



Indo Gold Limited ACN 110 982 315

PRESS RELEASE

Brisbane, Queensland, 31st January, 2008:

LEGAL PROCESS PURSUED TO SECURE JV RIGHTS OVER BHUKIA

Indo Gold Limited (IGL) has to announce that, unfortunately, the situation with respect to our Rajasthan tenements has not improved and in various meetings during January we have not been able to obtain a negotiated solution with the Rajasthan Government.

As such, the legal challenge has continued and at the Revision Authority hearing in Delhi on 21 January we were granted an interim stay order against the April 2007 decision of the Rajasthan Government to refuse our Bhukia PL application. This was seen by our Senior Counsel and legal advisors as a very good start. A further hearing on the stay order is due in around 3 weeks time.

We also have challenged the notification by the Rajasthan Government that reserves lands in and around Bhukia for departmental exploration. On 18 January we filed a Writ Petition and application for Stay Order against this notification at the High Court in Jodhpur. Our legal advice from recognized law firms in Jaipur and Delhi and from our nationally prominent Senior Counsel is consistent and clear, to the effect that:

- the notification to reserve land in Banswara District for departmental exploration for gold is without any proper legal authority;
- the Department cannot carry through with the intention evident by the reservation and at the same time honour the RP deed entered into between the Government and our company (via MMI).

We have obtained strong support and assistance from the Australian High Commission in Delhi.

For further information please contact:

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