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INDIANA RESOURCES LIMITED

and its controlled entities

ABN 67 009 129 560

INTERIM FINANCIAL REPORT
for the half-year ended 31 December 2021



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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Indiana Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

INDIANA RESOURCES LIMITED

Corporate Directory

Directors

Ms Bronwyn Barnes
Ms Felicity Repacholi-Muir
Mr Robert Adam

Company Secretary's

Ms Aida Tabakovic
Mr Trevor Harris

Registered Office

Suite 3, 339 Cambridge Street
WEMBLEY WA 6014
Tel + 61 8 6241 1870

Share Register

Computershare Limited
Level 11, 172 St Georges Terrace
PERTH WA 6000
Tel + 61 8 9323 2000

Auditors

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
PERTH WA 6000

Website Address

www.indianaresources.com.au

Stock Exchange

Shares are listed on the Australian Securities Exchange under the code IDA, IDAOA

The Directors present the consolidated financial report of Indiana Resources Limited ("Indiana" or the "Company") and its controlled entities (the "Group") for the six months ended 31 December 2021.

Amounts are expressed in Australian dollars unless otherwise noted.

Directors

The names of the Company's Directors in office during the half-year and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Executive

Ms Bronwyn Barnes (Executive Chairman)
Ms Felicity Repacholi-Muir (Technical Director) – appointed 1 February 2022

Non-Executive

Mr Bob Adam (Non - Executive Director)
Ms Felicity Repacholi-Muir (Non Executive Director) - appointed 1 June 2021 – transitioned to Technical Director 1 February 2022)

Company Secretary's

Ms Aida Tabakovic
Mr Trevor Harris

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INDIANA RESOURCES LIMITED

Directors' Report

PRINCIPAL ACTIVITIES

During the period, the principal continuing activities of the Group consisted of exploration for minerals.

REVIEW OF OPERATIONS

EXPLORATION

South Australia - Central Gawler Gold Project

During the period the Company continued its exploration activities within the Lake Labyrinth Shear Zone (LLSZ) area, part of its extensive ground position of 5,713 km² in the Central Gawler Craton of South Australia (Figures 1 & 2). Exploration activities during the period included Reverse Circulation (RC) drilling at the Ariadne and Minos Prospects, diamond drilling at the Minos Prospect, regional calcrete geochemical sampling programs and a heritage survey over areas of the LLSZ. Results were also received for the aircore/slimline RC program completed the previous period.

RC Drilling

During July, the Company received further high-grade results from assaying of the follow-up Reverse Circulation (RC) drill holes completed early May at the Minos Prospect.

Assay results were received from 16 holes completed for a total of 2,196m. The programme was designed to infill the existing drill pattern and test the NW and SE strike extents of the known mineralised zone within the LLSZ. The results confirmed and enhanced earlier intersections of significant mineralisation intercepted (refer ASX Announcement dated 13 July 2021 for full details). Significant results included:

- 21m @ 8.43 g/t Au from 176m in Hole LLRC041 including 1m @ 159 g/t Au from 185m
- 2m @ 18.4 g/t Au from 162m in Hole LLRC041 including 1m @ 35.6 g/t Au from 163m
- 23m @ 6.44 g/t Au from 186m in Hole LLRC035 including 1m @ 118 g/t Au from 198m
- 10m @ 8.83 g/t Au from 39m in Hole LLRC042 including 3 m @ 26.03 g/t Au from 40m

Indiana also undertook two RC drilling programs during the reporting period at the Ariadne and Minos Prospects with a total of 34 RC drillholes completed for 4,947m.

The first program completed during October comprised 12 holes totalling 1,379m at the Ariadne Prospect and 7 holes for 1,258m at the Minos Prospect.

The Ariadne Prospect is located about 700m ESE along strike from Minos. The drilling program at Ariadne focused on the centre of the known gold mineralised zone where many of the historical drill holes were only assayed as 4m composites. The drilling at Ariadne was designed to further advance the geological understanding of the nature and geometry of the mineralised zone and was the first of several planned drilling programs at Ariadne to add to a potential resource base for the Minos-Ariadne area.

Results confirmed the historical intercepts and the prospectivity of the LLSZ. The alteration assemblage intersected in the drilling was identified as the same as that at the Minos Prospect, indicating this is part of the same large mineralising event within the LLSZ. Significant results are listed below (refer ASX Announcement dated 21 December 2021 for full details):

- 10m @ 2.24 g/t Au from 9m in drillhole LLRC046 including 1m @ 13.4 g/t Au from 12m
- 5m @ 3.59 g/t Au from 49m in drillhole LLRC049
- 9m @ 2.61 g/t Au from 131m in drillhole LLRC056 including 1m @ 9.5 g/t Au from 132m
- 6m @ 3.29 g/t Au from 70m in drillhole LLRC052 including 1m @ 16.7 g/t Au from 73m
- 18m @ 1.16g/t Au from 19m in drillhole LLRC057

INDIANA RESOURCES LIMITED

Directors' Report

The drilling program at the Minos Prospect was designed to infill the existing drill hole coverage and provide further geological information for inclusion in the proposed resource estimate.

Indiana undertook an additional RC drilling program at Minos in December 2021 with 15 holes totalling 2,310m completed. The drilling was focussed on the western end of the Minos prospect and was designed to tighten up the existing drill density and testing the lodes at depth.

Diamond Drilling

In mid-July the Company completed the drilling of three diamond tail drill holes at the Minos Prospect (refer ASX Announcement dated 24 June 2021). Three holes, LLRC027, LLRC028 and LLRC045 were drilled as pre-collars earlier in the year and were completed with diamond tails during July. The purpose of the diamond tails was to provide drill core to assist the Company in developing an improved geological and structural understanding of the mineralisation at Minos.

RC drill hole LLRC027 was completed to 72m and reported 15m @ 1.19g/t Au, with the final metre reporting 1m @ 1.99 g/t Au (refer ASX Announcement dated 3 March 2021). Diamond hole LLRCD027 was completed to a depth of 282m. Assays results for hole LLRCD027 reported significant results as follows (refer ASX Announcement dated 7 October 2021 for full details):

- 19m @ 1.12g/t Au from 57m (includes previously reported RC pre-collar results)
- 10m @ 1.37g/t Au from 91m
- 1.6m @ 2.71g/t Au from 113m

RC drill hole LLRC028 was completed to 78m with the end of the hole reporting 2m @ 3.65g/t Au (refer ASX Announcement dated 3rd March 2021). Diamond hole LLRCD028 was completed to a depth of 262m with significant results as follows (refer ASX Announcement dated 3 November 2021 for full details):

- 26m @ 3.58g/t Au from 76m (includes previously reported RC pre-collar results)
- 5m @ 1.08g/t Au from 158m
- 2m @ 1.88g/t Au from 152m

RC drill hole LLRC045 was completed to 60m and the diamond tail was planned to drill under drill hole LLRC029, which included 38m @ 6.54g/t Au from 28m including 16m @ 13.12g/t Au from 37m (refer ASX Announcement dated March 2021). Diamond hole LLRCD045 was completed to a depth of 258.3m. Significant results include:

- 9m @ 1.63g/t Au from 128m
- 6.7m @ 0.80g/t Au from 139.1m
- 3.5m @ 1.93g/t Au from 170.5m
- 1.4m @ 6.48g/t Au from 189.4m

Aircore/Slimline RC Drilling Results

Results from the aircore / slimline RC program completed in June 2021 were received in August 2021. The program comprised 79 drill holes for a total of 4,494m. The drilling identified a new target 1,500m along strike from the Ariadne Prospect with the encouraging intersection of 8m @ 1.20g/t Au from 36m including 4m @ 2.28g/t Au from 40m. Significant results are listed below and are summarised as follows:

- 8m @ 1.20g/t Au from 36m including 4m @ 2.28g/t Au from 40m
- 4m @ 0.27g/t Au from 36m
- 8m @ 0.20g/t Au from 20m
- 4m @ 0.44g/t Au from 60m

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Directors' Report

The aim of the program was to test for areas of anomalous gold geochemistry within the LLSZ distal to the main workings at Ariadne and the Minos prospect which are under cover and have not been drill tested. The aircore/slimline RC drill traverses were spaced at 500m and designed to intersect geochemical halos within the interpreted extensions of the LLSZ. The results identified several areas of interest and provided valuable information on the overburden, weathering profile and basement lithology.

Calcrete Sampling Program

Indiana completed a calcrete sampling program over three areas during December 2021. Calcrete sampling has been successfully employed as one of the preferred geochemical sampling mediums for gold exploration in the Gawler Craton for the past three decades. The Challenger Gold Mine was discovered by Dominion Mining Ltd and Resolute Ltd (Gawler Joint Venture) as the result of a regional calcrete sampling program in 1995. Calcrete sampling has been attributed to the discoveries of various other gold prospects, including Tunkillia in 1994 and Marmota Limited's (ASX:MEU) recent success at Aurora Tank.

Calcrete sampling was completed at various locations:

- **Partridge Prospect** – northwest of Minos along the Lake Labyrinth Shear Zone, field reconnaissance noted quartz float similar to that observed at Minos
- **Earea Dam Prospect** – circa a high-grade historic mine (c1899-1940s) that produced approximately 2,000 ounces gold at an average grade of 35g/t Au from 1,870 tonnes of ore
- **Ealbara Prospect** – area of complex geology with prominent quartz outcrops, limited previous calcrete sampling has reported anomalous gold results.

The aim of the calcrete sampling was to assist with drillhole targeting. Samples will be analysed for gold and additional pathfinder elements to identify mineralisation and aid lithological mapping. Results are expected in March 2022.

Heritage Survey

The Company also completed heritage surveys with the Antakirinja Matu-Yankunytjatjara Aboriginal Corporation (AMYAC) across the LLSZ from the Partridge Prospect in the northwest to the North Hicks Prospect in the southeast. Exploration will be aimed at determining the extent of the mineralised shear zone that extends from Minos down to Ariadne and up to Partridge.

New ELs expand Gawler Craton footprint

During this reporting period, the Company received confirmation from the South Australian Department for Energy and Mining those applications for exploration licences EL6629 and EL6667 had been granted. Increasing the Company's land holding to a total of 5,713 km².

Junior Minerals Exploration Incentive

Indiana announced in September, the receipt of correspondence from the Australian Tax Office (ATO) in relation to the Company's application to participate in the Junior Minerals Exploration Incentive (JMEI) Scheme. The Company has been allocated up to \$1,250,000 in JMEI exploration credits for the 2021/22 income year.

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Directors' Report

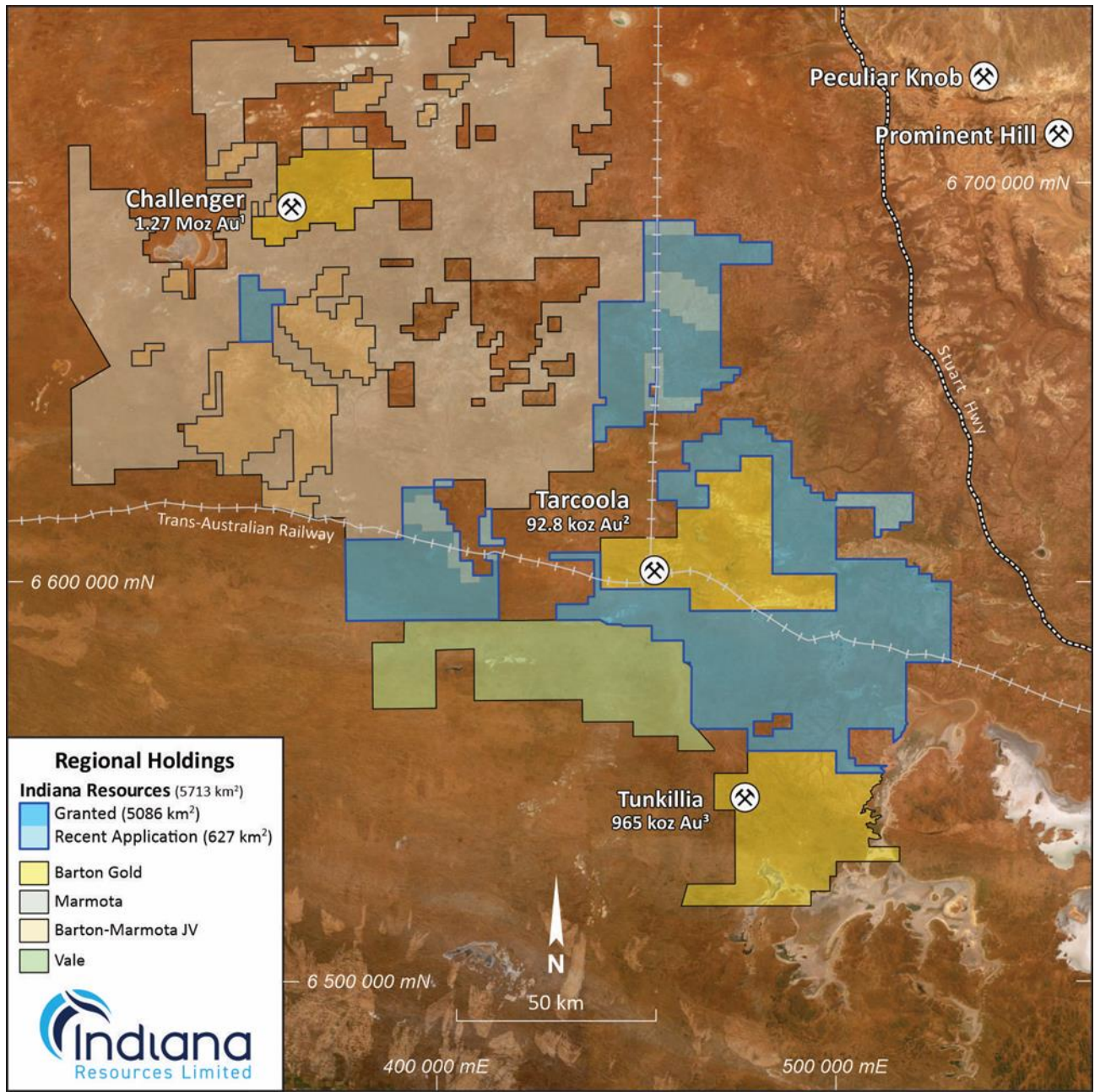


Figure 1: Indiana's ground position in the Central Gawler Craton

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Directors' Report

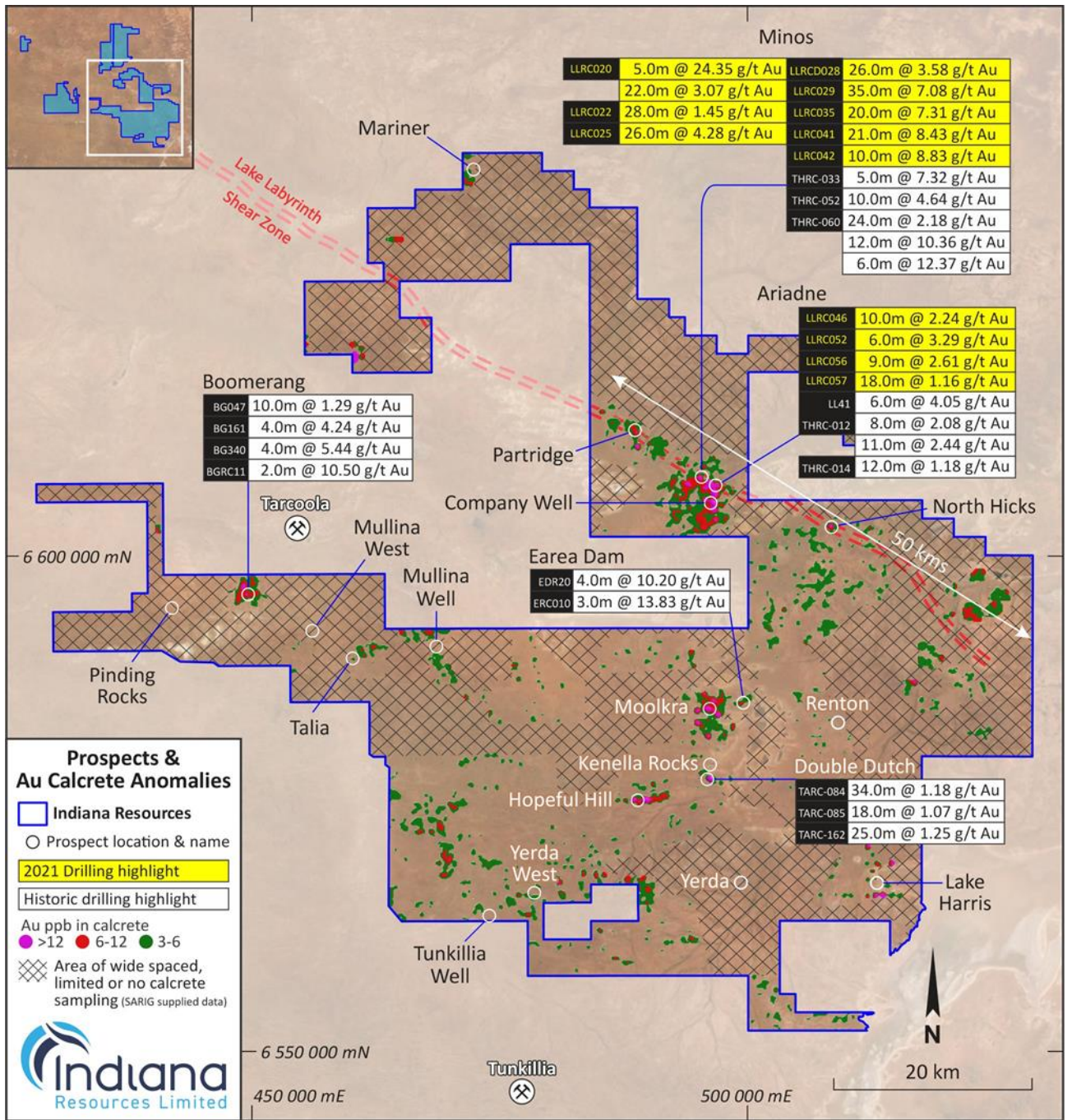


Figure 2: Strike extent of prospective Lake Labyrinth Shear Zone

INDIANA RESOURCES LIMITED**Directors' Report****Tanzania - Ntaka Hill Nickel Project – Claim to Arbitration**

During July, subsidiaries Nachingwea UK Ltd, Ntaka Nickel Holdings Ltd and its subsidiary Nachingwea Nickel Limited filed the required Memorial document in relation to the dispute with the Tanzanian Government for the Ntaka Hill Nickel Project. The submission set out its claims to ICSID (The International Centre for Settlement of Investment Disputes), an organisation that is part of the World Bank Group.

The Memorial contains the basis for compensation to the Claimants for AU\$127 million (US\$93.7million), that includes interest which continues to accrue. The Claimants retained Mr Travis Taylor of Versant Partners, London, as its quantum expert witness to quantify the claim. The arbitration case is to be heard by a 3-person tribunal and is expected to conclude in mid-2023.

CORPORATE**Results for the Half-Year**

The net loss after income tax of the Group for the half-year ended 31 December 2021 was \$1.40 million (2020: \$0.82 million). The result for the half-year is attributable to:

- 1) Corporate and administration costs of \$0.83 million (2020: \$1.03 million);
- 2) Share based payment of \$0.13 million (2020: \$0.18 million);
- 3) Exploration costs of \$0.34 million (2020: \$0.06 million); and
- 4) Other income of Nil (2020: \$0.48 million).

As at 31 December 2021, the Group had \$2.59 million in cash and cash equivalents and the Company has the following securities on issue:

- 434,946,960 fully paid ordinary shares;
- 8,000,000 unlisted options exercisable at \$0.035 on or before 2 March 2022;
- 3,000,000 unlisted options exercisable at \$0.035 on or before 25 June 2022;
- 500,000 unlisted options exercisable at \$0.00 on or before 1 July 2022;
- 500,000 unlisted options exercisable at \$0.20 on or before 4 July 2022;
- 2,500,000 unlisted options exercisable at \$0.025 on or before 6 October 2022;
- 5,000,000 unlisted options exercisable at \$0.03 on or before 25 October 2022;
- 2,829,990 unlisted options exercisable at \$0.036 on or before 25 October 2022;
- 800,000 unlisted options exercisable at \$0.09 on or before 14 January 2023;
- 800,000 unlisted options exercisable at \$0.12 on or before 14 January 2023;
- 7,500,000 unlisted options exercisable at \$0.09 on or before 9 February 2023;
- 1,500,000 unlisted options exercisable at \$0.00 on or before 12 August 2023;
- 800,000 unlisted options exercisable at \$0.09 on or before 16 August 2023;
- 800,000 unlisted options exercisable at \$0.12 on or before 16 August 2023;
- 3,000,000 unlisted options exercisable at \$0.03 on or before 1 October 2023;
- 550,000 unlisted options exercisable at \$0.08 on or before 1 October 2023;
- 2,500,000 unlisted options exercisable at \$0.04 on or before 5 October 2023;
- 5,000,000 unlisted options exercisable at \$0.07 on or before 5 October 2023;
- 3,500,000 unlisted options exercisable at \$0.06 on or before 1 December 2023;
- 100,000 unlisted options exercisable at \$0.03 on or before 13 January 2024;
- 11,000,000 unlisted options exercisable at \$0.08 on or before 22 April 2024;
- 100,000 unlisted options exercisable at \$0.03 on or before 26 April 2024;

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Directors' Report

Tenements held and location

EL 5716 Gibber Plains	100%	Gawler Craton	South Australia
EL 5779 Hicks Well	100%	Gawler Craton	South Australia
EL 5786 Yerda	100%	Gawler Craton	South Australia
EL 5989 Hopeful Hill	100%	Gawler Craton	South Australia
EL 5991 Yerda	100%	Gawler Craton	South Australia
EL 5992 Tarcoola	100%	Gawler Craton	South Australia
EL 6184 Coondambo	100%	Gawler Craton	South Australia
EL 6185 Lake Labyrinth	100%	Gawler Craton	South Australia
EL 6186 Pinding	100%	Gawler Craton	South Australia
EL 6256 Wilgena Area	100%	Gawler Craton	South Australia
EL 6570 Wilgena	100%	Gawler Craton	South Australia
EL 6571 Pompeter Rocks	100%	Gawler Craton	South Australia
EL 6575 Big Tank	100%	Gawler Craton	South Australia
EL 6576 Lake Harris	100%	Gawler Craton	South Australia
EL 6586 Tarcoola West	100%	Gawler Craton	South Australia
EL 6587 Birthday	100%	Gawler Craton	South Australia
EL 6600 Mt Eba	100%	Gawler Craton	South Australia
EL 6601 North Hicks	100%	Gawler Craton	South Australia
EL 6629 Mentor	100%	Gawler Craton	South Australia
EL 6667 Yerda Northwest	100%	Gawler Craton	South Australia
EL 6688 Harris ⁱ	100%	Gawler Craton	South Australia
ML 5856 Earea Dam Goldfield	100%	Gawler Craton	South Australia
ELA 2021/00135 ⁱⁱ	Application	Gawler Craton	South Australia
PR 13/647 Koussikoto Ouest	75%	Koussikoto	Mali
PR 15/736 Kenieko Nord	95%	Kenieko	Mali
Claim Block 4242 ⁱⁱⁱ	50%	St Stephen	New Brunswick, Canada
Claim Block 5787 ⁱⁱⁱ	50%	St Stephen	New Brunswick, Canada

ⁱ Granted 23/10/2021 Previously recorded as ELA 2020/00236

ⁱⁱ Application lodged 31 August 2021

ⁱⁱⁱ Subject to 50/50 joint venture with Vision Lithium Inc.

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INDIANA RESOURCES LIMITED

Directors' Report

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Between the end of the half-year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinions of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires the Company's auditors to provide the Directors of Indiana Resources Limited with an Independence Declaration in relation to the half-year ended 31 December 2021. The Independence Declaration is attached to and forms part of this Directors' Report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.



Bronwyn Barnes
EXECUTIVE CHAIRMAN
PERTH, WA

16 March 2022

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Indiana Resources Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA PARTNERS

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 16 March 2022

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RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

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INDIANA RESOURCES LIMITED**Consolidated Statement of Profit or Loss and Other Comprehensive Income****For the half-year ended 31 December 2021**

	Notes	31 DECEMBER 2021 \$'000	31 DECEMBER 2020 \$'000
Interest income		8	1
Other income	9	-	479
Business development costs		(47)	(25)
Corporate and administration expenses		(829)	(1,027)
Depreciation and amortisation		(29)	(1)
Exploration and evaluation expenses		(342)	(60)
Share based payments		(134)	(175)
Other expenses		(28)	(12)
LOSS BEFORE INCOME TAX EXPENSE		(1,401)	(820)
Income tax benefit		-	-
LOSS AFTER INCOME TAX EXPENSE		(1,401)	(820)
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Foreign currency translation differences, net of tax		(4)	344
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(1,405)	(476)
Net loss is attributable to:			
Owners of Indiana Resources Limited		(1,405)	(476)
Non-controlling interest		-	-
		(1,405)	(476)
Total comprehensive loss is attributable to:			
Owners of Indiana Resources Limited		(1,405)	(476)
Non-controlling interest		-	-
		(1,405)	(476)
Loss per share attributable to owners of the Company:			
Basic loss per share (cents)		(0.34)	(0.36)
Diluted loss per share (cents)		(0.34)	(0.36)

The accompanying notes form part of these consolidated interim financial statements.

INDIANA RESOURCES LIMITED
Consolidated Statement of Financial Position
As at 31 December 2021

	Notes	31 DECEMBER 2021 \$'000	30 JUNE 2021 \$'000
CURRENT ASSETS			
Cash and cash equivalents		2,592	1,281
Trade and other receivables		178	107
TOTAL CURRENT ASSETS		2,770	1,388
NON-CURRENT ASSETS			
Exploration and evaluation expenditure assets	5	2,534	1,662
Plant and equipment		89	9
Right-of-use asset	6	162	61
TOTAL NON-CURRENT ASSETS		2,785	1,732
TOTAL ASSETS		5,555	3,120
CURRENT LIABILITIES			
Trade and other payables		591	901
Provisions		35	26
Loans and borrowings	7	18	-
Lease liability	6	57	10
TOTAL CURRENT LIABILITIES		701	937
NON-CURRENT LIABILITIES			
Loans and borrowings	7	51	-
Lease liability	6	107	52
TOTAL NON CURRENT LIABILITIES		158	52
TOTAL LIABILITIES		859	989
NET ASSETS / LIABILITY		4,696	2,131
EQUITY			
Contributed equity	8	23,105	19,632
Reserves		7,120	6,990
Accumulated losses		(25,892)	(24,491)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		4,333	2,131
Non-controlling interest		363	-
TOTAL EQUITY		4,696	2,131

The accompanying notes form part of these consolidated interim financial statements.

INDIANA RESOURCES LIMITED
Consolidated Statement of Cash Flows
For the half-year ended 31 December 2021

	31 DECEMBER 2021 \$'000	31 DECEMBER 2020 \$'000
CASH FLOWS USED IN OPERATING ACTIVITIES		
Interest and other receipts	8	-
Payments to suppliers and employees	(922)	(1,058)
Payment of exploration and evaluation expenditure	(1,214)	(37)
Net cash outflow used in operating activities	(2,128)	(1,095)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of exploration assets	-	(140)
Acquisition of plant and equipment	(21)	(2)
Proceeds from sale of plant and equipment	-	6
Net cash outflow used in investing activities	(21)	(136)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	3,473	965
Direct costs of equity issued	-	(52)
Repayment of Borrowings	(6)	-
Net cash inflow from financing activities	3,467	913
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,318	(318)
Opening cash and cash equivalents brought forward	1,281	504
Effects of exchange rate movements on opening cash	(7)	1
CASH AND CASH EQUIVALENTS CARRIED FORWARD	2,592	187

The accompanying notes form part of these consolidated interim financial statements.

INDIANA RESOURCES LIMITED
Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2021

	Contributed Equity \$'000	Foreign Currency Translation Reserve \$'000	Share Based Equity Reserve \$'000	Accumulated Losses \$'000	Non-Controlling Interest \$'000	Total Equity \$'000
Balance at 1 July 2020	15,797	4,726	1,665	(22,813)	-	(625)
Total Other Comprehensive Income for half-year						
Loss for the half-year	-	-	-	(820)	-	(820)
Foreign exchange translation differences	-	344	-	-	-	344
	-	344	-	(820)	-	(476)
Transactions with owners in their capacity as owners:						
Equity attributed to minority	-	-	-	-	-	-
Issue of shares net of transaction costs	833	-	-	-	-	833
Acquisition via share issue	45	-	(16)	-	-	29
Employee and director share based payments	97	-	-	-	-	97
Advisor share based payments	-	-	1,189	-	-	1,189
Balance at 31 December 2020	16,722	5,070	2,838	(23,633)	-	1,047
Balance at 1 July 2021	19,632	4,847	2,143	(24,491)	-	2,131
Total Other Comprehensive Income for half-year						
Loss for the half-year	-	-	-	(1,401)	-	(1,401)
Foreign exchange translation differences	-	(4)	-	-	-	(4)
	-	(4)	-	(1,401)	-	(1,405)
Transactions with owners in their capacity as owners:						
Equity attributed to minority	-	-	-	-	-	-
Issue of shares net of transaction costs	3,473	-	-	-	-	3,473
Employee and director share based payments	-	-	134	-	-	134
Non-Controlling Interest	-	-	-	-	363	363
Balance at 31 December 2021	23,105	4,843	2,277	(25,892)	363	4,696

The accompanying notes form part of these consolidated interim financial statements.

INDIANA RESOURCES LIMITED

Notes to the Consolidated Financial Statements

1. Corporate information

Indiana Resources Limited (“Indiana” or the “Company”) is a company incorporated in Australia and limited by shares. Indiana shares are publicly traded on the Australian Securities Exchange under the stock code IDA and listed Options under the stock code IDAOA. The consolidated interim financial statements of the Company as at, and for the half-year ended, 31 December 2021 comprise the Company and its subsidiaries (together the “Group”).

The principal activities of the Company are exploration for base and precious metals.

The consolidated financial statements of the Group as at and for the year ended 30 June 2021 are available online at www.indianaresources.com.au or upon request from the Company's registered office located at Suite 3, 339 Cambridge Street, Wembley, Western Australia 6014, Australia.

This financial report was authorised for issue in accordance with a resolution of the Directors on 16 March 2022.

2. Basis of preparation and accounting policies

This general purpose interim financial report for the half-year ended 31 December 2021 has been prepared in accordance with IAS 34 *Interim Financial Reporting* and the *Corporations Act 2001*. The financial report does not include all notes of the type normally included within the annual financial report. However selected explanatory notes are included to explain events and transactions that are important to an understanding of changes in the Group's financial position and performance since the last annual consolidated financial statements, as of, and for the year ended 30 June 2021.

It is recommended that this interim financial report be read in conjunction with the annual report for the year ended 30 June 2021 and considered together with any public announcements made by Indiana during the half-year ended 31 December 2021 in accordance with the Company's continuous disclosure obligations.

2(a) Going concern

The Group incurred a net loss after income tax expense for the half year ended 31 December 2021 of \$1.401 million and net cash outflows from operating activities of \$2.128 million. As at 31 December 2021, the Group had cash and cash equivalents of \$2.592 million, and net current assets of \$2.069 million.

The Directors are satisfied that there are reasonable grounds to believe that the Group will be able to continue to meet its debts as and when they fall due and that it is appropriate for the financial statements to be prepared on a going concern basis. The Directors have based this on the following:

- The Group has \$2.592 million cash and cash equivalents.
- The Directors believe that future funding will be available to meet the Group's objectives and debts as and when they fall due, including through engaging with parties interested in joint venture arrangements and/or raising additional capital through equity placements to existing or new investors. The Group has a demonstrated history of success in this regard with the Directors being confident in the ability to continue to raise additional funds on a timely basis, as and when required (refer to Note 8(b)).

3. New or amended Accounting Standards and interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current and prior reporting periods.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

INDIANA RESOURCES LIMITED

Notes to the Consolidated Financial Statements

4. Use of judgements and estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2021.

5. Exploration and Evaluation Expenditure Assets

	31 December 2021 \$'000	30 June 2021 \$'000
Exploration & evaluation expenditure assets	2,534	1,662
<i>Reconciliation of exploration & evaluation expenditure assets</i>		
Carrying amount at the beginning of the period	1,662	-
Additions via acquisition of subsidiary	-	877
Additions via Exploration Expenditure	872	905
Impairment	-	(120)
Carrying amount at the end of period	2,534	1,662

Impairment Assessment - Ntaka Hill Nickel Project

In July 2021, the Company lodged its Memorial submission with the International Center for Settlement of Investment Disputes (ICSID) outlining the quantum of compensation claim and damages against the United Republic of Tanzania for the expropriation of the Ntaka Hill Nickel Project. The Memorial provides the basis for compensation to the Claimants in the amount of AU\$127 million, including interest which continues to accrue.

The Arbitral panel has confirmed the procedural timetable for arbitration, and is scheduled to conclude mid 2023.

All legal costs have been funded through US\$4.65m litigation funding facility.

The Group has fully impaired the carrying value of the Ntaka Hill Nickel Project.

INDIANA RESOURCES LIMITED

Notes to the Consolidated Financial Statements

6. Right-Of-Use Assets & Lease Liabilities

The Group has a two year office lease in Perth with an option for two more years. In addition, the Group has taken out a 3 year lease on a mixed use industrial premises in Adelaide as a base for the company's exploration program.

Right-Of-Use Assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period.

	31 December 2021 \$'000	30 June 2021 \$'000
Cost	195	72
Accumulated depreciation	(33)	(11)
Carrying amount at the end of period	162	61
<i>Reconciliation of right-of-use assets</i>		
As at beginning of period	61	-
Additions	123	72
Depreciation expense	(22)	(11)
Carrying amount at the end of period	162	61

Lease Liabilities

Set out below are the carrying amounts of lease liabilities recognised and the movements during the period.

	31 December 2021 \$'000	30 June 2021 \$'000
Current liabilities	57	10
Non-current liabilities	107	52
Carrying amount at the end of period	164	62
<i>Reconciliation of lease liabilities</i>		
As at beginning of period	62	-
Additions	124	72
Principal repayments	(22)	(10)
Carrying amount at the end of period	164	62

INDIANA RESOURCES LIMITED

Notes to the Consolidated Financial Statements

7. Loans and borrowings

	31 December 2021 \$'000	30 June 2021 \$'000
Motor Vehicle Lease – Current	18	-
Motor Vehicle Lease – Non-Current	51	-
Carrying amount at the end of the period	<u>69</u>	<u>-</u>

8. Contributed Equity

	31 December 2021		30 June 2021	
	Number of shares	\$'000	Number of shares	\$'000
(a) Issued and Paid up Capital				
Ordinary shares fully paid	434,946,960	23,105	318,696,336	19,632
(b) Movement in fully paid Ordinary Shares				
	Number of shares	\$'000	Number of shares	\$'000
Balance at the beginning of the period	318,696,336	19,632	216,994,693	15,797
Issue of shares, net of costs	-	-	41,133,312	2,300
Share based payments to settle creditors	-	-	371,250	15
Shares issued as conversion of Listed Options	115,750,624	3,473	44,336,947	1,330
Shares issued as conversion of Unlisted Options	500,000	-	15,860,134	190
Balance at the end of the period	<u>434,946,960</u>	<u>23,105</u>	<u>318,696,336</u>	<u>19,632</u>

Dividends: There were no dividends paid, recommended or declared during the current half or previous financial year.

INDIANA RESOURCES LIMITED

Notes to the Consolidated Financial Statements

8. Contributed Equity (continued)

(c) Outstanding Share Options

As at 31 December 2021, the Company has the following share options outstanding:

Expiry Date and Price	Type	Number
OPTIONS EXP 02/03/22 @ \$0.035	Unlisted Option	8,000,000
OPTIONS EXP 25/06/22 @ \$0.035	Unlisted Option	3,000,000
OPTIONS EXP 01/07/22 @ \$0.00	Unlisted Option	500,000
OPTIONS EXP 04/07/22 @ \$0.20	Unlisted Option	500,000
OPTIONS EXP 6/10/22 @ \$0.025	Unlisted Option	2,500,000
OPTIONS EXP 25/10/22 @ \$0.03	Unlisted Option	5,000,000
OPTIONS EXP 25/10/22 @ \$0.036	Unlisted Option	2,829,990
OPTIONS EXP 14/01/23 @ \$0.09	Unlisted Option	800,000
OPTIONS EXP 14/01/23 @ \$0.12	Unlisted Option	800,000
OPTIONS EXP 09/02/23 @ \$0.09	Unlisted Option	7,500,000
OPTIONS EXP 12/08/23 @ \$0.00	Unlisted Option	1,500,000
OPTIONS EXP 16/08/23 @ \$0.09	Unlisted Option	800,000
OPTIONS EXP 16/08/23 @ \$0.12	Unlisted Option	800,000
OPTIONS EXP 01/10/23 @ \$0.03	Unlisted Option	3,000,000
OPTIONS EXP 01/10/23 @ \$0.08	Unlisted Option	550,000
OPTIONS EXP 05/10/23 @ \$0.04	Unlisted Option	2,500,000
OPTIONS EXP 05/10/23 @ \$0.07	Unlisted Option	5,000,000
OPTIONS EXP 01/12/23 @ \$0.06	Unlisted Option	3,500,000
OPTIONS EXP 13/01/24 @ \$0.03	Unlisted Option	100,000
OPTIONS EXP 22/04/24 @ \$0.08	Unlisted Option	11,000,000
OPTIONS EXP 26/04/24 @ \$0.03	Unlisted Option	100,000
		60,279,990

9. Other Income

2020

Included in other income for the six months ended 31 December 2020 is a \$0.45 million gain in relation to subsidiaries in Cyprus and Mali, and temporary cash flow supports from the Australian Government, through the Australian Taxation Office, in response to COVID-19 that amounted to \$0.03 million.

2021

There is no other income in 2021

10. Contingent Assets and Liabilities

Other than the matters disclosed above there have been no change to the contingent assets and liabilities disclosed in the 30 June 2021 Annual Report.

11. Commitments

There has been no change to the commitments disclosed in the 30 June 2021 Annual Report.

INDIANA RESOURCES LIMITED

Notes to the Consolidated Financial Statements

12. Operating Segments

Management has determined the operating segments based on the reports reviewed by the chief operating decision makers, being the Board and Executives.

The Group operates in the resources industry. The Group has previously had operating segments in Tanzania and Mali, but exploration activities have since stopped in these countries. The Group is now exploring in South Australia, which is a new operating segment. Non-exploration activities are considered corporate. The Group's reportable segments are in accordance with AASB 8 Operating Segments as follows:

- Exploration – Group's exploration carried out in South Australia
- Exploration – Group's exploration carried out in Tanzania;
- Exploration – Group's exploration carried out in Mali; and
- Unallocated – to manage the corporate affairs of the Group.

Segment Revenue and Results

Period Ended 31 December 2021	South Australia \$'000	Tanzania \$'000	Mali \$'000	Corporate \$'000	Total \$'000
Segment Revenue	-	-	-	8	8
Segment Results	237	(317)	(13)	(1,308)	(1,401)

Period Ended 31 December 2020	South Australia \$'000	Tanzania \$'000	Mali \$'000	Corporate \$'000	Total \$'000
Segment Revenue	-	-	-	480	480
Segment Results	(44)	-	(16)	(760)	(820)

Segment Assets and Liabilities

Period Ended 31 December 2021	South Australia \$'000	Tanzania \$'000	Mali \$'000	Corporate \$'000	Total \$'000
Total Assets	1,624	356	-	3,575	5,555
Total Liabilities	(288)	44	634	469	859

Segment Assets and Liabilities

Period Ended 30 June 2021	South Australia \$'000	Tanzania \$'000	Mali \$'000	Corporate \$'000	Total \$'000
Total Assets	119	431	-	2,569	3,119
Total Liabilities	(246)	(401)	634	1,002	989

INDIANA RESOURCES LIMITED

Notes to the Consolidated Financial Statements

13. Subsequent Events

Between the end of the half-year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinions of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

14. Interest in Controlled Entities

The consolidated financial statements incorporate the assets, liabilities and the results of the following subsidiaries in accordance with the accounting policy described in Note 1:

Name	Country of incorporation	Class of shares	Equity Holding	
			31 December 2021 %	30 June 2021 %
Frugal Mining Pty Ltd	Australia	Ordinary	100	100
Outback Iron Pty Ltd	Australia	Ordinary	51	51
Pan African Resources Pty Ltd	Australia	Ordinary	100	100
Zanzibar Gold Pty Ltd	Australia	Ordinary	92	92
Continental Nickel Limited	Canada	Ordinary	100	100
Noble Mineral Resources Pte Ltd	India	Ordinary	100	100
Goldstream Mozambique Limited	Mozambique	Ordinary	100	100
Anga Resources Limited	Tanzania	Ordinary	86	86
Duma Minerals (Tanzania) Limited	Tanzania	Ordinary	92	92
Kudu limited	Tanzania	Ordinary	100	100
Mukuyu Resources Limited	Cyprus	Ordinary	100	100
Olive Mining SARL	Mali	Ordinary	75	75
Lucky Miners SARL	Mali	Ordinary	95	95
Chi So Mining Company Limited	Mali	Ordinary	100	100
Nachingwea Nickel Limited	Tanzania	Ordinary	58	58
Ngwena Limited	Tanzania	Ordinary	86	86
Nyati Mining (Tanzania) Limited	Tanzania	Ordinary	100	100
Pan African Resources (Tanzania) Limited	Tanzania	Ordinary	100	100
Warthog Resources Limited	Tanzania	Ordinary	86	86
Indiana Resources UK Limited	United Kingdom	Ordinary	100	100
Nachingwea UK Limited	United Kingdom	Ordinary	83	83
Ntaka Nickel Holdings Limited	United Kingdom	Ordinary	58	58
Endeavour Copper Gold Pty Ltd	Australia	Ordinary	100	100
Earea Dam Mining Pty Ltd	Australia	Ordinary	100	100

INDIANA RESOURCES LIMITED

Directors Declaration

In accordance with a resolution of the Directors of Indiana Resources Limited (the "Directors"), in the opinion of the Directors:

- (a) The financial statements and notes of the Group are in accordance with the *Corporations Act 2001* and:
- (i) give a true and fair view of the financial position as at 31 December 2021 and the performance for the half-year ended on that date of the Group; and
 - (ii) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to Section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Board



Bronwyn Barnes
EXECUTIVE CHAIRMAN
PERTH, WA

16 March 2022



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF INDIANA RESOURCES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Indiana Resources Limited which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Indiana Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Indiana Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Indiana Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS



ALASDAIR WHYTE
Partner

Perth, WA
Dated: 16 March 2022

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