



Suite 1108 – 1166 Alberni Street
Vancouver, British Columbia, Canada V6E 3Z3
Tel: 604.638.5938 / Fax: 604.398.5387
Web: www.indicoresources.com

**INDICO ANNOUNCES MAIDEN RESOURCE ESTIMATE OF
SUPERGENE MINERALIZATION AT OCAÑA
139 Million Pounds Copper Indicated and 270 Million Pounds Inferred**

NR14-08

July 24, 2014

Vancouver, British Columbia – Indico Resources Ltd. (“Indico” or the “Company”) (TSX-V: IDI) is pleased to announce the maiden independent resource estimate for the supergene portion of the Ocaña porphyry copper-gold project, southern Peru. Indico has diamond-drilled a total of 9903 metres in 57 holes at the project. Table 1 lists the estimated resources following Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) classification definitions at the cut-off grade of 0.1% recoverable (acid and cyanide soluble) copper. The recoverable copper cut-off, using sequential copper leach analysis, is used because it reflects a more conservative estimate of economically extractable material.

Table 1. Ocaña Supergene Resources at 0.1% Recoverable Copper Cut-off

Classification	Millions of Tonnes	Total Cu %
Indicated	13.7	0.46
Inferred	36.1	0.34

Highlights of the mineral resource estimate are:

- 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

President and CEO, Bob Baxter stated: “We are excited by the results of our maiden resource estimate. During the drilling program we recognised the potential for additional resources to the east and we will now be required to drill this area prior to completion of the Preliminary Economic Assessment. We believe that following the completion of the PEA that we are headed towards the production of copper cathodes. It is our objective to fast track the project.”

The Ocaña Property consists of 23 concessions covering 123 km² and is located on the northwest extension of the Southern Peru Porphyry Copper Belt, a trend defined in part by the Toquepala, Quellaveco, Cuajone, and Cerro Verde Mines to the southeast. Most recent exploration of the belt has resulted in discovery of the Zafranal copper-porphyry deposit, located approximately 75 km to the southeast of the Ocaña Property. Significant

hypogene (primary sulphide) mineralization underlies the supergene zone at Ocaña, with intersections of >0.2% copper occurring over 800 metres east-west, and 600 metres north-south. Mineralization continues to the north onto the neighbouring property and is currently being drilled by Pembroke Mining Corp. as part of their Pecoy project.

Supergene Mineral Resources

Table 2 below summarizes the resource estimate in over a range of recoverable copper (Rec Cu%) cut-off grades.

Table 2. Grade and Tonnages of Indicated¹ and Inferred² Resources.

Indicated			Inferred	
Rec Cu % Cut-off	Cumulative Tonnes (millions)	Tot Cu %	Cumulative Tonnes (millions)	Tot Cu %
0.10	13.7	0.46	36.1	0.34
0.20	12.7	0.47	30.0	0.39
0.30	8.2	0.52	17.1	0.44
0.40	4.2	0.61	7.1	0.52

¹An 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.

²An 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.

Recoverable copper cut-off grades are based on sequential copper leach tests on sample pulps by Acme Laboratories in Santiago, Chile. Based on average soluble copper recoveries of 77%, together with sulphuric acid consumption tests that indicate low acid consumption, we believe the supergene mineralization should be amenable to low-cost, SX/EW heap-leach processing. Metallurgical samples have been dispatched to SGS Laboratories in Arizona, where they will undergo column leach testing under the direction of veteran metallurgist Joseph Keane.

Estimation Methods

The resource estimate was completed by Marek Mroczek, P.Geo. of Mining Plus Canada Consultants Ltd. ("Mining Plus"), an Independent Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") in accordance with CIM Standards on Mineral Resources and Mineral Reserves. Estimation methods are summarized below and additional details of the estimation methods and procedures will be available in a NI 43-101 technical report to be co-authored and released by Mining Plus, and filed on SEDAR (www.sedar.com) within 45 days from the date of this news release.

The resources estimate is based on results from 9,928 metres of drilling in 57 diamond drillholes. Quality control data generated during the various drill programs conducted at Indico Resources were independently verified by Mining Plus as part of the project review. The resource model consists of a detailed three dimensional deposit model interpreted for cut off 0.1% recoverable copper, different mineralogical zones and lithology. The interpreted three dimensional deposit model was used to estimate total copper and recoverable copper grades. The recoverable copper grade is based on sequential leaching lab analyses and consists of sum cyanide leachable copper and acid soluble copper. All recoverable copper values exceeding total copper were capped to the total copper values. The block model grades were estimated by ordinary kriging in cells measuring 15 x 10 x 6 metres. In total 1,278 assays for total copper and recoverable copper were composited to 872 composites of 2 metre length. The basic statistics analyses showed that capping of high assay values was not necessary.

Future Drilling

Figure 1 shows the outline of the resource estimate and layout/density of the drill holes colour-coded by drill phase. Additional maps and cross sections, as well as previous drill results, are available at <http://www.indicoresources.com/s/Ocana.asp>.

As the mineralization remains open to the east, four additional long holes (400 metres each) and eleven additional short (100-150 metres) holes are currently planned to test the eastern limits of the hypogene and supergene mineralization, respectively; these will total about 3000 metres. One of the best supergene intercepts from the last drill programme is from this area (hole OCA13-27 with 31.5 metres of 0.70% total copper, and 0.63% recoverable copper).

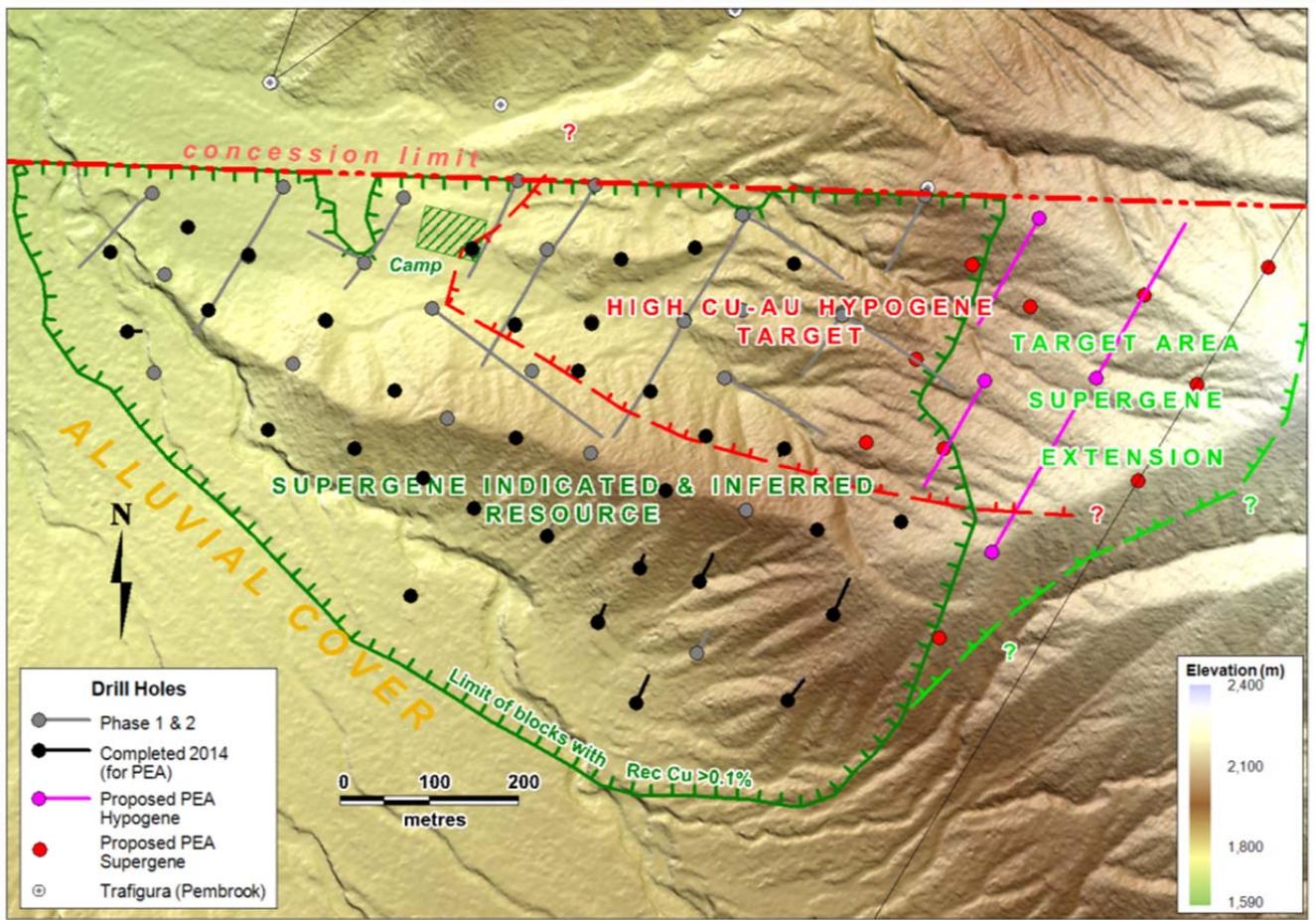


Figure 1: Outline of Supergene Resource (>0.1% Rec Cu) and completed and proposed drill holes.

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. Whole core was split in half with a manual core splitter for intervals of brittle copper oxides, and the remainder with a diamond saw. One half is collected for sample preparation and analysis, and the other half retained for future reference. Samples were collected on a 2.0m (leached, mixed and enriched zones) and 3.0m (hypogene zone) sample intervals. 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 of both regular assays and acid-soluble copper analysis. 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). Multi-elements were assayed using Acme's M300 package, which includes 4-acid digestion and ICP-ES finish; samples with >0.5% copper are reassayed using an atomic absorption (AAS) finish (MA402). Lower detection limits are as follows: Cu >0.001%, Mo >0.001%, Ag >0.5g/t. Sequential copper leach tests are done by method LHSEQ, and acid consumption by method (GC850). Gold is assayed by fire assay (FA430), 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.

Qualified Person

John Drobe, P.Geo., Indico's Chief Operating Officer and a qualified person as defined by National Instrument 43-101, has reviewed 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.

On behalf of Indico Resources Ltd.

Robert Baxter

President and Chief Executive Officer

Contact Information: Dennis Nenadic – IR/Corporate Communications
Email: dnenadic@indicoresources.com
Phone: (604) 398-5379
Fax: +1(604) 398-5387

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.

A Note on Canadian Anti-spam Legislation

For subscribers to Indico Resources Ltd.'s email list who are not receiving updates via email, the company urges subscribers to give their consent in order to comply with Canada's new anti-spam law which came into effect on July 1, 2014. Consent is required to continue to receive important information including news, publications and invitations to programs and events. If you did not consent prior to July 1, 2014 but still wish to receive information simply re-submit your email and name through the company's website. You will then receive an email from Indico Resources Ltd. asking you to opt-in for receiving information by email from the company. Once you have agreed to receiving email updates by opting in, Indico Resources Ltd. will then continue to send updates by email. All your information is kept confidential and you may unsubscribe anytime if you no longer wish to receive updates.

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 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.

Cautionary Note Regarding References to Resources and Reserves

National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all resource estimates contained in or incorporated by reference in this press release have been prepared in accordance with NI 43-101 and the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resource and Mineral Reserves, adopted by the CIM Council on November 14, 2004 (the "CIM Standards") as they may be amended from time to time by the CIM.

United States shareholders are cautioned that the requirements and terminology of NI 43-101 and the CIM Standards differ significantly from the requirements and terminology of the SEC set forth in the SEC's Industry Guide 7 ("SEC Industry Guide 7"). Accordingly, the Company's disclosures regarding mineralization may not be comparable to similar information disclosed by companies subject to SEC Industry Guide 7. Without limiting the foregoing, while the terms "mineral resources", "inferred mineral resources", "indicated mineral resources" and "measured mineral resources" are recognized and required by NI 43-101 and the CIM Standards, they are not recognized by the SEC and are not permitted to be used in documents filed with the SEC by companies subject to SEC Industry Guide 7. Mineral resources which are not mineral reserves do not have demonstrated economic viability, and US investors are cautioned not to assume that all or any part of a mineral resource will ever be converted into reserves. Further, inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to a higher resource category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility study or prefeasibility study, except in rare cases. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit amounts. The term "contained ounces" is not permitted under the rules of SEC Industry Guide 7. In addition, the NI 43-101 and CIM Standards definition of a "reserve" differs from the definition in SEC Industry Guide 7. In SEC Industry Guide 7, a mineral reserve is defined as a part of a mineral deposit which could be economically and legally extracted or produced at the time the mineral reserve determination is made, and a "final" or "bankable" feasibility study is required to report reserves, the three-year historical price is used in any reserve or cash flow analysis of designated reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.