



PRESS RELEASE

Brisbane, Queensland, Friday 9th September 2005:

**FURTHER SIGNIFICANT DRILL INTERCEPTS FROM THE
BHUKIA PROSPECT IN RAJASTHAN, INDIA**

Indo Gold is delighted to announce the results from the final batch of sampling from the recently completed drilling programme at its Bhukia Prospect in Rajasthan (see also Press Release dated 22nd August 2005), where a combined Reverse Circulation Percussion (RC) and Diamond Drilling (DD) programme has confirmed extensive, near surface gold (copper) mineralization:

- **NEW INTERSECTIONS INCLUDE:**
 - 32 m @ 2.23 g/t Au, 0.09% Cu
 - 42 m @ 1.65 g/t Au, 0.08% Cu
 - 47 m @ 2.53 g/t Au, 0.11% Cu
 - 53 m @ 2.05 g/t Au, 0.22% Cu

This drilling confirms the previous exploration drilling from this prospect with most intercepts being better than those obtained by HZL, as evidenced by the representative sections, attached. On the basis of these and previously reported results, the Company's Exploration Manager, Mr. Antony Truelove, has classified the estimate at the SESW Zone as an Inferred Resource of 570,000 ounces gold. This classification is in accord with guidelines contained in the JORC Code. The planned re-sampling of old drill cores might result in this classification being improved to largely the Indicated Resource category.

Three distinct styles of gold mineralisation have been identified in various lodes at the SESW Zone, ranging from low to high arsenic/copper contents. Quarter core bulk samples representing each of these styles have been dispatched to AMMTEC Laboratories in Perth, Western Australia for metallurgical testing.

In order to cross check on assay results from Shiva Laboratories in Bangalore, a total of 52 quarter core and RC re-split samples was collected and dispatched to Genalysis Laboratories in Perth.

One other Reconnaissance Permit (RP) application has been approved and is expected to be granted soon, whilst another two new applications were lodged to cover northern and southern extensions of the mineralised gold-copper belt. The new northern RP application was lodged to protect the Company's position over the well mineralised Salambar Dome structure, where multiple copper and gold showings are reported by past GSI work.

If all applications are granted, the total landholding for the Jagpura project will be 2,135 km².

An important new discovery was made during the last month, along the regional trend but well to the south of the drilled area, which prompted the application of the new southern RP area. Reconnaissance mapping to check a prominent 3.5 km x 1.3 km magnetic complex located mixed, largely iron sulphides over a wide interval in a new irrigation canal development. This is a +1,000 m wide sulphidic alteration zone in carbonate sequence similar to that being drilled at Bhukia, with altered, red granite and pegmatite variants suggestive of possible “porphyry” style setting. Trace copper and visible molybdenite were identified, however gold content in the limited grab samples taken to date is negligible.

Details from the final batch of sampling of drill core are tabulated below:

Drill Hole	Coords	Dip/ Azimuth	Intercept metres @ g/tAu (0.25g/tAu cutoff)		Intercept metres @ g/tAu (0.80g/tAu cutoff)
IBD004	1300S/424E	50°/ 090°	32m (from 51m) @ 2.23 14m (from 89m) @ 1.17	including	25m @ 2.66
IBD001	1450S/346E	50°/ 090°	42m (from 23m) @ 1.65 (1.61) 50m (from 74m) @ 1.26 47m (from 131m) @ 2.51 (2.10)	including including including	25m @ 1.93 (1.91) 14m @ 2.51 27m @ 3.84 (3.13)
IBD003	1200S/320E	50°/ 090°	27m (from 80m) @ 1.46 53m (from 111m) @ 2.05 (1.69)	including including	17m @ 1.92 3m @ 3.15 5m @ 2.35 8m @ 6.44 (4.10) 5m @ 3.50

Notes:

1) The first intercept shown for IBD001 includes the intercept of 27m (from 23m) @ 1.88 g/tAu previously reported by Press Release dated 22 August 2005.

2) It is apparent from statistical analysis that a low grade gold cutoff of 0.25g/tAu is needed to provide certainty of correlation of geological and mineralization elements, from hole to hole and section to section, and provide an insight into possible bulk mining intervals. At this early stage, a decision has not been taken on reporting of an upper cutoff; it could be 10g/tAu or even lower, at around 8g/tAu as previously used by HZL. The intercepts shown above have no upper cutoff, but do include those at a 10g/tAu upper cutoff, in brackets.

3) RC samples were collected using standard cyclone with the entire sample being riffle split to a nominal 2kg, bagged for dispatch to Shiva Laboratories in Bangalore. The remaining sample is stored locally. Diamond drill core (NQ/HQ) is cut in half over the entire hole length, half of this is then cut to provide quarter core samples in usually 1m intervals, which are then dispatched to Shiva. Samples are processed at Shiva Laboratories with gold assayed by Fire Assay on 30g charge.

3) The information in this report which relates to Exploration Results is based on information compiled by IGL's Consulting Geologist, Mr Antony Truelove, BSc(Hons), MAIG. Mr Truelove has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the overall exploration activity and management which he is undertaking on behalf of IGL, to so qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” – the JORC Code. Mr Truelove consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Commenting on these results, IGL's Managing Director, **Mr Michael Higgins**, says “*The final batch of samples have returned more excellent intercepts and proven that we are dealing with a large mineralised system. Taken as a whole, our drill intercepts are marginally better than those previously reported by HZL in similar locations.*”

We are hopeful that current negotiations will lead to us obtaining old GSI and HZL data, including full reports, drill logs and assay sheets, the MINTEK metallurgical study, as well as access to core for re-sampling.

Reconnaissance work continues to expand the scope of this mineralized province, and we are very excited about the discovery of possible “porphyry” style mineralisation located south of the Bhukia Prospect.”

Indo Gold Limited (IGL) is an unlisted, privately funded Australian exploration and development company focused on gold and related metals exploration in India. IGL currently has 12,800,000 Ordinary Shares and 3,000,000 Options on issue.

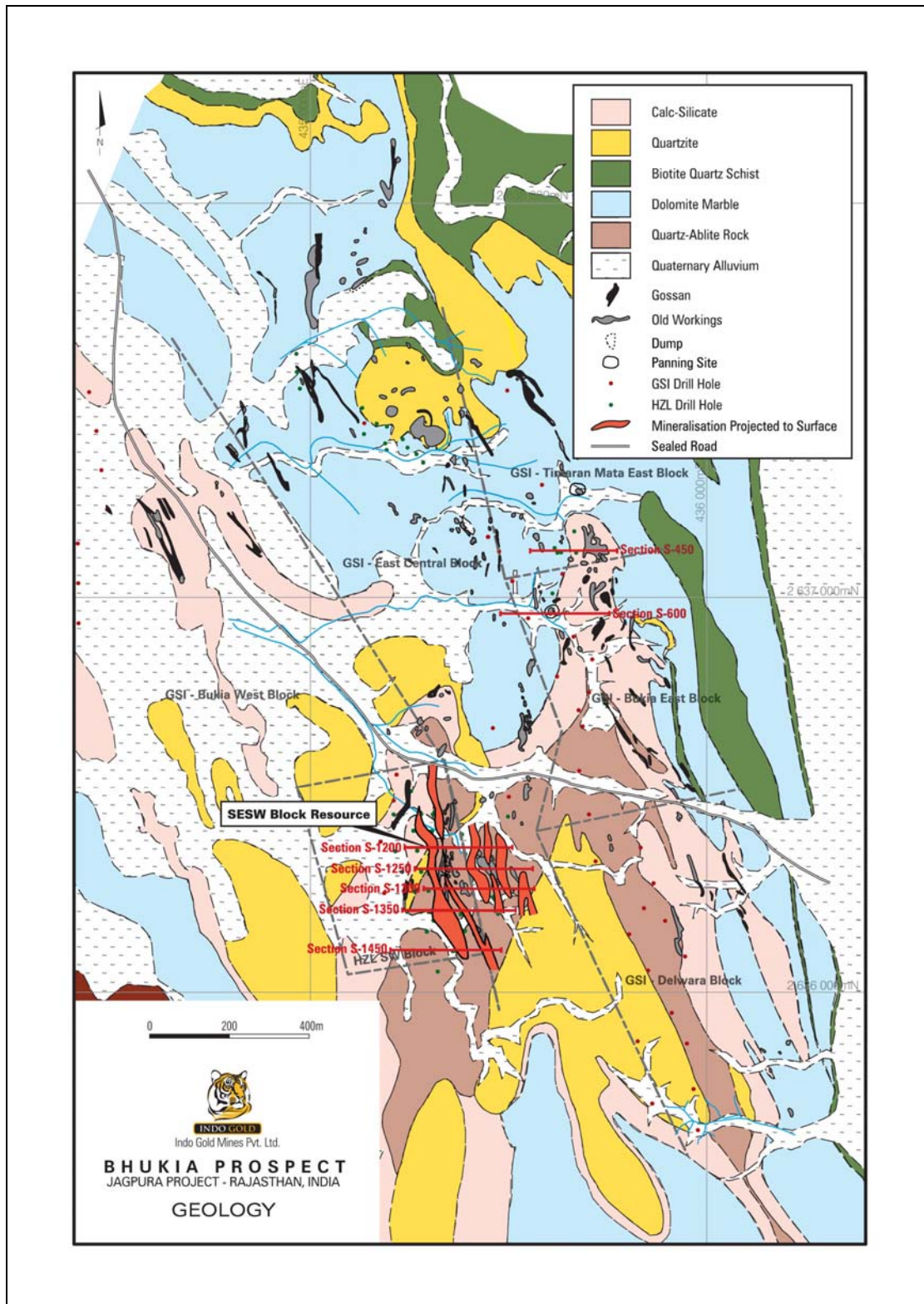
Its primary property is the Jagpura Project in Rajasthan, where the Bhukia Prospect forms part of the tenement holding. The project area is held in joint venture with an Indian private company, Metals Mining India Pvt. Ltd. (MMI). IGL's Indian subsidiary, Indo Gold Mines Pvt Ltd (IGMPL), holds 70% of the joint venture, with MMI holding the balance of 30%.

Through its joint venture with MMI, IGL has exploration applications pending in other States of India. All these are targeted at highly prospective gold or gold-copper occurrences identified through past exploration work of government geological agencies.

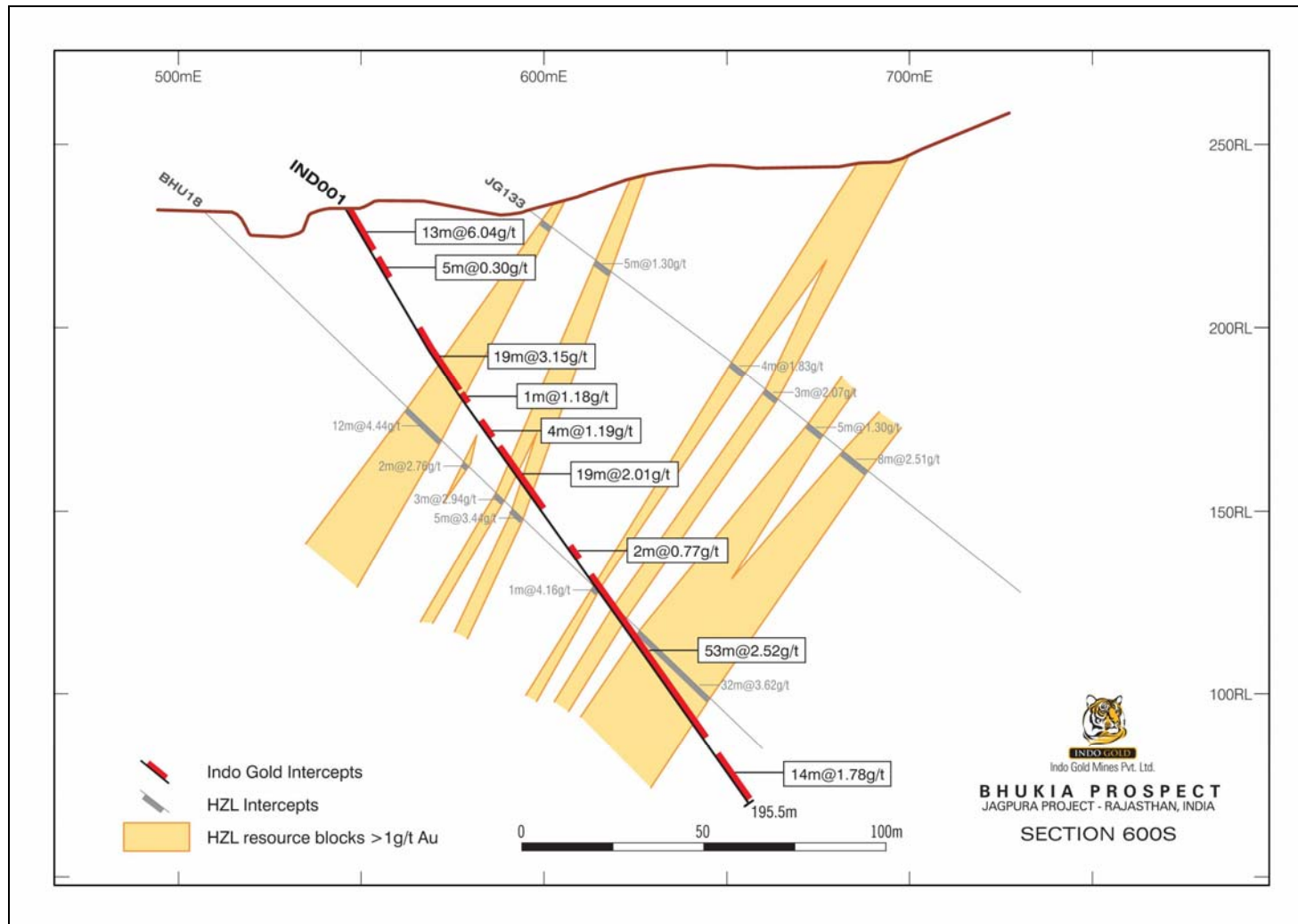
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Bhukia Prospect - Geology



Bhukia Prospect – Section 600S



Bhukia Prospect – Section 1200S

