



QUARTERLY ACTIVITIES REPORT

31 December 2018

IndiOre Limited (the "Company" or "IndiOre") (ASX: IOR) is pleased to provide its quarterly activities report for the period ended 31 December 2018.

IRON ORE - INDIA

KURNOOL IRON ORE BENEFICIATION PLANT

On 7 January 2019 the Company announced that it had completed a drilling program aimed at providing confidence in the resources available to underpin the mine plan associated with the P3 process plant expansion. Drilling was carried on two mining leases owned by IndiOre and 3 areas on which the Company has agreements with Lease Owners. One area previously considered a likely location to include in mine plans was not drilled due to lack of permission to access the area.

965m of reverse circulation drilling was undertaken with typical hole spacing of approximately 50m. Drilling was typically undertaken down to depths of around 20m. This spacing and depth was determined as a suitable first pass required to delineate ore of sufficient volumes to justify mining within a distance from the surface that would allow economic strip ratios, based on the style of mineralisation generally seen in the area. Target ore grade was a function of distance from the process plant and ranged from 35% Fe within tenements adjacent to the plant, through to 45% Fe on the furthest tenements.

Disappointingly, the drilling did not intersect any mineralisation of adequate grade or thickness to justify mining on any of the project areas. Furthermore, drilling and associated geological recognisance did not identify any information that would justify further expense on the projects, particularly given the limited size of each tenement.

As a consequence, the company immediately cancelled the P3 project and began the process of dismantling the process plant and site equipment, reducing staff numbers and remediating the sites.

Management has been working with equipment suppliers to terminate purchase orders where possible and sell or safeguard newly purchased capital items. The Company will



confirm its financial position once this process has been completed. First Samuel has provided a verbal undertaking to leave the \$6 million draw-down facility previously provided to the Company by them in place, subject to agreement into the strategy going forwards post this significant change.

The Company is now in discussions and due diligence on a number of projects, both in India and Australia, with the viewpoint of mobilising the existing and new plant and equipment for a positive economic outcome for the Company in the short to medium term.

CORPORATE

VOLUNTARY SUSPENSION

As a consequence of the items noted above, on 12 December 2018 the Company requested a voluntary suspension on the trading of its securities.

On 29 January 2019 the Company requested an extension of the voluntary suspension.

At the time of lodging this report the Company remains in suspension.

SUPREME COURT – COSTS APPLICATION JUDGMENT

On 30 October 2018 the Company announced the outcome of the Company's costs application which was heard for judgment before his Honour Justice Allanson in the Supreme Court of Western Australia on Friday 26th October 2018 at 2:15pm WST.

Justice Allanson ordered that Coal Hub and, pursuant to undertakings each of Subiaco Capital Pty Ltd and its two directors pay the Company's costs of the action, as well as the Company's costs of the costs hearing on 28 September 2018 and 26 October 2018.

In addition, the court awarded special costs in relation to certain items claimed above the limit of the court's costs scale.

The Company is proceeding to recover its costs of the action against the abovementioned parties. If the quantum of costs cannot be agreed, then the Company will seek a court assessment of its costs against the entities referred to above.

The Company will provide further updates in relation to the quantum of the awarded costs in due course.

ANNUAL GENERAL MEETING

On 27 November 2018, the Company held its annual general meeting of shareholders. All resolutions in the notice of meeting were passed on a show of hands.

-ENDS-

For more information:

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