

Company Update and Entitlement Offer

Highlights

ICSID Award

- Timetable for annulment remains on track – final hearing scheduled for **26 July 2024**
- Award totals **~US\$123M** with interest accruing at **US\$1M** per month

South Australian Exploration

- Rare Earth Element (REE) metallurgical test work continues to deliver favourable recoveries
- **4.2% TREO and 1.8% MREO flotation concentrate** produced from initial beneficiation test work completed on clay hosted REE air core drilling samples
- **Flotation recovery of 89% TREO and 91% MREO**
- Drilling of priority REE targets to commence this quarter following outstanding results from previous programme
- Application lodged for R&D tax incentive scheme based on REE exploration activities to date

Corporate

- 1-for-30 Entitlement Offer to raise approx. \$1.44 million before costs to support short-term exploration and to finalise ICSID proceedings and recovery of the award
- Directors to take up full their entitlements, circa \$100k

Indiana Resources Limited (**ASX:IDA**) (**Indiana** or **Company**) is pleased to provide an update on the following corporate and operational activities from within the business.

ICSID Award and Arbitration

The previously published timetable for the ICSID annulment proceedings remains unchanged, with the final hearing to occur via Zoom on 26 July 2024. The Claimants recently filed their counter-memorial on annulment and are well prepared for the final hearing. The ICSID *ad hoc* Committee has previously ruled that the majority of grounds put forward by Tanzania were manifestly without legal merit (refer ASX release 7 February 2024).

As of 30 April 2024, the total amount receivable by the Claimants under the Award from the International Centre for Settlement of Investment Disputes ("ICSID") stood at **US\$122,852,302**, being the amount of the Award plus interest and legal costs of US\$4,113,581. Interest on the Award continues to accrue at approximately US\$1 million per month.

Tanzania has previously committed to recognising the ICSID *ad hoc* Committee's final decision on annulment as final and binding and to pay the full amount of the Award plus interest within 45 days of the Committee's final decision.

CAPITAL STRUCTURE

618,344,195
Shares on Issue
A\$0.078
Share Price
48M
Market Cap

BOARD & MANAGEMENT

Bronwyn Barnes
Executive Chair
Robert (Bob) Adam
Non-Executive Director
Maja McGuire
Non-Executive Director

Kate Stoney
CFO & Joint Company Secretary
Josh Merriman
Joint Company Secretary

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South Australian Exploration Strategy

Planning is well advanced for the next round of REE drilling at the Company's wholly owned Central Gawler Craton Project in South Australia. Drilling will commence this quarter following the receipt of relevant regulatory approvals, with the programme designed to improve the understanding of the continuity of REE mineralisation at the Minos Prospect.

The Company has previously identified thick regolith hosted **REE mineralisation over a minimum 10 km strike zone at Minos which remains open in all directions.**

Ongoing REE metallurgical test work continues to provide encouraging results, with results from the latest round of test work returning a **high-grade flotation concentrate grading 4.2% TREO and 1.8% MREO at a recovery of 89% and 91% respectively** (for full details refer ASX release 19 March 2024).

Following an external review of the metallurgical test work completed to date, the Company has recently lodged an application to participate in the Australian government's research and development (R&D) tax offset scheme. The scheme provides for eligible companies to claim tax offsets for expenditure on core and supporting R&D activities.

Indiana's R&D application relates to the development of a novel process for the production of high-grade rare-earth concentrate from clay hosted ore. There is no current mining or processing of clay hosted REE's in Australia and the Company's work aims to produce higher recoveries compared to methods used elsewhere.

The Company is aware of additional opportunities for rare-earth explorers arising from the Australian Government's Critical Minerals Strategy and has previously taken advantage of government grants and incentives at the Central Gawler Craton Project, including the Advanced Discovery Initiative (ADI) funding awarded by the South Australian Government in 2022.

Entitlement Offer

The Company has previously advised that it would be self-funding the annulment phase of ICSID proceedings rather than continue to draw down on litigation funding facilities given the significant cost savings that could be achieved. Funds raised in October 2023 have been used to support annulment proceedings to date as well as exploration activities and corporate costs.

The Company incurred unplanned costs in relation to legal matters in late 2023 and early 2024, namely the dispute between NNHL shareholders which was settled in December 2023 (refer ASX release 6 December 2023) and the Section 249D Notice received in February 2024 and resulting Extraordinary General Meeting which was ultimately cancelled following the resignation of Mr David Ward (refer ASX release 11 March 2024). These unexpected costs have impacted the forecast cash available to support ICSID and exploration activities and the Board has determined that a small, non-dilutive rights issue would be the best way to fund ongoing activities in the lead-up to the conclusion of the ICSID annulment proceedings.



The Company will undertake a non-renounceable entitlement issue of one (1) New Share for every thirty (30) existing Shares held by eligible shareholders at 5:00 pm (AWST) on Wednesday, 22 May 2024 (**Record Date**). The entitlement issue is made at an issue price of \$0.07 per New Share (**Offer**) and under the Company's prospectus dated 16 May 2024 (**Prospectus**).

Eligible shareholders are all shareholders of the Company at the Record Date whose registered address is in Australia or New Zealand (**Eligible Shareholders**). Full details for the Offer are included in the Prospectus which has been lodged on the ASX platform and the Company's website and will be despatched to Eligible Shareholders on Monday, 27 May 2024. The anticipated timetable is included at Schedule 1 of this announcement.

Directors of the Company will take up the full amount of their entitlements (approximately \$100,000), demonstrating their commitment to the Company's strategy and activities.

Corporate Presentation

The Company's Executive Chairman Bronwyn Barnes and Commercial Manager John Fitzgerald recently presented to investors at the 121 Mining Investment London conference. The Company's most recent presentation has been released on the Company's website and ASX platform.

Ends

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

For further information, please contact:

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



Schedule 1 – Indicative Timetable for Entitlement Offer

EVENT	DATE
Announcement of Offer and lodgement of Appendix 3B with ASX	Thursday, 16 May 2024
Lodgement of Prospectus with ASIC and ASX	Thursday, 16 May 2024
Ex date	Tuesday, 21 May 2024
Record Date	Wednesday, 22 May 2024
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders, and Company announces that this has been completed. Notice also sent to Ineligible Shareholders.	Monday, 27 May 2024
Opening date of the Offer	Monday, 27 May 2024
Last day to extend Closing Date of the Offer	Wednesday, 5 June 2024
Closing Date of Offer (5:00pm WST)*	Tuesday, 11 June 2024
Securities quoted on a deferred settlement basis	Wednesday, 12 June 2024
Announcement of results of the Offer	Tuesday, 18 June 2024
Last day for the Company to issue Shares under the Offer and lodge an Appendix 2A	Tuesday, 18 June 2024
Deferred settlement trading ends	Tuesday, 18 June 2024
Commencement of trading of Shares on ASX*	Wednesday, 19 June 2024

Note: these dates are indicative only. The Directors reserve the right to vary the key dates without prior notice, subject to the Listing Rules. The Directors may extend the Closing Date by giving at least three (3) days' notice to ASX prior to the Closing Date. Accordingly, the date the shares offered under the Offer are expected to commence trading on ASX may vary.

