

12 March 2019

## DRILLING COMMENCES ON THE LUSHOTO AND PARE PROJECTS

### Highlights:

- Previously lodged applications for tenements PL/13564/2019 and PL/13400/2018 which comprise a total area of 96.85km<sup>2</sup> have now been formally granted.
- Lindian to commence drilling program this month at the newly acquired Pare Project (PL/13564/2019) targeting recently identified bauxite mineralization.
- Further to Pare, Lindian will also undertake in the same program drilling on the Lushoto Project initially targeting the two newly identified deposits namely the Magamba South deposit and the Kidundai deposit.
- Sampling done during the initial visits to Pare and Magamba South identified high grade mineralization with average grades of 58.53% Al<sub>2</sub>O<sub>3</sub>, 5.05% SiO<sub>2</sub> and 48.05% Al<sub>2</sub>O<sub>3</sub>, 0.9% SiO<sub>2</sub> respectively.
- A total of 66 auger holes are planned at Pare and 41 holes planned at Lushoto.
- The drilling is targeting areas of high-grade mineralization identified by mapping and sampling on all four deposits.

**Lindian Resources Limited (ASX: LIN)** ("Lindian" or the "Company") is pleased to announce that it will commence its 2019 drilling campaign this month on the Lushoto and Pare projects following the formal granting of tenements PL/13564/2019 and PL/13400/2018. The campaign will involve auger drilling programs where a total of 66 and 41 auger holes have been planned for both the Pare and Lushoto projects respectively. Final preparations (regulatory, logistics) are being completed this week in Tanzania.

Recent work completed by the Lindian in country team highlighted areas of new mineralization which give an opportunity to substantially increase the size of mineralization over and above the known Magamba deposit. The Company formally acknowledges the Tanzanian Ministry of Mines and associated regulatory bodies in ensuring the tenement application and granting process was undertaken expeditiously and with due transparency.

At the Pare project, Lindian's team observed a series of bauxitic hills in the area with small scale mining activities exposing bauxite mineralization with thicknesses of up to 10m. Thirteen (13) samples were collected close to and in the area. An average of 58.53% Al<sub>2</sub>O<sub>3</sub> with average of 5.08% SiO<sub>2</sub> have been obtained. The highest grade 62.2% Al<sub>2</sub>O<sub>3</sub> and 3.51% SiO<sub>2</sub> have been observed.

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At Lushoto project, a total of nine samples were collected and sent to the Geological Survey Laboratory for analysis. Very encouraging results were obtained; an average of 48.05%  $Al_2O_3$  with an average of 0.9%  $SiO_2$ . Highest grade 55.94%  $Al_2O_3$  and 0.82%  $SiO_2$  was also returned.

### Planned Auger Drilling Program

Drilling at the Pare Project will initially be on wide spaced lines to allow areas of better mineralization to be targeted for follow up work. The mineralization at the Pare project is larger in size than previously estimated as original conclusions had been based on the limited work which had been completed at the time. The drilling program will clearly provide far more certainty as to the size and extent of the deposit.

The planned auger drilling at Pare has been spaced at 500m line to line and 200m hole to hole while at Lushoto the drill spacing of 200m line to line and 100m hole to hole have been used. One metre interval samples will be collected, initial analysis will be done at site using a field portable hand held Olympus XRF analyzer and then the samples will be dispatched to ALS Chemex for analysis.

Drilling will be supervised by the experienced Lindian in country exploration team.

Figures 1 and 2 are maps showing the final planned auger drilling over Pare and Lushoto Projects respectively the current round of drilling will partially cover that pattern, with 66 holes at Pare and 41 holes at Lushoto.

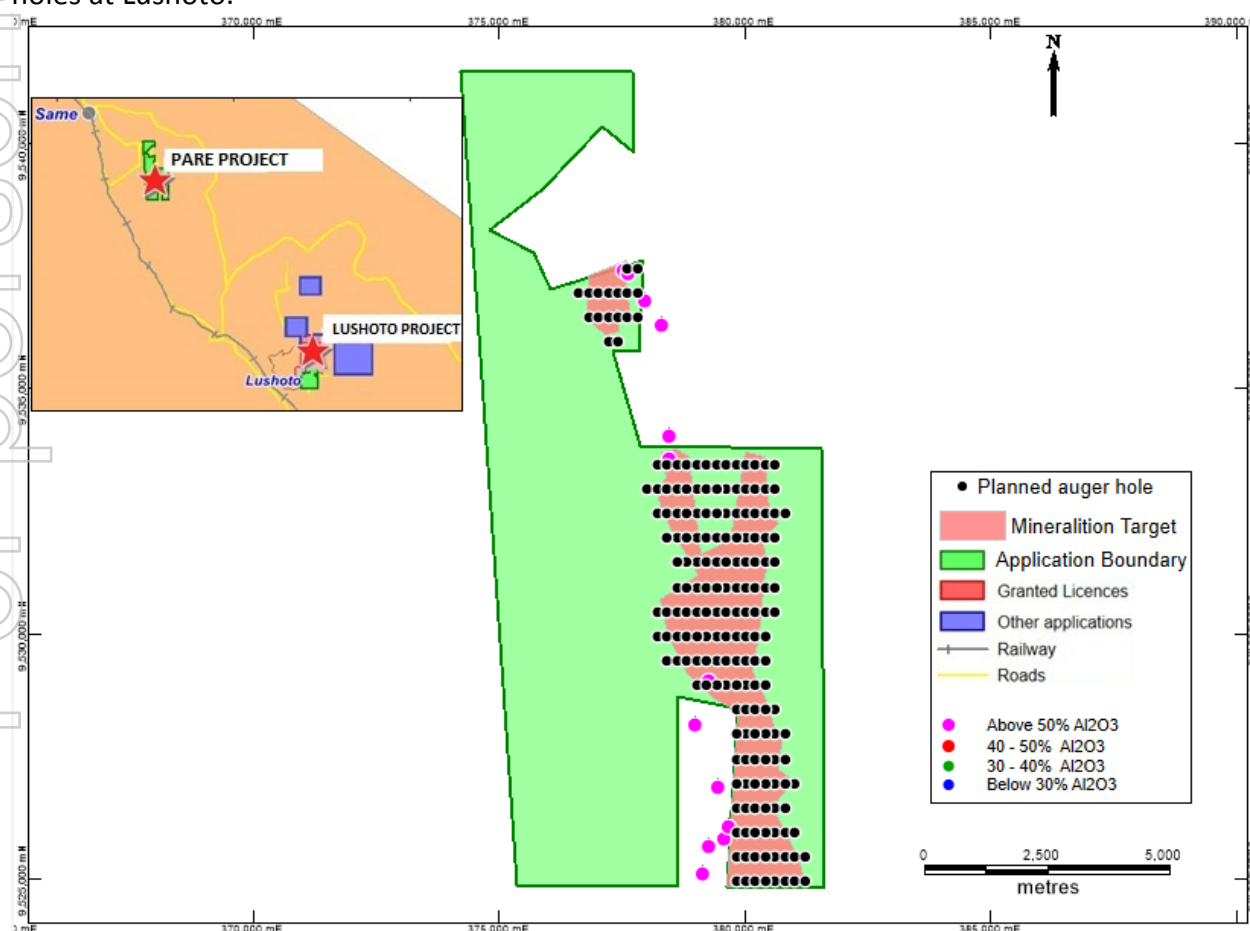
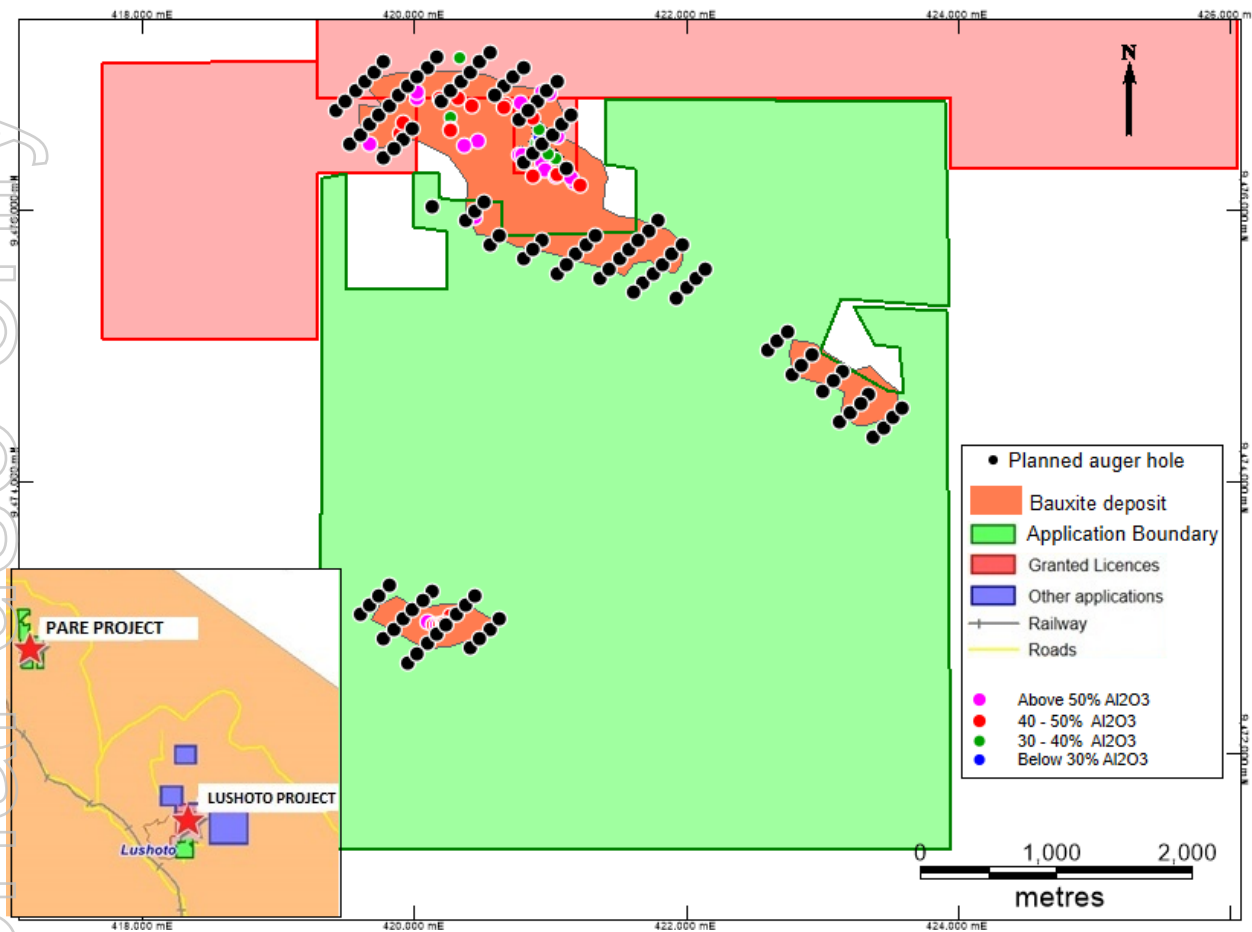


Figure 1. Planned auger drilling over Pare Project.



Project	Licence Code	Status	Parties	Area(km <sup>2</sup> )
Lushoto	PL/12195/2017	Application	East Africa Bauxite Limited (100%)	44.94
Lushoto	PL/12194/2017	Application	East Africa Bauxite Limited (100%)	90.25
Lushoto	PL 11177/2018	Granted	East Africa Bauxite Limited (100%)	49.3
Lushoto	PL 11178/2018	Granted	East Africa Bauxite Limited (100%)	3.64
Lushoto	PL 11176/2018	Granted	East Africa Bauxite Limited (100%)	0.26
Lushoto	PL/12227/2017	Application	East Africa Bauxite Limited (100%)	24.87
Lushoto	PL/13400/2018	Granted	East Africa Bauxite Limited (100%)	23.02
Pare	PL/13564/2019	Granted	East Africa Bauxite Limited (100%)	73.84
<b>Total</b>				<b>310.12</b>

**Table 1: List of bauxite tenements for Lindian Resources (Lushoto and Pare)**

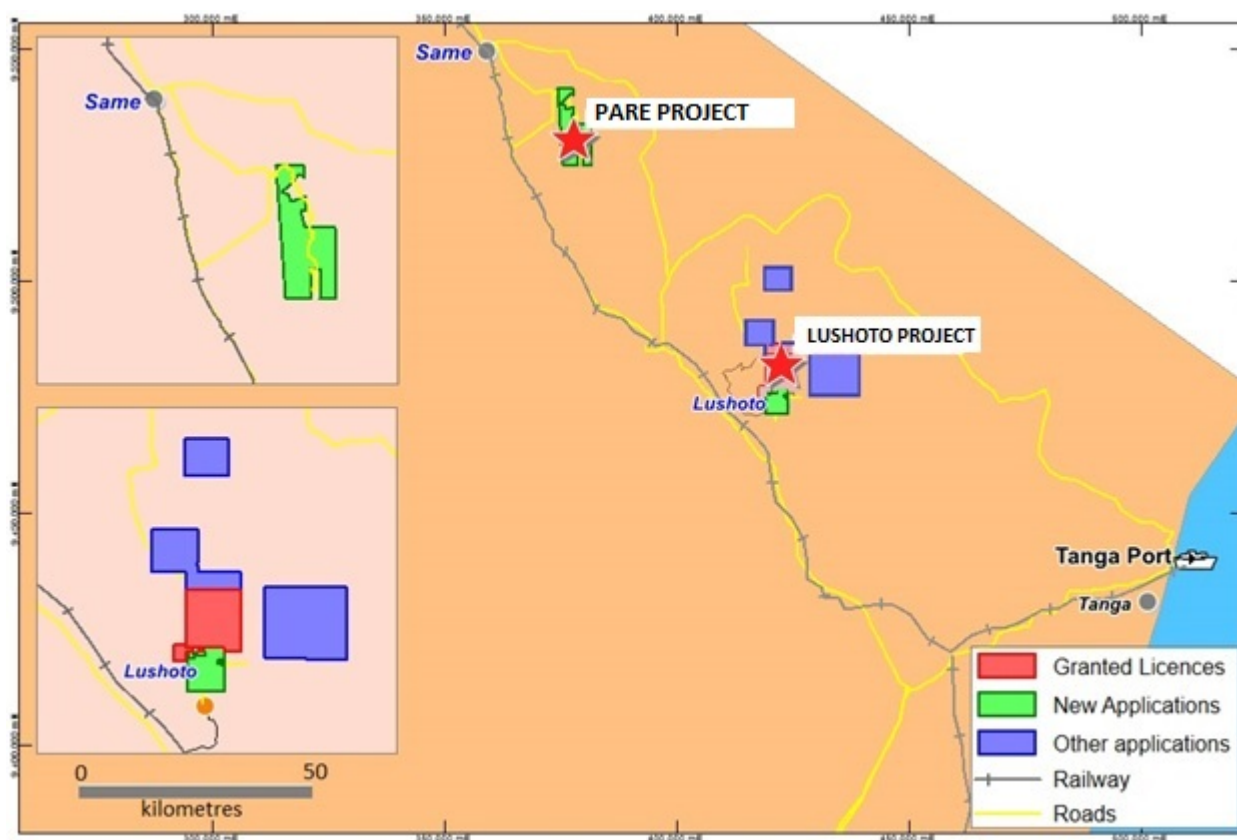


Figure 3. Map showing the location of Pare and Lushoto Projects

## PARE BAUXITE PROJECT OVERVIEW

### Project Location

The Pare Project is comprised of application license PL/13564/2019 and is located 50km North West of the Lushoto Project and is a 13km straight distance from the Tanga Arusha sealed road and railway and 189km from the Tanga Port (see Figure 3).

### Work Completed to Date

The area was visited in December 2018 by Lindian Geologists, with the team observing a series of bauxitic hills in the area with small scale mining activities exposing bauxite mineralisation with thickness of up to 10m. As announced to the ASX on 5 March 2019, a total of 13 samples were collected and analysed using the hand held XRF analyser. Readings with very low  $\text{SiO}_2$  grades 0.34% with  $\text{Al}_2\text{O}_3$  of 43.95% have been obtained. The highest  $\text{Al}_2\text{O}_3$  grade was 48.45% which had  $\text{SiO}_2$  grade of 3.85%. The samples were later dispatched to the Geological Survey of Tanzania for laboratory analysis.

Historic mining for bauxite has occurred at the Pare deposit which was used to supply the local market. Bauxite for export into the aluminum industry is yet to occur in Tanzania given the relative immaturity of Tanzanian bauxite development and the fact that seaborne trade is a relatively recent occurrence. Tanzania lends itself to exporting bauxite with good access to transport and logistics infrastructure, the high grade, low silica qualities of Tanzanian bauxite and its proximity to Asian and Middle Eastern markets.



**Figure 4-7: Site photos from Pare Bauxite Project**

#### Results

Results received to date have been very encouraging, with all the samples reading above 50%  $\text{Al}_2\text{O}_3$  and less than 10%  $\text{SiO}_2$ . An average of 58.53%  $\text{Al}_2\text{O}_3$  with an average of 5.08%  $\text{SiO}_2$  was obtained. The highest grade 62.2%  $\text{Al}_2\text{O}_3$  and 3.51%  $\text{SiO}_2$  was observed.

Sample_ID	Easting	Northing	Al2O3_pct	SiO2_pct	Fe2O3_pct
L000514	377,533	9,537,415	60.35	5.58	6.32
L000515	377,606	9,537,378	61.25	5.08	10.29
L000516	377,953	9,536,799	53.93	9.12	13.69
L000517	378,302	9,536,317	58.36	5.38	12.34
L000518	378,442	9,534,067	58.42	5.78	13.56
L000519	378,441	9,533,575	54.55	3.86	17.55
L000547	379,128	9,525,124	55.69	5.17	12.08
L000548	379,263	9,525,701	62.24	3.51	9.01
L000549	379,554	9,525,854	60.03	6.41	11.14
L000550	379,656	9,526,103	59.97	3.39	11.17
L000551	379,458	9,526,904	59.47	4.18	14.66
L000553	378,975	9,528,163	56.25	5.07	11.01
L000554	379,273	9,529,069	53.56	30.74	4.52

**Table 2. Results of rock chip sampling from the Pare Project**



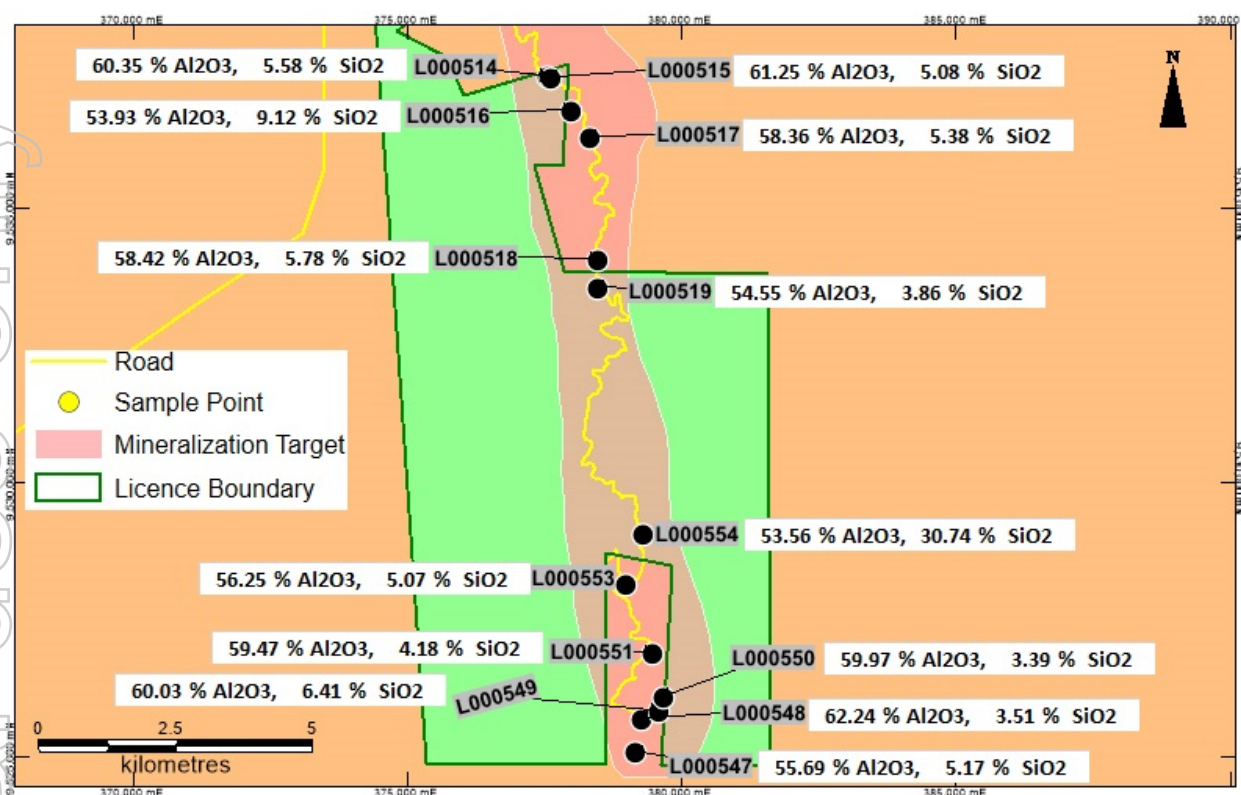


Figure 8. Summary of results of bauxite mineralization in the Pare Project

## LUSHOTO BAUXITE PROJECT OVERVIEW

### Lushoto Project

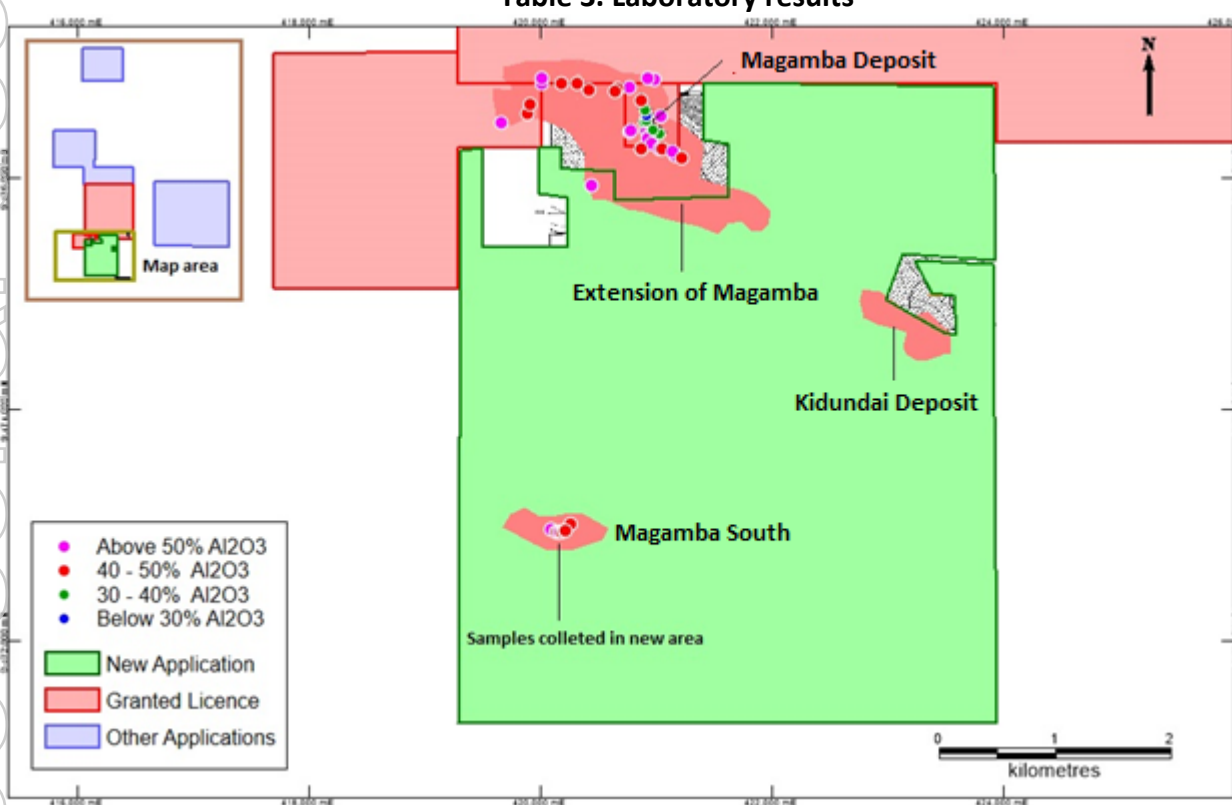
Tenement PL/13400/2018 is located to the South East of the existing Magamba deposit, with bauxite mineralization extending the current Magamba deposit and also forming the basis of two additional deposits – Kidundai and Magamba South. The Kidundai deposit has been mapped by professors from University of Dar es Salaam, the Magamba South deposit has been mapped by Lindian's geological team.

### Sampling Results

The area was visited by Lindian Geologists. As announced to the ASX on 5 March 2019, a total of nine samples were collected and sent to the Geological Survey Laboratory for analysis. Very encouraging results were obtained with all the samples returning above 40% Al<sub>2</sub>O<sub>3</sub> and less than 1% SiO<sub>2</sub>. An average of 48.05% Al<sub>2</sub>O<sub>3</sub> with an average of 0.9% SiO<sub>2</sub> was obtained. Highest grade 55.94% Al<sub>2</sub>O<sub>3</sub> and 0.82% SiO<sub>2</sub> was also returned. Figure 9 below shows the deposits in the new area and sampled points, Table 3 shows the results of the collected samples.

Sample_ID	Easting	Northing	Al <sub>2</sub> O <sub>3</sub> _pct	SiO <sub>2</sub> _pct
L000076	420091	9472973	53.54	0.67
L000077	420128	9472961	29.69	1.71
L000078	420143	9472955	48.88	0.77
L000079	420160	9472949	54.32	0.98
L000080	420182	9472947	49.62	0.88
L000081	420206	9472959	46.98	0.75
L000082	420219	9472964	47.28	0.79
L000083	420262	9473015	46.25	0.73
L000127	420444	9475946	55.94	0.82

**Table 3. Laboratory results**



**Figure 9. Summary of results of bauxite mineralization in the Lushoto Project**

### Next Steps

As outlined above, Lindian is currently finalising plans for follow-up exploration programs to be completed across both the Lushoto and Pare Projects. Further updates and results will be provided to shareholders in due course.

### Suspension

This announcement is not intended to lift the voluntary suspension of the Company's securities that is presently in place.



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**About Lushoto Bauxite**

The Lushoto Bauxite deposit was formed by deep weathering of metamorphic rocks of the Mozambique belt that are exposed in Eastern Tanzania. The mineralization is situated on plateaus with the Usambara Mountains that have been preserved from a time when mineralization was more extensive in the area. Limited exploration has been conducted in the region to date however, in addition to the known deposit, bauxite has been noted in other plateaus in the area. These occurrences are currently being investigated for the potential to host additional mineralization.

Assay results to date show low levels of deleterious elements including iron, silica and titanium. Test work for reactive silica and available alumina confirmed the potential suitability of the bauxite for export.

The presence of the Lushoto Bauxite deposit was the subject of the University of Dar es Salam report in 2003 which confirmed bauxite mineralization of between 40-60%  $\text{Al}_2\text{O}_3$  based on historical drilling data and surface geological mapping.

Samples collected during the site visits returned grades up to 58%  $\text{Al}_2\text{O}_3$  with an average of 46%  $\text{Al}_2\text{O}_3$  and very low silica content averaging to 1.6%  $\text{SiO}_2$ . The results for the sampling have been in line with conclusion of the 2003 report and greatly assist Lindian in obtaining its maiden JORC resource for the Project.

**Competent Person Statement**

The information in this announcement 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.

Refer to the ASX announcement of 5 March 2019 for full details of the exploration results for the Lushoto and Pare Projects included in this announcement.