: a) those outlined in 1. above, b) adjustments related to the offer to the public by the Company of the full amount under the maximum subscription as follows:

   a) The issue of 125,000,000 Shares at an issue price of $0.20 per Share, thereby increasing the issued Share capital and the cash of the Company by another $13,000,000.

   b) The incurrence of $3,159,276 of cost related to the Offer ($2,305,242 being paid in cash and $854,034 being paid in Shares and Options), with all costs related to the Offer being applied to issued capital.

The financial information has been reviewed by RSM Bird Cameron Corporate Pty Ltd as investigating accountant. A copy of RSM Bird Cameron Pty Ltd's report is set out in Section 10.

9.2 Pro forma consolidated balance sheet

The Company's unaudited Pro forma consolidated balance sheet as at 31 December 2009 and the Pro-forma consolidated balance sheets, assuming Minimum and Maximum Subscriptions upon completion of the Offer, are summarized below. This summary should be read in conjunction with the detailed information set out in this Financial Information Section and in the Investigating Accountant's Report set out in Section 10 of this Prospectus:

		Unaudited Pro forma consolidated 31 December 2009 $	Pro forma consolidated Minimum Subscription 31 December 2009 $	Pro forma consolidated Maximum Subscription 31 December 2009 $
Assets				
Current Assets				
Cash and cash equivalents	3	2,050,605	12,790,569	24,745,363
Accounts Receivable	4	86,224	86,224	86,224
Total Current Assets		**2,136,829**	**12,876,793**	**24,831,587**
Non-Current Assets				
Other non-current assets	5	289,242	289,242	289,242
Property Plant and Equipment	6	565,059	565,069	565,059
Capitalized exploration expenditure	7	5,635,941	5,635,941	5,635,941
Total Non-Current Assets		**6,490,243**	**6,490,243**	**6,490,243**
Total Assets		**8,627,072**	**19,367,036**	**31,321,830**

		Unaudited Pro forma consolidated 31 December 2009 $	Pro forma consolidated Minimum Subscription 31 December 2009 $	Pro forma consolidated Maximum Subscription 31 December 2009 $
Liabilities				
Current Liabilities				
Trade and other payables	8	1,551,430	1,551,430	1,551,430
Total Current Liabilities		1,551,430	1,551,430	1,551,430
Total Liabilities		**1,551,430**	**1,551,430**	**1,551,430**
Net Assets		**7,075,642**	**17,815,606**	**29,770,400**
Equity				
Issued Capital	9	17,012,785	27,198,715	39,153,509
Share Option reserve	9	9,144,776	9,698,810	9,698,810
Accumulated Losses		–19,081,919	–19,081,919	–19,081,919
Total Equity		**7,075,642**	**17,815,606**	**29,770,400**

9.3 Notes to the Financial Information

The Financial information has been prepared in accordance with the measurement and recognition requirements, but not all of the disclosure requirements of the Corporations Act 2001 including applicable Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting Interpretations for the presentation of financial information for inclusion in a Prospectus in Australia. The consolidated financial statements of the Group comply with AIFRS interpretations and other applicable financial reporting standards. In the view of the Directors of the Group, the omitted disclosure would provide no further relevant information to potential investors.

The measurement base adopted is that of historical cost denominated in Australia Dollars.

Note 1 Accounting Policies

a. Principles of consolidation

A controlled entity is any entity that the Company has the power to control the financial and operating policies of subsidiaries so as to obtain benefits from its activities.

All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Reverse acquisitions, where the cost of the business combination is deemed to have been incurred by the legal subsidiary (i.e. the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent (i.e. the acquire for accounting purposes) are accounted for using AASB 3 Business Combinations. The method calculates the fair value of the instruments issued by the legal parent on the basis of the fair value of the instruments issued by the legal parent on the basis of the fair value of the existing instruments in the legal subsidiary.

b. Income Tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset

or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c. *Plant and Equipment*

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Computer equipment:	10% – 33%
Furniture and fittings:	5% – 15%
Improvements:	5% – 10%
Equipment:	5% – 33%
Motor Vehicles:	6.67% – 15%
Boat:	7.5%

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be reasonable.

For an asset that does not generate largely independent cash inflows, the recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognized in the income statement.

d. *Employee Benefits*

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

e. *Provisions*

Provisions are recognized when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

f. *Cash and Cash Equivalents*

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

g. *Revenue*

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend revenue is recognised when the right to receive a dividend has been established. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax ("GST").

h. *Goods and Services Tax*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

i. *Exploration Expenditure*

Exploration and development expenditure incurred is accumulated in respect of each identifiable areas of interest. The costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverably reserves.

Accumulated costs in relation to the abandoned area are written off in full in the income statement in the period in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant areas of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each are of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

J. *Balance Date*

The balance date of the Company is 30 June in each year and the accounts will be prepared for the year as at that date.

k. *Dividend Policy*

The Company may pay dividends to shareholders from the earnings generated from its operating activities to the extent permitted by law and in accordance with prudent business practices. Such dividends will be franked to the extent that available imputation credits permit.

The Company does not presently intend to pay a dividend. It is not anticipated that the Company will pay a dividend in the future if at all.

l. *Employees*

At the date of this Prospectus there are under 15 persons employed by the Company.

m. *No Litigation*

At the date of this Prospectus the company is unaware of any actual or threatened litigation against the Company.

n. *Securities on Issue*

The Company has 256,739,195 Ordinary Shares and 88,580,000 options on issue as at the date of this Prospectus.

The Company has also approved the issue of 20,000,000 broker options. No other securities have been issued.

Note 2
Controlled Entities

As the date of this prospectus the company has the following controlled entities:

Entity Name	Percentage ownership
Indochine Resources Limited	100%
Indochine Resources (Cambodia) Limited	100%
Asia Pacific Gold and Copper Company Pty Ltd	100%
Asia Pacific Gold and Copper (Cambodia) Limited	100%
Aries Mining Limited	100%

	Unaudited Pro forma consolidated 31 December 2009 $	Pro forma consolidated Minimum Subscription 31 December 2009 $	Pro forma consolidated Maximum Subscription 31 December 2009 $
Note 3 Cash at bank and in hand			
Balance as at 31 December 2009	2,050,605	2,050,605	2,050,605
Proceeds from shares issued pursuant to this prospectus		12,000,000	25,000,000
Share Issue Costs		(1,260,036)	(2,305,242)
	2,050,605	**12,790,569**	**24,745,363**
Note 4 Accounts Receivable			
Receivables*	86,224	86,224	86,224
	86,224	**86,224**	**86,224**
* $21,205 of this figure relates to Operational Loans held by Key Management Personnel David Evans and Ross Hill.			
Note 5 Other non-current assets			
Available for sale financial assets:			
Investment in Tiaro Coal Limited	2,000	2,000	2,000
	2,000	**2,000**	**2,000**
Deposits Paid	81,590	81,590	81,590
Bank Guarantees	204,239	204,239	204,239
Other	1,413	1,413	1,413
	287,242	**287,242**	**287,242**
Total Other non-current assets	**289,242**	**289,242**	**289,242**
Note 6 Property Plant and Equipment			
Plant and Equipment at cost	690,302	690,302	690,302
Accumulated Depreciation	(125,242)	(125,242)	(125,242)
	565,059	**565,059**	**565,059**

	Unaudited Pro forma consolidated 31 December 2009 $	Pro forma consolidated Minimum Subscription 31 December 2009 $	Pro forma consolidated Maximum Subscription 31 December 2009 $
Note 7 Capitalized exploration expenditure			
Indochine Resources Limited			
Capitalized exploration expenditure	4,917,279	4,917,279	4,917,279
	4,917,279	4,917,279	4,917,279
Asia Pacific Gold & Copper Company Limited			
Capitalized exploration expenditure	718,662	718,662	718,662
	718,662	718,662	718,662
Total Capitalized exploration expenditure	**5,635,941**	**5,635,941**	**5,635,941**
Note 8 Trade and other payables			
Trade creditors	105,665	105,665	105,665
Tax liabilities	461,090	461,090	461,090
Payroll liabilities	961,434	961,434	961,434
Provisions	23,241	23,241	23,241
Total Trade and other payables	**1,551,430**	**1,551,430**	**1,551,430**
Note 9 Issued Capital			
(i) Ordinary Shares	**$**	**$**	**$**
Issued and fully paid as at 31 December 2009	17,012,785	17,012,785	17,012,785
Shares issued pursuant to this prospectus	–	12,300,000	25,300,000
Less Issue Costs	–	(2,114,070)	(3,159,276)
	17,012,785	**27,198,715**	**39,153,509**
(ii) Number of Ordinary Shares	**No.**	**No.**	**No.**
Issued and fully paid as at 31 December 2009	256,739,195	256,739,195	256,739,195
Shares issued pursuant to this prospectus	–	61,500,000	126,500,000
	256,739,195	**318,239,195**	**383,239,195**

	Unaudited Pro forma consolidated 31 December 2009	Pro forma consolidated Minimum Subscription 31 December 2009	Pro forma consolidated Maximum Subscription 31 December 2009
Note 9 Issued Capital continued			
(iii) Number of Options	No.	No.	No.
Issued as at the date of this Prospectus*	88,580,000	88,580,000	88,580,000
Options issued as Brokerage pursuant to the Offer (Broker Options)	–	20,000,000	20,000,000
	88,580,000	**108,580,000**	**108,580,000**

The fair value of the Company's options at their time of issue has been calculated by an independent valuer. The fair value all the Company's options (including Broker Options) at the date of issue was determined to be $9,698,810.

* The Company has the following Options over Ordinary Shares on issue:

Exercise Date	Exercise Price	Number of Options
31 October 2012	$AUD0.10	16,500,000
30 September 2014	$AUD0.20	25,000,000
31 October 2012	$AUD0.20	6,080,000
28 April 2013	$AUD0.20	10,000,000
30 June 2014	$USD0.10	2,000,000
18 November 2011	$USD0.25	20,000,000
01 March 2015	$USD0.25	5,000,000
12 March 2015	$USD0.12	2,000,000
17 March 2015	$USD0.10	2,000,000
		88,580,000

Of this number the following are held by Key Management Personnel:

Key Management Personnel	Exercise Date	Exercise Price	Number of Options
Ian Ross (Non-executive Chairman)	30 June 2014	$USD0.10	2,000,000
	17 March 2015	$USD0.10	2,000,000
			4,000,000
David Evans (Managing Director)	30 September 2014	$AUD0.20	15,000,000
			15,000,000
Ross Hill (Alternate Director)	30 September 2014	$AUD0.20	5,000,000
			5,000,000
Total held by Key Management Personnel			**24,000,000**

	Unaudited Pro forma consolidated 31 December 2009 $	Pro forma consolidated Minimum Subscription 31 December 2009 $	Pro forma consolidated Maximum Subscription 31 December 2009 $
Note 10 Commitment and Contingencies			
a) Key Management Personnel remuneration commitments			
Within a year*	1,279,486	1,579,486	1,579,486
Within 2 to 5 years	2,558,972	2,558,972	2,558,972
	3,838,457	**3,838,457**	**3,838,457**

* The increase in this figure in the minimum and maximum columns relates to 1,500,000 shares (valued at the listing price as $300,000) to be issued to David Evans upon listing as per his employment contract described in the material contracts section of this prospectus.

b) Termination without proper cause

Employment contracts between key management personnel and the Company or its subsidiaries contain clauses that related to amounts payable by the Company should the Company terminate these employment contracts without cause or without proper cause. The amounts payable to employees under such a termination are as follows:

	2,116,611	**2,116,611**	**2,116,611**
c) Operating Leases			
Within a year	134,556	134,556	134,556
Within 2 to 5 years	80,745	80,745	80,745
	215,301	**215,301**	**215,301**

d) Other Contingencies

1. As described in Section 12.18 the Company is in the process of reviewing the Royalty provisions that were provided by Indochine Resources Ltd (IRL) to the founding Directors of IRL Mr David Evans and Mr Jeremy Snaith. As at the date of the Prospectus, this review has not been completed. These arrangements relate to future events over which there is no certainty and therefore the Company is unable to quantify any liability.
2. As described in Section 11.3 Indochine Resources Ltd (IRL) has entered into 14 Agreements on Exploration and Exploitation of Metallic Minerals with the Cambodian Ministry of Industry, Mines and Energy (Ministry) as representative of The Royal Cambodian Government with respect of the Ratanakiri and Kratie areas (Exploration Agreements). Certain minimum expenditure obligations under these Exploration Agreements are at the discretion of the Ministry, however if the maximum amount were to be paid these obligations would amount to $156,786 within a year and $335,970 within 2 to 5 years.

Section 10
Investigating Accountant's Report and Taxation Report

RSM Bird Cameron Corporate Pty Ltd

Level 12, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001
T +61 2 9233 8933 F +61 2 9233 8521
www.rsmi.com.au

9 June 2010

The Directors
Indochine Mining Limited
Suite 503, Level 5, 2 Bligh Street
Sydney, NSW 2000

Dear Sirs,

Investigating Accountant's Report and Financial Services Guide

1. Introduction

1.1. At the request of the Directors of Indochine Mining Limited ("IML" or the "Company"), we have prepared this Investigating Accountant's Report (the "Report") on the pro-forma historical information of the Company and its controlled entities ("the Group") for inclusion in a Prospectus to be dated on or about 9 June 2010 relating to, among other things, the proposed offer for the issue of 60,000,000 Shares for subscription at a price of $0.20 per Share to raise up to $12,000,000 (the "Minimum Offer") with a provision to accept oversubscriptions of a further 65,000,000 Shares for subscription at a price of $0.20 per Share to raise an additional $13,000,000 (the "Maximum Offer").

1.2. This Report has been requested for inclusion in a prospectus to be filed by the Company with the Australian Securities Exchange (the "ASX") and the Australian Securities and Investments Commission ("ASIC") for the purpose of obtaining a listing on the ASX.

1.3. This Report has been prepared in accordance with the general disclosure requirements of the Corporations Act to assist potential investors to make an informed assessment of the financial position of the Company. The nature of this Report is such that it can only be given by an entity that holds an Australian Financial Services Licence under the Corporations Act. RSM Bird Cameron Corporate Pty Ltd holds the appropriate Australian Financial Services Licence.

1.4. This report does not address the rights attaching to the Shares to be issued pursuant to this Prospectus, nor the risks associated with the investment.

2. Scope of examination

2.1. You have requested RSM Bird Cameron Corporate Pty Ltd to prepare an Investigating Accountant's Report for inclusion in the Prospectus covering the following information of the Group:

- The unaudited, pro-forma consolidated balance sheet of the Company at 31 December 2009 prior to the proposed Minimum Offer and proposed Maximum Offer; and

- The unaudited, pro-forma consolidated balance sheet of the Company at 31 December 2009 subsequent to the proposed Minimum Offer and proposed Maximum Offer.

3. Responsibility

3.1. The Directors are responsible for the preparation of the pro-forma financial information, including the determination of the pro-forma adjustments.

3.2. It is our responsibility to review the pro-forma financial information as set out in Section 8 of the Prospectus and report thereon. We disclaim any responsibility for any reliance on this Report or the financial information to which it relates for any other purpose other than that for which it is prepared. This Report should be read in conjunction with the rest of the Prospectus.

4. Review of pro-forma historical financial information

4.1. We have performed a review of the pro-forma financial information in order to state whether, on the basis of the procedures described, anything has come to our attention that would cause us to believe that the historical pro-forma financial information as described above and as set out in Section 8 of the Prospectus is not fairly presented in accordance with the measurement and recognition requirements (but not all the disclosure requirements) of the AIFRS.

4.2. Our review of the pro-forma financial information has been conducted in accordance with Australian Auditing Standard applicable on Review Engagements, ASRE 2405 to review engagements. We made such enquiries and performed such procedures as we, in our professional judgement, considered reasonable in the circumstances including:

- An analytical review of the unaudited financial information for the Group for the relevant historical period;
- A comparison of consistency in the application of the measurement and recognition requirements (but not all the disclosure requirements) of the AIFRS, other mandatory professional reporting requirements in Australia and the accounting policies adopted by the Group, and disclosed in Section 8 of the Prospectus;
- A review of the basis of consolidation and the reasonableness of the adjustments used to compile the historical pro-forma financial information set out in Section 8 of the Prospectus;
- A review of accounting records and other documents; and
- Enquiries of Directors and management of the Company.

4.3. The historical pro-forma financial information has been prepared on the basis that as at, and since 31 December 2009, the following subsidiaries (the "Subsidiaries") have been under the control of, and owned 100% by, the Company:

- Indochine Resources Limited ("IRL");
- Indochine Resources (Cambodia) Limited ("IRLC");
- Asia Pacific Gold and Copper Company Pty Ltd ("APGC");
- Asia Pacific Gold and Copper (Cambodia) Limited ("APGCC"); and
- Aries Mining Limited ("Aries").

4.4. The historical pro-forma financial information has also been prepared to illustrate the effects of the following transactions as if they occurred on 31 December 2009:

- The incorporation of IML and the issuance of 100% of the issued capital of IML to IRL;
- A corporate restructuring involving the equal reduction of all shares in IRL subject to IRL's shareholders receiving the same number of ordinary shares and in the same proportions in IML as they held in IRL and the transfer of all issued capital of IRL to IML;
- The acquisition of 100% of the issued capital of Aries by IRL and the subsequent transfer of the investment by IRL to IML;
- The acquisition of 100% of the issued capital of APGC by IRL and the subsequent transfer of the investment by IRL to IML;
- The transfer of 100% of the issued capital of APGCC by APGC to IML;
- The transfer of 100% of the issued capital of IRLC by IRL to IML;
- Settlement of a termination agreement by IRL with a former managing director of the company; and
- The offer to public subscribers by the Company under the terms of the Minimum Offer and Maximum Offer, the payment of the associated costs of the issues and the issue of 300,000 shares to a Director of the Company, upon a successful listing of IML on the ASX as pursuant to the Prospectus.

4.5. The scope of our procedures was substantially less than what would be required in an audit conducted in accordance with Australian Auditing Standards, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4.6. Based on our review of the historical financial information, which is not an audit, nothing has come to our attention that causes us to believe that the financial information set out in Section 8 of the Prospectus does not present fairly:

- The unaudited, pro-forma consolidated balance sheet of the Company at 31 December 2009 prior to the proposed Minimum Offer and proposed Maximum Offer; and
- The unaudited, pro-forma consolidated balance sheet of the Company at 31 December 2009 subsequent to the proposed Minimum Offer and proposed Maximum Offer

in accordance with the measurement and recognition requirements (but not all the disclosure requirements) of the AIFRS, other mandatory professional reporting requirements in Australia and the accounting policies adopted by the Group, disclosed in Section 8 of the Prospectus.

5. Subsequent events

5.1. Apart from the matters dealt with in this Report, having regard to the scope of our work, to the best of our knowledge and belief, no material transactions or events outside the ordinary business of the Group have come to our attention that are not otherwise disclosed in this Prospectus, which require further comment upon, or adjustment to the information referred to in this Report, or which would cause the information in this Report to be misleading.

6. Declaration and independence or disclosure of interest

6.1. RSM Bird Cameron Corporate Pty Ltd is beneficially owned by the partners of RSM Bird Cameron, a large national firm of chartered accountants.

6.2. Mr Brent James CA is a director of RSM Bird Cameron Corporate Pty Ltd. He has professional qualifications and experience appropriate to the content of the Report.

6.3. RSM Bird Cameron Corporate Pty Ltd has acted as investigating accountant for the Company but has not been involved in the preparation of any other part of this Prospectus. Accordingly, we make no representations as to the completeness and accuracy of the information in any other part of this Prospectus. RSM Bird Cameron Corporate Pty Ltd has not made and will not make any recommendation, through the issue of this Report, to potential investors of the Company as to the merits of the investment.

6.4. RSM Bird Cameron Corporate Pty Ltd will receive a fee for the preparation of this Report based on actual hours spent on the assignment at normal professional rates. With the exception of the above fees, neither Mr Brent James nor RSM Bird Cameron Corporate Pty Ltd will receive any other benefits, either directly or indirectly, from the preparation of this Report and have no pecuniary or other interest which could be regarded as affecting the ability to conduct an unbiased review in relation to the proposed transaction.

6.5. RSM Bird Cameron Corporate Pty Ltd has consented to the inclusion of this Report in the Prospectus in the form and context in which it appears. At the date of this Report, this consent has not been withdrawn.

Yours faithfully,

BRENT JAMES
Director

Financial Services Guide

Declaration and Independence or Disclosure of Interest

RSM Bird Cameron Corporate Pty Ltd, ABN 82 050 508 024 ("RSM Bird Cameron Corporate Pty Ltd" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence, which authorises us to provide financial product advice in relation to:

- deposit and payment products limited to:
  - (a) basic deposit products;
  - (b) deposit products other than basic deposit products.
- interests in managed investments schemes (excluding investor directed portfolio services); and
- securities (such as shares and debentures).

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis.

Except for the fees referred to above, neither RSM Bird Cameron Corporate Pty Ltd, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Bird Cameron Corporate Pty Ltd is beneficially owned by the partners of RSM Bird Cameron, a large national firm of chartered accountants and business advisers.

From time to time, RSM Bird Cameron Corporate Pty Ltd, RSM Bird Cameron Partners, RSM Bird Cameron and / or RSM Bird Cameron related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints Resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, RSM Bird Cameron Corporate Pty Ltd, P O Box R1253, Perth, WA, 6844.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service ("FOS"). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly via the details set out below.

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001

Toll Free: 1300 78 08 08
Facsimile: (03) 9613 6399
Email: info@fos.org.au

Contact Details

You may contact us using the details set out at the top of our letterhead on page 1 of this report.

RSM Bird Cameron
Chartered Accountants

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GPO Box 5138 Sydney NSW 2001
T +61 2 9233 8933 F +61 2 9233 8521
www.rsmi.com.au

9 June 2010

The Directors
Indochine Mining Limited
Suite 503
Level 5
2 Bligh Street
Sydney NSW 2000

Dear Sirs

Taxation Report

1. Introduction

This Taxation Report has been prepared at the request of the Directors of Indochine Mining Limited (IML) for inclusion in a Prospectus to be dated on or about 9 June 2010 relating to an initial capital raising a minimum of $12,000,000 via an offer to subscribe for a minimum of 60,000,000 New Shares in IML at a price of $0.20 cents per share.

IML has made provision to accept oversubscriptions of $13,000,000 totalling an additional 65,000,000 shares.

2. Scope

This Report which is intended as a general guide only, and not as a substitute for detailed tax advice, provides a general understanding of the Australian tax implications for shareholders in IML who will hold their shares in IML on capital account, not as trading stock or as a revenue asset.

Accordingly, this Report provides a general outline for shareholders who hold their shares as an investor, and are therefore subject to Australian Capital Gains Tax ('CGT') legislation.

This Report is based on Australian income tax legislation and established interpretations of that legislation at the date of this report – however, it is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every investor. This report does not purport to provide advice to any particular investor, since the tax position of each investor may vary depending on the specific circumstances of the investor. Investors should obtain their own professional advice relevant to their specific circumstances.

Disclaimer

To persons receiving this document in Australia:

The information contained in this Report does not constitute 'financial product advice' within the meaning of the Corporations Act 2001 (Cth) ('Corporations Act'). RSM Bird Cameron is not licensed to provide financial product advice under the Corporations Act. To the extent this document contains any information about a 'financial product' within the meaning of the Corporations Act, taxation is only one of the matters that should be considered when making a decision about the relevant financial product. This Report has been prepared for general circulation and does not take into account the objectives, financial situation or needs of any recipient. Accordingly, before acting on this Report, any recipient should consider taking advice from a person who is licensed to provide financial product advice under the Corporations Act, and also should consider the appropriateness of this material having regard to their objectives, financial situation and needs.

3. Taxation Implications

IML is incorporated in Australia and owns directly and indirectly a number of subsidiaries located in inside and outside Australia.

This report considers the Australian tax implication for Australian resident or non-resident shareholders of an investment in New Shares of IML issued at $0.20 each.

The tax implications for shareholders in IML generally relate to the receipt of dividends and to any gain on the disposal of the shares.

4. Taxation Treatment of Dividends

The capital raising by IML involves the issue of shares which will be an Equity interest for Australian tax purposes.

To the extent dividends are paid by IML, the level of franking of such dividends will depend on the level of franking credits generated and available to IML. Generally dividends received by IML from shareholdings of at least 10% in a foreign company will not be assessable in Australia and will not generate franking credits. Furthermore, based on the information contained in the Replacement Prospectus, the Directors are of the view there will be no activities which give rise to attribution of income for IML under the Controlled Foreign Company provisions, and hence no assessable income or franking credits arise from those activities.

Dividends received by IML from shares held in wholly owned companies established in Australia will only generate franking credits to the extent the subsidiaries or IML incur tax in Australia. The directors are of the view that there will be no activities in Australia that will give rise to assessable income in Australia.

Accordingly, IML is not expected to be subject to any Australian tax that will enable it to generate franking credits. It is not envisaged any dividends paid by IML in the immediate future will be franked.

The following comments apply to dividends paid on New Shares; the tax treatment will vary depending on the nature of the entity owning the New Shares.

4.1 Individual Investors –resident

An Australian resident individual receiving a dividend that is unfranked will include the amount of the dividend in assessable income, with tax being paid at the individual's marginal rate of tax.

If an Australian resident individual receives a dividend that is fully or partly franked, the individual's assessable income includes the dividend and is grossed up to include the franking credit attaching to the dividend. Tax is calculated at the individual's marginal rate of tax. The individual will be entitled to a tax offset against income tax equal to the amount of the franking credit included in assessable income.

4.2 Company Investors - resident

The taxation treatment of an Australian resident company receiving a dividend is similar to the taxation treatment of individuals. The corporate tax rate is currently 30%.

A company investor receiving an unfranked dividend will include that dividend in assessable income.

To the extend dividends are franked the company investor's assessable income includes the dividend and is grossed up to include the franking credit attaching to the dividend. The company tax rate is then applied to the grossed up dividend, and a tax offset against income tax can be claimed equal to the amount of the franking credit included in assessable income. Where the distribution is fully franked a company investor will pay no further tax on the dividend.

Company investors will include in their franking account the franking credit attaching to the distribution received.

Company investors that have tax losses and receive franked distributions can convert any excess franking credits to current year tax losses. In limited circumstances certain corporate entities (for example exempt institutions and life insurance companies), may be entitled to receive a refund of the franking credit; these entities should seek their own professional advice in respect of their particular circumstances. In all other cases a company investor cannot receive a refund of franking credits.

4.3 Complying Superannuation Funds

Complying superannuation funds are assessable on the dividend received and need to gross up a franked dividend in the same way as individuals and companies. The rate of tax payable by complying superannuation funds is currently 15% on the grossed up amount. The franking credit is available to offset tax on other income of the complying superannuation fund. Any excess franking credit is refundable.

4.4 Investors – non-resident

Dividends paid by IML to a non-resident are not assessable in Australia. Instead the dividend might be subject to a dividend withholding tax ('DWT') which IML would need to deduct and remit as a final tax on behalf of the investor.

DWT is nil for franked dividends paid to a non-resident.

To the extent a dividend is unfranked, DWT is generally imposed at a flat rate of 30%. However, for dividends paid to investors resident in countries with which Australia has a double tax agreement ('DTA') the rate is generally 15%.

DWT on unfranked dividends paid to non-residents might be nil in certain cases, including that portion of an unfranked dividend SIL declares to be conduit foreign income ('CFI'). In general terms, CFI relates to foreign income derived by IML, such as dividend received from is subsidiaries located in jurisdictions outside Australia.

5 Taxation Treatment of Disposal of Shares

Australian resident Shareholders

Australian resident Shareholders who trade Shares in the ordinary course of their business and/or hold their Shares on revenue account must include any gains made on the disposal of their Shares in their assessable income. Shareholders who include gains made on the disposal of their Shares in their assessable income are not assessed for capital gains tax on the disposal.

All other Australian resident Shareholders will hold their Shares on capital account. These Australian resident Shareholders must consider the impact of Australian capital gains tax rules on the disposal of their Shares. A Shareholder derives a capital gain on the disposal of the Shares where the capital proceeds received on disposal exceed the capital gains tax cost base of those Shares. The cost bases of each Shareholder should generally be equal to the purchase price of the Shares and, among other things, any incidental costs of acquisition and non-deductible interest expenditure in acquiring the Shares.

A Shareholder incurs a capital loss on the disposal of Shares where the capital proceeds received on disposal is less than the reduced capital gains tax cost base of the Shares.

All capital gains and losses for the income year are added together to produce a net capital gain position for that income year. A net capital gain for an income year is included in the resident taxpayer's assessable income and is subject to taxation in Australia. A net capital loss in effectively quarantined and may generally be carried forward to be deducted against future capital gains.

Where the New Shares acquired in the initial capital raising are retained for more than twelve months, the assessable net capital gain (after offsetting available capital losses) of individuals and complying superannuation funds will be reduced by a CGT discount of 50% for individuals and 33 1/3% complying superannuation funds. Company shareholders will receive no CGT discount and will pay tax at 30% on any net capital gain included in assessable income.

Non-resident shareholders

An assessable capital gain or loss on sale of New Shares will not arise to a non-resident investor unless the share is taxable Australian property ('TAP'). Based on the information contained in the Replacement Prospectus, the Directors are of the view there will be no activities which will cause IML shares to be TAP.

6 Tax File Number and Australian Business Number

For resident shareholders, you are not obliged to quote your tax file number (TFN), or where relevant, Australian Business Number (ABN), to IML. However, if a TFN or ABN is not quoted and no exemption is applicable, tax is required to be deducted by the Company at the highest marginal rate (currently 45%) plus Medicare Levy (currently 1.5%) from the unfranked part of a dividend.

No withholding requirement applies in respect of fully franked dividends paid by SIL.

7 Stamp Duty

No stamp duty will be payable on the issue of Shares pursuant to the Offer. Under current stamp duty legislation, no stamp duty would ordinarily be payable on any subsequent transfer of Shares.

8 Goods and Services Tax

Under current Australian law goods and services tax will not be payable in respect of any issue or transfer of Shares.

Yours sincerely

Philip Price
Director
RSM Bird Cameron

Section 11
Material Contracts

11.1 Introduction

The Directors consider that certain agreements are significant or material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for Shares (**Material Contracts**).

The main provisions of the Material Contracts are summarised below.

11.2 Employment Agreements

(i) David Evans – Managing Director

The Company has entered into a new Employment Agreement with David Evans dated 5 May 2010 for an initial term of 3 years commencing from 1 May 2010 (**Evans Agreement**). Under the Evans Agreement, Mr Evans has been engaged as Managing Director and he is to perform his duties primarily in Cambodia.

Under the Evans Agreement, Mr Evans is entitled to receive a commencing base salary of $USD 220,000 per annum as well as allowances for such items as Housing, Family Health and Child Education allowances to the amount of $USD 82,100 per annum.

Under the Evans Agreement, Mr Evans may receive up to 6,000,000 Shares if certain triggers are met, some of which include the Company being admitted to the Official List and the value of all Shares reaching prescribed monetary targets.

The Company is entitled to terminate the Evans Agreement without cause upon the Board giving written notice to Mr Evans and by paying twelve (12) months or the balance of the term of the Agreement, whichever is shorter, but never less than six (6) months.

Further, the Company is entitled to terminate the Evans Agreement upon the happening of various events of default in respect of Mr Evans as set out in the Evans Agreement.

The Evans Agreement may be renewed for a further 3 year term if the parties agree.

(ii) Ross Hill – Alternate Director

The Company has entered into a new Employment Agreement with Ross Hill dated 5 May 2010 for an initial term of 3 years commencing as from 1 May 2010 (**Hill Agreement**).

Under the Hill Agreement Mr Hill is to be based and perform his employment duties in Cambodia.

Mr Hill will receive a base salary of $USD 190,000 per annum as well as allowances for such items as Housing, Family Health and Child Education allowances to the amount of $USD 86,100 per annum.

Under the Hill Agreement, Mr Hill may receive up to 2,250,000 Shares if certain triggers are met, some of which include the value of all Shares reaching prescribed monetary targets.

The Company is entitled to terminate the Hill Agreement without cause upon the Board giving written notice to Mr Hill and by paying twelve (12) months or the balance of the term of the Agreement, whichever is shorter, but never less than six (6) months.

Further, the Company is entitled to terminate the Hill Agreement upon the happening of various events of default in respect of Mr Hill as set out in the Hill Agreement.

The Hill Agreement may be renewed for a further 3 year term if the parties agree.

(iii) David Meade – Chief Geologist Cambodia

The Company has entered into an Employment Agreement with David Meade dated 19 March 2010 (**Meade Agreement**). Under the Meade Agreement, Mr Meade has agreed to be appointed as the Chief Geologist from 1 April 2010. Under the Meade Agreement Mr Meade is to be based and perform his employment duties in Cambodia.

Mr Meade will receive a base remuneration of $AUD 240,000 per annum as well as allowances for such items as Housing, Family Health and Child Education allowances to the amount of $USD 73,300 per annum.

The Company is entitled to terminate the Meade Agreement without cause upon the Board giving written notice to Mr Meade and by paying twelve (12) months or the balance of the term of the Agreement, whichever is shorter, but never less than six (6) months.

Further, the Company is entitled to terminate the Meade Agreement upon the happening of various events of default in respect of Mr Meade as set out in the Meade Agreement.

The Meade Agreement may be renewed for a further 3 year term if the parties agree.

(iv) Robert Coghill – Company Secretary – IRL

Indochine Resources Limited (**IRL**), a wholly owned Subsidiary of the Company, entered into an Employment Agreement with Robert Coghill dated 23 June 2008 for an initial term of 5 years commencing from 1 May 2008 (**Coghill Agreement**) under which Mr Coghill agreed to perform company secretarial and financial services for IRL.

Under the Coghill Agreement, Mr Coghill receives a base remuneration of $USD 240,000 per annum. This base salary is increased each year by one fifth (1/5) in USD plus CPI (for Australian All Groups).

Under the Coghill Agreement, Mr Coghill is also entitled to receive allowances for such items as Car, Family Health and Club Membership allowances to the amount of $USD 31,000 per annum.

Either party may terminate the Coghill Agreement upon eight (8) weeks of written notice to the other party. If IRL terminates this agreement without cause, IRL will be liable to pay Mr. Coghill an amount equal to 5 years remuneration.

Further, the Company is entitled to terminate the Coghill Agreement upon the happening of various events of default in respect of Mr Coghill as set out in the Coghill Agreement. The Coghill Agreement provides for the renewal for a further five years if the parties agree on such extension.

11.3 Exploration Agreements

As mentioned in sections 7 and 8 of this Prospectus, Indochine Resources Ltd (**IRL**) has entered into 14 Agreements on Exploration and Exploitation of Metallic Minerals with the Cambodian Ministry of Industry, Mines and Energy (**Ministry**) as representative of The Royal Cambodian Government with respect of the Ratanakiri and Kratie areas (**Exploration Agreements**). Each of these Exploration Agreements commenced on 6 July 2007. These Exploration Agreements are made in accordance with the Cambodian Law on Mineral Management and Exploitation. To view a copy of this law, please refer the Company's website: www.indochinemining.com.

Asia Pacific Gold and Copper Company Ltd ("**APGCC**") entered into an Exploration Agreement, on the same terms as those involving IRL, with the Ministry on 3 December 2007 in respect of the Kratie region.

The object of Exploration Agreements is the exploration and exploitation of metallic minerals. A summary of the salient terms of these Exploration Agreements are as follows:

(a) The Contractor (being either IRL or APGCC, as the case may be) shall have the rights to all metals and any minerals or aggregate within defined contract areas that are mined during the normal day to day operations of the Contractor's mineral operations. Where the Contractor finds minerals other than metallic minerals under this Agreement and wishes to exploit those other minerals, the Contractor shall apply for other mineral licenses as stated in the provisions of the Law on Management and Exploitation of Mineral Resources. The Contractor has exclusive rights to the stated contract area. The Cambodian Government agrees it will take no action which is inconsistent with the provisions of the Exploration Agreement so as to effect the implementation of the Contractor's mineral operations including no seizure, confiscation or nationalization of the assets, investment or rights of the Contractor, except if necessary for the public purpose, in which case the Contractor shall be compensated in accordance with international laws and standards.

(b) The term of the Exploration Agreement is valid until a Mineral Exploration License and/or an Industrial Mining License ceases. As noted in this Prospectus, each of IRL and APGCC have been granted Mining Exploration Licences in respect of each of their respective Exploration Agreements. The period of the Mineral Exploration is six (6) years from the date the initial Mineral Exploration License issued to the Contractor or such further period. A Mineral Exploration License being issued to the Contractor is valid for two (2) years after the exploration work programme proposed for mineral operations. The Mineral Exploration License shall be initially renewed two (2) times for a term of two (2) years each and then upon the written request of the Contractor and shall be extended subject to stated certain criteria being met.

(c) The Contractor may terminate the Exploration Agreement if it considers the mineral operations are not workable. Also, the Ministry can terminate the Exploration Agreement if the Contractor does not remedy a default within 180 days notice of the default from the Ministry.

(d) The Contractor shall relinquish a minimum ten (10) percent of the initial Mineral Exploration License area prior to the end of each Mineral Exploration License term.

(e) The Contractor shall keep the Ministry regularly updated at the end of each month and fully informed of its mineral operations. The Ministry has the right at its own cost and risk, to observe Mineral Operations and such right is to be on terms and conditions to be mutually agreed upon. The Contractor shall submit to the Ministry within ninety (90) days after the end of each calendar year, reports on Mineral Operations, mineral production statements, sale statements, and mineral costs statements, as defined in this Agreement, incurred in that year.

(f) The Contractor must provide a performance security for the due performance of its obligations under the Exploration Agreement to the Ministry in the amount of twenty thousand US dollars ($20,000 US). The performance security shall be valid until the Contractor has completed a feasibility study report. The performance security shall automatically be reduced by half after the Contractor to perform exploration works and obligations imposed by the Exploration Agreement twelve (12) months after date it is signed and shall be released to the Contractor on the date the Ministry receives and accepts the feasibility study report from the Contractor. The Performance Security may be forfeited in certain circumstances as stated in the Exploration Agreement.

(g) The Contractor shall pay the Cambodian Government the annual land rental for the area of Mineral Exploration License calculated in accordance with the Exploration Agreement. At present IRL pays $USD3000 per year for its Tenements (save for Tenement Number 1081 which is $USD4085), while APGCC pays $UD4380. These amounts will double in years 3 and 4 of the terms of the Licences

(h) Taxes will be negotiated and will be entered into in a separate agreement with the Ministry of Economy and Finance and the Ministry in accordance with Cambodian law. The Contractor shall pay fees for registration, renewal of mineral licenses, transfer of rights, forestry, and other fees and charges of general application. [The Contractor shall pay all generally applicable charges for services rendered by the Royal Government at the request of Contractor with the exception of those services normally rendered by the Royal Government.

(i) Contractor shall employ, to the maximum extent possible, appropriately qualified Cambodian nationals in mineral operations, subject to the qualifications and performance of such personnel meeting the Contractor's standards for Cambodian employees. The Contractor shall undertake education and training program for Cambodian employees of the Contractor not experienced in mineral operations to ensure the maximum participation of Cambodian personnel in mineral operations at all levels. Each exploration work program and budget for exploration work programs shall contain provisions that set forth the steps that the Contractor intends to take in this regard. Contractor, its subcontractors and agents may employ qualified foreign nationals to the extent that qualified Cambodian nationals cannot be found to fill the positions required. However, the Contractor shall use its best endeavours to have Cambodian nationals fill these positions.

(j) Each year of mineral operations period, Contractor shall spend, as directed by the Ministry, the amount of ten thousand ($USD10,000) for the education and training of the Ministry's employees (who are not employees of Contractor) in fields related to mineral resources development. These funds are to be utilized for purposes such as training, scholarships, conferences and purchases of equipment.

(k) After the permanent shutdown of mineral operations or of any mined area, Contractor shall be responsible for restoring the area where reasonable and prevent soil erosion and ensure the safety of the area in accordance with accepted mining practices and agreed restoration plan. The Contractor, its sub-contractors and agents and their employees shall respect and cause its employees to respect the customs of the local populations settled within the areas of Mineral Exploration License and shall not unduly disturb and interfere with the living conditions of such local population.

(l) The Contractor shall use reasonable efforts to minimise the negative impact of its operations on the natural environment conditions on the areas and take reasonable restorative measures from time to time before the relinquishment of areas as may be necessary for the prevention of soil, water and air pollution and the conservation of vegetation and wildlife.

(m) The Contractor shall be absolutely prohibited from conducting mineral operations in the perimeter of archaeological, patrimonial and historical properties, burial places, railway, public roads, ponds, and land reserved for other special public purposes, even those areas are located in the contract area, except where Contractor has a special written approval from the Ministry supplemented to the current Mineral Exploration License and/or Industrial Mining License.

(n) In the event the Contractor applies for an Industrial Mining License, it will be liable to pay royalties to the Cambodian Government as calculated in the Exploration Agreement and establish and contribute to a restoration fund to assist with any remediation of the land affected. While the Contractor will have unfettered right to export any products. The value of any metals must be agreed between the Ministry and the Contractor.

11.4 Mineral Exploration Licences ("Licences")

IRL and APGCC have each been granted Licences from the Ministry in respect of each of their respective Exploration Agreements. Each Licence permits these entities to conduct mining operations in their stated mining areas. All 14 Licences to IRL are valid until 6 July 2011, while the Licence to APGCC is valid until 4 December 2011. Each of these Licences may be renewed in accordance with the terms of the Exploration Agreement.

In case of any breach of the Exploration Agreement, by either IRL or APGCC, the Licence may be subject to suspension, revocation or fine as determined in accordance with the Law on Management and Business Operation of Mineral Resources. A copy of this law can be viewed on the Company's website: www.idochinemining.com

11.5 Memorandum of Understanding (MOU)

APGCC entered into two (2) MOUs with the Ministry on 4 February 2010 in respect of the Kratie region. The objectives of these MOUs are the co-operation of geological data collection for preliminary geological survey for mineral deposits in the stated areas.

A summary of the salient terms of the MOUs are as follows:

(a) The Ministry agrees to allow APGCC to cooperate with General Department of Mineral Resources (**GDMR**) to conduct the geological data collection for preliminary geological survey for mineral deposits in the said area to consider applying for the exploration and exploitation licenses in the future. During the period of the MOU the Ministry shall not allow APGCC to conduct any large scale digging or drilling/sampling that will disturb the natural resources or environment.

(b) If APGCC fails to join with GDMR in geological, data collection for preliminary geological survey for mineral deposits within sixty (60) days after the MOU signed by both parties, this MOU will be null and void automatically.

(c) APGCC agrees to provide on-the-job training for two (2) personnel of the GDMR, who will be seconded to APGCC in order to gain experience in the fields of mineral development in Cambodia. The terms of their temporary assignment shall be subject to mutual agreement. APGCC agrees to offer the appropriate remuneration and accommodation to such seconded personnel.

(d) The MOUs are valid for six (6) months from the date of their signing. When the MOU is expired and the geological data collection has not been completed, the Ministry may extend it only once for a term of three (3) months upon APGCC submitting an application for an extension of the MOU to the Ministry for review and approval at least thirty (30) days prior to the expiration of this current MOU.

(e) APGCC must provide monthly progress report of the survey to the Ministry.

(f) APGCC shall, within fifteen (15) days after the date of the MOU provide a performance security for the due performance of the MOU to the Ministry in the amount of $USD5,000.00. The performance security become null and void on the date the Ministry receives and accepts the Report submitted by the Company or the MOU is expired, whichever occurs first. The performance security may be forfeited if the Company has not commenced the works within sixty (60) days after signing on the MOU or if the Contractor fails to undertake or complete the report as stated in the MOU.

(g) If any unavoidable natural disaster such as a heavy storm and flood affected the geological data collection for the preliminary geological survey for mineral deposits, the period of such natural disaster shall be excluded from the valid period of MOU, provided that APGCC has submitted its request for such an exclusion to the Ministry for review and approval at least within fifteen (15) days after such natural disaster ceased.

(h) APGCC must, within thirty (30) days prior to the MOU expiring, shall submit to the Ministry the geological reports concerning to the geological data collection for review and consideration. Subject to the result of the geological data collection APGCC may apply to the Ministry for the exploration license according to the prevailing laws.

11.6 Lao Foreign Investment Applications (FIAs)

IRL is the applicant in respect of 4 FIAs in relation to the Attapeu, Utoumphone, Savannakhet, and Oudomxai provinces dated 26 July 2007, 22 December 2006 and 26 July 2007, respectively while Aries Mining Ltd is the applicant in respect of 2 FIAs relating to the Houaphan and Attapeu provinces in Laos, dated 28 July 2006 and 22 June 2006, respectively. All FIAs have been made to the Committee for Planning and Investments of the Lao People's Democratic Republic. All FIAs are of good standing which means that they are valid.

The purpose of these FIA's are to seek approval to explore for precious and base metals within the specified areas set out in the FIA's. They do not by themselves give IRL or Aries any right or interest in the applicable areas described in the FIA's.

On 8 December 2008 the Lao National Assembly passed a new Mining Law, however the implementation documents are currently being drafted and it is unclear when these may be completed and approved by the government. It is also unclear as to whether the 2008 law can come into full effect until the implementation documents have been completed. Legislation passed in 1997 states that investment in mining activities in the Lao PDR shall take place under the following forms:

1. Sole investment by the State;

2. Joint investment between the State and domestic or foreign parties; or
3. Collective or private investment from domestic parties.

Concessions are not granted in excess of 30 years, but may be extended two times, each time for no more than ten years as approved by the Government on a case by case basis.

A national moratorium on the issue of new licences is in place until implementation documentation and procedures are finalized in respect of the new 2008 Mining Law. In anticipation of those procedures and given a noted informal practical shift in Lao Investment & Planning Department policies, the Company is refining and defining the current FIAs from a geological and administrative viewpoint to allow for immediate progress on the lifting of the moratorium.

The FIA's are pending and the Company has not as yet received any feedback from the Committee as to when they may be determined.

11.7 Share Purchase Option Agreement (Purchase Agreement)

On 14 May 2010 the Company entered into a Share Purchase Option Agreement with Mr Narathorn Prapai and Ms Noah Cullen (**Vendors**), being the sole shareholders of Ratanakiri Consultancy Company Pte Ltd, a Cambodian registered private company (**Ratanakiri**). Ratanakiri holds 2 mining exploration licences in respect of 2 sites in the Ratanakiri province (**Vendor Licences**) which have been issued pursuant to two (2) separate Exploration Agreements.

Under the Purchase Agreement:

a) the Company has been granted an option to acquire all the shares in Ratanakiri (**Vendor Option**);

b) the Company has paid a one off Vendor Option fee in the sum of $USD10,000 to the Vendors;

c) the Vendor Option lapses on 90 days of the Company being admitted to the Official List;

d) on the exercise of the Vendor Option the Company must pay the Vendors' costs of obtaining, maintaining and improvement to the Vendor Licences, which at the date of the Purchase Agreement is $USD292,502.28 plus 10% interest on that amount, subject to the provision of relevant, valid receipts and invoices by the Vendors;

e) the Company agrees to pay all rents, rates, taxes and fees in respect of the Vendor Licences accruing after the date of the Purchase Agreement; and

f) as consideration for the shares in Ratanakiri, the Company will either issue the Vendors 2Million fully paid ordinary shares in the Company upon the exercise of the Vendor Option or pay the Vendors the total sum of $USD100,000 within 6 months of the exercise of the Vendor Option, at the election of the Vendors at the time of exercise of the vendor Option.

The Company understands that the consent of the Ministry will be required to effect the completion of the Purchase Agreement.

Section 12
Additional Information

12.1 Rights Attaching to Shares

A summary of the rights which relate to all Shares which may be issued pursuant to this Prospectus are set out below. This summary does not purport to be exhaustive or constitute a definitive statement of the rights and liabilities of the Shareholders. Additional information on the rights attaching to Shares may be found in the Constitution.

(i) General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution.

(ii) Voting

At a General Meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Share held by them.

(iii) Dividends

The shares will rank equally with all other issued Shares in the capital of the Company and will participate in dividends out of profits earned by the Company from time to time. Subject to the rights of holders of Shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of Shares in proportion to the amounts paid up on such Shares at the dates of declaration of a dividend. The Directors may from time to time pay to Shareholders such interim dividends as in their judgment the position of the Company justifies.

(iv) Winding Up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, distribute among the Shareholders the whole or any part of the property of the Company and decide how to distribute property as between the Shareholders or different classes of shareholders.

(v) Transfer of Shares

Subject to the Constitution, a Shareholder may transfer one or more Shares held by:

(a) ASTC transfer;

(b) an instrument of transfer in compliance with the Constitution; or

(c) any other method permitted by the applicable law.

(vi) Variation of Rights

The Company may vary or cancel rights attached to Shares or convert Shares to another class by a special resolution of the Company and:

(a) a special resolution passed at a meeting of Shareholders; or

(b) the written consent of Shareholders who are entitled to at least 75% of votes that may be cast in respect of the Shares on issue.

12.2 Rights attaching to Options

A summary of the rights which relate to all Options which are on issue or approved for issue are set out below. This summary does not purport to be exhaustive or constitute a

definitive statement of the rights and liabilities of the Option holders.

a. All Options are over fully paid ordinary Shares of the Company.
b. Options are not transferable unless with the prior written consent of the Company.
c. The Company grants the Options to the Option holder at no cost.
d. The Options may be exercised on or before the stated exercise date at the stated exercise price. The number of Options will vary on a pro rata basis in the event of any variation in capital of the ordinary shares of the Company and the relevant exercise price may be varied to accommodate any such variation so that parity remains.
e. If the Options (whether all or some of them) are not exercise by the stated Exercise Date they shall immediately lapse.
f. The issue of the Options is also subject to the ASX listing rules where applicable.

12.3 Employee Share Option Plan

To attract, motivate and retain key personnel, the Company has adopted an employee incentive scheme known as the Indochine Mining Limited Employee Share Option Plan (**Plan**). The Plan takes effect upon the date the Company is admitted to the Official List.

Under that Plan, options can be offered by the Directors for acquisition by Eligible Employees to acquire Shares.

No Shares or options have been granted under the Plan since its establishment to the date of this Prospectus.

The rules for the Plan are summarised as follows:

The Plan is open to "Eligible Employees" which includes:

a) an executive director or non executive director;
b) a member of staff; or
c) any person so deemed to be an eligible employee by the Board, in its sole discretion ("**Eligible Employees**").

The Directors at their discretion may offer options to acquire Shares to Eligible Employees.

The total number of Shares that may be issued under the Plan over a period of 5 consecutive years will not exceed 5% of the total issued Shares of the Company.

The Shares issued under the Plan have the same rights as other Shares. The exercise price shall be determined by the Directors an stated in any offer issued to Eligible Employees.

The Company will use best endeavours to have Shares issued under the Plan quoted for trading on the ASX.

12.4 Limitation on Foreign Ownership

The Foreign Acquisitions and Takeovers Act, 1975 (**FATA**) regulates acquisitions giving rise to ownership of substantial holdings of an Australian company's shares.

FATA prohibits:

- any natural person not ordinarily resident in Australia; or
- any corporation in which either a natural person not ordinarily resident in Australia or a foreign corporation (as defined in the FATA); or
- two (2) or more such persons or corporations,

from entering into an agreement to acquire shares if after the acquisition such person or corporation would hold a substantial interest in a corporation, or where two (2) or more persons or corporations would hold an aggregate substantial interest (defined below), without first applying in the prescribed from for approval or receiving no response in the forty (40) days after such application was made.

A holder of Shares will be deemed to hold a substantial interest in a corporation if the holder alone or together with any associates (as defined in the FATA) is in a position to control not less than fifteen percent (15%) of the voting power in the corporation or holds interests in not less than fifteen (15%) of the issued shares in the corporation. Two (2) or more holders hold an aggregate substantial interest in a corporation if they, together with any associates (as so defined), are in a position to control not less than forty percent (40%) of the voting power in that corporation or hold not less than forty percent (40%) of the issued shares in that corporation. The Constitution contains no limitation on a non-resident's right to hold or vote the Company's Shares.

12.5 Litigation

Neither the Company nor any other member of the Group are engaged in any litigation which has or would be likely to have material adverse effect on either the Company, other members of the Group or their business. As far as the Company is aware, all agreements, licences and other legal documents to which it, or a member of the Group, have been complied with.

12.6 Subsequent Events

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

(i) the operations of the Group;
(ii) the results of those operations; or
(iii) the state of affairs of the Group.

12.7 Liability of other persons named in this Prospectus

Notwithstanding that they may have been referred to elsewhere in this Prospectus:

Eakin McCaffery Cox Lawyers are named in the Corporate Directory as Solicitors to the Company. They have been involved in the process of reviewing this Prospectus for consistency with the material contracts. In doing so, they have placed reasonable reliance upon information provided to them by the Company and other third parties. They do not make any other statement in this Prospectus. Eakin McCaffery Cox Lawyers will be paid for work performed in accordance with usual time based in charge out rates and estimate their professional costs at $25,000 plus GST at the date of this Prospectus.

RSM Bird Cameron Corporate Pty Ltd is named in the Corporate Directory as Investigating Accountant's to the Company. They are involved in the preparation of the Investigation Accounts Report and review of the Financial Information Section of this Prospectus. In doing so, they have placed reasonable reliance upon information provided to them by the Company and other third parties. They do not make any other statement in this Prospectus. RSM Bird Cameron Corporate Pty Ltd will be paid for work performed in accordance with usual time based charge out rates and estimated their professional costs at $90,000 at the date of this Prospectus.

Al Maynard and Associates are named in the Corporate Directory as Independent Geological Consultants to the Company. They were involved in the preparation of the Independent Consulting Geological Report, set out in this Prospectus. In doing so, they have placed reasonable reliance upon information provided to them by the Company and other third parties. They do not make any other statement in this Prospectus. They will be paid for work performed in accordance with usual time based charge out rates and estimate their professional costs at $24,000 at the date of this Prospectus.

There are a number of persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statement made by those persons. These persons did not consent to being named in this Prospectus and did not authorizes or cause the issue of this Prospectus.

12.8 Consent of Experts

Each of the parties referred to in this section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and

(b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Al Maynard & Associates Pty Ltd has given its written consent to being named as the Independent Geologist to the Company in this Prospectus and to the inclusion of the Independent Geologist's Report in Section 8 in the form and context in which the report is included. Al Maynard & Associates Pty Ltd has not withdrawn its consent prior to the lodgment of this Prospectus with the ASIC.

RSM Bird Cameron Corporate Pty Ltd has given their written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Section 10 in the form and context in which the report is included. RSM Bird Cameron Corporate Pty Ltd has not withdrawn its consent prior to lodgment of this Prospectus with the ASIC.

RSM Bird Cameron Partners has given their written consent to being named as Auditors. RSM Bird Cameron Partners has not withdrawn its consent prior to lodgment of this Prospectus with the ASIC.

RSM Bird Cameron has given their written consent to being named as Taxation Advisor in this Prospectus and to the inclusion of the Taxation Report in Section 10 in the form and context in which the report is included. RSM Bird Cameron has not withdrawn its consent prior to lodgment of this Prospectus with the ASIC.

Eakin McCaffery Cox Lawyers have given its written consent to being named as the solicitors to the Company in this Prospectus. Eakin McCaffery Cox has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Link Market Services Limited has given its written consent to being named the share registry to the Company in this Prospectus and has not withdrawn its consent prior to lodgment of this Prospectus with the ASIC.

Novus Capital Limited has given its written consent to being named as the Sponsoring Broker to the Offer in this Prospectus. Novus Capital Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Empire Securities Pty Ltd has given its written consent to being named as the Corporate Advisor in this Prospectus. Empire Securities Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

12.9 Inspection of Documents

Copies of following documents may be inspected free of charge at the registered office of the Company and at the offices of Eakin McCaffery Cox Level 28, BT Tower, 1 Market Street, Sydney NSW 2000 during normal business hours:

- Material Contract in the Material Contracts section of this Prospectus;
- The Constitution; and
- The consents referred to in this Section 12.

12.10 Expenses of the Offer

The total expenses of the Offer, assuming the Offer is fully subscribed to raise $12,000,000 in respect of the Minimum Subscription only, are estimated to be approximately 2,114,070 (excluding GST) and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Amount ($)
Legal	$25,000
Investigating Accountant	$90,000
Independent Geologist	$24,000
Brokerage	$1,564,034
Employee Shares	$300,000
ASX Listing Fee	$80,944
ASIC Fees	$3,092
Miscellaneous	$27,000
TOTAL	**$2,114,070**

The total expenses of the Offer, assuming the Mininmum Subscription and the Oversubscription are fully subscribed to raise $25,000,000, are estimated to be approximately 3,159,276 (excluding GST) and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Amount ($)
Legal	$25,000
Investigating Accountant	$90,000
Independent Geologist	$24,000
Brokerage	$2,604,034
Employee Shares	$300,000
ASX Listing Fee	$86,150
ASIC Fees	$3,092
Miscellaneous	$27,000
TOTAL	**$3,159,276**

12.11 Directors' Fees

The Constitution provides that the Non-Executive Directors are entitled to remuneration as determined by the Company in a General Meeting to be appointed among them in such manner as the Directors agree and, in default of agreement, equally. The aggregate maximum remuneration currently determined by the Company is $350,000 per annum. Additionally, Non-Executive Directors are entitled to be reimbursed for properly incurred expenses.

At present the Board is constituted by one (1) Executive Director (David Evans) and two (2) Non-Executive Directors. Mr Evans is employed by the Company pursuant to an Employment Agreement, the terms of which are summarized in section 11 of this Prospectus. The Board has agreed that the Executive Director shall not be paid Director's fees in addition to his salary package as stated in his Employment Agreement and that the Non-Executive Chairman shall be paid a fee of $90,000 per annum and the Non-Executive Director shall be paid $60,000 per annum.

If a Non-Executive Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above. However, no payment can be made if the effect would be to exceed the maximum aggregate amount payable to Non-Executive Directors. A Non-Executive Director is entitled to be paid travelling and other expenses properly incurred by them in attending Director's or General Meetings of the Company or otherwise in connection with the business of the Company or other members of the Group.

The remuneration of any Executive Director may from time to time be fixed by the Directors. The remuneration may be by way of salary or commission or participation in profits but may not be by commission on, or a percentage of operating revenue.

12.12 Interest of Experts and Advisers

The nature and extent of the interest (if any) that:

- a person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- a promoter of the Company; or
- a stockbroker or underwriter (but not as a sub-underwriter) to the Issue;

hold, or held at any time during the last two (2) years in:

- the formation or promotion of the Company;
- property acquired or to be acquired by the Company in connection with:
  - > its formation or promotion; or
  - > the Offer,

is set out in this Section.

The amount that anyone has paid or agreed to pay, or the nature and value of any benefit anyone has given or agreed to give for services provided by:

- a person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- a promote of the Company; or
- a stockbroker or underwrite (but not a sub-underwriter) to the Issue,

in connection with;

- the formation or promotion of the Company;
- property acquired or to be acquired by the Company in connection with:
  - > its formation or promotion; or
  - > the Offer,

is set out in this Section.

12.13 Directors' Interests

The nature and extent of the interest (if any) that the Directors of the Company hold, or held at any time during the last two (2) years in:

- the formation or promotion of the Company;
- property acquired or to be acquired by the Company in connection with:
  - > its formation or promotion; or
  - > the Offer,

is set out in this Section 12.

The amount (if any) that anyone has paid or agreed to pay or the nature and the value of any benefit anyone has given or agreed to give to a Director of the Company, or proposed Director of the Company:

- to induce them to become, or to qualify as, a Director of the Company; or
- for services provided by a Director in connection with:
  - > the formation of the Company; or
  - > the Offer,

is set out in the table found in this section and in the section 3 of this Prospectus and repeated in the table below.

The table below details the interest of the Directors in the securities of the Company immediately prior to lodgment of the Prospectus with ASIC, including those securities held directly and indirectly.

Director/Officer	Number of Shares	Number of Options
Ian W Ross (Non-Executive Director and Chairman)	–	4,000,000
Gavan H Farley (Non-Executive Director)**	500,000	2,000,000
David A Evans (Managing Director)	17,527,181*	15,000,000
Ross M Hill (Alternate Director)	6,000,000	5,000,000

* Under the employment agreement entered into between the Company and David Evans, upon successful listing David Evans will be issued 1,500,000 shares. (for the details of this agreement please see Section 11.2(i)

** Gavan H Farley is the General Manager of Empire Securities Group.

12.14 Taxation

The acquisition and disposal of Shares in the Company will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

12.15 Forecasts

The Company is an exploration company with the intention to become a gold and copper producer in the medium term. Given the speculative nature of exploration, mineral development and production, there are significant uncertainties associated with forecasting future revenue. On this basis, the Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that reliable forecasts cannot be prepared and accordingly have not included forecasts in this Prospectus.

12.16 Privacy

By submitting an Application Form you are providing to the Company personal information about you. If you do not provide complete and accurate personal information, your Application may not be able to be processed.

The Company maintains the register of members of the Company through Link Market Services Limited to comply with the National Privacy Principles while performing these services. The Company's register is required by law to contain certain personal information about you such as you name and address and number of Shares and Options held. In addition, the Company collects personal information from members including contact details, bank accounts, membership details and tax file numbers.

This information is used to carry out registry functions such as payment of dividends, send announcements and half yearly reports, notices of meetings, newsletters and notifications to the Australian Taxation Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning the Company.

The Company understands how important it is to keep you personal information private. The Company will only disclose personal information we have about you:

- when you agree to the disclosure;
- when used for the purpose for which it is collected;
- when disclosure is required or authorized by law;
- to other members of the Group;
- to your broker;
- to external service suppliers who supply services in connection with the administration of the Company's register such as mailing houses and printers, Australia post and financial institutions.

You have the right to access, update and correct your personal information held by the Company and Link Market Services Limited except in limited circumstances. If you wish to access, update or correct your personal information held by the Company or Link Market Services Limited, please contact our respective offices.

If you have any questions concerning how the Company handles your personal information please contact the Company.

12.17 Electronic Prospectus

An electronic version of this Prospectus is available from the Company at World Wide Web URL address:

www.indochinemining.com

The Application Form may only be distributed attached to a complete and unaltered copy of this Prospectus. The Application Form included with this Prospectus contains a declaration that the investor has personally received the complete and unaltered Prospectus prior to completing the Application Form.

The Company will not accept a completed Application Form if it has reason to believe that the investor has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the Application Form or electronic copy of the Prospectus has been altered or tampered with in any way.

While the Company believes that it is extremely unlikely that in the Issue period the electronic version of the Prospectus will be tampered with or altered in any way, the Company cannot give any absolute assurance that it will not be the case. Any investor in doubt concerning the validity or integrity of an electronic copy of the Prospectus should immediately request a paper copy of the Prospectus directly from the Company or a financial adviser.

12.18 Potential Royalty Schemes for Founding Geologists

The Company is in the process of reviewing the Royalty provisions that were provided by Indochine Resources Ltd (**IRL**) to the founding Directors of IRL Mr David Evans and Mr Jeremy Snaith, under their former, respective employment agreements with IRL Since those agreements Mr. Evans has signed a new employment contract with the Company and Mr. Snaith has resigned from IRL. Despite a new agreement in the case of Mr Evans and the resignation of Mr Snaith, IRL still has an agreement with them that their respective royalty provisions are to remain but that such are to be reviewed by an independent experienced party with a view to ensuring such provisions are commercial and fair. As at the date of the Prospectus, the review has not been undertaken.

Royalty provisions under the former employment agreements were: Gold 0.125% for an inferred resource to 0.50% for bank feasibility study, and 1.50% for the following base metals, iron ore, other metallic minerals, coal and gemstones.

12.19 Supplementary Information

The Company will issue a supplementary Prospectus if the Company becomes aware of any of the following between the issue if the Prospectus and the date the Company's securities are quoted:

- A material statement in the information memorandum is misleading or deceptive.
- There is a material omission from the information memorandum.
- There has been a significant change affecting a matter included in the information memorandum.
- A significant new circumstance has arisen and it would have been required to be included in the information memorandum.

The Company has not raised any capital for the 3 months before the date of issue of this Prospectus and will not need to raise any capital for 3 months after the date of issue of this Prospectus.

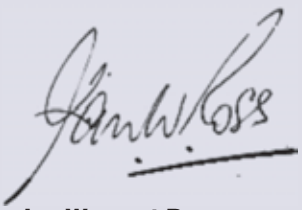
Section 13
Director's Statement and Consent

Directors Consent to Lodgment

This Prospectus is issued by the Company and its issue has been fully authorised by a resolution of the Directors

In accordance with section 720 of the Corporations Act, each Director has consented to the Lodgment of this Prospectus with the ASIC.

Signed on behalf of the Company by



Ian Wargent Ross
Chairman and Non-Executive Director

For and on behalf of
Indochine Mining Limited

Section 14
Glossary of Defined Terms

General Glossary

AEST	means Australia Eastern Standard Time.
Applicant	means a person who submits an Application.
Application	means a valid Application to subscribe for Shares pursuant to this Prospectus.
Application Form	means the Application Form attached to and forming part of this Prospectus.
Application Monies	means monies received by the Company from Applicants.
Ag	means silver
Aries Mining Limited	means Aries Mining Limited ACN 112 236 414
Asia Pacific Gold and Copper Company Limited	means Asia Pacific Gold and Copper Company Limited ACN 127 948 958
Asia Pacific Gold and Copper (Cambodia) Limited	means Asia Pacific Gold and Copper (Cambodia) Limited a company registered in accordance with the laws of Cambodia – Cambodian business number – Co. 4835E/2008
ASIC	means the Australian Securities and Investment Commission.
Au	means gold.
Australian Securities Exchange or ASX	means ASX Limited (ABN 98 008 624 691) or Australian Stock Exchange, as the context requires.
ASX Settlement and Transfer Corporation Pty Limited	means ASX Settlement and Transfer Corporation Pty Limited ACN 008 504 532
Board	means the Company's board of Directors unless the context indicates otherwise.
Broker Options	means 20,000,000 Options issued to the Broker in partial consideration for performing its services in relation to the Offer
Business Day	means a day other than a Saturday or Sunday on which banks are open for business in Sydney, New South Wales.
CHESS	means the ASX Clearing House Electronic Sub registry System.

Closing Date	means the date on which the Offer closes as noted in section 3.3 of this Prospectus, subject to any variation by the Company in accordance with the terms of this Prospectus.
Company or IDC	means Indochine Mining Limited (ACN 141 677 385).
Constitution	means the Constitution of the Company.
Corporations Act	means the *Corporations Act 2001* (Cth).
Cu	means Copper.
Directors	means the directors of the Company from time to time and include any alternate directors.
Dollars or $	means Australian dollars unless otherwise stated.
Empire	means Empire Securities Group Pty Ltd (ACN 128 319 219) a corporate authorized representative of Novus Capital Limited (AFSL 238 168).
Existing Shareholders	means all holders of Shares in the Company at the date of this Prospectus.
Expiry Date	means the date 13 months after the date of this Prospectus is lodged with ASIC.
Exposure Period	means the period of seven (7) days after the date of lodgment of this Prospectus, with ASIC which period may be extended by ASIC by not more than seven (7) days pursuant to Section 727 (3) of the *Corporations Act 2001*.
Foreign Investment Applications	means those Foreign Investment Application described in section 11.6 of this Prospectus.
Glossary	means this glossary.
Group	means the Company and its Subsidiaries as described in Figure 1 of Section 7
Group Liability	has the same meaning as "group liability" in Section 721-10(1)(a) of the Income Tax Assessment Act 1936 and ITAA97, to which the Group Liability relates.
Group Liability Period	for a Group Liability, mean the period referred to in the table in section 721-10(2) of the *Income Tax Assessment Act 1936* and *ITAA97*, to which the Group Liability relates.
GST	has the meaning given to it in the A New Tax System (Goods and Services Tax) Act 1999 and any regulations thereto or such other act or regulations of equivalent effect.
Holder Identification Number (HIN)	means Investor's Holder Identification Number in the case of a holding on the CHESS sub-register.
Holding Statements	means statement of holdings as distributed by the Share Register.
Independent Consulting Report	means the Independent Geological Report prepared by Al Maynard & Geologist Associates and contained in the section entitled "*Independent Consulting Geologist Report*" of this Prospectus.
Indochine Mining Limited	means Indochine Mining Limited ACN 141 677 385
Indochine Resources Limited	means Indochine Resources Limited ACN 119 808 007
Indochine Resources (Cambodia) Limited	means Indochine Resources (Cambodia) Limited – a company registered in accordance with the laws of Cambodia, Cambodia business no. Co. 4104E/2007
ITAA97	means *Income Tax Assessment Act 1997*.
Issuer Sponsored	means the Company will sponsor registration of the Share holding through the Share Register.
JORC	means the Australasian code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
Kratie Project	means tenement area located in central Cambodia.

Licences	means the Mineral Exploration Licences described in Sections 11 4 of this Prospectus.
Listing Rules	means the official Listing Rules of the ASX.
Maximum Subscription	means the issue of 125,000,000 Shares at an issue price fo $0.20 per share, thereby increasing the issued capital and cash of the Company by $25,000,000.
Memoranda of Understanding or MOUs	means the Memoranda of Understanding described in section 11.5 of this Prospectus.
Minimum Subscription	means the issue of 60,000,000 Shares at an issue price of $0.20 per Share, thereby increasing the issued capital and cash of the Company by $12,000,000.
Ministry	means Cambodian Ministry of Industry.
MMI	means mobile metal irons.
Mo	means molybdenum.
Novus Capital	means Novus Capital Limited (AFSL 238168)
Offer	means the offer to subscribe for Shares as set out in Section 3 of this Prospectus.
Offer Period	means the period commencing on the Opening Date and ending on the Closing Date.
Official List	means the Official List of the ASX.
Official Quotation	means the official quotation by the ASX in accordance with the Listing Rules.
Opening Date	means the date on which the Offer opens as noted in section 3.3 of this Prospectus, subject to any variation by the Company in accordance with the terms of this Prospectus.
Options	means the options issued by the Company to subscribe for Shares which are summarised in Section 12 of this Prospectus.
Oversubscription	means a further 65,000,000 Shares at an issue price of $0.20 per Share.
Pb	means lead.
Prospectus	means this Replacement Prospectus dated, and lodges with ASIC on, 18 June 2010 in accordance with Section 719 of the Corporations Act.
Replacement Prospectus	means this prospectus which replaces the prospectus lodged with ASIC and dated 9 June 2010
Ratanakiri Project	means Tenement area located to the north of Cambodia.
Section	means a section of this Prospectus.
Security Holder Reference Number	means in the case of a holding on the issuer/sponsor sub-register.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of Shares.
Share Register	means Link Market Services Limited (ACN 083 214 537).
Shares Registrar	means Link Market Services Limited.
Sponsoring Broker	means Novus Capital Limited (AFSL 238168)
Subsidiary	has the meaning given to this term as in sections 9 and 46 of the Corporations Act.
Tax File Number (TFN)	means his/her Tax File Number.
Tenements of this	means the Group's tenements in Cambodia described in Sections 7, 8 and 11 Prospectus.
Zn	means zinc.

Continued over page

Units

km	means kilometre.
km^2	means square kilometre.
m	means metres.
Mt	means million tonnes.

INDOCHINE MINING LIMITED

ACN 141 677 385

Broker Code

Adviser Code

Public Offer Application Form

This is an Application Form for Shares in Indochine Mining Limited under the Public Offer on the terms set out in the Prospectus dated 9 June 2010. You may apply for a minimum of 10,000 Shares and multiples of 1,000 thereafter. This Application Form and your cheque or bank draft must be received by **5:00pm (AEST) on 23 July 2010**.

If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Prospectus contains information relevant to a decision to invest in Shares and you should read the entire Prospectus carefully before applying for Shares.

A Shares applied for

(minimum 10,000, thereafter in multiples of 1,000)

at Price per Share **A$0.20**

B Application Monies **A$**

PLEASE COMPLETE YOUR DETAILS BELOW (refer overleaf for correct forms of registrable names)

C

Applicant #1
Surname/Company Name

Title | First Name | Middle Name

Joint Applicant #2
Surname

Title | First Name | Middle Name

Designated account e.g. <Super Fund> (or Joint Applicant #3)

D

TFN/ABN/Exemption Code
First Applicant | Joint Applicant #2 | Joint Applicant #3

TFN/ABN type – if NOT an individual, please mark the appropriate box ☐ Company ☐ Partnership ☐ Trust ☐ Super Fund

PLEASE COMPLETE ADDRESS DETAILS

E

PO Box/RMB/Locked Bag/Care of (c/-)/Property name/Building name (if applicable)

Unit Number/Level | Street Number | Street Name

Suburb/City or Town | State | Postcode

Email address (only for purpose of electronic communication of shareholder information)

F CHESS HIN (if you want to add this holding to a specific CHESS holder, write the number here)

X

Please note: that if you supply a CHESS HIN but the name and address details on your Application Form do not correspond exactly with the registration details held at CHESS, your Application will be deemed to be made without the CHESS HIN and any Shares issued as a result of the Offer will be held on the issuer sponsored sub-register.

G Telephone Number where you can be contacted during Business Hours ( )

Contact Name (PRINT)

Cheques or bank drafts should be made payable to **"Indochine Mining Limited"** in Australian currency and crossed "Not Negotiable".

H Cheque or Bank Draft Number | BSB - | Account Number

Total Amount **A$**

LODGEMENT INSTRUCTIONS

You must return your application so it is received before 5:00pm (AEST) on 23 July 2010 to:
Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235.

IML IPO001

Your Guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The shares to which this Application Form relates are Indochine Mining Limited ("IML") shares. Further details about the shares are contained in the Prospectus dated 9 June 2010 issued by Indochine Mining Limited. The Prospectus will expire 13 months after the date this prospectus was lodge with ASIC (Expiry Date). While the Prospectus is current, Indochine Mining Limited will send paper copies of the Prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investment Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Prospectus. This Application Form is included in the Prospectus.

The Prospectus contains important information about investing in the shares. You should read the Prospectus before applying for Shares.

A Insert the number of Shares you wish to apply for. The Application must be for a minimum of 10,000 Shares and thereafter in multiples of 1,000. You may be issued all of the Shares applied for or a lesser number.

B Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.

C Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.

D Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, Indochine Mining Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.

E Please enter your postal address for all correspondence. All communications to you from Indochine Mining Limited and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

F If you are already a CHESS participant or sponsored by a CHESS participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHESS for this HIN is different to the details given on this form, your Shares will be issued to Indochine Mining Limited's issuer sponsored subregister.

G Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.

H Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B.
Make your cheque or bank draft payable to **"Indochine Mining Limited"** in Australian currency and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian bank. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
If you receive a firm allocation of Shares from your Broker make your cheque payable to your Broker in accordance with their instructions.

LODGEMENT INSTRUCTIONS

This Application Form and your cheque or bank draft must be mailed or delivered so that it is received before 5:00pm (AEST) on 23 July 2010 at:

Indochine Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Indochine Mining Limited
C/- Link Market Services Limited
Level 12, 680 George Street
Sydney New South Wales
(do not use this address for mailing purposes)

Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

CORRECT FORMS OF REGISTRABLE NAMES

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mrs Katherine Clare Edwards	K C Edwards
Company Use Company's full title, not abbreviations	Liz Biz Pty Ltd	Liz Biz P/L or Liz Biz Co.
Joint Holdings Use full and complete names	Mr Peter Paul Tranche & Ms Mary Orlando Tranche	Peter Paul & Mary Tranche
Trusts Use the trustee(s) personal name(s)	Mrs Alessandra Herbert Smith <Alessandra Smith A/C>	Alessandra Smith Family Trust
Deceased Estates Use the executor(s) personal name(s)	Ms Sophia Garnet Post & Mr Alexander Traverse Post <Est Harold Post A/C>	Estate of late Harold Post or Harold Post Deceased
Minor (a person under the age of 18 years) Use the name of a responsible adult with an appropriate designation	Mrs Sally Hamilton <Henry Hamilton>	Master Henry Hamilton
Partnerships Use the partners' personal names	Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith <Fred Smith & Son A/C>	Fred Smith & Son
Long Names	Mr Hugh Adrian John Smith-Jones	Mr Hugh A J Smith Jones
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s)	Mr Alistair Edward Lilley <Vintage Wine Club A/C>	Vintage Wine Club
Superannuation Funds Use the name of the trustee of the fund	XYZ Pty Ltd <Super Fund A/C>	XYZ Pty Ltd Superannuation Fund

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.

Proudly Produced by
APM Graphics Management
1800 806 930 | email@apmgraphics.com.au

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Suite 503, Level 5, 2 Bligh Street
Sydney NSW 2000
Telephone 02 8246 7007
Facsimile 02 9246 7005
www.indochinemining.com