



ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 6 JUNE 2011

SHARE PLACEMENT TO RAISE \$10.2 MILLION

The Directors of Indo Mines Limited (“Indo Mines” or “Company”) are pleased to announce that the Company has undertaken to place 18.6 million ordinary shares at \$0.55 each to institutional and sophisticated investors to raise \$10.2 million before costs.

Funds raised will be used to expedite the development of the commercial trial iron sands concentrate plant at the western end of the Contract of Works area in Jogjakarta, Indonesia. Additional funds will be dedicated to working capital and the assessment of new project opportunities including the Halmahera Iron Project announced on 24 May 2011.

Separate to the placement, Rockcheck Steel Co has agreed to acquire a parcel of 16 million Indo Mines shares in an off-market arrangement consistent with the placement price of \$0.55 each, significantly increasing its shareholding in the Company to approximately 18%.

Indo Mines Managing Director and CEO, Mr Martin Hacon, said: “I am delighted to welcome a number of new, leading institutional shareholders to our share register and to see the ongoing support of our existing shareholders.”

“It is particularly pleasing that the Company’s strategic shareholder, leading privately-owned Chinese steel maker Rockcheck Steel Co, has increased its shareholding in the Company demonstrating its strong support of our business strategy to become the leading supplier of raw materials to the rapidly growing Indonesian steel and metals industry.”

“The capital raising has strengthened the Company’s cash position to enable the business to move into early production from the Jogjakarta Iron Project and assess new growth opportunities adding value to shareholders.”

“This is an exciting time for the Company as we look to transition the business from an exploration company in to a significant producer of steelmaking raw materials.”

Enquiries:

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