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HIGH-GRADE GOLD IN SHALLOW DIAMOND INTERCEPTS, LATIN GOLD PROJECT, BRAZIL

Highlights

- Diamond drill results received on additional sampling of weathered material adjacent to high-grade gold intercepts on shallow sub-parallel mineralisation to the PF Quartz Vein zone. Intercepts expanded to:
 - **7m at 11.2g/t Gold** from 25m depth including **1m at 34.1g/t gold** – ANA010
 - **4m at 12.5g/t Gold** from 31m depth including **1m at 36.2g/t gold** – ANA012
- Increasing Copper grades with depth, with best intercept of **10m at >0.87% copper** from 143m depth, including results of **7 metres exceeding 1%** upper limit of assay method and additional analyses.
- Additional six diamond drill holes pending analytical results
- Maiden Resource estimation planned for Q2 2013

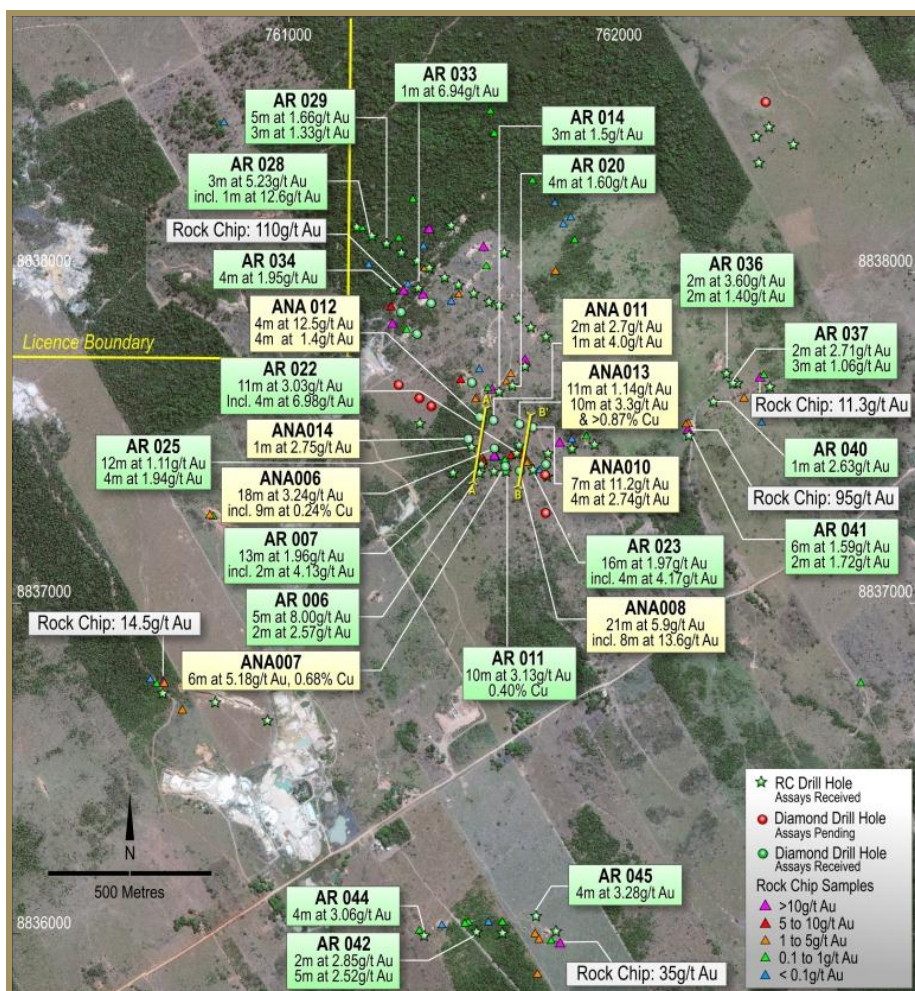


Figure 1: Ana Prospect: drill and rock chip location map, with significant (>0.5g/t Au) intercepts

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ASX CODE

IGS

International Goldfields Limited (ASX: IGS) ("IGS" or "the Company") is pleased to announce additional assay results for the follow-up diamond drilling program, totalling 1,997m drilled in eleven holes, at the Ana Prospect, within the Latin Gold Project, Brazil.

Assay results for additional sampling of the weathered/saprolite profile in holes and multi-element analysis of the first four diamond holes (ANA010 to ANA013) received, and gold results for diamond hole ANA014 have been received.

Further sampling of weathered material proximal to mineralisation identified in a sub-parallel structure proximal to the PF Quartz Vein zone has returned results in the saprolite sampling extending the previously reported ANA010 intercept of 2m at 14.3g/t gold to **7m at 11.17g/t gold** (refer to Figure 2) and ANA012 intercept of 1m at 36.2g/t gold expands to **4m at 12.5g/t gold** (refer to Figure 3).

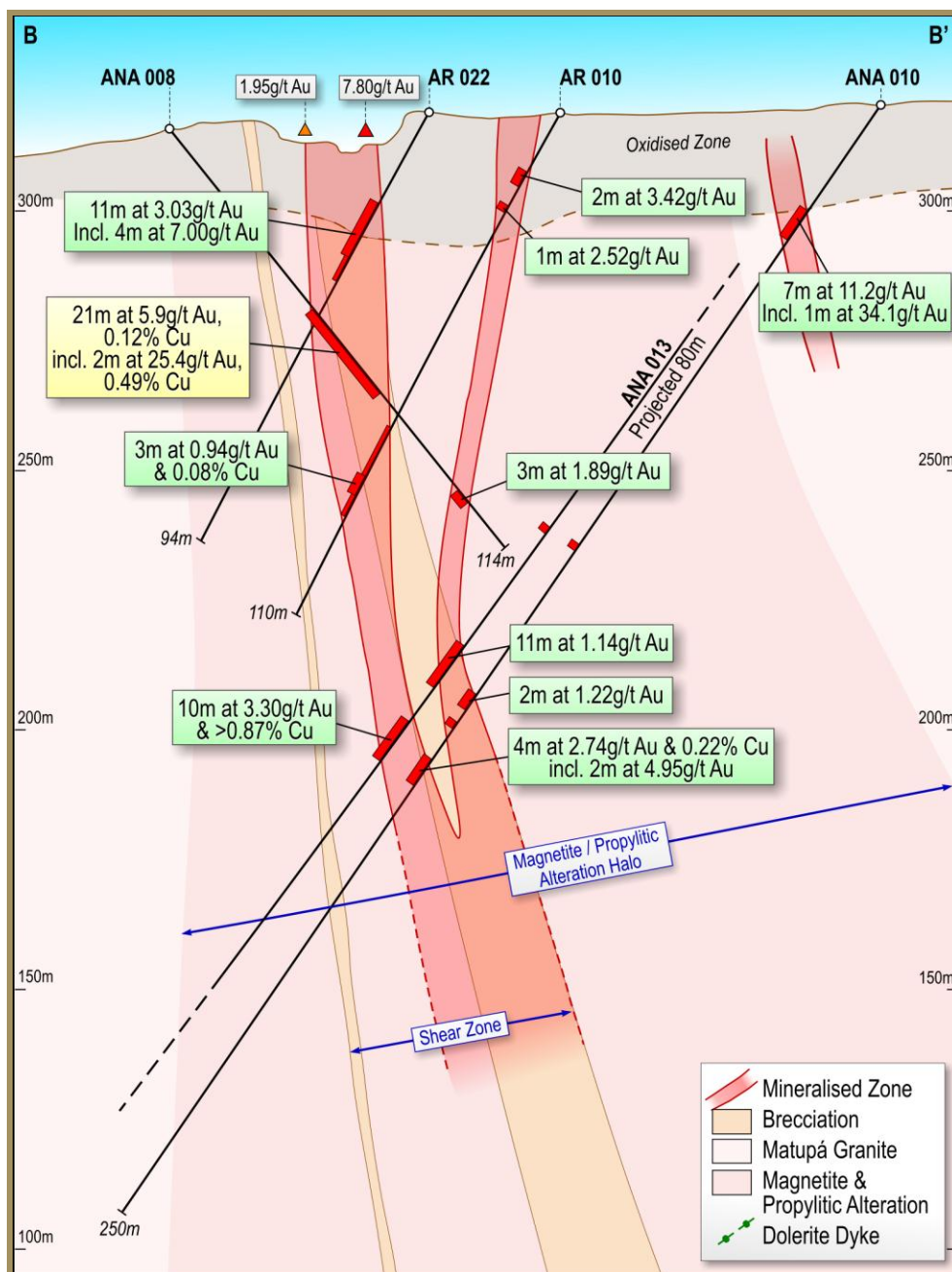


Figure 2: Cross-section B-B' located across the PF quartz vein zone

The additional width in the sub-parallel zone that is located 80m north of the main PF Quartz vein zone, is also located 100m south of hole AR014 that intersected **3m at 1.5g/t gold** on a northeast trending vein structure (Refer to Figure 1). The density of mineralised structures in drilling and substantial widths encountered in diamond results significantly improve the potential economic viability of the project with increased potential to support bulk tonnage operations with multiple veins in close enough proximity to fall into a single pit outline.

The shallow high-grade gold zone identified in holes ANA010 and ANA012 remains open in all directions and require additional drilling to confirm geometry and define extent.

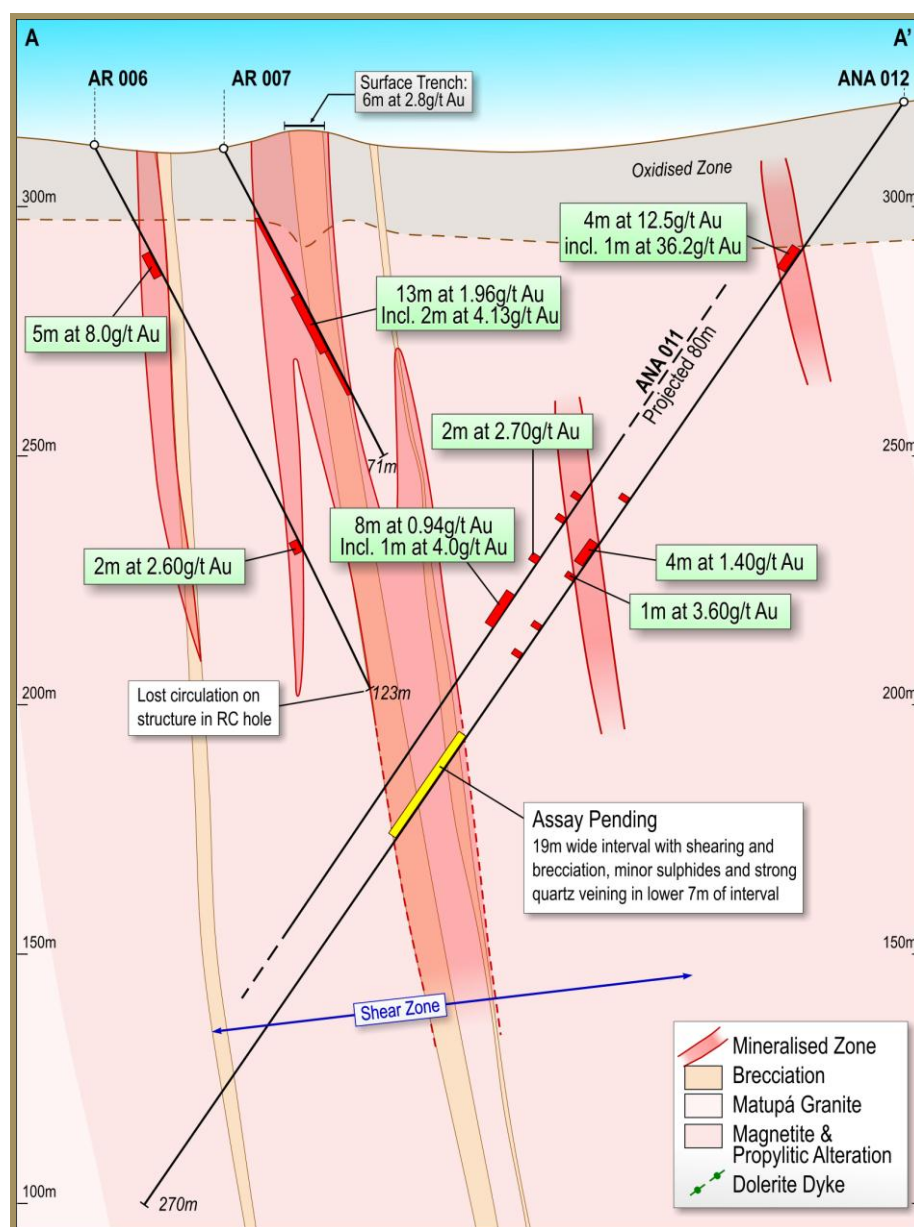


Figure 3: Cross-section A-A' located across the PF quartz vein zone

Results of the first four diamond holes, which include holes ANA010 and ANA012, reported 25 October 2012, also announced strong continuity of gold mineralisation targeted in those down-dip tests of the main PF Quartz Vein zone to over 120 metres vertical depth with better intercepts including **3m at 3.51g/t gold** in hole ANA010 and **10m at 3.3g/t gold** in hole ANA013 and mineralisation remains open in all directions.

Diamond copper results

Multi-element analyses including copper values have also been received on the holes ANA010 through ANA013 previously reported for gold only. Best intercept for copper is associated with the **10m at 3.3g/t gold** in hole ANA013 also reports **10m at >0.87% Cu** from 143m depth, which is inclusive of a 7m interval of >1% copper that exceeds the upper limits of the assay method used. An ore-grade copper-only analysis is in progress on the interval to quantify the assayed copper grade of the mineralised interval. Diamond drilling has also returned **4m at 0.22% Cu** from 152m and **3m at 0.27% Cu** from 130m depth in holes ANA010 and ANA013 respectively, developing a trend of increasing copper values with depth.

Diamond assay results

The subsequent six diamond holes (ANA014 to ANA019) drilled following the four-hole down-dip test at the Ana Prospect targeted shallow strike extensions to the PF Quartz Vein zone beyond the reported extensions to mineralisation encountered in RC drilling (refer to IGS release dated 28 November 2012).

Results have been received on the first of those six holes. ANA014 is an 80m offset to the west of RC hole AR006 which intersected **2m at 2.57g/t Au** from 89m drill depth on the PF Quartz Vein zone, and **5m at 8g/t gold** from 24m depth in a footwall splay. ANA014 is also an up-dip test of diamond hole ANA012, which intersected **4m at 1.4g/t gold** from 107m drill depth including **1m at 3.59g/t gold** in the main PF Quartz Vein zone located down-hole of the sub-parallel **4m at 12.5g/t gold** intercept reported above. ANA014 intersected a wide zone of alteration associated with minor quartz veining and ductile shear returning **7m at 0.85g/t gold** from 78m depth, including **1m at 2.75g/t gold**.

The ANA014 intercept confirms continuity of the PF quartz zone at its westernmost drilled extent with the zone narrowing, but remaining open along strike and down-dip. Additional drilling is planned for the projection of the zone to the west where it intersects the next major northwest trending structure interpreted from regional aerial magnetics.

Brazil

The 93% IGS-owned Latin Gold Project holds 3,000km² of licences containing multiple targets for epithermal and porphyry style gold-copper mineralisation. The recently completed RC and diamond drilling program at the Ana Prospect tests a narrow 2.1km long corridor within the 2.5 wide by 4.5km long surface gold anomaly. Drilled targets at the project include the recent discovery at Ana Prospect identifying gold mineralisation on multiple veins including the PF Quartz Vein zone with over 1km of extent. Other drilled targets requiring additional drilling are the copper porphyry mineralisation at the Jaca Prospect, and Au-Cu lode mineralisation at the Pe Quente Prospect, where better intercepts on vein hosted mineralisation include **7.62m at 6.46g/t Au** (PQ002) and **4m at 4.39g/t Au** (PQ019), and better intercepts of mineralisation disseminated in granite host rocks include **5.6m at 2.24 g/t Au** from 64.4m and **9m at 1.27% copper** from 70m drill depth (PQ014). Results for additional surface geochemistry programs on the project area have identified new targets across the Company's considerable land holdings which require further exploration and initial drill testing.

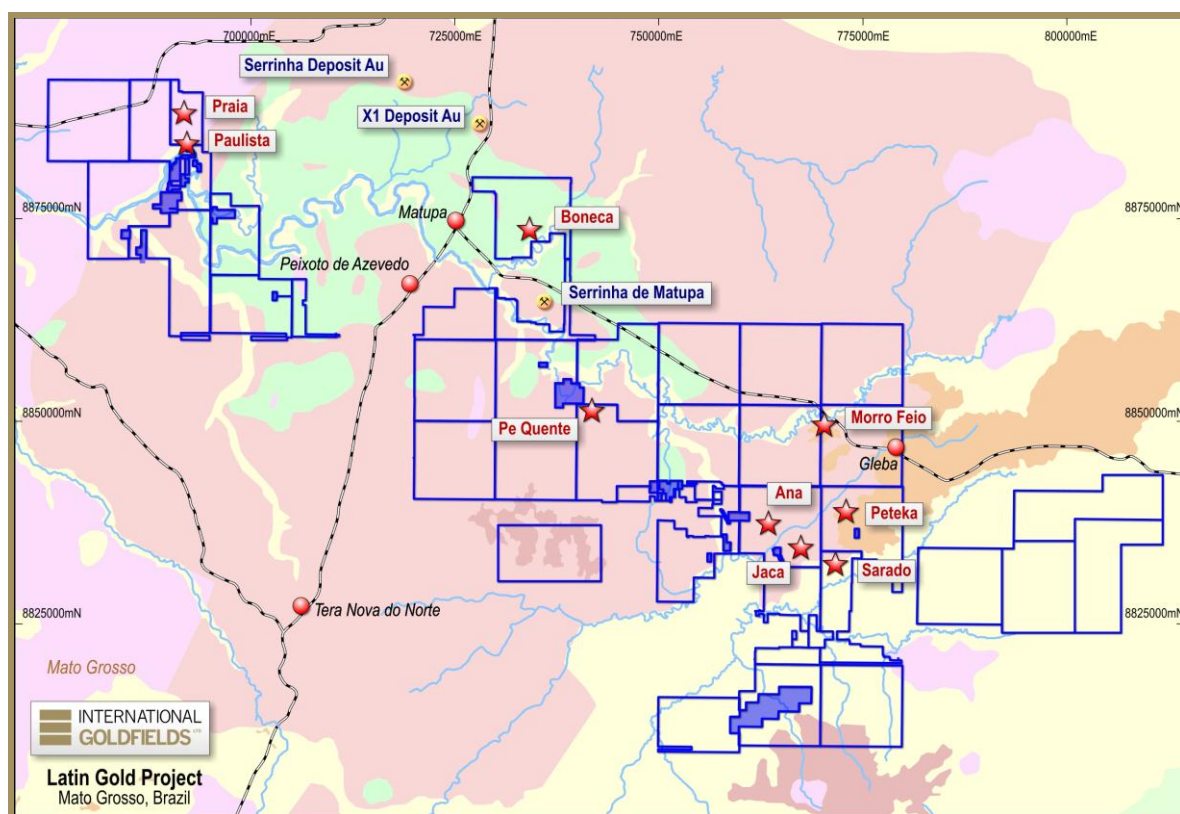


Figure 4: Latin Gold Project tenement map, prospect locations, and regional summary geology

ENDS

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About International Goldfields

International Goldfields Ltd is a precious metal focused producer/explorer; introducing production to the Company through the strategic merger with US based Santa Fe Gold Corp. The proposed merged entity will be a diversified, well-funded and low cost gold-silver explorer, developer and miner, dual listed on the ASX and also traded on a major US exchange or on the OTC Bulletin Board, with advanced projects and production in the southwest US and highly prospective exploration projects located in emerging districts of West Africa and Brazil.

The combined entity will have a projected initial market capitalisation of approximately A\$70 million, cash reserves of at least A\$10 million, low-cost gold and silver production targeting 28,000 oz pa (gold equivalent), an operating mill, near-term development assets and a portfolio of advanced exploration assets.

Competent Person Statement:

The information in this release that relates to exploration results is based on information compiled by Mr Travis Schwertfeger. Mr Schwertfeger is the Chief Executive Officer of International Goldfields Limited. Mr Schwertfeger is a member of The Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Schwertfeger consents to the inclusion in the release of the matters based on information in the form and context in which it appears.

Table 1: Ana Prospect significant intercepts in diamond ½ core sampling; 0.5g/t Au cut-off

Hole ID	Easting	Northing	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (percent)
ANA Prospect – Diamond							
ANA010	761741	8837534	25	32	7	11.17	0.11%
			137	139	2	1.22	0.10%
			144	145	1	0.85	0.02%
			152	156	4	2.74	0.22%
including			152	154	2	4.95	0.26%
ANA011	761620	8837550	97	98	1	0.58	<0.01%
			104	105	1	0.77	<0.01%
			113	115	2	2.7	0.07%
			122	130	8	0.94	0.03%
Including			122	124	1	4.02	<0.01%
			161	162	1	0.66	<0.01%
ANA012	761584	8837562	27	35	8	6.5	0.03%
Including			31	35	4	12.5	0.04%
			96	97	1	0.9	<0.01%
			107	111	4	1.4	<0.01%
Including			109	110	1	3.59	<0.01%
			115	116	1	0.89	<0.01%
			127	128	1	0.78	<0.01%
			134	135	1	2.22	<0.01%
ANA013	761697	8837532	95	96	1	1.17	<0.01%
			122	133	11	1.14	0.11%
Including			130	133	3	2.6	0.27%
			143	153	10	3.3	*>0.87%
ANA014	761543	8837498	78	85	7	0.85	<0.01%
Including			78	79	1	2.75	<0.01%

Technical Notes

*Copper intercept includes seven metres of results at >10,000ppm that exceeded upper limits of the analytical method. Follow-up assays are in progress to better quantify copper mineralisation associated with the intercept. Current averaged value takes over limit values at a 1% Cu upper cut-off.

- Samples assayed are ½ NQ2 diamond core cut at the Company's core yard at Peixoto de Azevedo 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
- Grid coordinates are SAD69 UTM zone 21S