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LINDIAN SIGNS AGREEMENT TO ACQUIRE 75% OF WOULA BAUXITE PROJECT LOCATED WITHIN 10KM OF EXISTING HAUL ROAD

Highlights

- Lindian has signed an agreement to acquire up to 75% of the Woula Bauxite Project ("Woula") in Guinea, which is located just 10km from an existing haul road linking the neighbouring mining operation to the 25Mtpa Katougouma port.
- Woula is amenable to standard open-pit mining techniques with the potential to target selective mining of the higher grade zones to produce a Direct Shipping Ore ("DSO")
- The Project was explored historically by the Mitsubishi Corporation, specifically on its southern side. Lindian will target the eastern side to increase the scale of the Mineral Resource and identify further higher grade zones.
- The Project offers the potential for rapid advancement due to its proximity to existing road and port infrastructure and the potential to target DSO sales at the mine or port gate.
- Woula balances Lindian's portfolio, complementing the Tier-1 Lelouma Project and the Gaoual Conglomerate Project offering an attractive combination for refinery groups and strategic investors.

Lindian Resources Limited ("Lindian" or the "Company") (ASX Code: LIN) is pleased to announce that, following successful technical due diligence, it has signed a binding investment agreement to acquire up to 75% of the Woula Bauxite Project (the "Woula Project") by delivering a JORC Scoping Study. The remaining 25% will be held by Mr Lancinet Dabo and his affiliated companies. Mr Dabo is a well-respected businessman and mining entrepreneur in Guinea and will be a supportive local partner for Lindian as we advance the project.

The Woula Project is located in north-western Guinea, proximal to the coast and just 10km from the existing haul roads established by the neighbouring Batafong mining operation. The roads are connected to the 25Mtpa Katougouma river port, which currently transships bauxite ore to Capesize vessels.

In reviewing the Mineral Resource, a number of higher grade zones have been identified, which may be amenable to selective mining to produce a saleable bauxite product with low silica and with minimal deleterious elements. In the short-term, and for modest capital investment, DSO bauxite product may be able to be delivered to the mine gate or river port for sale to third parties.

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Importantly, the Guinea Government is focussed on the 'mutualisation' or sharing of infrastructure to assist the development of mining projects in Guinea. For example, the Kamsar railway is currently shared by three mining operations; CBG (Rio Tinto/ Alcan, Aloc, JV), Rusal's Dian-Dian mine and the Emirates Global Aluminium's GAC mine. Lindian will therefore initiate commercial discussions with the relevant infrastructure owners aiming to secure access rights to the roads and ports required by Woula.

The Woula Project was explored historically by the Mitsubishi Corporation who discovered a number of bauxitised plateaus within the Woula exploration permit area. The Woula Project has been subject to considerable exploration on its southern side, but the eastern, north-south trending limb of the permit remains relatively underexplored, with only a few scout holes completed historically. Lindian will target this area, looking to increase the scale of the resources and identify further higher grade zones.

Danny Keating, Chief Executive Officer, commented: "The Woula Project is an important addition to Lindian's portfolio adding near term production potential to the Company's bauxite assets. The Company's immediate focus for Woula will be to commence discussions with the infrastructure owners to secure access on suitable commercial terms.

Woula is a great complement to the portfolio, adding balance to Lindian's Tier-1 Lelouma project and Gaoual Conglomerate project, with the potential to advance to production in the near term. This is an attractive combination for refinery groups and strategic investors."

WOULA INVESTMENT TERMS

In terms of the transaction, Lindian has agreed to make a staggered series of payments totalling US\$150,000 over nine months to the current owners of the Woula Project to acquire 61% of Woula Natural Resources SARL, the Guinean company that owns the Woula Project. Completion of the transaction remains subject to approval by the Government of the Republic of Guinea and Lindian shareholders approving the issue of shares in connection with the transaction at the Company's 2020 AGM. Following completion, Lindian has the ability to increase its interest in the Woula Project to 75% in return for sole funding completion of a JORC Scoping Study on the project within 18 months of completion occurring. After the completion of the JORC Scoping Study, pro-rata contributions are required otherwise non-contributing shareholders will be diluted.

WOULA MINERAL RESOURCE STATEMENT¹

The Mineral Resource statement for the Woula Bauxite Project was prepared and reported by SRK Consulting (UK) Ltd ("SRK") by constraining the in situ model using cut-off grades $>34\%$ Al_2O_3 and $<10\%$ SiO_2 , a maximum stripping ratio of 1:1 (thickness overburden / thickness bauxite) and a minimum bauxite thickness of 1 m, all to satisfy the criteria of reasonable prospects for eventual economic extraction. No pit optimisation was used to constrain the Mineral Resource due to the very shallow and low stripping nature of the deposit. All tonnages and grades are reported on a dry basis. These parameters are guided by and have been validated using SRK's experience of other Guinea bauxite operations.

Cut-off Criteria	Mineral Resource	Tonnes (Mt)	Al_2O_3	SiO_2
$>34\%$ Al_2O_3 10% SiO_2 / $>1\text{m}$ Thick / <1 Strip Ratio (waste:ore thickness)	Inferred	64	38.7	3.1
	Total	64	38.7	3.1

Table 1 - Woula Mineral Resource Statement (inclusive of Mineral Resources stated in Table 4)

There are higher grade zones within the Woula Project and to demonstrate this, a separate split of material $>40\%$ Al_2O_3 has been provided for the purpose of this announcement.

Cut-off Criteria	Mineral Resource	Tonnes (Mt)	Al_2O_3	SiO_2
$>40\%$ Al_2O_3 10% SiO_2 / $>1\text{m}$ Thick / <1 Strip Ratio (waste:ore thickness)	Inferred	19	41.7	3.2
	Total	19	41.7	3.2

Table 2 - Woula High Grade (Contained within the Mineral Resources as stated in Table 1)

1. For further details, see Lindian's ASX announcement dated 23 September 2020 titled "Lindian acquires Tier-1 Bauxite Project with 847 million tonnes of High Grade Resource". Lindian confirms that it is not aware of any new information or data that materially affects the information included in that announcement, and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

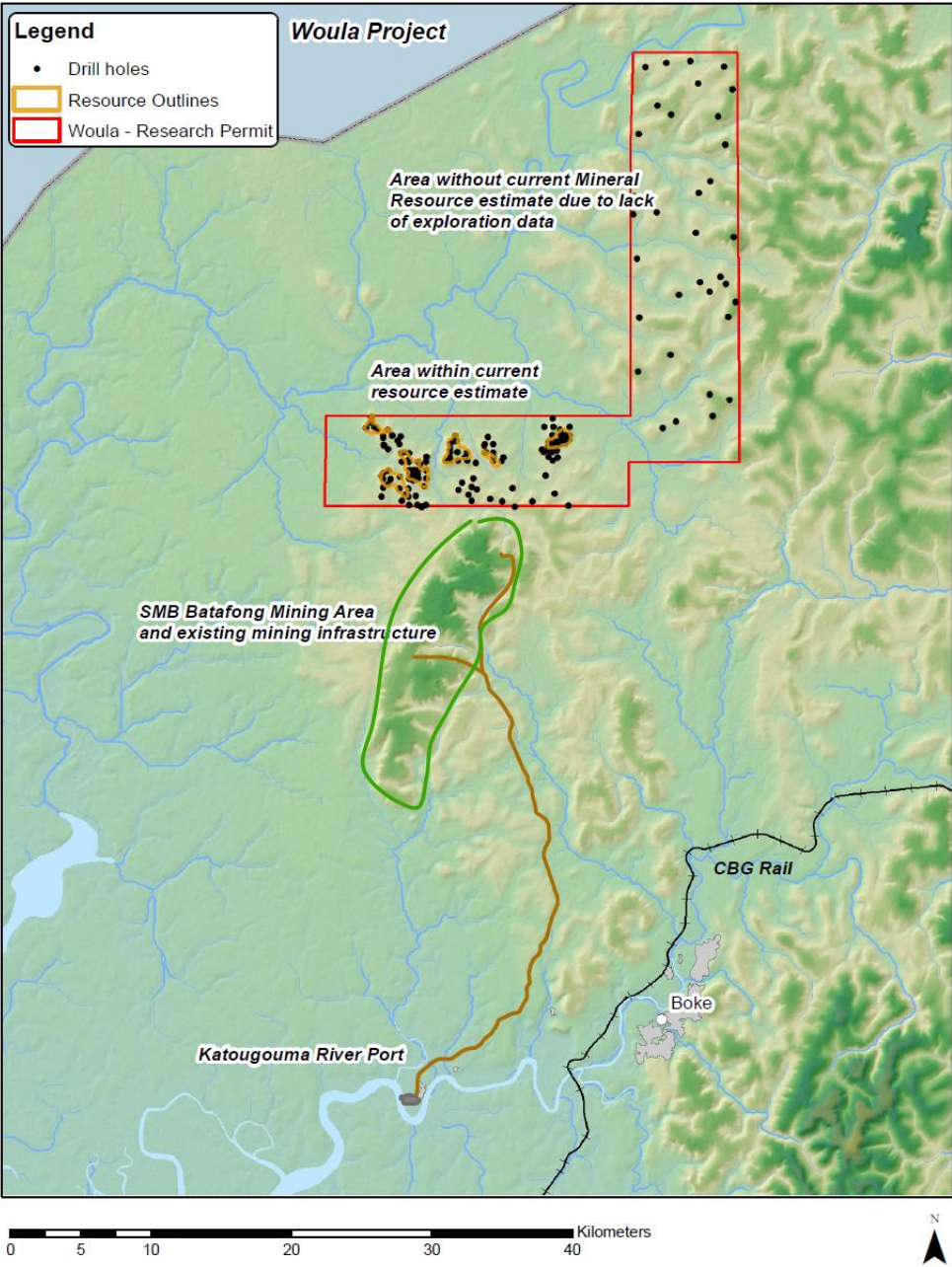


Figure 1 – Woula Bauxite Project Location

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This announcement has been approved for release by the Lindian Board.

ABOUT LINDIAN RESOURCES LIMITED

Lindian Resources Limited (“Lindian”) is a bauxite focussed exploration company listed on the Australian Stock Exchange under the ASX code LIN. Lindian is focussed on the exploration and development of its portfolio of world class bauxite assets in Guinea including the high-grade conglomerate bauxite asset at Gaoual, the Tier-1 Lelouma bauxite asset and the near-to-infrastructure Woula Project. The combination of assets offers the opportunity for near term production, while simultaneously advancing large scale projects capable supplying refineries with high quality DSO ore (high alumina/low silica) for decades into the future. Lindian also has two bauxite licences 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.

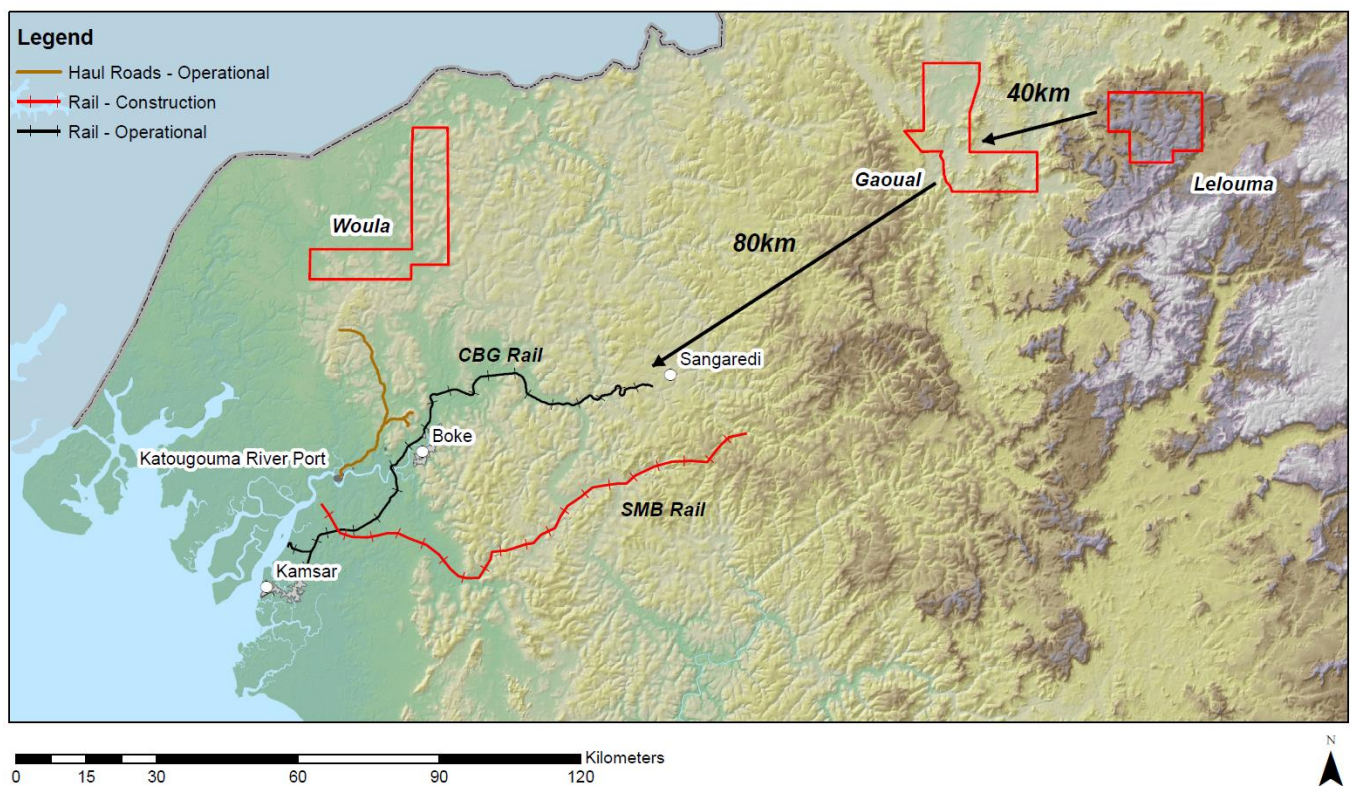


Figure 2 – Lindian’s Guinea bauxite assets