



Indicator Minerals

June 9th 2010

Indicator Minerals Begins First Phase 2010 Exploration Program

Indicator Minerals (TSX: IME) has commenced drilling at its key Nanuq North diamond project and the results from this year's work "could add significant value to the company" suggests President and CEO, Bruce Courts. This drilling is the first step of a \$2 million exploration program at Nanuq and paves the way for a mini bulk sample in early 2011. The work program is jointly funded by Indicator Minerals and Peregrine Diamonds and is intended to estimate of the size of the kimberlite body, determine the types of kimberlite present and the distribution of diamonds in the different kimberlites.

Indicator Minerals is a Canadian exploration company focused on the discovery and development of economic gemstone deposits. They have assembled a highly qualified technical team of experts in diamond and emerald exploration, formed strategic partnerships and acquired significant prospective properties worldwide. The company has a total of five projects, four of which are diamond exploration programs in Canada's Nunavut Territory, with an emerald project in Columbia. The focus at this time is very much on the Nanuq North diamond project, approximately 300 kilometres north east of the Baker Lake community in the Kivalliq region of Nunavut.

The Nanuq North Project is composed of 13,900 hectares of core claims and an additional 20,000 hectares of peripheral property. The core claims are 40% owned by Indicator Minerals, 40% by Peregrine Diamonds and the remaining 20% by Hunter Exploration Group. The Hunter Exploration Group interest is carried to the completion of a feasibility study and the work programs on the core claims are funded equally by Indicator Minerals and Peregrine Diamonds. Ownership and funding of the peripheral claims is owned equally between Indicator and Peregrine. Previous exploration in 2008 tested five targets on the Nanuq North property. One of those drill holes hit kimberlite at just seven meters revealing an 87 meter continuous kimberlite intersection. Ground geophysical data suggests the kimberlite deposit has a minimum surface area of 4.5 hectares.

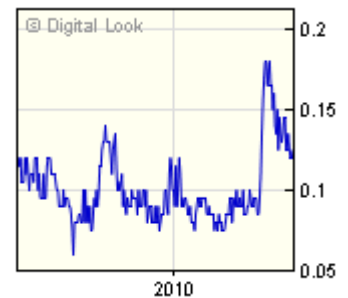
Analysis of the data at the time suggested the drill hole intersected two phases of kimberlite, with the second phase, the last 13.7 meters of the hole, exceptionally diamondiferous at 3.48 diamonds per kilogram (the first phase spanned 64 meters and contained 0.89 diamonds per kilogram). A total of 206 diamonds were recovered from a 152 kilogram sample, the largest of which measured 0.97mm x 0.70mm x 0.70mm. The majority of diamonds are characterized as white or colourless, with no inclusions. In addition to the high concentration of diamonds, the second phase kimberlite exhibited an excellent distribution of diamond sizes, suggesting the body contains commercial size stones.

This latest exploration program is expected to take four to six weeks. Five holes will be drilled totalling approximately one thousand meters and it is anticipated that more than 3,500 kilograms of kimberlite core will be recovered. Indicator Minerals is the operator of the project and will be using infrastructure and equipment already in place at Peregrine's Nanuq Project, located immediately to the south. This is expected to significantly increase the efficiency and cost effectiveness of the 2010 program. Looking ahead, a heavy minerals sampling program will also be conducted on the property later this year, with sampling results used to prioritise geophysical targets for drill testing.

Price: \$C0.13

Market Cap: \$C10.80m

1 Year Share Price Graph



Share Information

Code: IME

Listing: TSX-V

52 week	High	Low
	\$C0.18	\$C0.06

Sector: Diamonds & Gemstones

Website: <http://www.indicatorminerals.com/s/Home.asp>

Company Synopsis:

Indicator Minerals is an exploration company focused on the discovery and development of economic gemstone deposits in Canada and Colombia. The company's main focus is diamonds and emeralds.

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The first hole of the five hole program is now complete. The hole was drilled vertically from the centre of the body and intersected kimberlite continuously between 13.7 and 257 meters, and ended while still in mineralization. The remaining four holes will be drilled in a radial pattern from the interpreted centre, orientated at right angles to each other with the intention of penetrating the edges of the kimberlite body, providing an estimate of the size of the body. These holes will also provide further information on the geological composition and diamond distribution of the deposit.

The 2010 exploration program follows Indicator's April announcement that it reached an agreement with Peregrine to adjourn arbitration hearings and negotiate a joint venture agreement on the Nanuq North Project. As part of the adjournment agreement Indicator and Peregrine agreed to conduct a \$2 million exploration program at Nanuq North in 2010. The two companies agreed to fund the exploration program equally, and both were eager to resume work at the project.

"The adjournment agreement is a good step forward and we feel confident that a formalized equitable joint venture agreement can be achieved," said Indicator President & CEO Bruce Counts. "The exceptional initial diamond results from the last drill program and the high potential for the discovery of additional kimberlites make this a promising and exciting project".

Initial signs for the Nanuq North Project are promising, in both size and composition of the kimberlite body.

Working together, Indicator and Peregrine are able to reduce exploration costs and maximise the potential efficiencies on the project. The timing and speed of the 2010 drill program creates the potential for some early results which, if they confirm or improve on initial estimates, have the potential to significantly benefit Indicator shareholders.

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