

## NATIONAL INSTRUMENT 45-106

### FORM 45-106F1

#### *Report of Exempt Distribution*

#### Issuer Information

**Item 1:** State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report.

INDICO RESOURCES LTD.  
1920 – 1188 West Georgia Street  
Vancouver, BC  
V6E 4A2

Telephone: (604) 408-7488

**Item 2:** State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

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

**Item 3:** Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

☐ Bio-tech  
☐ Financial Services  
☐ investment companies and funds  
☐ mortgage investment companies  
☐ Forestry  
☐ Hi-tech  
☐ Industrial

Mining  
☒ exploration/development  
☐ production  
☐ Oil and gas  
☐ Real estate  
☐ Utilities  
☐ Other (describe)  
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#### Details of distribution

**Item 4:** Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

**Item 5:** State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

November 19, 2010

**Item 6:** For each security distributed:

(a) describe the type of security:

units (comprised of common shares and common share purchase warrants)

- (b) 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 10,000,000 units were issued at a price of \$0.40 per unit, each unit consisting of one common share and one-half of one common share purchase warrant, of which one full warrant entitles the holder to purchase one common share at a price of \$0.60 per share until November 19, 2011; provided, however, that in the event the closing price of the Company's shares on the TSX Venture Exchange exceeds \$1.00 for 20 consecutive trading days, the Company shall have the right to accelerate the exercise period of the Warrants to a date that is not less than 30 days from the date the Company provides notice to the warrant holders of its election to accelerate the exercise period.

- (c) state the exemptions relied on.

Sections 2.3 and 2.5 of National Instrument 45-106 and BCI 72-503.

**Item 7:** Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) <sup>1</sup>	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
BC	82	\$0.40	\$2,559,000
Alberta	3	\$0.40	70,000
Ontario	14	\$0.40	639,000
USA	7	\$0.40	340,000
Gibraltar	1	\$0.40	272,000
Germany	2	\$0.40	100,000
Australia	1	\$0.40	20,000
<b>Total number of Purchasers</b>	<b>110</b>		
<b>Total dollar value of distribution in all jurisdictions (Canadian \$)</b>			<b>\$4,000,000</b>

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

#### Commissions and finder's fees

**Item 8:** Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian\$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
Axemen Resource Capital 1920 – 1188 W. Georgia Street Vancouver, BC V6E 4A2	nil	200,000 Agent's Units <sup>1</sup> 200,000 Broker Warrants <sup>2</sup>	\$0.40 - deemed per Agent's Unit	s.2.3 of NI 45-106	nil
National Bank Financial 3300 – 666 Burrard Street Vancouver, BC V6C 2X8	\$20,000	50,000 Broker Warrants <sup>2</sup>	nil	s.2.3 of NI 45-106	\$20,000

1. Each Agent's Unit consists of one common share and one-half of one non-transferable share purchase warrant, of which one full warrant entitles the Agent to purchase one additional common share at a price of \$0.65 until November 19, 2011.
2. Each Broker Warrant entitles the Agent to purchase one common share at a price of \$0.65 per share until November 19, 2011.

**Item 9:** If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.

### Certificate

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

DATE: November 30, 2010

INDICO RESOURCES LTD.

Per: "Marla Ritchie"

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Marla Ritchie,  
Corporate Secretary  
Telephone: (604) 408.7488

**Item 10:** 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 personal information required under this form is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or, where applicable, the regulator in the jurisdiction(s) where the form is filed, at the address(es) listed at the end of this report.

### **Authorization of Indirect Collection of Personal Information for Distributions in Ontario**

The attached Schedule I contains personal information of purchasers and details of the distribution(s). The issuer hereby confirms that each purchaser listed in Schedule I of this report:

- (a) has been notified by the issuer
  - (i) of the delivery to the Ontario Securities Commission of the information pertaining to the person as set out in Schedule I,
  - (ii) that this information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation,
  - (iii) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and
  - (iv) of the title, business address and business telephone number of the public official in Ontario, as set out in this report, who can answer questions about the Ontario Securities Commission's indirect collection of the information, and
- (b) has authorized the indirect collection of the information by the Ontario Securities Commission.