



India Resources Limited

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MEDIA RELEASE

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MARKET UPDATE

Surda delivers record daily copper production

Diversified minerals developer and producer India Resources Limited (ASX:IRL) has continued successful production increases at its Surda copper mine in western India.

IRL achieved record daily production at Surda during May, along with steadily increasing grades and recovery rates, and has now delivered nearly 90,000 tonnes of ore to the mill since production commenced at the refurbished mine late last year.

India Resources Managing Director Eoin Rothery said the Company remained on track to meet its first year production targets, and to deliver on proposed substantial production increases over the coming two years.

Mr Rothery said May production at the mine achieved a number of major milestones on its planned path to doubling of production at Surda.

“Production is steadily increasing in line with our budgets – in May, we transported more than 22,000 tonnes of ore to the mill taking the total to just under 90,000 tonnes,” Mr Rothery said.

“Toward the end of the month, we set a daily record of 1300 tonnes, which highlights the steady increase in our operational efficiency and improving mining processes.

“Production at this rate confirms our increased capacity to hoist ore from the shafts, and that we remain on track to deliver our target production increases as we improve production consistency,” Mr Rothery said.

During May, IRL delivered an average grade of 1.1%, which was ahead of the forecast, and a recovery rate of 94.5%, against a May target of 95%.

“Significantly, we also delivered an increase in grade and recovery rate, which also highlights that the procedures are in place to achieve our targets,” he said.

“The production rates we are now achieving indicate that IRL can currently hoist our targeted 39,000 tonnes per month of ore from the shafts, and we are working on further improvements which will see hoisting capacity increasing further,” Mr Rothery said.

IRL continues to introduce new mining and processing equipment and undertake further refurbishment of mine and plant to facilitate production increases.

IRL is aiming to double production at Surda. The Company is initially targeting production of 450,000 tonnes of ore per annum, to deliver 4,500 tonnes of copper concentrate. Longer term, and with further development, the Company’s ultimate production target is 900,000 tonnes (9,000 tonnes of copper in concentrate).

To help deliver this target, Mr Rothery said IRL now had more than 815 people on site at Surda. To reach targets and operate at full capacity by mid year, it is planned to employ a further 60 to make a full complement of more than 870.

IRL is currently mining six stopes at Surda, bringing four new stopes into production during the first quarter of 2008. In April, IRL announced it had scoped out mining blocks for at least a further six years of production. This follows the review and modern analysis of all historic geological data from project partner Hindustan Copper Limited (HCL), which was then entered into IRL’s mine plan. This data review identified mining blocks sufficient for at least the next six years of production.

Mr Rothery said IRL was now assessing its mine plan and development options – one of which was planning for a decline between the two primary shafts at Surda, with a feasibility study currently underway.

At the Mosaboni Concentrator, IRL recently completed the overhauling and recommissioning of two further ball mills with capacity for 500 tonnes per day (tpd). This brings total current capacity to 1,700 tpd – more than enough to meet the current target of 450,000 tonnes per year. Two further 500 tpd ball mills remain to be commissioned.

These continued successes at the Surda Mine underline the increasing opportunity and potential for IRL to become a major participant in the Indian mining industry.

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About India Resources

IRL is headquartered in Perth, Western Australia with the primary objective to maximize shareholder wealth by capital growth and dividend through the discovery of economic mineral deposits and the development of profitable mining operations. IRL's head office is located at 989 Wellington St., West Perth, WA 6005.

IRL is applying Australian exploration expertise and cost effective mining techniques to project in India, to capitalise on country huge growth and market opportunities. The Company's portfolio of assets comprises:

Hindustan Copper Limited - Surda Mine

The Company has the benefit of an alliance with Hindustan Copper Limited (HCL - a Government of India enterprise) with the initial focus on identifying existing operations and areas where large-scale mineralisation has been proven. HCL is the sole integrated producer of primary copper in India and is listed on the Mumbai, Delhi, Kolkata and Madras exchanges. IRL, in alliance with HCL, has re-opened the Surda Mine with an initial objective of delivering annual production of 4,500 tonnes of copper metal in concentrate.

Hindustan Copper Limited – Exploration MOU

IRL has the benefit of a Memorandum of Understanding (MOU) for general exploration on HCL's various leases including tenure around HCL's current operations at Malanjhand and Khetri. IRL will undertake detailed evaluation of exploration areas to be determined in consultation with HCL.

Askot Project

IRL has taken a placement comprising about 17% of the share capital of Pebble Creek Mining Ltd. (TSX-V – PEB), a Canadian company listed on the Toronto Venture Exchange. Pebble Creek's main asset is the Askot Project: a VMS deposit of copper, lead, zinc, gold and silver mineralisation in northern India. Pebble Creek is currently compiling a resource estimation.

Aravalli Project

The Company has acquired two Reconnaissance Permits (RPs) in Rajasthan (north western India). The Aravalli Proterozoic metamorphic belt is prospective for copper, lead, zinc as well as gold. IRL has recently completed a reconnaissance drilling program with positive results.

Diamonds

The Company's diamond initiative focuses on the Bhandara Diamond Project which currently consists of five granted RPs in Orissa, as well as three RP applications in Chhattisgarh, located in the region of several kimberlite fields. In addition bulk sampling is planned at two diamondiferous kimberlites on IRL's granted PLs of the Dharwar Project in Andhra Pradesh.

Coal, Iron Ore

As has happened in China, India's rapidly growing economy is driving a surge in demand for power and steel. IRL is currently seeking suitable projects for rights to explore and develop coal or iron ore in India.

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The geological and assay statements and commentary in the above update are based on information compiled by Eoin Rothery who is a member of the Australian Institute of Geoscientists. Mr Rothery has reviewed the information and has satisfied himself that the values quoted and the parameters used in the study are reasonable and accurately reflect the operations involved. Mr. Rothery is a full-time employee of India Resources Ltd and holds the position of Managing Director. Mr. Rothery has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to 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". Mr. Rothery consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

