



**INDIANA RESOURCES LIMITED
ACN 009 129 560**

NOTICE OF ANNUAL GENERAL MEETING

**An Annual General Meeting of the Company will be held at
the President's Room of the Celtic Club at
48 Ord Street, West Perth on Wednesday, 23 November 2016
at 3.30pm (WST).**

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9388 7877.

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice

INDIANA RESOURCES LIMITED

ACN 009 129 560

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Indiana Resources Limited (**Indiana** or **Company**) will be held at 3:30 pm (WST) on Wednesday, 23 November 2016 at the President's Room, Celtic Club, 48 Ord Street, West Perth, Western Australia (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 4:00pm (WST) on Monday, 21 November 2016.

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2016, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 - Adoption of Remuneration Report

To consider, and if thought fit, to pass as an ordinary resolution the following:

"That, for the purpose of section 250R(2) of the Corporations Act, and for all other purposes, approval is given for the adoption of the Remuneration Report of the Company."

Note: The vote on Resolution 1 will be an advisory vote of Shareholders only, and will not bind the Directors or the Company.

Please refer to the Explanatory Memorandum for details.

Resolution 1 is subject to voting exclusions as set out in section 4.3 of the Explanatory Memorandum.

3. Resolution 2 - Re-election of Director - Bruce McFadzean

To consider, and if thought fit, to pass as an ordinary resolution the following:

"That, for the purpose of clause 46 of the Constitution and for all other purposes, Bruce McFadzean, a Director who was appointed by the Directors on 30 March 2015 and elected at the 17 November Annual General Meeting, retires, and being eligible, is elected as a Director."

4. Resolution 3 - Approval of Additional 10% Capital Raising Capacity

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, the Shareholders approve the Company having the additional capacity to issue Equity Securities in an amount up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum without the need to seek further Shareholder approval."

Resolution 3 is subject to voting exclusions as set out in section 6.2 of the Explanatory Memorandum.

5. Resolution 4 - Approval of prior issues of securities to refresh the Company's 15% placement capacity

To consider, and if thought fit, to pass, with or without amendment, the following resolutions as **ordinary resolutions**:

- (a) *"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,700,581 Shares at 12.0 cents per share on 22 August 2016, on the terms and conditions described in the Explanatory Memorandum."*
- (b) *"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 300,000 unlisted Options, exercisable at \$0.20 each, expiring 22 July 2019, on the terms and conditions described in the Explanatory Memorandum."*
- (c) *"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 300,000 unlisted Options, exercisable at \$0.30 each, expiring 22 July 2019, on the terms and conditions described in the Explanatory Memorandum."*

Resolution 4 is subject to voting exclusions as set out in section 7.2 of the Explanatory Memorandum.

6. Resolution 5 - Appointment of Auditor

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That for the purposes of Section 327C of the Corporations Act and for all other purposes, RSM Partners Australia (RSM), having been appointed as Auditors under the casual vacancy on 27 May 2016, be ratified."

7. Resolution 6 - Issue of securities to Campbell Baird

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

- (a) *"That, for the purpose of Listing Rule 10.11 and sections 200B and 200E of the Corporations Act and for all other purposes, the grant of 636,011 Options, on the terms and conditions described in the Explanatory Memorandum to this Notice, and any benefits under the grant of such Options (including the issue of Shares on the exercise of those Options) that may be given to Mr Baird in connection with any future retirement from his office or employment with the Company, are approved."*
- (b) *"That, for the purpose of Listing Rule 10.14 and sections 200B and 200E of the Corporations Act and for all other purposes, the grant of 852,254 Options under the Option Plan, on the terms and conditions described in the Explanatory Memorandum to this Notice, and any benefits under the Option Plan (including the issue of Shares on the exercise of those Options) that may be given to Mr Baird in connection with any future retirement from his office or employment with the Company, are approved."*
- (c) *"That, for the purpose of Listing Rule 10.14 and sections 200B and 200E of the Corporations Act and for all other purposes, the grant of 1,272,022 Options under the Option Plan, on the terms and conditions described in the Explanatory Memorandum to this Notice, and any benefits under the Option Plan (including the issue of Shares on the exercise of those Options) that may be given to Mr Baird in connection with any future retirement from his office or employment with the Company, are approved."*

Short Explanation: Approval is sought under Listing Rules 10.11 and 10.14 and sections 200B and 200E of the Corporations Act to allow the Company to grant the Options to a Director (Mr Baird). Approval is also sought under the Corporations Act for the Company to give potential benefits under the Plan to Mr Baird (including the issue of Shares on the exercise of those Options) that may be given in connection with any future retirement by Mr Baird from his office or employment with the Company.

Resolution 6 is subject to voting exclusions as set out in sections 9.2 and 9.6 of the Explanatory Memorandum.

BY ORDER OF THE BOARD

Stuart McKenzie
Company Secretary

Dated: 19 October 2016

INDIANA RESOURCES LIMITED

ACN 009 129 560

EXPLANATORY MEMORANDUM

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 3:30pm (WST) on Wednesday, 23 November 2016 at the President's Room, Celtic Club, 48 Ord Street, West Perth, Western Australia.

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Annual Report
Section 4:	Resolution 1 - Adoption of Remuneration Report
Section 5:	Resolution 2 - Election of Director - Bruce McFadzean
Section 6:	Resolution 3 - Approval of Additional 10% Capital Raising Capacity
Section 7:	Resolution 4 - Approval of prior issues of securities to refresh the Company's 15% placement capacity
Section 8:	Resolution 5 - Appointment of Auditor
Section 9:	Resolution 6: Issue of securities to Campbell Baird
Schedule 1:	Definitions

1.1 Time and place of Meeting

Notice is given that the Meeting will be held at 3:30pm (WST) on Wednesday, 23 November 2016 at the President's Room, Celtic Club, 48 Ord Street, West Perth, Western Australia.

1.2 Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

1.3 Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm WST on Monday, 21 November 2016.

1.4 Defined terms

Capitalised terms in this Notice of Meeting and Explanatory Memorandum are defined either in Schedule 1 or where the relevant term is first used.

1.5 Responsibility

This Notice of Meeting and Explanatory Memorandum have been prepared by the Company under the direction and oversight of its Directors.

1.6 ASX

A final copy of this Notice of Meeting and Explanatory Memorandum has been lodged with ASX. Neither ASX nor any of its officers take any responsibility for the contents of this document.

1.7 No internet site is part of this document

No internet site is part of this Notice of Meeting and Explanatory Memorandum. The Company maintains an internet site (www.indianaresources.com.au). Any reference in this document to this internet site is a textual reference only and does not form part of this document.

1.8 Disclosure required by National Instrument 71-102

The Company is a “designated foreign issuer” as such term is defined by Canadian National Instrument 71-102. The Company is subject to the foreign regulatory requirements of the ASX and the Australian Securities & Investments Commission. As such, the Company is exempt from certain requirements otherwise imposed on reporting issuers in Canada, including in connection with meetings of shareholders.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Voting in person

A shareholder that is an individual may attend and vote in person at the meeting. If you wish to attend the meeting, please bring the enclosed proxy form to the meeting to assist in registering your attendance and number of votes. Please arrive 20 minutes prior to the start of the meeting to facilitate this registration process.

2.2 Voting by corporate representative

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the meeting in accordance with section 250D of the *Corporations Act 2001* (Cth). The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed. The appropriate “Appointment of Corporate Representative” form should be completed and produced prior to admission to the meeting. This form may be obtained from the Company’s share registry.

2.3 Appointment of proxies

Each Shareholder entitled to vote at the Meeting may appoint a proxy to attend and vote at the Meeting. To vote by proxy, please complete, sign and return the enclosed Proxy Form in accordance with its instructions. A proxy need not be a Shareholder of the Company and can be an individual or a body corporate.

A body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Share Registry.

A Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes to be exercised, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

(a) Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (i) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (ii) if the proxy has 2 or more appointments that specify different ways to vote on the resolution - the proxy must not vote on a show of hands;
- (iii) if the proxy is the chair of the meeting at which the resolution is voted on - the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (iv) if the proxy is not the chair - the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

(b) Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and

(iv) either of the following applies:

- (A) the proxy is not recorded as attending the meeting;
- (B) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The Chair intends to exercise all available proxies in favour of all Resolutions.

2.4 Lodgement of proxy documents

To be valid, your proxy form (and any power of attorney under which it is signed) must be received at an address given below by 3:30pm (WST) on Monday, 21 November 2016. Any proxy form received after that time will not be valid for the scheduled meeting. Proxies should be returned as follows:

Online	At www.investorvote.com.au
By mail	Share Registry - Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your proxy form and follow the prompts
Custodian voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.5 Voting exclusions

Pursuant to requirements of the Corporations Act and Listing Rules, certain voting exclusions apply to Resolution 1, Resolution 3, Resolution 4 and Resolution 6. Please refer to discussion of the relevant Resolutions below for details of the applicable voting exclusions.

3. Annual Report

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the opportunity to:

- (a) Discuss the Annual Report (which is available online at www.indianaresources.com.au);
- (b) Ask questions or make comments on the management of the Company; and
- (c) Ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) The preparation and the content of the Auditor's Report;
- (b) The conduct of the audit;
- (c) Accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) The independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five Business Days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 - Adoption of Remuneration Report

4.1 Resolution 1 - Adoption of Remuneration Report

Pursuant to section 250R(2) of the Corporations Act, the Company is required to put the 2016 Remuneration Report to the vote of Shareholders. The Company's Remuneration Report is set out in pages 19 to 30 of the Annual Report. The Remuneration Report (among other things) provides Shareholders with information relating to the Group's remuneration policies and details of the remuneration for the Key Management Personnel (which includes the Directors (both executive and non-executive) and other specified senior managers of the Group).

Subject to the rules set out in Division 9 of Part 2G.2 of the Corporations Act described below under the heading "Consequence of voting against Resolution 1", Resolution 1 need only be an advisory vote of Shareholders and does not bind the Directors or the Company. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the 2016 Remuneration Report. However, the Board will take the outcome of the vote very seriously when considering the Company's future remuneration policy.

Accordingly, your Directors would like to reiterate that:

- (a) The remuneration policy of the Company and its subsidiaries (Group) has been designed to align Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific short and long-term incentives based on key performance areas affecting the Group's financial and operating results. Your Board considers the Company's remuneration policy to be appropriate.
- (b) The structure of Executive remuneration remains a key focus of the Board to ensure alignment with the nature of Indiana's business as it optimises its activities and minimises costs.

These matters are part of the Company's strategy to ensure the remuneration of Directors, Executives and all other employees is in line with best practice for a company its size and in keeping with the wishes of Shareholders.

4.2 Consequence of voting against Resolution 1

If at least 25% of the votes cast on Resolution 1 are against the adoption of the 2016 Remuneration Report, and at least 25% of the votes cast at the next annual general meeting of the Company (**2017 AGM**) on a resolution that the 2017 remuneration report be adopted is against the adoption of that report, then the Company will be required under section 250V of the Corporations Act to put to the vote at the 2017 AGM a spill resolution (**Spill Resolution**) to decide whether or not to convene another general meeting within 90 days of the 2017 AGM (**Spill Meeting**) where:

- (a) All the Directors of the Company who were directors at the time of the 2017 AGM (other than the Managing Director) will cease to hold office immediately before the end of the Spill Meeting; and
- (b) A resolution to fill the position of each of the Directors referred to in (a) by re-election or otherwise will be put to the vote at the Spill Meeting.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the 2016 Remuneration Report.

4.3 Voting Exclusion

A vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast on behalf of a person described above and either:

- (a) The person does so as a proxy appointed by writing that specifies how the person is to vote on Resolution 1; or
- (b) The person is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the Chairman is to vote on Resolution 1; and
 - (ii) expressly authorises the Chairman to exercise the Proxy even though Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.

4.4 Directors' recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as described in the Remuneration Report), the Board unanimously recommends that the Shareholders adopt the 2016 Remuneration Report and you vote in favour of Resolution 1.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorization for the Chairman to vote your proxy in accordance with the Chairman's intention even though Resolution 1 is connected directly or indirectly to the remuneration of Key Management Personnel.

5. Resolution 2 - Re-election of Director - Bruce McFadzean

5.1 General

Clause 46.1 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest one-third (but not more than one third), shall retire from office, provided always that no Director (except a managing director) shall hold office for a period in excess of three years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 46.1 of the Constitution is eligible for re-election.

In calculating the number of Directors, of which one third must retire and if eligible, be re-elected, the following people are not included in the calculation:

- (a) The Managing Director, pursuant to clause 63.6 of the Constitution; and
- (b) Any Director who was appointed during the year by the Directors, pursuant to clause 45.2 of the Constitution. No Directors (other than the Managing Director) were appointed during the year

As the Company has two non-executive Directors that are to be included in the calculation of the number of Directors that must retire and stand for re-election, one Director must retire due to the operation of clause 46.1 of the Constitution.

Bruce McFadzean, who was appointed by the Directors on 30 March 2015 and elected at the 17 November 2015 Annual General Meeting, will retire in accordance with clause 46.1 of the Constitution and being eligible, seeks re-election. Bruce McFadzean's background and experience is as follows:

Mr Bruce McFadzean, Dip Mining, FAusIMM

Independent, Non-Executive Chairman - Age 59

Experience and expertise

Mr McFadzean has over 30 years' experience in mining and minerals processing across a range of commodities including gold, copper and nickel. Mr McFadzean has had extensive exposure to all levels of operations, including five years with BHP Billiton, ten years with Rio Tinto and overseas roles where he has managed the construction and start-up of several new mining operations. Mr McFadzean is currently the Managing Director of Sheffield Resources Limited. More recently, Mr McFadzean was Managing Director and CEO of Mawson West Limited (TSX: MWE) from October 2012 to February 2015 and Catalpa Resources Limited, now Evolution Mining Limited (ASX: EVN) from June 2008 to January 2012.

Special responsibilities

Nil

Other current directorships

Sheffield Resources Limited (ASX:SFX) (Managing Director)

Venture Minerals Limited (ASX: VMS)

Gryphon Mineral Limited (ASX: GRY)

Interests in Indiana securities

93,334 Shares

5.2 Directors' recommendation

The Board (excluding Bruce McFadzean) recommends that Shareholders vote in favour of Resolution 2. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 2.

6. Resolution 3 - Approval of Additional 10% Capital Raising Capacity

6.1 General

Under Listing Rule 7.1, the Company is permitted, without Shareholder approval, to issue Equity Securities in an amount up to 15% of the number of shares that it had on issue 12 months earlier (**15% Capital Raising Capacity**).

The Listing Rules were amended in August 2012, to include a new Listing Rule 7.1A which enables eligible entities to seek Shareholder pre-approval for the capacity to issue additional Equity Securities, up to a further 10% of the Company's issued capital, in the 12 month period following the Meeting. This 10% capacity under Listing Rule 7.1A is separate to and in addition to the existing 15% Capital Raising Capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P ASX 300 Index and has a market capitalization of \$300 million or less. The Company is an eligible entity.

The purpose of Listing Rule 7.1A is to provide mid to small-cap companies with more options for raising capital.

Resolution 3 seeks Shareholder approval (as a special resolution) for the Company to be able to issue additional Equity Securities up to 10% of the Company's issued share capital ("**Additional Equity Securities**") over the 12 month period following the Meeting, each at an issue price of not less than 75% of the VWAP for the relevant Equity Securities being issued, calculated over the 15 trading days on which trades in those Equity Securities recorded immediately before either (1) the day on which the price at which those Equity Securities are to be issued is agreed; or (2) if the Equity Securities are not issued within 5 trading days of the date in paragraph (1), the date on which the Equity Securities are issued (**Additional 10% Capital Raising Capacity**).

The Additional Equity Securities that the Company is permitted to issue under the Additional 10% Capital Raising Capacity must be in an existing class of the Company's quoted securities, which includes Shares.

If Resolution 3 is passed, the Additional 10% Capital Raising Capacity would facilitate capital raising by the Company as necessary (up to the 10% limit), without incurring the expense of having to convene a further general meeting of Shareholders.

One of ASX's aims in introducing Listing Rule 7.1A was to help improve access to capital and funding for small to mid-cap companies and to provide greater flexibility for eligible entities by providing the ability to raise capital (up to the 10% limit), without incurring the administrative and cost burden associated with holding a meeting of shareholders.

As Indiana does not have a cash flow producing asset, the passing of Resolution 3 is especially important to provide the Board with the flexibility that may be required in the coming 12 months. The Board will always have regard to dilution of existing Shareholders and will take this into account when structuring future capital raisings, should the need arise.

Maximum number of Equity Securities that may be issued

The formula for calculating the number of Additional Equity Securities that the Company can issue is set out in Listing Rule 7.1A.2. In summary, it would apply to the Company as follows:

If the Company has obtained the approval of Shareholders at the Meeting (ie. if Resolution 3 is passed), the Company may issue or agree to issue, during the approval period (ie. the 12 month period after the date of the Meeting or, in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking), the date of such approval, whichever occurs first), a number of Equity Securities calculated in accordance with the formula:

$$(A \times D) - E$$

Where:

A = The number of Shares on issue 12 months before the date of issue or agreement,

- plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2 (which contains numerous exceptions to Listing Rule 7.1 and Listing Rule 7.1A, including in relation to issues of Shares pursuant to pro rata issues, upon the conversion of convertible securities such as Options; under off-market bids, mergers by scheme of arrangement or approved employee incentive schemes, or certain issues of preference shares, etc - refer to Listing Rule 7.2 for full details),
- plus the number of partly paid Shares that became fully paid in the 12 months,
- plus the number of Shares issued with Shareholder approval under Listing Rule 7.1 (i.e the 15% Capital Raising Capacity rule) or Listing Rule 7.4 (which relates to subsequent approvals by Shareholders of an issue of Equity Securities),
- less the number of Shares cancelled in the previous 12 months.

D = 10%

E = The number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are *not* issued with the approval of Shareholders under Listing Rule 7.1 or Listing Rule 7.4.

As at the date of this Notice, the Company has 43,338,182 Shares on issue, which would enable the Company (if Resolution 3 is passed) to issue up to an additional 4,333,818 Equity Securities. The actual number of Additional Equity Securities that the Company would be able to issue under the Additional 10% Capital Raising Capacity will be calculated at the time of issue in accordance with Listing Rule 7.1A.2.

Resolution 3 is a special resolution and as such requires approval of at least 75% of the votes cast by Shareholders present and eligible to vote at the Meeting (by proxy, attorney or otherwise).

The Directors believe that Resolution 3 is in the best interests of the Company and its Shareholders as it provides the Company with additional capital raising capacity and flexibility and unanimously recommend that Shareholders vote **in favour** of Resolution 3. The Chairman of the meeting intends to vote undirected proxies **in favour** of Resolution 3.

Capitalised terms used in this section 6 of the Explanatory Memorandum have the same meaning as in the Listing Rules unless otherwise defined in Schedule 1.

6.2 Voting Exclusion

The Company will disregard any votes cast on Resolution 3 by a person (and any associates of such a person) who may participate in the issue of Additional Equity Securities pursuant to the Additional 10% Capital Raising Limit, and a person (and any associates of such a person) who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 3 is passed.

However, the Company will not disregard a vote if:

- (a) It is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) It is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

At the date of the Notice, the Company has not approached any particular existing Shareholder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under this voting exclusion.

6.3 Specific information in relation to Equity Securities to be Issued Under Additional 10% Capital Raising Capacity

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the Additional 10% Capital Raising Capacity as follows:

- (a) During the 12 months preceding the date of the meeting, a total of 21,375,925 Equity Securities were issued, representing 88% of the total number of Equity Securities on issue at commencement of that 12 month period.
- (b) Details of all Equity Securities issued during the 12 months preceding the date of the meeting are set out in the table below.

	Shares	Unquoted Options
Date of issue	1. 29 December 2015 (A) 2. 11 January 2016 (B) 3. 21 April 2016 (C) 4. 1 June 2016 (D) 5. 22 August 2016 (E) 6. 15 September 2016 (F)	1. 15 December 2015 (A) 2. 21 April 2016 (B) 3. 2 August 2016 (C) 4. 15 September 2016 (D)
Number issued	A total of 20,153,846 shares: (A) 7,727,917 (B) 10,000 (C) 183,333 (D) 231,630 (E) 7,834,303 (F) 4,166,663	(A) 814,929 (B) 89,084 (C) 318,066 (D) 600,000
Class/type of equity security	Fully paid ordinary shares	Unquoted Options
Summary of terms	N/A	(A) 534,600 exercisable at \$0.55, expiring 15 December 2025 (A) 280,329 with a nil exercise price, expiring 15 December 2025, vesting subject to continued service and meeting performance objectives (B) 89,084 with a nil exercise price, vesting subject to continued service and meeting performance objectives (C) 318,066 with a nil exercise price, exercisable to 22 July 2019 (D) 300,000 exercisable at \$0.20, expiring 22 July 2019 (D) 300,000 exercisable at \$0.30, expiring 22 July 2019
Persons who received equity securities	(A) Issue of Shares to Indiana shareholders and professional and sophisticated investors pursuant to a rights issue and placement of shortfall. (B) Issue of Shares to executives pursuant to the vesting of Performance Rights. (C) Issue of Shares to a Director pursuant to shareholder approval obtained on 21 April 2016 (D) Issue of Shares to executives pursuant to the vesting of Performance Rights and exercise of Unquoted Options (E) Issue of Shares pursuant to a placement to sophisticated and professional investors (F) Issue of Shares to Indiana shareholders pursuant to a Share Purchase Plan	(A) Executives and employees (B) Managing Director (C) Consultant exploration geologist (D) Pulse Markets as lead manager of a Share placement
Price	\$0.20 (A) N/A (B) \$0.60 (C) \$N/A (D) \$0.12 (E) \$0.12 (F)	No options were issued with an issue price.
Discount to market price	None of the issue of Shares in (A) to (F) involved a discount to market price.	N/A
Total cash consideration	\$1,545,583 (A) \$940,116(E) \$500,000 (F)	Nil

Amount of cash consideration spent	<p>Proceeds from (A) were used to meet costs associated with a corporate restructure that was completed in June 2016 and for general working capital in the first half of 2016.</p> <p>Of the proceeds from (E) and (F), \$250,000 has been used to meet costs associated with exploration work at the Naujombo and Kishugu Gold Prospects.</p>	N/A
Use of cash consideration	To meet transaction costs, for exploration work at the Naujombo and Kishugu Gold Prospects and for general working capital.	N/A
Intended use for remaining cash	Proceeds will continue to be used for further exploration work at the Naujombo and Kishugu Gold Prospects and for general working capital.	N/A
Non-cash consideration	Continued service to 31 December 2015 (B) Non-executive Director services (C) Achievement of performance objectives and continued service (D)	<p>(A) Issued pursuant to executive and employee employment agreements</p> <p>(B) Issued pursuant to Managing Director's employment and shareholder approval</p> <p>(C) Exploration geologist services</p> <p>(D) Capital markets services</p>
Current value of non-cash consideration	<p>(B) \$1,100.00</p> <p>(C) \$20,166.63</p> <p>(D) \$25,479.30</p>	<p>Options issued under (A) and (B) above have lapsed.</p> <p>(C) \$34,987.26</p> <p>(D) \$16,200</p> <p>(D) \$13,440</p> <p>The current value of the options issued under (C) and (D) has been determined using the Black-Scholes model.</p>

- (c) If the Company chooses to utilise the Additional 10% Capital Raising Capacity, the Additional Equity Securities would be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in the class of Equity Securities proposed to be issued were recorded, immediately before:
- (i) the date on which the price at which the Additional Equity Securities were to be issued is agreed; or
 - (ii) if the Additional Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Additional Equity Securities were issued.
- (d) If Resolution 3 is approved by Shareholders and the Company issues Additional Equity Securities under the Additional 10% Capital Raising Capacity, the voting power and economic interest in the Company of existing Shareholders' who do not receive Additional Equity Securities would be diluted as shown in the below table (in the case of listed Options, only if the listed Options are exercised). There is a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of any issue of the Additional Equity Securities than on the date of the Meeting; and
 - (ii) the Additional Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Additional Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Additional Equity Securities.

- (e) The below table shows the dilution of existing Shareholders on the basis of the assumed issue price of Shares being \$0.11 and the current number of Shares on issue calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.
- (f) The table also shows:
- (i) two examples where the number of shares on issue has changed, by an increase of 50% and an increase of 100%. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
 - (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 50% as against the assumed issue price.

Number of Shares on issue		Dilution		
		0.055	0.11	0.165
		50% decrease in Issue Price	Issue Price	50% increase in Issue Price
Shares currently on issue	10% Voting Dilution	4,333,818	4,333,818	4,333,818
		Shares	Shares	Shares
43,338,182	Funds raised	238,360	476,720	715,080
50% increase in number of shares on issue	10% Voting Dilution	6,500,727	6,500,727	6,500,727
		Shares	Shares	Shares
65,007,273	Funds raised	357,540	715,080	1,072,620
100% increase in number of shares on issue	10% Voting Dilution	8,667,636	8,667,636	8,667,636
		Shares	Shares	Shares
86,676,364	Funds raised	476,720	953,440	1,430,160

- (g) The table has been prepared on the following assumptions:
- (i) The Company issues the maximum number of Additional Equity Securities available under the Additional 10% Capital Raising Capacity;
 - (ii) No Options (both listed and unlisted) (including any listed Options issued under the Additional 10% Capital Raising Capacity) are exercised into Shares before the date of the issue of the Additional Equity Securities;
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Capital Raising Capacity, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances;

- (v) The table shows only the effect of issues of Additional Equity Securities under Listing Rule 7.1A, not under the 15% Capital Raising Capacity under Listing Rule 7.1;
 - (vi) The issue of Additional Equity Securities under the Additional 10% Capital Raising Capacity consists only of Shares. If the issue of Additional Equity Securities includes listed Options, it is assumed that those listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders; and
 - (vii) The issue price is assumed to be \$0.12.
- (h) If the Company chooses to utilise the Additional 10% Capital Raising Capacity, the Company would only issue and allot the Additional Equity Securities during the 12 month period following the Meeting. The approval under Resolution 3 for the issue of the Additional Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (i) The Company may seek to issue the Additional Equity Securities for the following purposes:
- (i) Cash consideration to meet costs associated with exploration at the Naujombo and Kishugu Gold Prospects and for general working capital;
 - (ii) Cash consideration for services provided in connection with a potential transaction involving the Ntaka Hill Nickel Project; or
 - (iii) Non-cash consideration for the compensation of service providers carrying out work in connection with the Naujombo and Kishugu Gold Prospects and the Ntaka Hill Nickel Project, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.
- (j) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Capital Raising Capacity. The identity of the allottees of Additional Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the purpose of the issue;
 - (ii) the alternative methods of raising funds that are available to the Company including, but not limited to, rights issues or other issues in which existing Shareholders can participate;
 - (iii) the effect of the issue of the Additional Equity Securities on the control of the Company;
 - (iv) the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company;
 - (v) prevailing market conditions; and
 - (vi) advice from corporate, financial and broking advisers (if applicable).
- (k) The allottees under the Additional 10% Capital Raising Capacity have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (l) Further, if the Company does acquire new resources assets or investments, the allottees under the Additional 10% Capital Raising Capacity may be the vendors of the new resources assets or investments. The Company is not currently intending to issue Additional Equity Securities for the purpose of acquiring new resources assets or investments.

6.4 Details of approvals under Listing Rule 7.1A previously obtained by the Company

The Company previously obtained Shareholder approval under Listing Rule 7.1A on 17 November 2015.

6.5 Directors' recommendation

The Directors considers it prudent for the Company to have the opportunity to take advantage of the flexibility to be able to issue additional securities provided under Listing Rule 7.1A. No decision has been made by the Board to undertake any issue of securities if Shareholders approve Resolution 3. The Directors believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 3. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3.

7. Resolution 4 - Approval of prior issues of securities to refresh the Company's 15% placement capacity

Resolutions 4(a) to 4(c) (inclusive) seek the approval of Shareholders of the prior issues of ordinary shares and options over ordinary shares that have occurred in the 12 months prior to the date of this Notice that have not already been approved by Shareholders for the purposes of Listing Rule 7.4.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any Equity Securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the company's issued capital at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The Company is seeking Shareholder approval for the issues of securities described below. The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval so that the Company retains financial flexibility and can take advantage of commercial opportunities that may arise.

By way of background, the Company has issued the following Equity Securities under the Company's 15% placement capacity.

- (a) As announced on 22 August 2016, the Company issued 4,700,581 Shares at 12.0 cents per share to professional and sophisticated investors (none of whom were related parties of the Company), the proceeds of which were used to advance exploration at the Company's Kishugu and Naujombo Gold Prospects in south-east Tanzania. These Shares rank equally with all other existing Shares.
- (b) As announced on 15 September 2016, the Company issued 300,000 unlisted Options at an exercise price of 20.0 cents each and an expiry date of 22 July 2019 to the lead manager to the Share placement completed on 22 August 2016, none of whom were related parties of the Company. The unlisted Options were issued as consideration for capital markets services provided to the Company. Should the unlisted Options be exercised, Shares issued pursuant to such exercise will rank equally with all other existing Shares. The Options that are the subject of Resolution 4(b) were issued for a nil exercise price and accordingly no funds were raised.
- (c) As announced on 15 September 2016, the Company issued 300,000 unlisted Options at an exercise price of 30.0 cents each and an expiry date of 22 July 2019 to the lead manager to the Share placement completed on 22 August 2016, none of whom were related parties of the Company. The unlisted Options were issued as consideration for capital markets services provided to the Company. Should the unlisted Options be exercised, Shares issued pursuant to such exercise will rank equally with all other existing Shares. The Options that are the subject of Resolution 4(c) were issued for a nil exercise price and accordingly no funds were raised.

7.2 Voting Exclusion Statement

The Company will disregard any votes cast on these Resolutions by a person (and any associates of such a person) who participated in the issue of Equity Securities under Resolutions 4(a), 4(b) and 4(c). However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

7.3 Directors' recommendation

The Directors considers it prudent for the Company to have the opportunity to take advantage of the flexibility to be able to issue securities provided under Listing Rule 7.1. No decision has been made by the Board to undertake any issue of securities if Shareholders approve Resolution 4. The Directors believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 4. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 4.

8. Resolution 5 - Ratification of appointment of RSM as Auditor

8.1 General

On 12 May 2016, ASIC consented to the appointment of RSM as the Auditor. The appointment of RSM followed the resignation of KPMG and ASIC's consent to the resignation in accordance with s329(5) of the Corporations Act. The Board selected RSM to replace KMG as the Auditors for the financial year commencing 1 July 2016 and subsequent financial years as part of a process of reviewing the Company's service providers and to reduce costs associated with the audit.

The Board believes that the appointment of RSM is in the best interests of the Company and its shareholders.

In accordance with s327C of the Corporations Act and for all other purposes, having consented, the appointment of RSM under the causal vacancy, be ratified.

8.2 Directors' recommendation

The Board recommends that Shareholders vote **in favour** of Resolution 5. The Chairman of the Meeting intends to vote undirected proxies **in favour** of Resolution 5.

9. Resolution 6 - Issue of unquoted Options to Campbell Baird

9.1 Background

Subject to approval by shareholders, the Board proposes that under the Option Plan, the following Options be granted to Campbell Baird, Managing Director of the Company:

- (a) 636,011 Options as a once off grant (**Once-off Options**);
- (b) 852,254 Options as short-term incentives (**Short-term Incentive Options**); and
- (c) 1,272,022 Options as long-term incentives (**Long-term Incentive Options**).

9.2 Once-off Options - Resolution 6(a)

Listing Rule 10.11 requires the Company to obtain Shareholder approval to issue, or agree to issue, securities to a related party (which includes a Director) unless an exception in Listing Rule 10.12 applies. It is the view of the Company that the exceptions set out in Listing Rule 10.12 do not apply to the proposed issue of the Once-off Options to Mr Baird. Accordingly, the Company seeks Shareholder approval under Resolution 6(a), for the purposes of Listing Rule 10.11 to issue 636,011 Once-off Options to Mr Baird.

Reason for the grant

On 15 June 2016, the Company announced the appointment of Mr Baird as Managing Director. Mr Baird's appointment marked the beginning of the Company's dedicated focus on gold exploration in Tanzania, following a restructure of the Company's asset portfolio which resulted in the sale of the Chilalo Graphite Project, certain other graphite tenements and ancillary assets to Graphex Mining Limited.

The Board needed to offer a suitable remuneration package in order to attract an executive of Mr Baird's calibre. The Board negotiated a remuneration package that had a large equity component and a modest cash salary.

Information required by Listing Rule 10.13

- i. The Once-off Options shall, subject to Shareholder approval, be issued to Mr Baird.
- ii. The maximum number of Once-off Options to be issued to Mr Baird is 636,011.
- iii. The Company will issue the Once-off Options as soon as reasonably practicable after the Meeting, and in any event not more than one month after the Meeting.
- iv. The Once-off Options vest immediately, with a zero exercise price and expiring 22 July 2019 as a once-off share based payment to the value of \$75,000, based on a share price of \$0.118, which represents the VWAP for the period following completion of the consolidation of the Company's share capital from 21 June 2016 to 20 July 2016.
- v. Should Shareholders approve Resolution 6(a), the Short-term Incentive Options will be issued with a nil issue price and no consideration will be received.
- vi. A voting exclusion statement is included below.

Voting exclusion statement

The Company will disregard any votes cast on Resolution 6(a) by Campbell Baird (and his nominee), and any of their respective associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Listing Rule 7.1

If Shareholders approve Resolution 6(a), Listing Rule 7.2 (Exception 14) provides that an issue of Shares upon conversion of the Once-off Options will not reduce the Company's 15% placement capacity under Listing Rule 7.1 and separate approval under this Resolution 6 is not required for the purposes of Listing Rule 7.1.

Chapter 2E of the Corporations Act

Under sections 200B and 200E of the Corporations Act, the Company can only give a benefit to a member of Key Management Personnel in connection with retirement from office or employment in the Company with prior Shareholder approval or if any of a number of exceptions apply. Accelerated vesting or automatic vesting of share based payments may in some cases be a benefit of this kind.

As a participant in the Option Plan, Mr Baird may become entitled to accelerated vesting or automatic vesting of Options if there is a change in control of the Company or if the Board exercises a discretion upon cessation of employment. Approval is sought for Mr Baird to be given any such benefit in connection with his retirement from office or employment with the Company.

The value of the benefit that might be given to Mr Baird by the exercise of the Board's discretion under the Option Plan will depend on a number of factors. Accordingly, the precise value of the benefit cannot be ascertained at the present time. Apart from the future Share price being unknown, the following matters which will or are likely to affect the value of the benefits are also unknown:

1. The number of Options held by Mr Baird prior to the cessation of his employment;
2. Reasons for the cessation of employment;
3. The term of the Options remaining;
4. The extent to which any vesting conditions or other performance or exercise hurdles have been satisfied; and
5. The exercise of the Board's discretion at the relevant time.

Voting recommendation

The Directors, other than Mr Baird (in view of his personal interest in the resolution), believe that the issue of the Baird Options to Mr Baird and the issue of Shares to settle the Baird Options is in the best interests of the Company, and unanimously recommend that Shareholders vote in favour of Resolution 6(a).

Mr Baird does not make a recommendation in relation to Resolution 6(a) as he has an interest in the outcome of the resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 6(a).

9.3 Short-term Incentive Options - Resolution 6(b)

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of a director, or a person whose relationship with the entity, a director or an associate of a director is, in ASX's opinion, such that approval should be obtained.

Resolution 6(b) seeks Shareholder approval in accordance with Listing Rule 10.14 and sections 200B and 200E of the Corporations Act to issue up to 852,254 Options to the Company's Managing Director, Mr Campbell Baird under the Indiana Resources Limited Option Plan (**Option Plan**).

Reasons for the grant

The Board recognises the importance of providing appropriate incentives in order to deliver the Company's objectives. The Board believes Mr Baird's role as Managing Director is critical to delivering these objectives.

Short-term incentives operate to link performance and reward with measurable financial and non-financial performance indicators to provide the Managing Director with clear and understandable targets that are aligned with achievement of the Group's objectives.

The Board considers that the opportunity to earn a maximum of 67% of cash remuneration, in the form of Shares, as a short-term incentive is appropriate and consistent with companies in similar circumstances. The measurement of performance against the below performance indicators specifically recognises that the Company is limited in size and resources and that Mr Baird will have an active management role across all aspects of the Company's activities.

Information required by Listing Rule 10.15A

- i. The maximum number of Short-term Incentive Options to be issued to Mr Baird is 852,254 and has been calculated by using an assumed Share price of \$0.118, being the 30 day VWAP of Shares for the period from 21 June 2016 to 20 July 2016.
- ii. The Short-term Incentive Options have a zero exercise price and vest on 1 July 2017, subject to Mr Baird's performance against the following performance indicators:
 1. Financial performance of the Company.
 2. The effectiveness of leadership, management, business development and reporting.
 3. The effectiveness of Mr Baird's contribution to corporate strategy, including effectiveness in identifying and implementing corporate and commercial opportunities for the Company.
 4. The success of, and commitment to, active marketing and promoting of the Company with the investment community and financial intermediaries.
 5. Ability to develop and maintain good relationships with the investment community including investors, financiers, stock brokers, analysts; service providers and contractors, and all relevant government and governmental agencies and authorities and other key stakeholders.
 6. Mr Baird's effectiveness in employing and retaining a dedicated and capable staff for the Company and maintaining a high level of staff morale.
 7. Should Shareholders approve Resolution 6(b), the Short-term Incentive Options will be issued with a nil issue price and no consideration will be received.
- iii. The persons referred to in Listing Rule 10.14 entitled to participate in the Plan are Mr Baird, Mr Fisher and Mr McFadzean.
- iv. None of Mr Baird, Mr Fisher and Mr McFadzean has previously received securities under the Option Plan.
- v. A voting exclusion statement is included with Resolution 6 (see Section 9.6).
- vi. No loan is made in relation to the issues.
- vii. Details of any securities issued under the Option Plan will be published in each annual report relating to a period in which securities have been issued under the Plan, with a statement that approval for the issue of the securities was obtained under Listing Rule 10.14.
- viii. Any additional persons (to whom Listing Rule 10.14 applies) who become entitled to participate in the Option Plan after approval of Resolution 6 and who are not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

- ix. The Company will issue the Short-term Incentive Options as soon as reasonably practicable after the Meeting, and in any event not more than 3 years after the Meeting.

Listing Rule 7.1

If Shareholders approve Resolution 6(b), Listing Rule 7.2 (Exception 14) provides that an issue of Shares upon conversion of the Short-term Incentive Options will not reduce the Company's 15% placement capacity under Listing Rule 7.1 and separate approval under this Resolution 6(b) is not required for the purposes of Listing Rule 7.1.

Chapter 2E of the Corporations Act

Under sections 200B and 200E of the Corporations Act the Company can only give a benefit to a member of Key Management Personnel in connection with retirement from office or employment in the Company with prior Shareholder approval or if any of a number of exceptions apply. Accelerated vesting or automatic vesting of share based payments may in some cases be a benefit of this kind.

As a participant in the Option Plan, Mr Baird may become entitled to accelerated vesting or automatic vesting of Options if there is a change in control of the Company or if the Board exercises a discretion upon cessation of employment. Approval is sought for Mr Baird to be given any such benefit in connection with his retirement from office or employment with the Company.

The value of the benefit that might be given to Mr Baird by the exercise of the Board's discretion under the Option Plan will depend on a number of factors. Accordingly, the precise value of the benefit cannot be ascertained at the present time. Apart from the future Share price being unknown, the following matters which will or are likely to affect the value of the benefits are also unknown:

1. The number of Options held by Mr Baird prior to the cessation of his employment;
2. Reasons for the cessation of employment;
3. The term of the Options remaining;
4. The extent to which any vesting conditions or other performance or exercise hurdles have been satisfied; and
5. The exercise of the Board's discretion at the relevant time.

Voting recommendation

The Directors, other than Mr Baird (in view of his personal interest in the resolution), believe that the issue of the Baird Options to Mr Baird and the issue of Shares to settle the Baird Options is in the best interests of the Company, and unanimously recommend that Shareholders vote in favour of Resolution 6(b).

Mr Baird does not make a recommendation in relation to Resolution 6(b) as he has an interest in the outcome of the resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 6(b).

9.4 Long-term Incentive Options - Resolution 6(c)

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of a director, or a person whose relationship with the entity, a director or an associate of a director is, in ASX's opinion, such that approval should be obtained.

Resolution 6(c) seeks Shareholder approval in accordance with Listing Rule 10.14 and sections 200B and 200E of the Corporations Act to issue up to 1,272,022 Options to the Company's Managing Director, Mr Campbell Baird under the Option Plan.

Reasons for the grant

In the Board's view, the performance hurdles that must be satisfied before the Long-term Incentive Options are exercisable, link the ultimate value of these Options to the growth of the Company's share price and therefore provide a major incentive for Mr Baird to ensure the Company achieves its key objectives.

The Board considers that the opportunity to earn a maximum of 100% of cash remuneration, in the form of Shares, as a long-term incentive is appropriate. The value of long-term incentives being granted is in line with companies in similar circumstances and the vesting criteria ensures that value only crystallises if shareholder value is created.

Issuing Options (and other forms of equity securities) to senior executives is a well-established and standard component of the Company's remuneration structures and the Directors, other than Mr Baird (in view of his personal interest in the resolution), believe it is appropriate.

Information required by Listing Rule 10.15A

The following information is provided as required by Listing Rule 10.15A:

- i. The maximum number of Long-term Incentive Options that may be issued to Mr Baird is 1,272,022:
- ii. Expiring 22 July 2021
- iii. Exercise price of \$0.12 per Long-term Incentive Option
- iv. Vesting as to:
 1. 424,007 vest on 1 July 2017.
 2. 424,007 vest on 1 July 2018.
 3. 424,008 vest on 1 July 2019.

Subject to performance against the following performance hurdles:

1. Over 24 months, unlock a potential Resource at either Kishugu or Naujombo.
2. Achieve value creation for shareholders with the Ntaka Hill, Nickel Project.
3. Rationalise, review and reduce the Company's landholding in Tanzania, through Joint Venture, sale or relinquishment.

4. Develop a new strategic direction for the company, if Tanzanian gold exploration is unsuccessful.
- v. The Option Plan was previously approved on 17 November 2015 for the purpose of Listing Rule 10.14.
- vi. A voting exclusion statement is included with Resolution 6 (see Section 9.6).
- vii. The persons referred to in Listing Rule 10.14 entitled to participate in the Plan are Mr Baird, Mr Fisher and Mr McFadzean.
- viii. None of Mr Baird, Mr Fisher and Mr McFadzean has previously received securities under the Option Plan.
- ix. No loan is made in relation to the issues.
- x. Details of any securities issued under the Option Plan will be published in each annual report relating to a period in which securities have been issued under the Plan, with a statement that approval for the issue of the securities was obtained under Listing Rule 10.14.
- xi. Any additional persons (to whom Listing Rule 10.14 applies) who become entitled to participate in the Option Plan after approval of Resolution 6 and who are not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.
- xii. The Company will issue the Baird Options as soon as reasonably practicable after the Meeting, and in any event not more than 3 years after the Meeting.
- xiii. Should Shareholders approve Resolution 6(c), the Long-term Incentive Options will be issued with a nil issue price and no consideration will be received.

9.5 Information required for Sections 200B and 200E of the Corporations Act

Under sections 200B and 200E of the Corporations Act the Company can only give a benefit to a member of Key Management Personnel in connection with retirement from office or employment in the Company with prior Shareholder approval or if any of a number of exceptions apply. Accelerated vesting or automatic vesting of share based payments may in some cases be a benefit of this kind.

As a participant in the Option Plan, Mr Baird may become entitled to accelerated vesting or automatic vesting of Options if there is a change in control of the Company or if the Board exercises a discretion upon cessation of employment. Approval is sought for Mr Baird to be given any such benefit in connection with his retirement from office or employment with the Company.

The value of the benefit that might be given to Mr Baird by the exercise of the Board's discretion under the Option Plan will depend on a number of factors. Accordingly, the precise value of the benefit cannot be ascertained at the present time. Apart from the future Share price being unknown, the following matters which will or are likely to affect the value of the benefits are also unknown:

1. The number of Options held by Mr Baird prior to the cessation of his employment;
2. Reasons for the cessation of employment;
3. The term of the Options remaining;

4. The extent to which any vesting conditions or other performance or exercise hurdles have been satisfied; and
5. The exercise of the Board's discretion at the relevant time.

9.6 Voting Exclusion - Resolutions 6(b) and 6(c)

The Company will disregard any votes cast on Resolutions 6(b) and 6(c) by the Directors (except those who are ineligible to participate in the Option Plan) and their associates. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy directs.

A vote on Resolutions 6(b) and 6(c) must not be cast (in any capacity) by, or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member. However, a person described above may cast a vote on Resolutions 6(a), 6(b) and 6(c) as proxy if the vote is not cast on behalf of a person described above and either:

- (a) The person does so as a proxy appointed by writing that specifies how the person is to vote on Resolutions 6(b) and 6(c); or
- (b) The person is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the Chairman is to vote on Resolutions 6(b) and 6(c); and
 - (ii) expressly authorises the Chairman to exercise the Proxy even though Resolutions 6(b) and 6(c) is connected directly or indirectly with the remuneration of Key Management Personnel.

9.7 Directors' recommendation

Issuing Options (and other forms of equity securities) to senior executives is a well-established and standard component of the Company's remuneration structures and the Directors, other than Mr Baird (in view of his personal interest in the resolution), believe that the issue of the Baird Options to Mr Baird and the issue of Shares to settle the Baird Options is in the best interests of the Company, and unanimously recommend that Shareholders vote in favour of Resolutions 6(a), 6(b) and 6(c).

Mr Baird does not make a recommendation in relation to Resolution 6 as he has an interest in the outcome of the resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of **Resolutions 6(a), 6(b) and 6(c)**.

10. Enquiries

Shareholders are requested to contact Indiana's company secretary, Mr Stuart McKenzie on +61 8 9388 7877 if they have any queries in respect of the matters set out in this Notice.

Schedule 1 - Definitions

\$ means Australian dollars.

Annual Report means the report to shareholders for the year ended 30 June 2016 that was lodged with ASX on 30 September 2016.

ASIC means the Australian Securities and Investments Commission.

Auditor means the Company's external auditor.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company or Indiana means Indiana Resources Limited (ACN 009 129 560).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Equity Security has the meaning given in the Listing Rules.

Executive means the Managing Director, Chief Financial Officer, General Manager Technical and the Commercial Manager / Company Secretary.

Explanatory Memorandum means the explanatory statement accompanying the Notice.

Annual General Meeting or Meeting means the meeting convened by the Notice.

Kishugu Gold prospect means the Company's gold exploration prospect located in south-east Tanzania on Prospecting Licence 6635/2010.

Key Management Personnel or **KMP** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Naujombo Gold prospect means the Company's gold exploration prospect located in south-east Tanzania on Prospecting Licences 5977/2009 and 9944/2014.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Memorandum and the Proxy Form.

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

Record Date means the record date set by Directors in accordance with Section 1.3 of the Explanatory Memorandum.

Resolutions means the resolutions set out in the Notice.

Securities mean all Equity Securities of the Company.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 139109

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 3:30pm (WST) Monday, 21 November 2016**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Indiana Resources Limited hereby appoint

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the Chairman of the Meeting OR



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Indiana Resources Limited to be held at the President's Room of the Celtic Club at 48 Ord Street, West Perth, Western Australia on Wednesday, 23 November 2016 at 3:30pm (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 6 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 6 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

Resolution 1 Adoption of Remuneration Report

Resolution 2 Re-election of Director - Bruce McFadzean

Resolution 3 Approval of Additional 10% Capital Raising Capacity

Resolution 4 Approval of prior issues of securities to refresh the Company's 15% placement capacity

Resolution 4 (a) Ratification of the issue of 4,700,581 Shares on 22 August 2016

Resolution 4 (b) Ratification of the issue of 300,000 Options on 15 September 2016

Resolution 4 (c) Ratification of the issue of 300,000 Options on 15 September 2016

Resolution 5 Appointment of Auditor

Resolution 6 (a) Issue of 636,011 Options to Campbell Baird as a once off grant

Resolution 6 (b) Issue of 852,254 Options to Campbell Baird as a short-term incentive

Resolution 6 (c) Issue of 1,272,022 Options to Campbell Baird as a long-term incentive

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

This section must be completed.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date

/ /