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INDICO CLOSES \$2,676,200 PRIVATE PLACEMENT

NR14-01

January 2, 2014

Vancouver, British Columbia – Indico Resources Ltd. (“Indico” or the “Company”) (TSX-V: IDI) is pleased to announce the closing of its non-brokered private placement (the “Private Placement”) announced on November 13, 2013 and increased on December 27, 2013.

The Company raised gross proceeds of \$2,676,200 through the issuance of 26,762,000 units (each a “Unit”) at a price of \$0.10 per Unit. Each Unit consists of one common share and one common share purchase warrant (each a “Warrant”) entitling the holder to purchase one additional common share at an exercise price of \$0.15 per share until December 31, 2016, subject to Indico’s right to accelerate the exercise of the warrants if the closing price of the 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.

Total commissions of \$52,724 and 527,240 finder’s warrants were paid by Indico to Raymond James Ltd., Haywood Securities Inc. and Canaccord Genuity Corp. as consideration for arranging a portion of the private placement. Each finder’s warrant entitles the agent to purchase one common share of Indico at a price of \$0.15 until December 31, 2016, subject to the same acceleration terms as the Warrants.

The securities issued pursuant to this private placement, and any common shares to be issued upon the exercise of the Warrants and finder’s warrants, are subject to a hold period expiring May 1, 2014.

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.

President and CEO, Mr. Robert Baxter commented, “I would like to thank all the new and existing shareholders who participated in this financing which was oversubscribed. We look forward to the commencement of our diamond drilling program at the Ocaña porphyry project in Southern Peru which we expect to start drilling in the next couple of days. This drilling program of 4650 metres is primarily aimed at defining an initial resource estimate. We look forward to the results of this program which will enable us to begin a scoping study of the project involving preliminary metallurgy and engineering studies.”

Stonehouse Constructions Private Limited (“Stonehouse”), of 50 Raffles Place, #32-10, Singapore Land Tower, Singapore, 048623, acquired 15,000,000 Units of the Private Placement for a purchase price of \$1,500,000. Stonehouse now has direct ownership and control over 28,846,919 common shares of the Company representing 29.53% of its issued and outstanding common shares, and 28,817,740 Warrants. Assuming exercise of all of the Warrants held by Stonehouse, Stonehouse would have ownership and control of 57,664,659 common shares of the Company, representing 45.59% of the then issued and outstanding shares of the Company, assuming that no further shares are issued by the Company.

The Units were acquired by Stonehouse for investment purposes. Stonehouse has no present intention to acquire further securities of the Company, although Stonehouse may in the future acquire or dispose of securities of the Company, through the market, privately or otherwise, as circumstances or market conditions warrant.

A copy of the early warning report required to be filed with the applicable securities commissions in connection with this acquisition will be available for viewing at www.sedar.com.

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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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.