

10 November 2017

For immediate release to the market

ASX ANNOUNCEMENT

PT SURYA LANGGENG UTAMA ANNOUNCES TAKEOVER OFFER FOR INDO MINES LIMITED

PT Surya Langgeng Utama (**Bidder**), a wholly owned subsidiary of PT Rajawali Corpora, which is known as Rajawali Group, (**Rajawali**), today announced its intention to make an all cash off-market takeover offer of \$0.02 per share for all the issued shares in Indo Mines Limited ACN 009 245 210 (**IDO**) (**IDO Shares**) which are not already owned by Rajawali and its associates (**Offer**). As at the date of this announcement, Rajawali, through its associates, holds 57.12% of the IDO Shares on issue.

The Bidder believes the Offer is highly compelling for IDO shareholders:

- accepting the Offer enables IDO shareholders to realise certain and immediate value for IDO Shares through 100% cash consideration (subject to the Offer conditions being satisfied or waived);
- there is very limited trading in IDO Shares, meaning that this Offer is a rare opportunity and potential liquidity event for IDO shareholders who wish to exit their investment;
- this Offer from the Bidder is the only offer currently available to IDO shareholders, and given the relevant interests of Rajawali and its associates in IDO, there are limited prospects of any competing proposal emerging and trading may be even less liquid following the Offer, if the Bidder increases its shareholding in IDO through the Offer; and
- the Offer removes any risks and uncertainties that could otherwise affect the future value of IDO Shares.

Offer conditions

The Offer is subject to the following conditions:

- the Bidder (and its associates) acquiring a relevant interest in at least 90% of IDO Shares;
- no prescribed occurrences occurring in relation to IDO;
- no actions affecting the business of IDO being undertaken by, or occurring in relation to, IDO; and
- no litigation being threatened or commencing against IDO.

The full text of these conditions is set out in the Schedule.

It is important that IDO shareholders have a clear understanding of the Bidder's intentions in making their decision on whether or not to accept the Offer. This includes understanding that the Bidder intends to:

- proceed to compulsory acquisition if it is entitled to do so; and
- cause IDO to delist if it is able to do so.

In relation to the latter, it is the Bidder's intention to cause the delisting of IDO whether that is a result of being in a position to proceed with the compulsory acquisition, or, in accordance with the ASX guidance after the Offer period has ended, should the threshold number of remaining shareholders for delisting be met. As such, whilst the Bidder reserves all of its rights to waive the 90% condition pursuant to the *Corporations Act 2001* (Cth) (**Corporations Act**), if the threshold number of remaining shareholders for delisting is met during the Offer Period, the Bidder's current intention would be to waive this condition.

Offer funding

The Bidder will fund the Offer through existing cash at hand (and capital provided under capital commitments from the members of the Bidder group to the extent necessary).

Indicative timing

The Bidder's statement for the Offer is expected to be lodged with ASIC within two weeks and will be sent to IDO shareholders as soon as practicable after that time.

IDO Shares

The IDO Shares the subject of the Offer are fully paid ordinary shares in the capital of IDO which are on issue on the date of the bidder's statement.

Immediately before making this announcement:

- so far as the Bidder is aware, there are 538,026,598 IDO Shares on issue, all of which are quoted on ASX;
- the Bidder does not have a relevant interest in any IDO Shares but its associates (in aggregate) had a relevant interest in 307,317,294 IDO Shares, which represent approximately 57.12% of the current issued share capital of IDO; and
- the Bidder, through its associates, had voting power in approximately 57.12% of the current issued share capital of IDO.

PURCHASE OF DEBENTURE

Separately, on 9 November 2017, Gladesburg Holding Ltd (a related body corporate of Rajawali) entered into an agreement to purchase from Anglo Pacific a US\$4 million convertible debenture facility with IDO at a discount to face value. Completion of this purchase is due to occur within 10 business days after the end of the Offer period.

SCHEDULE: CONDITIONS

The Offer is subject to the fulfilment of the following conditions:

1. Minimum acceptance condition

Before the end of the Offer period, the Bidder (and its associates) has a relevant interest in 90% or more (by number) of IDO Shares which are on issue as at the register date.

2. No prescribed occurrences

None of the following events occurs during the period beginning on the date the Bidder's statement is given to IDO and ending at the end of the Offer period:

- (a) IDO converts all or any of its shares into a larger or smaller number of shares;
- (b) IDO or a subsidiary of IDO resolves to reduce its share capital in any way;
- (c) IDO or a subsidiary of IDO:
 - (i) enters into a buy-back agreement; or
 - (ii) resolves to approve the terms of a buy-back agreement under sub-section 257C(1) or 257D(1) of the Corporations Act;
- (d) IDO or a subsidiary of IDO issues shares or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (e) IDO or a subsidiary of IDO issues, or agrees to issue, convertible notes;
- (f) IDO or a subsidiary of IDO disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) IDO or a subsidiary of IDO grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property;
- (h) IDO or a subsidiary of IDO resolves to be wound up;
- (i) a liquidator or provisional liquidator of IDO or of a subsidiary of IDO is appointed;
- (j) a court makes an order for the winding up of IDO or of a subsidiary of IDO;
- (k) an administrator of IDO, or of a subsidiary of IDO, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) IDO or a subsidiary of IDO executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of IDO or of a subsidiary of IDO.

3. No prescribed occurrences between announcement and service

None of the events listed in sub-paragraphs (a) to (m) of paragraph 2 happens during the period beginning on the date of this announcement and ending at the end of the day before the Bidder's statement is given to IDO.

4. Conduct of business

During the period beginning on the date of this announcement and ending at the end of the Offer period, neither IDO nor a subsidiary of IDO undertakes any of the following, without the written consent of the Bidder:

- (a) declares, pays or distributes any dividend, bonus or other share of its profits or assets;
- (b) makes any changes in its constitution;
- (c) borrows or agrees to borrow any money (except for temporary borrowing from its bankers, or the Bidder (or its related bodies corporate) pursuant to the existing facilities provided by the Bidder (or its related bodies corporate) in the ordinary course of business);
- (d) releases, discharges or modifies any substantial obligation to it of any person, firm or corporation or agrees to do so; or
- (e) enters or agrees to enter into any contract of service or varies or agrees to vary any existing contract of service with any director, manager or fund manager, or pays or agrees to pay any retirement benefit or allowance to any director, manager or employee, or makes or agrees to make any substantial change in the basis or amount of remuneration of any director, manager or employee (except as required by law or provided under any superannuation, provident or retirement scheme as in effect prior to the date of this announcement).

5. No litigation

During the period beginning on the date of this announcement and ending at the end of the Offer period, no party threatens or commences against IDO any material claims or proceedings in any court or tribunal (including a petition for winding up or an application for appointment of a receiver or receiver and manager) other than proceedings before the Takeovers Panel.