



STOCK EXCHANGE ANNOUNCEMENT

Memorandum of Understanding with IGC Technologies LLC

July 10, 2009

Industrial Minerals Corporation Ltd (“**the Company**”) (IDM : ASX)

The Company wishes to announce that its wholly owned subsidiary Oregon Resources Corporation (“ORC”) has entered into a Memorandum of Understanding (MOU) with IGC Technologies LLC., (IGC) of Milwaukee, Wisconsin, USA. The MOU provides an outline of the terms for a definitive agreement which will govern the commercial relationship between the Companies.

The MOU specifically addresses the “High Iron ORC Sand”, its market development and introduction as a value added component to IGC’s existing product lines as well as trademarks & intellectual property development contribution and co-ownership.

The principal terms of the MOU describe that;

- IGC will be the exclusive distributor of the High Iron product to the foundry market
- IGC will pay ORC an initial minimum amount per ton ex plant
- Exclusivity is subject to a minimum annual tonnage commitment of 10,000 tons.
- ORC will be responsible for product quality in accordance with specifications
- Option by mutual agreement to include other ORC products

IGC Technologies LLC was established in 1982 and is a global leader in the manufacture of consumable foundry products. Its unique blends of industrial materials are sold throughout the United States, Canada, Mexico, South America, Europe, Asia and Australia. www.igctechnologies.com/index.php

“IGC’s group of dedicated personnel, efficient manufacturing processes, sophisticated research and development practices coupled with ORC’s unique products, operational team and a shared vision for the formulation of customized products of superior quality for the castings industry, will offer IGC’s customers unique and value added products. We view the developing relationship and shared vision with the IGC team as strategically important and commercially valuable and mirrors the strategy recently announced in the collaboration with HA International, albeit with different envisaged product offerings. The collaboration with IGC is a further component of our strategy to create, brand and market a suite of unique blends, each offering the customer a quality and value proposition not available in the current market” stated Philip Garratt, IDM CEO.