

November 24, 2009

Dear Shareholders,

As 2009 draws to a close, I would like to take this occasion to reflect on the last year and to look ahead to 2010 and what it holds for Indicator Minerals and our shareholders.

In the first half of 2009, the volatility of the financial markets and the restricted availability of financing for junior explorers dictated modest corporate spending and focused exploration expenditures. With that in mind, plans were made to advance two of our key projects: Nanuq North and Grail.

Nanuq North hosts the NQN-001 kimberlite, a large pipe from which initial drill samples returned an exceptional abundance of quality diamonds with a good size distribution. Plans to continue the evaluation of the NQN-001 kimberlite at Nanuq North in 2009 were delayed when Peregrine Diamonds Ltd. initiated arbitration proceedings against Indicator and Hunter Exploration Group. We are confident of a favourable resolution to these proceedings and look forward to mounting a field program in 2010 that will continue to advance NQN-001.

We continue to have great expectations for the Grail Project. We have recovered high-interest kimberlite indicator minerals and identified compelling geophysical targets. During 2009 we ran a small field program and all permits necessary to conduct the first discovery drilling campaign in 2010 are pending.

In addition to moving our existing projects forward, our team is constantly reviewing new properties for our portfolio. While we were exposed to numerous opportunities in this market, we identified one rare and exciting prospect in particular: Colombian Emeralds. Indicator has negotiated the right to purchase a 60% stake in Rio Verde Enterprises, a private Canadian company with interests in the emerald fields of Colombia and an established emerald exporting, marketing and sales business.

Rio Verde has spent more than a decade establishing extensive relationships within this gem industry and has access to emerald projects currently in production. Their integrity and reputation among Colombian emerald miners is unsurpassed and Rio Verde's in-depth knowledge of the industry makes this a unique opportunity for Indicator to gain entry into this lucrative category. Rio Verde's experience combined with Indicator's technical and operational expertise creates an excellent potential for significant revenue from existing operations as well as future discoveries.

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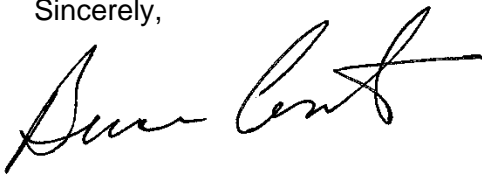
Much like diamonds, emeralds are highly sought after gemstones. Top quality emeralds command some of the highest prices per carat in the jewellery industry. Colombia produces the world's most desirable emeralds and accounts for 60% of global production worth an estimated \$500 million annually. The business environment in Colombia has steadily improved over the past decade and the success of major and junior mining companies such as Ventana Gold, AngloGold Ashanti and Greystar are clear indicators that this is an optimal time to enter the region.

In addition to the exploration and development portion of the partnership, Indicator will also be exposed to the sales and marketing of emeralds. For more than ten years, Rio Verde has successfully operated a business that buys Colombian emeralds and sells them globally. We are in an excellent position to learn about this market and its nuances from this unit of Rio Verde and secure an established cash flow and existing client base.

Ultimately, this presents Indicator with the opportunity to create a vertically integrated company that offers emeralds from mine to market. It is a chance for Indicator's management to apply its expertise and core competencies to the emerald industry and increase its acumen within the gemstone category.

Let me reiterate that we remain committed to our core philosophy of building a sophisticated and technically-driven diamond exploration company. Our most recent endeavours are designed to further enhance that philosophy by ensuring the long term viability and growth of Indicator Minerals Inc.

Sincerely,



Bruce Counts
President & CEO