

30 June 2022

Quarterly Activities Report

QUARTERLY HIGHLIGHTS

- During the quarter, Lindian confirmed it had reached an out-of-court settlement in connection with a dispute in the Malawi Supreme Court of Appeal, relating to its proposed acquisition of up to a 75% interest in the Kangankunde Rare Earths Project.
- Successful completion of a \$2m share placement, through the issue of 20m fully-paid ordinary shares to a high net-worth investor at 10c per share – a 16% premium to the previous closing price.

Lindian Resources Limited (ASX:LIN) (“Lindian” or “the Company”) is pleased to report on its activities during the June 2022 quarter.

Lindian’s focus for the quarter has been on negotiating the terms of a legally-binding transaction whereby the Company can acquire a 100% interest in Rift Valley Resource Developments Limited (Rift Valley) and its Kangankunde Rare Earths Project, along with the ongoing development of its bauxite projects in Guinea.

KANGANKUNDE RARE EARTHS PROJECT

As previously advised in the March Quarterly Activities Report (*refer ASX Announcement 29 April 2022*), Lindian was focused on reaching an out-of-court settlement regarding the Company’s proposed acquisition of a 75% interest in the Kangankunde Rare Earths Project located in Malawi.

During the June quarter, Lindian advised that an appeal hearing had been scheduled in the Malawi Supreme Court for May 26 2022 (*refer ASX Announcement April 19 2022*), in relation to an Exclusive Option Agreement for the Kangankunde Rare Earths Project in Malawi, and a dispute against Michael Saner (since deceased) and Rift Valley Resource Developments Limited.

Following the appeal hearing, Lindian confirmed a settlement had been reached (*refer ASX Announcement 27 May 2022*) between the parties to the existing legal proceedings in the Malawi Supreme Court of Appeal.

Under the terms of settlement, the parties agreed to discontinue those proceedings in exchange for Lindian being provided with a 60 day exclusivity period within which to seek to negotiate the terms of a legally-binding transaction, whereby the Company can acquire a 100% interest in Rift Valley Resource Developments Limited (Rift Valley) and its Kangankunde Rare Earths Project.

It was agreed between the parties that any legally binding share purchase agreement (the Proposed Transaction) would reflect a proposed purchase consideration of US\$30m, payable by Lindian in four tranches.

The terms of the settlement also stipulated that the 60-day exclusivity period may be extended in the event that all necessary Malawi legal and regulatory compliance requirements in relation to the Proposed Transaction are not obtained within the agreed time frame.

The settlement is still subject to all parties providing their written agreement to the Proposed Transaction terms, and all necessary legal and regulatory requirements in the jurisdictions of Malawi and Australia (including ASX Listing Rule requirements).

As such, Lindian advised as at the date of the announcement there would be no guarantee the Proposed Transaction would eventuate. Post quarter-end, the Company has not provided any updates as to the status of the proceedings.

CORPORATE

During the June quarter, Lindian announced the successful completion of a \$2m share placement, via the allocation of 20 million fully-paid ordinary shares at \$0.10 per share.

The allocation price reflected a 16% premium to the closing price of Lindian shares on the last trading day prior to the announcement. The placement included a convertible option for every two shares issued, exercisable at 12c and expiring three years from the date of issue.

The funds were allocated via a binding commitment to a high net worth investor. The strategic rationale for the placement was to place Lindian in a stronger capital position with respect to its potential acquisition of Rift Valley Resources Developments Limited and its Kangankunde Mining Project in Malawi.

At the time of the announcement, Lindian said it also expects to receive additional funds from the conversion of options, after a number of existing option holders indicated to the company that they intended to exercise outstanding options into fully paid ordinary shares.

At the end of the quarter, the Company was debt free and held \$2.177m in cash.

GUINEA BAUXITE PROJECTS

Lindian continues to advance its bauxite development projects in Guinea, where discussions remain ongoing with local regulators and project partners. Discussions are still progressing with respect to a proposed Memorandum of Understanding (MOU) between Lindian's 75%-owned infrastructure subsidiary, Terminal Logistics & Holdings Pte Ltd ("TLH"), and local partners regarding the potential exploration and joint development of the Port of Dobali and the associated logistics corridor (the "Northern Corridor") in Guinea.

More broadly, the Company also remains focused on its longer term strategy to develop the Northern Corridor, which would result in maximal utilisation of existing road, rail and port infrastructure. While development of the Northern Corridor would help unlock the full potential of Lindian's bauxite portfolio, near-term the Company is still exploring the opportunity to take advantage of Guinea's existing infrastructure gains over the past 10 years to facilitate low-cost, near term production.

LUSHOTO AND PARE BAUXITE PROJECTS, TANZANIA

The Lushoto and Pare bauxite projects are subject to a Farm-In and Joint Venture Agreement pursuant to which Lindian has earned a 51% Stage 1 interest in East Africa Bauxite Limited. No meaningful work has been undertaken on the Tanzanian projects during the Quarter although applications for Licence 12227/2017 at the Lushoto Project and Licence 14099/2019 at the Pare Project have been withdrawn.

EXPLORATION EXPENSE

The \$0.199m of exploration and evaluation outflows during the quarter (refer item 2.1 (d) of Appendix 5B), was predominantly comprised of expenses relating to the Gaoual, Lelouma, and Woula Bauxite projects in Guinea. No expenditure was incurred on development or production activities during the quarter.

RELATED PARTY TRANSACTIONS

During the quarter, Lindian paid \$0.144m in relation to Non-Executive Directors fees.

FORWARD LOOKING STATEMENTS

All statement other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Lindian Resources Limited (Lindian) are forward looking statements. When used in this presentation, forward looking statements can be identified by words such as “may”, “could”, “believes”, “estimates”, “targets”, “expects” or “intends” and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as of the date of this announcement, are expected to take place. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the control of the company, its directors and management that could cause Lindian’s actual results to differ materially from the results expressed or anticipated in these statements. Lindian cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward looking statements. Lindian does not undertake to update or revise forward looking statements, or to publish prospective financial information in the future regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange requirements.

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

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MINERAL RESOURCE STATEMENTS

A summary of the JORC resources contained within the assets in the Lindian Bauxite portfolio is shown in Table 1 below.

	Resources (Mt)	Al ₂ O ₃ (%)	SiO ₂ (%)	Category	Cut-off (Al ₂ O ₃ %)
Lelouma Project (75% Owned by Lindian)					
High Grade Resources	398	48.1	2.0	Measured + Indicated	>45
Total Lelouma Resources	900	45.0	2.1	Measured, Indicated & Inferred	>40
Gaoual Project (75% Owned by Lindian)					
High Grade Resources	83.8	51.2	11.0%	Indicated	>45
Total Gaoual Resources	101.5	49.8	11.5%	Indicated	>40
Woula Project (61% Owned by Lindian)					
High Grade Resources	19.0	41.7	3.2%	Inferred	>40
Total Woula Resources	64.0	38.7	3.1%	Inferred	>34

Table 1: Lindian Bauxite Projects – Mineral Resource Estimate (JORC 2012) Summary¹

The location of the different assets within Lindian’s bauxite portfolio is shown in Figure 1 below. The Company is focused on short term and long-term options to achieve maximum, value for stakeholders from the Woula, Gaoual and Lelouma Projects.

Lindian has identified the “Northern Corridor” as the last high quality bauxite province in Guinea to be mined, and developing this corridor would link the high quality Lindian assets together with the proposed deep-water port located at Dobali. This infrastructure development is a key aspect of the Company’s longer-term strategy.

¹ Refer ASX releases dated 15 July 2020 (Gaoual Project), 23 September (Woula Project) and 22 October 2020 (Lelouma Project)

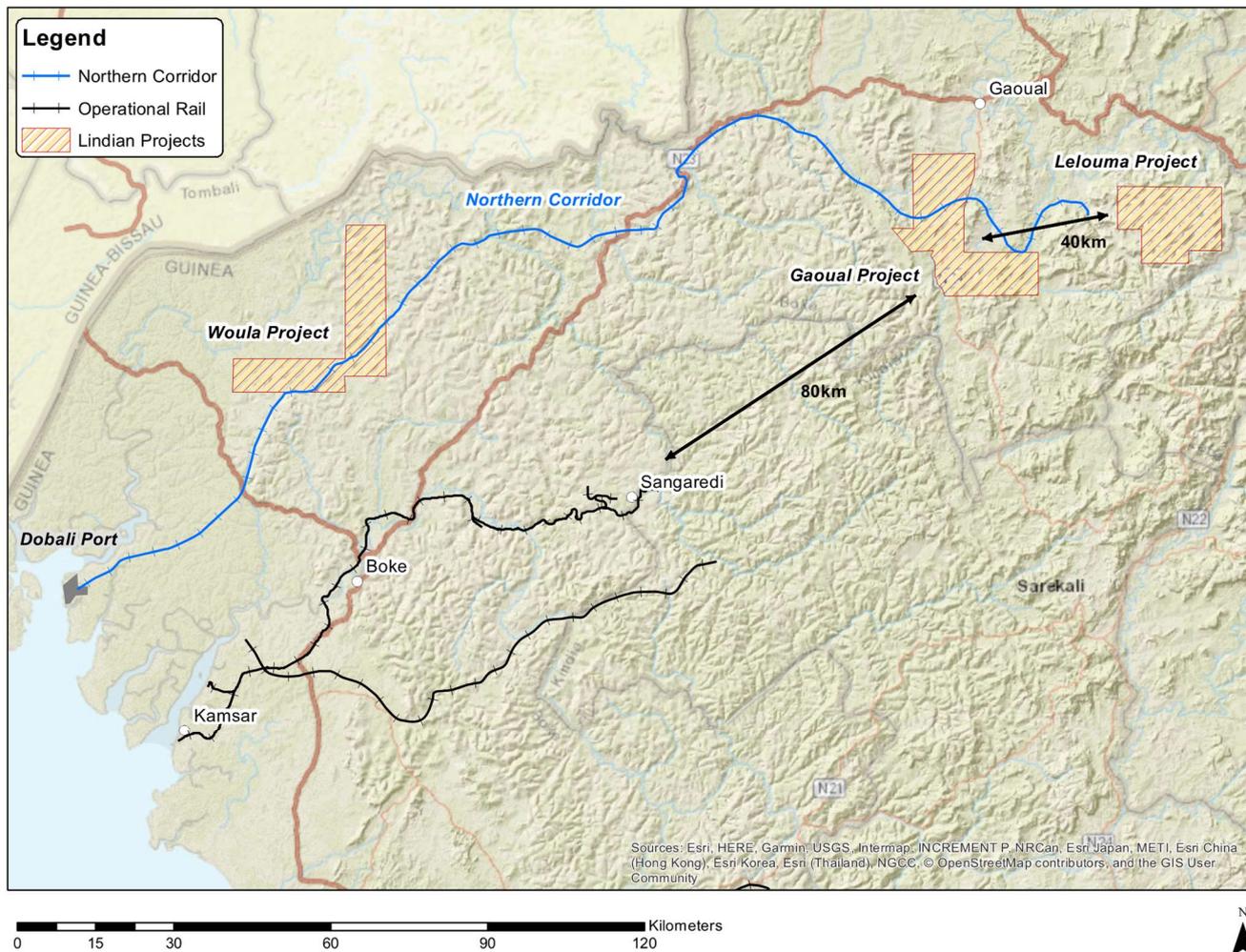


Figure 1: Lindian Bauxite Projects

In line with its commitment to expediting the Northern Corridor strategy, Lindian has previously announced the execution of a Memorandum of Understanding with the reputable construction company China Railway Seventh Group Co. Ltd² and, separately, Lindian’s 75% owned infrastructure subsidiary Terminal Logistics & Holdings Pte Ltd has entered into a Memorandum of Understanding with the Guinean Government regarding the Northern Corridor development.

² Refer ASX releases dated 27 January 2021 (China Railway Seventh Group Co. Ltd MoU)

COMPETENT PERSONS' STATEMENTS – GAOUAL

The information in this announcement that relates to exploration results is based on information compiled or reviewed by Mr Mark Gifford, an independent Geological expert consulting to Lindian Resources Limited. Mr Mark Gifford is a Fellow of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Gifford consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

COMPETENT PERSONS' STATEMENTS – WOULA AND LELOUMA

The information in this announcement that relates to Mineral Resources is based on information reviewed and compiled by Mr Mark Campodonic or Mr Ben Lepley. They take responsibility for any contained information presented in relation to the Mineral Resource estimates.

Mr Campodonic is a Member with Chartered Professional Status (Geology) of the Australian Institute of Mining and Metallurgy ("MAusIMM(CP)"). Mr Campodonic is a full-time employee of SRK and is the Competent Person for the Woula Bauxite Project Mineral Resource estimate. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Campodonic consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Mr Ben Lepley is a Chartered Geologist ("CGeol") of the Geological Society of London. Mr Lepley is a full-time employee of SRK and is the Competent Person for the Lelouma Project Mineral Resource estimate. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lepley consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Interests in Mining Tenements

<i>Project</i>	<i>Country</i>	<i>Licence Number</i>	<i>Status</i>	<i>Licence Type</i>	<i>Lindian Beneficial Interest</i>
<i>Gaoual Project ¹</i>	<i>Guinea</i>	<i>2019/3942</i>	<i>Granted</i>	<i>Prospecting</i>	<i>75%</i>
<i>Lelouma Project</i>	<i>Guinea</i>	<i>2020/2562</i>	<i>Granted</i>	<i>Prospecting</i>	<i>75%</i>
<i>Woula Project</i>	<i>Guinea</i>	<i>2020/2351</i>	<i>Granted</i>	<i>Prospecting</i>	<i>61% (Up to 75%)</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>11176/2018</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>11177/2018</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>11178/2018</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>11262/2019</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>12194/2017</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>12195/2017</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Pare Project</i>	<i>Tanzania</i>	<i>11263/2019</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Pare Project</i>	<i>Tanzania</i>	<i>14098/2019</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Pare Project</i>	<i>Tanzania</i>	<i>14100/2019</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Uyowa Project ³</i>	<i>Tanzania</i>	<i>10918/2016</i>	<i>Granted</i>	<i>Prospecting</i>	<i>100%</i>
<i>Uyowa Project ³</i>	<i>Tanzania</i>	<i>2241CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project ³</i>	<i>Tanzania</i>	<i>2237GWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project ³</i>	<i>Tanzania</i>	<i>002240</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project ³</i>	<i>Tanzania</i>	<i>2238CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project ³</i>	<i>Tanzania</i>	<i>2242CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project ³</i>	<i>Tanzania</i>	<i>2243CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project ³</i>	<i>Tanzania</i>	<i>2239CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>

- 1. Lindian Resources interest in this license is subject to completion occurring under an option agreement. Refer to the ASX announcement dated 10 April 2019 for full details of the consideration payable under the option agreement.*
- 2. Hapa Gold Limited is a 100% owned subsidiary of Lindian Resources Limited.*
- 3. License held on trust for Lindian Resources pursuant to a Declaration of Trust with Leticia Kabunga.*

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

LINDIAN RESOURCES LIMITED

ABN

53 090 772 222

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(144)	(287)
(e) administration and corporate costs	(170)	(989)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(314)	(1,276)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(1)
(d) exploration & evaluation	(199)	(555)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(199)	(556)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,414	3,194
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	80
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	300
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(66)	(66)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,348	3,508

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	342	501
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(314)	(1,276)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(199)	(556)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,348	3,508

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,177	2,177

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,177	342
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,177	342

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	144
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		
6.1	Chairman Fees and Consulting Fees and Non-Executive Directors Fees	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(314)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(199)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(513)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,177
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,177
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.24
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2022

Authorised by: The Board of Lindian Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.