

8 June 2016

ASX Market Announcements
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

AGREEMENT WITH HINDUSTAN COPPER LIMITED

In accordance with the previous announcement made by India Resources Limited (IRL) on 6 June 2016, regarding the possible need to suspend operations at the Surda Copper Mine and the Mosaboni concentrator, we are pleased to advise that ongoing detailed discussions have been held with Hindustan Copper Limited (HCL) and these discussions have resulted in a provisional agreement between the parties where the following will occur:

1. Transportation of copper concentrate to HCL and timely monthly payments to IRL will resume promptly with first outstanding payments to be made not later than 9 June 2016.
2. IRL will provide additional details and documentation to HCL to satisfy their concerns regarding the name change from Swan Gold Mining Limited to Eastern Goldfields Limited.
3. Deductions for the reimbursement of previous advances and electricity payments made by HCL on behalf of IRL will be taken from monthly invoices, with deductions of 5% of the total amount invoiced from April 2016 to September 2016, 10% in October 2016 and November 2016 and the balance of any outstanding amounts in three equal monthly instalments thereafter. In view of this revised payment schedule, IRL has agreed to withdraw the immediate proposed legal action against HCL.
4. Inclusive of the payment mentioned in point 1 above, HCL has specifically agreed to pay approximately \$1.4 million against the monthly supply of copper in concentrate for the months of April 2016 and May 2016 (as per completed and anticipated invoices).
5. A proposal to settle the long disputed claims between the parties has been forwarded by the HCL Board to the Independent External Monitor (IEM), which reviews agreements made by government sector enterprises to ensure they are bona-fide. The parties have agreed to cooperate in this regard and on this basis IRL will withdraw its arbitration notice.

As a direct result of this provisional agreement and the parties desire to find a reasonable and sensible way forward, the previously foreshadowed potential suspension of operations at the Surda mine and the Mosaboni plant is now deemed unnecessary, albeit subject to the completion of the aforementioned provisional agreement.

Furthermore in accordance with HCL requests, IRL will do its utmost to continue to ramp up and maximise copper production at the Surda mine and Mosaboni concentrator.



Further updates will be provided as soon as available.

Yours faithfully

Arvind Misra
Managing Director

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