

24 October 2019

NTAKA HILL NICKEL PROJECT – PROJECT UPDATE

HIGHLIGHTS

- Mining Exploration and Development Plan lodged with the Tanzanian Ministry of Minerals
- The Plan outlines a four-year work programme and budget to advance Ntaka Hill to development
- Activity includes an expanded drilling programme, upgrade of existing resource model to increase measured resources, update of previous feasibility studies and initiate environmental and social impact assessments
- Strong interest from existing shareholders and potential investment partners to support funding for development activities
- Over US\$60 million spent historically on exploration at Ntaka Hill – includes definition of a total (measured, indicated, inferred) JORC compliant (2013) resource of 56.2Mt @ 0.63% Ni, 0.14% Cu, 0.2% Co for 356,380t of contained nickel¹¹

Indiana Resources Limited (ASX: IDA) ('Indiana' or the 'Company') is pleased to advise that its local Tanzanian operating entity Nachingwea Nickel Ltd ("Nachingwea") has recently lodged a Mining Exploration and Development Plan for the Ntaka Hill Nickel Project ('Ntaka Hill' or 'Project') with the Ministry of Minerals.

This formal Submission to the Ministry of Minerals addressed regulatory, development and financing plans for the Ntaka Hill Project that would progress it to a decision to mine stage. These activities include additional drilling to infill the existing resource and upgrade the resource classification, commencement of a desktop feasibility study and initiation of environmental and social impact assessment studies ("ESIA").

The drilling programme has been planned to upgrade the existing resource model for Ntaka Hill (see Table 1 below) to increase measured resources as the basis on which to progress a feasibility study. The planned feasibility study would be for the development of a project that could suit the growing demand for battery grade nickel sulphides.

A summary and budget of the proposed activities are contained in Table 2 below. This programme is a comprehensive body of work that can be started rapidly on confirmation of a suitable tenure arrangement with the Ministry of Minerals and would require the immediate support of additional employees in Tanzania and the engagement of Tanzanian contractors and consultants.

Initial estimates for the proposed drilling programmes and additional technical work at Ntaka Hill are estimated to be between USD 1,500,000 and 2,000,000 in the first 12 months with an overall investment of between USD 8 and USD 11 million over a four year period to progress development activities to a stage that would allow for a decision to mine be taken.

Given the current interest in high grade nickel sulphide projects close to production, the Company has significantly advanced discussions with its shareholders and other interested parties to support financing for advancing development activities for Ntaka Hill. Sulphide nickel is a key component of the lithium-ion technology underpinning the electric vehicle battery storage market and there has been a renewed focus on developing nickel sulphide assets that can meet this demand. Indiana is proposing to advance these discussions to a stage where Nachingwea can present a clear funding plan to support expanded exploration and project development activities for Ntaka Hill to the Tanzanian Government in December 2019.

The Company notes the recent announcement by Barrick Gold Corporation that they have reached agreement with the Government of Tanzania to settle all disputes relating to mining companies formerly operated by Acacia but now managed by Barrick. According to announcements made by Barrick Gold Corporation and reported in the Tanzanian media, the terms of the agreement include the payment of \$300 million to settle all outstanding tax and other disputes; the lifting of the concentrate export ban; the sharing of future economic benefits from the mines on a 50/50 basis; and the establishment of a unique, Africa-focused international dispute resolution framework. The final agreements have been submitted to the Tanzanian Attorney General for review and legalization.

The Company notes recent progress made by ASX listed companies such as Strandline Resources Limited, Walkabout Resources Limited, Black Rock Mining Limited and Kibaran Resources Limited all of whom have recently been able to progress their projects with support and endorsement from the Tanzanian Government. Indiana is encouraged by these developments and remains committed to working collaboratively with the Tanzanian Government to outline a suitable development plan for Ntaka Hill.

Considering the current opportunity in the nickel market, which is reflected in an increasing nickel price, Ntaka Hill remains an asset of key value that can be rapidly progressed to meet this looming demand. More than USD 60 million has previously been spent on exploration at Ntaka Hill.

Highlights from previous drilling at Ntaka Hill include:

J Zone

- 35m @ 2.22% Ni and 0.36% Cu from 9m (NAD08-74)⁴
- 21m @ 3.35% Ni and 0.46% Cu from 30m (NAD07-69)²
- 10m @ 3.24% Ni and 0.25% Cu from 20m (NAD08-85)³

M Zone

- 13.7m @ 3.55% Ni and 0.87% Cu from 40m (NAD08-143)⁵
- 9m @ 3.39 % Ni and 0.67% Cu from 21m (NAD08-148)⁵

Sleeping Giant

- 9m @ 4.38% Ni and 0.72% Cu from 39m (NAD08-103)⁴
- 4.5m @ 2.82% Ni and 0.55% Cu from 53m (NAD07-37)¹
- 17.25m @ 2.28% Ni and 0.57% Cu from 210.75m (NAD10-226)⁷
- 23.2m @ 2.58% Ni and 0.41% Cu from 324.5m (NAD10-220)⁶

- 14.3m @ 2.66% Ni and 0.60% Cu from 359.8m (NAD11-238)⁹
- 31.5m @ 2.03% Ni and 0.42% Cu from 313.5m (NAD11-234)⁸
- 23m @ 1.35% Ni and 0.24% Cu from 235m (NAD12-308)¹⁰

H Zone

- 5m @ 2.93% Ni and 0.11% Cu from 31m (NAD08-160)⁵

Table 1. Ntaka Hill Mineral Resource¹¹

Category	Ore (kt)	% Ni	% Cu	% Co	Contained nickel (t)
Measured	1,124	1.74	0.29	0.06	19,500
Indicated	19,199	0.51	0.12	0.02	98,380
Inferred	35,934	0.66	0.14	0.02	238,500
Total	56,257	0.63	0.14	0.02	356,380

11. ASX announcement 19 August 2013. Since announcing the Mineral Resource estimate on 19 August 2013, Indiana confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning that Mineral Resource estimate continue to apply and have not materially changed.



Figure 1: Ntaka Hill Project Location

Table 2 – Proposed Mining Exploration and Development Plan – Ntaka Hill

Nickel Project - Years 2020 - 2025

Activity	Q4 2019	H1 2020	H2 2020	H1 2021	H2 2021	H1 2022	H2 2022	H1 2023	H1 2024	H2 2024	H1 2025	H2 2025	US\$	Country of Spend
Government Confirm Tenure													Government Fees as required	Tanzania
Prospecting Licence granted – 4-yr														Tanzania
Drill Programme Phase 1													1,500,000	Tanzania
Drill Programme Phase 2*													1,000,000*	Tanzania
Drill Programme Phase 3*													2,000,000*	Tanzania
Scoping Study ESIA													250,000	Tanzania
Upgrade resource classification													250,000	Tanzania/ Australia
Upgrade site infrastructure facilities													500,000	Tanzania
Upgrade resource model													250,000	Tanzania/Australia
Desk top engineering													1,500,000	Tanzania/Australia
Environmental & Social Impact Assessment													1,000,000	Tanzania
Bankable Feasibility Study													2,500,000	Tanzania/Australia/UK
Apply for Mining Licence													Government Fees as required	Tanzania
Funding for Development														Australia/UK/US
Grant of Mining Licence													Government Fees as required	Tanzania
Minimum Projected Spend 1 Drill Programme														
Maximum Projected Spend 3 Drill Programmes													11,250,000	

*Dependent on success of prior drill programme/s

While Indiana's core focus remains progressing the exploration of its highly prospective West Mali Gold Project, the Company will continue to engage with the Tanzanian Government to confirm a suitable tenure mechanism for the Ntaka Hill Nickel Project and agree a suitable framework for progressing development activities at this key asset.

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

Competent Person's Statement – (Refer ASX announcement 19 August 2013)

Competent Persons / Qualified Person / NI 43-101 Statement

The updated Mineral Resource estimate for Sleeping Giant was prepared by Cube Consulting Pty Ltd of Perth ('Cube'), Western Australia under the supervision of Patrick Adams, B.Sc., Grad Cert. Geostats, CP (GEO), Principal Consulting Geologist. Mr Adams is a registered member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and has sufficient relevant experience to qualify as a Competent Person under the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves ('JORC 2012') and an independent qualified person under Canadian National Instrument 43-101 ('NI 43-101'). Mr Adams has verified the data underlying the information contained in this announcement and approves and consents to the inclusion of the data in the form and context in which it appears.

Information in this announcement relating to quality control and technical information on exploration results is based on data collected by the Company's former joint venture partner at the Nachingwea Project, Continental Nickel Limited ('CNI'), under the supervision of joint venture company geologists since 2006. Ernest Poole B.Sc, Dip.Ed., in his capacity as Exploration Manager for IMX has been working on the Ntaka Hill Project since November 2012, and has had the benefit of a comprehensive due diligence process and handover from CNI geologists to IMX geologists following IMX's acquisition of 100% ownership of the Ntaka Hill Project in September 2012. Mr Poole is a registered member of the Australian Institute of Geoscientists and has sufficient relevant experience to qualify as a Competent Person under JORC 2012 and as a qualified person under NI 43-101. Mr Poole has verified the data underlying the information contained in this announcement and approves and consents to the inclusion of the data in the form and context in which it appears.

Information relating to the 2012 Mineral Resource estimate and the Zeppelin Mineral Resource estimate was prepared by Roscoe Postle Associates Inc. of Toronto, and reviewed by Patrick J. Adams, B.Sc., Grad Cert. Geostats, Principal Consulting Geologist, of Cube.

Table 2. ASX releases relating to this announcement

Note	ASX Release Date	Release Title
1	11/12/2007	Discovery Of New Mineralised Zones At Nachingwea Nickel JV, Tanzania
2	23/01/2008	Nachingwea Nickel JV In Tanzania Intersects 21 Metres Of Nickel Sulphide At Zone J And Discovers New Sulphide Nickel Zones
3	23/10/2008	Drilling Expands High Grade Nickel-Copper Zones At Nachingwea
4	21/11/2008	Nachingwea Drilling Confirms Three Additional High Grade Nickel Zones
5	29/01/2009	Final 2008 Assays Expand M Zone Mineralisation At Nachingwea Nickel Sulphide Project
6	14/12/2010	High Grade Massive Sulphides Up To 13.63% Nickel Intersected At Sleeping Giant, Tanzania
7	25/01/2011	More High Grade Nickel Sulphides At Sleeping Giant, Nachingwea JV Project, Tanzania
8	14/11/2011	New Drilling Confirms High Grade Core Zone At Sleeping Giant, Nachingwea Ni-Cu JV, Tanzania
9	3/11/2011	Sleeping Giant High Grade Zone Extended, Nachingwea Ni-Cu JV, Tanzania
10	20/12/2012	IMX Reports High-Grade Massive Sulphide Intervals Including 1.25m @ 16.3% Nickel Within Wide Intersections Of Disseminated Mineralisation At Ntaka Hill
11	19/8/2013	IMX announces increase in global Mineral Resource at Ntaka Hill
12	13/9/2008	Additional High Grade Nickel, Copper And Cobalt Intersections At Nachingwea
13	9/10/2012	IMX Resources Sleeping Giant Infill Drilling Continues to Intersect High Grade Nickel Sulphides at Ntaka Hill

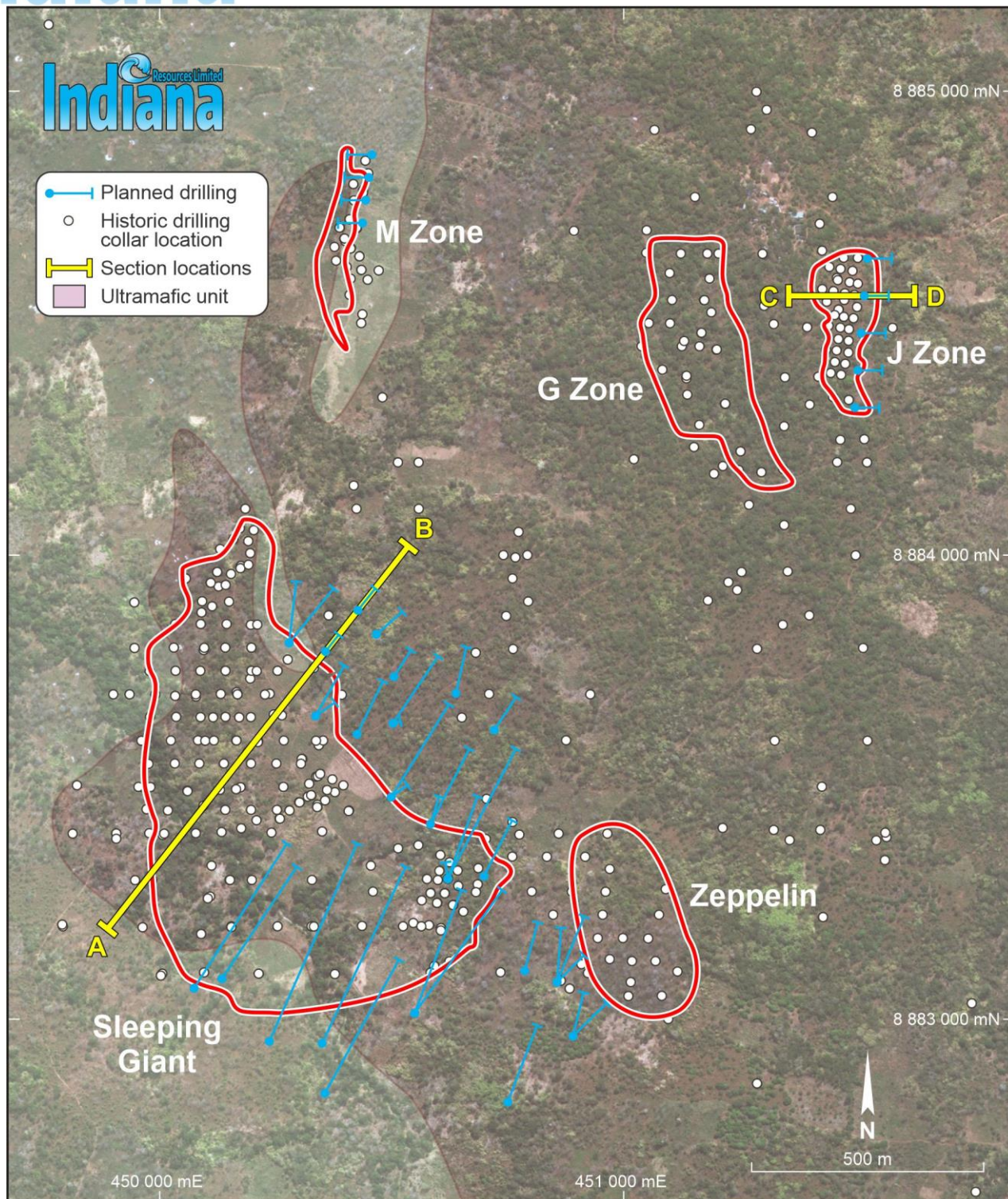


Figure 2 – Ntaka Hill Project, Mineralised Zones, Previous Drilling and Planned Drilling

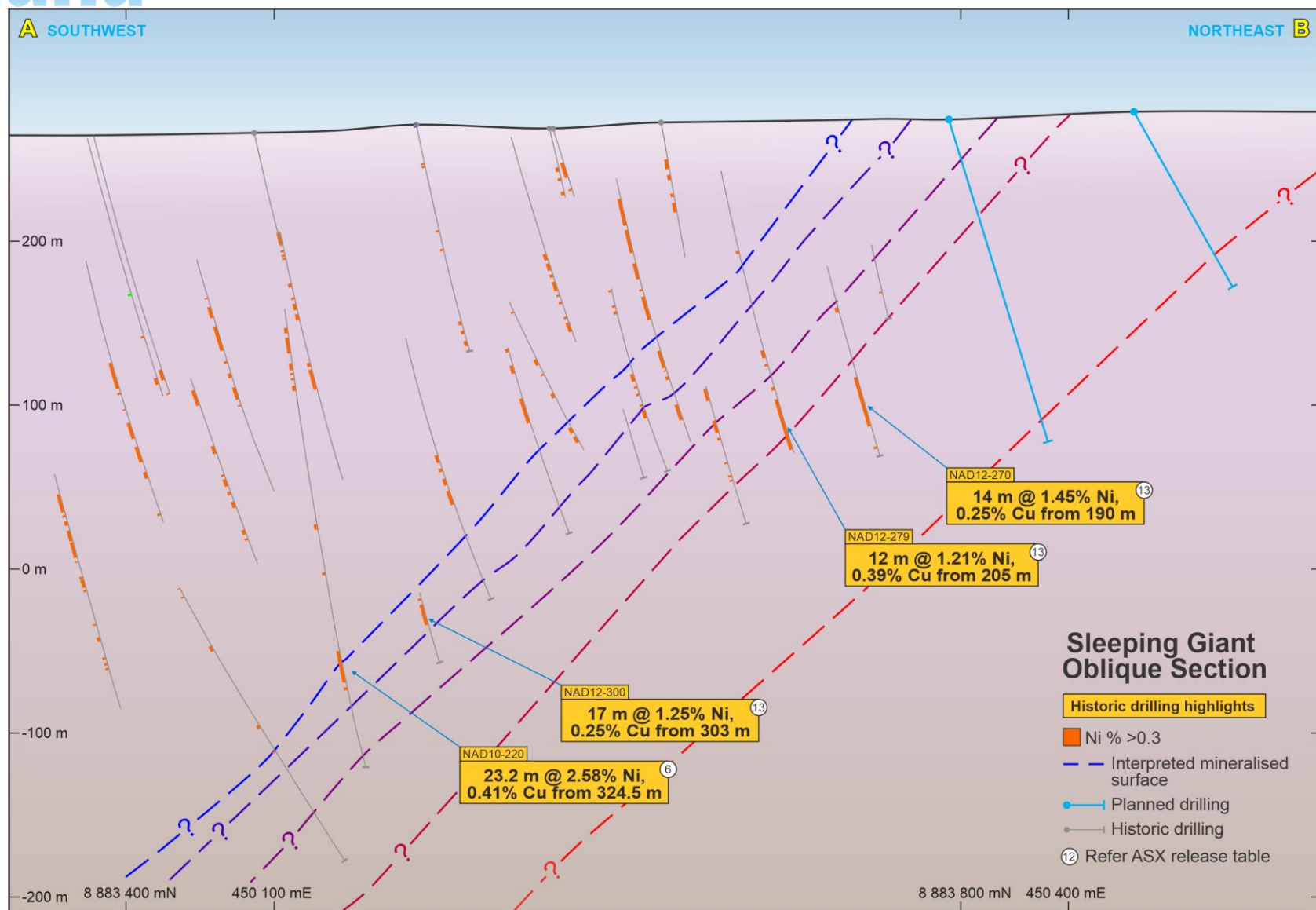


Figure 3 – Sleeping Giant Oblique Cross Section, Showing Significant Intercepts and Interpreted Mineralised Surfaces

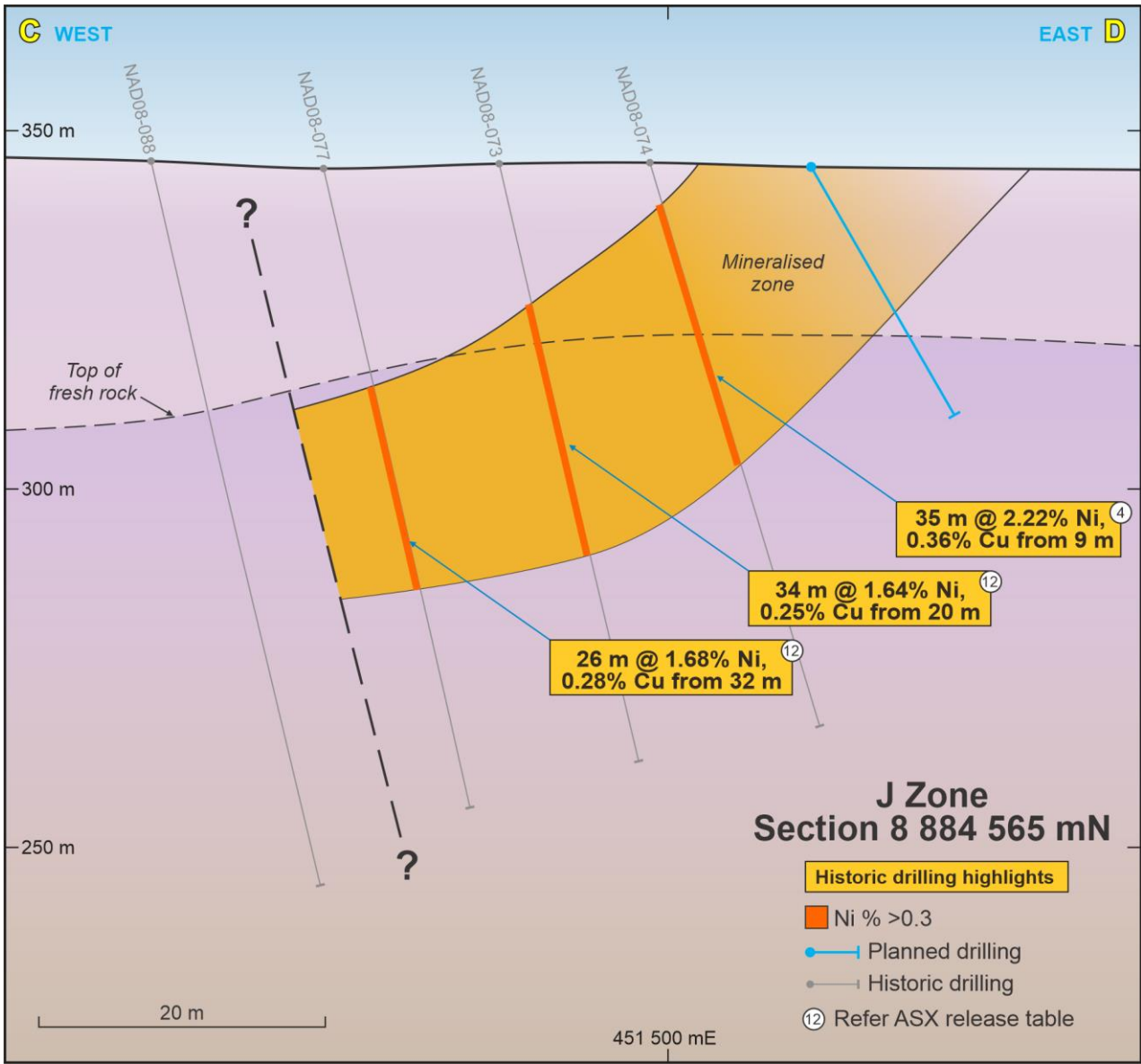


Figure 4 – J Zone Cross Section 8 884 565 mN