



Letter to Shareholders

February 29, 2008

Dear Shareholders,

I wish to thank all of you for your continued interest in Indigo-Energy, Inc. (OTCBB: [IDGG](#)). We are very proud of the progress and development of our Company in 2007 and we have taken several significant steps to develop our production and acquisition efforts in 2008.

In order to clarify the direction of our Company, Indigo-Energy, Inc. is currently reviewing several leasehold opportunities for drilling properties and facilities for natural gas and oil, in addition to our properties in Kentucky, Pennsylvania and West Virginia. The Company recently secured a combined total of \$6 million in financing commitments and we are pursuing further investment in an effort to acquire additional drilling locations.

Last month, Indigo-Energy, Inc. elected two new members to its Board of Directors and announced the resignation of one existing member. Our intent is to bring in the best talent, technology and resources available to become a leading developer and provider of domestic energy. The prospect of rising fuel costs creates a solid market for us as we continue to grow to meet the demand for domestic fuel sources.

Throughout 2007, Indigo-Energy, Inc. spent considerable time and resources reorganizing the Company and its finances in order to uplist to the OTCBB. We completed up-to-date financial reports and were approved for the quotation of our common stock on the OTCBB in October, 2007. We also completed the successful installation of a new compressor system in three of our natural gas wells in the Appalachian Basin in West Virginia. Following installation, tests proved that the flow from the wells was improved as a result, and we anticipate increased production from these wells in the months and years ahead.

Throughout 2007, we made a concerted effort to spend time at our well sites to confirm, first hand, the progress made and the work that lies ahead. We own more than 400 acres of land in West Virginia and Pennsylvania, and are continuing to review additional opportunities for production and revenue enhancement in 2008.

Our Company is responding to the uncertainty of foreign energy sources by developing known reserves within the American heartland. We believe that it is a smart choice to aggressively pursue domestic fuel resources and we hope to capitalize on that demand in the near future. It is our intention to bring value to our investors, our communities and our country while reducing American dependence on foreign sources of energy.

Thank you for your continued support and we look forward to an exciting and prosperous future.

Sincerely,
Steve Durdin
CEO and President
Indigo-Energy, Inc.