

Shareholder Dispute – Ntaka Nickel Holdings Ltd

Indiana Resources Limited (**ASX: IDA**) (“**Indiana**” or the “**Company**”) advises that a dispute has arisen between the shareholders of Ntaka Nickel Holdings Ltd (“**NNHL**”) in relation to a funding call made to NNHL’s shareholders in October 2022. The shareholders of NNHL are Nachingwea UK Ltd (“**NUKL**”, incorporated in the United Kingdom) and Loricatus Resource Investments (“**LRI**”, incorporated in Mauritius as an investment vehicle of Fig Tree Resources Fund II Ltd). Indiana is the majority shareholder of NUKL (83.7%) with MMG Exploration Holdings Ltd as minority shareholder (16.3%). A diagram showing the ownership structure for the various entities is attached in Figure 1.

As per the terms of the Project Acquisition Agreement (“**PAA**”) executed between the parties in 2015, the dispute has been referred to arbitration administered by the Australian Centre for International Commercial Arbitration (“**ACICA**”), and the seat of arbitration is Perth, Western Australia.

The dispute concerns the proper interpretation of the PAA in light of the failure of LRI to transfer its proportionate share of the October 2022 cash call funding amount within the timeframe specified in the PAA. NUKL provided its portion of the October 2022 funding call within the required timeframe and also paid the shortfall funding amount that LRI failed to provide in order to ensure that NNHL continues to have sufficient cash reserves to meet approved expenditure and funding requirements. NUKL therefore asserts that it was the only participating shareholder in the October 2022 funding call and is entitled to have the corresponding number of NNHL subscription shares issued to it equivalent to the total funding amount paid by NUKL, including the shortfall funding amount paid by NUKL after LRI failed to pay its portion within time.

NNHL, together with its 99.9% subsidiary, Nachingwea Nickel Limited (“**NNL**”), and NUKL are all “**Claimants**” in the current dispute with the United Republic of Tanzania (“**Tanzania**”) which is the subject of arbitration through the International Centre for Settlement of Investments Disputes (“**ICSID**”).

NNHL does not intend to participate in the ACICA process and has agreed to abide by any decision handed down by ACICA in relation to the dispute between NUKL and LRI. A timeline for the ACICA arbitration has not yet been set, and it is anticipated that the arbitration will be listed for a case management conference shortly.

Management Comment – Bronwyn Barnes, Executive Chairman

“Whilst it is disappointing for any shareholder dispute to arise, the PAA provides for disputes of this kind to be settled by arbitration, and we welcome the decision of the arbitrator. I believe that NUKL has complied fully with its obligations under the PAA and is entitled to be issued the subscription shares equivalent to the total funding call amount which NUKL provided. Currently LRI is a 30% shareholder of NNHL. If the arbitration process with ACICA determines that NUKL validly subscribed for the shortfall shares in NNHL by becoming a participating shareholder, NUKL’s shareholding will increase from 70% to 85%, and LRI’s shareholding in NNHL will be diluted to 15%.”

CAPITAL STRUCTURE

501,204,819
Shares on Issue
A\$0.05
Share Price
27M
Market Cap

BOARD & MANAGEMENT

Bronwyn Barnes
Executive Chair
David Ward
Non-Executive Director
Robert (Bob) Adam
Non-executive Director

Kate Stoney
CFO & Company Secretary

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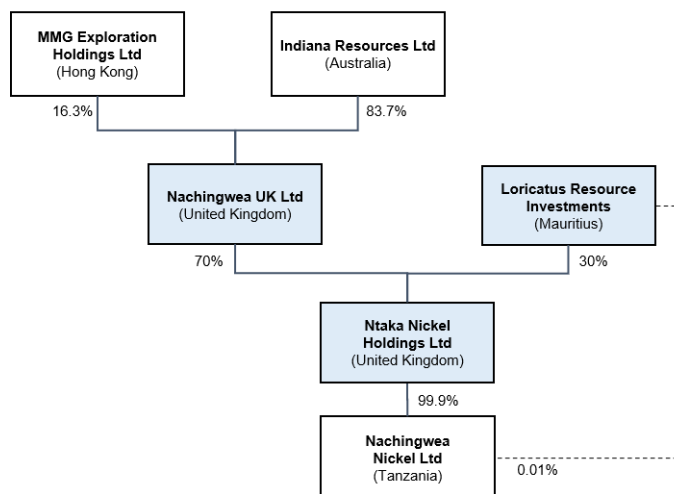


Figure 1: current NNHL shareholding structure (parties to the dispute highlighted in blue)

If the ACICA dispute process confirms that LRI is not a participating shareholder in the October 2022 funding call, then the new shareholding structure for NNHL will be as in Figure 2 below. If LRI is recognised as a participating shareholder, then the corporate structure for the Claimant entities will remain as outlined in Figure 1.

The Company will continue to update shareholders as the matter progresses.

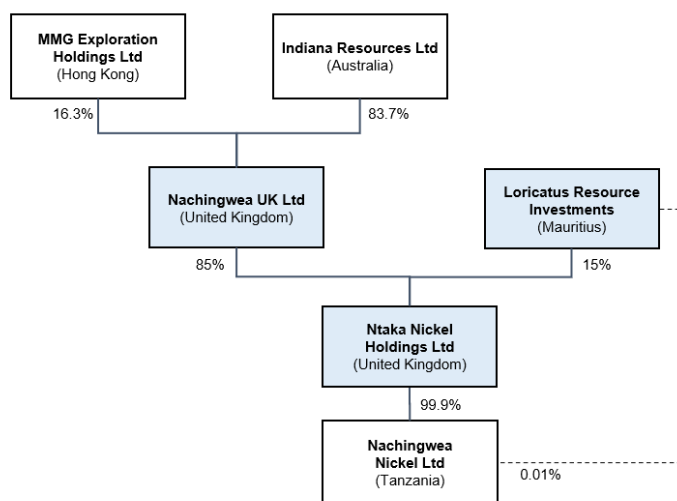


Figure 2: NNHL shareholding structure following successful ACICA arbitration outcome (NUKL holding in NNHL increases to 85%)

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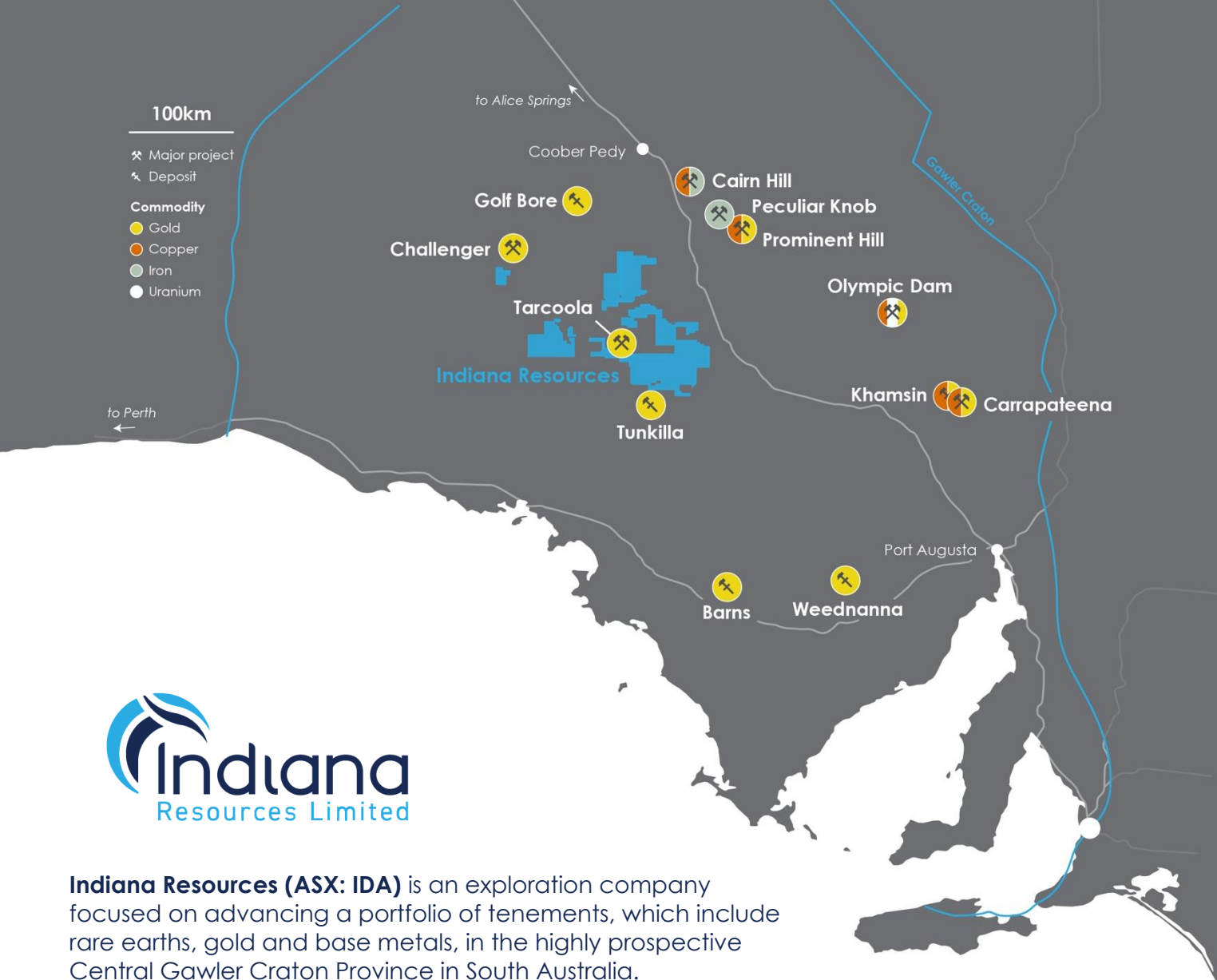
This announcement is authorised for release by the Chair of Indiana Resources Limited with the authority from the Board of Directors. For further information, please contact:

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Indiana Resources (ASX: IDA) is an exploration company focused on advancing a portfolio of tenements, which include rare earths, gold and base metals, in the highly prospective Central Gawler Craton Province in South Australia.

Indiana's ground position in the Gawler Craton covers 5,713km², with the Company's tenements strategically located between the historic gold mining centres of Tunkilla (965,000 ounce gold resource) and Tarcoola (15,800 ounce gold resource).

With a historical focus on gold, Indiana is progressing plans for a targeted Rare Earth Elements (REE) drilling programme. The Company benefits by its strategic positioning in a tightly held region, known for gold but with exciting REE opportunities.

The Company has a highly experienced management team, led by Executive Chair Bronwyn Barnes. Indiana has a tightly held register with benefits from strong support from major shareholders who are aligned with the Company's growth story.

