



QUARTERLY REPORT TO THE AUSTRALIAN SECURITIES EXCHANGE FOR THE PERIOD ENDING 31 MARCH 2010

The Board of Indo Mines Limited ("Indo Mines") is pleased to present its Quarterly Report for the period ending 31 March 2010.

Acquisition of Fireside Resources Ltd

The Company continued to progress the acquisition of Fireside Resources Limited ("Fireside"), an unlisted Australian public company that holds a number of resource assets in the Republic of Indonesia. A share placement for \$3 million was completed on 18th February 2010 to provide funding for the acquisition of Fireside and working capital for trial mining at Fireside's Mangkok Coal Project in South Kalimantan ("Mangkok Project"). A Notice of General Meeting has been distributed to all shareholders in relation to the proposed acquisition.

The highlights of the transaction are:

- *Acquisition of rights to an advanced coal project in well established South Kalimantan region of Indonesia;*
- *Highly respected mining executives Mr Chris Catlow, Dr Derek Fisher and Mr Paul Kopejtko to join the Indo Mines Board;*
- *Feasibility Study completed on the project in 2009 by a major mining group.*

Fireside have successfully completed negotiations with the respective parties and trial mining activities commenced at the end of April 2010 at the Mangkok Project, with thermal coal production targeted to commence in May 2010.

Jogjakarta Pig Iron Project

The development of the Jogjakarta Pig Iron Project ("JPI Project") has continued with the major focus remaining on the socialisation and government liaison aspects of the project.

Activities during the quarter included:

- *Progressing the AMDAL, after consultation with the respective government agencies the documentation has been revised and the Terms of Reference document will now be ready for submission to the local government in Q2 2010.*
- *Assessment of the gravel resource, additional sampling of the gravel resource is ongoing with over 600 samples already completed. Further work will be undertaken over the coming months to determine the potential increase in reserves at the JPI Project.*

Activities for the coming months include:

- *Completing the Conditions Precedent on the Fireside Acquisition and holding the General Meeting on 21 May 2010 to obtain approval from the Indo Mines shareholders to complete the transaction;*
- *Complete the acquisition of the Feasibility Study on the Mangkok Project;*
- *Ongoing Planning and development of the Mangkok Project with the target of producing thermal coal (trial mining basis) by the end of May 2010;*
- *Progress negotiations to access additional coal assets adjacent to the Mangkok Project;*
- *Continue with the Social and Environmental studies for the JPI Project including submission of the AMDAL documentation and commencement of field studies;*
- *Progress the Bankable Feasibility Study for the JPI Project;*
- *Continue assaying of the gravels resource and assessing the potential improvement in recoveries to increase the potential reserve available for processing with the aim of increasing overall process plant output.*

Enquires:

*Phil Welten – Managing Director
Contact Details: Telephone: (61 8) 9322 6322
Facsimile: (61 8) 9322 6558*

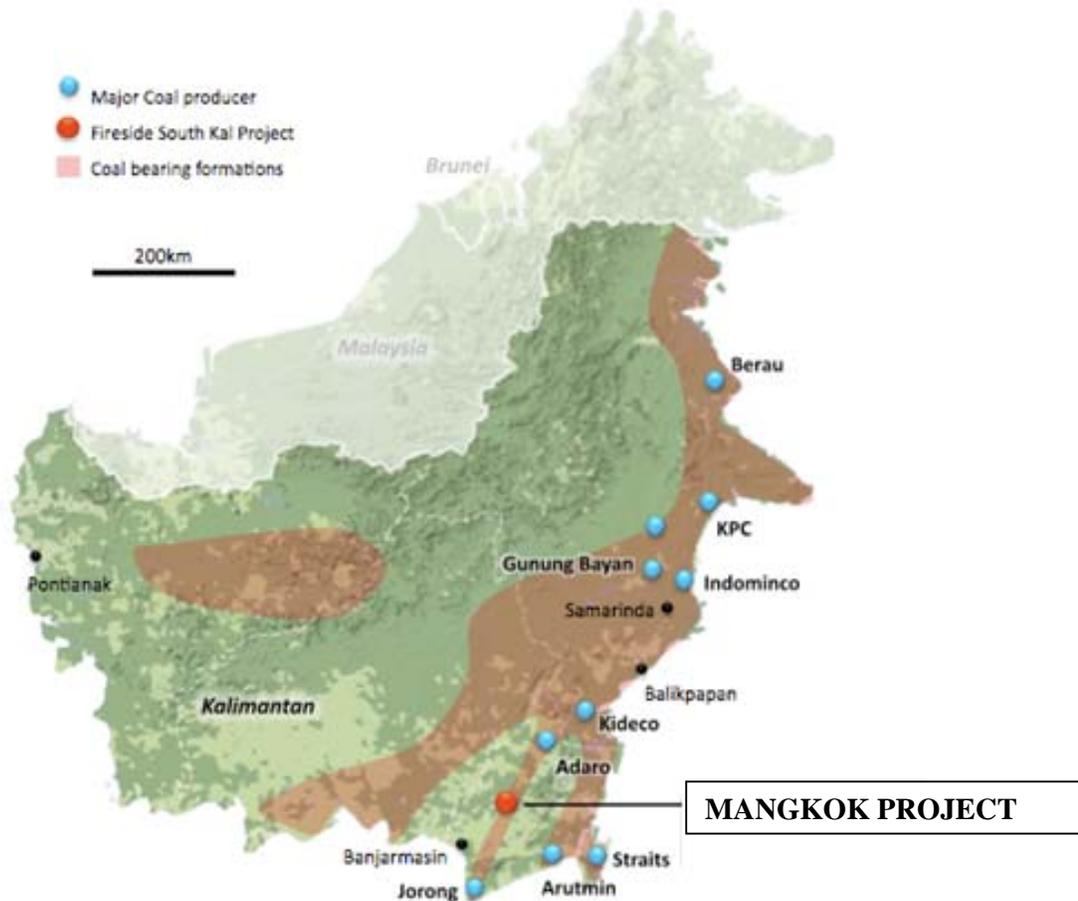
DEVELOPMENT PROJECTS - INDONESIA

MANGKOK PROJECT

- Coal at surface and shallow
- Feasibility Study completed by major mining group
- Over 5,000 metres of the exploration drilling program completed to date
- Mining in adjacent blocks at over 25,000 tonne/month

The Mangkok Project is located in a major coal production area 95 kilometres north of Banjarmasin, the capital of South Kalimantan. Access is via sealed road, contracting services locally available for all of the mining activities and infrastructure is in place for transportation and barging of coal.

South Kalimantan Major Coal Production Areas



The Mangkok Project area is relatively flat terrain, with topographic highs pertaining to tilted sedimentary fault blocks of the Tanjung and Warukin Formations. The project is located on the eastern margin of the Barito basin in the Tanjung Formation, and in general is covered by rubber plantations and secondary forestry regrowth, which are cut by mining haulage roads and a network of secondary gravel roads.

With over 5,000 metres of the exploration drilling program completed to date on the BBPK Project there is sufficient information to commence trial mining. Mining in the adjacent blocks along strike of the project has been consistently recovering high quality thermal coal. The Company plans to continue further exploration and in-fill drilling whilst in operation, both to identify new coal seams on the concession as well as extend the resource that will be mined.



***Mining on adjacent block exposing the BBPK Coal Seam
(Note Outcropping seam on top right corner of Photograph)***

The BBPK Project is suitable for an open-cut contract mining operation that will extend the pit along strike from the adjacent mined out block. Production from the adjacent block was in excess of 25,000 tonnes per month and Fireside is contracted to maintain a similar productivity (300,000 tpa), mining conditions are expected to be similar to that in the existing mining operations.

Crushing will take place onsite by use of a mobile crushing unit installed near to the BBPK operation. A suitable crushing unit has been sourced and is expected to be operational by April 2010. Transportation of coal will be by road, approximately 50kms to the Sungei Putting port facility along the Barito River, where coal will be stockpiled and sold FOB Barge.

New Board Members

Upon settlement of the transaction the following three Fireside representatives will join the Board of the Company:

Dr Derek Fisher:

A geologist by background with a doctorate in geology from the University of Toronto. He has been involved in the resources sector continuously since the late 1960's and is credited with the discovery and development of a number of major projects around the world. He is a former President of the Association of Australian Exploration Companies and has extensive experience in the North American equity and debt markets.

He is currently President and CEO of Moly Mines Ltd (ASX: MOL) and has been instrumental in identifying, developing and arranging the \$700 million capital funding of its key Australian molybdenum project, Spinifex Ridge.

Mr Paul Kopejtka:

Holds a Bachelor of Engineering (Chemical) degree from Curtin University, specialising in the mineral resources sector. He has over 20 years experience in the Australian and overseas mining industry as an engineer and consultant in the areas of green and brown fields project evaluation and feasibility study management, plant design and engineering and commissioning. Mr Kopejtka is a founding director and Chairman of Murchison Metals (ASX: MMX) where he has demonstrated his ability to develop both a world class resource and infrastructure project.

Mr Christopher Catlow:

Holds a Bachelor of Science in Engineering from the University of Durham, UK and is a Fellow of the Institute of Chartered Accountants in Australia. He is an experienced executive in the international resources industry. Over his 25 year career, he has held various senior roles in major operating companies and has considerable experience in raising both equity and debt for large resource projects.

JOGJAKARTA PIG IRON PROJECT (Indo Mines: 70%) Jogjakarta, Indonesia

1. Socialisation Programme

The company has been working closely with the various government departments to resolve the zoning issues at the Contract of Works site. It is expected that the decree from the Regent of Kulon Progo Region that rezones the Contract of Work area as Mining and Agriculture will be announced in Q2 2010 – thus paving the way for the submission of the AMDAL documentation and the commencement of field activities.

2. Bankable Feasibility Study

The Company has continued to progress the Bankable Feasibility Study (BFS). The BFS will cover the following major areas:

1. Hot Metal Processing Flow Sheet Development and Detailed Engineering;
2. Mining, Concentrator and Infrastructure design;
3. Environmental & Social Impact Assessments;
4. Detailed financial modelling;
5. Market research;
6. Port and Shipping requirements;
7. Rail Transport; and
8. Power and oxygen supply.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

INDO MINES LIMITED

ABN

40 009 245 210

Quarter ended ("current quarter")

31 MARCH 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(614)	(2,223)
(b) development	-	-
(c) production	-	-
(d) administration	(280)	(588)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	12	66
1.5 Interest and other costs of finance paid	(209)	(209)
1.6 Income taxes paid	(254)	(760)
1.7 Other (provide details if material)		
- Business development	(32)	(200)
Net Operating Cash Flows	(1,377)	(3,914)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(5)	(8)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	1,435
(c) other fixed assets	-	-
1.10 Loans to other entities – Fireside Resources Ltd	(2,233)	(2,233)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(2,238)	(806)
1.13 Total operating and investing cash flows (carried forward)	(3,615)	(4,720)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(3,615)	(4,720)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	3,000	3,050
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	- share issue costs	(145)	(149)
	- borrowing costs	(55)	(294)
	Net financing cash flows	2,800	2,607
	Net increase (decrease) in cash held	(815)	(2,113)
1.20	Cash at beginning of quarter/year to date	2,297	3,595
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,482	1,482

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	55
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments include executive remuneration and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Issue of 5,000,000 fully paid ordinary shares for consideration in relation to the acquisition of the Jogjakarta Pig Iron Project as approved by shareholders on 30 November 2009.

Issue of 302,534 fully paid ordinary shares in lieu of the cash payment of interest payable in relation to the Senior Secured Convertible Debenture Agreement as approved by shareholders on 28 October 2009.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not applicable.

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	-
Total	250

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	509	1,280
5.2 Deposits at call	973	1,017
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,482	2,297

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	98,434,279	98,434,279	Not applicable	Not applicable
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	17,302,534	17,302,534		
7.5 +Convertible debt securities <i>(description)</i>	US\$4,000,000			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
- Unlisted Options	10,000,000	-	\$0.20	30 June 2010
- Unlisted Options	1,550,000	-	\$1.20	30 November 2010
- Incentive Options	1,250,000	-	\$0.45	30 June 2010
- Unlisted Options	1,500,000	-	\$0.75	31 December 2010
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 30 April 2010
(~~Director~~/Company secretary)

Print name: MARK PEARCE

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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