

US\$30million Received From Tanzania

- **Final instalment of US\$30m received by Claimants' legal representatives**
- **Return of capital proposed as part of capital management initiatives**
- **Awaiting ruling from Australian Tax Office to confirm basis for distribution**

Indiana Resources Ltd (ASX: IDA) ("**Indiana**" or the "**Company**") is pleased to confirm that the payment tranche of US\$30 million has been received from the United Republic of Tanzania ("**Tanzania**") by the Claimants' legal representative as the final instalment of the US\$90 million payable under the Settlement Deed as announced to the ASX on 29 July 2024 [ASX: "**US\$90million Settlement Agreement with Tanzania**"].

The Board is currently reviewing capital management initiatives in order to return funds to shareholders in the most efficient manner. The Company has applied for a tax ruling from the Australian Taxation Office to make a payment to shareholders as a capital return. As per the Company's latest accounts, the maximum amount that can be paid as a capital return is A\$32.4M. Subject to the Company obtaining the necessary shareholder and regulatory approvals (or waivers, as required) and receiving the tax ruling from the Australian Taxation Office, the Board is targeting a return to Shareholders before 30 June 2025, with details of the distribution amount and timeline to be confirmed in due course.

The Company also advises that Nachingwea Nickel Limited ("**NNL**") has received a "Notice of Jeopardy Assessment" from the Tanzanian Revenue Authority's regional Lindi office ("**Assessment**"). The Assessment alleges that NNL owes taxes to the United Republic of Tanzania in respect of the Settlement Amount. The Company denies that any such tax is due and owing and has informed The Tanzanian Revenue Authority and the Solicitor General's office that: a tax assessment constitutes a breach of the Settlement Deed; that NNL will take all necessary steps to enforce its rights under the Settlement Deed; and, that the Claimants will not be in a position to issue a letter of discontinuance to the International Centre for Settlement of Investments Disputes ("**ICSID**") while the breach remains unremedied.

Notice of Arbitration – Loricatus Resources Investments

As previously disclosed, Indiana has been seeking to settle by negotiation the distribution of funds between the Claimants and their shareholders. Indiana advises that a dispute has arisen between the shareholders of one of the Claimants, Ntaka Nickel Holdings Ltd



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("NNHL"), in relation to the distribution of funds. The shareholders of NNHL are Nachingwea UK Ltd ("NUKL", incorporated in the United Kingdom) and Loricatus Resource Investments ("LRI", incorporated in Mauritius, an investment vehicle of Fig Tree Resources Fund II Ltd).

LRI has issued a Notice of Arbitration pursuant to the terms of the Project Acquisition Agreement ("PAA") executed between the parties in 2015, by which the dispute has been referred to arbitration administered by the Australian Centre for International Commercial Arbitration ("ACICA"), with the seat of arbitration in Perth, Western Australia.

NNHL, together with its 99.9% subsidiary, NNL, and NUKL are all "**Claimants**" in the prior dispute with the United Republic of Tanzania ("**Tanzania**") which was the subject of arbitration through ICSID and for which a settlement was reached as announced by the Company on 29 July 2024, with the final payment instalment having now been received by the Claimants' legal representatives (as noted above).

The dispute between the shareholders of NNHL concerns the distribution of settlement funds received from Tanzania pursuant to the Settlement Deed between the Claimants and Tanzania.

No timeline for the ACICA arbitration has been advised and the Company will update shareholders on the arbitration process as details are confirmed.

A portion (18%) of the net settlement proceeds received from Tanzania will be preserved pending resolution of the dispute with LRI.

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This ASX announcement has been authorised for release by the Board of Indiana Resources Ltd.

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