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INDICO ANNOUNCES INCREASE TO PRIVATE PLACEMENT

NR13-16

December 27, 2013

Vancouver, British Columbia – Indico Resources Ltd. (“Indico” or the “Company”) (TSX-V: IDI) announces that it has increased the amount of the non-brokered private placement announced on November 13, 2013. The Company will now be issuing up to 26,762,000 units (each a “Unit”) at a price of \$0.10 per Unit for gross proceeds of up to \$2,676,200 (the “Private Placement”). Each Unit will be comprised of one common share in the capital of the Company and one common share purchase warrant (each a “Warrant”). Each Warrant will entitle the holder to purchase one additional common share at an exercise price of \$0.15 per share for a period of three years from the closing of the Private Placement, subject to Indico’s right to accelerate the exercise of the Warrants if the closing price of Indico’s shares on the TSX Venture Exchange exceeds \$0.30 per share for a period of 10 consecutive trading days between the expiry date of the four month hold period and the date of expiry of the Warrants.

Finder’s fees may be payable on a portion of the Private Placement, in accordance with the policies of the TSX Venture Exchange.

Closing of the Private Placement is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the acceptance of the TSX Venture Exchange. All securities issued in connection with the Private Placement will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

The net proceeds from the Private Placement are intended to be used to further exploration of the Company’s Ocaña porphyry copper-gold project in Peru and for general working capital purposes.

About Indico Resources Ltd.

Indico is a mineral resource exploration company focused in the discovery and exploration of porphyry copper-gold deposits in South America. The Ocaña Porphyry Project, located in the Arequipa Region of Peru, is the Company’s primary exploration project and is currently the main focus of exploration activities. In addition, the Company has entered into a Memorandum of Understanding to acquire up to a 100% interest in the Maria Reyna Cu-Mo porphyry-skarn project in the Andahuaylas-Yauri Belt, Cusco Region, of Peru. For more information, please visit our website at www.indicoresources.com.

The technical information provided in this news release was reviewed and approved by Robert W. Baxter (FAusIMM), Indico's President and CEO and a qualified person for the purposes of National Instrument 43-101. Mr. Baxter is not independent of the Company, as he is an officer, director and shareholder.

On behalf of Indico Resources Ltd.

Robert Baxter

President and Chief Executive Officer

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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. Specifically, there can be no assurance that the Private Placement will be completed as proposed. 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 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.