

20th July 2020

Despatch of Option Entitlement Offer Documents to Shareholders

On 10 July 2020 **Indiana Resources Limited (ASX: IDA)** ('Indiana' or 'the Company') announced a Non-Renounceable pro rata Option Entitlement Rights Issue Offer (**Offer**) on the basis of three (3) New Listed Options exercisable at \$0.03 and with an expiry date of 12 months from the date of issue, for every four (4) Shares held by Eligible Shareholders registered at the Record Date, at an issue price of \$0.002 per New Listed Option.

Accordingly, the Company has despatched today attached letter to Eligible Shareholders. Eligible Shareholders that have elected to receive their notices from the Company in electronic format will receive details of the Offer via e-mail. Shareholders that have not made such an election will receive details of the Offer by post or can access their offer via <https://idaoffer.thereachagency.com>. Notifications has also been despatched today to Ineligible Shareholders per attached letter.

Ends

This announcement is authorised for release to the market by the Board of Directors of Indiana Resources Limited.

For further information, please contact:

Bronwyn Barnes
Executive Chair
T: +61 (0) 417 093 256

Aida Tabakovic
Company Secretary
T: +61 8 9481 0389

20 July 2020

Dear Shareholder

PRO-RATA NON-RENOUNCEABLE OPTION ENTITLEMENT RIGHTS ISSUE OFFER – LETTER TO ELIGIBLE SHAREHOLDERS

The Board of Indiana Resources Limited (ACN 009 129 560) (**Indiana** or the **Company**) is pleased to invite you to participate in a non-renounceable pro rata Option Entitlement Rights Issue Offer (**Offer**) on the basis of three (3) New Listed Options exercisable at \$0.03 with an expiry date of 12 months from the date of issue (**New Options**) for every four (4) Shares held by Shareholders registered at the Record Date, at an issue price of \$0.002 per New Listed Option, to raise up to approximately \$325,492 (before costs).

The purpose of the Offer is to recognise the invaluable support the Company has received from its Shareholders.

A Prospectus for the Offer (**Prospectus**) was lodged with ASIC and ASX on 10 July 2020. An electronic copy of the Prospectus, along with information with respect to applying for your entitlement under the Offer is accessible at <https://idaoffer.thereachagency.com>.

If you are unable to access the Prospectus online at <https://idaoffer.thereachagency.com>, you can obtain a copy of the Prospectus and your entitlement form by calling Computershare on +61 (03) 9415 4000 and asking them to mail a copy to you. Alternatively a hard copy of the Prospectus may be obtained by contacting the Company Secretary on +61 (08) 9481 0389. A copy of the Prospectus is also available on ASX's and the Company's websites.

The Company has entered into an underwriting agreement with Terrain Capital Markets Limited (**Underwriter**) to act as underwriter to the Offer (**Underwriting Agreement**). The Underwriter has agreed to fully underwrite the Offer and will be paid a total fee of 3% (plus GST) of the underwritten amount. The Underwriter will also be issued 1,000,000 listed options (exercisable at \$0.03 on or before the date that is 12 months from the date of issue). The Underwriting Agreement gives the Underwriter the right to enter into sub-underwriting agreements to pass on some or all of its obligations to subscribe for the shortfall under the Underwriting Agreement.

Based on Company's capital structure as at the date of the Prospectus, a maximum of 162,746,020 New Listed Options will be issued pursuant to the Offer. If all New Listed Options issued under the Option Entitlement Rights Issue are exercised (exercisable at \$0.03, on or before the expiry date, being 12 months from the date of issue), the Company will receive approximately \$4,882,380.

The Company intends to apply for quotation of the New Options on the Australian Stock Exchange. All of the new fully paid ordinary shares to be issued upon exercise of the New Listed Options will rank equally in all respects with the Company's previously issued fully paid ordinary shares.

Your acceptance of the Option Entitlement Rights Issue Offer must be made on your Entitlement and Acceptance Form which you can access at <https://idaoffer.thereachagency.com>.

The number of New Listed Options to which Eligible Shareholders are entitled (your Entitlement) is shown on your personalised Entitlement and Acceptance Form which, along with the Prospectus, is accessible at <https://idaoffer.thereachagency.com>. You will need to provide your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode to access the online application and follow instructions provided, including making payment by BPAY. Your electronic acceptance of the Entitlement Offer, should be made using this electronic service, with payment via BPAY.

For New Zealand Shareholders, or other Shareholders, who are unable to use BPAY payment method, can make payment via cheque/bank draft. All cheques must be drawn on an Australian bank or bank draft made payable in Australian Dollar currency to “Indiana Resources Limited” and crossed “Not Negotiable”. Your completed Entitlement and Acceptance Form and cheque must reach Computershare (as specified in the Entitlement and Acceptance Form) no later than 5:00pm (WST) on the Closing Date.

The Offer is being made to all shareholders of the Company (**Eligible Shareholders**) named on its register of members at 7:00pm (AEDT) on the Record Date of Wednesday 15 July 2020, whose registered address is in Australia or New Zealand.

Key Dates for the Option Entitlement Rights Issue Offer

EVENT	DATE
Entity announces Entitlement Offer under Listing Rule 3.10.3	Thursday, 25 June 2020
Lodgement of Prospectus with ASIC and ASX and lodgement of revised Appendix 3B with ASX	Friday, 10 July 2020
Shares quoted on an "EX" basis	Tuesday, 14 July 2020
Record Date for determining Entitlements	Wednesday, 15 July 2020
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders, and Company announces that this has occurred	Monday, 20 July 2020
Opening Date of the Offer	Monday, 20 July 2020
Last day to extend Entitlement Offer Closing Date	Friday, 24 July 2020
Closing Date of Entitlement Offer*	5:00pm AWST (3:00pm AEDT) Wednesday, 29 July 2020
Securities quoted on a deferred settlement basis	Thursday, 30 July 2020
Announcement of Results of the Offer	Monday, 3 August 2020
Last day for the entity to issue the securities taken up in the pro rata issue and lodge an Appendix 2A with ASX applying for quotation of the securities	Wednesday, 5 August 2020

** The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.*

Use of Funds

The Company intends to apply the funds raised from the Offer as follows:

The funds raised from the Offer are planned to be used, in accordance with the table set out below, for the following purposes:

- support legal and corporate costs associated with commencing arbitration proceedings against the Government of Tanzania;
- provide funds to continue with project generation and acquisitions;
- provide funds to support administration costs for the Mali West Gold Projects; and
- costs of the Offer and augmenting of working capital.

Items of Expenditure	Amount (\$)	Proportion (%)
Support legal and corporate costs – arbitration proceedings against the Government of Tanzania	\$30,000	9.2%
Project generation and acquisitions	\$135,000	41.5%
Administration costs for the Mali West Gold Projects	\$25,000	7.7%
Expenses of the Offer ¹	\$45,231	13.9%
Working capital ²	\$90,261	27.7%
Total	\$325,492	100%

Notes:

- 1 Refer to Section 9.10 of the Prospectus for details regarding the estimated expenses of the Offer.
- 2 Funds allocated to working capital will be used for future administration expenses of the Company, including administration fees, Director’s remuneration and other administration and obligatory overheads.
- 3 The above table is a statement of current intentions as at the date of the Prospectus. As with any budget, intervening events (such as project and general market risk factors affecting the Company) and new circumstances have the potential to affect the ultimate way funds will be applied. The Directors reserve the right to alter the way funds are applied on this basis.

Actions required by Eligible Shareholders

The number of New Listed Options to which Eligible Shareholders are entitled (your Entitlement) is shown on your personalised Entitlement and Acceptance Form that accompanies the Prospectus, which you can access by entering your personal details (including Securityholder Reference Number (SRN) or Holder Identification Number (HIN), and postcode) at the following website link <https://idaoffer.thereachagency.com>.

For the purposes of calculating each Eligible Shareholders’ entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Listed Options.

As an Eligible Shareholders you may:

- accept your **full** Entitlement (refer to Section 5.6(a) of the Prospectus); or
- accept **part** of your Entitlement (refer to Section 5.6(b) of the Prospectus); or
- accept **full** Entitlement **and apply for additional Shortfall Options** (refer to Section 5.6(c) of the Prospectus) or;
- if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you have any queries concerning the Offer, or the action you are required to take to subscribe for New Listed Options, please contact your financial adviser or the Company Secretary, on +61 (08) 9481 0389 or send an e-mail to info@indianaresources.com.au.

Yours Sincerely,

Bronwyn Barnes
EXECUTIVE CHAIR
INDIANA RESOURCES LIMITED

20 July 2020

Dear Shareholder

INDIAN RESOURCES LIMITED - PRO-RATA NON-RENOUCEABLE OPTION ENTITLEMENT RIGHTS ISSUE OFFER

On 10 July 2020, Indiana Resources Limited (ACN 009 129 560) (**Indiana** or the **Company**) lodged a Prospectus with ASIC and ASX (**Prospectus**) for a non-renounceable pro rata Option Entitlement Rights Issue Offer (**Offer**) on the basis of three (3) New Listed Options exercisable at \$0.03 with an expiry date of 12 months from the date of issue (**New Options**) for every four (4) Shares held by Shareholders registered at the Record Date, at an issue price of \$0.002 per New Listed Option, to raise up to approximately \$325,492 (before costs).

Based on Company's capital structure as at the date of the Prospectus, a maximum of 162,746,020 New Listed Options will be issued pursuant to the Offer. If all New Listed Options issued under the Option Entitlement Rights Issue are exercised (exercisable at \$0.03, on or before the expiry date, being 12 months from the date of issue), the Company will receive approximately \$4,882,380.

The Company intends to apply for quotation of the New Options on the Australian Stock Exchange. All of the new fully paid ordinary shares to be issued upon exercise of the New Listed Options will rank equally in all respects with the Company's previously issued fully paid ordinary shares.

The Company has entered into an underwriting agreement with Terrain Capital Markets Limited (**Underwriter**) to act as underwriter to the Offer (**Underwriting Agreement**). The Underwriter has agreed to fully underwrite the Offer and will be paid a total fee of 3% (plus GST) of the underwritten amount. The Underwriter will also be issued 1,000,000 New Listed Options (exercisable at \$0.03 on or before the date that is 12 months from the date of issue). The Underwriting Agreement gives the Underwriter the right to enter into sub-underwriting agreements to pass on some or all of its obligations to subscribe for the Shortfall under the Underwriting Agreement.

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** The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.*

The Company intends to apply the funds raised from the Offer (less expenses) to support legal and corporate costs associated with commencing arbitration proceedings against the Government of Tanzania, to provide funds to continue with project generation and acquisitions, to provide funds to support administration costs for the Mali West Gold Projects and augmenting of working capital. For further details of the use of funds, please refer to Section 6.1 of the Prospectus.

Ineligible Shareholders

A Shareholder who has a registered address outside of Australia and New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to the Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of New Listed Options to which they would otherwise be entitled.

If you have any queries concerning the Offer, please contact your financial adviser or send an e-mail to the Company at info@indianaresources.com.au.

Yours Sincerely,

**Bronwyn Barnes
EXECUTIVE CHAIR
INDIANA RESOURCES LIMITED**