

Form 45-106F6
British Columbia Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

Issuer/underwriter information

Item 1: Issuer/underwriter name and contact information

INDICO RESOURCES LTD.
2300 – 1177 West Hastings Street
Vancouver, BC
V6E 2K3
Telephone: (604) 638.5938
E-mail: ewalmesley@indicoresources.com
Website: www.indicoresources.com

Item 2: Reporting issuer status

The Issuer is a reporting issuer in British Columbia and Alberta.

Item 3: Issuer's industry

Indicate the industry of the issuer by checking the appropriate box below.

- | | |
|---|---|
| <input type="checkbox"/> Bio-tech | Mining |
| <input type="checkbox"/> Financial Services | <input checked="" type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production |
| <input type="checkbox"/> mortgage investment companies | <input type="checkbox"/> Oil and gas |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Hi-tech | <input type="checkbox"/> Utilities |
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Other (describe) |
-

Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

N/A

Details of distribution

Item 5: Distribution date

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

September 21, 2012

Item 6: Number and type of securities

For each security distributed:

- describe the type of security;
units (common share/one-half of one common share purchase warrant)
- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date;

A total of 24,822,667 units were issued at a deemed price of \$0.12 per unit, each unit consisting of one common share and one-half of one common share purchase warrant, of which one whole warrant entitles the holder to acquire one common share at a price of \$0.15 until September 13, 2014, subject to the Company's right to accelerate the exercise of the warrants if the closing price of the Company's shares on the TSX Venture Exchange is equal to or 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.

- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

Not applicable.

Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	50	\$0.12	1,297,440
Alberta	4	\$0.12	138,000
Ontario	4	\$0.12	69,000
USA	9	\$0.12	513,600
Liechtenstein	1	\$0.12	30,000
Monaco	1	\$0.12	12,000
Peru	4	\$0.12	429,840

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$)¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Singapore	1	\$0.12	24,000
Chile	1	\$0.12	24,960
Argentina	1	\$0.12	49,920
United Kingdom	1	\$0.12	24,960
New Zealand	1	\$0.12	24,000
Australia	1	\$0.12	127,000
Panama	3	\$0.12	214,000
Total number of Purchasers	82		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$2,978,720

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

Item 8: Information about purchasers

Instructions

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table. - N/A

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus and Registration Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II. - N/A

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased (Units)	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Monaghan Engineering & Consulting Ltd. 954 Mt. Bulman Drive Vernon, BC V1B 2Z1 Contact: Brian Monaghan Tel: 250.503.1023	n/a	100,000	12,000	NI 45-106 2.3(1)	2012-09-21
Millerd Holdings Ltd. 833 West 3rd Street North Vancouver, BC V7P 3K7 Contact: Don Millerd Tel: 604.904.7833	n/a	500,000	60,000	NI 45-106 2.3(1)	2012-09-21
Batell Investments Ltd. 3999 40th Street Delta, BC V4K 3N2 Contact: David Elliott Tel: 604.946.6392	R	100,000	12,000	NI 45-106 2.3(1)	2012-09-21
Neal and Company Consultants 4755 Woodley Drive West Vancouver, BC V7S 3A6 Contact: Gord Neal Tel: 605.638.3288	n/a	250,000	30,000	NI 45-106 2.3(1)	2012-09-21
Cruise Geoservices Ltd. 886 Sutherland Ave North Vancouver, BC V7L 4A3 Contact: Mark Cruise Tel: 604.988.6430	n/a	208,333	25,000	NI 45-106 2.3(1)	2012-09-21
E&G Henderson JTWROS 875 Kenwood Rd West Vancouver, BC V7S 1T1 Contact: Ross Henderson Tel: 604.640.0414	R	100,000	12,000	NI 45-106 2.3(1)	2012-09-21
Humboldt Capital Corp. 1800, 633 6 Ave S.W. Calgary, AB T2P 2Y5 Contact: Robert Lamond Tel: 403.269.9889	n/a	300,000	36,000	NI 45-106 2.3(1)	2012-09-21
Lamond Investments Ltd. 1800 - 633 6 Ave S.W. Calgary, AB T2P 2Y5 Contact: Robert Lamond Tel: 403.269.9889	n/a	300,000	36,000	NI 45-106 2.3(1)	2012-09-21

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased (Units)	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Glenn Shand & Associates 1736 E. Belmont Ave Phoenix, AZ 85020 Contact: Glenn Shand Tel: 602.284.3840	n/a	200,000	24,000	BCI 72-503	2012-09-21
Datmix Investments Limited Herrengasse 2, P.O. Box 562 FL-9490 Vaduz Liechtenstein Contact: Buerer Margrith Tel: 011.423.237.5009	n/a	250,000	30,000	BCI 72-503	2012-09-21
The General Trust Company as Trustee of the Mackay Trust 17 Avenue de la Costa BP 167 Monaco, MC 98003 Tel: 377.97.97.8200	n/a	100,000	12,000	BCI 72-503	2012-09-21
Avarice Investments Pte Ltd. #21-12 International Plaza 10 Anson Rd Singapore, 079903 Contact: SM Arshad Amin Tel: 65.6538.7777	n/a	200,000	24,000	BCI 72-503	2012-09-21
Wilat Holding Corp. Swiss MM6 Tower, 2nd Floor East 53rd Street Marbella, Panama Republic of Panama Contact: Daniel Wynistorf Tel: 41.44.285.15.55	n/a	116,667	14,000	BCI 72-503	2012-09-21
Sizerane S.A. Edificio Balboa Plaza Oficina 522 Avenida Balboa Panama, Republic of Panama Contact: Octavio Choy Tel: 507.269.2438	n/a	833,333	100,000	BCI 72-503	2012-09-21
Fundacion Jaime Lacayo Centro Comercial Zen Plaza Local #10 Avenida Costa del Sol Costa del Este Corregimiento de Juan Diaz Panama, Republic of Panama Contact: Jaime Lacayo Salazar Tel: 507.269.8787	n/a	833,333	100,000	BCI 72-503	2012-09-21
TOTAL UNITS:		4,391,666	527,000		

Commissions and finder's fees

Item 9: Commissions and finder's fees

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (CAD\$) ⁽¹⁾	Securities			Total dollar value of compensation (CAD\$) ⁽¹⁾
			Number and type of securities issued	Price per security (CAD\$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
Haywood Securities Inc. 700–200 Burrard St Vancouver, BC V6C 3L6	R	\$33,138	311,150 Broker Warrants ¹ 52,500 Agent Units ²	\$0.15 \$0.12	NI 45-106 2.3(1)	\$39,438 ³
PI Financial Corp. 1900-666 Burrard St Vancouver, BC V6C 3N1	R	\$2,100	32,000 Broker Warrants ¹	\$0.15	NI 45-106 2.3(1)	\$8,000
Canaccord Genuity Corp. 2200–609 Granville St Vancouver, BC V7Y 1H2	R	\$3,500	32,000 Broker Warrants ¹	\$0.15	NI 45-106 2.3(1)	\$8,000
Raymond James Ltd. 2100–925 W. Georgia St Vancouver, BC V6C 3L2	R	\$34,686.41	32,000 Broker Warrants ¹	\$0.15	NI 45-106 2.3(1)	\$8,000
National Bank Financial 101 – 3100 30 th Ave Vernon, BC V1T 2C2	R	\$17,010	32,000 Broker Warrants ¹	\$0.15	NI 45-106 2.3(1)	\$8,000
John Kapetas Via Circunvalacion Barriada Villas del Golf Casa 36 Chitre, Herrera Republic of Panama	n/a	nil	116,667 Broker Warrants ¹ 116,667 Agent Units ²	\$0.15 \$0.12	NI 45-106 2.3(1)	\$14,000 ³
RD Capital Corp. 700–1620 Dickson Ave Kelowna, BC V1Y 9Y2 (Dev Randhawa)	n/a	\$840	7,000 Broker Warrants ¹	\$0.15	NI 45-106 2.3(1)	\$8,000

- Each Broker Warrant entitles the holder to purchase one common share at a price of \$0.15 until September 13, 2014, subject to the Issuer's right to accelerate the exercise of the warrants if the closing price of the Issuer's shares on the TSX Venture Exchange is equal to or 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.
- Each Agent Unit consists of one common share and one-half of one non-transferrable common share purchase warrant, of which one whole warrant entitles the holder to purchase one common share at a price of \$0.15 until September 13, 2014, subject to acceleration as the Broker Warrants.
- Includes value of common shares forming part of Agent Units at a price of \$0.12 per share.

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: October 1, 2012

Indico Resources Ltd.

Name of issuer (please print)

Erin Walmesley, Corporate Secretary – 604.638.8084

Print name, title and telephone number of person signing

“Erin Walmesley”

Signature

Item 10: Contact information

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

N/A

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: (604) 899-6500
Toll free across Canada: 1-800-373-6393
Facsimile: (604) 899-6581