



Indo Mines Limited

Annual General Meeting

November 2015

Arran S Marshall, Chief Executive Officer

Disclaimer



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Further details on risk factors associated with the Company's operations and its securities are contained in the Company's prospectuses and other relevant announcements to the Australian Stock Exchange.

Some of the statements contained in this release are forward-looking statements. Forward looking statements include but are not limited to, statements concerning estimates of recoverable pig iron, expected product prices, expected costs, statements relating to the continued advancement of the Company's projects and other statements which are not historical facts. When used in this document, and on other published information of the Company, the words such as "aim", "could", "estimate", "expect", "may", "potential", "should" and similar expressions are forward-looking statements.

Although the company believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors could cause actual results to differ from these forward-looking statements include the potential that the Company's projects may experience technical, geological, metallurgical and mechanical problems, changes in product prices and other risks not anticipated by the Company or disclosed in the Company's published material.

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The information in this report that relates to Exploration Results and Mineral Resources of the Kulon Progo Iron Sands Project is based on information compiled and reviewed by Mr. Brett Gunter, who is a Member of the Australian Institute of Mining and Metallurgy and works full time for PT GMT Indonesia. The information has been forwarded to him by Indo Mines Limited as being representative of the work completed on the concession.

Mr Gunter is a qualified Geologist who has more than 25 years of relevant mining and geological experience in coal, bulk commodities and metals, working for major mining companies and for consultants. During this time he has either managed or contributed significantly to a number of exploration and mining studies related to the estimation, assessment, evaluation and economic extraction of mineral resources in Indonesia.

He has sufficient experience which is relevant to the style and type of deposit under consideration and to the activity he is undertaking to qualify him as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.



Capital Structure

Major Shareholders

ASX Listed

538,026,598 shares on issue

No options on issue

Market cap: A\$6.5 million
(as at 25 November 2015)

Yogya Metals and Mining Ltd	27.88% *)
Java Metals and Mining Ltd	18.59% *)
Rajawali Group Int. Ltd	10.65% *)
Rockcheck Trading Ltd	6.69%

*) Rajawali Group

Top 10	85.38%
Top 20	93.31%

Key information

- The majority shareholder of Indo Mines is the Rajawali Group, with a controlling stake of 57%. Rajawali has invested over AUD\$50M into Indo Mines since its initial investment in late 2012.
- Rajawali is one of the largest privately owned conglomerates in Indonesia. Its core interests include mining and resources, agriculture and hospitality. Rajawali has a strong track record in Indonesia of successfully developing projects into operation in Indonesia with strong corporate governance.
- Rockcheck Trading Ltd is a subsidiary of Rockcheck Steel Group Co. Ltd, one of China's largest privately owned iron and steel producers.
- As of 30 September 2015, Indo Mines had cash reserves of approximately A\$10M.

Strong board and management



Peter Chambers
Chairman

A member of the Rajawali board from 2005 to June 2014, including as MD – Strategy and Governance. On Board of Commissioners and key person in the establishment of Excelcomindo, Indonesia's 3rd largest mobile telephone operator.

Arran Marshall
Chief Executive Officer

Most recently held the role of County Head for AWR Lloyd in Indonesia, a specialist mining an energy advisor in SE Asia. Holds an MBA and core competencies are in business development, project management, financial analysis, strategy and capital markets.

Hendra Surya
Non-Executive Director

Joined the Rajawali Group in 2005 and is currently the Managing Director – Mining and Resources. Previously with PricewaterhouseCoopers where he was involved with a number of government related projects and a wide number of privatisation and major project financings.

Darryl Harris
Non-Executive Director

A metallurgist with over 20 years experience in the design and commissioning of mineral processing plants. He is also a Director of Consolidated Tin Mines Ltd, was Managing Director of Beacon Minerals Ltd until March 2012 and is Head of Ferrous Solutions for Outotec SEAP.

Darjoto Setyawan
Non-Executive Director

He has been employed with the Rajawali Group since 1996 and has held the role of Managing Director – Mining and Resources since 2005. He has served as a board member on a number of companies where Rajawali has an interest, including as President Director of the Bentoel Group.

Richard Edwards
Company Secretary

Has worked for over ten years providing financial reporting and company secretarial services to Australian public companies, including as CFO and Company Secretary of Sumatra Copper & Gold plc. He is Company Secretary of ASX listed Augur Resources Ltd and unlisted Nickel Mines Ltd.

Bobi Sandi
Chief Financial Officer

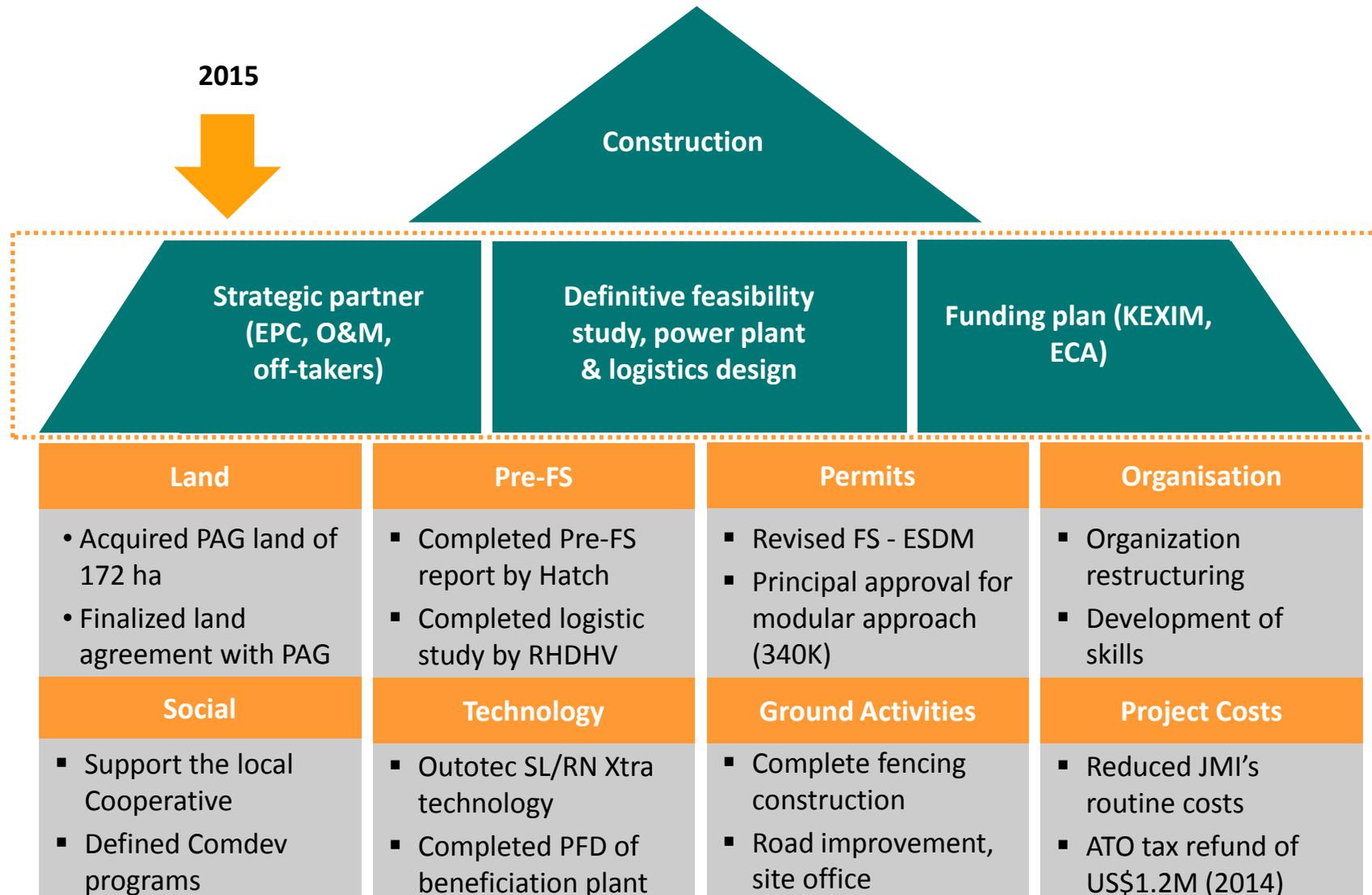
A strong budgeting cost control, financial audit and accounting background. Previously the financial controller of PT Vale Indonesia Tbk one of the largest nickel producers in the world. Also currently the CFO of PT Jogja Magasa Iron, the 70% subsidiary company of Indo Mines Ltd.

Location and asset



- PT Jogja Magasa Iron ('JMI') is a Contract of Work ('CoW') concession in the Kulon Progo region, ~30 km's from the Javanese city of Jogjakarta
 - The CoW holds a production license to mine iron sands and produce pig iron within 2,977ha area
 - The asset currently holds a 206.0Mt JORC compliant resource – average grade of 13.72% iron with an additional 327.6Mt @ 7.22% iron gravel resource (refer slide 12)
 - 22 kilometres long by 1.8 kilometres wide stretch of beach between the Kulon Progo and Serang Rivers
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- JMI is a joint venture between Indo Mines Ltd ('Indo Mines'), which holds 70% of the issued capital and PT. Jogja Magasa Mining ('JMM'). JMM is a consortium of individuals, including the Sultan of Yogyakarta
 - In September 2014 Indo Mines completed the pre-feasibility study for an iron plant, based on Outotec's SL/RN technology and a submerged arc furnace (based on Hatch NZS re-fit)
 - Vanadium concentrate production a key revenue source
 - Off gases from multi hearth furnace, rotary kiln and smelter are utilised for pre harden grate (heating of pelletized iron sands) and production of power through co-generation unit – Poyry Engineering engaged to complete study
 - Definitive Feasibility study started with Outotec Engineering
 - Land acquisition completed and all local licenses in place to construct and operate plant
 - Company in a strong cash position in an otherwise difficult market for junior developers

Getting to the final goal



Key milestones to date



The pig iron plant development is the trigger for an MP3EI tax free industrial zone in Kulon Progo – this is attractive for potential steelmakers and infrastructure developers

- All licenses have been obtained to develop and construct a beneficiation plant to produce iron sand concentrate and an iron making facility – this includes AMDAL and construction license
- 172 hectares has been purchased with 166.6 hectares under clean and clear status
- Upgrade of resource to JORC 2012 standards by PT GMT Indonesia
- Process flow design and engineering 90% completed for beneficiation plant – design is based on producing a consistent concentrate at 58.5% iron content
- Outotec Engineering appointed to complete the Definitive Feasibility Study (DFS) for the iron plant with a margin of error of +/- 15%. Design utilises a circular furnace with SL/RN Xtra kiln technology process
- DFS will focus on producing a premium foundry grade pig iron rather than standard pig iron for long steel products
- Significant increase in potential vanadium recovery due to utilisation of a converter at hot metal treatment stage (to be assessed during the DFS)
- Poyry Engineering appointed for design of co-generation and power plant
- Recent test work by Outotec has provided solid results for reduction and smelting process, illustrating 100% recovery of vanadium and iron (metallization 78-80% achieved)
- Triaryani coal proven to be a superb reductant agent for kilns
- GAP analysis on Equator principle standards completed
- Rail logistics capacity are sufficient for 1st line production of 340ktpa of pig iron

A glance at iron sand

Iron Sand: What is it?

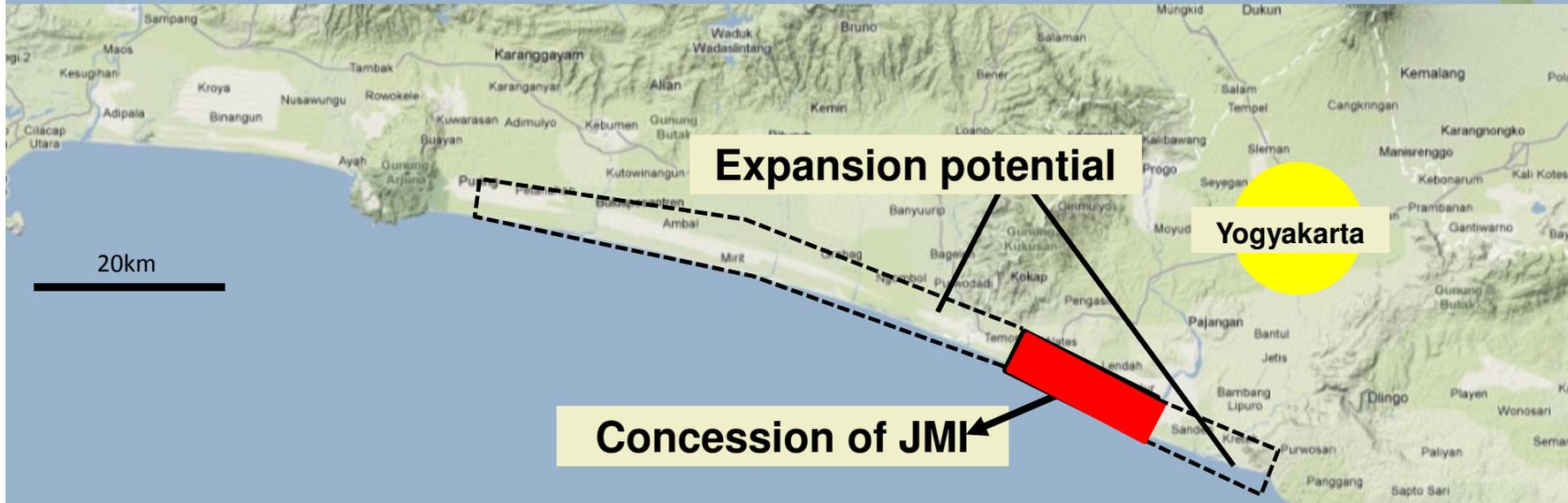
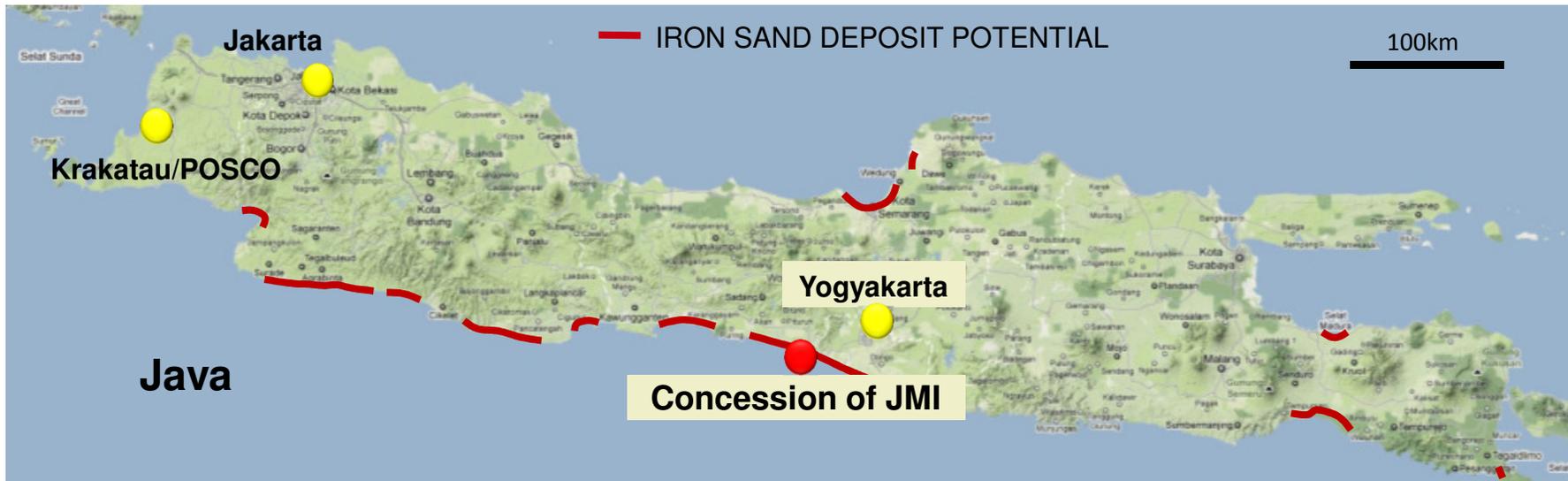
- Iron Sand is titano-magnetite, an abundant ore produced by volcanic activity
- It contains up to 62.5% iron combined with up to 9% Titania (TiO_2)
- Its high TiO_2 content is undesirable in blast furnace feed as primary raw material

BUT

- **Ideal feed material for new Direct Reduced Iron (DRI) technologies**
- Vanadium content is a potentially valuable by-product
- Rich titania slag is used as feedstock for the titania industry or as high quality skid resistant road material
- Some blast furnaces utilise up to 7% feed of iron sand concentrate as titania assists in longevity of refractory walls

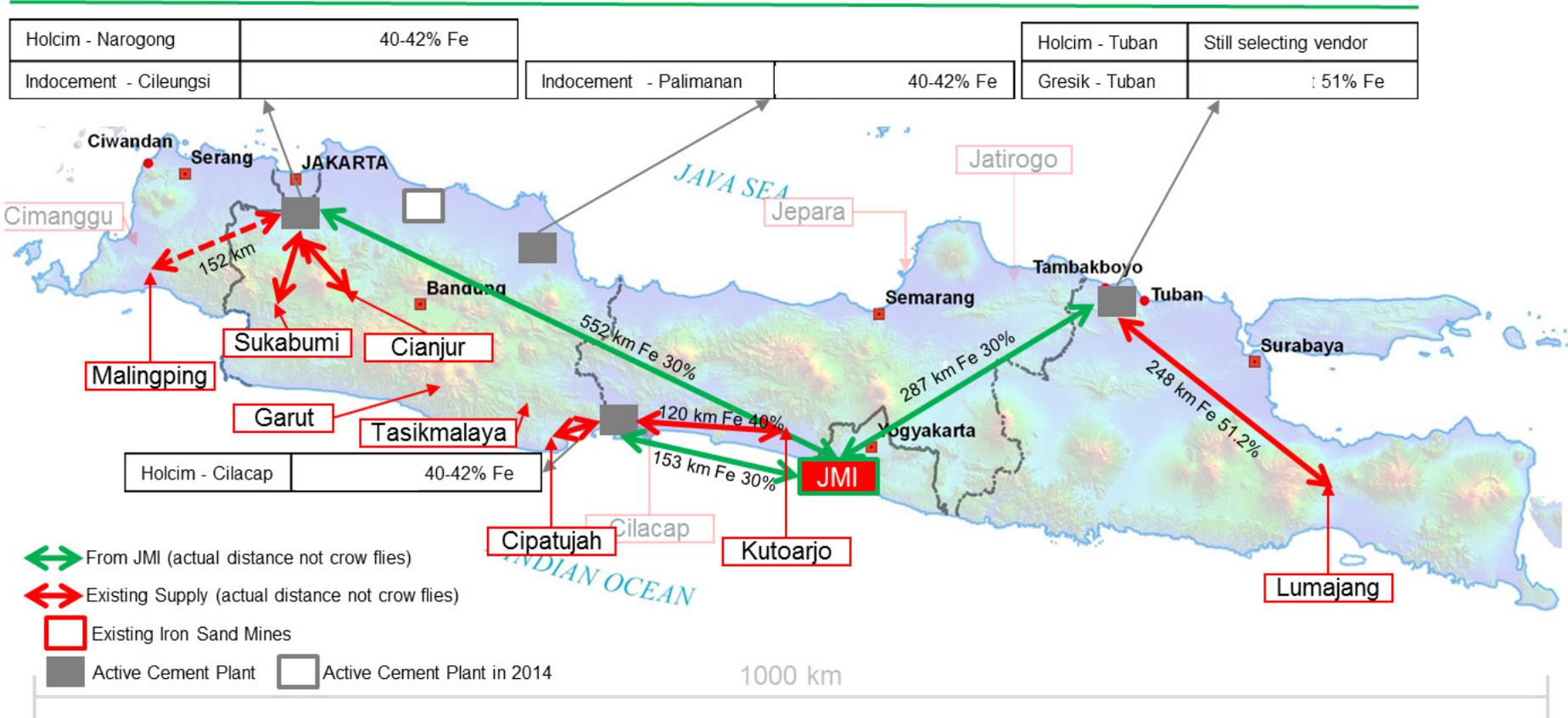


Iron sands potential – Java Island



Existing iron sand concessions

Producing iron sand concessions in Java



TITANO-MAGNETITE IRON SAND IS A COMMON RESOURCE IN INDONESIA – BUT FEW RESOURCES ARE WELL EXPLORED

JORC 2012 compliant upgrade



Resource Statement – released 29 September 2015

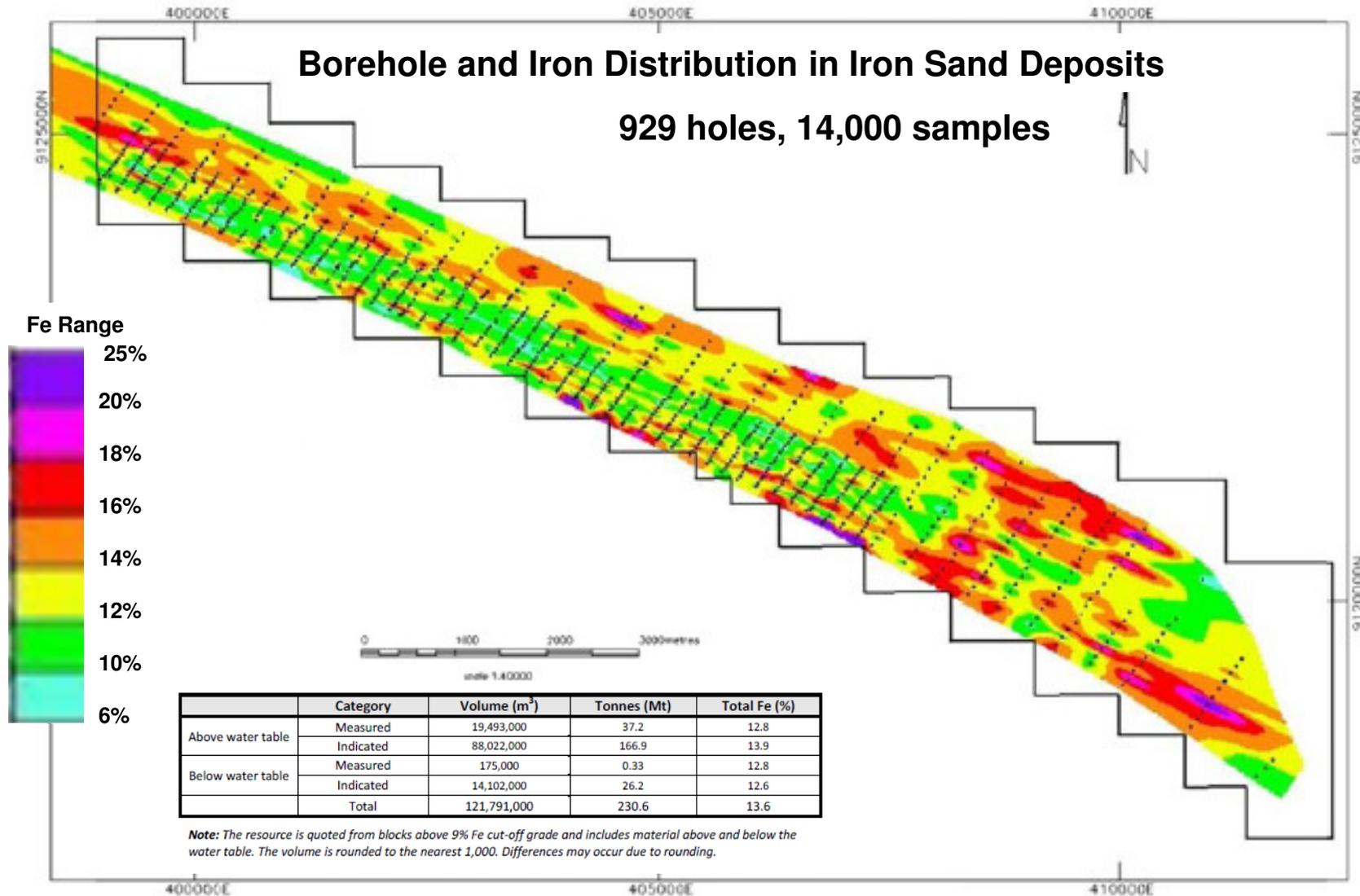
Block	Stratigraphy	Category	Volume (,000 m ³)	Dry Tonnes (,000 t)	Fe (%)	TiO ₂ (%)	V ₂ O ₅ (%)
Resource Block	Surface Sand	Measured	29,044	55,370	12.56	1.65	0.06
		Indicated	77,800	150,600	14.17	1.87	0.07
		Total	106,900	206,000	13.74	1.81	0.07
Mining Boundary	Surface Sand	Measured	22,015	42,079	12.37	1.62	0.06
		Indicated	67,900	131,600	14.15	1.87	0.07
		Total	89,900	173,700	13.72	1.81	0.07

Note: The Resource Block is defined as all areas of the Resource defined within the concession by the exploration drilling at a 9% Total Fe cut-off. The Mining Boundary is defined as the Resource Block, minus a 200-metre buffer zone (required by Indonesian regulations) between the high tide mark and the allowed mining area boundary at a 9% Total Fe cut-off.

In addition, there are Resources within the concession hosted within the Gravel underlying the Surface Sand. This gravel layers also contains lower grades of Total Fe. The Resource estimate for the Gravel horizon is set out in the following table.

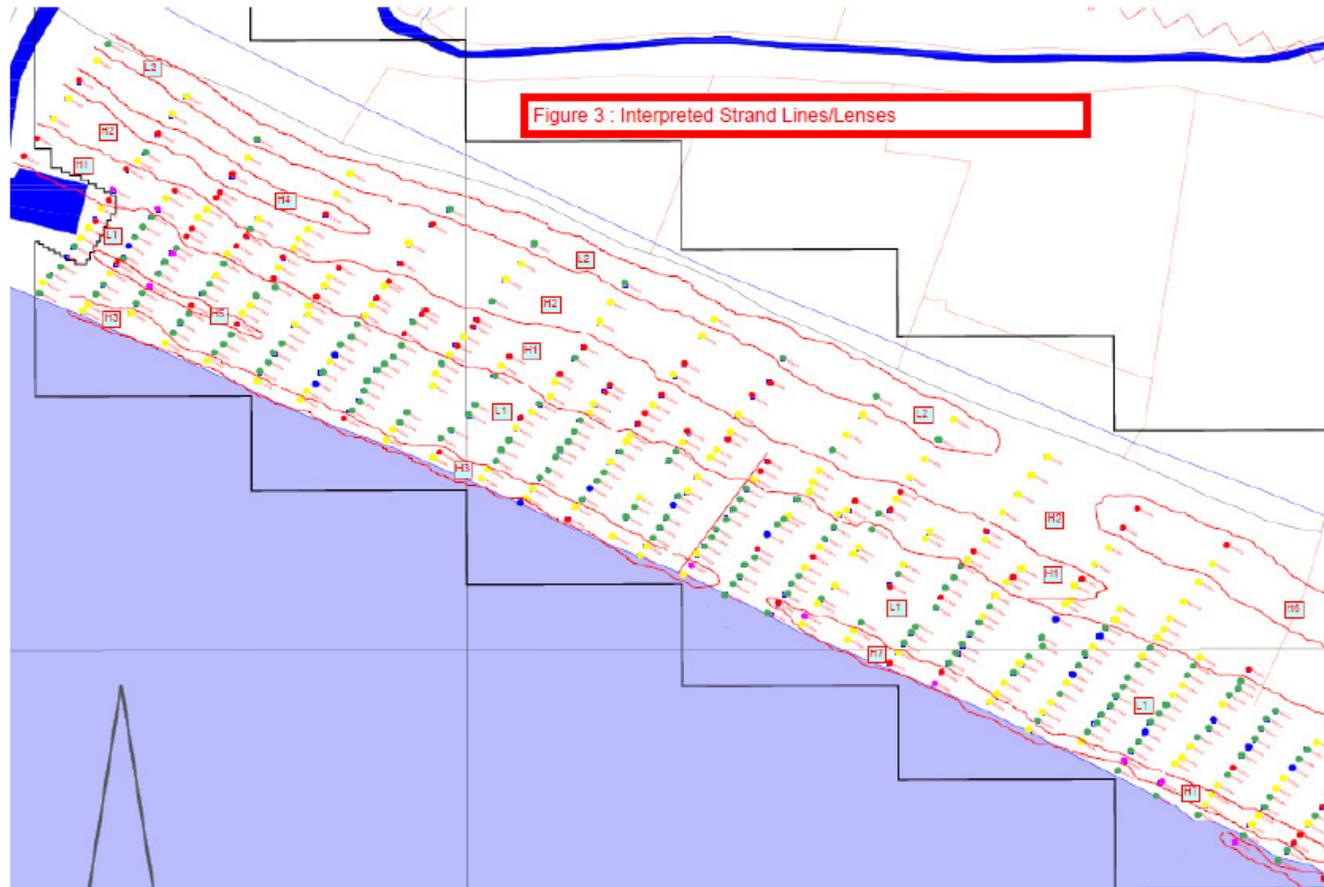
Block	Stratigraphy	Category	Volume (,000 m ³)	Dry Tonnes (,000 t)	Fe (%)	TiO ₂ (%)	V ₂ O ₅ (%)
Resource Block	Gravel	Indicated	188,500	327,600	7.22	0.90	0.03
Mining Boundary	Gravel	Indicated	150,300	261,900	7.23	0.90	0.03

Note: The Resource Block is defined as all areas of the Resource defined within the concession by the exploration drilling at a 5% Total Fe cut-off. The Mining Boundary is defined as the Resource Block, minus a 200-metre buffer zone (required by Indonesian regulations) between the high tide mark and the allowed mining area boundary at a 5% Total Fe cut-off.



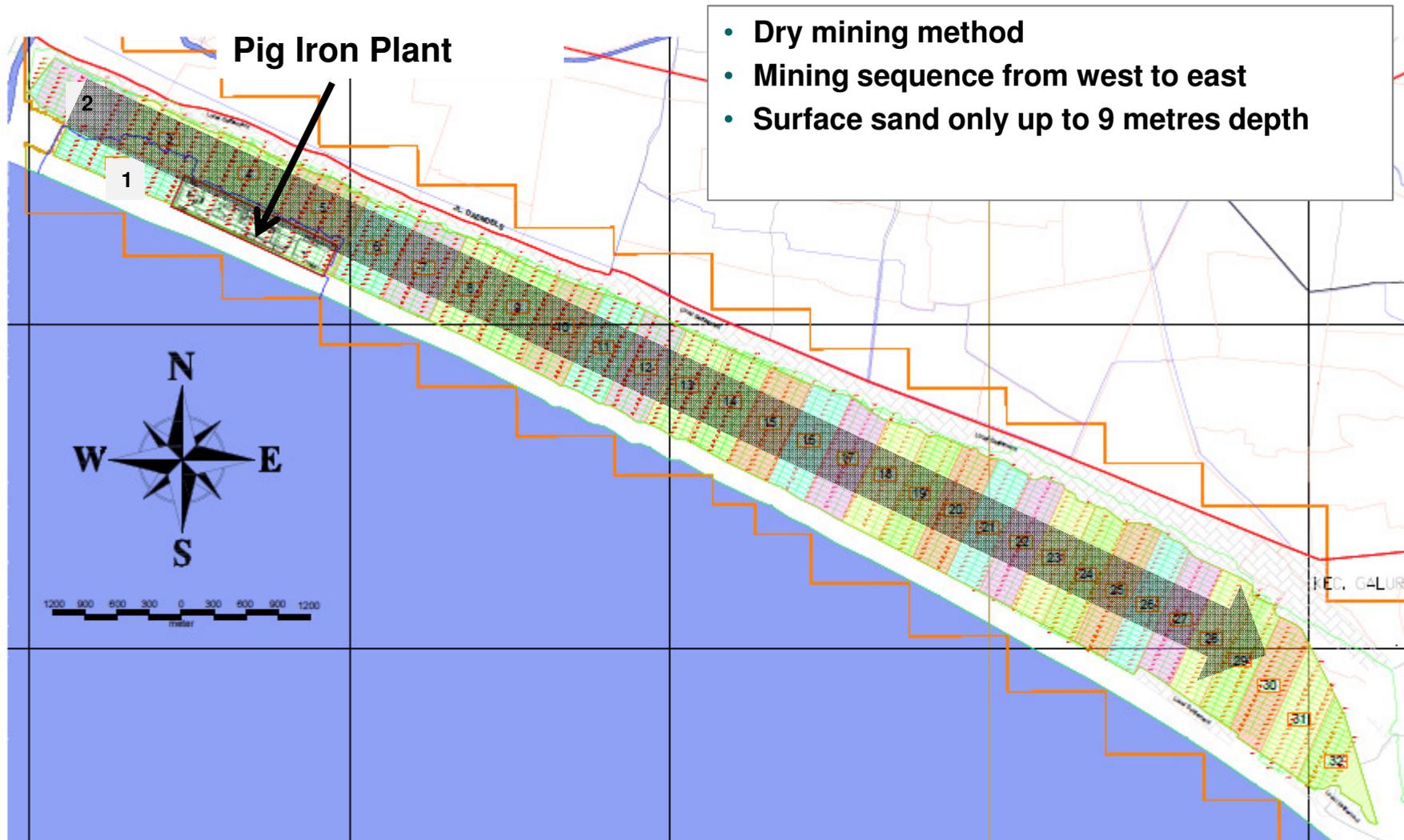
JMI iron sand distribution

High grade 'strand lines'

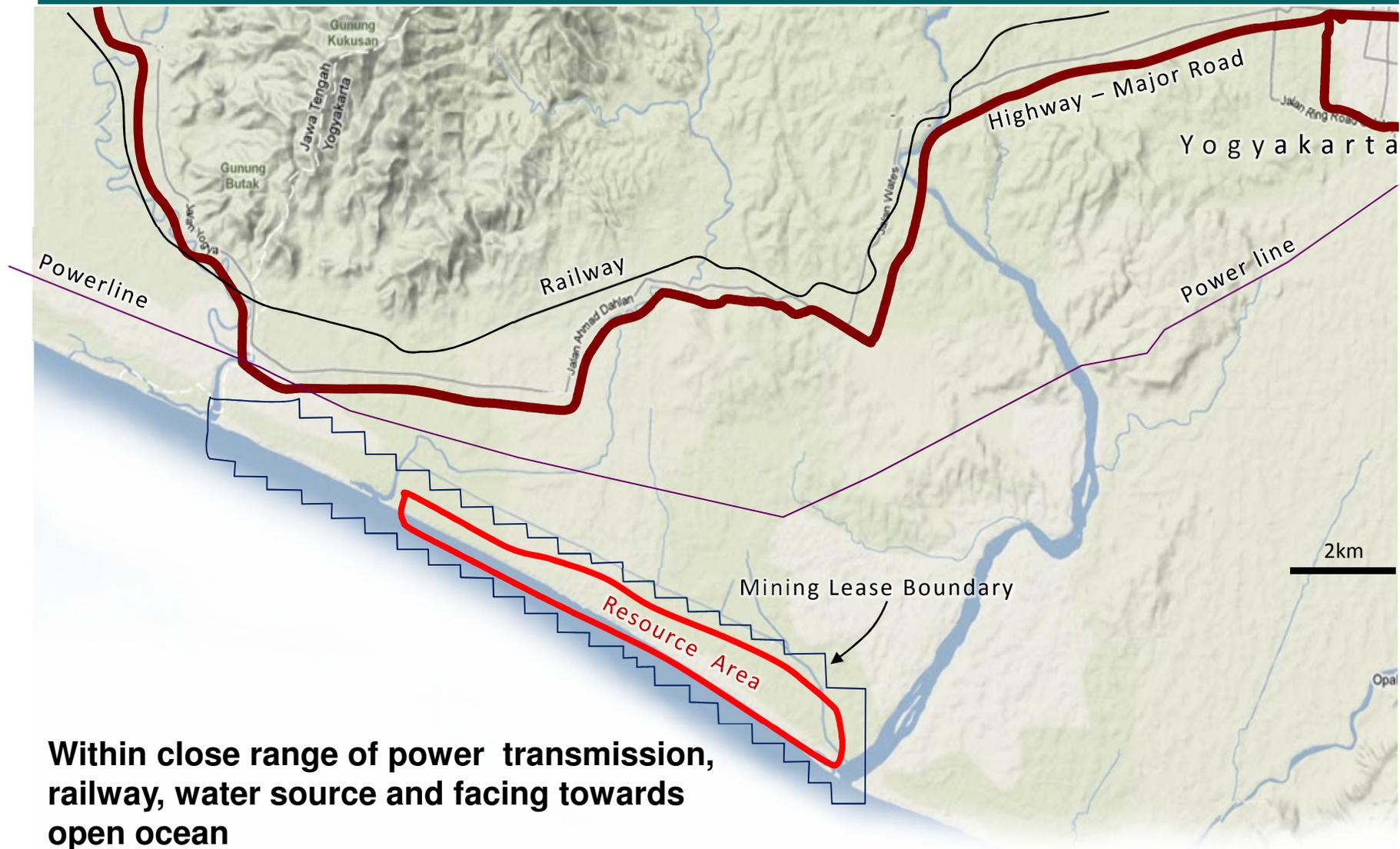


SURFACE SANDS HOLD HIGH GRADE 'STRANDS' UP TO 20% FE

Mining plan

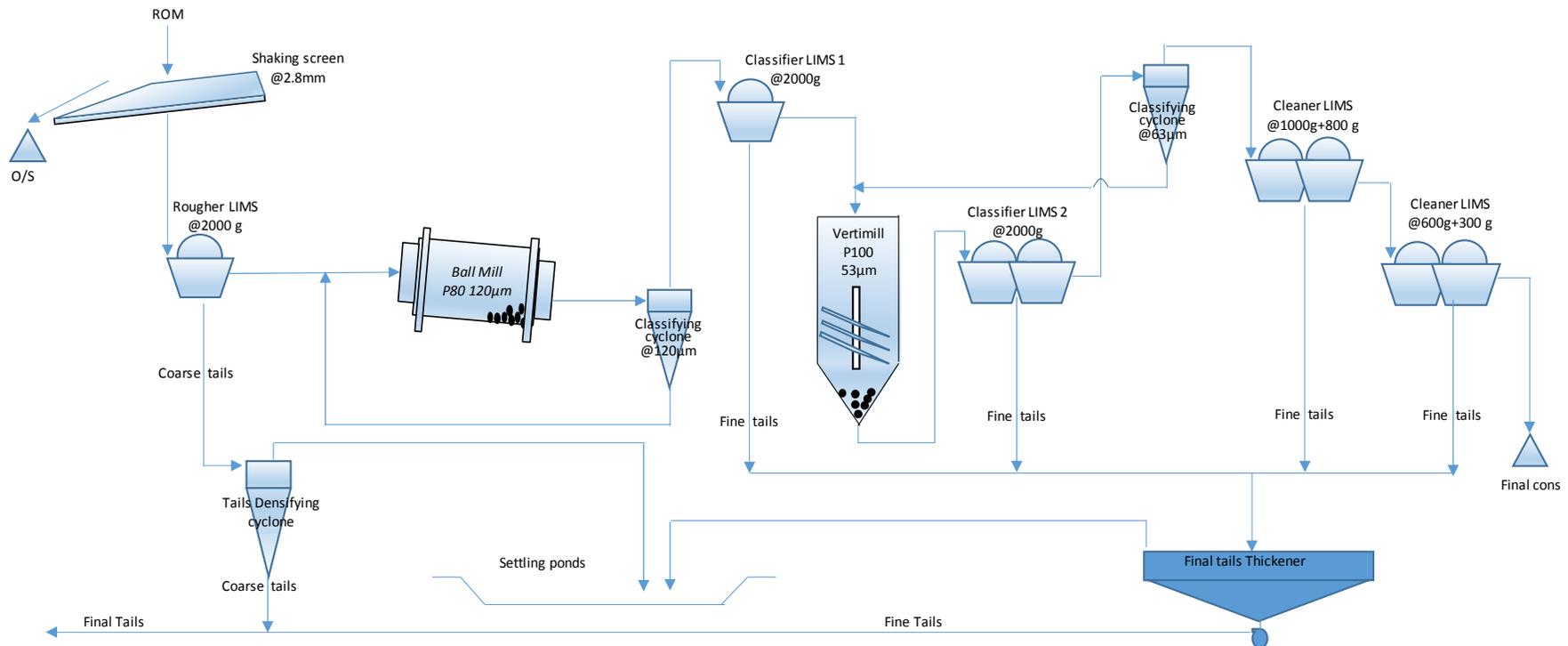


Infrastructure availability



Within close range of power transmission, railway, water source and facing towards open ocean

Process flow design



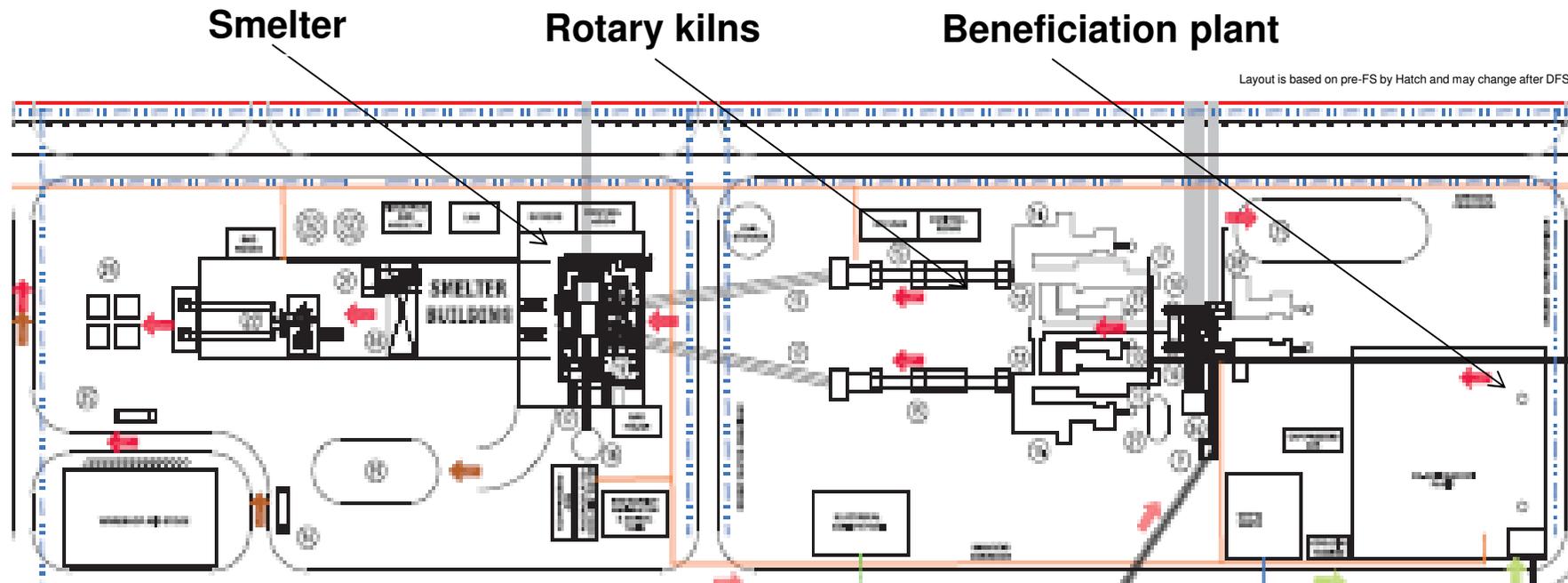
- Process design produces a consistent 58.5% iron concentrate with acceptable levels of phosphorous and sulfur
- Design based on average grade of 13.6% iron at 800 tons per hour – however will be able to process low grade material at 9% iron at 1,500 tons per hour (25% contingency included)

What are the key technical and financial goals of the iron plant DFS

Outotec

Outotec has been appointed to lead the iron plant design phase, due to their extensive experience in reduction, smelting and titano-magnetite

- The DFS must achieve a Capex and Opex target with a margin of error of +/- 15%
- Process design will be based on a foundry grade pig iron that will have specific requirements in regards to manganese, phosphorous and sulphur content
- Super ductile foundry pig iron process will be assessed but is not a likely option because of phosphorous levels in raw material
- Optimal vanadium recovery is a key aspect of the study
- Total Capex target of \$375M



JMI pig iron specifications

Standard hot metal properties (based on Hatch heat/mass model)

COMPONENT	MODEL OUTPUT (WT%)
Fe	96.55
C	3.05
Si	0.05
Mn	0.05
S	0.04
P	0.07
Ti	0.03
V	0.09
Cr	0.07
Cu	0.00

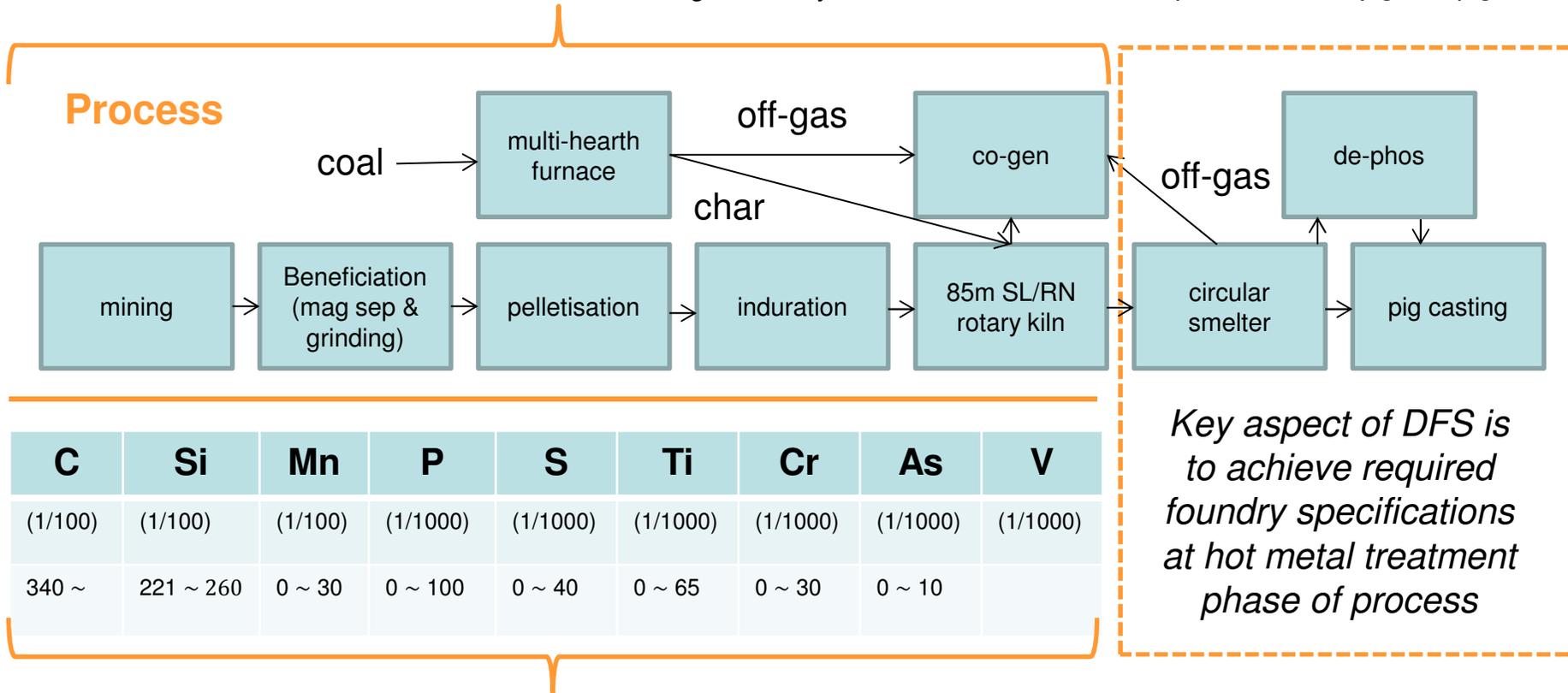
JMI process flow sheet



Process flow to produce foundry pig iron

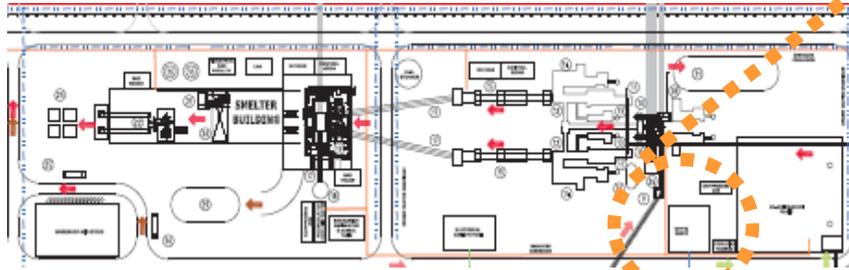
At these stages of the iron making process, Indo Mines is relatively comfortable with its understanding and analysis

DFS will focus on feasible process to produce foundry grade pig iron



Foundry grade targets Indo Mines is aiming to achieve

Captive co-gen and power plant



Poyry Consultants appointed to design

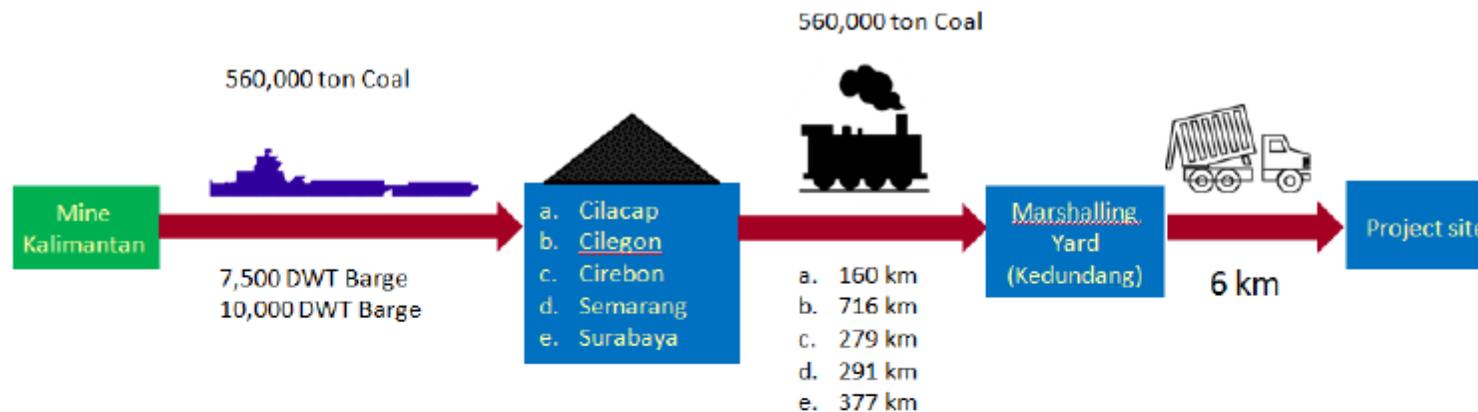
- Poyry have designed over 100 power plants in the last 10 years and have been involved in 37GW of installed capacity
- Study is to achieve a Capex goal with a margin of error +/-20%
- The captive power plant is an attractive asset for infrastructure developers/investors – capacity for nominal coal fire plant design can be increased significantly and sell excess power to PLN

• **Co-generation is an efficient form of energy production and assists in reducing JMI's carbon footprint**

1st module plant design

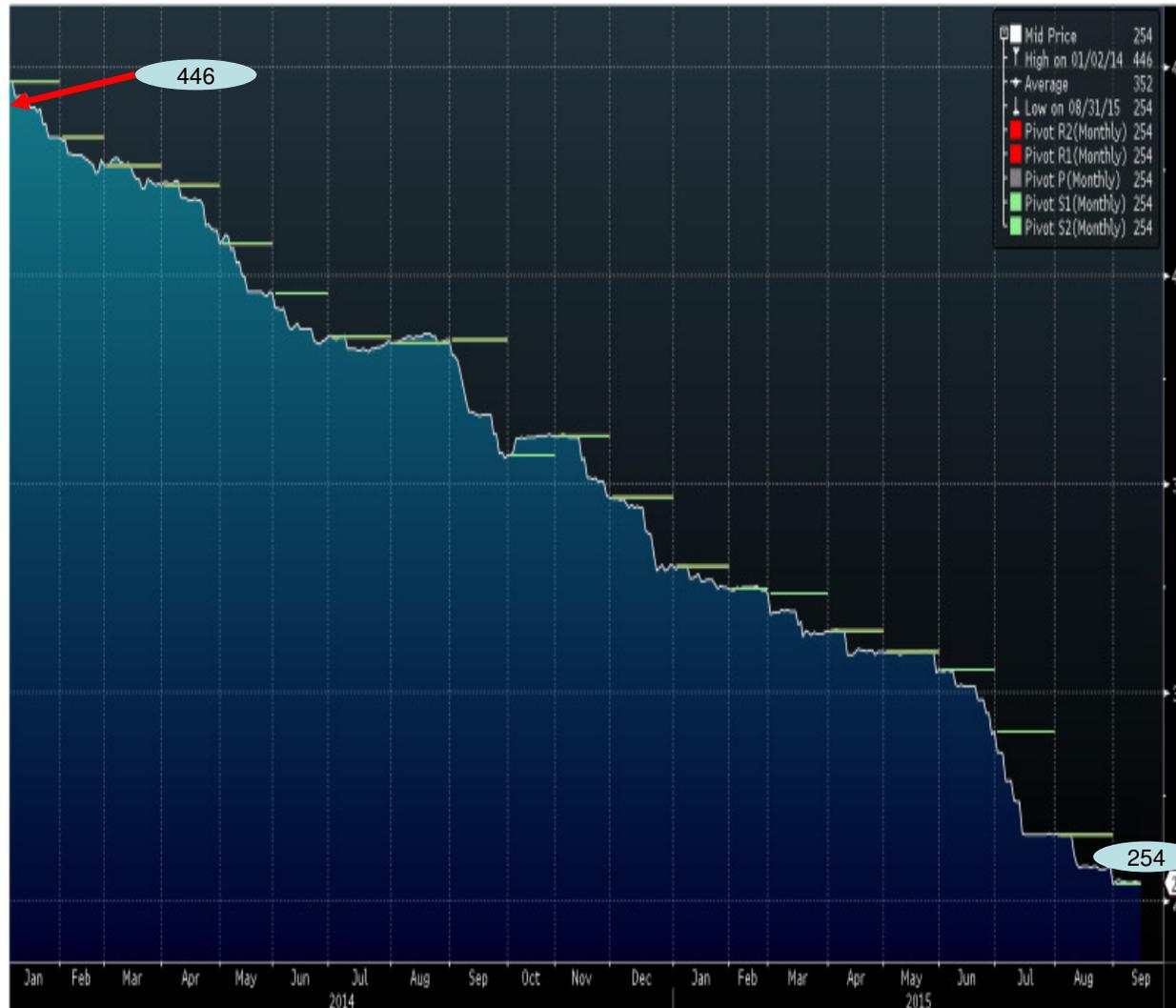
- The required net capacity of the power plant is 100 MW nominal which will be produced by a combination of 1 X 50 MW nominal coal-fired power plant unit and off-gas waste heat recovery boilers (WHRBs).
- The 1st module requires approximately 75MW of capacity – primary energy drivers are grinding equipment at beneficiation plant and furnace
- The co-generation plant will operate as a captive plant, and therefore is required to have high reliability. An emergency diesel generator will be installed at the co-generation plant

Logistics - Rail



	Unit	Phase 1	Phase 2
Throughput of coal and pig iron	tpa	880,000	2,640,000
Number of wagon per train	#	30	30
Wagon size	tons	40	40
Hours per day trains	hrs	24	24
Number of operational days per year	days	365	365
Number of trains per day coal	train/day	3	8
Number of trains per day pig iron	train/day	1	4
Number of trains per day	train/day	4	12

Pig Iron Price Jan 2014 – Sept 2015



- Spot price from May 2014 dropped significantly below USD 400/ton
- Average sales price during 2015 (Jan - Sept 2015) is USD 299/ton
- Foundry pig iron sells at an approximate 15 – 300% premium depending on grade and process
- Indo Mines does not want to compete in standard pig iron market to supply long products – it sees an oversupply issue in this market for at least a further 3 years

Source: Bloomberg China Anyang 10 year spot

Moving forward with the Kulon Progo iron sands resource

-  Definitive Feasibility Study ('DFS') will be completed in May 2016 with 10-15% +/- margin of error
-  Due to small scale pig iron production, Indo Mines management is focused on production of a niche end product rather than compete with standard pig iron producers
-  Core focus on vanadium production to increase revenues
-  Indo Mines and its majority shareholder own and operate the assets that provide majority of raw material – more importantly it has completed the land acquisition and license process for development of the plant
-  Divestment of non-core assets
-  Significant cost reduction at Indonesian company level to retain cash
-  Maintain relationships with key steel and energy providers



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