

6 December 2016

COMPLETION OF TANZANIAN ACQUISITION AND BOARD CHANGES

HIGHLIGHTS

- Completion of Tangold Acquisition following successful site visit and due diligence
- Projects strategically located near several established mining operations in the multi-million ounce Lake Victoria Gold Field of Tanzania
- Initial review has confirmed the integrity of the historical database and diamond drilling completed to date at the Uyowa Project
- Site investigations have further highlighted the potential for additional mineralisation both east and west of previous drilling confirmed by extensive artisanal alluvial workings
- Resources director with significant experience in Tanzania, Mr Matt Bull, has joined the Board
- Historical geological database obtained with comprehensive review led by Mr Bull to be completed in January 2017
- Preliminary field work to commence in March 2017

Lindian Resource Limited (**Lindian** or **Company**) (ASX: LIN) is pleased to announce it has completed the acquisition of 100% of the shares of Tangold Pty Ltd (**Tangold**) as announced to the market on 6 October 2016.

Mr Matt Bull has been appointed as a Non-Executive Director of the Company. Mr Bull is an exploration geologist who has worked on a wide range of commodities including graphite, gold and iron ore. He has considerable experience in greenfield exploration and resource development programs. He is currently a non-executive director of Volt Resources (ASX: VRC) where he was instrumental in the company's growth, progressing its Tanzanian graphite project towards production.

Directors of Lindian were accompanied by Mr Bull and an in-country Tanzanian exploration geologist who previously worked for the Tanzanian Projects' previous owner for a thorough due diligence review of the Tanzanian Projects between 29 October and 2 November 2016.

The focus of the site visit was to allow the Directors to obtain an overall assessment of the historical exploration activities, which include geophysics, trenching, RC drilling and diamond drilling.

Technical activities were largely centred of the Uyowa deposit where extensive drilling has been carried out by both AngloGold Ashanti and Lake Victoria Gold.

During the site visit, various meetings were held in Dar es Salaam, Tabora and Mwanza, which allowed the Directors to discuss the historical exploration activities with the in-country exploration geologists, government officials and in-country legal counsel.



Lindian Directors and geologist inspecting artisanal workings at the Uyowa Project

Exploration Program

Lindian Resources is now preparing an exploration and drilling program using the extensive geological database in order to extend the known mineralisation and to allow the calculation of a JORC compliant Resource.

Commercial Terms of the Acquisition

Lindian has issued the following consideration to the Tangold vendors:

1. 75,000,000 fully paid ordinary shares (**Consideration Shares**);
2. 25,000,000 Class A Performance Shares, converting on the Company's announcement of an Inferred Mineral Resource or greater (as defined by a Competent Person in accordance with JORC Code 2012), of 200,000 ounces of Au at 2g/t with a cut off grade of 0.5g/t; and
3. 25,000,000 Class B Performance Shares, conditional on conversion of the Class A Performance Shares and an independent third party expert producing a positive Pre-Feasibility Study for the development of the Tanzanian Projects.

Kabunga Holdings Pty Ltd holds a 2% NSR Royalty on the Tanzanian Projects, with the Company having an option, at its sole discretion, to purchase 1% that NSR Royalty on terms agreed between the parties.

Mr Kerry Griffin has resigned as a Non-Executive Director of Lindian, with immediate effect. The Board thanks Mr Griffin for his contribution to the Company.

For further information regarding the terms of the Tangold acquisition, please refer to the Company's ASX announcement dated 6 October 2016.

Proposed Capital Raising

As previously announced, the Company proposes to undertake a fully underwritten Entitlement Issue to eligible shareholders in February 2017. Details of the terms of the Entitlement Issue are currently being finalised by the Board.

For and on behalf of Lindian Resources Limited

Eddie King

Chairman

Lindian Resources Limited