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19 April 2006

The Manager
Company Announcements Platform
Australian Stock Exchange Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000

Dear Sir,

**RE: GALENO PREFEASIBILITY STUDY COMMENCES
Cu-Au-Mo PROJECT, PERU**

Northern Peru Copper, a company listed on the Toronto Stock Exchange (TSX:"NOC") has reported, that it has initiated a prefeasibility study and awarded contracts to engineering firms for the Galeno copper/gold/molybdenum project located in northern Peru adjacent to the Yanacocha gold mine, the largest gold mine in South America.

The prefeasibility study, will be used to develop a project design for, and assess the economic viability of, a large-scale copper flotation mining operation at Galeno.

Indo Mines has a Net Smelter Return over the 'El Molino' concession of the Galeno deposit. Shareholders and investors of Indo Mines are advised to refer to Northern Peru Copper's TSX announcement dated 11 April 2006, a copy of which is attached as Appendix 1. Shareholders and investors are also advised to refer to Indo Mines' ASX announcement made on the 11 April 2006 regarding the revised resource statement made by Northern Peru Copper.

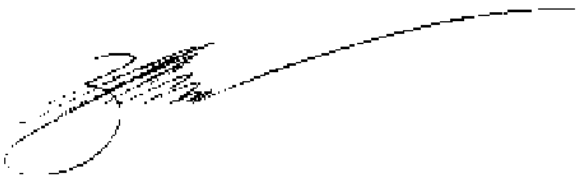
The completed prefeasibility study by Northern Peru Copper will include ore reserve estimation and corresponding mine design and production schedule, metallurgy, process and project infrastructure design, development of environmental management and permitting programs and the overall project capital and operating costs. The prefeasibility study will be completed in late 2006 with the preliminary economic assessment due by the end of June, 2006.

Indo Mines, through its subsidiary Terrace Gold, has a 0.5% NSR on the 'El Molino' concession of the Galeno deposit. The El Molino concession over which Indo Mines has the NSR, contains at least 10% of the Galeno Cu-Au-Mo porphyry deposit according to former explorer, North Ltd.

Indo Mines is currently seeking further information regarding the resource from Northern Peru Copper to determine what percentage of the revised Galeno resource estimate lies within the El Molino concession of the deposit.

In addition, Northern Peru Copper continues to evaluate and drill the adjacent Hilorico gold zone. The El Molino concession on which Indo Mines has the NSR, contains all of the Hilorico gold target. As reported to ASX on the 13 April 2006, Northern Peru Copper reported significant gold drill results from the first five diamond holes drilled over the Hilorico gold prospect located on the El Molino tenement approximately 1km from the Galeno copper-gold-molybdenum deposit.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Ziad Sas', with a long, sweeping horizontal line extending to the right.

Ziad Sas
Managing Director

<p>The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Ziad Sas who is a Member of the Australian Institute of Mining and Metallurgy. Ziad Sas is a full-time employee of the Company. Mr Sas has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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". Mr Sas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.</p>

APPENDIX I

Northern Peru Copper Corp.

Announcement to TSX dated 11 April 2006

**11 April 2006: TSX Announcement – Northern Peru Copper Corp: TSX Code “NOC”
Northern Peru initiates Galeno prefeasibility study**

Mr. Marshall Koval reports

NORTHERN PERU INITIATES PREFEASIBILITY STUDY FOR GALENO COPPER-GOLD-MOLYBDENUM DEPOSIT

Northern Peru Copper Corp. has initiated a prefeasibility study and awarded contracts to engineering firms for the Galeno copper/gold/molybdenum project located in northern Peru adjacent to the Yanacocha gold mine, the largest gold mine in South America. The prefeasibility study, which will also include a National Instrument-43-101-compliant preliminary economic assessment, will be used to develop a project design for, and assess the economic viability of, a large-scale copper flotation mining operation.

The completed prefeasibility study will include ore reserve estimation and corresponding mine design and production schedule, metallurgy, process and project infrastructure design, development of environmental management and permitting programs and the overall project capital and operating costs. The prefeasibility study will be completed in late 2006 with the preliminary economic assessment due by the end of June, 2006. Project management for the study will be provided by MTB Project Management Professionals of Denver.

The following engineering firms have been contracted to complete the prefeasibility study:

- Resource Estimate & Mine Design Norwest Corp. (Denver);
- Process Engineering & Infrastructure Samuel Engineering (Denver);
- Metallurgical Testing C.H. Plenge Laboratories (Lima);
- Geotechnical Design (tailings & waste rock);
- Vector Engineering (Grass Valley);
- Environmental & Socioeconomic Studies Montgomery, Watson, Harza (Lima); and
- Capital & Operating Costs SRK Consulting (Denver).

Marshall Koval, president and chief executive officer, said: "We continue to aggressively advance Galeno as we now enter the engineering phase of the project. The recently reported resource estimate demonstrates that Galeno has the potential to be a large economic deposit. The prefeasibility study will focus on defining a viable project and will take advantage of the near surface high-grade zone which will form the basis of the starter pit in the early years of the mining operation."

The drilling program at Galeno is continuing and focused on infill drilling to bring the inferred resources into the indicated category. In addition, the company continues to evaluate and drill the adjacent Hilorico gold zone. A comprehensive metallurgical test work program is underway and results are expected in mid-April.
