

3 May 2019

ASX: IDA

Update on Due Diligence for JV Gold Projects, Mali

Indiana Resources Limited (**ASX: IDA**) (**'Indiana'** or **'the Company'**) is pleased to provide an update on its due diligence activities for the proposed joint venture agreement with Altus Strategies Plc (**'Altus'**; AIM: ALS; TSX-V: ALTS) for the Lakanfla and Tabakorole gold projects in Mali (see Figure 1).

As announced to the ASX on 8th February and 5th March 2019, the Company has entered into a non-binding term sheet (**'Term Sheet'**) for a joint venture (**'JV'**) with Altus where Indiana will have the option to earn up to an 85% interest in Legend Mali Inc. (**'Legend'**), a wholly owned subsidiary of Altus, which holds a 100% interest in the Lakanfla and Tabakorole gold projects (**'Projects'**). Entry into the JV Agreement is subject to satisfactory completion of due diligence, receipt of requisite regulatory approvals and the Company providing notice to Altus that it has raised a minimum of AUD\$1 million.

Indiana has continued to receive substantial amounts of historical data from Altus during the due diligence period which was in excess of what was originally anticipated. The Company's thorough evaluation is further highlighting the exciting potential of the projects but there remains additional data that needs to be reviewed and collated. In light of this Indiana has now agreed an extension ("Extension") to the exclusivity period with Altus that will now end on 14 June 2019, which will allow Indiana to complete the Due Diligence process.

Altus recently announced that it has defined a series of drill targets to test the potential of expanding the Tabakorole gold project ("Tabakorole" or the "Project") located in the Massagui gold belt in Southern Mali, approximately 100km southwest of the multi-million-ounce Morila gold mine. A full copy of the announcement can be accessed on Altus's website <http://altus-strategies.com/news/drill-targets-defined-at-tabakorole-gold-project-southern-mali/>

Multiple drill targets were identified following a detailed review of historical data for the Tabakorole gold project. The drill targets have the potential to expand the existing resource at the FT prospect, as well as outlining new prospects within the licence. Previous drilling intersections at the FT prospect indicate a number of areas where high grade zones were present but not followed up with infill drilling by the previous operators. These drill holes were completed in 2010, while the previous mineral resource estimate was completed in 2007.

Lakanfla: Project background and previous exploration

The 24km² Lakanfla gold project is located 5km east of the Company's Diba ('Korali Sud') oxide gold project and approximately 6.5km southeast of the karst-type FE3 and FE4 open pits of the multi-million-ounce Sadiola gold mine and 35km southeast of the former multi-million ounce Yatela karst-type mine. Lakanfla is bounded by the Sadiola permit area on its north, west and southern boundaries. Sadiola and Yatela are both part-owned by AngloGold Ashanti (JSE: ANG, NYSE: AU and ASX: AGG) and IAMGOLD Corporation (TSX: IMG and NYSE: IAG).

Historic exploration at Lakanfla has included soil sampling across the entire licence area, on a 500m x 250m (and, based on preliminary due diligence, in places 250m x 100m) sample grid. The programme defined a number of anomalies which were further refined by shallow auger drilling.

Follow up diamond, RC and RAB drilling programmes were completed between 2001 and 2011. A series of geophysical programmes have also been completed at Lakanfla, including ground based induced polarisation, high resolution resistivity, magnetic and gravity surveys as well as airborne VTEM and gravity surveys.

None of the priority targets have been systematically drill tested to date. The Company has reviewed historical exploration results as part of initial due diligence but has reason to believe that there may be reliability issues with those exploration results. As a result, the Company is unable to report any results it has reviewed to date. Investors who become aware of historical exploration results are therefore cautioned not to rely on such exploration results until the Company confirms their reliability and compliance with the JORC Code 2012.

Tabakorole: Project background and previous exploration

The 100km² Tabakorole project is located in southern Mali, approximately 280km south of the capital Bamako. Tabakorole sits on the Massagui Belt which hosts the 7.0Moz Morila gold mine operated by Randgold Resources Ltd.

A regional soil sampling programme was completed by BHP in the early 1990s on a 500m x 100m grid. Initial due diligence by the Company has shown that since 2003 a significant amount of diamond, reverse circulation, auger and air core drilling has reportedly been completed, in addition to 1,400 line-km of airborne geophysics.

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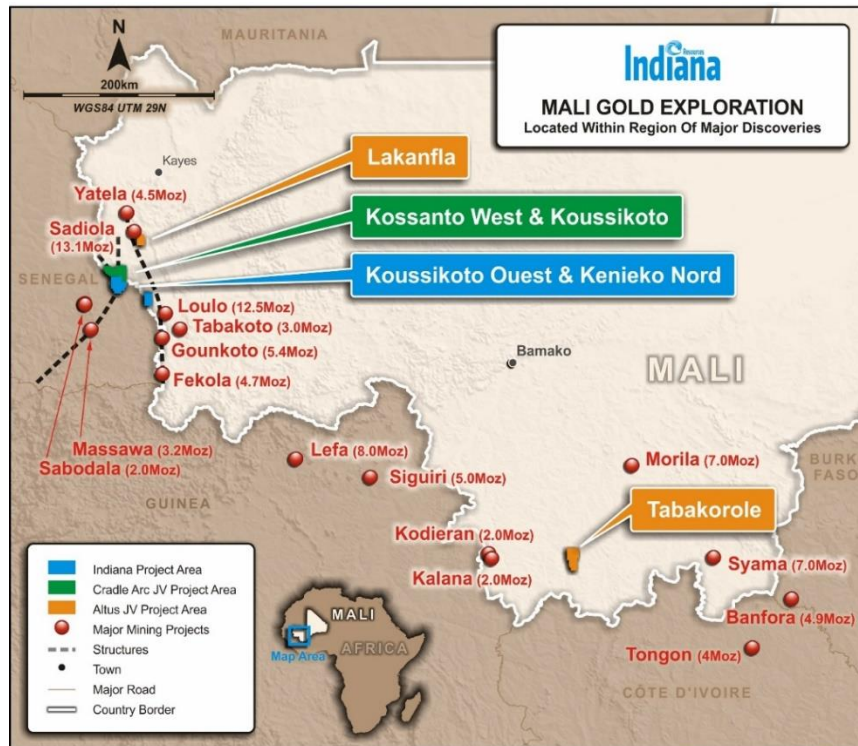


Figure 1. Location of Lakanfla and Tabakorole projects in Mali

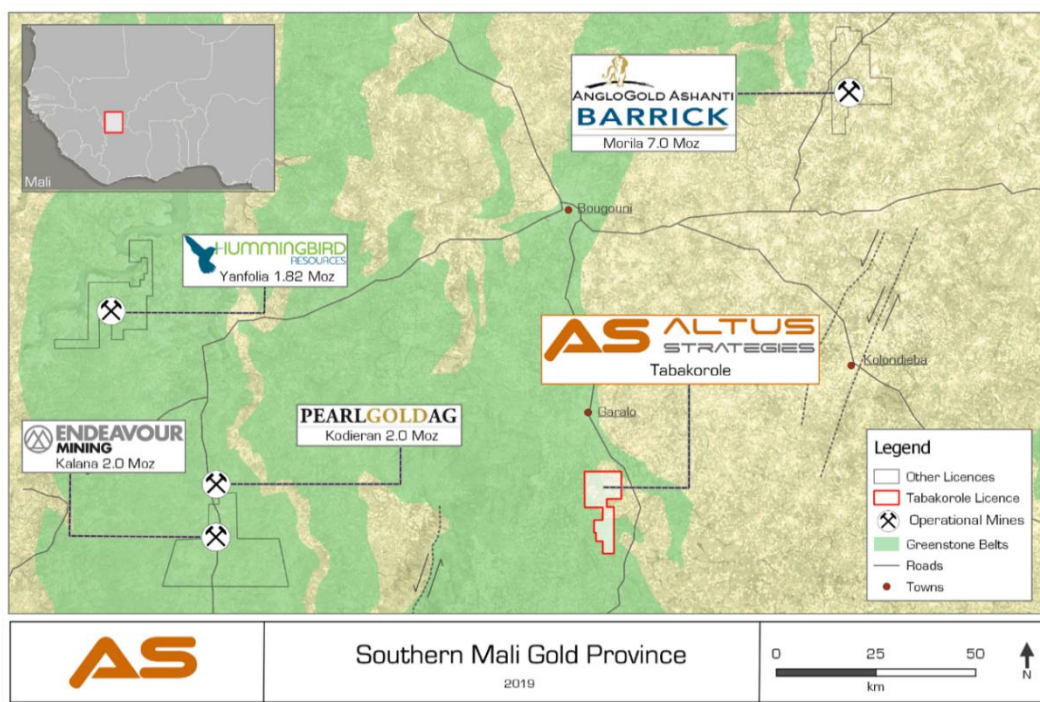


Figure 2 Tabakorole Gold Project, Southern Mali

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About Indiana Resources Limited

Indiana Resources (ASX:IDA) is a gold-focused Australian exploration company with a strategic position in western Mali consisting of the Koussikoto, Koussikoto Ouest, Kossanto and Kenieko Nord licences which are located in the well-endowed Kenieba Province of western Mali, approximately 550 km west of the capital city of Bamako. Indiana is looking to aggressively grow and explore its Malian portfolio going forward.

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