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Acquisition of tenements in World Class Mali Gold District to proceed following successful due diligence

HIGHLIGHTS

- Legal and technical due diligence on the acquisition of 100% of Mukuyu Resources Limited completed
- Indiana now finalising the Share Purchase Agreement and commencing exploration activities
- The Indiana Board considers the acquisition will give the Company a strong position in the prolifically gold mineralised Kenieba Province of western Mali
- Mukuyu holds interests in two highly prospective exploration licences covering a total area of 126km²
- Previous high-grade drill results include 18m @ 3.35 g/t Au and 4.5m @ 18.55 g/t Au¹

Indiana Resources Limited (ASX: IDA) ('Indiana' or the 'Company') is pleased to announce that it has successfully completed its due diligence review to acquire 100% of the shares of Mukuyu Resources Limited ('Mukuyu'), the owner of interests in two highly prospective gold exploration licences in western Mali ('Mukuyu Assets').

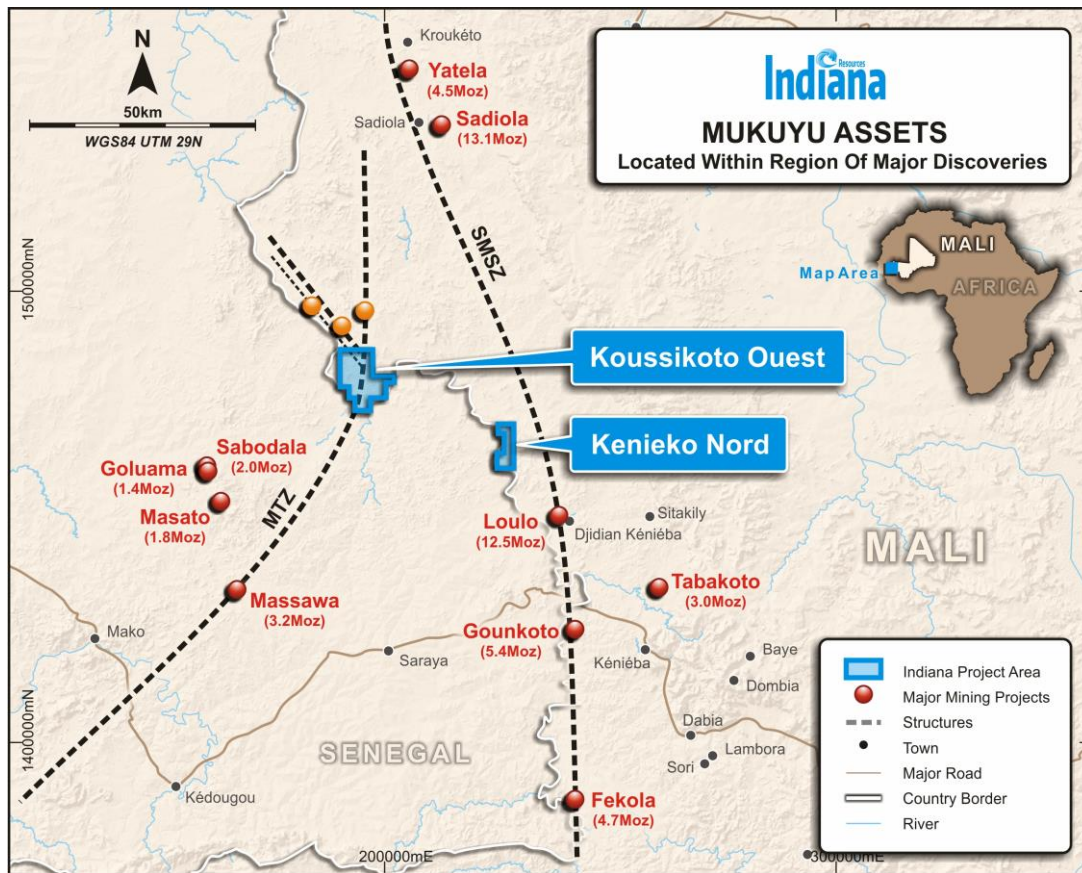
Commenting on the completion of the due diligence review and pending acquisition, Indiana's Chairman, Ms Bronwyn Barnes, commented, "We are very pleased with the positive outcome of the DD and this now allows us to finalise the Share Purchase Agreement. This transaction provides the Company with a high-class landholding with exciting initial drill results in an outstanding location where there is a history of major gold discoveries. We are committed to establishing ourselves firmly in western Mali and the acquisition of Mukuyu is a critical first step. Work will start this week in Mali with the local team to advance exploration activities and we will update the market in due course."

Upon completion of the Share Purchase Agreement, the Company will issue 6,500,000 fully paid ordinary shares (the 'Consideration Shares') in the capital of the Company to acquire all of the issued capital in Mukuyu. Mukuyu shareholders have agreed to voluntarily escrow the Consideration Shares for a period of 12 months from settlement of the Acquisition.

The Mukuyu Assets comprise two exploration permits at Koussikoto Ouest and Kenieko Nord (total area of 126km²), located in the richly gold-endowed Kenieba Province of western Mali, approximately 550 km west of the capital city of Bamako (Figure 1). Due diligence activities have been under way for the past four weeks and have included a site visit, legal and financial review carried out by specialist consultants, review of exploration data, meetings with key personnel and with key government officials

Field work is currently under way at Koussikoto Ouest, with assay results from a trenching program that was recently completed by Mukuyu's exploration team in the process of being received. Technical consultants from Indiana will travel to Mali this week to progress current exploration activities with a view to commencing a drilling programme in the next two months at Koussikoto Ouest.

Figure 1 – Mukuyu Project Areas Located in Attractive Regional Setting



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