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HIGH GRADE GOLD INTERSECTED AT OURO PAZ JOINT VENTURE, BRAZIL

Highlights

- Assay results received for fourteen diamond holes drilled on four prospect areas with high grade gold intersections at União, with better results including;
 - 3.38m @ 13.8g/t Au from 42.74m, including
1.5m @ 29.9g/t Au - LZG010
 - 8.57m @ 12g/t Au from 53.63m, including
1.8m @ 50.1g/t Au - LZG009
- Diamond drill program extended for additional resource drilling surrounding gold intercepts on western extent of the União Prospect.
- Surface sampling expanded to cover the Jaca prospect - results identify new gold targets and extends corridor of Cu-Mo anomalism.
- Maiden JORC resource estimation contracted to Coffey Mining Pty Ltd with geological modelling work initiated and field review currently in progress.

International Goldfields Limited (ASX: IGS) ("IGS") is pleased to announce initial assay results for resource definition drilling at the União Prospect and final results for drilling completed on several other prospect areas at the Company's Ouro Paz Joint Venture located in Brazil in the state of Mato Grosso, have intersected high grade gold mineralisation.

Managing Director Travis Schwertfeger said, *"These assay results demonstrate the high-grade gold potential we are targeting and underscore our belief that the União Prospect hosts a number of major epithermal gold deposits that form part of a major mineralised system."*

União Prospect

Diamond drilling currently in progress at the União Prospect is follow-up work for resource definition of gold mineralisation in diamond holes LZG001 through LZG005 completed in early 2013 with better gold intercepts including **4.3m @ 2.6g/t Au** in LZG003, **5.7m @ 11.7g/t Au** in LZG004, and **4.3m @ 15.9g/t Au** in LZG005.

Follow-up drilling at the Uniao Prospect extension include LZG009, a scissor hole to LZG005, which confirms vertical continuity of the high grade gold mineralisation, intersecting **8.57m @ 12g/t Au**. Holes LZG008 and LZG010 are located 25m along strike to the west and east respectively of hole LZG009, confirming strike continuity of high grade gold values returning **3.55m @ 4.7g/t**

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Au and 3.38m @13.8g/t Au respectively.

The additional drilling at União Prospect is a 1,000m increase to planned meters for the Ouro Paz JV Project area, increasing the total estimated drilling to 6,000m for 2013. Inclusive of these results, assays have now been received for 46 diamond holes totalling 5,309m of the revised 6,000m diamond program, with a further 7 diamond drill holes planned.

For several of the prospects, including the PF Vein zone, Ana South, Pe Quente, and Morro do Carrapato Prospect, the drilling for 2013 is complete and block modelling for a JORC compliant resource estimate by Coffey Mining Pty Ltd is in progress over multiple prospect areas. Completion of an independent JORC compliant resource estimation report is expected to shortly follow completion of the extended diamond drill program.

Jaca Prospect Soil Survey

Surface geochemistry completed in 2012 highlighted a 6km by 2.5km gold anomaly open to the northeast and southwest associated with a sub-parallel zone of surface copper anomalism. The Ouro Paz JV has expanded the soil coverage an additional 3km along trend with 806 samples collected covering the drilled copper anomalism at the Jaca Prospect.

Results of the recent surface geochemistry campaign have identified several new gold anomalies which appear similar to zones currently being drilled. Anomalous zones with sample results predominantly over 50ppb Au are outlined in Figure 1 with a peak value in the survey of 2,188ppb Au located 850m southwest of the Jaca prospect drilling. Overall, the survey has extended the gold corridor to 9km of strike extent and anomalism remains open along trend in both directions.

The survey also highlights a substantial copper-molybdenum (Cu-Mo) anomaly adjacent to a mapped porphyry body providing further evidence for potential of bulk mineable targets on the project. Follow-up surface mapping of both gold and copper anomalous areas is in progress to assess follow-up exploration methods.

Ouro Paz Gold JV Summary

The Ouro Paz Joint Venture was formed with the 93% IGS-owned private UK entity, Latin Gold Ltd, and private Brazil based CIA Minerado Manganês Conselheiro S.A. ("Conselheiro"). Latin Gold Ltd and Conselheiro have each contributed mining tenements located on the Juruena Belt to form a new Brazilian exploration company, with Conselheiro contributing 21 licences totalling a 227km² land package and becoming operator for its 65% share in the JV (which includes key mining tenements hosting a significant proportion of the mineralisation in the consolidated land package called the Union Project). Latin Gold Ltd holds the remaining 35% interest in the JV.

The Ouro Paz Gold JV consolidates mineral rights in a highly prospective area in Brazil with multiple surface gold anomalies called the Union Gold Project. Multiple prospect areas have been defined within a 20km diameter hosting epithermal style high-grade gold mineralisation associated with quartz veining that forms the Union Gold Project.

Each prospect area is host to gold mineralisation at surface with potential for open pit extraction, and higher gold grades provide the potential for underground mining methods to be economically viable. The current exploration program is focused on both quantifying shallow oxide gold mineralisation and identifying new prospects with high-grade gold values to support planned preliminary economic assessment for viability of a centralised milling and/or heap leach facility processing

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The information included in this release that relates to Ouro Paz foreign resource estimates and exploration data for the Union Project is based on information compiled by Mario Conrado Reinhardt, MAIG. Mr. Reinhardt is employed as Senior Geologist by Biogold and Exploration Manager of Ouro Paz and has worked as a consultant in regional exploration, mine evaluation and mine development for over 30 years in precious and base metal deposits. Mr. Reinhardt has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person. Mr. Reinhardt consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

About International Goldfields Limited

International Goldfields Ltd (ASX: IGS) is an Australian precious metals exploration company with assets in highly prospective gold fields in Brazil and Western Australia and investments in gold & silver production in the U.S.

The Company aims to create value for shareholders through the successful exploration and delineation of gold resources at projects located in the emerging Juruena belt gold districts in Brazil and the Albany-Fraser gold belt in Western Australia.

IGS is also aiming to generate returns for its shareholders through exposure to prudent investments in producing assets in the U.S. with existing gold and silver production and significant potential for further growth, and will continue to look for new commercial opportunities to invest in precious metal projects with the potential to increase shareholder value.

Table 1: Ouro Paz Joint Venture Significant Drill Intercepts at >0.5g/t Au cut-off

Hole ID	Easting	Northing	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	
LZG008	758747	8838103	46.00	48.15	2.15	0.85	<1	
			67.75	68.22	0.47	4.65	<1	
			72.53	78.66	6.13	1.80	11	
			including	76.90	78.66	1.76	5.28	30
			91.30	94.85	3.55	4.67	25	
			94.85	99.60	4.75	0.67	13	
LZG009	758772	8838105	53.63	62.20	8.57	11.98	14	
including			53.63	55.43	1.80	50.1	12	
			66.06	66.98	0.92	0.96	2	
			88.50	89.50	1.00	1.55	21	
			98.00	100.00	2.00	0.707	4	
			126.05	128.41	2.36	0.579	4	
LZG010	758817	8838106	42.75	46.13	3.38	13.76	3	
including			43.25	44.75	1.50	29.88	7	
			53.35	59.13	5.78	5.26	10	
			65.23	69.00	3.77	0.696	2	
LZG011	758868	8838107	67.70	70.85	3.15	0.697	8	
			74.25	85.50	11.25	0.635	4	
ANA021	761739.6	8837462	62.20	66.20	4.00	1.54	8	
			72.00	73.00	1.00	1.67	6	
ANA022	761662.4	8837544	120.50	121.50	1.00	1.28	0	
			124.25	131.70	7.45	0.563	<1	
			157.15	158.00	0.85	2.25	2	
ANA023	761620.2	8837507	57.50	60.50	3.00	0.630	2	
ANA024	761492.4	8837550	25.95	26.45	0.50	1.14	9	
NEY002	758825.8	8836989	74.40	75.30	0.90	1.29	2	
NEY003			No Significant Intercepts					
BIG001	761625.3	8839214	45.10	46.10	1.00	2.47	4	
			56.53	65.25	8.72	0.970	<1	
including			58.60	63.10	4.50	1.40	<1	
BIG002			No Significant Intercepts					

Technical Notes

- Samples assayed are ½ NQ2 diamond core cut at the Ouro Paz field camp located at the Union Project area, and ½ HQ diamond core in weathered profile sampled by splitting.
- All assay numbers are reported as un-cut and all intercepts reported as drilled thickness and are not to be interpreted as true thickness unless otherwise indicated.
- Reported intersections are based on a 0.5 g/t gold lower cut-off, no upper-cut applied and maximum 2m internal dilution on nominal 1m interval sampling.

Figure 1: Union Project area anomalous soil outlines with prospect areas labelled and drill hole locations with better intercepts labelled

