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## FINAL DRILL RESULTS FROM PHASE 2 DRILLING CAMPAIGN OCAÑA PORPHYRY CU-MO-AU PROJECT

### 80% AVERAGE LEACH RECOVERY FROM SUPERGENE ZONE 265 METRES at 0.52% Cu Eq IN SULPHIDE ZONE

NR13-01

January 9, 2013

**Vancouver, British Columbia** - Indico Resources Ltd. ("Indico" or the "Company") (TSX-V: IDI, OTCQX: IDIFF) is pleased to provide the final encouraging drill results from the Phase 2 drilling campaign at the Ocaña Cu-Au-Mo porphyry in Arequipa Region, Southern Peru. In Phase 2, a total of 4733 metres were drilled in 19 holes; the additional significant assay results from holes received since the last news release are shown in Figure 1 and Table 1, and all significant intersections are listed in Table 2.

The eastern-most hole drilled, OCA014, intersected additional high-grade primary (hypogene) Cu-Au mineralization within the diorite breccia and, together with hole OCA011, appears to have delimited the southern extent of the copper-gold breccia zone. From 27 to 94 metres, this hole intersected 67 metres of 0.35% copper and 0.27 g/t gold, or 0.59% CuEq\*, within diorite and diorite breccia. Below this are 198 metres of 0.35% copper and 0.05 g/t gold within dacite and dacite breccia (Figure 2). The diorite and diorite breccia with the higher-grade copper and gold is open to the east and north along the concession boundary. This mineralization will be drilled out in a future drill programme using a man-portable drill rig capable of being installed on the steep rocky slopes in this area. Mapping indicates the breccia extends for 200 metres east of the high-grade mineralization in hole OCA010 (Figure 1). The current known extent of the copper-gold zone is approximately 500 metres east-west by 200 metres north south and truncated by the concession boundary; it is open at depth, but is drill-tested to extend at least 300 metres vertically.

The remainder of the holes mostly tested the extent, thickness and grade of sulphide and oxide supergene mineralization intersected by previous holes along the main east-west ridge. These holes indicate the supergene blanket is consistently approximately 50 metres thick, consisting of copper oxide and sulphate minerals near the top, grading down into dominantly chalcocite at the base, where it transitions sharply to hypogene chalcopyrite mineralization. The blanket dips to the west subparallel to the ridge crest, and has an east-west dimension of over 700 metres, with a width over 200 metres at the west end, increasing to 400 metres on the east end. Under the central part of the system the blanket averages about 30-45 metres thick and thins to the east as the slope steepens. Near the base of this slope, the last vertical infill hole, OCA016, intersected 33.6 metres of 0.80% copper, mostly as copper sulphate and chalcocite (Figures 1 and 2).

Two holes drilled in the southeast corner of the supergene target intersected weaker mineralization over wider widths, which will have to be followed up in subsequent drilling. Hole OCA015 intersected strongly leached oxide material to a depth of 88.5 metres, followed by a very thin (1.5 metre) chalcocite-enriched layer, below which it intersected 90.4 metres of 0.19% copper in the hypogene zone. Strong fracturing of the core and in adjacent outcrops suggest the hole is within a fault zone that has seen higher-than-normal leaching of copper. Hole OCA019, located almost 200 metres to the south and angled to the northeast (Figures 1 and 2), has deep-penetrating (to 140 metres) but wider-spaced fractures with pervasive leaching confined to narrow intercepts; from 47 to 147 metres it intersected 100 metres of 0.28% copper mostly as chalcocite on pyrite and chalcopyrite. The hole crossed several highly fractured and leached fault zones with negligible copper, similar to the material intersected by OCA015.

**Table 1. Final Significant Phase 2 intersections.**

Drill Hole	From (m)	To (m)	Interval	Cu%	Mo (ppm)	Au g/t	Ag g/t	CuEq*	Zone
OCADH014	27	292	265	0.349	141	0.104	2.1	<b>0.517</b>	Hypogene
<i>including</i>	27	94	67	0.349	41	0.266	2.2	<b>0.586</b>	<i>diorite hypogene</i>
<i>and</i>	94	292	198	0.349	174	0.049	2.0	<b>0.493</b>	<i>dacite hypogene</i>
OCADH015	88.5	178.85	90.35	0.190	50	0.015	1.6	<b>0.243</b>	Hypogene
OCADH016**	28	61.55	33.55	0.803	146	0.229	1.8	<b>1.062</b>	Mixed
	61.55	86.05	24.5	0.333	106	0.188	1.8	<b>0.333</b>	Hypogene
OCADH017	49	57	8	0.441	71	0.024	1.6	<b>0.511</b>	Mixed
	57	84	27	0.214	93	0.023	1.6	<b>0.294</b>	Hypogene
OCADH018	34.55	50.45	15.9	0.302	62	0.007	1.3	<b>0.352</b>	Mixed
	50.45	87.25	36.8	0.218	113	0.027	1.5	<b>0.310</b>	Hypogene
OCADH019	47	147	100	0.284	75	0.018	1.2	<b>0.348</b>	Mixed
<i>including</i>	47	59	12	0.253	183	0.021	1.8	<b>0.378</b>	<i>Mixed</i>
<i>and</i>	97	147	50	0.397	69	0.017	1.1	<b>0.455</b>	<i>Mixed</i>

\*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. These equivalent grades should not be interpreted as actual grades since the conversion ratios vary with the volatile prices of Cu and Mo and the economic recoveries of Cu and Mo can vary significantly in actual extraction and processing. However, it is the company's opinion that elements considered here have a reasonable potential to be recovered. The three-year, moving-average metal prices used for the purposes of the equivalency calculations are copper \$US3/pound, gold \$US1500/ounce, molybdenum \$US15/pound and silver \$US21/ounce.

\*\*Results preliminary pending QA/QC review of re-assayed interval.

Table 2. Significant Phase 2 intersections from previous news releases.

Hole	From (m)	To (m)	Interval	Cu%	Mo (ppm)	Au g/t	Ag g/t	CuEq*	Zone
OCADH001	0	27.4	27.4	-	-	-	-	-	overburden
	27.4	56.3	28.9	0.187	20	0.021	0.6	<b>0.217</b>	mixed
	89	440	351	0.231	83	0.030	1.0	<b>0.304</b>	hypogene
<i>including</i>	89	146	57	<b>0.240</b>	190	<b>0.032</b>	<b>0.8</b>	<b>0.366</b>	<i>hypogene</i>
OCADH002	0	18	18	-	-	-	-	-	overburden
	87	294	207	0.220	151	0.091	0.9	<b>0.371</b>	hypogene
	168	195	27	<b>0.291</b>	557	<b>0.083</b>	<b>1.6</b>	<b>0.645</b>	<i>hypogene</i>
<i>and</i>	234	294	60	<b>0.351</b>	102	<b>0.157</b>	<b>1.3</b>	<b>0.530</b>	<i>hypogene</i>
OCADH003	1.3	27	25.7	0.207	79	0.051	1.5	<b>0.299</b>	oxide
	27	78	51	0.491	71	0.049	1.9	<b>0.582</b>	mixed
	78	366.1	288.1	0.226	68	0.026	1.1	<b>0.290</b>	hypogene
<i>including</i>	200	272	72	<b>0.297</b>	95	<b>0.031</b>	<b>1.3</b>	<b>0.380</b>	<i>hypogene</i>
OCADH004	4	37.5	33.5	0.509	121	0.115	1.1	<b>0.665</b>	mixed
	4	24	20	0.694	124	0.087	1.1	<b>0.831</b>	oxide
	37.5	301.45	263.95	0.360	112	0.153	1.8	<b>0.546</b>	hypogene
<i>including</i>	94	133	39	<b>0.689</b>	160	<b>0.198</b>	<b>2.9</b>	<b>0.943</b>	<i>hypogene</i>
<i>and</i>	184	301.45	117.45	<b>0.400</b>	120	<b>0.149</b>	<b>2.3</b>	<b>0.569</b>	<i>hypogene</i>
OCADH005	7	33.5	26.5	0.626	130	0.104	1.2	<b>0.779</b>	mixed
	33.5	145	111.5	0.501	118	0.121	2.6	<b>0.675</b>	hypogene
	59	94.8	35.8	<b>0.659</b>	101	<b>0.177</b>	<b>3.3</b>	<b>0.872</b>	<i>hypogene</i>
<i>including</i>	145	300.25	155.25	0.199	80	0.020	1.0	<b>0.263</b>	hypogene
OCADH006	11	61	50	0.646	115	0.171	2.7	<b>0.856</b>	mixed
	26	44	18	1.211	199	0.224	3.6	<b>1.511</b>	mixed
	114	299	185	<b>0.251</b>	67	<b>0.076</b>	<b>0.9</b>	<b>0.349</b>	hypogene
<i>including</i>	114	177	63	<b>0.356</b>	71	<b>0.183</b>	<b>1.0</b>	<b>0.535</b>	<i>hypogene</i>
OCADH007	34	87.6	53.6	0.809	108	0.046	1.9	<b>0.916</b>	mixed
	108	250.05	142.05	0.151	103	0.014	0.7	<b>0.220</b>	hypogene
OCADH008	0	68.65	68.65	-	-	-	-	-	overburden
	71.5	355	283.5	0.263	62	0.024	1.4	<b>0.326</b>	hypogene
	163	241	78	<b>0.376</b>	70	<b>0.030</b>	<b>1.9</b>	<b>0.452</b>	<i>hypogene</i>
OCADH009	54	295	241	0.325	97	0.058	1.3	<b>0.428</b>	mostly hypogene
	54	63.8	9.8	1.438	79	0.054	1.8	<b>1.536</b>	mixed
	112	295	183	<b>0.317</b>	104	<b>0.060</b>	<b>1.5</b>	<b>0.427</b>	<i>hypogene</i>
OCADH010	0.5	300.5	300	0.483	117	0.168	2.9	<b>0.694</b>	mostly hypogene
	13.2	29.5	16.3	0.474	86	0.099	2.0	<b>0.609</b>	mixed
	146.5	176.5	30	1.688	393	0.321	7.8	<b>2.198</b>	hypogene
	146.5	203.5	57	1.119	418	0.213	5.7	<b>1.542</b>	<i>hypogene</i>
OCADH011	25	250.3	225.3	0.352	182	0.148	1.8	<b>0.569</b>	hypogene
	25	128	103	<b>0.527</b>	110	<b>0.279</b>	<b>2.3</b>	<b>0.809</b>	<i>hypogene</i>
	128	250.3	122.3	<b>0.205</b>	243	<b>0.038</b>	<b>1.3</b>	<b>0.367</b>	<i>hypogene</i>
OCADH012	22	69.5	47.5	0.678	61	0.022	1.6	<b>0.741</b>	mixed
	69.5	80.35	10.85	0.325	49	0.019	1.8	<b>0.382</b>	hypogene
OCADH013**	32	83	51	0.569	147	0.022	1.4	<b>0.673</b>	mixed
	83	201.1	118.1	0.237	93	0.020	1.2	<b>0.311</b>	hypogene

\*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. These equivalent grades should not be interpreted as actual grades since the conversion ratios vary with the volatile prices of Cu and Mo and the economic recoveries of Cu and Mo can vary significantly in actual extraction and processing. However, it is the company's opinion that elements considered here have a reasonable potential to be recovered. The three-year, moving-average metal prices used for the purposes of the equivalency calculations are copper \$US3/pound, gold \$US1500/ounce, molybdenum \$US15/pound and silver \$US21/ounce.

\*\*Results preliminary pending QA/QC review of re-assayed interval.

The supergene mineralization will be the initial focus for resource definition, as preliminary laboratory test work confirms it is amenable to low-cost, acid heap-leaching. Most of the results for sequential copper leaching tests performed on core sample pulps have been received and are summarized in Table 3. The recoveries average about 80% for supergene mineralization averaging about 0.6% copper.

**Table 3. Sequential copper leach results – Phase 1 and 2.**

Hole	From (m)	To (m)	Interval	Total Cu%	Recovery %
OKA-001	2	46	44	0.73	78%
OKA-002	20	38	18	1.10	86%
OKA-005	63	81	18	0.58	59%
OCA12DH003	1.3	78	76.7	0.35	55%
<i>including</i>	27	59.9	32.9	0.44	77%
OCA12DH004	4	37.5	33.5	0.49	91%
OCA12DH005	5	37	32	0.54	92%
OCA12DH006	11	61	50	0.60	80%
OCA12DH007	30	87.6	57.6	0.71	89%
OCA12DH009	54	63.8	9.8	1.44	94%
OCA12DH010	<i>pending</i>				
OCA12DH012	22	69.5	47.5	0.64	76%
OCA12DH013	32	83	51	0.54	90%
OCA12DH016	<i>pending</i>				
OCA12DH017	49	55	6	0.45	80%
OCA12DH018	34.55	50.45	15.9	0.26	86%
OCA12DH019	<i>pending</i>				

*Note: Total Cu% is sum of acid, cyanide, and residual Cu assays; Recovery % is the total copper leached by both acid and cyanide divided by the total copper*

The climate and geography of the project site make it ideal for a heap-leach operation. Indico will prepare composites for initial metallurgical test work once the sequential leach data is complete. Based on the successful Phase 2 results, Indico plans to continue with a Phase 3 program of about 30 short (100 metre) infill drill holes at about 100-metre spacing to further delineate the supergene blanket. This programme is expected to start in early 2013.

Bob Baxter, President and CEO commented, "We are very pleased with our Phase 2 drilling program at Ocaña. In this last phase we have defined the footprint for an SX-EW copper project and early success in defining a higher grade portion of the Cu-Au sulphide mineralization which is open to the east, at depth and to the north of our concession boundary into that of Trafigura. We expect to focus on the supergene zone in the near term with infill drilling and metallurgical work. We also plan to further define the eastern limit of the higher grade sulphide resource and its depth extent".

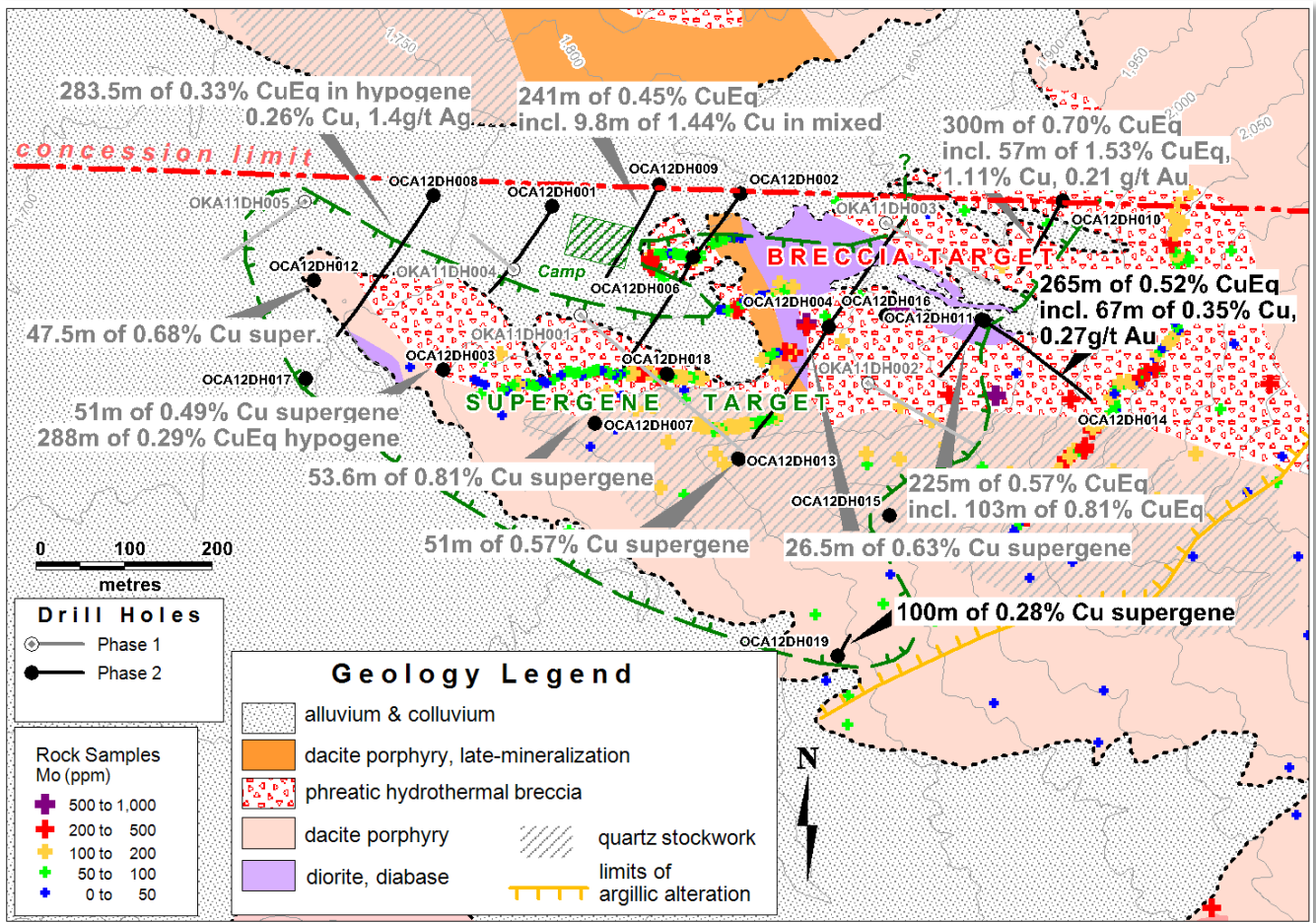


Figure 1. Additional significant assay results from Phase 2 drilling at the Ocaña Project; the outline of the supergene blanket with thickness > 10m is shown in green. Supergene intersections previously released shown in grey.

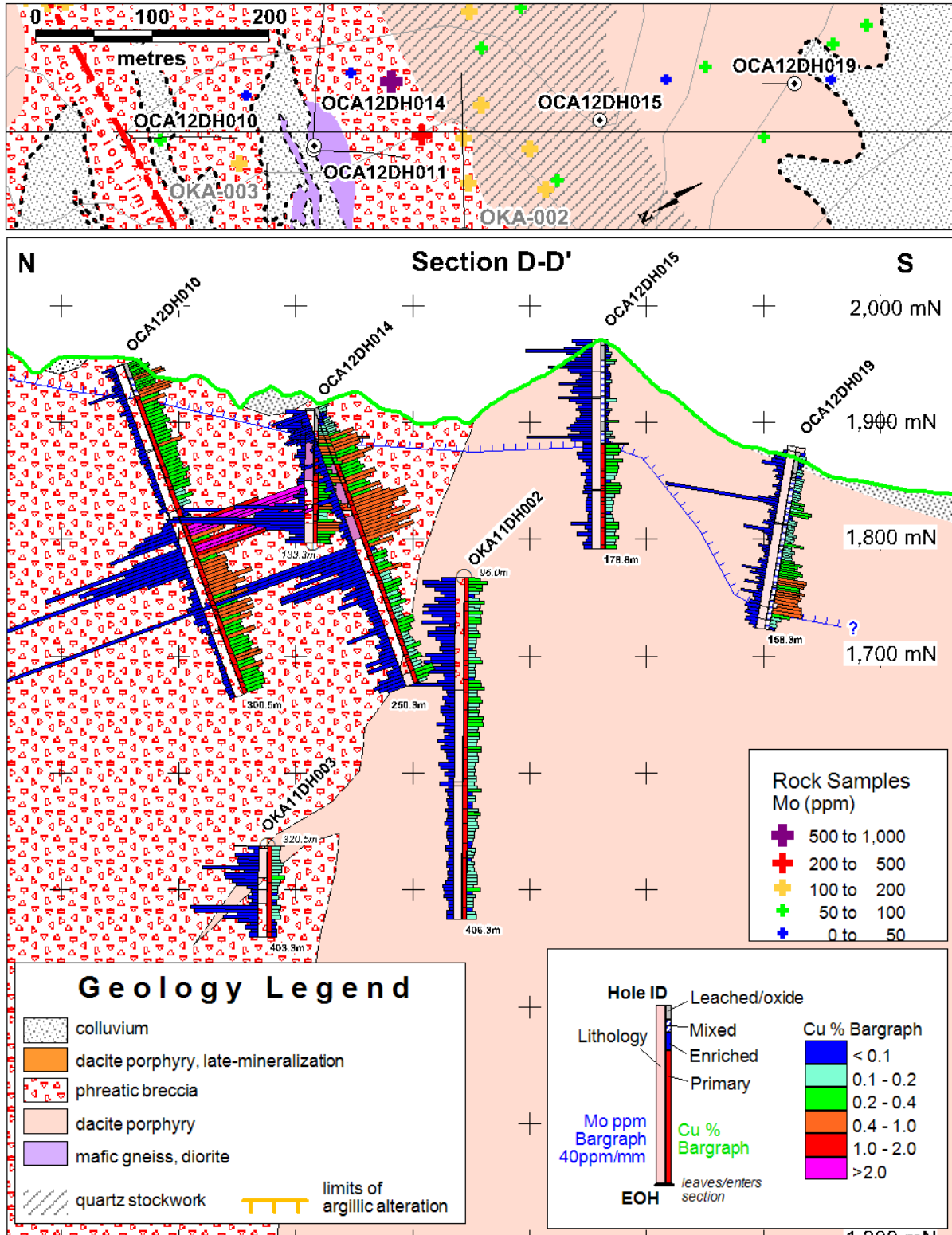


Figure 2. Cross section and plan view along holes OCA010, 11, 14, 15 and 19, illustrating down-hole copper and molybdenum grades. Note that holes OKA002 and OKA003 are projected into the section. The leached and supergene profiles for holes OCA015 and 19 are significantly different from the holes farther west, due to more intense fracturing. Detailed topography profile is from 1m resolution satellite stereo imagery and DEM.

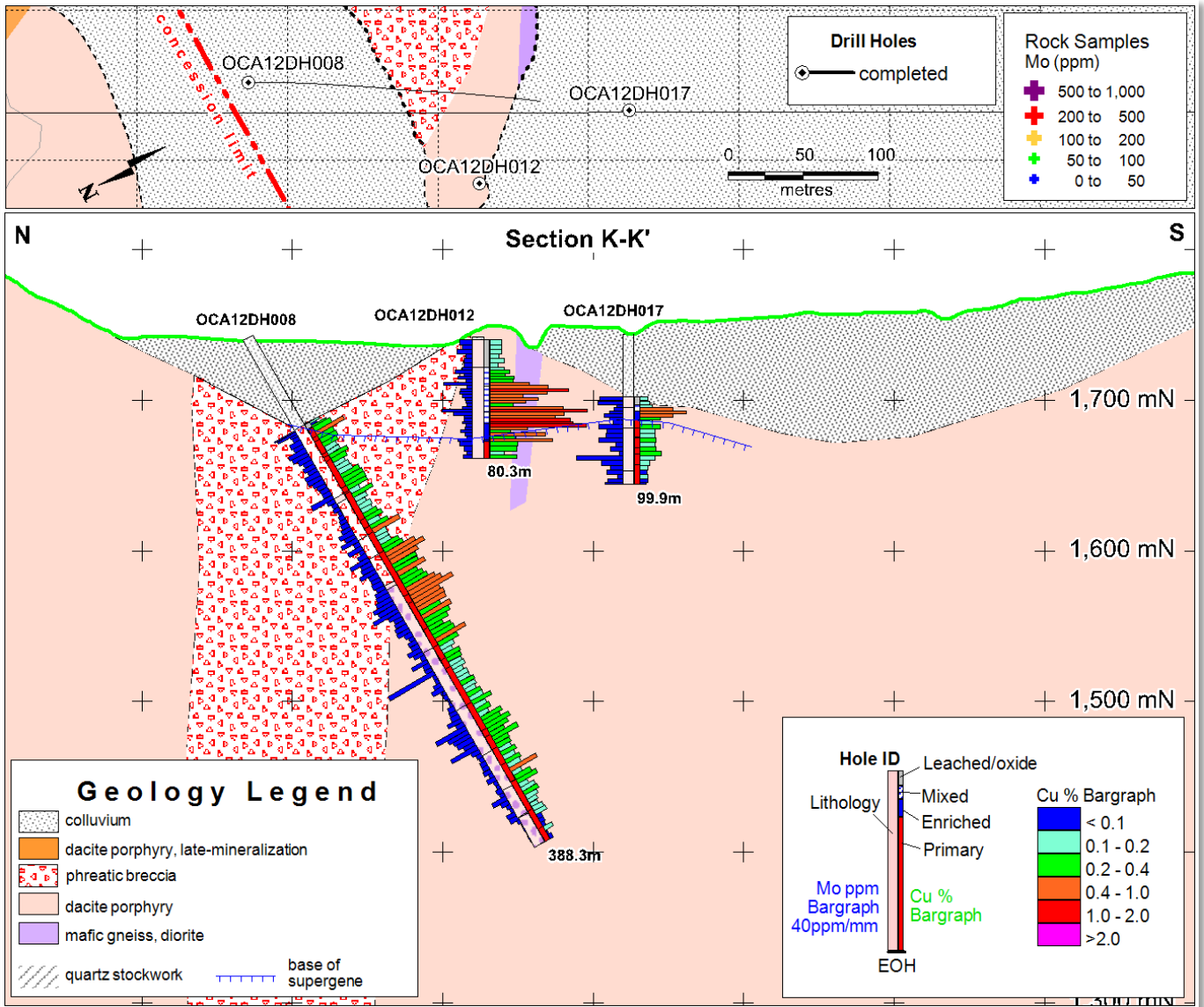


Figure 3. Cross section and plan view along holes OCA008 and OCA12 (last release), and OCA17 (this release), illustrating down-hole copper and molybdenum grades. Note that hole OCA12 is projected 50m onto the section and thus appears below the surface profile.

**Qualified Person**

John Drobe, P.Geo., Indico’s Chief Operations Officer and a qualified person as defined by National Instrument 43-101, has assembled the scientific and technical information that forms the basis for this news release. Mr. Drobe is not independent of the Company as he is an officer and a shareholder.



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## Diamond Drilling and Sampling Procedures

The diamond drilling was completed using exclusively HQ core size. Core recovery was estimated to be greater than 95% for any given hole. Core was evenly split with a diamond saw, with one half collected for sample preparation and analysis, and the other half retained for future reference. Samples were collected on a 2.0m and 3.0m sample interval. Indico on-site personnel rigorously mark, collect, and track samples which are then security sealed and shipped to Acme, Lima, Peru for preparation. Pulps are then forwarded to Acme's analytical lab in Santiago, Chile.

Analytical accuracy and precision are monitored by the analysis of reagent blanks, certified reference material, and duplicate (coarse rejects and quarter core) samples. Indico inserts blind certified reference material at regular intervals (1 in 20) into the sample sequence by field personnel in order to independently assess analytical accuracy. In addition, representative blind duplicate samples are routinely forwarded to Acme for additional quality control (1 in 20 coarse rejects, and 1 in 40 quarter core). Quality control is further assured by the use of certified reference material inserted 1 in 20 samples. Multi-elements were assayed using Acme's 1E package which includes 4-acid digestion and ICP-ES finish; samples with >1% copper are reassayed using an atomic absorption (AA) finish. Lower detection limits are as follows: Cu >0.001%, Mo >0.001%, Ag >0.5g/t. Gold is assayed by fire assay, in which fusion of a 30-gram aliquote is followed by AA finish; with a lower detection limit of 0.005 g/t. Acme has an 9001:2008 and 17025 International Standard Organization rating.

The geochemical results were compiled and reviewed by John Drobe.

## About Indico Resources Ltd.

Indico Resources Ltd. is a resource exploration company focused in the discovery and exploration of porphyry copper-gold deposits in South America. The Ocaña Porphyry Project is the Company's primary exploration project and is currently the main focus of exploration activities. Recently, the Company entered into a Memorandum of Understanding to acquire 51% initially and up to 100% eventually by fulfilling the conditions set out in the press release dated 22 October, 2012 of the Maria Reyna Cu-Mo porphyry-skarn project in the Andahuaylas-Yauri Belt, Cusco Region. This belt hosts several significant deposits, including the Las Bambas porphyry-skarn cluster (1.7 billion tonnes of 0.60% Cu), Haquira (690 million tonnes at 0.59% Cu), and the neighbouring Constancia porphyry deposit (reserves of 450 million tonnes at 0.36% Cu). For more information, please visit our website at [www.indicoresources.com](http://www.indicoresources.com); follow us on Twitter: @indicoresources and Facebook: Indico Resources Ltd.

The technical information provided in this news release was reviewed and approved by Robert. W. Baxter (FAusIMM), a director of the Company and a qualified person for the purposes of National Instrument 43-101.

On behalf of Indico Resources Ltd.,

*Robert Baxter*

President and Chief Executive Officer

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**Cautionary Statement Regarding Forward-Looking Statements**

This press release contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward looking information" within the meaning of the British Columbia Securities Act and the Alberta Securities Act. Generally, the words "expect", "intend", "estimate", "will" and similar expressions identify forward-looking information. By their very nature, forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results, performance or achievements, or that of our industry, to differ materially from those expressed or implied in any of our forward looking information. Statements in this press release regarding Indico's business or proposed business, which are not historical facts, are forward-looking information that involve risks and uncertainties, such as estimates and statements that describe Indico's future plans, objectives or goals, including words to the effect that Indico or management expects a stated condition or result to occur. Since forward-looking statements address events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made. All of the Company's Canadian public disclosure filings may be accessed via [www.sedar.com](http://www.sedar.com) and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties. The foregoing commentary is based on the beliefs, expectations and opinions of management on the date the statements are made. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise.