



## **PRESS RELEASE**

**Thursday, June 30, 2011**

# **Inter-Citic Announces Mineral Resource Update for Dachang Gold Project and Filing of Technical Report**

## **Inferred resource estimate increases by more than 400,000 Oz Gold**

**June 30, 2011, Toronto, ON:** Inter-Citic Minerals Inc. (TSX-ICI; OTCQX-ICMTF) (“Inter-Citic” or “the Company”) President and CEO James Moore is pleased to report an update to its inventory of mineral resources for its Dachang Gold Project and the filing of an independent Technical Report under NI 43-101 prepared by Micon International Co Limited (“Micon”).

### **HIGHLIGHTS**

- Estimated Measured and Indicated mineral resources reported of 17.2 million tonnes grading 3.41 g/t Au (1.88 million ounces contained gold); and,
- Estimated Inferred mineral resources of 21.26 million tonnes grading 2.83 g/t Au (1.93 million ounces contained gold) – an increase of approximately 409,000 oz over the previously reported mineral resource estimate released July 19, 2010.
- These estimates of mineral resources are not affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues.

### Dachang Mineral Resources at June 28, 2011

Location	Resource Category	Million Tonnes	Grade (g/t Au)	Contained Gold (million oz)
Dachang Main Zone and Placer Valley	Measured	5.00	3.55	0.57
	Indicated	12.20	3.34	1.31
<b>Total Measured and Indicated</b>		<b>17.20</b>	<b>3.41</b>	<b>1.88</b>
Dachang Main Zone and Placer Valley	Inferred	9.70	2.97	0.93
NR-2 Anomaly	Inferred	1.30	5.81	0.24
Exploration Areas	Inferred	10.27	2.31	0.76
<b>Total Inferred</b>		<b>21.27</b>	<b>2.83</b>	<b>1.93</b>

*(Cut off grade for the above table is 0.6 g/t Au)*

Micon has calculated the break-even cut-off grade for Dachang mineralization to be 0.6 g/t gold based on a gold price of US\$750 per ounce.

Measured Mineral Resources were defined as those portions of the mineralised blocks where the average distance of all the samples used is less than 70m, with a minimum distance of 20m from the block centre. In addition, the blocks were estimated using a minimum of 2 drill holes, with a minimum of 6 and a maximum of 16 samples.

Indicated Mineral Resources were defined as those portions of the mineralised blocks where the average distance of all the samples used is less than 90m, with a minimum distance of 50m from the block centre. In addition, the blocks were estimated using a minimum of 2 drill holes, with a minimum of 6 and a maximum of 16 samples.

Inferred Mineral Resources were defined as those portions of mineralised area that are based on wide spaced drilling. The confidence on geological continuity has been interpreted, but there is not enough drilling to confirm the confidence on grade.

#### **UPDATED MINERAL RESOURCE ESTIMATE OVERVIEW**

The mineral resources for the Dachang Main Zone ("DMZ") and the Placer Valley Zone ("PVZ") were determined by Micon using computerized block modelling methods. These resources supersede those reported for the zones in 2009. The mineral resources reported for the NR-2 zone at the North River area are unchanged from those determined by Wahl in 2005 (reported in a press release on December 12, 2005), and were reviewed in 2008 by B. Terrence Hennessey, P.Geo. of Micon, who took responsibility for them. The NR-2

resources were estimated using polygonal method and are classified as inferred resources. In 2009 Inter-Citic staff estimated a small amount of additional new mineral resources in certain exploration areas drilled in 2008. These were also determined using sectional polygonal methods and were reported in the 2009 technical report and were updated in 2010. In 2010, Inter-Citic conducted a 25,070m drill program and a 9,800m trenching program focused on expanding the resources outside of the DMZ and PVZ. The new exploration area resources are entirely in the inferred category based on the level of information.

## **MAIN ZONE AND PLACER VALLEY RESOURCE**

Micon has carried out a resource estimate for the DMZ and PVZ using geology and assay information from 880 drill holes and 430 surface trenches. Primary assay data were composited for gold and were analyzed to determine the basic statistical and geostatistical parameters. This information has been used in several modelling algorithms, which have been compared and checked for validity. A total of 116 specific gravity measurements were collected. The final resource has been categorized into indicated and inferred categories in accordance with the JORC and CIM guidelines.

Based on analysis of grade distribution, individual assays were capped at a maximum of 40 g/t Au. The capped assays were composited to a standard length of 1 m. Three-dimensional wireframe solids were prepared for 22 mineralised zones, 14 in the DMZ and 8 in the PVZ, using a cut-off grade of 0.5 g/t Au. A block model was created with blocks measuring (X) 10 m by (Y) 5 m by (Z) 5 m.

Grades were interpolated into individual blocks by ordinary kriging, using separate search ellipsoid dimensions for each vein group based on variography. The average of the specific gravity measurements made by Inter-Citic was 2.7, and a bulk density of 2.7 t/m<sup>3</sup> was used to convert volumes to tonnages. The block model was validated by visual inspection, and by three analytical techniques. All validation methods demonstrated that the ordinary kriging estimation had not introduced any bias or over-estimation into the block model.

Both the CIM and JORC definitions require that reported mineral resources must have reasonable prospects for eventual economic extraction. In Micon's opinion, the appropriate cut-off grade for reporting mineral resources for the DMZ and PVZ is 0.6 g/t Au.

## **EXPLORATION AREAS**

Since 2008, Inter-Citic has completed 163 drill holes outside the areas of the DMZ, DMZ-X and PVZ which were included in the geostatistical resource. This drilling, along with results from nearby trenching and inferences made from soil geochemistry, has allowed Inter-Citic to estimate preliminary mineral resources for several target zones in exploration areas. Those zones include Placer Valley East, Ruby Zone, 861 Zone, XP Zone, Acadia Zone and NR1.

The exploration area mineral resources were estimated using the sectional polygonal method, as have all previous initial inferred resources at Dachang. The anastomosing brittle faults hosting the mineralisation are difficult to interpret, geologically domain and block model until a significant amount of drilling has been completed.

The updated exploration area mineral resources presented were based on interpretation of continuous mineralisation as determined from drill and trench logs and assays, interpreted on section, and were sometimes influenced by plan interpretation of soil sample results. Full zone width composites were calculated for each drill hole and trench using a 0.5 g/t Au cut-off and a minimum required value of 2.0 gram-metres (g-m), with individual composites carrying up to 2.0 m (drilled width) of internal waste. Exceptions to these rules occur, when necessary, to allow for consistent geological interpretation and to avoid a misleading interpretation regarding the deposit grade.

The mineral resources determined for the exploration areas are set out in the table below:

### Exploration Area Inferred Mineral Resources as at June 28<sup>th</sup> 2011

<b>Zone</b>	<b>Million Tonnes</b>	<b>Au Grade (g/t)</b>
Acadia	2.55	1.81
861/XP	1.70	2.78
North River 1	1.44	2.10
DMZ - Extension	2.54	2.02
DMZ - North	0.33	2.76
PVZ - Extension	1.40	3.15
Ruby Zone	0.31	2.85
<b>Total</b>	<b>10.27</b>	<b>2.31</b>

Concurrent with this press release, the Company will file a new independent technical report on SEDAR.

The updated mineral resource estimate for the DMZ and other exploration areas was prepared for the Company under the supervision of Stanley C. Bartlett, P.Geo., and Dibya Kanti Mukhopadhyay, M.Sc., MAusIMM (CP) of Micon International Co Limited independent "Qualified Persons" as that term is defined under National Instrument 43-101. The estimate complies with the CIM mineral resource definitions referenced in National Instrument 43-101. Mr. B. Terrence Hennessey, P.Geo., a Qualified Person under the requirements of National Instrument 43-101, has also reviewed a copy of this press release.

**On Behalf of the Board:**

**“James J. Moore”**

**President & CEO**

**ABOUT INTER-CITIC:**

Toronto-based Inter-Citic Minerals Inc. is an exploration and development company advancing its Dachang Gold Project in the People’s Republic of China. Inter-Citic is listed on the TSX under the symbol ICI. Inter-Citic’s website is [www.inter-citic.com](http://www.inter-citic.com).

**FOR FURTHER INFORMATION PLEASE CONTACT:**

Stephen Lautens  
Vice President, Corporate Communications  
Inter-Citic Minerals Inc.  
(905) 479-5072 x 227  
[stephen@inter-citic.com](mailto:stephen@inter-citic.com)

*Investors are encouraged to review “Risk Factors” associated with the Dachang project as outlined in the Company’s 2010 Financial Statements and Annual Information Form, along with updates, available on the SEDAR website at [www.sedar.com](http://www.sedar.com). The statements herein that are not historical facts are forward-looking statements. These statements address future events and conditions and so involve inherent risks and uncertainties, as disclosed under the heading “Risk Factors” in the company’s periodic filings with Canadian securities regulators. Actual results could differ from those currently projected. The Company does not assume the obligation to update any forward-looking statement. The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release*

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