



# India Resources Limited

989 Wellington Street,  
West Perth Western Australia 6005

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9 July 2009

Manager Announcements  
Company Announcements Office  
ASX Limited  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

## INDIA RESOURCES LIMITED SHARE PURCHASE PLAN

As announced by India Resources Limited (Company) on 3 July 2009, eligible shareholders of the Company are being offered the opportunity to purchase up to \$15,000 worth of shares in the Company under the India Resources Limited Share Purchase Plan (Plan).

### Indicative timetable

Announcement of Plan	3 July 2009
Record Date (5.00 pm WST)	3 July 2009
Despatch of Offer documentation	9 July 2009
Opening date of Offer	10 July 2009
Closing date of Offer (5.00 pm WST)	31 July 2009
Issue of Shares under the Plan	5 August 2009
Despatch date for holding statements	7 August 2009
Quotation of Shares on ASX	12 August 2009

Attached is a copy of the Plan documents which have been sent to eligible shareholders of the Company.

The Plan is being offered pursuant to Class Order 09/425 issued by the Australian Securities and Investments Commission on 18 June 2009. It is a condition of Class Order 09/425 that the Company gives ASX Limited this notice within the 24-hour period before the Plan is offered.

India Resources Limited gives notice that:

1. the Company will be making offers to issue shares under a share purchase plan without disclosure to investors under Part 6D.2 of the Corporations Act and/or without giving a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act;
2. this notice is given in accordance with ASIC Class Order 09/425;



3. as at the date of this notice, the Company has complied with:
  - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company;  
and
  - (b) section 674 of the Corporations Act; and
  
4. as at the date of this notice, there is no information that is “excluded information” (in accordance with the requirements of subsections 708A(7) and 708A(8) or subsections 1012DA(7) and (8) of the Corporations Act, as if the notice was a notice under paragraph 708A(5)(e) or 1012DA(5)(e) of the Corporations Act).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Arvind Misra', with a horizontal line underneath the name.

**Arvind Misra**  
Managing Director  
India Resources Limited



# India Resources Limited

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9 July 2009

Dear Shareholder

## **INVITATION TO PARTICIPATE IN SHAREHOLDER SHARE PURCHASE PLAN**

The Board of Directors of India Resources Limited (Company or IRL) is pleased to offer to shareholders the opportunity to participate in the Company's Share Purchase Plan (Plan). The Plan entitles Eligible Shareholders in the Company, irrespective of the size of their shareholding, an opportunity to purchase up to \$15,000 worth of fully paid ordinary shares in the Company at an issue price of 2 cents per Share (Offer).

Details of the Offer are set out in this letter and in the enclosed terms and conditions of the Plan and the Acceptance Form.

The right to participate in the Offer is available exclusively to shareholders who were registered as holders of Shares in the Company as at 5.00 pm (WST) on the record date of 3 July 2009.

### **Issue price of shares under the Offer**

The issue price of 2 cents per Share represents a discount of 7.8% to the average closing price of the Company's Shares on the Australian Securities Exchange, during the 10 trading days immediately before the date of the announcement of this Offer on 3 July 2009, and is free of brokerage and commission.

### **Company update and use of funds**

During the last 12 months IRL has made significant improvements in the management of the group's cash flow, in particular, in reducing administration and exploration expenditure. It is envisaged that operating cash flows from the Surda copper mine in India will continue to improve as the Company benefits from increased production levels. In addition, the Company will also benefit from an estimated \$4 million in cash inflows from the deed of company arrangement recently announced by Monarch Gold Mining Company Limited. This will enable the Company to reduce debt levels and position itself for future opportunities.

Recently we have made several important announcements about several strategic initiatives, including:

#### *Exploration projects*

The Aravalli base metals project located in Rajasthan State is now the subject of a farm-in joint venture agreement with RBG Minerals which has agreed to spend \$US1.1 million in further exploration and development to earn a 51% interest in the project.

IRL has also introduced a joint partner to its Indian diamond projects, a private Indian diamond company, Vajra Diamond Mining Private Limited (Vajra). Vajra will spend US\$500,000 to earn an 80% interest in the project areas. In addition, Vajra will pay IRL US\$500,000 from its mining revenue on the diamond projects and IRL has the right to carry out mining at commercial rates.



IRL holds several applications for iron and copper permit areas in various states of India. Whilst we wait for the outcome of these applications we are actively seeking partners to fund exploration activities after the grant of the licences.

*Perth office*

Perth office staffing levels have been reduced to four full time employees including two executive directors. The remaining staff, including all directors, have agreed to significant salary reductions.

*Surda mine*

Monthly production rates at the Surda copper mine are consistently above the operating cash flow break-even level for the project. We expect to see a significant increase in revenues if the current sales excise tax arbitration proceedings are decided in favour of IRL. An arbitration decision is expected shortly.

Funds raised under the Plan will be used to fund the Company’s current activities, including general working capital, Perth office administration costs and review of further development opportunities in India.

**Subscription and application procedure**

If you would like to participate in the Offer, please return your completed Acceptance Form (enclosed), together with your cheque for the applicable subscription monies, on or before the **closing date of 5.00 pm (WST) on 31 July 2009**. No late applications will be accepted.

Under the Offer, an Eligible Shareholder may only elect to purchase Shares as follows:

<b>Offer</b>	<b>Number of Shares</b>	<b>Subscription amount</b>
Offer A	250,000	\$5,000
Offer B	500,000	\$10,000
Offer C	750,000	\$15,000

Any shortfall to the Offer may be placed at the discretion of the directors up to the amount permitted under ASX Listing 7.1. The Offer is not underwritten.

**Indicative timetable**

Announcement of Plan	3 July 2009
Record Date (5.00 pm WST)	3 July 2009
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Closing date of Offer (5.00 pm WST)	31 July 2009
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Despatch date for holding statements	7 August 2009
Quotation of Shares on ASX	12 August 2009

These dates are indicative only. The Company may vary the dates and times of the Offer (including extending the closing date) without notice. Accordingly, Eligible Shareholders are encouraged to submit their Acceptance Forms as early as possible.

**Custodians**

If you are an Eligible Shareholder and are also a custodian for the purposes of ASIC Class Order CO 09/425 (Custodian) you may acquire Shares on behalf of beneficiaries on whose behalf you hold the Shares. If you would like to participate in the Offer in your capacity as a Custodian, please return your completed Acceptance Form (enclosed), together with your cheque for the applicable subscription monies and the details of each participating beneficiary, on or before the closing date of the Offer. No late applications will be accepted.

**ASX Listing Rules**

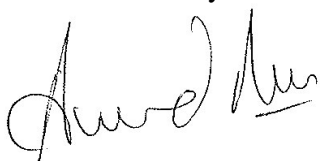
Under the ASX Listing Rules, the total number of Shares under the Plan must not exceed 30% of the number of Shares currently on issue. Accordingly, the Company reserves the right to scale back the number of Shares issued to shareholders under the Plan if subscriptions exceed the maximum limit.

If you wish to participate in the Plan please ensure that you return the completed Acceptance Form and your cheque for the subscription amount prior to the closing date of the Offer.

I hope that you will give favourable consideration to this Offer as a convenient means of increasing your shareholding in the Company.

Should you wish to discuss any information contained in this letter, please contact either the Company or share registry, Computershare Investor Services Pty Ltd, on (61-8) 9323 2000.

Yours faithfully



**Arvind Misra**  
Managing Director  
India Resources Limited



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**SHARE PURCHASE PLAN - TERMS AND CONDITIONS**

These terms and conditions are the terms and conditions of the India Resources Limited (Company) Share Purchase Plan (Plan) and are binding on any shareholder completing a Share Purchase Plan Acceptance Form attached hereto.

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**1. THE OFFER**

The Offer is an invitation to eligible shareholders to subscribe for fully paid ordinary shares in the Company (Shares) at a subscription price of 2 cents per Share, up to a maximum subscription of 750,000 Shares (\$15,000). You may choose not to accept the Offer.

The Offer to each eligible shareholder is made on the same terms and conditions. The Offer is non-renounceable (i.e. you may not transfer your right to acquire a Share to anyone else).

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**2. OPENING AND CLOSING DATE OF THE OFFER**

The important dates in relation to this Offer are summarised below.

Record Date	3 July 2009
Offer opening date	10 July 2009
Offer closing date	31 July 2009

These dates are indicative only. The Directors of the Company reserve the right to change the dates and times of the Offer including the closing date. No late applications will be accepted.

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**3. ELIGIBILITY**

You are eligible to apply for the Shares if:

- (a) your registered address in the Company's register of members is in Australia or New Zealand or otherwise to any shareholder to whom an offer of securities under this Plan is not in breach of the securities laws of the country in which they reside; and
- (b) you were registered as a holder of Shares in the Company as at 5.00 pm WST on 3 July 2009 (Record Date).

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**4. ISSUE PRICE**

The issue price for each Share under the Offer is 2 cents per Share. The issue price represents a discount of 7.8% to the average closing price of the Company's Shares for the 10 trading days prior to the date of announcement of the Offer.

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**5. RIGHTS ATTACHING**

The rights and obligations of the Shares are contained in the Constitution of the Company (which is available for inspection at the registered office of the Company during the period of the Offer). The Shares will be issued on the same terms as all other ordinary shares in the Company and the Company will apply for the Shares to be quoted on ASX.

If the Shares are not quoted on ASX, the Shares will not be issued and funds will be refunded.

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**6. NUMBER OF SHARES**

If you are an eligible shareholder, you can purchase up to a maximum of 750,000 Shares for a consideration of \$15,000. Shareholders can select one of the following three alternatives:

Offer A	250,000 Shares	Total amount payable at 2 cents per Share	\$5,000
Offer B	500,000 Shares	Total amount payable at 2 cents per Share	\$10,000
Offer C	750,000 Shares	Total amount payable at 2 cents per Share	\$15,000

The total cost of Shares purchased by each eligible shareholder (including through joint holdings, multiple share accounts or any holding in which they have a beneficial interest) must not exceed \$15,000. The Directors reserve the right to issue to an eligible shareholder less Shares than the number specified in an Acceptance Form for whatever reason including the possible subscription of over \$15,000 worth of Shares by a shareholder through multiple applications or joint holdings. No fractions of Shares will be issued.

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**7. MAXIMUM NUMBER OF SHARES TO BE ISSUED**

The total number of Shares under the Plan must not exceed 30% of the number of Shares currently on issue. Accordingly, the Company reserves the right to scale back the number of Shares issued to shareholders under the Plan if subscriptions exceed the maximum limit. Any scaling down will be pro-rata for all shareholders on the basis of the amount paid. You therefore may be issued with fewer Shares than as set out in the alternative you select from the above.

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**8. PARTICIPATION COSTS**

You must pay the issue price per Share and any fees or charges incurred by you in completing the Acceptance Form (for example, bank fees or fees of professional advisors). The Company will pay any brokerage or stamp duty. No commission is payable by the Company on the issue of the Shares.

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**9. ALLOTMENT OF SHARES**

Subject to Section 7 above, the Shares will be allotted as soon as possible after the closing date. The Company will send to you a holding statement in due course.

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**10. PAYMENT FOR THE SHARES**

All amounts in this Offer are expressed in Australian dollars. You must pay for the Shares by a cheque in Australian dollars made payable to “**India Resources Limited – Share Purchase Plan**”. Please forward a cheque for the exact amount. If you do not provide the exact amount, the Company reserves the right to return your Acceptance Form and cheque (in which case you will receive no Shares) or issue you a lesser number of Shares and (if necessary) return a portion of your funds. No interest will be paid on money returned.

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**11. OFFERS UNDER THE PLAN**

The Company may make more than one invitation to acquire Shares under the Plan in any 12 month period. Shareholders will not be able to acquire Shares to a value exceeding \$15,000 pursuant to the Plan in any 12 month period. An exception to this rule is that the Offer enables eligible shareholders who are custodians to acquire Shares under the Plan on behalf of beneficiaries on whose behalf the custodian is holding Shares, provided however that the custodian can certify particular requirements.

The Company may amend the terms of the Plan to provide for different terms to apply to different invitations. The Company may terminate the Plan at any time. Notice of invitations, the terms of invitations and any termination of the Plan will be provided to ASX.

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**12. APPLICATION OF PLAN**

The Company may act or omit to act in relation to the Plan (including applying the terms of the Plan) in its absolute discretion. The Company may settle any question of fact or interpretation in relation to the Plan in any matter it thinks fit, whether generally or in relation to any participant, application or Share. The Company's decision will be conclusive and binding. The Company reserves the right to waive strict compliance with the terms of the Plan. The Directors of the Company or any authorised delegate may exercise the powers of the Company under the terms of the Plan.

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**13. RISK CONSIDERATIONS**

While the subscription price was, at the time that this Offer was announced, at a discount of 8.5% to the market price of the Company's shares in the 10 day trading period up to 3 July 2009, subscription under the Plan is a speculative investment and the market price may change between the dates you apply for the Shares and the issue of Shares to you. Accordingly, the value of shares applied for may rise or fall.

This Offer is not a prospectus and does not require the types of disclosures required under the Corporations Act. You must rely on your own knowledge of the Company, previous disclosures made by the Company to ASX, and, if necessary, consult your professional adviser when deciding whether or not to accept the Offer and participate in the Plan.

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**14. PRIVACY**

By receiving completed Acceptance Forms, the Company collects personal information about shareholders. The Company will use this information for the purposes of processing the Acceptance Form and updating the records of the Company. Unless required by law, the Company will not disclose the personal information for another purpose without the consent of the shareholder. Except as stated by law, shareholders are able to access, upon request, their personal information held by the Company. For further information about how we manage your personal information or if you wish to obtain a copy of the Company's share registry privacy policy, please contact us.