ASX: IDA

14/03/2019

Due Diligence Confirms Geophysical Anomaly at Lakanfla

HIGHLIGHTS

- **Technical Due Diligence activities for the Lakanfla and Tabakorole Gold Projects in Mali under way**
- **Historical ground gravity and IP data has been reviewed and verified which have defined a large target at Lakanfla**
- **Historical data for Lakanfla is continuing to be compiled, validated and reviewed**
- **Owing to the amount and complexity of historical data remaining to be reviewed, the Due Diligence period has been extended to 6 May 2019**

Indiana Resources Limited **(ASX: IDA) (**'**Indiana**' or '**the Company**') is pleased to provide an update on its due diligence activities for the proposed joint venture agreement with Altus Strategies Plc ('**Altus**') (**AIM: ALS; TSX-V: ALTS**) for the Lakanfla and Tabakorole Gold Projects in Mali (see Figure 1).

As announced to the ASX on 8 February 2019, the Company has entered into a non-binding term sheet ('**Term Sheet**') for a joint venture ('**JV**') with Altus where Indiana will have the option to earn up to an 85% interest in Legend Gold Mali Inc. ('**Legend Gold** '), a wholly owned subsidiary of Altus, which holds a 100% interest in the Lakanfla and Tabakorole Gold Projects ('**Projects**'). Entry into the JV Agreement is subject to satisfactory completion of due diligence, receipt of requisite regulatory approvals and the Company providing notice to Altus that it has raised at least A$1 million prior to completion of the due diligence period ('**Due Diligence Period**').

Following Indiana's initial review of historic technical information, the Company has agreed with Altus that based on the complexity of compiling and verifying the large volume of historical data, a 30-day extension to the Due Diligence Period is required. The Due Diligence period will now close on 6 May 2019.

Analysis and verification of geophysical data, including Ground Gravity and IP data, pertaining to the Lakanfla licence, has now been completed. The results show a strong gravity low which corresponds with the mapped edges of a granodiorite body which has intruded sediments of the Kofi formation; the same host rocks as the nearby Sadiola FE3 and FE4 pits. This gravity low is hypothesised to indicate a substantial karst collapse structure which may host mineralisation in a setting analogous to the nearby Sadiola FE3 and FE4 pits which are located approximately 6.5km to the north-west of the Lakanfla anomaly (Figure 2).

Historical exploration at Lakanfla has included soil sampling across the entire licence area, on a 500m x 250m (and in places 250m x 100m) sample grid. The programme defined a number of anomalies which were further refined by shallow auger drilling. Follow up diamond, RC and RAB drilling programmes primarily targeted shallow gold mineralised breccias. The breccias are also the primary target for artisanal gold miners, the

workings of which extend for approximately 2.5km of strike length. From 2001 to 2011 over 29,000 metres of drilling was completed at Lakanfla including RAB, aircore, Reverse Circulation and Diamond drilling.

The 100km^2 Tabakorole Project is located in southern Mali, approximately 280km south of the capital Bamako. The project sits on the Massagui Belt which hosts the 7.0Moz Morila gold mine operated by Anglogold Ashanti and Barrick Gold. Since 2003, a significant amount of diamond, reverse circulation, auger and air core drilling has reportedly been completed, in addition to 1,400 line km of airborne geophysics.

Indiana is collating and reviewing all of the information above to verify the results of previous exploration as part of the due diligence process and in order to enable the Company to announce the findings of its due diligence work. Altus is sourcing historic assay and exploration results, the majority of which is in hard copy, to support the technical due diligence review.

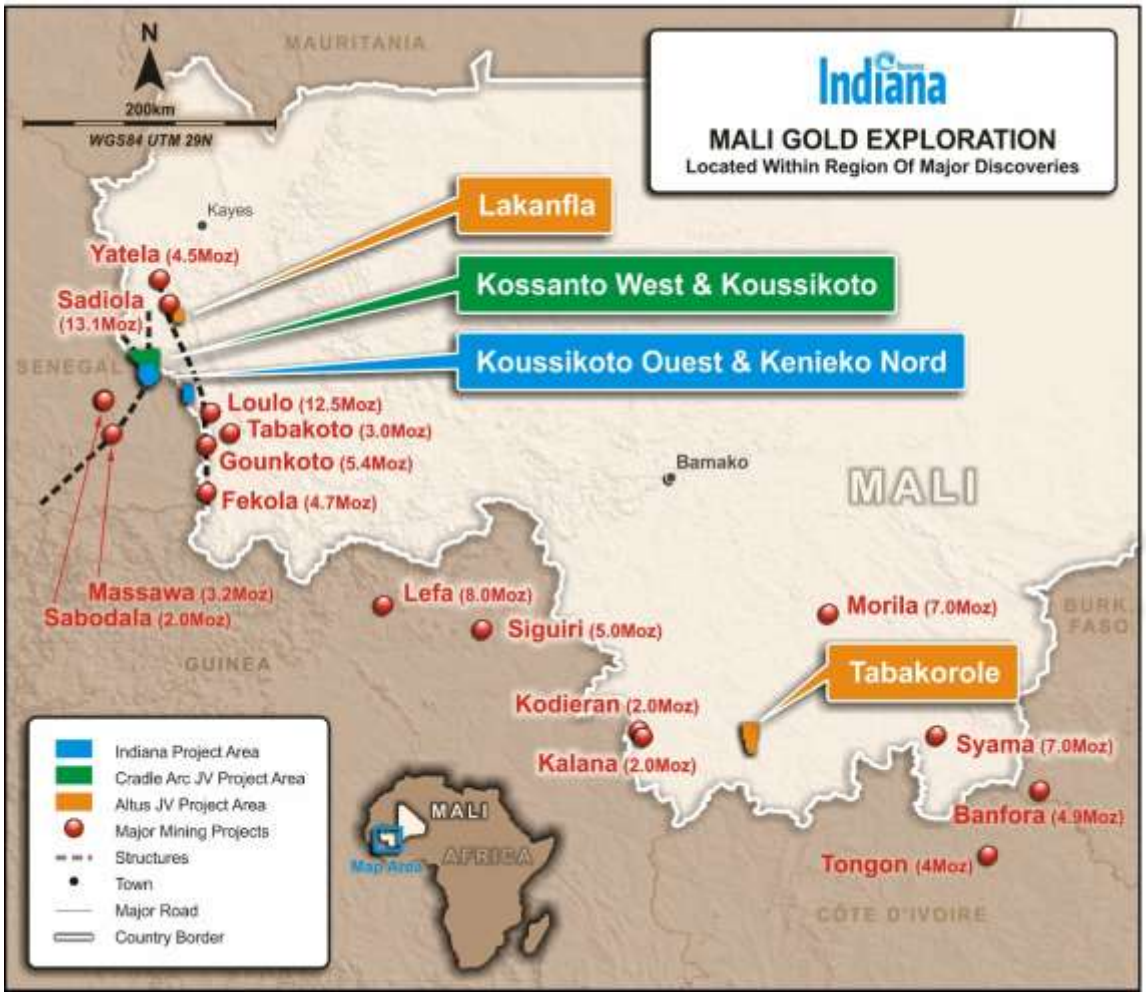

Figure 1 - Location of Lakanfla and Tabakorole Gold Projects relative to other Indiana tenure

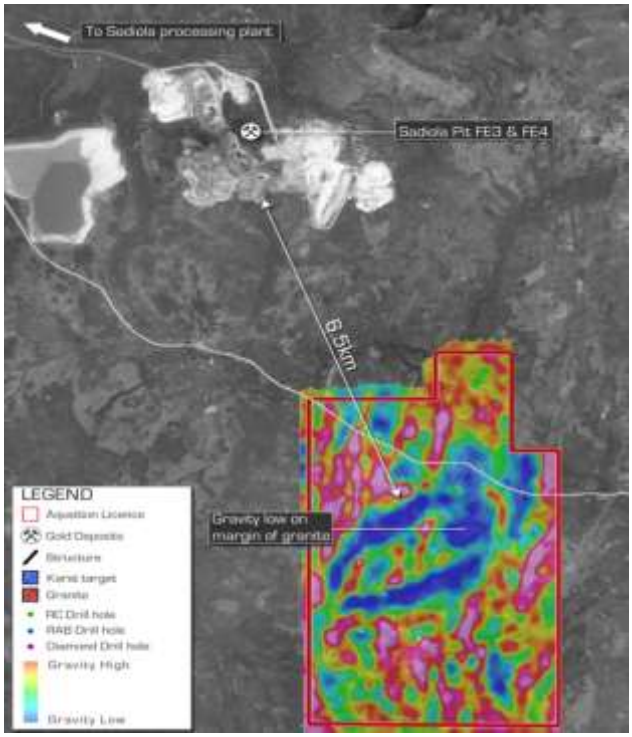

Figure 2 - Location relative to Sadiola FE3 and FE4 pits (Source: Altus Strategies)

The Karst Model and its applicability to Lakanfla

The geology at the Yatela gold deposit (1.8Moz at start of operations, jointly owned by Anglogold Ashanti and IAMGOLD[1]) is characterised by felsic intrusions (Diorite) intruding metasediments of the Kofi formation, in particular, impure carbonates. The primary mineralisation, where encountered is low-grade and sub-economic (Masurel *et al*., 2016[2]). The oxide resource exploited at Yatela is formed through karstic dissolution of the mineralised and hydrothermally altered carbonates which leads to supergene gold enrichment in the basal ferruginous residuum within weathering troughs surrounding the more resistant felsic intrusions (See Figure 3 below).

[1] AngloGold, 2002. *Supplementary Information: Ore Reserves and Mineral Resources*. Accessed 13/03/2019; <https://www.anglogoldashanti.com/investors/annual-reports/>

[2] Masurel, Q., Miller, J., Hein, K., Hanssen, E., Thébaud, N., Ulrich, S., Kaisin, J. & Tessougue, S. 2016. *The Yatela gold deposit in Mali, West Africa: The final product of a long-lived history of hydrothermal alteration and weathering.* Journal of African Earth Sciences 113 (2016) 73-87.

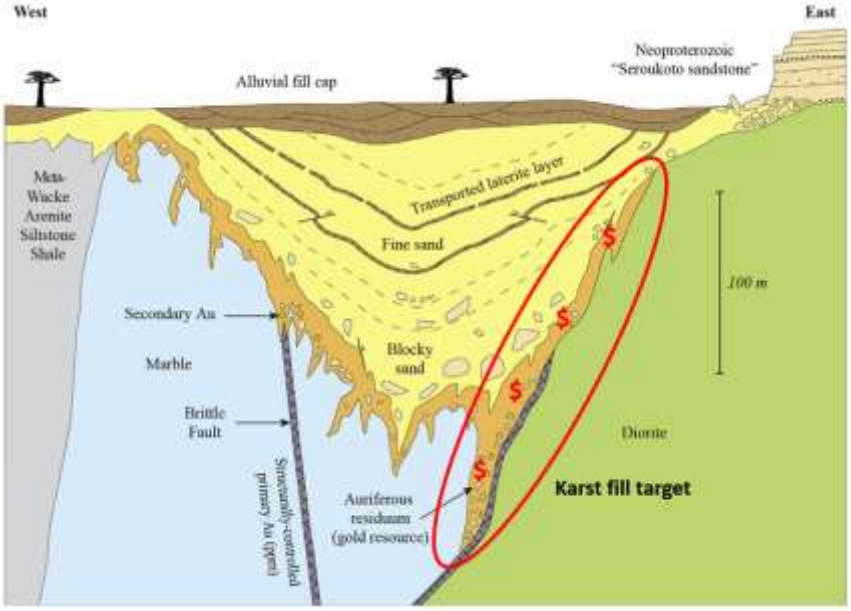

Figure 3 – Schematic cross-section through the Yatela deposit illustrating the Karst model (Modified from Masurel et al., 2016)

At Lakanfla, the geological model is remarkably similar. A granodiorite body has intruded the Kofi group sediments (the same host rocks as at Sadiola FE3 & FE4 pits located 6.5km to the north-west). Shallow artisanal workings at Lakanfla have to date targeted vein mineralisation hosted within the granodiorite body. The gravity signature is characterised by a strong gravity low. In general terms, gravity is a proxy for density and therefore this signature represents a halo of low density surrounding the granodiorite intrusion. It is believed that this halo is likely to represent the loosely consolidated karstic infill that is the basis for the target at Lakanfla (See Figure 4 below).

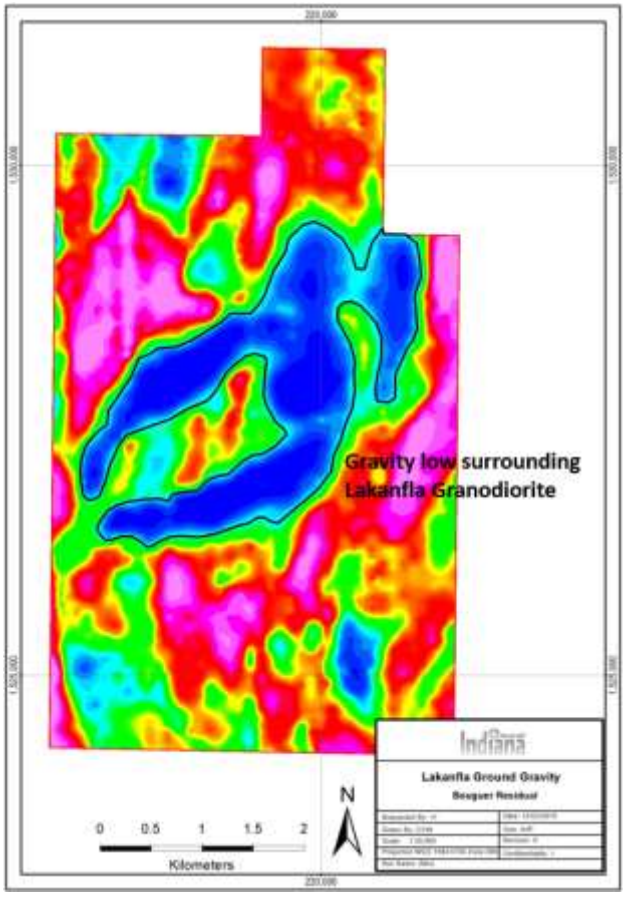

Figure 4 - Lakanfla Ground Gravity survey results: Residual Bouguer Gravity

Following the gravity survey, SAGAX Afrique S.A. Geophysical Surveys and Consulting was engaged by Legend Gold to conduct a large Gradient Array IP survey to overlap and include a previous, much smaller (Kantela, 2004) survey which targeted the vein mineralisation hosted in the granodiorite body (see Figure 5). This survey is particularly useful in delineating structures which transect the granodiorite and are the likely controlling structures responsible for carrying gold bearing fluids and the source of hydrothermal alteration.

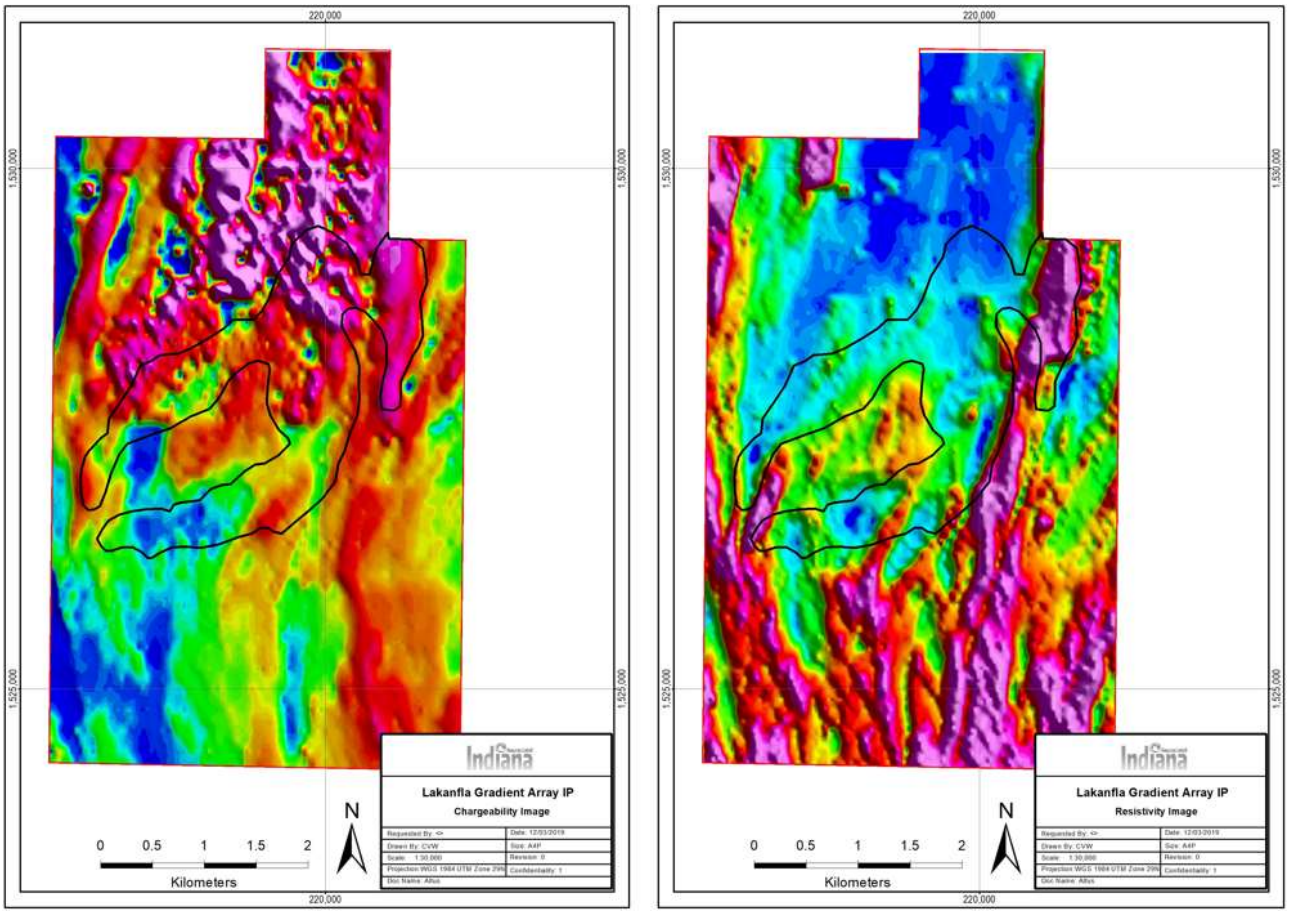

Figure 5 - Lakanfla Gradient Array IP survey images with gravity low outline shown in black
(Chargeability on left and Resistivity on right)

The extended Due Diligence Period affords the company additional time to fully assimilate the large amount of data available for these two attractive projects and we look forward to updating the market as the Due Diligence progresses.

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Competent Person's Statement

The information contained in this announcement that relates to historical exploration results at the Lakanfla Project located in western Mali, is based on, and fairly represents, information and supporting material provided by Altus Strategies plc. Indiana has entered into a non-binding Term Sheet (see ASX announcement 8 February 2019). This data has been reviewed by Mr Chris van Wijk, in his capacity as Chief Executive Officer of Indiana. Mr van Wijk is a registered member of the AusIMM and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person in terms of the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('**JORC 2012**'). Mr. van Wijk has verified the data underlying the information contained in this release and approves and consents to the inclusion of the data in the form and context in which it appears.

About Indiana Resources Limited

Indiana Resources (ASX: IDA) is a gold-focused Australian exploration company with a strategic position in western Mali consisting of the Koussikoto, Koussikoto Ouest, Kossanto and Kenieko Nord licences which are located in the well-endowed Kenieba Province of western Mali, approximately 550 km west of the capital city of Bamako. Indiana is looking to aggressively grow and explore its Malian portfolio going forward.

To find out more, please visit www.indianaresources.com.au.

Appendix 1 JORC 2012 Table 1 Reporting

Section 1. Sampling Techniques and Data

Criteria	Explanation
Sampling techniques	• Not Applicable, no soil or drill samples collected.
Drilling techniques	• Not applicable, no drilling conducted.
Drill sample recovery	• Not applicable, no drilling conducted.
Logging	• Not Applicable, no drilling conducted.
Sub-sampling techniques and sample preparation	• Not Applicable, no sampling or assaying conducted.
Quality of assay data and laboratory tests	• Not Applicable, no sampling or assaying conducted.
Verification of sampling and assaying	• Not Applicable, no sampling or assaying conducted. Exploration results have been reviewed ands verified.
Location of data points	• Gravity station points have been surveyed utilising Real-Time Kinematic GPS. • Grid system for both surveys is UTM WGS84 Zone 29 North datum and projection.
Data spacing and distribution	• Gravity station spacing is approximately 100m x 100m. • IP survey was carried out with 100m line spacing and 25m station spacing.
Orientation of data in relation to geological structure	• The gravity grid lines are orientated north-south on an offset grid which is appropriate for the geophysical technique. • The IP survey was oriented in an east-west direction with a north-south base line. This survey was oriented to best capture the north-south structural trend apparent on the licence.
Sample security	• Not Applicable, no samples collected.
Audits or reviews	• No audits have been conducted on this data. Data has been reviewed and accepted in its raw form.

Section 2 Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	• The Lakanfla Arrete Number 2018-2734 was renewed on the 31st July 2018. This permit is in its 3rd renewal period which is valid for 2 years from the date of signing. • The Lakanfla Arrete is held by Legend Gold Mali, a 100% subsidiary of Altus Strategies plc, with whom the company has entered into a non-binding term sheet for a joint-venture that covers the Lakanfla Arrete. For further information please see ASX announcement dated 8 February 2019.
Exploration done by other parties	• The Gravity Survey Data was collected by MWH Geo-Surveys International Inc., who were contracted by Legend Gold Mali, now a wholly owned subsidiary of Altus Strategies plc. The Gravity survey was completed over a 2-month period in November and December 2013. • The IP survey was collected by SAGAX Afrique S.A. who were contracted by Legend Gold Mali now a wholly owned subsidiary of Altus Strategies plc. The survey took place between May and July 2014.
Geology	• The Geology on the license is mapped as being a massive carbonate unit intruded by a central granite body. The exploration target is a gravity low on the margins of the granite body that is hypothesized to represent a karst structure that may host oxide gold.
Drill hole information	• Not applicable, no drilling conducted.
Data aggregation methods	• Not applicable, no drilling conducted.
Relationship between mineralisation widths and intercept lengths	• Not applicable, no drilling conducted.
Diagrams	• Diagrams of geophysical results and the location of Altus Strategies plc tenements are included in this announcement.
Balanced reporting	• All geophysical results obtained are reported in the diagrams included in this announcement.
Other substantive exploration data	• Ground Gravity survey carried out with the following specifications: • Equipment used included: 2 Lacoste and Romberg electronic gravity meters with data loggers, 4 x Ashtech Promark and Proflex 500 dual frequency, dual constellation RTK GNSS GPS receivers. • Gravity measurements are accurate to within 0.02 mgals and positional accuracy is within 0.25m in both the horizontal and vertical planes. • Data has been corrected for tidal variation, instrument height, instrument drift and base shifts.

Criteria	Explanation
	• Gradient Array Induced Polarisation/Resistivity geophysical survey was carried out with the following equipment and specifications: • A VIP-10000 Transmitter, manufactured by Iris Instruments, an Elrec-pro/Elrec-6 Receiver and Honda 20kVA Generator. • Current transmission dipole AB: 2400M • Receiving dipole MN: 50M • Readings spaced at 25m and line spacing of 100m.
Further work	• No further geophysical work is proposed at this stage.