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Completion of agreement to acquire tenements in world class Mali Gold District

Indiana Resources Limited (**ASX: IDA**) (**'Indiana'** or the **'Company'**) is pleased to announce that following successful completion of its due diligence, it has finalised legal agreements to acquire 100% of the shares of Mukuyu Resources Limited (**'Mukuyu'**), the owner of interests in two highly prospective gold exploration licences in western Mali (**'Mukuyu Assets'**). The final legal agreements fully reflect the details of the Term Sheet announced to the ASX on 1 March 2018.

The Mukuyu Assets comprise two exploration permits at Koussikoto Ouest and Kenieko Nord (total area of 126km²), located in the prolifically gold mineralised Kenieba Province of western Mali, approximately 550 km west of the capital city of Bamako (Figure 1).

On finalising legal agreements with Mukuyu, Indiana's Chairman, Ms Bronwyn Barnes, commented, *"The acquisition of Mukuyu provides Indiana with a strategic foothold in a highly prospective location where there is a history of major gold discoveries."*

"We consider the regional geological setting, combined with the early positive results from previous exploration to be highly encouraging for gold and believe that an expanded exploration program is warranted to define targets for drill testing. We have commenced activities on the ground in anticipation of completing legal formalities and will now move immediately to expand current exploration programs."

In anticipation of concluding the agreement with Mukuyu, Indiana's exploration consultant has spent the past fortnight in Mali, working with the in-country team to develop a comprehensive exploration program for both Koussikoto Ouest and Kenieba Nord. At Koussikoto, multiple untested anomalies occurring more broadly on the project area call for detailed drill follow-up and a significantly expanded exploration program on the balance of the property.

During the due diligence period, Mukuyu has continued exploration work, with a two-stage trenching program at Koussikoto Ouest nearing completion. Results of the second stage of the trenching program are expected to be available in the coming weeks.

Under the terms of the agreement with Mukuyu, in consideration for the acquisition, the Company will issue 6,500,000 fully paid ordinary shares in the capital of the Company to Mukuyu (**'Consideration Shares'**). Mukuyu shareholders have agreed to voluntarily escrow the Consideration Shares for a period of 12 months from settlement of the Acquisition.

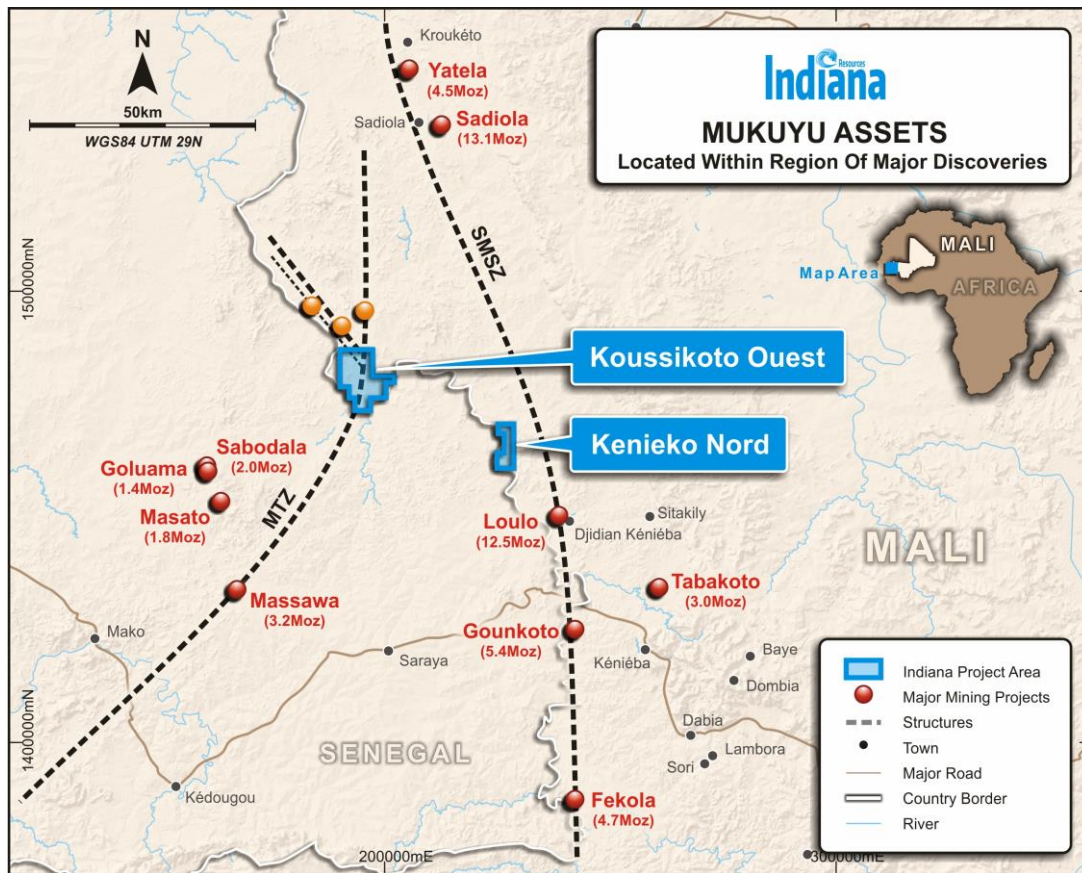
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Figure 1 – Mukuyu Assets Located in Attractive Regional Setting



Koussikoto Ouest

Koussikoto Ouest covers an area of 100km² and straddles a regionally significant structure referred to as the Main Transcurrent Zone in the far west of the Kenieba Province, along strike from the Massawa (+3Moz) and Sabodala (+2Moz) gold deposits in Senegal (Figure 1).

A number of broad gold-in-soil anomalies have been previously delineated, with trenching returning results such as 22m @ 3.29 g/t Au and 15m @ 2.29 g/t Au. Shallow follow up drilling beneath these trenches intersected high-grade gold mineralisation, including 18m @ 3.35 g/t Au and 4.5m @ 18.55 g/t Au. In total, 49 holes for 5,068m of drilling have been undertaken on the northern portion of Koussikoto Ouest. The drilling to date, which sporadically targeted small sections of an extensive 4km long gold trend, provides significant encouragement for the discovery of potentially economic gold deposits along trend.¹

Kenieko Nord

Gold prospective rocks along the eastern side of the Kenieba Province are transected by a NNW-SSE trending strike-slip fault known as the Senegal-Malian Shear Zone ('SMSZ'). This structure is present over a strike length of more than 500km. The Sadiola (13Moz), Yatela (+4Moz), Loulo (+12Moz) and Fekola (+4Moz) gold deposits are related to this major structure (Figure 1).

Kenieko Nord covers an area of 26km² and is located in proximity to the SMSZ, to the north of the Loulo Gold Mine Camp (+12Moz, Randgold Resources – see Figure 1). The property is bounded to the west by the Faleme River, defining the border between Mali and Senegal. Soil sampling, which appears to be incomplete over the permit area, is the only work done to date.

¹ ASX announcement 1 March 2018. Indiana confirms that it is not aware of any new information or data that materially affects the information included in that announcement.