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**i-minerals inc. announces conversion of U.S. \$2,200,000 Convertible
Private Placements and filing of updated Early Warning Notice**

Vancouver, B.C. (October 17, 2008) - i-minerals inc. (the "Corporation") (TSX.V: IMA) announces the following conversions:

- (a) the conversion of the U.S. \$2,000,000 convertible private placement disclosed in the Corporation's press releases of December 14, 2004 and February 28, 2005 into 10,000,000 common shares at the conversion price of U.S. \$0.20 per share; and
- (b) the conversion of the U.S. \$200,000 convertible private placement disclosed in the Corporation's press releases of May 18, 2007 and September 10, 2007 into 370,370 common shares at the conversion price of U.S. \$0.54 per share.

Of the 10,000,000 shares referred to in (a) above, 7,160,000 shares were issued to Ball Ventures LLC, and all of the 370,370 shares referred to in (b) above were issued to BV Natural Resources LLC. Allen Ball, a director of the Corporation, is the President of each of Ball Ventures LLC and BV Natural Resources LLC. Ball Ventures LLC, BV Natural Resources LLC and Allen Ball collectively currently hold 9,163,370 common shares of the Corporation, representing 29.45% of the 31,110,567 common shares of the Corporation currently issued and outstanding.

The Corporation also announces that Ball Ventures LLC has filed the requisite Report under section 111 of the *Securities Act* (British Columbia) as a result of the acquisition of common shares of the Corporation disclosed in (a) and (b) above.

i-minerals inc.

per: "*Roger Kauffman*"

Roger Kauffman,
President & CEO

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This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the Corporation's securities in the United States. The Corporation's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.