



**Indo Gold Limited** ACN 110 982 315

## PRESS RELEASE

Brisbane, Queensland, 31<sup>st</sup> December, 2008:

### **SCRUBBY HILLS ZINC-LEAD PROSPECT**

### **GREENFIELDS DISCOVERY THROUGH TO DRILL TARGET DEFINITION**

### **JAGPURA PROJECT JV AREA**

Indo Gold Limited (IGL) takes pleasure to announce some very positive results from its ongoing exploration programme within its 70%-owned Jagpura project, in JV with MMI.

Our exploration team has discovered a very large base metal geochemical anomaly in the Jagpura North RP. The 3-year term of this permit expired in October 2008 however sufficient work was undertaken to identify all areas of remaining interest which were covered by multiple PL applications.

The programme on the Jagpura North RP was resumed earlier in the second half after the monsoons, although wet ground hampered and slowed progress. The focus has been on follow-up of a strong zinc-lead stream anomaly disclosed by our earlier regional stream sediment survey in the north-east part of the permit. Follow-up commenced prior to the monsoons and included soil sampling on selected lines, 400m apart with sampling at 50m intervals along lines, together with grab rock chip sampling and scout geological mapping. The terrain is quite rugged and remote and difficult of access.

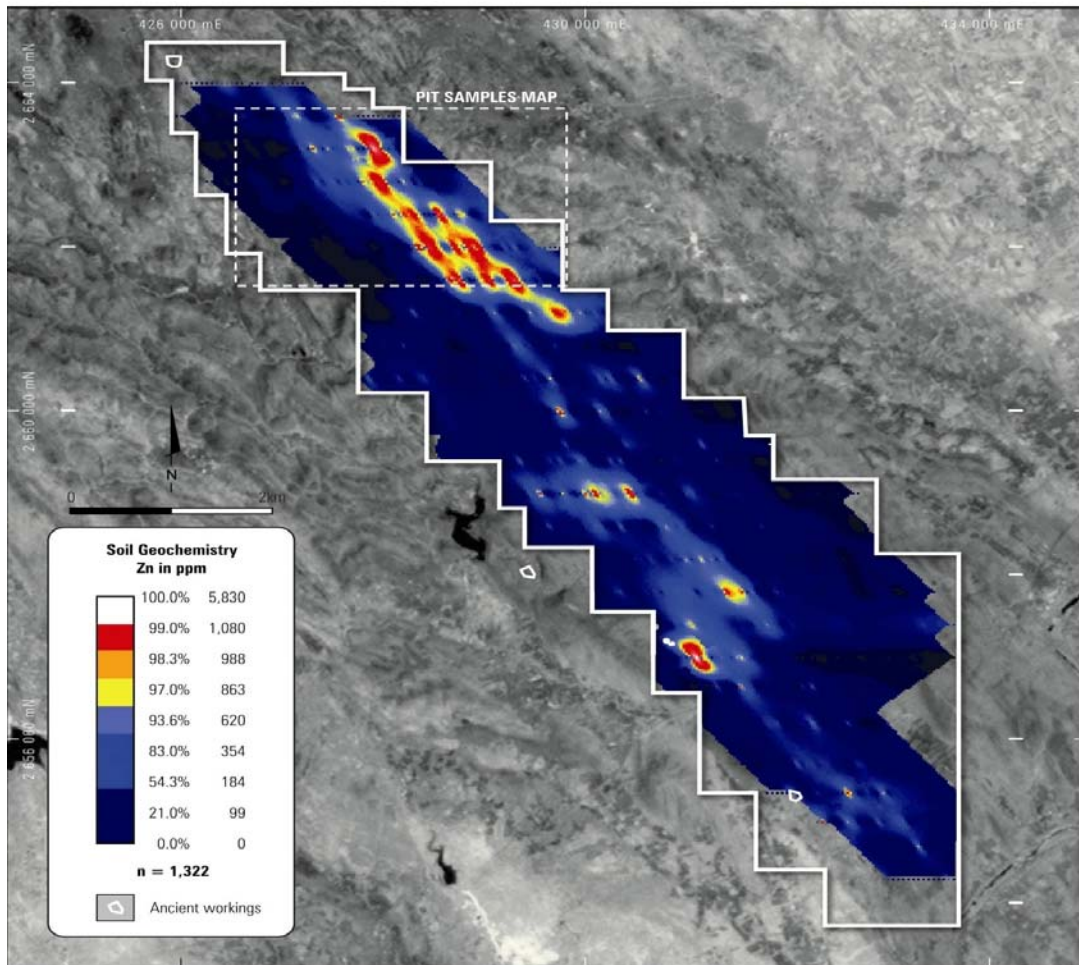
Three prospects were selected for soil sampling, the best results to date emerging from the **Scrubby Hill Zn-Pb Prospect**, where stream sediment samples ranged from 600 to 1400 ppm Zn. Here, only 4 soil lines had been completed pre-monsoon with coverage being extended after. The anomaly disclosed by soil sampling is open both to the north and south and comprises two anomalous bands hosted in carbonaceous shales flanking a central ridge of quartzite. The main zinc anomaly ranges from 800 to 4422 ppm Zn and is extremely well supported by the lead results ranging from 200 to 639 ppm Pb.

Additional soil sampling lines were completed, together with pitting to bedrock at 25 m intervals along lines 400 m apart. More detailed pitting is to be continued until the expiry of the preferential right period in January, initially aiming to close the grid to 200 x 12.5 m and then if time permits to 100 x 12.5 m spaced sampling.

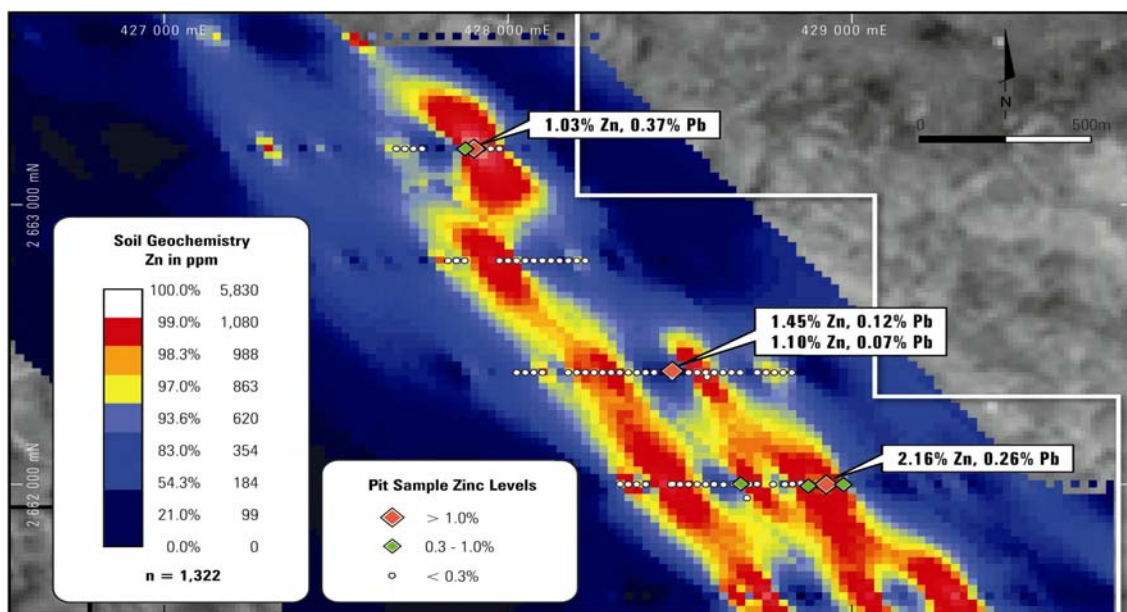
The Scrubby Hill prospect is being defined as a series of en echelon anomalous trends in highly folded carbonaceous phyllites extending over a strike length in excess of 2000 m and across strike for several hundreds metres, so could represent a major base metal mineralised domain.

Some fresh sulphides (galena) were observed in outcrops but generally the only obvious signs of mineralisation are oxidised sulphides along cleavage planes. Additional geological

and geophysical characterisation of this occurrence is required before we can judge its relative importance in the future exploration programmes here.



**Scrubby Hill PLA and Zn Soil Anomalies**



**Area of Pitting at Scrubby Hills**



**F2 folds in carbonaceous phyllite showing remobilisation of oxidised sulphides into vertically aligned S2 cleavage**

For further information please contact:

Mike Higgins - Managing Director, [mhiggins@indogold.com.au](mailto:mhiggins@indogold.com.au)

Chris Rashleigh – Director, [crashleigh@indogold.com.au](mailto:crashleigh@indogold.com.au)

Ph: +61-7-3217 5100

Fx: +61-7-3217 5211

[www.indogold.com.au](http://www.indogold.com.au)