



15 August 2007

Dwyka Resources Limited ('Dwyka' or the 'Company')

ROYALTY RETAINED OVER INDIAN DIAMOND ASSETS

The Directors of Dwyka announce that the diversified minerals developer India Resources Limited (ASX:IRL) has exercised its option to acquire the prospective diamond leases held by Dwyka's subsidiary company, AMIL Mining India Private Limited ('AMIL') and is moving to acquire 100% of AMIL.

The AMIL leases were previously controlled by Dwyka under an agreement with BHP Billiton. Under the terms of the pre-existing option agreement, a 2.5% production royalty will now be due to Dwyka.

A copy of the IRL announcement is attached.

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India Resources Limited

A.C.N.121 339 704

MEDIA RELEASE

15 AUGUST 2007

INDIA RESOURCES ACQUIRES DIAMOND LEASES

Diversified minerals developer India Resources (ASX:IRL) has extended its footprint in India, with the acquisition of prospective diamond leases.

The company has exercised its option over the AMIL Mining India Private Limited leases and is moving to acquire 100% of the controlling company. The leases were previously controlled by Dwyka Resources Ltd with an agreement by BHP Billiton.

This agreement was terminated earlier than its formal November 2007 finish date, which has allowed India Resources to exercise its option ahead of schedule. Under the terms of the option agreement, a 2.5% royalty will be due to Dwyka on production with no up-front acquisition cost is payable;

India Resources Chairman Michael Kiernan said acquisition of the leases expanded and diversified the company's presence in one of the world's most pivotal growth markets.

"India Resources has taken the opportunity to acquire several prospective leases in the vicinity where kimberlite occurrences are known to occur," Mr Kiernan said.

"Clearly India is a key growth market; it is one of the world's largest economies, with a growth rate of 6% expected over the coming years - It is also the home of diamonds and remains the world's largest diamond processor," Mr Kiernan said.

Mr Kiernan said work would now begin in earnest over the diamond properties, initially at the Bhandara Project where India Resources controls more than 8,000 km² in Orissa along the margin of the Bhandara Craton. Kimberlite occurrences have been recorded here over 300km of strike, including that at Nuapada (see figure) where De Beers Exploration have an active lease holding.

A reconnaissance stream sampling program will be carried out and samples analysed for microdiamonds and indicator minerals in the first and second quarters 2007-2008.

India Resources is also continuing the development of its primary Surda Copper mine project in India. The company is one track to commence copper production in the first quarter of 2008, with promising geological analysis of historical mine data at Surda, and refurbishment of the plant continuing ahead of schedule.

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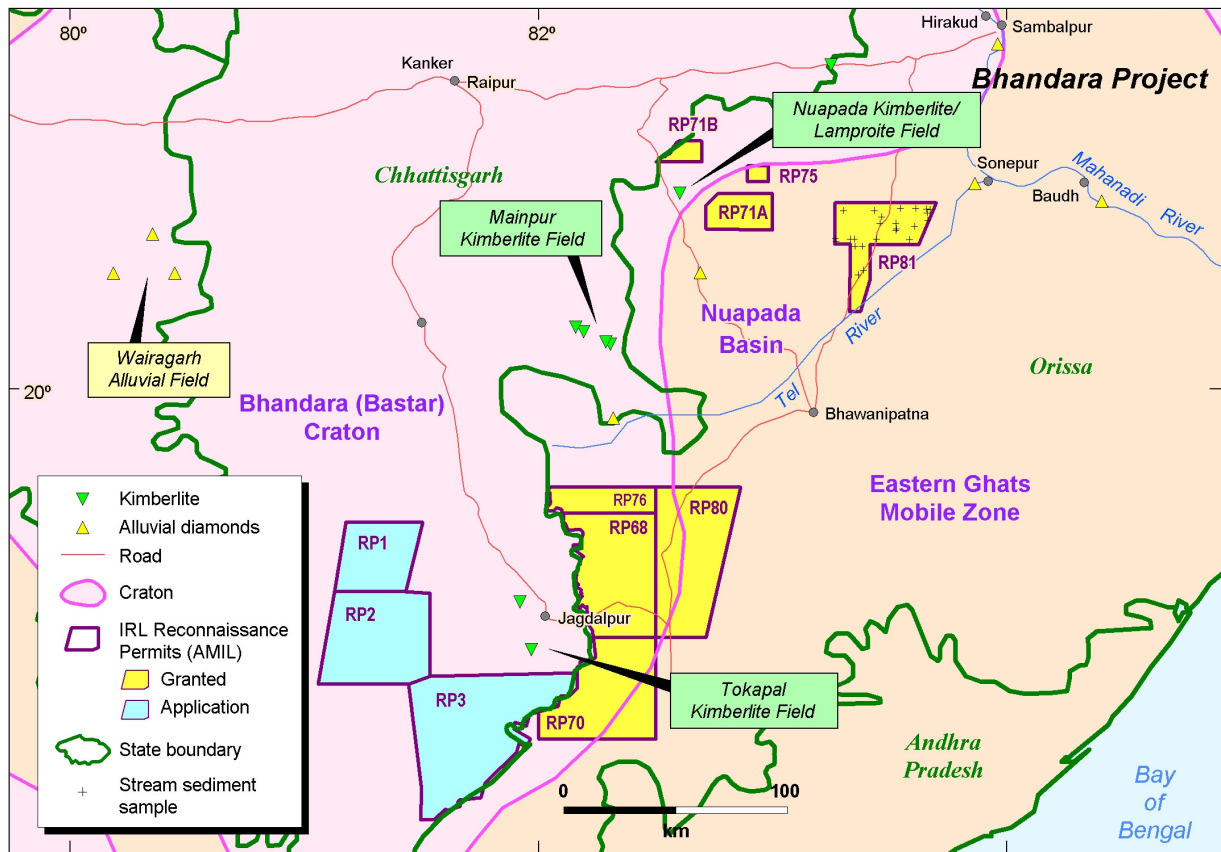


Figure 1. Bhandara Project - IRL leases and kimberlite occurrences

Background

India Resources Limited (ASX:IRL) is headquartered in Perth, Western Australia with the primary objective to maximize shareholder wealth by capital growth and dividend through the discovery of economic mineral deposits and the development of profitable mining operations. IRL has assembled a diverse range of projects to take advantage of the prospectivity and potential growth of the Indian economy which is opening up to foreign investment. The Company's portfolio of assets comprises:

Hindustan Copper Limited - Surda Mine

The Company has the benefit of an alliance with Hindustan Copper Limited (HCL - a Government of India enterprise), the sole integrated producer of primary copper in India, listed on the Mumbai, Delhi, Kolkata and Madras exchanges. IRL are focussed on re-opening and operating HCL's Surda Mine and Mosaboni Concentrator in Jharkhand State, with target of delivering annual production of 4,500 tonnes of copper concentrate. Trial mining is scheduled for late 2007, with first production early 2008.

Hindustan Copper Limited – Exploration MOU

IRL has the benefit of a Memorandum of Understanding (MOU) for general exploration on HCL's various leases including tenure around the Surda Mine, and around HCL's current operations at Malanjkhanda and Khetri. IRL will undertake detailed evaluation of exploration areas to be determined in consultation.

Aravalli Project

Through IRL's in-country consultants, the Company has acquired two Reconnaissance Permits in Rajasthan (north western India). The first permit is 50 kms northeast of Udaipur (1,900 square km) and the second permit is 20 km southeast of Ajmer (670 square km). Compilation of Geological Survey of India (GSI) summary reports has identified several highly prospective areas for copper, zinc, lead as well as gold lying within the Relmagra Reconnaissance Permit (RP). While no definitive data is available, the prospectivity is such that an early drill program was considered essential, and has been contracted. The drilling program is due to commence in early August and will seek confirm mineralisation from some of the most prospective areas.

Coal

India produces 8% of the world's coal and is hungry for more energy. Recently, the Government of India announced that captive coal blocks would be allocated to the private sector to supply power, cement and steel plants. IRL is currently holding discussions with Cook's Construction Pty Ltd, Australia's largest privately owned earth moving and mining contracting company with extensive coal mining experience, with a view to establishing a joint venture. It is intended that any resulting joint venture entity would apply for rights to explore and develop coal projects in India.

Diamonds

India was the major supplier of world diamonds in historic times and India is still the largest processor of diamonds – 11 out of every 12 diamonds are cut there. To date only one primary source has been mined and most of the major global diamond mining companies such as De Beers, Rio Tinto and BHP Billiton, have been searching in recent years for further primary kimberlite sources. IRL has taken the opportunity to acquire several prospective leases where kimberlite occurrences are known from the vicinity.

The geological and assay statements and commentary in the above update are based on information compiled by Eoin Rothery who is a member of the Australian Institute of Geoscientists. Mr Rothery has reviewed the information and has satisfied himself that the values quoted and the parameters used in the study are reasonable and accurately reflect the operations involved. Mr. Rothery is a full-time employee of India Resources Ltd and holds the position of Managing Director. Mr. Rothery has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to quality as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Rothery consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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