



**Indo Gold Limited** ACN 110 982 315

## PRESS RELEASE

**Brisbane, Queensland, 9<sup>th</sup> April, 2009:**

### **INDO GOLD LTD. INVESTS IN BENGAL MINERALS P/L**

During the past month, the Indo Gold Limited (IGL) directors agreed to invest A\$100,000 as seed capital in the Australian private company Bengal Minerals Pty Ltd (BMPL), a company associated with many of the IGL shareholders and which undertakes non-gold exploration in India. This follows a strategy outlined in Information Memoranda under-pinning its previous two financings, namely that the ultimate goal is to “bring Bengal’s Indian non-gold assets under the Indo Gold umbrella”.

BMPL has an attractive suite of applications pending throughout Rajasthan, none of which are granted yet, but many of which are recommended (by the State) for grant and so should be granted soon, all things being equal.

BMPL has a total of 9,316 km<sup>2</sup> of applications pending in Rajasthan over three project areas: one for diamonds-uranium; one for base metals-PGMs-gold; the other for iron ore, IOCG copper-gold and base metals. There are seven (7) RPAs in total and we are advised that certain of these are close to being granted. BMPL also has unsuccessfully tried to deal on other, more advanced opportunities elsewhere in India, including: (a) old copper mines in Jarkhand and Rajasthan; (b) old chromite pit with untested PGM potential in Orissa; and fluorite mining/processing JV with state-agency in Gujarat. It will continue with this M&A approach in India and continues to review non-gold opportunities outside India.

BMPL has sufficient funds to meet the existing commitments of its sole-Indian subsidiary, Bengal Exploration (India) Pvt Ltd (BEIPL), but no more. It will need working capital for future commitments, including start-up of exploration when RPs are granted, and ongoing business development in and outside of India.

The terms of the deal are that BMPL will issue 500,000 new shares to IGL at a price of A\$0.20 each, which will then bring the total number of BMPL shares on issue to 2,310,000, resulting in IGL retaining a 21.6% holding.

IGL’s Directors have agreed this deal and recognised it as a fair and reasonable entry into a potentially valuable suite of exploration properties in Rajasthan.

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