



## STOCK EXCHANGE ANNOUNCEMENT

### AGREEMENT EXECUTED WITH URS CORPORATION

20 December 2006

Industrial Minerals Corporation Ltd (“the Company”)(ASX : IDM)

The Company wishes to announce that its wholly owned subsidiary Oregon Resources Corporation (“ORC”) has entered into an agreement with URS Corporation and more specifically its divisions which represent Mining, Engineering and Environmental Services. The agreement describes specifically a Scope of Services (“Services”) to be undertaken by URS with subsets of Work Orders and Tasks.

The initial work orders and tasks relate to items that will assist ORC legal counsel with the preparation and completion of the application of a Conditional Use Permit (“CUP”). The CUP will generally address the components and functions of the principal mineral sands processing facility that is intended to be constructed on the ORC industrial site at Coos Bay, Oregon.

The submission and approval of the CUP is a time critical and principal component in the pre production process. The date when the CUP is approved by the County will determine when ground breaking for the construction of the main processing facility can commence.

The first work order covers task items that URS will provide, some of which are Project Coordination, Emissions evaluation, Geotechnical evaluation, Preparation of project cost estimates, scheduling and a project management plan.

ORC had selected URS primarily for the depth of services, quantum of qualified individuals and their local expertise in the State of Oregon, specifically in Coos County.

URS Corporation offers a comprehensive range of professional planning and design, systems engineering and technical assistance, program and construction management, and operations and maintenance services for transportation, commercial/ industrial, facilities, environmental, water/wastewater, homeland security, installations and logistics, and defense systems. Headquartered in San Francisco, the Company operates in more than 20 countries with approximately 28,900 employees providing engineering and technical services to federal, state and local governmental agencies as well as private clients in the chemical, pharmaceutical, oil and gas, power, manufacturing, mining and forest products industries. URS is an industry leader in providing engineering and environmental services to the metals, energy, industrial minerals and construction materials industries and has over 60 years of global mining experience ([www.urscorp.com](http://www.urscorp.com)).

**ALEC PISMIRIS**  
Company Secretary