

## **INFRASTRUCTURE SOLUTION MOU EXECUTED WITH CHINA RAILWAY SEVENTH GROUP**

### **HIGHLIGHTS**

- Lindian has **executed a Memorandum of Understanding (“MOU”) with China Railway Seventh Group Co. Ltd (“CRSG”)**, a wholly owned subsidiary of **state-owned enterprise (SOE)** China Railway Group Limited.
- China Railway Seventh Group is a **major infrastructure construction company** with proven success in infrastructure project delivery throughout Africa.
- The MOU has been executed to determine an **infrastructure solution** and to **accelerate development** of Lindian’s projects.
- CRSG, through its **affiliates and related entities and partners** could facilitate in development **financing and/or introducing offtake partners**.
- CRSG engineering and management personnel will shortly visit Guinea to commence the next steps which includes a **site inspection of Lindian’s bauxite projects** and the relevant infrastructure.

Lindian Resources Limited (ASX:LIN) (“Lindian” or “the Company”) is pleased to advise the execution of a Memorandum of Understanding (“MOU”) with reputable construction company China Railway Seventh Group Co. Ltd (“CRSG”) of Zhengzhou, China.

Under the terms of the MOU, Lindian and CRSG will explore a formal agreement whereby an infrastructure solution is found for the low capex, early production scenario involving the Woula Project and the larger, world class, Gaoual Conglomerate and Lelouma Projects. Lindian and CRSG will consider the following principle aspects in determining the infrastructure solution;

- I. Formation of any incorporated JV or **consortium** as necessary for the long term mutual benefit of the parties;
- II. Defining ownership, access and use of infrastructure in relation to the projects;
- III. Timing and scope of future feasibility studies;
- IV. Engineering, Procurement & Construction (EPC) in relation to Lindian’s projects;
- V. Appointment of financing & offtake partners for the projects;

Chairman Asimwe Kabunga commented “**This is a very exciting development for Lindian and highlights our ability to attract high calibre development partners. The China Railway Seventh Group discussions bring to the table the important milestone of the infrastructure solution and we expect to now accelerate development as we enter this next stage of the Company’s evolution**”

### **ABOUT CHINA RAILWAY SEVENTH GROUP**

The China Railway Seventh Group (CRSG) is a subsidiary of the **state-owned enterprise (SOE)** construction conglomerate, China Railway Group Limited (China Railway Engineering Corporation), which is listed on the Hong Kong (390) and Shanghai (601390) Stock Exchanges.



In West Africa, CRSG is active in Guinea, Mali, Senegal, and Sierra Leone, and operates in 20 countries across Africa and the Middle East. Throughout Africa CRSG has been heavily involved in bridge building, roads and rail construction projects for mining and non-mining projects.

For some construction projects in Africa, CRSG has been able to source additional funding from the Chinese government.

### **CHINA STATE OWNED ENTERPRISES INFRASTRUCTURE PROJECTS IN GUINEA**

#### Dapilon – Santou Bulk Haulage Bauxite Railway

Located within the Boké and Kindia regions in Guinea’s northwest , the 135km Dapilon-Santou railway (*Refer Lindian Project Location Map*) is from SMB Winning’s Santou mining zone to the port of Dapilon. SMB Winning is the largest bauxite exporter in Guinea.

The entirety of the railway, designed by China Railway First Survey and Design Institute Group Co. (FSDI) and built by China Railway 18th Bureau Group, both of which are a subsidiary of State Owned Enterprise, China Railway Construction Company. The rail will feature 23 bridges, 2 tunnels, and 6 depots.

### **NEXT STEPS**

CRSG engineering and management personnel will shortly visit Guinea to commence the next steps which includes a site inspection of Lindian’s bauxite projects and the relevant infrastructure.

This ASX announcement was authorised for release by the Lindian Board.

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**ABOUT LINDIAN RESOURCES LIMITED**

Lindian Resources Limited (“Lindian”) is a bauxite focused exploration company listed on the Australian Stock Exchange under the ASX code LIN.

The combination of assets offers the opportunity for **near term production** via the Woula Project while simultaneously advancing the larger, multi-generational bauxite assets, the **very high grade Conglomerate Bauxite Gaoual Project** and the world class Tier 1 Lelouma Project.

**Company Highlights**

- Very high quality product available from Gaoual Project (**58.4% Al<sub>2</sub>O<sub>3</sub> & 2.8% SiO<sub>2</sub>**)
- ~1Bt of high quality (JORC 2012) resources.
- Strategic landholding in the premier bauxite province
  - 95% of African bauxite exports are from Guinea
  - Guinea the no.1 exporter to China
  - 7 bauxite export terminals in Guinea

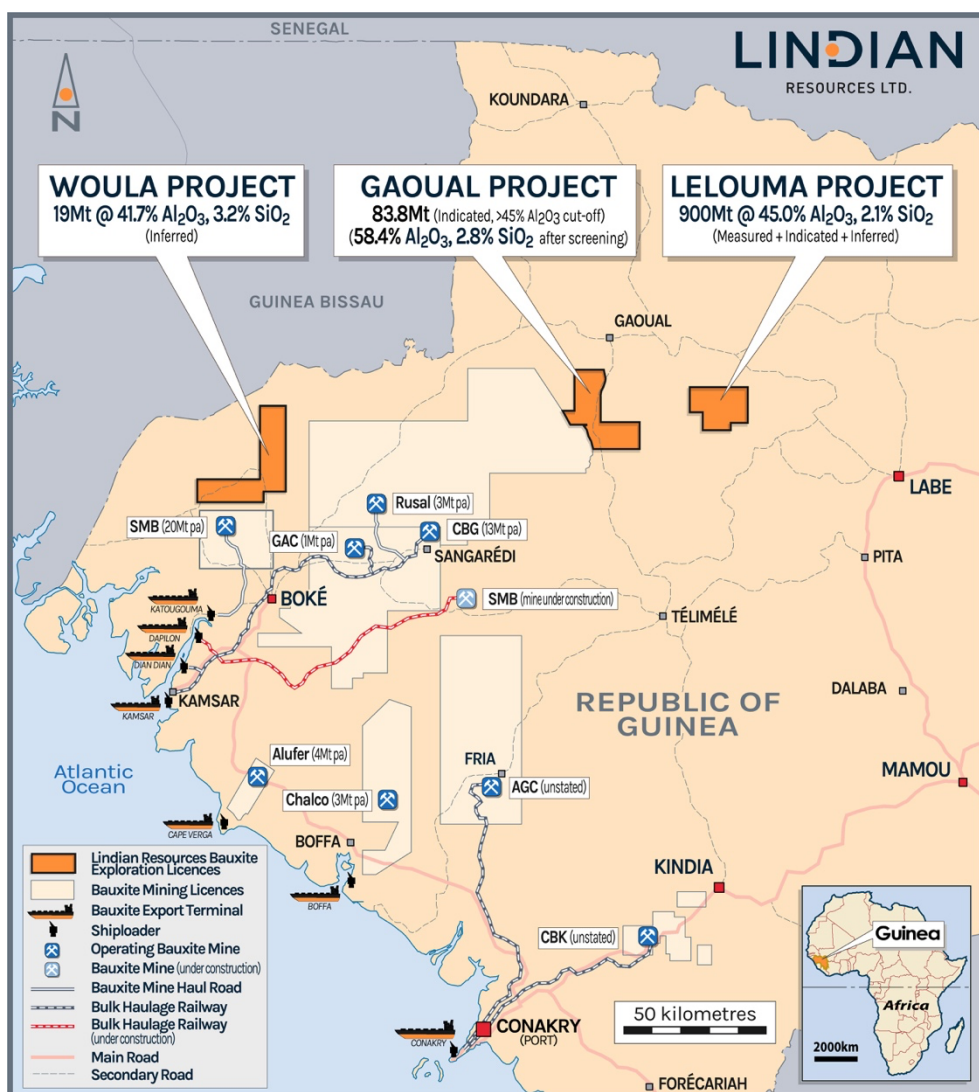


Figure 1 – Lindian Project Location Map <sup>1</sup>

**GAOUAL PROJECT SCREENING TEST WORKS**

Screening test work results from the Bouba Conglomerate Bauxite Plateau within the Gaoual Project confirmed that a simple screening process reduced SiO<sub>2</sub> significantly (**to 2.8% SiO<sub>2</sub>**) and raised Al<sub>2</sub>O<sub>3</sub> (**to 58.4%**) in the conglomerate samples, with minimal loss of tonnage.

The Gaoual Project’s Bouba Conglomerate Bauxite Plateau has a high grade tonnage of 83.8 Mt<sup>1</sup> (45% Al<sub>2</sub>O<sub>3</sub> Cut off grade – indicated category) which has the capacity to have the ore quality significantly upgraded using a simple screening process.

<sup>1</sup> Refer ASX releases dated 15 July 2020 (Gaoual Project), 23 September (Woula Project), and 6 October 2020 (Lelouma Project) for full details of Mineral Resources Estimates and 19 January 2021 for Gaoual screening test work results.

The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

	High Grade		Coarse Fraction					Fine Fraction					Primary Grade (Calculated)				
			Al2O3	SiO2	Fe2O3	TiO2	LOI	Al2O3	SiO2	Fe2O3	TiO2	LOI	Al2O3	SiO2	Fe2O3	TiO2	LOI
Bouba	DRY	Pit 1	58.5	2.1	8.4	3.42	26.9	25.7	51.7	8.3	1.72	11.59	54.3	8.5	8.4	3.20	24.9
Bouba	DRY	Pit 3	58.8	3.1	7.3	2.24	28.1	32.0	41.2	9.5	2.00	14.23	57.2	5.4	7.4	2.23	27.3
Bouba	DRY	Pit 4	56.3	2.6	10.7	2.48	27.3	25.9	51.2	8.6	1.86	11.41	54.3	5.8	10.5	2.44	26.3
Bouba	DRY	Pit 6	59.5	3.1	4.9	2.28	29.8	21.6	58.4	7.8	1.36	9.92	52.6	13.2	5.4	2.11	26.1
Bouba	DRY	Pit 7	58.6	3.2	6.6	2.62	28.4	19.1	65.0	5.3	1.49	8.11	50.6	15.9	6.4	2.39	24.2
			58.4	2.8	7.6	2.61	28.1	24.9	53.5	7.9	1.69	11.05	53.8	9.8	7.6	2.47	25.8

Table 1 – Geochemical Analysis of the Coarse and Fine-Grained Screening Fractions – High Grade<sup>1</sup>

	Resources (Mt)	Cut-off (Al <sub>2</sub> O <sub>3</sub> %)	Grade (Al <sub>2</sub> O <sub>3</sub> %)	Grade (SiO <sub>2</sub> %)	Category
<b>Lelouma Project</b>					
High Grade Resources	398	>45	48.1	2.0	Measured + Indicated
<b>Total Lelouma Resources</b>	<b>900</b>	<b>&gt;40</b>	<b>45.0</b>	<b>2.1</b>	<b>Measured + Ind.+ Inf.</b>
<b>Gaoual Project</b>					
High Grade Resources	83.8	>45	51.2	11.0%	Indicated
<b>Total Gaoual Resources</b>	<b>101.5</b>	<b>&gt;40</b>	<b>49.8</b>	<b>11.5%</b>	<b>Indicated</b>
<b>Woula Project</b>					
High Grade Resources	19.0	>40	41.7	3.2%	Inferred
<b>Total Woula Resources</b>	<b>64.0</b>	<b>&gt;34</b>	<b>38.7</b>	<b>3.1%</b>	<b>Inferred</b>
<b>TOTAL RESOURCES</b>	<b>1,065 Mt</b>				

Table 2 – Lindian Bauxite Projects – Mineral Resource Estimate (JORC 2012) Summary<sup>1</sup>

Lindian also has two bauxite licenses in Tanzania at Lushoto and Pare, which are currently at an early stage, but offer geographical diversification within the Company's bauxite portfolio. The Company also holds a number of early-stage gold licences in Tanzania, which are currently under review.

The Company's strategy is to develop projects that meet international standards of environmental compliance, create benefits for the local communities and deliver strong returns for the Company's shareholders.

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