

25 June 2010



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**Indophil comments on mutual termination of  
Takeover Implementation Agreement**

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As advised to the ASX earlier today, Indophil Resources and the Zijin Mining Group have agreed to terminate the Takeover Implementation Agreement of 29 November 2009 in which Zijin offered to purchase all the shares in Indophil at A\$1.28 per share, valuing Indophil at approximately A\$545 million.

Commenting on the termination, Indophil's CEO, Richard Laufmann, said: "This is very disappointing, and a decision that was not made easily by either party. However, given the lengthy delay of some months in Zijin securing Chinese provincial approval for their offer for Indophil, and no clear timeframe forthcoming, both parties agreed to terminate the agreement."

Mr Laufmann said that given the world-class nature of the Tampakan Copper-Gold Project in the southern Philippines, and the recently submitted Final Feasibility Study confirming it as one of the largest and most significant undeveloped copper projects in the world, Indophil is re-opening discussions regarding the sale of its 37.5% stake in the project.

"Termination of the Implementation Agreement, effective immediately, frees Indophil of any exclusivity provisions and break fees," he said.

"The ever-increasing global appetite for copper and gold will not be met by known supply. The Tampakan project, clearly a flagship project, has been off the market and locked into an exclusive transaction since December 2009. This new and defining development of termination of the Indophil-Zijin offer has now freed Indophil to re-consider its opportunities.

"Therefore, Indophil will continue to pursue its strategy of extracting value from its 37.5% interest in the Tampakan Project.

"Indophil is reviewing its options and will open or re-open dialogue with interested parties. Given the world-class nature of the Tampakan deposit, Indophil is very confident that there is considerable interest around the globe in acquiring the Company's interest in Tampakan.

"Indophil remains committed to maximising the return to shareholders from the Company's flagship asset, the Tampakan deposit."

On another front, Mr Laufmann said that Indophil will remain in voluntary suspension on the ASX until no later than 14 July 2010 or to an earlier time when the position in respect of the proposed South Cotabato provincial Environmental Code in respect of open pit mining has been clarified.

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