



INDOCHINE MINING LIMITED

ASX:IDC

ACN 141 677 385

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Company Announcements Office
Australian Securities Exchange

4 Pages

Drilling Update – Near Surface Gold Results on Indochine’s Mt Kare Gold/Silver Project, PNG

Near surface gold results (from 16 metres depth) continue to be returned from drilling at Indochine Mining’s (ASX:IDC) gold/silver project at Mt Kare, in Papua New Guinea (PNG).

Latest results continue to confirm the robust nature of the JORC Resource, which currently stands at 1.8Moz gold and 20Moz silver (in 28Mt @ 1.9g/t Au). In excess of 6,300 metres have now been drilled in the past eight months (50 holes), providing the basis for the Pre-Feasibility Study (PFS) due for completion by the end of August.

Recent best results returned since the last update, are from Drillhole 129SD12, and include:

47 metres (m) at 2.5 grams/tonne (g/t) gold, 20 g/t silver from 16m, including
15 metres at 4.0g/t gold, 29g/t silver from 36m.

These results are from the Company’s eighth drillhole, with 42 drillhole results pending. A total of 415 diamond drill holes (~67,000 metres) have been completed in the project.

“Results delivered to date include substantial, attractive gold grades in every hole drilled by Indochine” said the CEO Stephen Promnitz.

Considerable work on relieving the bottleneck in shipping and processing the core is being conducted. Consequently, assays results should be reported on a more timely basis going forward, with the next assay results expected in a week’s time.

Past results from the same cross-section as above include 112m at 5.0g/t gold, 55g/t silver (from 93m depth), with a higher grade interval of 25m at 13.9g/t gold, 73g/t silver (from 141m) in drillhole MK06-84.

The PFS is on schedule for completion by the end of August, with its public release before 28 September, after discussions with the regulatory authorities in PNG. Subject to the regulatory process, the company is targeting production of 125-150,000 ounces gold per year, plus silver, in three years.

Stephen Promnitz, Chief Executive Officer, Indochine Mining Limited

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Table 1&2: Location and Assays from Reported Drill Holes – First Phase Metallurgical Programme

		Mt Kare Local Grid					
Hole	Zone	Easting	Northing	RL	Azimuth (°)	Dip (°)	Depth (m)
122SD11	BZ	19469.7	84272.6	3068.3	135	-60	76.7
123SD11	BZ	19469.7	84272.6	3068.3	135	-50	105.5
124SD11	WRZ	18933.1	84052.1	2940.2	315	-65	49
125SD11	WRZ	18897.6	84042.7	2937.3	315	-45	164.3
126SD12	WRZ	18933.1	84052.1	2940.2	315	-65	213.4
127SD12	WRZ	18912.7	84087.7	2947.0	135	-70	170.3
128SD12	WRZ	18897.6	84042.7	2937.3	135	-45	132.6
129SD12	WRZ	18934.7	84097.5	2954.0	315	-65	167.6

Hole	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t
129SD1 1 incl.	16.00	63.00	47.00	2.5	20.0
	36.00	51.00	15.00	4.0	29.0

Intercepts are downhole and not true width.

Assays reported as received from laboratory, no top cuts applied

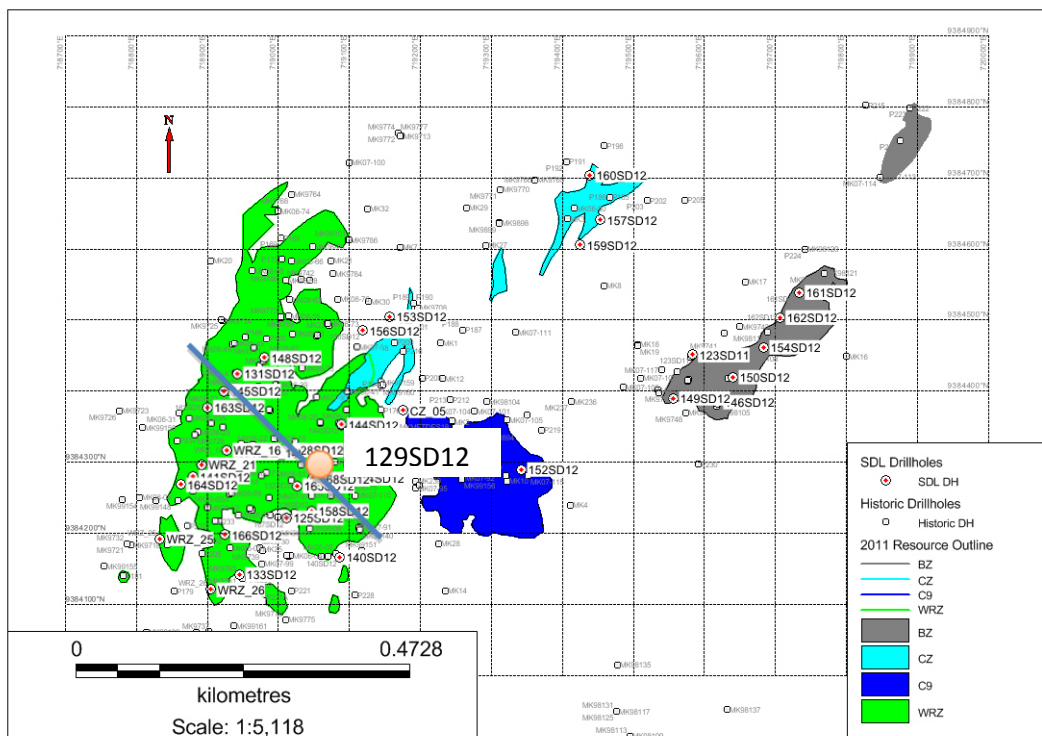


Figure 1: Plan of Mt Kare Resource with drillholes, section line & resource model zones

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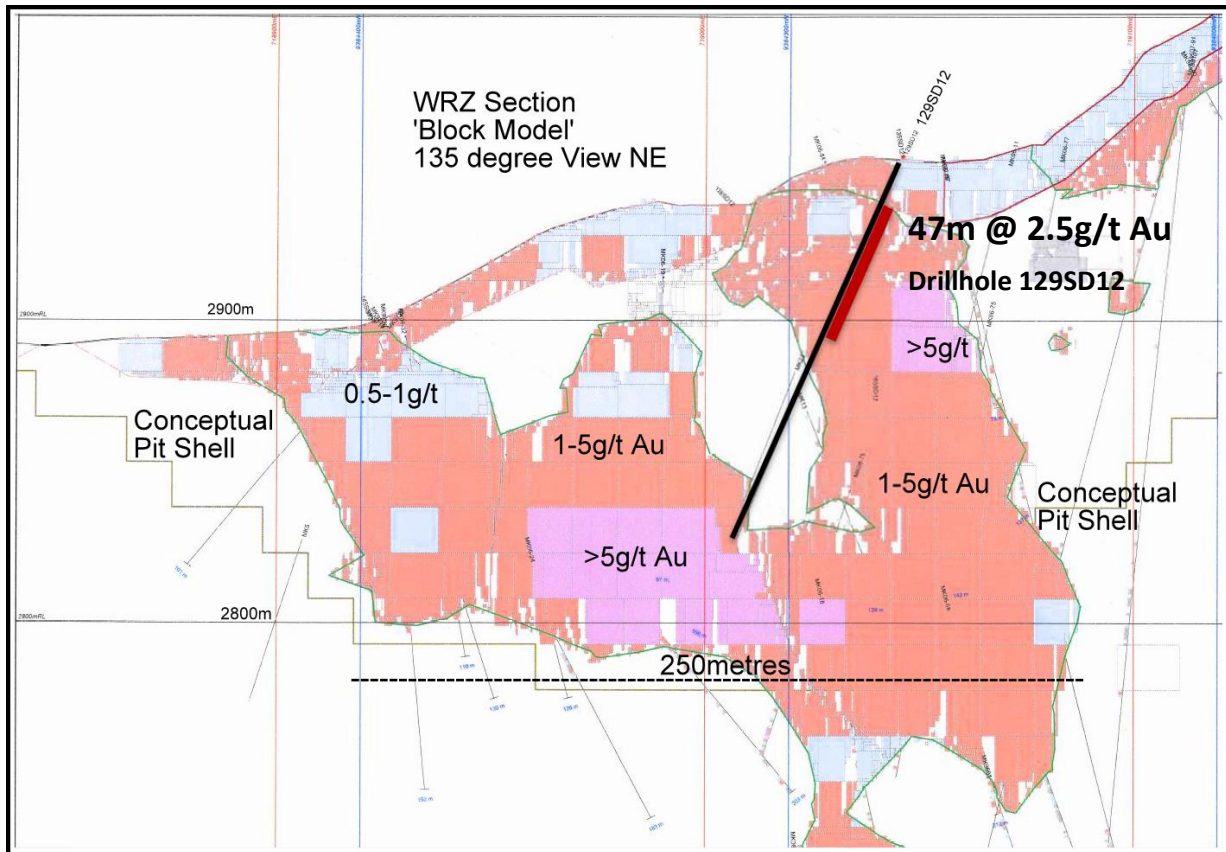


Figure 3: Cross-section and ‘block model’, looking towards the north east, through the WRZ of the Mt Kare Resource showing the modelled average gold grade and drillhole 129SD12

Competent Person Statement

David Meade a full time employee of the Indochine Group (Indochine Resources (Cambodia) Ltd) is a member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken, being reported herein as Exploration Results, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition). David Meade has consented to the public reporting of these statements and results and the form and context in which they appear.

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