

Great Boundary Fault project – Key Facts

Indo Gold Limited (“IGL”) has a 21.6% shareholding in Bengal Minerals Pty Ltd (“BMPL”), and manages its activities in India under an informal shareholder arrangement. BMPL was set up to advance non-gold exploration and development opportunities identified in India, separately funded from IGL.

The following applications covering this project have been made in the name of BMPL’s 100% owned Indian subsidiary Bengal Exploration India Pvt Ltd (BEIPL): -

- RP8/2006 (**Sawaimadhapur**) - Applied for 23/06/2006 (1395km²). Latest correspondence from GOI to GoR on 4/2/2009 seeking further clarifications. Based on status published on GoI website, on 18/8/2009 the RPA was approved for grant and the file sent back to GoR for execution.
- RP9/2006 (**Bharatpur**) - Applied for 27/06/2006 (3914 km²). Latest correspondence from GOI to GoR on 4/2/2009 seeking further clarifications. Based on status published on GoI website, on 18/8/2009 the RPA was approved for grant and the file sent back to GoR for execution.

Notes: GoR = Govt of Rajasthan; DMG = Dept of Mines and Geology, Rajasthan; GoI = Govt of India.

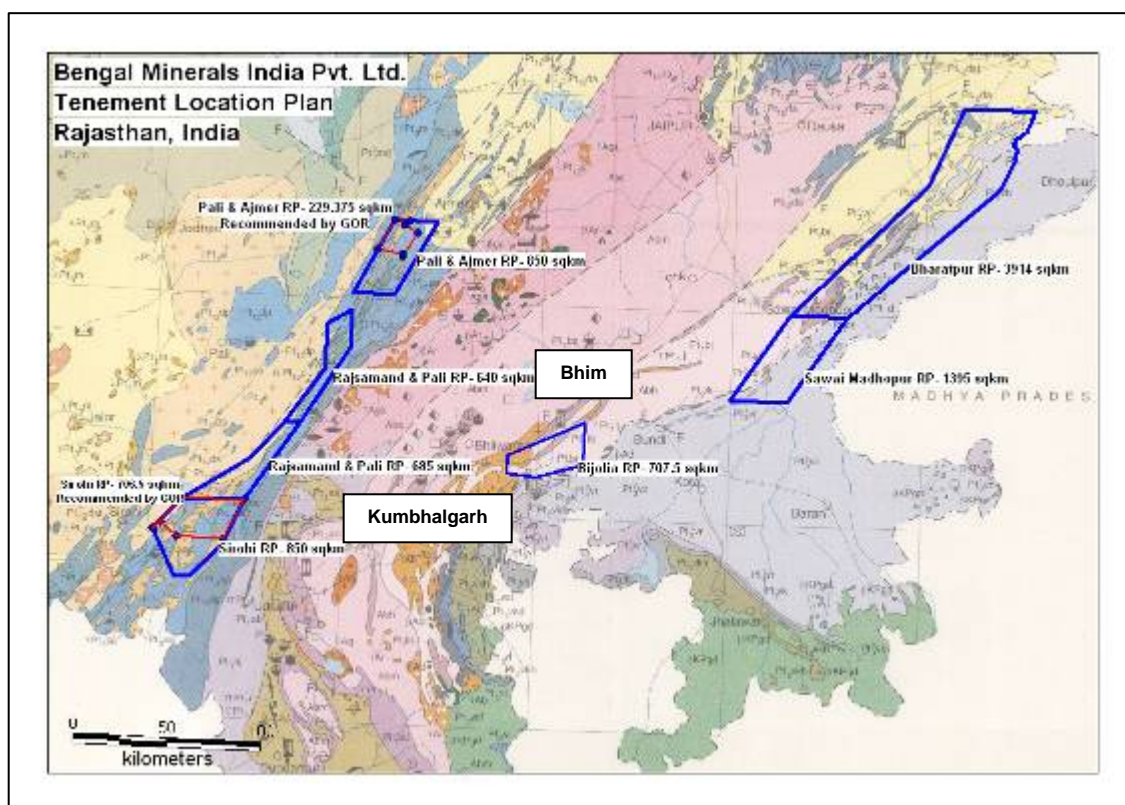


Figure 1 - Tenement Applications

These RPAs were made to cover the north-western boundary of the Mesoproterozoic Vindhyan Basin with the Archaean Basement Gneiss Complex and Palaeoproterozoic Aravalli Fold Belt (Figures 1 & 2 and Photo 3). The main exploration interest in this area is for **diamonds**, as many of the known kimberlite pipes and diamond occurrences are located at the fault contacts of Mesoproterozoic to Neoproterozoic basins with Archaean or Palaeoproterozoic cratons (Figure 2). In particular the operating Panna diamond mine and RTZ’s new Bunder Pipe discovery are located in an identical sub-parallel setting to the ESE.

In addition to diamonds, the geological setting here is similar to the Rum Jungle uranium field in the Northern Territory of Australia, based on the major unconformity between oxidised sandstones of the Vindhyan Basin and reduced, carbonaceous shales within the underlying Archaean & Palaeoproterozoic cratons (Photos 1 and 2). The presence of Iron Oxide Copper Gold (IOCG) deposits (e.g. Khetri) and uranium bearing black shales within the basement sequence also suggests potential for **unconformity related uranium mineralisation** is good.

Whilst it is currently not feasible for foreign companies to explore for uranium in India, it is possible that this may change in the near future and hence this potential should not be overlooked.

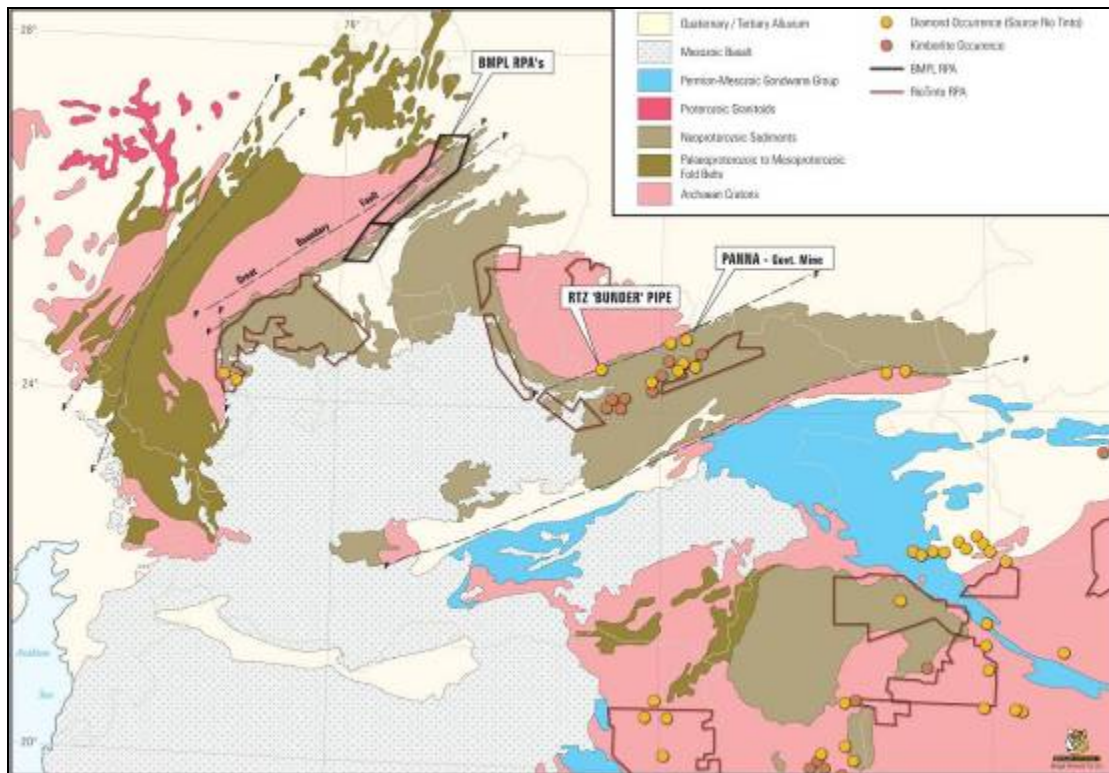


Figure 2 - Geological Setting of Diamonds in Northern Peninsula India



Photo 1 - Oxidised Sandstone, Basal Vindhyan Basin



Photo 2 - Oxidised Sandstone / Conglomerate, Basal Vindhyan Basin



Photo 3 - Looking over Archaean/Palaeoproterozoic from Vindhyan Unconformity