Porphyry Copper-Molybdenum-Gold Exploration

LIMA
Ocaña
Arequipa

Dec 11, 2014
Certain statements contained in this document, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding metal prices and production, the completion and commencement of commercial operations of certain of Indico Resources Limited (IDI) projects, and its liquidity and capital resources and expenditure, contain certain forward-looking statements regarding IDI’s economic performance and financial condition. Although IDI believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business initiatives, changes in the regulatory environment and other government actions, fluctuations in metal prices and exchange rates, and business and operational risk management. IDI undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of the annual report. All subsequent written or oral forward-looking statements attributable to IDI or any person acting on its behalf are qualified by the cautionary statements herein.
Oct 22, 2014

Shares Issued 100.5 million
Options 1.7 million
Warrants 41.1 million
Fully Diluted 143.3 million
52 week high/low $0.19/$0.05
Market Cap $7.54 million

Outstanding Incentive Stock Options

<table>
<thead>
<tr>
<th>Expiry</th>
<th>Price</th>
<th>Amount</th>
<th>Proceeds</th>
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<td>24/09/2015</td>
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<td>1,720,000</td>
<td>$172,000</td>
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<tr>
<td>TOTAL</td>
<td></td>
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<td>$172,000</td>
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Insiders: 34.4 million shares 34.2%

1 Year Chart
ROBERT BAXTER  President, CEO & Director
Mr. Baxter brings over 25 years of experience, principally in Latin America, in the mining industry. Mr. Baxter is the General Manager of Baxter Consultants Engineering, a consulting company located in Peru. From May 2000 to September 2000, he held the position of Business Development Coordinator Americas for North Limited, a senior Australian mining company acquired by Rio Tinto, PLC in October 2000. Also at North Limited, Mr. Baxter held the posts of Regional Geologist, Americas from June 1999 to May 2000 and Regional Manager (Chile/Argentina) from November 1996 to June 1999. Mr. Baxter was previously a Director of Petaquilla Minerals Ltd. and was also a director of Chariot Resources Ltd. which was sold to China Sci Tech, a Hong Kong listed company. Mr. Baxter was the Chairman of the Board of Marcobre S.A.C., a 100% fully owned subsidiary of China Sci Tech, until September 2010. He was President, Director and Chief Operating Officer of Norsemont Mining Inc. until March 2011 when the company was acquired by Hudbay Minerals. Mr. Baxter is also a director of Pan Global Resources Inc..

JOHN DROBE  Chief Operating Officer
John is a geologist with over 25 years experience specializing in porphyry copper-gold, epithermal and skarn deposits throughout Latin America. Previously John held the position of Chief Geologist for Coriente Resources, and was responsible over a 10-year period for all aspects of exploration and resource definition at the company's Mirador, Pananta, and San Carlos porphyry copper deposits. Following the sale of Coriente in 2010, John was the VP Exploration for Dorato Resources up to early 2014. John is the Qualified Person, as defined by National Instrument 43-101, for all technical content in this presentation.

PEGGY WU  Chief Financial Officer
Ms. Wu is a Chartered Accountant with strong working knowledge of International Financial Reporting Standards, Canadian and US Generally Accepted Accounting Principles and public company reporting requirements. She is currently the CFO for Balmoral Resources Ltd. and Corvus Gold Inc., resource based companies listed on the TSX. Ms. Wu's previous experience includes acting as Financial Reporting Specialist for a number of resource based companies. As well, she served as Supervisor at Smythe Ratcliffe LLP, Chartered Accountants from 2007 to 2010, where she oversaw all aspects of financial reporting for several publicly traded companies.
HENK VAN ALPHEN

Mr. van Alphen has been in the mining business for 24 years. He began his career as a successful exploration/drilling contractor, and then became the President of Pacific Rim Mining Corp. ("Pacific Rim") where he laid the foundation for Pacific Rim to become a successful South American based resource company. He served as Vice-President of Corriente Resources Inc. from 1994 to 1999, following which he became the President of Cardero Resource Corp. ("Cardero") in 1999, the cornerstone of the Cardero Group of Companies. Mr. van Alphen also holds directorships with the following companies: International Tower Hills Mines Ltd., Ethos Capital Corp. and Wealth Minerals Ltd.

BOB PARSONS

Mr. Parsons is a Chartered Accountant and retired PricewaterhouseCoopers partner after a career spanning 34 years. He currently serves on the Advisory Board of the Indonesian Mining Association and the International Affairs Committee of the Prospectors and Developers Association of Canada (PDAC), where he served on the board between 1985-2003, the Indonesian Mining Association, the Canada Indonesia Chamber of Commerce, the World Mines Ministries Forum, the Canadian Minerals Industry Federation, the Advisory Council of the Centre for Resource Studies at Queens University, and the Professional Advisory Board of the Government of Canada’s Petroleum Monitoring Agency. He has previously served on the boards of several listed exploration companies. Mr. Parsons is an active independent consultant in developing countries, where he has advised nineteen governments on mineral policy matters.

ASGARI BIN MOHD FUAD STEPHENS

Asgari has over 25 years of experience in equity investing in Malaysia. He has served as an independent non-executive director for Mudajaya Group Berhad and Maxis Bhd. He is currently a director and founding member of Intelligent Capital Sdn Bhd (Intelligent Capital), a director of Kumpulan Sentiasa Cemerlang Sdn Bhd (KSC) and Stonehouse Constructions Pte Ltd., as well as a non-executive director on the boards of JayCorp Berhad and Privasian Technology Berhad.
BRIAN KERZNER
Mr. Kerzner has over 23 years of experience as a successful entrepreneur in retailing and real estate. Mr. Kerzner is the Founder and President of Rocky Mountain Chocolate Factory Canada Inc., which operates retail chocolate stores from coast to coast in Canada. He has also founded several other private companies that have completed extensive residential and commercial development in Toronto, Phoenix, Whistler and Vancouver. Mr. Kerzner has been extensively involved in providing seed capital for many successful public and private companies in the resources, environmental and technology sectors. He was recently a director of Norsemont Mining Inc.

DAVID SAVAGE
Mr. Savage is Chairman of Stonehouse Construction Limited, a project development company based out of Singapore. Mr. Savage has held senior executive roles in the construction industry in Australia, Asia and the Middle East for more than 25 years. From 1988 until March 2011, Mr. Savage was a senior executive with the Leighton Group of Companies, Australia's largest construction and project development group. He holds a non-Executive Director position with Mudajaya Corporation Berhad, a Malaysian construction conglomerate, listed on the Kuala Lumpur Stock Exchange.

TAREK DAMERJI
Tarek Damerji graduated from McGill University in Montreal with a double Major in Economics and Political Science and worked in Corporate Finance for the Toronto Dominion Bank, managing loan and financial portfolios for some of Canada’s largest companies before returning to the Middle East and becoming one of the founders of Bayt.com. Tarek sold his interest in Bayt to a leading U.S. based Private Equity firm, and founded Wajehat, a company that specialised in the design, engineering and project management of Facades for buildings, and later became the Special Projects Director for the Al Habtoor Leighton Group (HLG). He is also on the Board of Directors for Stonehouse.
SOUTHERN PERU PORPHYRY COPPER BELT
MORE THAN 40 YEARS OF COPPER PRODUCTION

TOQUEPALA MINE (Southern Copper)
- 3,398 million tonnes @ 0.47% copper
  Proven & Probable

CUAJONE MINE (Southern Copper)
- 2,626 million tonnes @ 0.47% copper
  Proven & Probable

CERRO VERDE (Freeport – Cerro Verde)
- 3,571 million tonnes @ 0.40% copper
  Proven & Probable

QUELLAVECO PROJECT (Anglo American)
- 916 million tonnes @ 0.65% copper
  Proven & Probable

ZAFRANAL PROJECT (AQM - Teck)
- 557 million tonnes @ 0.36% copper
  Measured & Indicated

*Note: Indico Resources is not involved in any of the above projects
LOCATION AND INFRASTRUCTURE

Power: Rio Ocoña Run of River 180MW project (2015?) or National Grid lines

Port: ~180km from Matarani deep port

Transmission Lines
- 500 kv (tendered)
- 220 kv
- 138 kv
- 60 kv

Substations
- Chuquibamba 41km to east
- Evaluating shared power with other local companies
**PROPOSED LOCAL POWER GRID**

**MULTIPLE POWER OPTIONS**

- share Chuquibamba sub-station
- use Hydro Ocoña once constructed: 45 – 100MW capacity
### OPTION AGREEMENT (REVISED)

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<tr>
<th>Year</th>
<th>Cash USD</th>
<th>Shares</th>
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<tr>
<td>TSX-V Approval</td>
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<tr>
<td>2011 (April 20th)</td>
<td>$322,727</td>
<td>200,000</td>
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<tr>
<td>2012</td>
<td>$451,818</td>
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<tr>
<td>2013</td>
<td>$516,364</td>
<td>500,000</td>
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<tr>
<td>2014</td>
<td>$580,909</td>
<td>1,000,000</td>
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<tr>
<td>2015</td>
<td>$1,500,000</td>
<td>6,500,000</td>
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<td>2016 - 2018</td>
<td>$6,000,000</td>
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<td>2019</td>
<td>$7,990,000</td>
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<tr>
<td>TOTAL</td>
<td>$17,750,000</td>
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- **$15.5M over 5 years**

### BARRENO CLAIMS (TRAFIGURA)

- Located in centre of Indico block
- Pembrook Mining holds current option to earn 80%; drilled 12 holes in 2014 (10,800m)
- Trafigura drilled 11 holes in 2010 (3450m), mostly along the property boundary

### INDICO CLAIMS

- 123 sq. km. option package
- 100% ownership, less 1% NSR at completion of option
Good Logistics

- Low elevation, between 1700 and 2200 m.a.s.l.
- Broad gently sloping areas suitable for mine infrastructure (heap leach pad, plant)
- Desert environment allows for low-maintenance roads & infrastructure
- Water for drilling 10 km by dirt road from the large Rio Ocoña
ISPACAS COMMUNITY LEASE

- 25 year term for surface rights, renewable for another 25 years
- terms are S/.100,000 per year (approx. USD$35,000)
- covers area of infrastructure for proposed SX/EW project
- covers proposed improved access corridor along Rio Ocoña and east tributary (route to project)
Jimena Prospect has good correlation of molybdenum (Mo) and clay alteration (red colour)
Drilling has only tested 2/3 to 1/2 the Mo – clay anomaly
Same size anomaly on north side of concession limit
Waka Waka clay and Mo anomaly are offset: different style? Needs more work
Phase 1: mid-2011
- 2200 m in 5 holes
- Mineralization intersected near surface
- Clipped copper oxide & 2nd sulphide in shallow supergene zone along south margin

Phase 2: late-2012
- 4733 m in 19 holes
- Defined supergene blanket with soluble Cu mineralization
- Intersected highest-grade breccia-hosted hypogene mineralization, still open to east

* Copper equivalent calculations represent the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made from recovery losses that may occur should mining eventually result. The three-year, moving-average metal prices used for the purposes of the equivalency calculations are copper $US3/pound, gold $US1200/ounce, molybdenum $US15/pound and silver $US21/ounce.
OCA04: chalcopyrite matrix in breccia

OCA05 at 12m: CuOx/SO4 in oxide zone
SUPERGENE TARGET – PHASE 2 DRILL HOLES

OCA07: 54m of 0.81% Cu

View to south over central and southern ridges

Supergene Cu oxide and sulphide zone

OCA19 at 114 - 121m: deep-penetrating oxidized fractures and fine disseminated chalcocite: 0.45% Cu and 79% soluble

View to north showing platforms on south ridge

OKA-01 44m of 0.73% Cu

OCA06 50m of 0.65% Cu

OCA07 54m of 0.81% Cu

OCA03 50m of 0.65% Cu

OCA07 54m of 0.81% Cu

OCA15 54m of 0.56% Cu

OCA13 54m of 0.56% Cu

OCA19 100m of 0.28% Cu

OCA10

OCA11 & 14

OCA16

OCA13

OCA12

OKA-01

OCA18

OCA03

OCA12
SUPERGENE TARGET – PHASE 3 HOLES COMPLETED

Deep Chalcocite Zone:

- Last hole, OCA19, of Phase 2 intersected wide interval of deep chalcocite
- Four new holes confirm widespread chalcocite around hole OCA19, as well as east of OCA15

OCA19 at 114 - 121m: deep-penetrating oxidized fractures and fine disseminated chalcocite: 0.45% Cu and 79% soluble
Phase 3 Drilling

- Completed 33 holes totaling 2975m
- Holes intersected anticipated widths of leached and supergene mineralization
- Supergene mineralization is open to the SE and east
- Hypogene and supergene extensions remain to be drilled (3000m)
Deep Chalcocite Zone:
- Widespread chalcocite over widths of 100m down to 1700m elevation
- This deep mineralization extends north under steep eastern slope (see hole OCA13-27)
OCAÑA SCHEMATIC SECTION

NE

SUPERGENE

LEACHED

HYPOGENE

Gravel Cover

supergene at surface

chalcocite + chalcopyrite increasing supergene Cu

oxides increase upwards

sulphides increase downwards

lower boundary is sharp

chalcopyrite > pyrite

pyrite > chalcopyrite

>0.3% Cu Hypogone Copper Grade >0.2% Cu

<0.2% Cu

100 metres

Concession Limits

Proposal holes

completed holes

alluvial gravel

iron oxides >> copper oxides soluble Cu <0.1%

secondary copper sulphides soluble Cu >0.1%

primary sulphides: dacite with disseminated chalcopyrite, pyrite

primary sulphides: breccia with disseminated chalcopyrite, pyrite

TSX-V: IDI
OCANA BLOCK MODEL SECTION

SOUTH ZONE

Supergene Zone

Hypogene Zone

Area to be Drilled
SOUTH EXTENSION

Total Cu %

>0.6
0.5 - 0.6
0.4 - 0.5
0.3 - 0.4
0.2 - 0.3
0.1 - 0.2
<0.1

100 metres
Supergene Resources Currently Delimited

- Indicated mineral resource of 139 million pounds (63,000 tonnes) of total copper grading 0.46% Cu
- Inferred mineral resource 270 million pounds (122,000 tonnes) of total copper grading 0.34% Cu
- Supergene mineralization remains open to the south and east, with significant potential to increase resources

<table>
<thead>
<tr>
<th>Classification</th>
<th>Millions of Tonnes</th>
<th>Total Cu %</th>
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<tbody>
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<td>0.46</td>
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<tr>
<td>Inferred</td>
<td>36.1</td>
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<table>
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<tr>
<th>Rec Cu % Cut-off</th>
<th>Cumulative Tonnes (millions)</th>
<th>Tot Cu %</th>
<th>Cumulative Tonnes (millions)</th>
<th>Tot Cu %</th>
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<tbody>
<tr>
<td>0.10</td>
<td>13.7</td>
<td>0.46</td>
<td>36.1</td>
<td>0.34</td>
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<tr>
<td>0.20</td>
<td>12.7</td>
<td>0.47</td>
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<td>0.30</td>
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<td>0.40</td>
<td>4.2</td>
<td>0.61</td>
<td>7.1</td>
<td>0.52</td>
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Note: An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. Due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Confidence in the estimate is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure.
Phase 3 Extension & PEA

- Significant mineralization may lie under the steep eastern slope: needs drilling
- Propose an additional 1600 metres in four holes at roughly 200 metre spacing for hypogene
- Plus 1400 metres in 100 metre spaced holes to delimit supergene
- Budget is U$7.8M: $6M + $1.8M for renegotiated property payment due April 2015
OCAÑA PHASE 3 EASTERN ZONE DRILLING

OCANA BLOCK MODEL SECTION EAST ZONE

Supergene Zone

Property Limit

Area to be Drilled

Hypogene Zone

leached/oxide

mixed

gravel

high-grade Cu at end of OCA13-27 may extend to NE

Total Cu %

<0.6

0.5 - 0.6

0.4 - 0.5

0.3 - 0.4

0.2 - 0.3

0.1 - 0.2

<0.1

100 metres

NE

SW

2700Z

2100Z

2000Z

1900Z

1800Z

1700Z
**Phase 3 Drilling Status**
- Completed 2975 m of proposed 4650 m: only supergene drilled
- 33 infill holes at 75-100m spacing define initial supergene resource estimate

**Phase 3 for Completion**
- 3000m drilling in 4 long and 11 short holes to test eastern limits of high-grade hypogene and supergene
- Metallurgy & PEA Study
Phase 3 Objectives Completed to Date

- Converted the conceptual geological target of a 20-40Mt SX/EW project with grades between 0.4% - 0.6% Cu (total) to an initial resource estimate of 13.7Mt of 0.46% Cu Indicated and 36.1Mt of 0.34% Cu Inferred.
- Metallurgical samples shipped and arrived in Tucson in late August.

Phase 3 Extension: Drill the Eastern Limits

- Eastern supergene limits are open and have good potential to significantly increase the supergene resources as well as expand the hypogene target below
- 3,000 metre extension to Phase 3 programme to be completed before the PEA.
- This extension includes four additional deep holes to delimit margins of high-grade Cu-Au hypogene mineralization intersected in Phase 2 that is open to the east.
Next Steps for PEA

- Complete Phase 3 extension.
- Baseline environmental studies.
- Prepare PEA on the basis of updated resource estimate and metallurgical data, leading to fast tracking and permitting of SX/EW project by Q1 2015.
- Continue negotiations for power supply and road access improvements.
- Refine various estimated engineering costs and other costs related to project development.
- Early discussions with mining contractors.

PEA PARAMETERS (based on maiden resource estimate)

- 15,000 tpa cathode production
- Mine life 10 years
- 14,500 tpd of ore, SR 1:1
- SX/EW Plant approximately $30 million
- Power – two options available
- Fleet – lease with local owners
- Leach Pads – included in operating costs
- Mining Operating Cost $1.45 per tonne
- Plant Operating Cost $1.05 per lb of Cu
- Recovery 80%
Feasibility Study
- Contingent on successful PEA
- Drill additional 6200 metres in 62 holes at roughly 50 metre spacing
- Aim is to convert bulk of resources to reserves
- Budget is $5.6M
Indicated resources of 139 million pounds (63,000 tonnes) of copper @ 0.46% Cu

Inferred resources of 270 million pounds (122,000 tonnes) of copper @ 0.34% Cu

Supergene mineralization remains open to the south and east, with significant potential to increase resources

Mineralogy of the oxide species consists of mainly chrysocolla, chalcanthite and brochantite.

Sooty chalcocite makes up about 50% of the supergene material.

Large areas are available for leach pads adjacent to the proposed mining area.

Additional supergene mineralization is known to exist on the neighbouring Trafigura Property (e.g. their hole PPDH-2 with 145m of 0.47% Cu in oxide and 2nd sulphides).

Mining of the supergene mineralization would leave the sulphide body with low strip ratio.
Solvent extraction and electrowinning (SX/EW) is a two-stage metallurgy process that first extracts and upgrades copper ions from low-grade acidic leach solutions into a solvent containing a chemical that selectively reacts with and solubilizes the copper in the solvent. The copper is extracted from the solvent with strong aqueous acid which then deposits pure copper onto cathodes using an electrolytic procedure (electrowinning).

**Acid Soluble Copper Oxides:**
- Copper oxide minerals that are acid soluble are chrysocolla, tenorite, and copper sulphates: upper zones of Ocaña
- Rapid response with pregnant solutions recovered in first month: simple & fast
- Acid leach tests indicate average 80% recovery for intervals >0.15% soluble Cu

**Secondary Copper Sulphides:**
- Secondary copper sulphides need to be oxidized before the Cu goes into solution
- This is usually achieved by bacterial leaching, which is slow and needs careful management
- Chapi brine leach process has rapid response with pregnant solutions recovered in 60 days: no need to wait for a year to see copper
- Copper cathodes are still 99.99% pure
- Less sulphuric acid is used: cheap & safe
One of the newest copper discoveries in Peru

Large but scalable Cu-Au-Mo project

Low cost SX/EW copper potential, plus large upside on neighbouring property

We have more than 50 years combined experience successfully exploring, developing, building and operating mines in Peru
INTRODUCING STONEHOUSE CONSTRUCTION

- Formed by a diverse group of shareholders with established construction and mineral interests spanning South East Asia, India, United Arab Emirates and the Americas.

- A mine developer, operator and construction company with a current presence in South East Asia and Canada.

- Currently developments include gold projects in Ghana.

- Management team has an extensive and proven track record in creating and establishing successful, profitable, and sustainable businesses in the international construction and mining sectors.
In January 2013, Indico and Stonehouse Construction (SHC) signed a Heads of Agreement to form an Alliance on Indico’s mining properties in Peru.

SHC will develop, construct and operate the mines in Peru, based on a 10% fee on cost for the service provider; with the agreement based on open book Alliance principles.

SHC will commit to raise a minimum of 33.3% of required capital for the implementation of any construction as operating capital to be charged on throughput rates.
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