



STOCK EXCHANGE ANNOUNCEMENT

31 January 2011

CORPORATE UPDATE

Regulatory agencies & Oregon Resources Corporation successful in court ruling

Industrial Minerals Corporation Limited ("IDM") (ASX code: IDM) is pleased to announce that its wholly owned subsidiary's heavy mineral sands mining project will continue to progress, after a federal court decision released today.

U.S. District Judge Michael Hogan denied a motion for a preliminary injunction brought by various environmental groups and individuals who sought to stop any mining activities until resolution of their claims that the U.S. Army Corps of Engineers and National Marine Fisheries Service violated certain environmental laws in issuing a wetlands fill permit for the project.

Judge Hogan's ruling was based in part on his determination that plaintiffs were not likely to succeed on the merits of their claims. It is unclear whether plaintiffs will appeal the ruling, but Oregon Resources Corporation will continue to take all steps necessary to ensure that the project continues to progress."

Scott Mison
Company Secretary
Industrial Minerals Corporation Ltd