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## INDICO ANNOUNCES INITIAL RESULTS OF PHASE 3 DRILL PROGRAMME AT THE OCAÑA COPPER PORPHYRY PROJECT

NR14-04

March 3, 2014

**Vancouver, British Columbia – Indico Resources Ltd.** (“Indico” or the “Company”) (TSX-V: IDI) is pleased to announce the initial drill results for the Phase 3 programme at Ocaña, with thirteen holes completed to date, totalling 1434 metres. Results for six of these holes are tabulated below, including the results of sequential copper leach tests that indicate how amenable the mineralization is to heap-leach processing. These first six holes mainly tested the northern extents of the supergene blanket, where it is thinner and eroded through in places. Subsequently we have drilled thick intervals of mainly chalcocite mineralization in the southeast corner and infill holes along the main ridge crest.

President & CEO Bob Baxter commented, “We are pleased to report the early results of our current work program. This program started on the flanks of the northern extremities of the oxide and enriched zone of mineralisation and confirms our understanding of this mineralisation. The acid consumption and recovery data generated from our analysis is also in keeping with our expectations”.

The Ocaña Property consists of 22 concessions covering 110.24 km<sup>2</sup> 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.

The current drill programme is primarily an infill programme to define a horizontal layer of near surface, supergene mineralization, and is designed to tighten the drill spacing to 100m and less. A Hydracore 4000 man-portable drill rig is being operated by Geotec S.A., and should be able to complete the programme by mid- to late April, 2014. Currently 32 holes are planned, totalling 3050 metres, and comprising mostly short, vertical holes to infill and further delimit near-surface, flat-lying supergene mineralization. Indico has recently signed a contract with Mining Plus Pty Ltd. to conduct a NI 43-101 compliant maiden resource estimate for Ocaña upon completion of this drill phase.

**Table 1. Significant Phase 3 intersections to date: ICP and AAS results.**

Hole	From (m)	To (m)	Interval	Cu %	Mo (ppm)	Au g/t	Ag g/t	Zone
OCA13DH001	0	46.8	46.8	0.388	45	0.16	1.4	mixed & enriched
OCA13DH002	0	12	12	0.187	85	0.137	0.7	mixed
OCA13DH003	35	50	15	0.211	71	0.053	0.7	mixed
OCA13DH004	10	29	19	0.294	284	0.091	1.2	mixed
	29	73.65	44.65	0.471	207	0.131	1.5	hypogene
OCA13DH005	34.2	100.6	66.4	0.415	50	0.023	1.0	mixed & enriched
OCA13DH006	28.35	65.4	37.05	0.348	86	0.112	0.9	hypogene

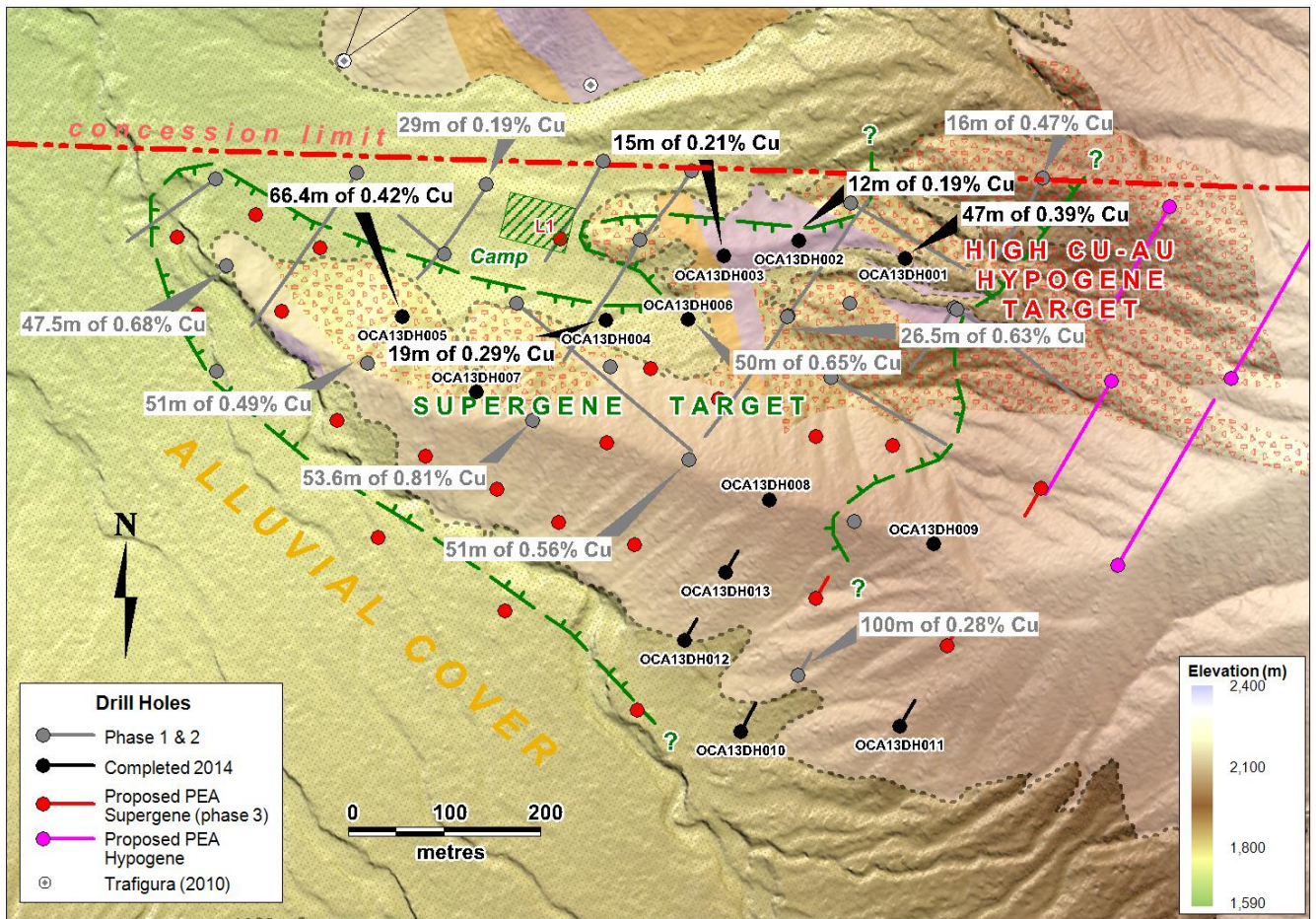
**Table 2. Sequential copper leach results from supergene zone – Phase 3.**

Hole	From (m)	To (m)	Interval	Tot. Cu%	Soluble		Acid Cons. (kg/T)
					Cu%	Recovery %	
OCA13DH001	0	46.8	46.8	0.38	0.32	82%	10.41
OCA13DH002	0	12	12	0.18	0.15	80%	11.67
OCA13DH003	35	50	15	0.21	0.16	78%	16.32
OCA13DH004	10	29	19	0.28	0.25	87%	15.87
OCA13DH005	24	100.6	76.6	0.38	0.28	67%	19.98
<i>including</i>	24	81	57	0.41	0.33	77%	19.73

*Note: Total Cu% is sum of acid, cyanide, and residual Cu assays; Soluble Cu is the sum of acid and cyanide soluble assays; Recovery % is the soluble copper divided by the total copper; Acid consumption is kilograms of sulfuric acid per tonne of material.*

Soluble copper and acid consumption tests from these and previous results indicate the supergene mineralization should be amenable to low-cost, SX/EW heap-leach processing. Figure 1 shows the layout/density of the planned holes and highlights from this (in black) and Phase 2 (in grey) drilling. Additional maps and cross sections, as well as previous drill results, are available at <http://www.indicoresources.com/s/Ocana.asp>.

To close the programme, four additional longer holes (400 metres each) are planned to test the eastern limits of the larger hypogene mineralization, bringing the total to 4650 metres.



**Figure 1: Significant Supergene Intercepts (total ICP Cu): Phase 2 (grey) & 3 (black) drilling.**

## **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. 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, including one standard certified for acid-soluble copper analysis. Multi-elements were assayed using Acme's 1E package which includes 4-acid digestion and ICP-ES finish; samples with >0.5% copper are reassayed using an atomic absorption (AAS) finish. Lower detection limits are as follows: Cu >0.001%, Mo >0.001%, Ag >0.5g/t. Sequential copper leach tests are done by method G904, and acid consumption by method G909. 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.

## **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

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