

## **INFRASTRUCTURE & MINING - OPERATING MODEL**

### **HIGHLIGHTS**

- **Lindian establishes operating and infrastructure model for development of Guinean bauxite projects to separate infrastructure interests from mining ownership.**
- **Lindian's long term strategy is to see multi-user infrastructure developed to unlock the value associated with the large scale development of "Northern Corridor" bauxite assets, including Lindian's Gaoual and Lelouma Projects.**
- **Key benefits of this strategy include:**
  - **Allows non-mining investors to participate in infrastructure development, thereby improving the prospects of raising the required development capital**
  - **Separates mining CAPEX from infrastructure CAPEX requirements for proposed users of the infrastructure**
  - **Potential economies of scale for users of the infrastructure so as to drive lower operating costs**
  - **Reduces the footprint of "Northern Corridor" infrastructure development on the environment and local communities**
- **Dobali Port MOU enables Lindian to progress feasibility studies into a new deep water port development as part of providing a large-scale multi-user infrastructure solution, in addition to providing Lindian with the potential to have a strategic equity interest in that new infrastructure**
- **Lindian's short term and mid-term production strategy remains:**
  - **Woula Project – build 10km of haul road to connect to existing infrastructure. Low CAPEX and early production potential**
  - **Gaoual High Grade Conglomerate Bauxite Project – build ~100km of haul road to connect existing infrastructure**
- **China Railway Seventh Group representatives will be visiting all three Lindian Projects and associated infrastructure proposed solutions, including Dobali Port location, in Q1 2021**

Lindian Resources Limited (ASX:**LIN**) ("**Lindian**" or "**the Company**") is pleased to update the market on its operating model in relation to the development of its bauxite projects in Guinea.

As recently announced, Terminal Logistics Pte Ltd ("**Terminal**"), a Singaporean company that is 75% owned by Lindian has entered into a MOU with the Government of Guinea in regards to the proposed exploration and joint development of the Port of Dobali ("**Dobali Port**") as well as the associated infrastructure corridor logistics to unlock the value associated with economic developments in the "Northern Corridor" of Guinea. The Dobali Port area consists of a Land Survey area of approximately 9.1km<sup>2</sup> and a much larger Marine Survey area.

Chairman Asimwe Kabunga commented “The execution of this MOU enables Lindian to drive a longer-term infrastructure solution to unlock the value associated with a large scale development of our bauxite projects. Bauxite mining is largely an infrastructure and logistics business and to that end we are positioning Lindian for long term success in Guinea.”



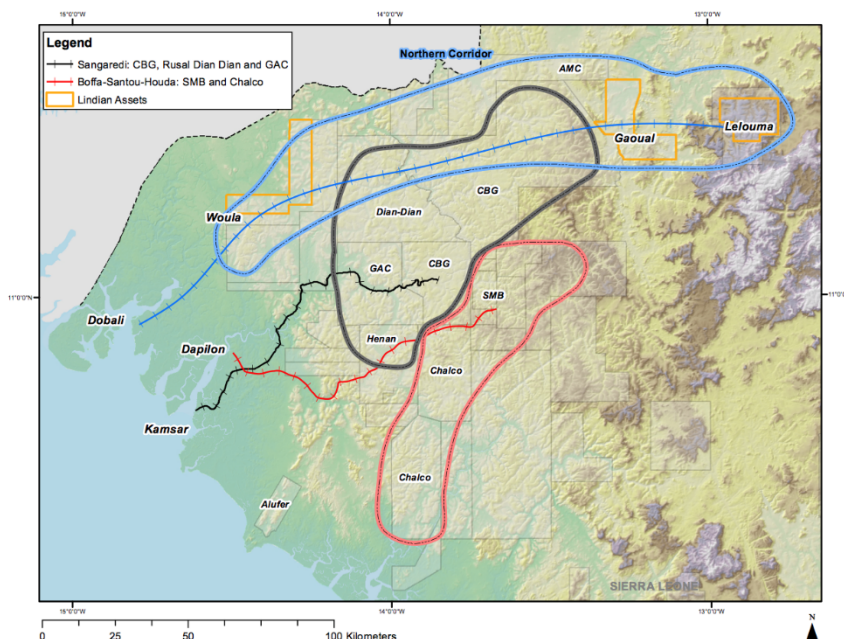
Map 1 – Dobali Port showing conceptual export facility and infrastructure.

## INFRASTRUCTURE & MINING – OPERATING MODEL

Lindian has established an operating and infrastructure model for the development of bauxite projects whereby infrastructure ownership is proposed to be separated from the mining ownership.

Lindian’s long term production strategy consists of establishing a “Northern Corridor” to unlock the unrealised value associated with one of the last undeveloped regions of Guinea that has high quality bauxite production potential.

The arrangements contemplated by the MOU entered into with the Government of Guinea with respect to the Dobali Port provide Lindian with the opportunity to drive a longer-term infrastructure solution for the “Northern Corridor” in Guinea as well as the potential for Lindian to have an equity interest in that solution that can



itself generate potential revenue under a third party access operating model.

Key benefits of the model include:

- Allows non-mining investors to participate in infrastructure development, thereby improving the prospects of raising the required development capital Allows non-mining investors to participate in infrastructure equity.
- Separates mining CAPEX from infrastructure CAPEX requirements for proposed users of the infrastructure.
- Potential economies of scale for users of the infrastructure so as to drive lower operating costs.
- Reduction of the impact of “Northern Corridor” infrastructure development on the environment and local communities.

The “Northern Corridor” of Guinea remains largely undeveloped primarily due to a lack of infrastructure. This is mainly due to the non-integration of infrastructure between the different mining companies into a single optimised and multi-user infrastructure corridor

Lindian believes that the mutualisation of infrastructure is critical as it reduces the impact of economic development on the environment and communities, and has the potential to reduce the capital cost per tonne of capacity and reduce the operating costs through economies of scale, making projects more profitable and more attractive to investors and therefore having the potential to generate greater tax revenues for the Guinean Government.

Lindian believes that the development of the “Northern Corridor” will not only assist with realising the value associated with its three projects (namely the Woula, Gaoual and Lelouma projects), but also assist with the development of other projects in the region.

## **SHORT AND MID TERM PRODUCTION STRATEGY**

As previously advised, Lindian envisages the Woula project to be a low capex, early production scenario, as the Woula resource is ~10km from an existing haul road connecting to the bauxite export terminal of Katougouma.

Lindian is currently exploring the potential to:

- obtain access to the haul road and usage and access to Katougouma export Terminal;
- assess mine gate sale and/or export terminal head bauxite sale options.

Further, Lindian’s Gaoual project is located approximately 100km from SMB’s Santou mine and railhead (with the rail line being approximately 100km northeast of the port of Kamsar) thereby providing opportunities to transport product to market. Lindian’s Lelouma project is situated only 40km east of Lindian’s Gaoual Project.

Lindian is currently considering these infrastructure options in parallel with a longer term large-scale infrastructure solution that can assist with unlocking the value of assets located in this “Northern Corridor” of Guinea.

Lindian will keep it shareholders informed of all material developments in relation to these matters.

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

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<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 19 January 2021 for Gaoual screening test work results and 4 February 2021 for Digestion 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.



## 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%  $Al_2O_3$  & 2.8%  $SiO_2$** )
- ~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

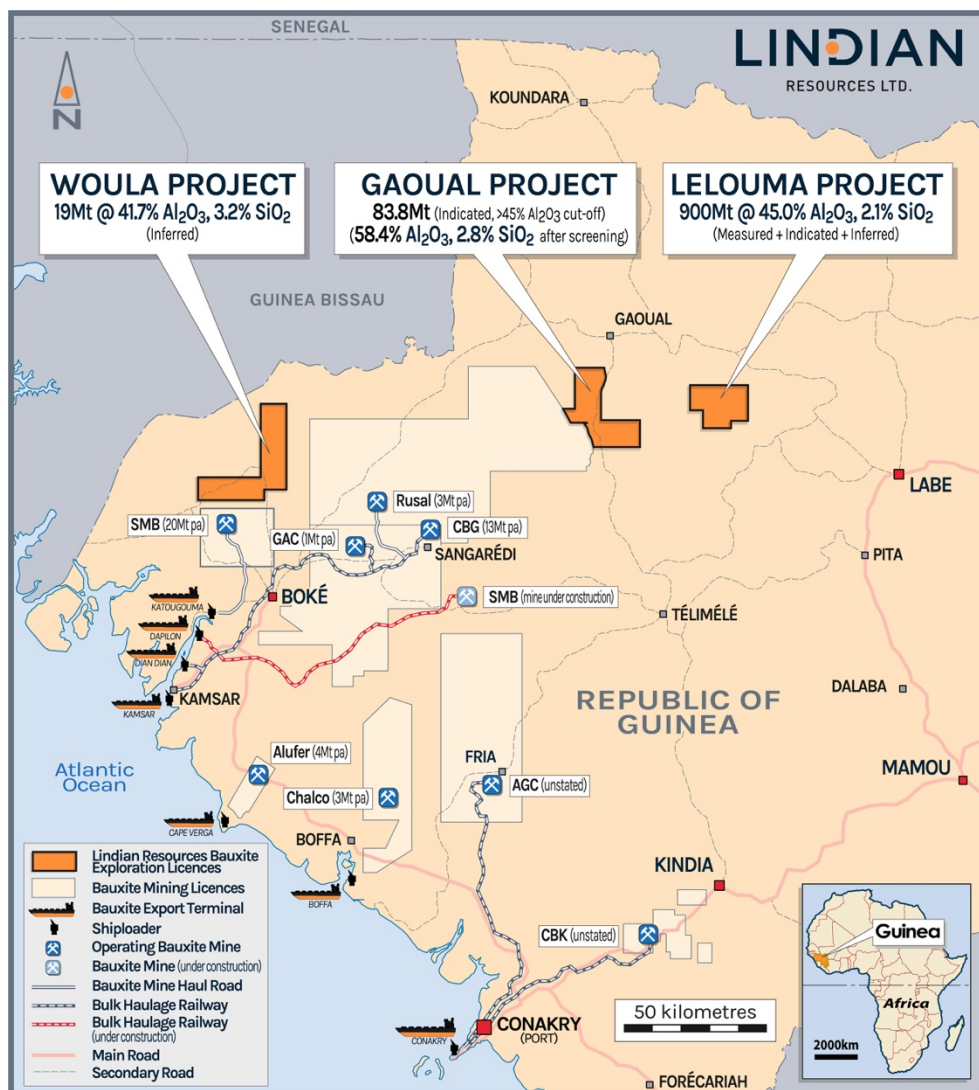


Figure 1 – Lindian Project Location Map <sup>1</sup>

## 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  $SiO_2$  significantly (**to 2.8%  $SiO_2$** ) and raised  $Al_2O_3$  (**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%  $Al_2O_3$  Cut off grade – indicated category) which has the capacity to have the ore quality significantly upgraded using a simple screening process.

	$Al_2O_3$	$SiO_2$	$Fe_2O_3$	LOI	Total Available Alumina ("TAA")		Reactive Silica ("RSi")	
					Low Temp	High Temp	Low Temp	High Temp
Coarse Fraction – High Grade (After screening) Bouba Conglomerate Bauxite Plateau <sup>1</sup>	58.4%	2.8%	7.6%	28.1	51.2%	54.4%	1.6%	2.6%

<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 19 January 2021 for Gaoual screening test work results and 4 February 2021 for Digestion 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.

High Grade			Coarse Fraction					Fine Fraction					Primary Grade (Calculated)				
			Al <sub>2</sub> O <sub>3</sub>	SiO <sub>2</sub>	Fe <sub>2</sub> O <sub>3</sub>	TiO <sub>2</sub>	LOI	Al <sub>2</sub> O <sub>3</sub>	SiO <sub>2</sub>	Fe <sub>2</sub> O <sub>3</sub>	TiO <sub>2</sub>	LOI	Al <sub>2</sub> O <sub>3</sub>	SiO <sub>2</sub>	Fe <sub>2</sub> O <sub>3</sub>	TiO <sub>2</sub>	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 – 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 – Lindian Bauxite Projects – Mineral Resource Estimate (JORC 2012) Summary <sup>1</sup>

## CHINA RAILWAY SEVENTH GROUP MOU

- 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.
- Lindian seeking to establish a **consortium** to develop the Woula project and the larger Gaoual/Lelouma projects

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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