



ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 5 APRIL 2018

UPDATE ON TAKEOVER BID

Indo Mines Limited ('Indo Mines') notes the announcement by PT Surya Langgeng Utama (a wholly owned subsidiary of PT Rajawali Corpora ('Rajawali')) extending its off-market takeover bid for all the fully paid ordinary shares in Indo Mines ('Offer'). The Offer is now scheduled to close at 7:00pm (AEDT) on 6 April 2018 (unless extended).

As at the date of this announcement, based on Rajawali's latest substantial holding notice, Rajawali holds 75.42% of Indo Mines' shares, giving it effective control of Indo Mines and the capacity to pass special resolutions. Indo Mines shareholders who do not accept the Offer will be minority shareholders in Indo Mines.

Rajawali has also announced its intention to seek to cause Indo Mines to be delisted from ASX (subject to required approvals on the part of ASX). If delisting occurs this will mean Indo Mines shareholders will no longer be able to buy or sell Indo Mines shares on ASX. This will further reduce the already illiquid market in Indo Mines shares.

Accordingly, **the Indo Mines Independent Directors reiterate that they unanimously recommend all Indo Mines shareholders who have not yet accepted the Offer to accept the Offer**, in the absence of a superior proposal.

Further reasons for the Independent Directors' recommendation are included in the Indo Mines Target's Statement dated 11 December 2017, including:

- The Independent Expert has concluded that the Offer is fair and reasonable, in the absence of an alternate offer.
- The all-cash Offer of \$0.02 per share, which is now unconditional, provides an opportunity for you to receive a certain cash amount for your Indo Mines shares. Rajawali recently announced in its Third Supplementary Bidder's Statement dated 19 March 2018 that it has accelerated payment terms such that it will pay the Offer consideration to shareholders accepting the Offer within 7 business days of a valid acceptance being received.
- Indo Mines shareholders who accept the Offer will cease to be exposed to the risks associated with an investment in Indo Mines and the uncertainties associated with the development of Indo Mines' Kulon Progo iron sands project and the status of Indonesian export laws.