



ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 16 JUNE 2009

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## **EXECUTION AND SETTLEMENT OF DEBENTURE FUNDING**

*Indo Mines Limited (ASX: IDO) is pleased to announce that it has settled the debenture funding with Anglo Pacific Group PLC ("Anglo Pacific") with the full US\$4.0 million (approx A\$5.0m) of the facility now received by the Company.*

*Settlement of the Debenture followed an extensive technical and commercial due diligence in relation to the Jogjakarta Pig Iron Project ("Project") by Anglo Pacific.*

*The Managing Director of Indo Mines, Phil Welten, said "This is an excellent outcome for the Company given the detailed level of investigation undertaken by Anglo Pacific to satisfy themselves of the technical and commercial potential of the Project.*

*Having secured the first Contract of Works in 10 years, this funding will allow the Company to continue the Project's development and increase its scale, with a view to delivering low cost pig iron into the readymade domestic market and expanding Asian market."*

*The Debenture carries a coupon of 8% per annum, payable quarterly in arrears by either a royalty commencing on first production, initially at 2% and reducing to 1%, or by the issue of shares at a conversion price of A\$0.50. Further details of the facility are provided in the Company's release dated 17 December 2008.*

*Pursuant to the facility, Anglo Pacific provided advances totalling US\$650,000 which have enabled Indo Mines to continue with its Feasibility Study program on the Project. Although the remainder of the funds have now been received, completion of the financing facility is conditional on shareholder approval within 120 days of settlement. If shareholder approval is not received, the monies advanced to Indo Mines are repayable to Anglo Pacific. The Company expects to issue a Notice of General Meeting in the near future.*

*Anglo Pacific Group PLC (LSE: APF, ASX: AGP) specialises in developing royalty flows through investments in strategic listed and unlisted mineral exploration and production opportunities. In addition to coal, gold and uranium royalties, Anglo Pacific Group plc owns strategic interests in coal, energy, iron sands, gold, diamond, base metals, and PGM mining projects. It is the Group's policy to actively support the management of these projects with the necessary resources to create value for shareholders.*

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