

17% INCREASE IN TENEMENT HOLDINGS, OURO PAZ GOLD PROJECT, BRAZIL

Highlights

- **Increase in tenement holdings at the Ouro Paz Gold Project, Brazil from 1,493km² to 1,744km²**
 - **Grant of wholly owned exploration tenements for the Ouro Paz Joint Venture received for 14 tenements totalling 183.9 km²**
 - **Ouro Paz Joint Venture acquires 100% ownership 6 tenements totalling 67.1km² from Cougar Metals NL**

International Goldfields Limited (ASX: IGS) (“IGS”) announces an increase in granted mining tenements at the Ouro Paz Gold Project in Brazil located in the prospective Alta Floresta Gold Province in Mato Grosso, Brazil, held in Joint Venture (JV) with private Brazilian partner Biogold Investment Fund. The recent acquisition and grant of new mining tenements increases the project area held by the JV increases land holdings by 17% from 1,493km² to 1,744km².

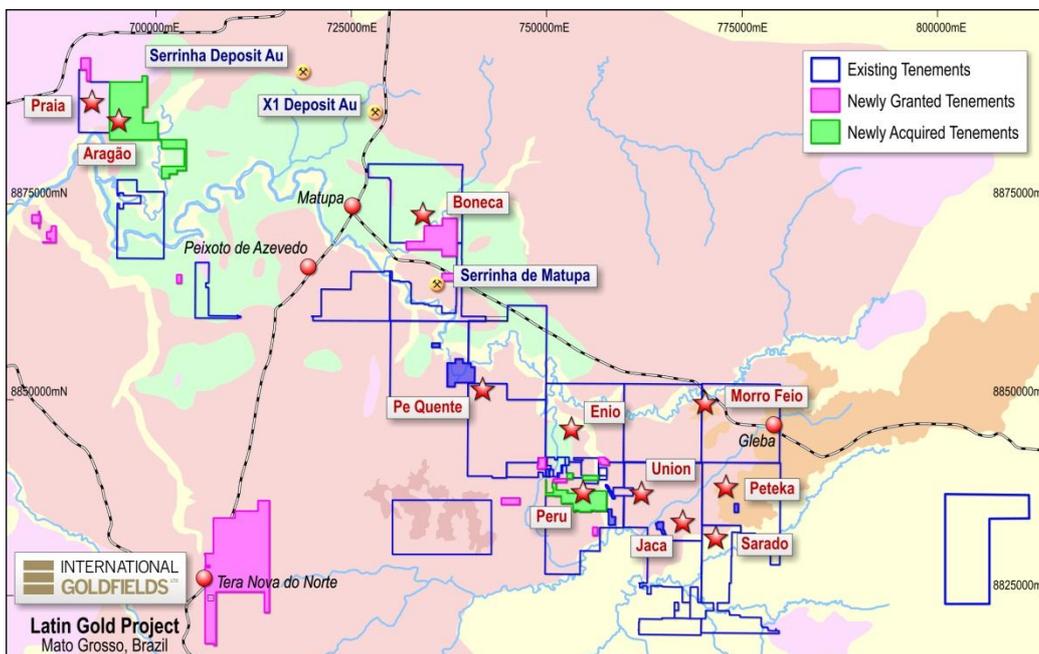


Figure 1: Latin Gold Project Location and Regional Geology – Alta Floresta Province

Tenement Update

100% ownership in fourteen mining tenements totalling 183.9km² have recently been granted in favour of the Ouro Paz JV. The applications made by JV partner Biogold Investment Group are located within or proximal to the Ouro Paz Gold project area and are subject to terms of the Ouro Paz JV. The granted tenements are currently in the process of being transferred to CIA Ouro Paz Mineradora S.A.

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Biogold Investment Fund has recently negotiated a transaction with Cougar Metals NL (Cougar) to acquire tenements held in the area of Peixoto de Azevedo by Cougar's wholly owned Brazilian subsidiary Cougar Brasil Mineracao Ltda. Amongst the tenements acquired by Biogold Investment Fund, five granted tenements totalling 60.2km² and rights to acquire one mining tenement currently under application are located within an area of interest defined under the Ouro Paz JV, and are subject to terms of the JV.

Three large tenements holdings acquired from Cougar are located just west of the Union Project area, and are host to extensive Garimpo (artisanal) workings referred to as the Peru Prospect area, which is located along trend of the same mineralised zone that is host to the União, Carrapato and Ana PF Prospect mineralisation where multiple zones of high-grade epithermal style gold mineralisation is the subject of ongoing resource estimation work. Peru will be the subject of aggressive exploration activities in tandem with resource extension drilling planned for the other prospects located along trend in 2014.

An additional contiguous grouping of three tenements in the Cougar acquisition is located adjacent to the existing Ouro Paz JV tenement host to the Praia Prospect area that has is host to prospective gold workings at surface, but has received little exploration work to date. The recent aerial magnetic survey has identified new targets of interest that extend east onto the Cougar tenements, including the Aragão Prospect.

Completion of aeromagnetic and radiometric data compilation and interpretation work is anticipated in the coming weeks and further work to explore the Aragão Prospect potential will be defined .

Mineral Resource Estimation Update

The mineral resource estimation being complete by Coffey Mining Pty Ltd is nearing completion currently pending translation to English and final review.

Ouro Paz Gold Project JV Summary

IGS holds 93% ownership in the private UK based company Latin Gold Ltd, which is party to the incorporated Joint Venture CIA Ouro Paz Mineradora S.A. (Ouro Paz JV), with Latin Gold Ltd holding a 35% interest in the Joint Venture operated by Biogold Investment Fund. The Ouro Paz JV covers an area of 1,744km², and holds rights to an additional 33km² in mineral applications in the highly prospective Jurueña Belt of northern Mato Grosso, Brazil.

Multiple prospect areas have been defined hosting epithermal style high-grade gold mineralisation associated with quartz veining and shearing that are included in an initial mineral resource estimation for the project that is currently in progress in support of planned preliminary economic assessment for potential open pit extraction.

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FOR FURTHER INFORMATION, PLEASE CONTACT:

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About International Goldfields Limited

International Goldfields Ltd (ASX: IGS) is an Australian precious metals exploration company with assets in highly prospective goldfields 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 Jurueña belt gold districts in Brazil and the Albany-Fraser 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.

Competent Person Statement: Ouro Paz Gold Project

The information in this report that relates to exploration results is based on information compiled by Mr Travis Schwertfeger, a Competent Person who is a Member of the Australian Institute of Geoscientists and is the Managing Director of International Goldfields Limited and a full time employee of the company. Mr Schwertfeger has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Schwertfeger consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.