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- **As we approach the 3 February 2012 General Meeting called to seek shareholder approval . . .**
- **Indophil is confirming its long-term commitment to its major asset, the Tampakan Copper-Gold Project in the southern Philippines.**
- **Shareholder endorsement will strengthen the existing strategic alliance to help guide the Tampakan Project through final approvals, to construction and first production.**
- **And Tampakan gets a timely revised and upgraded mineral resource estimate.**

During the December quarter, Indophil was very pleased to report the strengthening of a strategic alliance in the Philippines, designed to underpin the Company's position and standing as it strives to see its key asset, a 37.5% interest in the Tampakan Copper-Gold Project, come closer to final approvals, construction and first production.

The quality of that alliance, and the funding support it brings, is critical to realising that goal on behalf of all Indophil shareholders.

At 10.30am on Friday 3 February 2012 in Melbourne, Indophil will hold a General Meeting of Shareholders to seek approval for issuing new shares that form Tranche 2 of the US\$99.4 million placement announced on 12 December 2011, and in turn creation of a strengthened strategic alliance with a member company of the Alsons Group. **On 24 January 2012, Australian Foreign Investment Review Board approval was granted for Alsons' request to increase its shareholding in Indophil.**

The Board of Indophil urges shareholders to support the resolution being considered for this purpose. *If you do not have the relevant papers or you have an enquiry, please phone Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).*

In a timely reinforcement as to the quality and size of the Tampakan deposit, project manager Xstrata Copper has issued an upgraded mineral resource estimate. It is described in detail within this report and in the announcement to the ASX of 27 January 2012, and further reinforces the Tampakan Project as one of the largest, long-life and low-cost undeveloped copper deposits in the world.

Richard Laufmann
CEO & MD
30 January 2012

'Strengthening this strategic alliance provides a firm foundation for Indophil to play a key role in securing the approvals necessary to proceed to construction of the world-class Tampakan copper and gold deposit.'



S&P INDICES

On 2 December 2011, it was announced that effective close of trade on 16 December 2011, Indophil Resources would be added to the S&P/ASX All Australian 200 Index. This is considered important because it encourages index-driven funds to include companies listed in such indices in their investment portfolios.

PLACEMENT AND ALLIANCE

On 12 December 2011, Indophil announced a US\$99.4m share placement linked to a strengthened strategic alliance in the Philippines. The placement is being made to a member company of the Alsons Group (a long-term Indophil shareholder) at a premium to the Indophil share price at the time of the announcement. Alsons' investment is undertaken with financial support arranged by BDO Unibank, the largest banking group in the Philippines in terms of total resources, customer loans, total deposits and assets under management.

The placement consists of two tranches, the first of which was finalised on 29 December 2011. The second is subject to Foreign Investment Review Board (FIRB) approval in Australia and to Indophil shareholder approval. **FIRB approval was received on 24 January 2012.** The Indophil shareholder meeting to seek approval of Tranche 2 is set for Friday 3 February 2012 in Melbourne.

As part of that placement, Alsons' representative, Nicasio Alcantara, joined the Indophil Board, effective 29 December 2011. Mr Alcantara is a highly-respected Philippine business leader, with more than 40 years involvement in public and private companies. Indophil warmly welcomes Mr Alcantara to the Board. An additional Board appointment will be made following successful completion of the Tranche 2 placement.

"Strengthening this strategic alliance provides a firm foundation for Indophil to play a key role in securing the approvals necessary to proceed to construction of the world-class Tampakan copper and gold deposit," Indophil's CEO Richard Laufmann said.

For further detail on the placement and creation of a stronger alliance, refer to Indophil's ASX announcements of 12 and 29 December 2011. For more information about the shareholder meeting, refer to the formal notices issued on 29 December.

To bolster senior management within Indophil as the Company moves to take a more active role in managing its international asset base, Neil Grimes joined Indophil on 9 January 2012 as Executive General Manager Corporate Development and Vice President International Business. For more detail, refer to Indophil's ASX announcement of 29 December 2011.

TAMPAKAN APPROVALS

On 29 December 2011, Indophil informed the market that Tampakan operating arm, Sagittarius Mines Inc (SMI), had formally submitted the Final Mine Environmental Impact Assessment to the Philippine Government and was awaiting government granting of the related Environmental Compliance Certificate (ECC) which is a critical step in the approvals process.

On 13 January 2012, Indophil received advice from SMI that the application for the Mine Environmental Compliance Certificate from the Philippine Government's Environmental Management Bureau had been returned, for resubmission once the issue of an open pit mining ban by the Provincial Government of South Cotabato is clarified and resolved. The Tampakan deposit is located in South Cotabato.

On 13 January, SMI stated its intention to file an appeal for reconsideration of the decision, as permitted under the ECC application process. That motion for reconsideration was formally filed with government by SMI on 27 January 2012.

Indophil supports the view that the Tampakan Mine Environmental Impact Assessment (EIA) process was, by any measure, robust and comprehensive. The Philippine Government confirmed this during the EIA evaluation period under the auspices of the government's Environmental Impact Assessment Review Committee. The EIA was completed to the highest international standards which in many respects went beyond legislative requirement in the Philippines.

Indophil has become more active in seeking local Philippine shareholders, and together we have made recommendations to improve the operating structure and effectiveness of SMI. Indophil believes that this delay to project approval can be overcome in the near term, with the support of our Philippine corporate shareholders, and a committed and aligned response from Indophil and Xstrata Copper as Project Manager.

Indophil will also accelerate moves to seek listing on the Philippine Stock Exchange. This will make Indophil the first dual Australia-Philippines publicly-listed company, and provide more direct involvement and access by Philippine investors.

TAMPAKAN MINERAL RESOURCE UPGRADE

Late news: On 27 January 2012, Indophil received from Project Manager Xstrata Copper a revised and upgraded mineral resource estimate for the Tampakan Project.

In summary, the total estimated mineral resources (Measured, Indicated and Inferred) for the Tampakan deposit has risen from 2.49 billion tonnes at 0.6% copper at a 0.3% copper cut-off grade to 2.94 billion tonnes at 0.51% copper at a 0.2% copper cut-off grade. This represents a tonnage increase of 18% over the previously reported October 2009 total resource estimates.

Xstrata Copper reports as a 'significant increase' the lift in the more-confident Measured and Indicated category, up from 1.69 billion tonnes (0.6% copper) to 2.27 billion tonnes (0.55% copper). This represents a 34% increase in tonnage in the Measured and Indicated category.

On the basis of the new information, estimated contained copper at Tampakan in total resources has risen from 13.9 million tonnes (Mt) to 15.0Mt while estimated contained gold has risen from 16.2 million ounces (Moz) to 17.9 Moz.

Raul R Roco, the Competent Person for the Tampakan Statement, consented to the technical interpretation as provided in Indophil's announcement to the ASX on 27 January 2012. For detailed information, refer to that ASX announcement.

Commenting on the new estimates, Indophil's CEO Richard Laufmann said that even though the Tampakan deposit had already been acknowledged as world-class, the new information confirms its ranking as one of the most significant undeveloped copper-gold deposits in the world.

"The enhanced level of confidence provided in this upgraded resource estimate for Tampakan is encouraging. It is timely, and serves to restate the significance of this deposit to minerals development in the Philippines as the project partners work towards securing the range of approvals required to bring this important development to production," Mr Laufmann said.

TAMPAKAN STUDY PROGRAM

Xstrata Copper, on behalf of the operator SMI in which Indophil holds its 37.5% Tampakan interest, continued to manage activities at the Tampakan Project including technical, environmental and social studies.

Work continued during the quarter on the new mineral resource estimate for Tampakan. A summary of the new resource estimate appears earlier in this report. It reflects refinements in the deposit interpretation, additional geological modelling and changes to key parameters in the estimation process such as trend amendments to commodity prices.

No drilling was conducted during the reporting period and no new assay results were received.

In October 2011, the Mine Environmental Impact Statement (EIS) was finalised and SMI's application for the Mine Environmental Compliance Certificate (ECC) was submitted to the Philippine Government. The EIS identifies potential environmental impacts of the proposed mining operation and detail SMI's comprehensive mitigation strategies.

SMI received official notification from the Philippine national government's Department of Environment and Natural Resources (DENR) on 13 January 2012, denying its application for the ECC without prejudice for resubmittal until issues with the use of open-pit mining methods have been resolved with the Provincial Government of South Cotabato (the province in which the Tampakan deposit is located). SMI formally appealed this decision through a motion for reconsideration on 27 January 2012.

The current work program at Tampakan continues to focus on completing the remaining environmental impact statements and on reaching agreement with the community and governments on a range of social impacts including the need to undertake a substantial resettlement program.

TAMPAKAN AT A GLANCE

The Tampakan copper and gold deposit, discovered in 1992, is one of the largest-known undeveloped copper-gold deposits in the world. Tampakan is a 2.94 billion tonne mineral resource when measured at a 0.2% copper cut-off grade. It is estimated to contain 15 million tonnes of copper and almost 18 million ounces of gold, with potential for growth.

The Tampakan Mine Project Feasibility Study, submitted to the Philippine Government, outlines a proposed mining operation that involves:

- A 17 year life-of-mine with potential for extension;
- A start-up mining and milling capacity of 66 million tonnes per annum;
- Annual copper production of 450,000 tonnes and annual gold production of 435,000 ounces over the first five years of operation;
- An average life-of-mine copper production rate of 375,000 tonnes per year;
- An average life-of-mine gold production rate of 360,000 ounces per year; and
- A development cost of US\$5.9 billion, including the provision of US\$900 million for a power station.

FINANCIAL REPORTING AND CASH BALANCE

Indophil's cash balance at the end of the December 2011 quarter was \$195.9 million (previously \$177.5m). The cash position strengthened as a result of receipt of funds from the Tranche 1 placement. The Company's main expenditure commitment for the quarter – \$10.9m – was to the Tampakan Project.

EXPLORATION PROGRAM – THE PHILIPPINES

Indophil's Itogon Gold Project in Northern Luzon continued its drilling program, testing shallow positions as well as lateral and depth extensions of the Frog, Taka Barr, Sesame, Gilkison and Pine Fault vein systems. The following holes were completed in the period:

Hole ID	Depth	Target
ITDH-037	150m	Taka Barr vein zone
ITDH-038	300m	Sesame, Gilkison, Pine Fault veins
ITDH-039	276.4m	Sesame, Gilkison, Pine Fault veins
ITDH-040	96.4m	Frog South vein
ITDH-041		To commence next quarter
ITDH-042	205.1m	Frog South vein
ITDH-043	217.2m	Frog South vein
ITDH-044	154.4m	Frog Central vein
ITDH-045	141.9m	Frog Central vein

Significant assays received during the quarter for holes ITDH-035, 036 and 038 were:

Hole ID	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Vein Structure	Host Lithology
ITDH035	192.55	195.60	3.05	0.68	<0.50	Frog?	Gabbroic Diorite
ITDH035	199.00	202.65	3.65	0.84	1.60	Frog?	Gabbroic Diorite
ITDH035	204.60	209.90	5.30	0.83	0.77	Frog?	Andesite Dike
ITDH035	212.40	215.60	3.20	1.70	0.38	Frog?	Andesite Dike
ITDH035	216.80	219.05	2.25	4.08	1.40	Frog ?	Andesite Dike
ITDH035	223.30	224.15	0.85	1.20	0.80	Frog?	Mine Fill
ITDH036	205.20	209.10	3.90	1.11	6.33	Taka Barr/14 vein	Gabbroic Diorite
ITDH036	216.00	218.00	2.00	0.95	0.71	Taka Barr/14 vein	Gabbroic Diorite
ITDH036	219.00	221.00	2.00	2.06	1.25	Taka Barr/14 vein	Gabbroic Diorite
ITDH036	222.00	224.00	2.00	20.30	2.90	Taka Barr/14 vein	Gabbroic Diorite
ITDH036	226.00	227.00	1.00	0.70	3.50	Taka Barr/14 vein	Gabbroic Diorite
ITDH038	60.20	60.80	0.60	1.37	0.80	231- Gilkison-Pine VZ	Andesite Dike
ITDH038	63.95	64.95	1.00	1.44	0.25	231- Gilkison-Pine VZ	Andesite Dike
ITDH038	73.90	75.60	1.70	4.88	4.15	231- Gilkison-Pine VZ	Andesite Dike
ITDH038	76.30	77.50	1.20	31.50	114.80	231- Gilkison-Pine VZ	Andesite Dike
ITDH038	95.40	95.60	0.20	6.25	5.50	231- Gilkison-Pine VZ	Vein
ITDH038	103.25	104.15	0.90	1.53	1.60	231- Gilkison-Pine VZ	Gabbroic Diorite
ITDH038	105.65	106.95	1.30	0.97	0.50	231- Gilkison-Pine VZ	Gabbroic Diorite
ITDH038	125.70	126.60	0.90	6.48	4.80	231- Gilkison-Pine VZ	Gabbroic Diorite
ITDH038	136.90	137.90	1.00	0.99	2.00	231- Gilkison-Pine VZ	Gabbroic Diorite
ITDH038	176.30	177.95	1.65	1.11	0.80	231- Gilkison-Pine VZ	Gabbroic Diorite
ITDH038	187.20	188.90	2.65	0.82	1.02	231- Gilkison-Pine VZ	Gabbroic Diorite
ITDH038	188.90	189.85	0.95	1.28	1.40	231- Gilkison-Pine VZ	Gabbroic Diorite

Note: VZ = Vein Zone; Intersection selection COG 0.5g/t Au.

There were no significant assays from hole ITDH-037.

Under a Memorandum of Understanding with Anvil Mining, Indophil has assumed Anvil's position in an exploration and development agreement with Itogon Suyoc Resources Inc., which covers the Itogon Project.

In Central Mindanao, Indophil has three tenement applications in the Buda area as well as a joint venture with Freeport McMoRan over two blocks of tenement applications at Mt Kinabalin and Buda. The area is interpreted to be an extension of the volcanic arc segment which hosts the Tampakan Copper-Gold Project. Work continues with the Philippine Government's Mines and Geosciences Bureau and associated communities in finalising the titles and gaining access to explore.

In Eastern Mindanao, Indophil holds a 25% interest in the Manat Gold Project.

COMPETENT PERSON'S STATEMENT

The information in this section of the quarterly report that relates to the non-Tampakan Exploration Results is based on information compiled by Tony Robbins. Mr Robbins is a Member of the Australasian Institute of Mining and Metallurgy, and is an Executive Director of Indophil Resources NL. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration for the reporting of Exploration Results 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 Robbins consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

CORPORATE INFORMATION

ASX listed code	IRN
Total listed shares	1,062,104,527*
Unlisted options	2,564,000

* Total listed shares include the 66,666,667 shares issued in the Tranche 1 placement made on 29 December 2011.

Share price trading range for the December 2011 quarter:

High	46.5¢
Low	30¢
Current	36.5¢

All currencies in Australian dollars unless stated otherwise.

DIRECTORS

Non-Executive Chairman	Brian Phillips
CEO and Managing Director	Richard Laufmann
Executive Director	Tony Robbins
Non-Executive Director	Kyle Wightman
Non-Executive Director	David Carland
Non-Executive Director	Nicasio Alcantara

Company Secretary and Chief Financial Officer

Anita Krauser

For further information, please contact:

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Appendix 5B
Mining exploration entity quarterly report

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Name of entity

Indophil Resources NL

ABN

45 076 318 173

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(887)	(2,579)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(1,404)	(5,193)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	2,477	4,716
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		186	(3,056)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities – SMI Tampakan Project	(10,875)	(35,251)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(10,875)	(35,251)
1.13	Total operating and investing cash flows (carried forward)	(10,689)	(38,307)

+ See chapter 19 for defined terms.

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(10,689)	(38,307)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares	30,000	213,397
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – share raising costs	(900)	(11,090)
	Net financing cash flows	29,100	202,307
	Net increase (decrease) in cash held	18,411	164,000
1.20	Cash at beginning of quarter/year to date	177,452	31,863
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	195,863	195,863

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	297
1.24	Aggregate amount of loans to the parties included in item 1.10	10,875

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Interest Income
\$7,169,623 has been recorded as interest income on advances to associate entities for the period 1 January 2011 to 31 December 2011. The interest income is recorded as additional advances in the accounts and therefore is a non-cash settlement.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

n/a

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	9,400
4.2 Development	-
4.3 Production	-
4.4 Administration	-
Total	9,400

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	29,598	785
5.2 Deposits at call	166,265	176,667
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	195,863	177,452

Changes in interests in mining tenements

	Tenement reference	Nature of interest [note (2)]	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	1,062,104,527	1,062,104,527		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	66,666,667	66,666,667	\$0.45	\$0.45
7.5 *Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options/ Performance Rights <i>(description and conversion factor)</i>	500,000 500,000 500,000 450,000 614,000	Nil Nil Nil Nil Nil	<i>Exercise price</i> \$0.80 \$0.80 \$0.85 \$0.95 \$0.41	<i>Expiry date</i> 14 Feb 2012 1 May 2012 1 May 2012 1 May 2012 3 April 2014
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

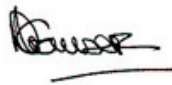
Appendix 5B
Mining exploration entity quarterly report

7.12	Unsecured notes (totals only)		
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 30 January 2012

Company Secretary
Anita Krauser

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.