



INDUSTRIAL MINERALS INC.



Management and Board Additions

June 10, 2010 – Industrial Minerals Inc. (IDSM:OTC-BB) and its 51% owned subsidiary **Northern Graphite Corporation** (“Northern” or the “Company”), announce a number of Board and Management changes that will position the Company to move its Bissett Creek project forward to a production decision.

John Rogers has been appointed Senior Project Advisor for Northern Graphite and the Bissett Creek Project. John has over 25 years of senior management and consulting experience in mine development and operations. Most recently he completed Definitive Feasibility Studies on a gold silver project in the Yukon and a uranium project in Mongolia and was involved in number of feasibility studies as well as the construction and operation of mines as Director of Operations for the Saudi Arabian Mining Company. John was previously General Manager of the original Detour Lake Mine and Mine Manager of the Nanisivik Mine and holds a Masters Degree in Mining Engineering from McGill University.

Mehmet Taner, PhD has been appointed project geologist and the Company’s “Qualified Person” and will manage a 2,500 meter drill program that will get under way shortly at Bissett Creek. Mehmet has a doctorate in geology and mineralogy from the University of Geneva and over 30 years of experience as a consulting geologist. He recently organized an international symposium on vanadium. The drill program will twin a number of existing holes to confirm historical results, upgrade some of the inferred resources to the measured and indicated category and test the on strike extensions of the deposit to demonstrate scalability and the potential to increase production in the future should demand warrant.

Miles Nagamatsu CA has been appointed Chief Financial Officer of Northern Graphite and has many years of experience managing the financial affairs of public companies.

Bob Dinning has resigned as CEO/CFO of Industrial Minerals and as a Director of both Industrial Minerals and Northern Graphite. Gregory Bowes has been appointed CEO/CFO of Industrial Minerals. The Board would like to thank Bob for his years of service to the Company. He has been replaced on the Industrial Minerals Board by Campbell Birge who is currently Chief Financial Officer of Wind Works Power Corp. and was previously CEO and a Director of Industrial Minerals. Mr. Birge holds a BA from Simon Fraser University, a B.Ed from the University of Calgary and a M.Sc. from the United States International University.

Northern owns 100% of the large Bissett Creek graphite deposit which is located 15km from the Trans-Canada highway, east of North Bay, Ontario. A full feasibility study was completed by Kilborn Engineering and others in 1989 (which pre-dates National Instrument 43-101 and is not compliant), but Bissett Creek was not developed due to a subsequent decline in graphite prices. Graphite prices have since recovered due to the ongoing industrialization of China, India and other emerging economies. However, new applications such as lithium ion batteries, fuel cells and nuclear and solar power have the potential to create significant incremental demand growth. There is over 20 times more graphite in a lithium ion battery than there is lithium. China, which produces 80% of the world’s graphite, is



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seeing production and export growth leveling off and export taxes and a licensing system have been instituted.

With limited worldwide exploration and few potential development projects on the horizon, the Company is well positioned to benefit from the continued improvement in graphite demand and prices.

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