



ASX ANNOUNCEMENT

19 January 2010

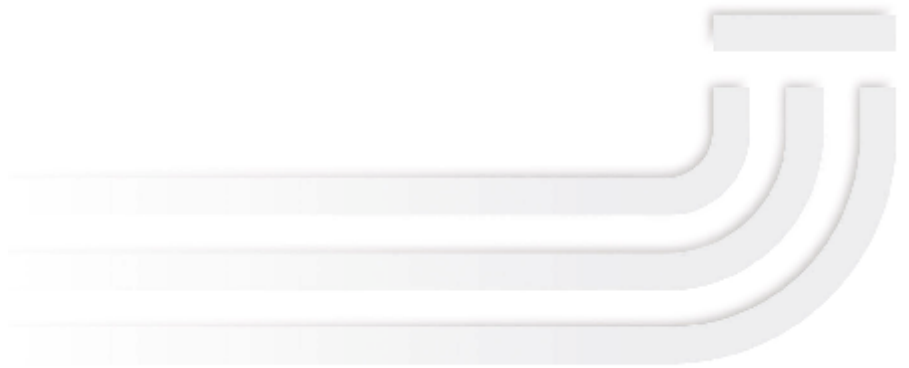
Proposed Share Buy Back

The Board of Indago Resources Limited is pleased to announce that it has approved an on-market 10% share buy-back as part of an effective capital management program to maximise shareholder value.

With a Net Tangible Asset backing in excess of 42c per share, this is a key development in the effective management of the Company's resources and represents a boost to shareholder value both now and in the long term.

For further information please contact:
Tim Kestell
Director
Indago Resources
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Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
INDAGO RESOURCES LIMITED	69 009 150 618

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-market
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the ⁺ class on issue	99,449,536
6	Whether shareholder/unitholder approval is required for buy-back	Not required
7	Reason for buy-back	Effective capital management

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Appendix 3C
Announcement of buy-back

- 8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid)
- The company has recently announced a proposed new business plan, which involves changing the nature of its activities. Refer to ASX announcement and notice of meeting released to ASX on 4 January 2010

On-market buy-back

- 9 Name of broker who will act on the company's behalf
- To be advised
- 10 Deleted 30/9/2001.
- 11 If the company/trust intends to buy back a maximum number of shares - that number
- 6,191,809 (10% limit under the Corporations Act)
- Note: This requires a figure to be included, not a percentage.
- 12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention
- 12 months
- 13 If the company/trust intends to buy back shares/units if conditions are met - those conditions
- N/A

Employee share scheme buy-back

- 14 Number of shares proposed to be bought back
- N/A
- 15 Price to be offered for shares
- N/A

⁺ See chapter 19 for defined terms.

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Selective buy-back

16 Name of person or description of class of person whose shares are proposed to be bought back N/A

17 Number of shares proposed to be bought back N/A

18 Price to be offered for shares N/A

Equal access scheme

19 Percentage of shares proposed to be bought back N/A

20 Total number of shares proposed to be bought back if all offers are accepted N/A

21 Price to be offered for shares N/A

22 ⁺Record date for participation in offer N/A
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.

2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:

Date: 19 January 2010

(Company secretary)

Print name: Damien Kelly

⁺ See chapter 19 for defined terms.

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