



# India Resources Limited

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Manager Announcements  
Company Announcements Office  
ASX Limited  
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Dear Sir/Madam

## **SURDA REACHES PROFITABLE OPERATIONS STATUS AS PRODUCTION RAMP-UP CONTINUES**

India Resources Limited (ASX: IRL) is pleased to report that ongoing cost efficiencies and increases in copper production at the **Surda Copper Mine** in India have resulted in a significant milestone, with the operation achieving an unaudited operating profit result, inclusive of amortisation and depreciation charges, in recent months.

In the months of December 2009 and January 2010, the operation has set several new production records. Surda Mine hoisting for the month of January totalled 36,973 tonnes and tramming for the same month was 39,404 tonnes which are new records. The increase in broken tonnage capacity, achieved due to efficiency improvements, will be further augmented by the addition of new higher grade areas on the lower northern end of the mine. The impact of mining in higher grade areas and ongoing production efficiency improvements are expected enable the Surda Mine to achieve a targeted production level of 340 tonnes metal in concentrate per month.

For the month of January, the Surda Mine produced **over 305 tonnes of metal-in-concentrate** for delivery to Hindustan Copper Limited's (HCL's) nearby smelter.

Surda's operating cash flow positive status is a significant achievement particularly in light of the 16.6% of revenue deduction by Hindustan Copper Limited against Indian excise duty.

Cash flows from the Surda Mine and other proposed facilities available to IRL will contribute to the funding for the development of the Bankura coal project and other exploration projects.

IRL Managing Director, Arvind Misra, said that it is a significant step for IRL to grow the business in the 2010 year which began with the signing of a coal mine development Letter of Intent with Bankura DRI.

**ARVIND MISRA**  
Managing Director



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**About Surda Project**

The Surda Copper Project is owned by Hindustan Copper Limited (HCL) and operated by India Resources Limited in the state of Jharkhand. The mine is one of several on the Singhbhum Copper Belt which have hundred's of years of mining history but were progressively abandoned due to low copper prices between 1998 and 2004. IRL started refurbishing the mine and the concentrator plant at the abandoned Mosaboni site in July 2007. Production is now at record levels due to the efficiencies and techniques brought to the project by the Australian operators as well as the local experience and knowledge.

**About Bankura**

Bankura DRI Mining Manufacturers Company Private Limited (Bankura) consists of six constituent companies having eleven sponge iron units presently located at Bankura and Burdwan Districts. These six companies have formed a Special Purpose Vehicle (SPV) named as "Bankura DRI Mining Manufacturers Company Private Limited" and have been allocated Anandapur Sector Biharinath block in the Raniganj Coalfield, located in the state of West Bengal, India by the Ministry of Coal, Govt of India, for raising coal for its own captive end uses in their own sponge iron plants.