

Date: 31 January 2013

QUARTERLY ACTIVITIES REPORT ENDING 31 DECEMBER 2012

HIGHLIGHTS

- **Successful placement of 3,551,291 shares at \$0.22 each raising \$781,284**
- **Ishine earning 70% interest in Mt Watson project**

Corporate

During the quarter, Ishine International Resources Limited completed a placement of 3,551,291 shares at \$0.22 each raising \$781,284 pursuant to Resolution 3 approved by shareholders at the Annual General Meeting held on 30 November 2012. The placement was issued to Shandong Ishine Mining Industry Co.'s ("SIMIC"), increasing their holding in the Company from 68.27% to 69.83%.

Funds raised will be used to maintain the tenements held by the Company and for working capital.

Ishine also advises that 200,000 Options exercisable at \$0.30 each have expired..

During the quarter, Ishine attended the International Mining conference in Tianjin, China to promote the Company's profile and to showcase the project areas held in Western Australia and South Australia, with the aim of attracting potential investors.

Exploration

Mt Watson Project Drilling Campaign

As of 30 October 2012 the Company has earned a 70% undivided interest in Mt Watson project in northwest Queensland.



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The Mt Watson Project has two tenements EPM15933 and EPM15986 and is situated approximately 120km north of Mt Isa in northwest Queensland. The tenement covers an area of 63.6 km² in a district with extensive copper mineralization. In late 2009, Ishine signed a Heads of Agreement with Kabiri Resources Pty Ltd to allow Ishine to earn a 70% undivided interest in the project area by spending a total of \$800,000 of exploration expenditure within 42 months of the Effective Date of 31st March 2010.

Following Kabiri's review of Ishine's exploration expenditure over the 12 months period to the 30 September 2012, Kabiri confirmed to the Company on the 30 October 2012 that Ishine had earned a 70% interest in the Mt Watson project.

In the previous quarter, Ishine's Joint Venture partner, the 8th Institute of Geology and Mineral Exploration ("IGME") has completed a 12 hole drilling program at the Mt Watson project site.

The 12 drill holes, of angled RC drilling, were based on a previously identified set of geological anomalies at the project site. Extensive pad preparation was carried out due to the location of the proposed drill sites, which were located on a hill. A total of 1,174 metres was drilled as planned. Drilling depths ranged from 70metres, on a few difficult holes, to 160 metres. One sample per meter drilled was collected. More than 1,000 samples will be sent to labs for processing and assaying. Once the assay results are available, together with the drill logs, a detailed mapping analysis will be carried out.

The Company will advise shareholders once the results of the drilling are received from our JV partner.

Other Exploration Activities

During the quarter, Ishine and IGME were involved in various negotiations regarding the native title agreements and other tenements management issues.

A number of farm-in investors were invited to join Ishine's exploration ventures, to explore our tenements for potential mineralisation..

For further information please contact:

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