



17 March 2017

Dale Allen
Listing Compliance, ASX Limited

Dear Dale

REQUEST FOR VOLUNTARY SUSPENSION OF TRADING

Pursuant to Listing Rule 17.2, Indo Mines Limited ('Indo Mines' or 'the Company') requests a voluntary suspension of trading of its shares from quotation pending the Company finalising and lodging its 31 December 2016 half yearly accounts.

The Company is in the process of finalising two proposed transactions:

- i) a Share Purchase Agreement ('SPA') for the sale of the Company's 51% interest in Sapex Oilfield Services Limited ('Sapex'); and
- ii) an agreement for the development of a smelter plant at the Kulon Progo project, including an associated concentrate offtake agreement and shareholders' agreement.

Whilst the Sapex SPA is expected to be signed imminently, completion of the SPA and the Company receiving the sale proceeds remain subject to conditions precedent. Satisfaction of the conditions precedent is anticipated to occur in April 2017 but the Directors of the Company require additional clarity regarding the timing in order to sign the Financial Statements on the basis of a going concern.

Following completion of the second transaction for the development of the smelter plant, the Company intends to seek to issue a quasi-debt instrument that is currently being structured for \$US20M-\$US24M to provide funding for the construction of a beneficiation plant and to provide iron sand concentrate for the smelter, meet working capital requirements and repay the Anglo Pacific Group plc convertible debenture facility.

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The Company's major shareholder, PT Rajawali Corpora ('Rajawali') has provided a revolving credit facility for US\$150,000 for a period of three months.

Given the uncertainty of the exact timing of the receipt of funds from the sale of the Sapex stake and given that the agreement for the development of a smelter plant has not yet been signed, the Directors will not be able to sign the Financial Statements on the basis of a going concern today. The current expectation is that clarity on the timing of the satisfaction of the condition precedent for the Sapex sale could be received as early as the end of today and the Company is working towards entry into the agreement for the development of a beneficiation plant by the end of March.

The following information is provided in relation to this request:

1. The suspension is sought as the Company was not able to complete its financial statements for the six months ended 31 December 2016 by 16 March 2017;
2. The suspension is expected to last until approximately the end of March;
3. The suspension is expected to be lifted once the Directors have received either confirmation of the timing for satisfaction of the conditions precedent for the Sapex sale as being in early April, or have signed an agreement for the development of a beneficiation plant and confirmed sufficient financial support should any temporary working capital shortfall exist; and
4. The Company is not aware of any reason why the voluntary suspension should not be granted or any other information necessary to inform the market about the suspension.

Enquiries:
Officer

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