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INDICO ENTERS INTO LETTER OF INTENT FOR JOINT VENTURE WITH QATAR MINING ON THE OCAÑA PROJECT

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Vancouver, British Columbia – Indico Resources Ltd. (“Indico” or the “Company”) (TSX-V: IDI) is pleased to announce that it has entered into a non-binding letter of intent (the “LOI”) with Qatar Mining (“QM”) with respect to the development of the Ocaña Copper Project, located in the Arequipa region of Peru.

Pursuant to the terms of the LOI, it is expected that QM will own 51% of the JV Company after completion of the initial earn in payment, with Indico owning the remaining 49%. It is also expected that the board of directors of the JV Company will consist of five members, three of which will be appointed by QM and two of which will be nominees of Indico.

Robert Baxter, Indico’s CEO and President, comments: “We are extremely pleased to have Qatar Mining enter into a Letter of Intent with Indico Resources to potentially develop the Ocaña Cu-Au-Mo project. Together with our major shareholder Stonehouse Constructions, we welcome the positive outcome of our discussions and negotiations that will allow us to develop the Ocaña project in a timely manner. The skill set of Stonehouse Constructions has been an important factor in Qatar Mining’s decision to enter into discussions and negotiations on the Ocaña project. Stonehouse Director Carlos Ballon has taken a lead role in the discussions to date and deserves a special mention.”

The LOI is intended to serve as a basis for the negotiation and execution of a definitive joint venture agreement. The completion of the joint venture is subject to a number of customary conditions precedent, including completion of due diligence, as well as the approval of the TSX Venture Exchange and all other required regulatory, corporate and security holder approvals.

The Ocaña Property consists of 22 concessions covering 110.24 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.

Indico has completed 6828m of drilling on the main Jimena porphyry target initially identified by remote sensing, mapping, and geochemical sampling in 2010. Drilling in late 2012 defined shallow, flat-lying supergene copper oxides and secondary copper sulphides. This mineralization overlies higher-grade (>0.35% Cu & 0.1 g/t Au) hypogene Cu-Au mineralization, hosted by breccia and diorite, and open to the east, north, and at depth. The supergene mineralization is amenable to low-cost SX/EW heap-leach processing. Highlights from the last drill campaign included hole OCA010, which intersected the highest-grade primary (hypogene) mineralization yet encountered. This hole assayed 300 metres of 0.49% copper and 0.17 g/t gold, and included 57 metres of 1.11% copper and 0.21 g/t gold. The hole ended at 300.5 metres within mineralization grading >0.3% copper.

A 4650m Phase 3 drill programme will infill drill the supergene soluble copper resource to allow for preliminary resource estimation, and define the eastern extent of the hypogene. Results of Indico's Phase 2 drilling program at the Ocaña Property were announced in the Company's news release dated January 9, 2013, a copy of which can be found on the Company's website at www.indicoresources.com or under the Company's corporate profile on SEDAR at www.sedar.com.

About Qatar Mining

Qatar Mining is a subsidiary of Qatar Holdings, the Sovereign Wealth Fund of Qatar. Qatar Holdings is invested across a wide range of industries and in some of the world's top companies and brands. This includes investments in Banking, Retail Goods, Real Estate, Oil and Gas, Sports, Media, Entertainment and Mining, where they are large shareholders of Glencore Xstrata. In February 2013, Qatar signed agreements with Peru for bilateral cooperation across several sectors, including an agreement between Qatar Mining and Peru's Ministry of Energy and Mines for investment cooperation. A natural fit for Qatar's investment diversification, mining in Peru offers excellent long-term investment potential.

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), the CEO, President and 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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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 transaction will be completed as proposed or at all. 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.