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GRANTING OF LUSHOTO BAUXITE PROJECT LICENCES IN TANZANIA

Highlights

- Tanzania Mining Commission has granted licences PL 11176/2017, PL 11177/2017 and PL 11178/2017 over the Lushoto Bauxite Project
- Granted licences cover the high-grade low silica Magamba Bauxite Deposit. Previous assays from rock chip sampling completed by Lindian at Magamba (see ASX announcement 13 December 2017) returned excellent levels of available alumina (54% average) and very low levels of reactive silica (less than 1% average for samples above 40% available Alumina) and other deleterious elements including iron, silica, titanium
- Critical infrastructure already in place with Magamba located 7km from the township of Lushoto and 154km from deep water port of Tanga - includes access to sealed roads and rail line
- Granting of the tenements allows Lindian to proceed with a low cost, high impact auger drilling program and continue discussions with potential strategic farm-in and offtake partners
- Lindian has prioritised areas for near-term drill testing
- Lindian's key focus remains on advancing the Kangankunde Rare Earths Project in Malawi – however the granting of the Magamba Bauxite Deposit licenses, after a 12 month delay, allows Lindian to access considerable value for a very unique high grade, low silica project strategically positioned for aluminium refineries in Asia and the Middle East
- Both rare earth minerals and bauxite form key components of the electric vehicle supply chain enabling Lindian to consolidate its strategic position in the sector

Lindian Resources Limited (ASX: LIN) ("Lindian" or the "Company") is pleased to announce that three highly prospective bauxite tenements comprising the Lushoto Bauxite Project in Tanzania have now been granted.

The granted tenements PL 11176/2017, PL 11177/2017 and PL 11178/2018 cover an area of 53.2km² and include the high-grade alumina low silica Magamba Bauxite Deposit ("Magamba").

The granting of these tenements gives Lindian the confidence to execute a high impact exploration program which will allow the Company to add significant value to the Project whilst it continues discussions with potential farm-in and strategic offtake partners. Targeted sampling programs have been previously completed at Magamba and the surrounding tenements, with the Company now preparing to conduct a detailed exploration program that will include drilling aimed at defining a JORC compliant resource.

Lindian Chairman, Asimwe Kabunga, commented:

"This is an outstanding development for Lindian and the granting of these highly prospective bauxite licences adds considerable value to the Lindian portfolio. We have wasted no time, with exploration

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work due to commence this week, and a low cost, high impact augur drilling program also scheduled to be undertaken this quarter.

"I would also like to take this opportunity to thank the Tanzanian authorities for the granting of the Magamba tenements. Lindian looks forward to working closely with the relevant authorities in Tanzania to advance the project for the benefits of all stakeholders.

"As well, this is not distracting us from our key focus – being the development of the Kangankunde Rare Earths Project in Malawi. The granting of the EPL in respect of the Kangankunde Rare Earths Project will be another key value event for the Company.

"Importantly, we already have an experienced and dedicated technical team currently in Tanzania which will work across projects in both countries. I look forward to keeping shareholders updated on a number of key developments across both projects."

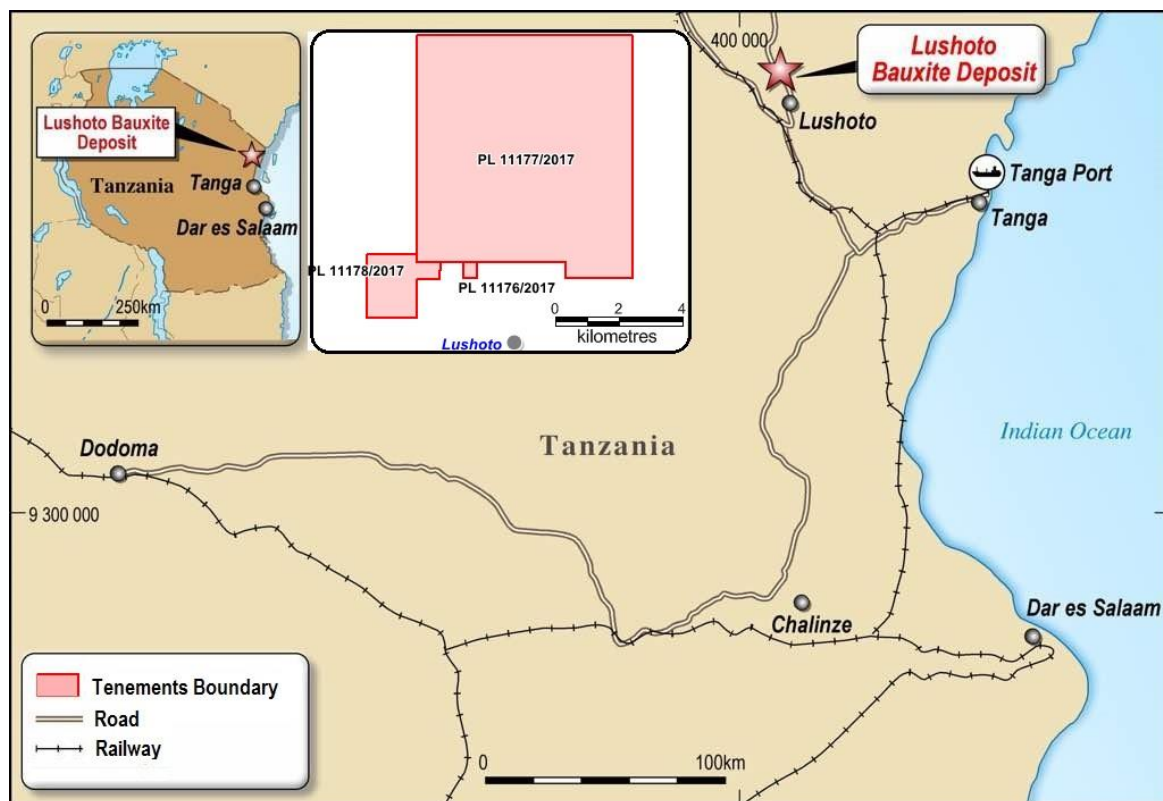


Figure 1: Location of the tenements showing the additional expanded areas as well as the location of road, rail and port infrastructure.

News areas of mineralisation identified on PL12046 being sampled by Lindian's geologist as well as a photo of the view the road access to the Project area.

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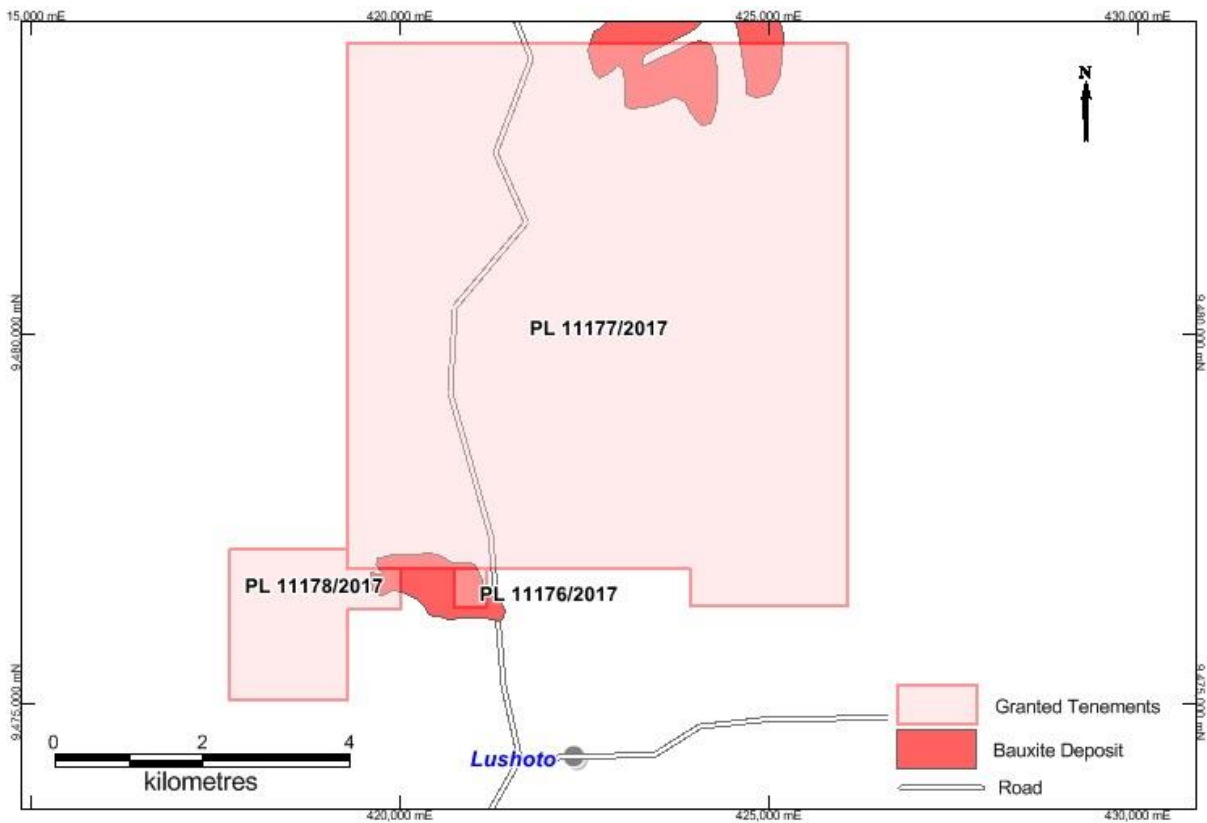


Figure 2: Granted tenements in relation to known deposits.

Mapping and Grab Sampling at Magamba

As a result of the ongoing field activities bauxite mineralization has been mapped to the North West of the Magamba deposit increasing the size of the deposit to a strike length of over 2km. Mapping of the bauxite mineralization at Magamba was conducted concurrently with grab sampling (Table 1). The assay results of the grab samples confirmed outcropping bauxite mineralisation with **excellent levels**

of available alumina (54% average) and very low levels of reactive silica (less than 1% average for samples above 40% available Alumina) – ASX Announcement 1 September 2017. A map showing the location of the sampling is shown in Figure 2.

The mineralization at Magamba is outcropping and it is expected the drilling programs will be easily accomplished using auger drilling which can cover a large area quickly to identify higher grade areas of mineralization.

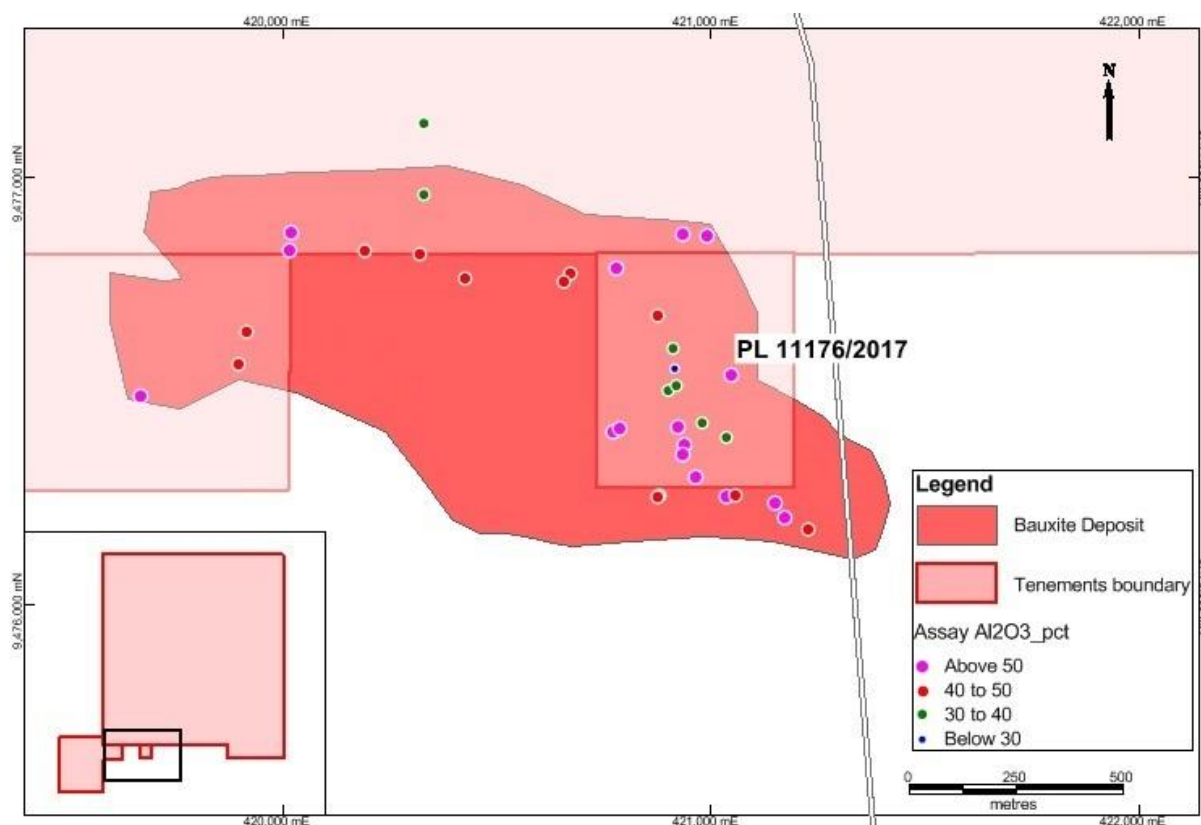


Figure 3: Location of the additional samples collected at Magamba which has extended the strike length to over 2km. New results with Al₂O₃ % displayed, previous results colour coded as per legend.

Lushoto Bauxite Project Overview

The Lushoto Bauxite deposit was formed by deep weathering of metamorphic rocks of the Mozambique Belt that are exposed in Eastern Tanzania. The mineralisation is situated on plateaus within the Usambara Mountains that have been preserved from a time when mineralisation was more extensive in the area.

Assay results to date show low excellent levels of available alumina and very low levels reactive silica and other deleterious elements including Iron, Silica, Titanium.

The presence of the Lushoto bauxite deposits were the subject of a University of Dar es Salaam report in 2003 which confirmed bauxite mineralisation of between 40-60% Al₂O₃ based on historical drilling data and surface geological mapping. Lindian took samples in 2017 which returned an average of 54% alumina and less than 1% silica.

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Competent Person Statement

The information on the page that relates to Exploration Results is based on information compiled or reviewed by Mr Matt Bull, who is a director of Lindian Resources Limited. Mr Bull is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bull consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

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