FY 2020

LINDIAN RESOURCES LTD.

ANNUAL REPORT

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Corporate Directory

Directors

Mr. Asimwe Kabunga (Chairman)
Mr. Matthew Bull (Non-Executive Director)
Mr. Giacomo Fazio (Non-Executive Director)
Mr Yves Occcello (Non-Executive Director)

Company Secretary

Ms Susan Hunter

Registered Office

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Perth WA 6000

Telephone: + 61 8 9324 2099
Facsimile: + 61 8 9321 2337

Auditors

HLB Mann Judd
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130 Stirling Street
Perth WA 6000

Securities Exchange

Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
ASX Code: LIN, LINO

Chairman's Report

It was a very busy year for Lindian with the focus being the identification and development of the Company's conglomerate bauxite asset on the Bouba Plateaux in Gaoual, Guinea. Just 65km from the world renowned mine owned by Companie de Bauxite de Guinee ("CBG") which was originally exploited as a conglomerate bauxite deposit, the Bouba Project was identified as having the potential to be a significant addition to the Guinea resource landscape.

The Bouba plateau sits close to major operating bauxite mining companies with significant infrastructure including railways linked to a number of export locations. This makes it possible to develop a quick pathway to market for the ore. This potential is enhanced by the desire of the Guinean Government for mutualization of infrastructure to reduce the cost of development and time to market.

Following the completion of a successful due diligence program, Lindian entered into an agreement to acquire the Gaoual asset and began the exploration program to establish a high grade JORC resource for the deposit. Post year end, the Company was able to declare a successful maiden resource of over 100Mt at the Bouba Plateaux confirming the high-quality nature of the deposit with the high alumina grades being particularly exciting.

During the year, Lindian maintained its Tanzanian bauxite and gold assets in good standing as it considers the most appropriate way to develop these assets for its stakeholders. While, in my view, Guinea remains the prime location globally for bauxite due to the extent and quality of its resources, I believe that Tanzania could become an important bauxite jurisdiction due to its existing infrastructure and proximity to potential end markets in China and India. The recent increase in the gold price has resulted in increased attention on the Tanzanian gold projects and the technical team are looking at preliminary exploration work that can help to define the potential of these assets.

Post year end, the Company significantly increased the strength of our management team and board with the addition of renowned bauxite asset developer Danny Keating as Chief Executive Officer and refinery and alumina expert Yves Occello as Non-Executive Director. Consequently, I expect the 2021 Financial Year to be a significant one for the Company as we look to deliver on our strategy of unlocking the value within our current diverse, exciting portfolio of assets.

In closing, the Board and I would like to take this opportunity to thank all shareholders for their ongoing support and we look forward to what is shaping up to be a transformational year ahead.

Yours sincerely,

Asimwe Kabunga | Chairman

Directors' Report

The Directors present their report for Lindian Resources Limited ("Lindian" or "the Company") and its subsidiaries ("the Group") for the year ended 30 June 2020.

DIRECTORS

Mr. Asimwe Kabunga

Non-Executive Chairman

Mr Kabunga is a Tanzanian born Australian entrepreneur who holds a Bachelor of Science, Mathematics and Physics and has extensive technical and commercial experience in Tanzania, Australia, and the United States.

Mr Kabunga has been instrumental in establishing the Tanzania Community of Western Australia Inc, and served as its first President. Mr Kabunga was also a founding member of Rafiki Surgical Missions and Safina Foundation, both Non- Governmental Organisations dedicated to helping children in Tanzania.

Mr Kabunga's professional qualifications include a Bachelor of Science Mathematics and Physics.

Mr Kabunga has been non-executive chairman of Volt Resources Limited since 4 August 2017 (ASX: VRC) and was non-executive director of Strandline Resources Limited from 18 June 2015 to 8 October 2018 (ASX: STA). He has not held any other listed directorships in the past three years.

Mr. Matthew Bull

Non-Executive Exploration Director

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.

Mr Bull's professional qualifications include Bachelor of Science Geology (hons).

Mr Bull was non-executive director of Volt Resources Limited from 1 June 2015 to 9 July 2018 (ASX: VRC) and is currently a non-executive director of Paterson Resources Limited (ASX:PSL) and non-executive director of Armadale Capital Plc. (AIM: ACP). He has not held any other listed directorships in the past three years.

Mr. Giacomo Fazio

Non-Executive Director (appointed 26 June 2020)

Mr Fazio is a highly experienced project, construction and contract/commercial management professional having held senior project management roles with Primero Group Limited, Laing O'Rourke and Forge Group Ltd and is currently a Non-executive Director of ASX listed Volt Resources Limited. His experience ranges from feasibility studies through to engineering, procurement, construction, and commissioning of diverse mining resources, infrastructure, oil & gas and energy projects.

Mr Fazio's professional qualifications include a Graduate Certificate in Project, an Associate Diploma in Civil Engineering and a Diploma in Quantity Surveying.

Mr Fazio has been non-executive director of Volt Resources Limited since 1 July 2019 (ASX: VRC). He has not held any other listed directorships in the past three years.

Mr. Yves Occello

Non-Executive Director (appointed 29 July 2020)

Mr Occello is a 45-year veteran of the bauxite and alumina industry having been COO of Pechiney's Bauxite and Alumina Division and Director of Technical Projects at Alcan and Rio Tinto Alcan. He has held board positions at a number of significant companies, including Compagnie de Bauxite de Guinee, ("CBG"), a conglomerate bauxite project and Guinea's largest bauxite producer for the past 30 years, Alufer Mining, the first junior miner to construct and commence bauxite operations in Guinea, and Aluminium of Greece, one of Europe's largest alumina refinery and aluminium smelting complexes.

Further, Mr. Occello's knowledge and expertise is well recognised within China's bauxite and alumina industry and he is an Honorary Director of the Chinese Academy of Sciences in Beijing.

Mr Occello's is a Chemical Engineer with many years of practical, hands-on experience across the aluminium value chain from understanding bauxite resources and their specific chemical and mineralogical composition, through to the intricate technical requirements of alumina refining. He has not held any other listed directorships in the past three years.

Mr. Shannon Green

Managing Director (appointed 14 June 2019, resigned 30 June 2020)

Mr Green has over 20 years resource development and mining operations experience, having managed several world-class resource project developments and mines including, several of Australia's largest iron ore mining operations. Mr Green also has extensive experience working in Guinea, having held the role of General Manager Project Delivery with Alliance Mining Commodities (2012-2015).

Most recently, Mr Green held the position of General Manager Project Implementation for ASX-listed bauxite developer Canyon Resources (ASX: CAY).

Mr Green's professional qualifications include Qld SSE Mine Managers Certificate, Graduate Diploma Mining Engineering, Diploma of Mining (Surface & underground) and a Diploma of (Finance) and is currently completing an MBA. He has not held any other listed directorships in the past three years.

Company Secretary

Ms Susan Hunter (appointed 17 March 2020)

Ms Hunter has 24 years' experience in the corporate finance industry and extensive experience in Company Secretarial and Non-Executive Director roles with ASX, AIM and TSX listed companies.

Ms Hunter holds a Bachelor of Commerce, is a Member of the Australian Institute of Chartered Accountants, a Fellow of the Financial Services Institute of Australasia, a Graduate Member of the Australian Institute of Company Directors and a Graduate Member of the Governance Institute of Australia and is currently Company Secretary of several ASX listed companies.

DIRECTORS' MEETINGS

During the financial year, in addition to regular Board discussions, the number of meetings of Directors held during the year and the number of meetings attended by each Director, including circular resolutions, were as follows:

Directors	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr. Asimwe Kabunga	3	3
Mr. Shannon Green	3	3
Mr. Matthew Bull	3	3
Mr. Giacomo Fazio	-	-

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for Directors and executives of Lindian Resources Limited in accordance with the requirements of the Corporation Act 2001 and its Regulations.

For the purpose of this report, Key Management Personnel (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group. The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The Board is responsible for determining and reviewing compensation arrangements for the Directors. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The Group does not link the nature and amount of the emoluments of such officers to the Group's financial or operational performance. The expected outcome of this remuneration structure is to retain and motivate Directors.

As part of its Corporate Governance Policies and Procedures, the Board has adopted a formal Remuneration Committee Charter. Due to the current size of the Group and number of directors, the Board has elected not to create a separate Remuneration Committee but has instead decided to undertake the function of the Committee as a full Board under the guidance of the formal charter.

The rewards for Directors have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Board determines appropriate levels of performance rewards as and when they consider rewards are warranted.

Details of remuneration

Details of Key Management Personnel

Key Management Personnel	Position
Mr. Asimwe Kabunga	Chairman
Mr. Shannon Green	Managing Director
Mr. Matthew Bull	Non-Executive Director

Details of the nature and amount of each element of the emolument of each Director and executive of the Group for the financial year are as follows:

2020	Short term			Options	Post-employment		
Directors	Base salary & annual leave $	Director fees $	Consulting fees $	Share based payments $	Super-annuation $	Total $	Performance related %
Mr. Asimwe Kabunga	-	60,000	46,335	-	-	106,335	-
Mr. Shannon Green[1]	248,145	-	-	231,402	21,850	501,397	46%
Mr. Matthew Bull	-	60,000	-	-	-	60,000	-
	248,145	120,000	46,335	231,402	21,850	667,372	35%

1. Shannon Green appointed Managing Director on 14 June 2019, resigned 30 June 2020.

2019	Short term			Options	Post-employment		
Directors	Base salary & annual leave $	Director fees $	Consulting fees $	Share based payments $	Super-annuation $	Total $	Performance related %
Mr. Asimwe Kabunga	-	60,000	30,000	-	-	90,000	-
Mr. Shannon Green[1]	11,290	-	-	-	1,001	12,291	-
Mr. Matthew Bull	-	60,000	60,000	-	-	120,000	-
Mr. Steve Formica[2]	-	57,132	17,868	28,299 [3]	-	103,299	-
	11,290	177,132	107,868	28,299	1,001	325,590	-

1. Shannon Green appointed Managing Director on 14 June 2019, resigned 30 June 2020.
2. Steve Formica resigned as Non-Executive Director on 13 June 2019.
3. In accordance with the Deed of Termination and Release between the Company and Steve Formica, the parties agreed to a deferred payment in recognition of additional services completed consisting of:
    a. The Company will seek shareholder approval for the issue of 10,000,000 options with an exercise price of $0.03 each to expire on 31 December 2020; or
    b. Issue of 10,000,000 options with an exercise price of $0.03 each to expire on 31 December 2020 to former director, Steve Formica. Options were issued in recognition of additional services performed whilst a director.

There were no other executive officers of the Group during the financial years ended 30 June 2020 and 30 June 2019. During the 2020 financial year Mr Green was issued 20,000,000 options linked to performance milestones. These options accounted for 46% of Mr Green's remunerations for the year.

The Group did not employ the services of any remuneration consultants during the financial year ended 30 June 2020.

The Group has liabilities of $30,343 for unpaid Key Management Personnel remuneration at 30 June 2020 (2019: $120,000).

Executive Directors

Shannon Green was appointed as Managing Director on 14 June 2019 and resigned on 30 June 2020.

Service Agreements

Mr Green and the Company have agreed to key terms to enter into an executive service agreement with the Company. He was engaged to provide services in the capacity of Managing Director for an indefinite term.

Mr Green was entitled to a minimum notice period of three months from the Company and the Company was entitled to a minimum notice period of three months from Mr Green. In the event that the Company gave notice the Company would be required to make a payment equal to 3 months' salary at the end of the notice period. In the event of a change in control event including a redundancy due to a successful takeover or merger of the Company, Mr Green would have been entitled to a payment equal to 6 months' salary plus superannuation.

As part of Mr Green's commencement package, the Company issued to Mr Green 20,000,000 unlisted options exercisable in accordance with the milestones below at $0.02 on or before 30 June 2021 ("Executive Options"):

Milestones:

(a) 10,000,000 Executive Options exercisable upon the Company receiving shareholder approval at the shareholder meeting for the purpose of proceeding with the Gaoual Bauxite Project in Guinea on similar terms to those set out in the Company's ASX announcement dated 10 April 2019; and

(b) 10,000,000 Executive Options exercisable upon close of trade the date the Company achieves a 10 day VWAP share price of $0.03 or above.

In June 2019, Mr Green's salary was set at $230,000 per annum plus minimum statutory superannuation contribution. As at the date of this report, the executive service agreement has not been signed and Mr Green has resigned, the Executive Options were issued on 21 November 2019 and vested on completion of the above milestones.

Non-Executive Directors

Each non-executive director has a written agreement with the Company that covers all aspects of their appointment including term, time commitment required, remuneration, disclosure of interests that may affect independence, guidance on complying with the Company's corporate governance policies and the right to seek independent advice, indemnity and insurance arrangements, rights of access to the Company's information and ongoing confidentiality obligations as well as roles on the Company's committees.

The aggregate remuneration that can be paid to Non-Executive Directors excluding share-based payments or other employee benefits, has been set at an amount not to exceed $240,000 per annum. This amount may only be increased with the approval of Shareholders at a general meeting.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2020 (2019: nil).

Options

Except for the options issued to Mr Green, there were no unlisted options granted over ordinary shares during the current year affecting remuneration of directors and other key management personnel.

Additional disclosures relating to key management personnel

Key Management Personnel Options

The numbers of options over ordinary shares in the company held during the financial year by each key management personnel of Lindian Resources Limited, including their personally related parties, are set out below:

2020						Vested option	
Directors	Balance at the start of the year/ appointment	Options purchased	Options granted	Options expired	Balance at the end of the year/ resignation	Exercisable	Non-exercisable
Mr. Asimwe Kabunga	10,000,000	-	12,500,000	-	22,500,000	22,500,000	-
Mr. Shannon Green[1]	-	-	20,000,000	-	20,000,000	20,000,000	-
Mr. Matthew Bull	4,000,000	-	-	-	4,000,000	4,000,000	-
	14,000,000	-	32,500,000	-	46,500,000	46,500,000	-

1. Shannon Green appointed Managing Director on 14 June 2019, resigned 30 June 2020.

2019						Vested option	
Directors	Balance at the start of the year/ appointment	Options purchased	Options granted	Options expired	Balance at the end of the year/ resignation	Exercisable	Non-exercisable
Mr. Asimwe Kabunga	21,000,000	-	-	(11,000,000)	10,000,000	10,000,000	-
Mr. Shannon Green[1]	-	-	-	-	-	-	-
Mr. Matthew Bull	16,500,000	-	-	(12,500,000)	4,000,000	4,000,000	-
Mr. Steve Formica[2]	13,133,334	-	-	(5,633,334)	7,500,000	7,500,000	-
	50,633,334	-	-	(29,133,334)	21,500,000	21,500,000	-

1. Shannon Green appointed Managing Director on 14 June 2019, resigned 30 June 2020.
2. Steve Formica resigned as Non-Executive Director on 13 June 2019.

Key Management Personnel Share holdings (including Performance Shares)

The number of shares in the Company held during the financial year by each key management personnel of Lindian Resources Limited, including their personally related parties, is set out below. There were no shares granted during the reporting period as compensation.

2020 Directors	Balance at the start of the year/ appointment	Shares purchased	Shares disposed / transferred	Performance shares granted / (expired)	Balance at the end of the year/ resignation
Mr. Asimwe Kabunga[2]	64,775,000	16,750,000	-	25,500,000	107,025,000
Mr. Shannon Green[1]	-	-	-	-	-
Mr. Matthew Bull[3]	28,500,000	-	-	-	28,500,000
	93,275,000	16,750,000	-	25,500,000	135,525,000

1. Shannon Green appointed Managing Director on 14 June 2019, resigned 30 June 2020.
2. Shares held by Asimwe Kabunga includes 70,275,000 ordinary shares and 36,750,000 Performance shares. During the year the company issued 10,625,000 Stage 1 Performance rights and 14,875,000 Stage 2 Performance right in respect of the Gaoual Bauxite Project (Refer to Note 15f).
3. Shares held by Matthew Bull includes 24,250,000 ordinary shares and 4,250,000 Class B Performance shares.

2019 Directors	Balance at the start of the year/ appointment	Shares purchased	Shares disposed / transferred	Performance shares granted / (expired)	Balance at the end of the year/ resignation
Mr. Asimwe Kabunga[1]	76,025,000	-	-	(11,250,000)	64,775,000
Mr. Shannon Green[2]	-	-	-	-	-
Mr. Matthew Bull[3]	32,750,000	-	-	(4,250,000)	28,500,000
Mr. Steve Formica[4]	14,687,689	-	(14,687,689)	-	-
	123,426,689	-	(14,687,689)	(15,500,000)	93,275,000

1. Shares held by Asimwe Kabunga includes 53,525,000 ordinary shares and 11,250,000 Class B Performance shares.
2. Shannon Green appointed Managing Director on 14 June 2019.
3. Shares held by Matthew Bull includes 24,250,000 ordinary shares and 4,250,000 Class B Performance shares.
4. Steve Formica resigned as Non-Executive Director on 13 June 2019.

Other transactions with key management personnel

There were no other transactions with key management personnel during the year.

Group performance and its consequences on shareholder wealth

It is not possible at this time to evaluate the Group's financial performance using generally accepted measures such as profitability and total shareholder return as the Group is focussed on exploration activities with no significant revenue stream. This assessment will be developed as and when the Groups moves from explorer to producer.

The table below shows the gross revenue, losses and loss per share for the last five years for the Group:

		2020	2019	2018	2017	2016
Revenue and other income	$	58,703	719	4,810	1,541	2,247
Net loss	$	(1,862,151)	(765,688)	(2,621,576)	(872,075)	(462,003)
Loss per share	Cents	(0.35)	(0.21)	(0.98)	(0.43)	(0.05)
Share price at year end	Cents	0.011	0.011	0.015	0.018	0.010

End of remuneration report

INTERESTS IN THE SECURITIES OF THE COMPANY

As at the date of this report, the interests of the Directors in the securities of Lindian Resources Limited are:

Director	Ordinary Shares	Class B Performance shares	Unlisted Options over Ordinary Shares exercisable at 2 cents each
Mr. Asimwe Kabunga	70,275,000	11,250,000	22,500,000
Mr. Shannon Green	-	-	20,000,000
Mr. Matthew Bull	24,250,000	4,250,000	4,000,000
Mr. Giacomo Fazio	-	-	-
Mr. Yves Occello	-	-	-

RESULTS OF OPERATIONS

The Group's net loss after taxation attributable to the members for the year to 30 June 2020 was $1,796,601 (2019: $737,085) and the net assets of the Group at 30 June 2020 were $2,514,450 (2019: $737,368).

DIVIDENDS

No dividend was paid or declared by the Company during the year and up to the date of this report.

CORPORATE STRUCTURE

Lindian Resources Limited is a company limited by shares, which is incorporated and domiciled in Australia.

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

During the financial year, the principal activity was mineral exploration.

REVIEW OF OPERATIONS

Operations Report June 2020

Gaoual Bauxite Project - Guinea

The Gaoual Bauxite Project is located in the north west of Guinea, West Africa. The project area is located within a known bauxite mining province, is relatively close to the coastal port of Kamsar, the mining centre of Sangaredi, and is a day's drive from the capital of Guinea, Conakry.

The Project is Permit No. 22584 as labelled within the Ministry of Mines Geology database and is owned by KB Bauxite Guinee SARLU,a registered Guinean company. The Permit was applied for on 12 March 2019 and the application was approved by the Ministry of Mines in August 2019. Lindian Resources has held an exclusive option agreement with KB Bauxite Guinee SARLU since 10 April 2019.

The Project is close to essential infrastructure, a key requirement for all direct shipping ore projects. The Gaoual Bauxite Project is very well strategically placed to take advantage of this infrastructure given its location in an existing high-quality significant bauxite mining province.

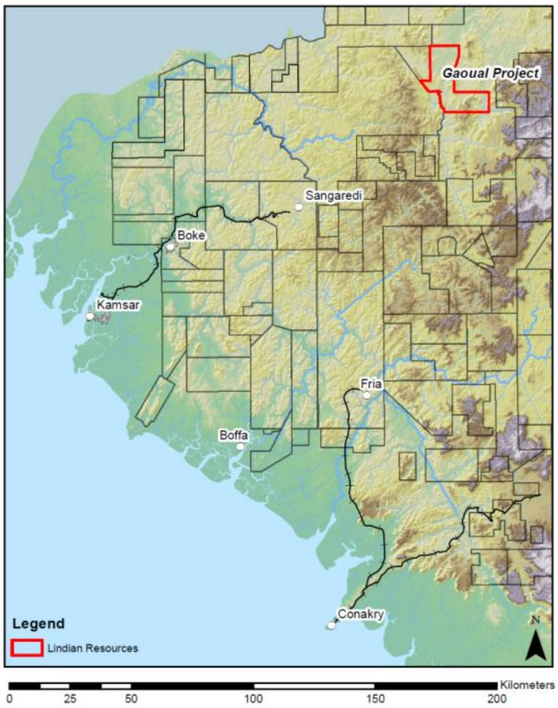

Figure 5: Proximity to Large scale Bauxite mining operations connected to railway operations

Mapping and reconnaissance sampling undertaken during 2019 identified two mineralised zones, the Bouba conglomeratic bauxite deposit and the Mamaya bauxite deposit. During the first half of 2020, an extensive drill program was undertaken on both deposits; the Bouba deposit on a 300m drill spacing and the Mamaya deposit on a 600m drill spacing suitable for mineral resource estimation.

The drilling program included 131 shallow HQ auger drill holes over the Bouba deposit and these intersected very high grade material and continuous mineralisation. Drilling of the Mamaya deposit also showed continuous intersections and mineralised bauxite results from most of the 34 holes completed.

Figure 1 – Drill rig in action at the Gaoual project

All samples were logged, weighed, and sub-sampled by Lindian Resources contractors with a chain of ownership from the drill rig through to the sample analysis facilities. Sample preparation and sample analysis was completed by the Bureau Veritas (Bamako) and Bureau Veritas (Perth) laboratories respectively. Duplicate samples, blanks and certified bauxite standards were inserted into the sample sequence to test and validate sampling methodologies and laboratory sample preparation and analysis methods and practices.

Post-Year End

The field work conducted during the financial year culminated in the reporting of a significant and high grade maiden JORC mineral resource on the Bouba Conglomerate Bauxite deposit in July 2020, post the end of the financial year.

All 1,374 samples were analysed through XRF and a smaller population of 126 samples was selected for low and high temperature micro digest test work. At every level of the testing of the repeatability of the analysis, there was a very high level of confirmation, from the sample preparation duplicates through to the standards.

Deposit	Drill spacing	No of drill holes	Total metres drilled (m)	No of samples analysed: XRF	No of samples analysed: Bomb digest
Bouba	300m	131	871	1027 (153 QAQC)	106 (6 QAQC)
Mamaya	600m	34	295	347 (52 QAQC)	20 (2 QAQC)

Table 1 – Drill hole and sample overview

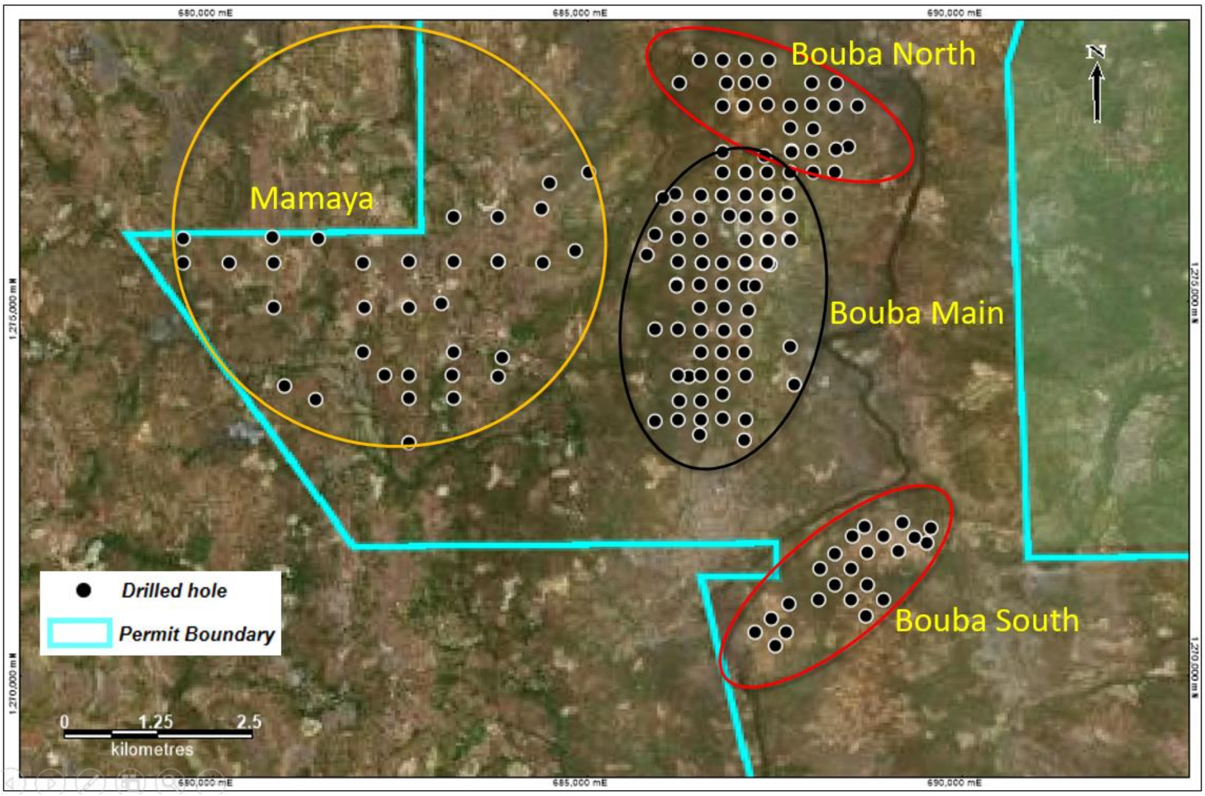

Figure 2 – Location of drill holes at the Gaoual Project

Micro digest testwork was performed to give insight into the suitability of the ore for low and high temperature digestion. Results from the testwork performed on the 106 samples taken from the Bouba plateau indicated that gibbsite was the dominant alumina hydrate containing mineral.

	Al2O3	SiO2	Fe2O3	LOI	Total Available Alumina		Reactive Silica	
	%	%	%	%	Low Temp	High Temp	Low Temp	High Temp
Bouba Main	56.1	6.2	7.9	26.3	80%	92%	49%	95%
Bouba North	51.8	11.0	9.9	24.1	76%	82%	54%	92%
Bouba South	56.2	10.0	7.4	21.7	63%	85%	38%	89%

Table 2 – Digestion Testwork Results

Cube Consulting (Cube) was engaged by the Company to produce a mineral resource estimate (MRE) for the Gaoual Bauxite Project. The estimate was undertaken for the Bouba Conglomerate Bauxite deposit. The resource has been estimated using ordinary kriging, and a total resource using a 40% Al2O3 cut-off grade and a higher-grade component at 45% Al2O3 cut-off grade was determined.

The process and procedures that were used for the MRE included geological interpretation of the base of bauxite, data selection, exploratory data analysis and variography, estimation by ordinary kriging (OK) for Al2O3, Fe2O3, LOI, SiO2 and TiO2, and model validation. The outputs for this estimate by Cube was two Datamine block models.

Cut off	Resource Classification	Resource (Mt)	Al2O3	Fe2O3	SiO_2	TiO2	LOI
Total Resource (40% Al_2O_3)	Indicated	101.5	49.8%	12.3%	11.5%	3.0%	23.0%
High Grade Resource (45% Al_2O_3)	Indicated	83.8	51.2%	11.0%	11.0%	3.0%	23.5%

Table 3 -Resource at different cut-off grades

Resource estimation work completed upon the Bouba deposit shows all of the bauxite is near surface and contains no lower grade bauxite as overburden or intraburden material.

Tanzania - Lushoto and Pare Bauxite Projects & Uyowa Gold Project

The Gaoual bauxite asset in Guinea was defined as the Company's primary focus and so the decision was made for the Company to focus all of its resources and efforts on this asset. Consequently, there were no activities on the bauxite or the gold projects in Tanzania during the Financial Year. As a result, the Company has fully impaired the expenditure on these projects.

Kangankunde Rare Earth Project – Malawi

Lindian has previously announced the commencement of legal action in Malawi in respect of an exclusive option agreement entered into with Michael Saner and Rift Valley Resource Developments Limited regarding the Kangankunde Rare Earths Project in Malawi.

The Company obtained an injunction from the High Court of Malawi in November 2018 to prevent Michael Saner and Rift Valley dealing with the Kangankunde Rare Earths Project and or the shares in Rift Valley, as well as commenced legal proceedings seeking specific performance/damages. As part of the formal court process, a mediation hearing was conducted on 16 April 2019 with no resolution agreed to by the parties.

On 4 November 2019 and 5 November 2019, the High Court of Malawi hearing was held and the Company filed its closing submissions in accordance with the required 21 day timeframe.

On 7 May 2020, the Company announced that the High Court of Malawi had not ruled in favour of its legal action in respect of the exclusive option agreement. The Company had six weeks from the date of the judgment to file an appeal.

Subsequent to the year end
On July 8, 2020 the Company announced that it had filed a notice of appeal. The opinion of the Company's legal counsel is that the Company has a strong case and are still awaiting a date for a hearing from the Supreme Court of Appeals.

On 23 July 2020, the Company received further correspondence from legal counsel representing Saner and RVR which detailed an out-of-court offer to settle. The Company is currently reviewing this information and will continue its legal appeals process. Lindian remains committed to seeking to enforce specific performance of the agreement or financial damages which will include actual and consequential losses.

Competent Person's Statement – Guinea

The information in this report that relates to exploration results for the Gaoual Bauxite Project 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 Person's Statement – Tanzania

The information in this report that relates to exploration results for the Lushoto, Pare and Uyowa Projects 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 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 Bull consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Tenement Listing

Project	Country	Licence Number	Status	Licence Type	Area
Gaoual Project*	Guinea	22584	Granted	Prospecting	332.32 km^2
Lushoto Project**	Tanzania	PL 11176/2018	Granted	Prospecting	0.26 km^2
Lushoto Project**	Tanzania	PL 11177/2018	Granted	Prospecting	49.3 km^2
Lushoto Project**	Tanzania	PL 11178/2018	Granted	Prospecting	3.64 km^2
Lushoto Project**	Tanzania	PL 11262/2019	Granted	Prospecting	23.02 km^2
Lushoto Project**	Tanzania	PL 12194/2017	Application	Prospecting	90.25 km^2
Lushoto Project**	Tanzania	PL 12195/2017	Application	Prospecting	44.94 km^2
Lushoto Project**	Tanzania	PL 12227/2017	Application	Prospecting	24.87 km^2
Pare Project**	Tanzania	PL 11263/2019	Granted	Prospecting	73.84 km^2
Pare Project**	Tanzania	PL 14098/2019	Application	Prospecting	1.52 km^2
Pare Project**	Tanzania	PL 14099/2019	Application	Prospecting	1.47 km^2
Pare Project**	Tanzania	PL 14100/2019	Application	Prospecting	1.36 km^2
Uyowa Project	Tanzania	PL 10918/2016	Granted	Prospecting	27.08 km^2
Uyowa Project	Tanzania	PML002241CWZ	Granted	Primary Mining	0.08 km^2
Uyowa Project	Tanzania	PML002237GWZ	Granted	Primary Mining	0.08 km^2
Uyowa Project	Tanzania	PML002240CWZ	Granted	Primary Mining	0.03 km^2
Uyowa Project	Tanzania	PML002238CWZ	Granted	Primary Mining	0.06 km^2
Uyowa Project	Tanzania	PML002242CWZ	Granted	Primary Mining	0.07 km^2
Uyowa Project	Tanzania	PML002243CWZ	Granted	Primary Mining	0.08 km^2
Uyowa Project	Tanzania	PML002239CWZ	Granted	Primary Mining	0.08 km^2

* 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.
** Lindian Resources interest in these licenses is via a 51% stake in East Africa Bauxite Limited.

Corporate

In August 2019, the Company completed a $1.3M Placement raising circa $1.1M through the issue of 70,937,500 shares at $0.016 per share. Each share under the Placement received a 1:1 free option exercisable at $0.02 per share expiring three years from date of issue.

In November 2019, the Company completed a $500k Placement through the issue of 31.25 million shares at $0.016 per share. Each share under the Placement received a 1:2 free option (15,625,000 unlisted options) exercisable at $0.02 per share expiring three years from date of issue.

At the Company's Annual General Meeting on 15 November 2019 the following share and option issues were approved and have been subsequently allotted:

- 10,000,000 shares issued as part of the Lushoto Bauxite Project consideration of which 7 million shares are subject to voluntary 6 month escrow;
- 5,000,000 shares issued as part consideration for the Gaoul Bauxite Project in Guinea subject to voluntary 3 month escrow;
- Issue of 68,750,000 unlisted options with an exercise price of $0.02 with a tenor of three years from the date of issue as part of the $1.3M Placement announced to the market on 24 July 2019;
- Issue of 5,000,000 unlisted broker options with an exercise price of $0.02 and a tenor of three years from the date of issue;
- Issue of 20,000,000 unlisted Managing Director incentive options which vested on completion of the two milestones:
    - 10,000,000: When the Company received shareholder approval for the purpose of proceeding with the Gaoual Bauxite Project in Guinea on similar terms to those set out in the Company's ASX announcement dated 10 April 2019;
    - 10,000,000: The Company achieved a 10 day VWAP share price of $0.03 or above.

  (both milestones have an expiry date of 30 June 2021)
- Issue of 10,000,000 unlisted options with an exercise price of $0.03 and an expiry date of 31 Dec 2021 issued to a former Director.
- Issue of 12,500,000 Stage 1 Performance Rights and 17,500,000 Stage 2 Performance Rights that convert on the satisfaction of the following milestones. Each Performance Right converts into 1 share for nil consideration.
    - Stage 1 Milestone: The Company identifying and establishing an initial JORC Code compliant resource containing a minimum of 65m tonnes with an average grade greater than 45% Al203 with less than 5% SI02 reactive silica being defined in relation to the Gaoual Bauxite Project and announced on ASX;
    - Stage 2 Milestone: The Company completing a Preliminary Feasibility Study in relation to the Gaoual Bauxite Project.

  (Both Milestones expire 24 months after Completion of the Guinea Bauxite Agreement).
- Issue of 2,000,000 unlisted incentive options to the Company's long term consulting project geologist.
- Issue of 76,637,500 shares on the valid exercise of unlisted options at $0.02 per share to raise $1,532,750.

On 17 March 2020, Mr Nick Day resigned as Company Secretary and CFO, Ms Susan Hunter was appointed Company Secretary.

On 26 May 2020, the Company announced the resignation of Managing Director, Mr Shannon Green and appointment of Non-Executive Director Mr Giacomo Fazio.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no other significant changes in the state of affairs of the Group during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 8 July 2020, the Company announced that a notice of appeal had been filed in respect of the exclusive option agreement for the Kangankunde Rare Earths Project in Malawi. After receiving the record, the Supreme Court of Appeal will set a date for hearing the arguments of both parties and will then make its judgement. A further update to market will be made at that time.

On 15 July 2020, the Company announced a maiden resource for the Bouba Plateaux at the Company's Gaoual Project in Guinea. A total JORC compliant Indicated Resource of 102M at 49.8% Al2O3 has been defined using a cut-off of 40% Al2O3. The Resource includes high grade areas with 84Mt at 51.2% Al2O3 using a higher cut-off of 45% Al2O3.

On 24 July 2020, the Company announced receipt of an offer to settle out of court in respect of the exclusive option agreement for the Kangankunde Rare Earths Project in Malawi. The Company is reviewing the offer and will discuss with legal counsel before taking action.

On 29 July 2020, the Company announced the appointment of Yves Occello as Non-Executive Director.

On 10 August 2020, the Company announced the appointment of Danny Keating to the role of Chief Executive Officer.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Directors have excluded from this report any further information on the likely developments in the operations of the Company and the expected results of those operations in future financial years, as the Directors believe that it would be speculative and prejudicial to the interests of the Company.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Group is not aware of any breaches in relation to environmental matters.

SHARE OPTIONS

As at the date of this report, there were 222,237,501 unissued ordinary shares under options. The details of the options at the date of this report are as follows:

Number	Exercise Price $	Expiry Date
112,025,001	0.02	31 December 2020
10,000,000	0.03	31 December 2020
20,000,000	0.02	30 June 2021
80,212,500	0.02	20 November 2022

No option holder has any right under the options to participate in any other share issue of the company or any other entity.

A total of 133,875,000 (2019:125,000,001) options were issued during the year, 76,637,500 options were exercised (2019: nil) during the year and no options expired (2019: 60,284,027) during the year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has made an agreement indemnifying all the Directors and officers of the Company against all losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of the Company to the extent permitted by the Corporations Act 2001. The indemnification specifically excludes wilful acts of negligence. The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company, including officers of the Company's controlled entities. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

CORPORATE GOVERNANCE

A copy of Lindian's 2020 Corporate Governance Statement, which provides detailed information about governance, and a copy of Lindian's Appendix 4G which sets out the Company's compliance with the recommendations in the fourth edition of the ASX Corporate Governance Council's Principles and Recommendations is available on the corporate governance section of the Company's website at https://www.lindianresources.com.au/corporate.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

Section 307C of the Corporations Act 2001 requires the Company's auditors to provide the Directors of Lindian Resources Limited with an Independence Declaration in relation to the audit of the full year financial report. A copy of that declaration forms part of this report.

There were no non-audit services provided by the Company's auditor.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Asimwe Kabunga | Executive Chairman
11 September 2020

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2020

	Note	2020 $	2019 $
Revenue			
Interest income		378	719
Other income		58,325	-
Expenses			
Depreciation / immediate asset write-off		(10,704)	(9,693)
Consulting and directors' fees		(137,585)	(195,000)
Share based payments		(336,464)	(28,299)
Impairment of exploration and evaluation assets		(511,876)	-
Exploration and evaluation expenses		(75,853)	(46,412)
Finance costs		(1,954)	(26,314)
Other expenses	4	(846,418)	(460,689)
Loss before income tax		(1,862,151)	(765,688)
Income tax (expense)/benefit	5	-	-
Loss after income tax		(1,862,151)	(765,688)
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		4,310	(2,323)
Other comprehensive loss for the year, net of income tax		4,310	(2,323)
Total comprehensive loss for the year		(1,857,841)	(768,011)
Loss attributable to:			
Owners of Lindian Resources Limited		(1,796,601)	(737,085)
Non-controlling interests		(65,550)	(28,603)
		(1,862,151)	(765,688)
Total comprehensive loss attributable to:			
Owners of Lindian Resources Limited		(1,794,146)	(738,270)
Non-controlling interests		(63,695)	(29,741)
		(1,857,841)	(768,011)
Loss per share attributable to owners of Lindian Resources Limited			
Basic and diluted loss per share (cents per share)	21	(0.35)	(0.21)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2020

	Note	2020 $	2019 $
Current Assets			
Cash and cash equivalents	6	614,098	37,019
Trade and other receivables	7	40,042	6,163
Prepayments	8	18,507	45,636
Total current assets		672,647	88,818
Non-current Assets			
Deferred exploration and evaluation expenditure	9	1,938,156	1,031,706
Property, plant and equipment	10	30,741	41,445
Total non-current assets		1,968,897	1,073,151
Total assets		2,641,544	1,161,969
Current Liabilities			
Trade and other payables	11	104,639	258,853
Unearned income	12	11,665	-
Provisions	13	-	748
Borrowings	14	10,790	165,000
Total current liabilities		127,094	424,601
Net assets		2,514,450	737,368
Equity			
Share capital	15	32,424,788	29,126,329
Reserves	16	9,717,466	9,378,547
Accumulated losses	17	(39,534,368)	(37,737,767)
		2,607,886	767,109
Non-controlling interests		(93,436)	(29,741)
Total equity		2,514,450	737,368

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2020

	Note	2020 $	2019 $
Cashflows from Operating Activities			
Government incentive received		19,950	-
Payments to suppliers and employees		(1,167,218)	(597,680)
Interest received		378	719
Finance costs		(1,954)	(45,914)
Net cash used in operating activities	6	(1,148,844)	(642,875)
Cashflows from Investing Activities			
Payments for exploration expenditure		(1,298,326)	(551,911)
Payments for plant and equipment		-	(3,040)
Net cash used in investing activities		(1,298,326)	(554,951)
Cashflows from Financing Activities			
Proceeds from issue of shares		3,152,750	1,500,000
Proceeds from borrowings	14	35,966	174,139
Repayment of borrowings	14	(25,176)	(349,139)
Share issue costs		(139,291)	(94,584)
Net cash from financing activities		3,024,249	1,230,416
Net increase/(decrease) in cash held		577,079	32,590
Cash and cash equivalents at beginning of period		37,019	4,429
Cash and cash equivalents as at year end	6	614,098	37,019

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2020

	Share capital $	Accumulated losses $	Option reserve $	Share-based payment reserve $	Foreign currency translation reserve $	Attributable to the owners of Lindian Resources $	Non-controlling interests $	Total equity $
At 1 July 2018	27,492,524	(37,000,682)	4,106,626	4,861,778	-	(539,754)	-	(539,754)
Loss for the year	-	(737,085)	-	-	-	(737,085)	(28,603)	(765,688)
Other comprehensive loss	-	-	-	-	(1,185)	(1,185)	(1,138)	(2,323)
Total comprehensive loss	-	(737,085)	-	-	(1,185)	(738,270)	(29,741)	(768,011)
Transactions with owners in their capacity as owners								
Shares issued	1,890,000	-	-	-	-	1,890,000	-	1,890,000
Cost of share issue	(256,195)	-	-	-	-	(256,195)	-	(256,195)
Share based payments	-	-	-	28,299	-	28,299	-	28,299
Options issued	-	-	-	383,029	-	383,029	-	383,029
At 30 June 2019	29,126,329	(37,737,767)	4,106,626	5,273,106	(1,185)	767,109	(29,741)	737,368
At 1 July 2019	29,126,329	(37,737,767)	4,106,626	5,273,106	(1,185)	767,109	(29,741)	737,368
Loss for the year	-	(1,796,601)	-	-	-	(1,796,601)	(65,550)	(1,862,151)
Other comprehensive loss	-	-	-	-	2,455	2,455	1,855	4,310
Total comprehensive loss	-	(1,796,601)	-	-	2,455	(1,794,146)	(63,695)	(1,857,841)
Transactions with owners in their capacity as owners								
Shares issued	3,437,750	-	-	-	-	3,437,750	-	3,437,750
Cost of share issue	(139,291)	-	-	-	-	(139,291)	-	(139,291)
Share based payments	-	-	-	336,464	-	336,464	-	336,464
At 30 June 2020	32,424,788	(39,534,368)	4,106,626	5,609,570	1,270	2,607,886	(93,436)	2,514,450

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1. Corporate Information

The financial report of Lindian Resources Limited ("Lindian Resources" or "the Company") and its controlled entities ("the Group") for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of the Directors 11 September 2020.

Lindian Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

2. Summary of Significant Accounting Policies

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The presentation currency is Australian dollars.

Going Concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group incurred a net loss after tax for the year ended 30 June 2020 of $1,862,151 and experienced net cash outflows from operating activities of $1,148,844. At 30 June 2020, the cash and cash equivalents balance was $614,098.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Company raising capital from equity and debt markets as completed during the year and subsequent to the year ended 30 June 2020 and managing cashflow in line with available funds.

The Directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all currently forecasted commitments and working capital requirements for the 12 month period from the date of signing this financial report.

During the year the Company raised $3,152,750 from equity markets and the exercise of options (before costs) The Company may need to raise further capital in order to fund future exploration programs.

Based on the cash flow forecasts, and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the Directors are confident of the Company's ability to raise additional funds as and when they are required, should the need arise.

However, if the Group is not successful in securing sufficient funds through capital raising or exercise of options, there is a material uncertainty that may cast significant doubt on whether the Group is able to continue as a going concern and as to whether the Group will be able to realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

(b) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 28.

(c) Compliance statement

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

(d) Adoption of new and revised standards

Standards and Interpretations applicable to 30 June 2020

In the year ended 30 June 2020, the Directors have reviewed all new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. Those which are relevant to the Group are set out below.

AASB 16 Leases supersedes AASB 117 Leases.

The Group has adopted AASB 16 from 1 July 2019 which has resulted in changes in the classification, measurement and recognition of leases. The changes result in almost all leases where the Group is the lessee being recognised in the Statement of Financial Position and removes the former distinction between `operating' and `finance' leases. The new standard requires recognition of a right-of-use asset (the leased item) and a financial liability (to pay rentals). The exceptions are short-term leases and leases of low value assets.

The Group has adopted AASB 16 using the modified retrospective approach under which the reclassifications and the adjustments arising from the new leasing rules are recognised in the opening Condensed Statement of Financial Position on 1 July 2019. Under this approach, there is no initial impact on accumulated losses, and comparatives have not been restated.

Impact on adoption of AASB 16

All Group leases have a term of less than 12 months or relate to low value assets and the Group has applied the optional exemptions to not capitalise these leases and instead account for the lease expense on a straight-line basis over the lease term.

The Company has no such lease arrangements that require recognition under AASB 16 and therefore, the adoption of AASB 16 resulted in the recognition of right-of-use assets of $nil and lease liabilities of $nil in respect of all operating leases. The net impact on accumulated losses on 1 July 2019 was $nil.

(e) Basis of consolidation

The consolidated financial statements comprise the financial statements of Lindian Resources Limited and its subsidiaries as at 30 June each year (‘the Company’).

Subsidiaries are all those entities (including special purpose entities) over which the Company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-company transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and cease to be consolidated from the date on which control is transferred out of the Company.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired, and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition.

A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

(f) Foreign currency translation

Functional and presentation currency
Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional and presentation currency of Lindian Resources Limited is Australian Dollars. The functional currency of the Tanzanian subsidiary is Tanzanian shilling and the functional currency of the Cameroonian subsidiary is Central African Franc.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Group entities
The results and financial position of all the Company entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to foreign currency translation reserve.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in profit or loss, as part of the gain or loss on sale where applicable.

(g) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in the statement of comprehensive income.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(h) Deferred exploration and evaluation expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Exploration and evaluation expenditure for each area of interest is carried forward as an asset provided that one of the following conditions is met:

- such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing.

Expenditure which fails to meet the conditions outlined above is written off. Furthermore, the Directors regularly review the carrying value of exploration and evaluation expenditure and make write downs if the values are not expected to be recoverable.

Identifiable exploration assets acquired are recognised as assets at their cost of acquisition, as determined by the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources. Exploration assets acquired are reassessed on a regular basis and these costs are carried forward provided that at least one of the conditions referred to in AASB 6 is met.

Exploration and evaluation expenditure incurred subsequent to acquisition in respect of an exploration asset acquired, is accounted for in accordance with the policy outlined above for exploration expenditure incurred by or on behalf of the entity.

Acquired exploration assets are not written down below acquisition cost until such time as the acquisition cost is not expected to be recovered.

When an area of interest is abandoned, any expenditure carried forward in respect of that area is written off.

Expenditure is not carried forward in respect of any area of interest/mineral resource unless the Group's rights of tenure to that area of interest are current.

(i) Trade and other receivables

Trade receivables, which generally have 30 – 90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

The Group measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade and other receivables are estimated with reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current and the forecast direction of conditions at the reporting date.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery; for example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

Bad debts are written off when identified.

(j) Cash and cash equivalents

Cash and cash equivalent in the statement of financial position include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as current liabilities in the statement of financial position. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as described above and bank overdrafts.

(k) Property, plant & equipment

Each asset of property, plant and equipment is carried at cost, less where applicable, any accumulated depreciation and impairment losses. Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Plant and equipment
Plant and Equipment is shown at cost less subsequent depreciation for plant and equipment.

Depreciation
Items of plant and equipment are depreciated using the diminishing value method over their estimated useful lives to the consolidated entity. The depreciation rates used for this class of asset for the current period is as follows:

- Plant and Equipment 20%

Assets are depreciated from the date the asset is ready for use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the assets continual use or subsequent disposal. The expected cash flows have been discounted to their present value in determining the recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the consolidated statement of profit or loss and other comprehensive income. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(m) Trade and other payables

Liabilities for trade creditors and other amounts are measured at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received that are unpaid, whether or not billed to the Group.

(n) Income tax

Deferred income tax is provided for on all temporary differences at balance date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

No deferred income tax will be recognised from the initial recognition of goodwill or of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

No deferred income tax will be recognised in respect of temporary differences associated with investments in subsidiaries if the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the near future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is charged or credited in the statement of comprehensive income except where it relates to items that may be charged or credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance date and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The carrying amount of deferred tax assets is reviewed at each balance date and only recognised to the extent that sufficient future assessable income is expected to be obtained.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(o) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(p) Revenue

Revenue is recognised to the extent that control of the goods or services has passed and it is probable that the economic benefits will flow to the Group and the revenue is capable of being reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(q) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Lindian Resources Limited.

(r) Earnings per share

Basic earnings/loss per share

Basic earnings/loss per share is calculated by dividing the profit or loss attributable to equity holders of the Company, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares, adjusted for any bonus elements.

Diluted earnings/loss per share

Diluted earnings/loss per share is calculated as net profit or loss attributable to members of the Company, adjusted for:

- the costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus elements.

(s) Goods and services tax (“GST”)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(t) Share based payment transactions

The Group provides benefits to individuals acting as, and providing services similar to employees (including Directors) of the Group in the form of share based payment transactions, whereby individuals render services in exchange for shares or rights over shares (“Equity Settled Transactions”).

There is currently an Employee Share Option Plan (ESOP) in place, which provides benefits to Directors and individuals providing services similar to those provided by an employee.

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Black Scholes formula, taking into account the terms and conditions upon which the instruments were granted.

In valuing equity settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Lindian Resources Limited ("Market Conditions").

The cost of the equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("Vesting date").

The cumulative expense recognised for equity settled transactions at each reporting date until Vesting Date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of the period. No expense is recognised for awards that do not vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The cost of equity-settled transactions with non-employees is measured by reference to the fair value of goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted.

(u) Comparative figures

When required by Accounting Standards, comparatives have been adjusted to conform to changes in presentation for the current financial year.

(v) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(w) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Capitalised exploration and evaluation expenditure
The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made. In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

Share based payment transactions
The Group measures the cost of equity settled transactions with employees or external parties subject to certain criteria, by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black Scholes formula, taking into account the terms and conditions upon which the instruments were granted.

(x) Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date. Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

3. Segment Information

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

For management purposes, the Group is organised into one main operating segment, being exploration of mineral projects and in four geographical areas, being Tanzania (gold and bauxite), Guinea (bauxite), Malawi (rare earths elements) and Australia (corporate office).

30 June 2020	Tanzania $	Guinea $	Malawi $	Australia $	Total $
Revenue					
Interest income	-	-	-	378	378
Other income	-	-	-	58,325	58,325
Total segment revenue	-	-	-	58,703	58,703
Expenditure					
Depreciation expense	7,712	-	-	2,992	10,704
Impairment of exploration and evaluation assets	511,876	-	-	-	511,876
Exploration and evaluation expenses	-	75,853	-	-	75,853
Finance costs	-	-	-	1,954	1,954
Other expenses	39,621	-	-	1,280,846	1,320,467
Total segment expenditure	559,209	75,853	-	1,285,792	1,920,854
Loss before income tax	(559,209)	(75,853)	-	(1,227,089)	(1,862,151)
SEGMENT ASSETS					
Segment operating assets	57,243	1,292,104	646,045	646,152	2,641,544
Total segment assets	57,243	1,292,104	646,045	646,152	2,641,544
SEGMENT LIABILITIES					
Segment operating liabilities	6,292	-	-	120,802	127,094
Total segment liabilities	6,292	-	-	120,802	127,094
Movement in non-current assets	(453,756)	1,292,104	60,389	(2,991)	895,746

30 June 2019	Tanzania $	Guinea $	Malawi $	Australia $	Total $
Revenue					
Corporate interest revenue	-	-	-	719	719
Total segment revenue	-	-	-	719	719
Expenditure					
Depreciation expense	9,646	-	-	47	9,693
Impairment of exploration and evaluation assets	-	-	-	-	-
Exploration and evaluation expenses	-	46,412	-	-	46,412
Finance costs	-	-	-	26,314	26,314
Other expenses	-	-	-	683,988	683,988
Total segment expenditure	9,646	46,412	-	710,349	766,407
Loss before income tax	(9,646)	(46,412)	-	(709,630)	(765,688)
SEGMENT ASSETS					
Segment operating assets	484,503	-	585,656	91,810	1,161,969
Total segment assets	484,503	-	585,656	91,810	1,161,969

30 June 2019	Tanzania $	Guinea $	Malawi $	Australia $	Total $
SEGMENT LIABILITIES					
Segment operating liabilities	68,192	5,040	-	351,369	424,601
Total segment liabilities	68,192	5,040	-	351,369	424,601
Movement in non-current assets	446,050	-	585,656	3,039	1,034,745

4. Other Expenses

	2020 $	2019 $
Accounting, audit and tax fees	118,496	109,215
Insurance	33,152	22,916
Legal fees	10,821	46,402
Listing and share registry costs	38,644	41,416
Travel	37,120	-
Marketing and corporate advisor fees	210,649	218,302
Salary and superannuation	270,283	12,291
Other	127,253	10,147
Total other expenses	846,418	460,689

5. Income Tax

Income tax expense

	2020 $	2019 $
Major component of tax expense/(benefit) for the year:		
Current tax	-	-
Deferred tax	-	-
	-	-

Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate.

	2020 $	2019 $
A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable tax rate is as follows:		
Total loss before income tax expense	(1,862,151)	(765,688)

	2020 $	2019 $
Tax at the group rate of 30% (2019: 30%)	(558,646)	(229,706)
Non-deductible expenses	116,776	67,423
Non-assessable income	(17,498)	-
Movement in unrecognised temporary differences	117,157	(2,209)
Debt equity raising costs	(18,703)	(6,437)
Adjustment in respect of prior years	402	-
Income tax benefit not brought to account	360,512	170,929
Income tax benefit	-	-
Unrecognised deferred tax balances:		
The following deferred tax assets and liabilities have not been brought to account:		
Deferred tax assets		
Losses available for offset against future taxable income - revenue	4,425,116	4,064,604
Other deferred tax balances	662,265	614,597
	5,087,381	4,679,201

The benefit for tax losses will only be obtained if:

(i) the Group derives future assessable income in Australia of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
(ii) the Group continues to comply with the conditions for deductibility imposed by tax legislation in Australia; and
(iii) no changes in tax legislation in Australia, adversely affect the Group in realising the benefit from the deductions for the losses

6. Cash and Cash Equivalents

	2020 $	2019 $
Reconciliation of operating loss after tax to the net cash flows from operations:		
Loss after tax	(1,862,151)	(765,688)
Non-cash items		
Depreciation and impairment charges	10,704	9,693
Foreign currency (gain)/loss	4,311	1,073
Share based payments	336,464	158,837
Impairment of exploration and evaluation assets	511,876	-
Change in assets and liabilities		
Trade and other receivables	(5,750)	(42,559)
Trade and other payables	(143,549)	(4,979)
Provisions	(749)	748
Net cash outflow from operating activities	(1,148,844)	(642,875)

	2020 $	2019 $
Reconciliation of cash:		
Cash at bank	614,098	37,019
	614,098	37,019

Cash at bank earns interest at floating rates based on daily bank deposit rates.

7. Trade and Other Receivables - Current

	2020 $	2019 $
GST receivable	14,355	6,163
Other receivable	25,687	-
	40,042	6,163

Goods and services tax is non-interest bearing and generally receivable on 30 day terms. They are neither past due nor impaired. The amount is fully collectible. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

8. Prepayments

	2020 $	2019 $
Prepaid expenditure	18,507	45,636
	18,507	45,636

9. Deferred Exploration and Evaluation Expenditure

	2020 $	2019 $
Exploration and evaluation phase – at cost		
At beginning of the year	1,031,706	-
Exploration expenditure during the year settled by cash	1,298,326	550,827
Exploration expenditure during the year settled by issue of shares and options (refer to Note 27)	120,000	280,879
Proposed issue of shares for acquisition of Batan Australia Pty Ltd (refer to Note 15)	-	200,000
Impairment expense[1]	(511,876)	-
Total exploration and evaluation	1,938,156	1,031,706

The deferred exploration and evaluation expenditure consists of expenditure on the Group's Kangankunde Rare Earths Project in Malawi and the Gaoual Bauxite Project in Guinea. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of respective areas. The ongoing legal issues with Michael Saner and Rift Valley Resources outlined in Note 31 gives rise to a material uncertainty on the recoverability of the Kangankunde Rare Earths Project in Malawi.

1. The impairment expense in the year ended 30 June 2020 of $511,876 relates to the expenditure on the Groups Lushoto Bauxite Project in Tanzania.

10. Plant and Equipment

	2020 $	2019 $
Plant and equipment – at cost	55,000	58,039
Accumulated depreciation	(24,259)	(16,594)
Net book amount	30,741	41,445
Balance at the beginning of the year	41,445	48,099
Acquisitions	-	3,039
Immediate write-off	(3,039)	-
Depreciation expense	(7,665)	(9,693)
Balance at the end of the year	30,741	41,445

11. Trade and Other Payables

	2020 $	2019 $
Trade payables and accruals	104,639	258,853
	104,639	258,853

Trade creditors, other creditors and goods and services tax are non-interest bearing and generally payable on 30-day terms. Due to the short-term nature of these payable, their carrying value is assumed to approximate their fair value.

12. Unearned Income

	2020 $	2019 $
Cashflow boost	11,665	-
	11,665	-

Unearned income consists of the July component of the cashflow boost included on the June 2020 Business Activity Statement. The cashflow boost is a temporary injection of capital from the Australian Government to support small land medium businesses during the economic downturn associated with COVID-19.

13. Provisions

	2020 $	2019 $
Employee entitlements	-	748
	-	748

14. Borrowings

	2020 $	2019 $
Short term debt		
Balance at the beginning of the year	165,000	357,500
Drawdown of loan facility	-	174,139
Finance charges	-	17,414
Drawdown on Insurance Premium Funding	38,757	-
Interest Insurance Premium Funding	(2,791)	-
Repayment of borrowings	(175,176)	(349,139)
Repayment of finance charges	(15,000)	(34,914)
Balance at the end of the year	10,790	165,000

Reconciliation of changes in liabilities from financing activities

	2020 $	2019 $
Balance at the beginning of the year	165,000	357,500
Non-cash repayment of debt	(165,000)	(17,500)
Changes in liabilities from operating activities		
Finance costs	-	(17,500)
Changes in liabilities from financing activities		
Proceeds from borrowings	35,966	174,139
Repayment of borrowings	(25,176)	(349,139)
Balance at the end of the year	10,790	165,000

On 1 April 2019 the Company announced that it had entered into an unsecured $1M loan facility with Rose Lawn Limited for a 12-month term. The lender is entitled to a 6% fee payable upon receipt of each draw down and 110% of the loan amount is repayable on maturity. During the year ended 30 June 2019 $150,000 was drawn under this facility and on 2 August 2019 was repaid by way of a share issue.

On 3 December 2019 the Company entered into an Insurance Premium Funding Agreement with IQumulate Premium Funding for a principal balance of $35,966, interest is charged at a flat rate of 7.7607% on the funded amount and payments are made in equal instalments over a 10 month period.

15. Share Capital

a) Share capital

	2020 $	2019 $
Ordinary shares fully paid	32,424,788	29,126,329
	32,424,788	29,126,329

b) Movement in shares on issue

	2020 number	2020 $	2019 number	2019 $
Balance at the beginning of the year	377,812,124	29,126,329	267,812,123	27,492,524
Shares issued – placement August 2019	70,937,500	1,135,000	100,000,000	1,500,000
Shares issued – placement November 2019	31,250,000	500,000	-	-
Shares issued – part consideration for introduction of the Kangankunde Rare Earths Project (refer note 27)	-	-	6,666,667	113,333
Shares issued – corporate advisor (refer note 27)	-	-	3,333,334	76,667
Issue of shares for acquisition of Batan Australia Pty Ltd (i)	10,000,000	-	-	200,000
Issue of share in settlement of short-term debt	10,312,500	165,000	-	-
Issue of shares as part consideration for the Guinea Bauxite Acquisition	5,000,000	105,000	-	-
Exercise of options	76,637,500	1,532,750	-	-
Less fundraising costs	-	(139,291)	-	(256,195)
Balance at the end of the year	581,949,624	32,424,788	377,812,124	29,126,329

(i) Shareholder approval was granted to issue of 10,000,000 shares to the vendors of the Lushoto Bauxite Project for the completion of the 51% Stage 1 acquisition of Batan Australia Pty Ltd which in turn owns 100% of East Africa Bauxite Limited, holder of the Lushoto and Pare Bauxite Projects (refer to ASX announcements dated 3 August 2017, 11 January 2018, 8 October 2018 and 20 March 2019 for further detail). The shares to be issued for the Stage 1 acquisition were previously approved by shareholders in November 2018. This approval had expired and accordingly shareholder "re-approval" was sought at the shareholder meeting and the shares were issued on 22 November 2019.

c) Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or proxy, at a meeting of the Company.

d) Capital risk management

The Group's capital comprises share capital, reserves less accumulated losses amounting to a surplus of $2,514,450 at 30 June 2020 (2019: surplus of $737,368). The Group manages its capital to ensure its ability to continue as a going concern and to optimise returns to its shareholders. The Group was geared to the extent indicated in Note 14 at the financial year end and not subject to any externally imposed capital requirements.

e) Share options

At 30 June 2020, there were 222,237,501 unissued ordinary shares under option (2019: 165,000,001 options).

The details of the options are as follows:

Number	Exercise $	Expiry
112,025,001	0.02	31 December 2020
10,000,000	0.03	31 December 2020
20,000,000	0.02	30 June 2021
80,212,500	0.02	20 November 2022

The movement in options is set out below.

	2020 number	2019 number
At beginning of period	165,000,001	100,284,027
Options expired	-	(60,284,027)
Options issued – free attaching options for placement	81,250,000	100,000,000
Options issued – capital raising fee	15,625,000	10,000,000
Options issued – part consideration for introduction of the Kangankunde Rare Earths Project	-	6,666,667
Options issued – MD for Gaoual Bauxite	20,000,000	-
Options issued – corporate advisor services	2,000,000	3,333,334
Options issued – consideration for consultancy fee	5,000,000	5,000,000
Options issued – previous director	10,000,000	-
Options exercised during the period	(76,637,500)	-
At end of period	222,237,501	165,000,001

f) Performance shares

At 30 June 2020, there were 55,000,000 performance shares on issue (2019: 25,000,000 performance shares).

The details of the performance shares are as follows:

Number	Expiry	Vesting conditions
25,000,000 class B	6 December 2020	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 Gold Projects, expiring on 6 December 2020.
12,500,000	24 months after Completion as defined in the 2019 Notice of Annual General Meeting	Conditional on the Company identifying and establishing an initial JORC Code compliant resource containing a minimum of 65million tonnes with an average grade greater than 45% AI203 with less than 5% SI02 reactive silica being defined in relation to the Gaoual Bauxite Project and announced on ASX.
17,500,000	24 months after Completion as defined in the 2019 Notice of Annual General Meeting	Conditional on the Company completing a Preliminary Feasibility Study in relation to the Gaoual Bauxite Project. Each Performance Right converts into 1 share for nil consideration.

The movement in performance shares is set out below. No performance shares vested during the period.

	2020 $	2019 $
At beginning of period – Class A	-	25,000,000
At beginning of period – Class B	25,000,000	25,000,000
Performance shares expired – Class A (expired 6 December 2018)	-	(25,000,000)
Performance shares issued	30,000,000	-
At end of period	55,000,000	25,000,000

As part of the consideration for the acquisition of Tangold Pty Ltd, the Group had previously issued contingent consideration to the Tangold vendors in the form of performance shares.

No value has been assigned to the performance shares as achievement of the vesting conditions has not been deemed probable, at the date of this report.

During the year 12,500,000 Stage 1 Performance Rights and 17,500,000 Stage 2 Performance Rights were issued and will convert on the satisfaction of the following milestones. Each Performance Right converts into 1 share for nil consideration.

- Stage 1 Milestone: The Company identifying and establishing an initial JORC Code compliant resource containing a minimum of 65m tonnes with an average grade greater than 45% Al203 with less than 5% SI02 reactive silica being defined in relation to the Gaoual Bauxite Project and announced on ASX;
- Stage 2 Milestone: The Company completing a Preliminary Feasibility Study in relation to the Gaoual Bauxite Project.

(Both Milestones expire 24 months after Completion of the Guinea Bauxite Agreement).

16. Reserves

	2020 $	2019 $
Share based payments reserve	5,609,570	5,273,106
Option reserve	4,106,626	4,106,626
Foreign currency translation reserve	1,270	(1,185)
	9,717,466	9,378,547

Movement in reserves

Share based payments reserve	2020 $	2019 $
Balance at the beginning of the year	5,273,106	4,861,778
Recognition of share-based payments for options issued for / to		
Capital raising fee	-	161,612
Introduction of the Kangankunde Rare Earths Project	-	107,742
Corporate advisor fees	-	53,871
Consultancy fees	72,702	59,804
Upon resignation of director[1]	-	28,299
Managing Director	231,402	
Exploration Geologist	32,360	-
Balance at the end of the year	5,609,570	5,273,106

The share-based payment reserve is used to record the fair value of options issued.

1. Issue of 10,000,000 options with an exercise price of $0.03 each to expire on 31 December 2020 to former director, Steve Formica. Options were issued in recognition of additional services performed whilst a director.

Option reserve	2020 $	2019 $
Balance at the beginning of the year	4,106,626	4,106,626
Balance at the end of the year	4,106,626	4,106,626

The option reserve is used to record the premium paid on the issue of listed options.

Foreign currency translation reserve	2020 $	2019 $
Balance at the beginning of the year	(1,185)	-
Exchange difference on translation of foreign operation attributable to owners of Lindian Resources Limited	2,455	(1,185)
Balance at the end of the year	1,270	(1,185)

The foreign currency translation reserve is used to record exchange differences arising on translation of foreign controlled entities. The reserve is recognised in profit and loss when the net investment is disposed of.

17. Accumulated Losses

	2020 $	2019 $
At beginning of the year	37,737,767	37,000,682
Loss for the year attributable to owners of Lindian Resources Limited	1,796,601	737,085
Balance at the end of the year	39,534,368	37,737,767

18. Asset Acquisition

During the year ended 30 June 2019 the Group acquired a 51% interest in Batan Australia Pty Ltd ("Batan") pursuant to a Farm-in and Joint Venture Agreement ("the Joint Venture Agreement") dated 20 March 2019. Batan owns 100% of East Africa Bauxite Limited, holder of the tenements for the Lushoto and Pare Bauxite Projects in Tanzania. The Group met the requirement to spend $400,000 on the project tenements to acquire the 51% stage 1 interest. Pursuant to the Agreement and following shareholder approval, the Group issued 10,000,000 shares to the vendors of Batan in consideration for the completion of the 51% stage 1 acquisition of the Lushoto and Pare Bauxite Projects. Details of the fair value of the assets acquired on 20 March 2019 are as follows:

	20 March 2019 $
Purchase Consideration	
Shares consideration and exploration spend	400,000
Total	400,000
Net Assets Acquired	
Deferred exploration and evaluation expenditure	400,000
Total	400,000

The Group is required to spend a further $1,400,000 on the project tenements which includes completion of a bankable Feasibility Study and issue 10 million shares at a deemed issue price of $0.02 each to earn a further 24% interest in Batan (Stage 2 Interest). During the year the Company announced its decision not to pursue the 75% Stage 2 interest and as per the agreement the interest would revert to 49%. Subsequent to this the new management team requested an extension of the notice period by 12 months, to enable a full and considered review of the project prior to any decisions being made. Under the variation Lindian is required to give notice to Batan on or before 31 December 2020 to elect to continue to sole fund the project to acquire the Stage 2

Interest. If the Group does not elect to proceed to acquire the Stage 2 Interest, Lindian's Stage 1 interest will revert to 49%.

19. Non-controlling Interests

As set out in Note 18, there is a 49% non-controlling interest in Batan Australia Pty Ltd.

	2020 $	2019 $
Opening balance	(29,741)	-
Loss allocated to non-controlling interest	(65,550)	(28,603)
Other comprehensive loss allocated to non-controlling interest	1,855	(1,138)
Closing balance	(93,436)	(29,741)

The summarised financial information is as follows:

	2020 $	2019 $
Non-current assets	-	66,340
Total Assets	-	66,340
Current liabilities	500,113	127,036
Total Liabilities	500,113	127,036
Net Assets/(Liabilities)	(500,113)	(60,696)

20. Investments in Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

	Country of Incorporation	2020 %	2019 %
West African Exploration Pty Ltd	Australia	100%	100%
West African Exploration Cameroon Pty Ltd	Cameroon	100%	100%
Tangold Pty Ltd	Australia	100%	100%
Hapa Gold Limited	Tanzania	100%	100%
Batan Australia Pty Ltd	Australia	51%	51%[1]
East Africa Bauxite Limited	Tanzania	51%	51%[1]

[1] Refer to note 18 for details of the acquisition of the subsidiaries.

21. Loss per Share

	2020 $	2019 $
Loss attributable to owners of Lindian Resources Limited used in calculating basic and dilutive EPS	(1,796,601)	(737,085)

	2020 number	2019 number
Weighted average number of ordinary shares used in calculating basic and diluted earnings / (loss) per share (*):	518,611,524	358,076,964

* There is no impact from the 222,237,501 options outstanding at 30 June 2020 (2019: 165,000,001 options) on the loss per share calculation because they are antidilutive. These options could potentially dilute basic EPS in the future. There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

22. Expenditure Commitments

Exploration commitments contracted for at reporting date but not recognised as liabilities are as follows:

	2020 $	2019 $
Within one year	378,497	466,667
After one year but not longer than 5 years	1,400,000	933,333
	1,778,497	1,400,000

See Note 18 for detail on expenditure commitments relating to Batan Australia Pty Ltd and the Tanzania bauxite assets.

23. Auditor's Remuneration

The auditor of Lindian Resources Limited is HLB Mann Judd (2019: HLB Mann Judd).

	2020 $	2019 $
Amounts received or due and receivable by the auditor for :		
an audit or review of the financial report of the entity and any other entity in the Group	31,948	24,180
	31,948	24,180

24. Key Management Personnel Disclosures

The aggregate compensation made to Directors and other Key Management Personnel of the Group is set out below:

	2020 $	2019 $
Short term employee benefits	414,480	296,290
Share based payments	231,402	28,299
Post-employment benefits (superannuation)	21,850	1,001
Total remuneration	667,732	325,590

The Group has liabilities of $30,343 for unpaid Key Management Personnel remuneration at 30 June 2020 (2019: $120,000).

25. Related Party Disclosures

The ultimate parent entity is Lindian Resources Limited. Refer to note 20 for list of all subsidiaries within the Group. There were no other related party transactions to report on for the period.

As part of Mr Green's commencement package, the Company issued to Mr Green (or nominee), 20,000,000 unlisted options exercisable in accordance with the milestones below at $0.02 on or before 30 June 2021 ("Executive Options"):

Milestones:

a) 10,000,000 Executive Options exercisable upon the Company receiving shareholder approval at the shareholder meeting for the purpose of proceeding with the Gaoual Bauxite Project in Guinea on similar terms to those set out in the Company's ASX announcement dated 10 April 2019; and
b) 10,000,000 Executive Options exercisable upon close of trade the date the Company achieves a 10 day VWAP share price of $0.03 or above.

As disclosed in Note 27, 10,000,000 options with an exercise price of $0.03 each to expire on 31 December 2020 were issued to former director, Steve Formica. The options were issued in recognition of additional services performed whilst a director. Shareholder approval was granted at the Annual General Meeting held on 15 November 2019.

Lindian announced on 10 April 2019 that it had signed an exclusive option agreement with KB Bauxite Guinea SARLU ("KB") and its sole shareholder Guinea Bauxite Pty Ltd ("GB") to acquire the Gaoual Bauxite Project (approximately 332km^2 in Guinea) ("Project") which is wholly owned by KB. KB and GB are related parties of Lindian Chairman, Mr Asimwe Kabunga, and as such, the Company will need to comply with the relevant provisions of both the Corporations Act and the ASX Listing Rules and accordingly shareholder approval will be sought to proceed with the option to earn up to 75% of the Project.

On 6 August 2019 the company issued 937,500 shares at $0.016 for a total of $15,000 to Leticia Kabunga for services provided in respect of the Tanzanian bauxite project.

26. Financial Risk Management

Exposure to interest rate, liquidity, and credit risk arises in the normal course of the Group's business. The Group does not hold or use derivative financial instruments. The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	2020 $	2019 $
Financial Assets		
Cash and cash equivalents	614,098	37,019
Trade and other receivables	40,042	6,163
Financial Liabilities		
Trade and other payables	104,639	258,853
Unearned income	11,665	-
Short term debt	10,790	165,000

The fair value of financial assets and liabilities at balance date approximate their carrying values.

Financial Risk Management Policies

The board's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of future cash flow requirements.

Specific Financial Risk Exposure and Management

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk.

a) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments. The responsibility for liquidity risk management rests with the Board of Directors.

Alternatives for sourcing the Group's future capital needs include the cash position and the issue of equity instruments. These alternatives are evaluated to determine the optimal mix of capital resources for our capital needs. We expect that, absent a material adverse change in a combination of our sources of liquidity, present levels of liquidity along with future capital raisings will be adequate to meet our expected capital needs.

Maturity analysis for financial liabilities

Financial liabilities of the Group comprise trade and other payables and borrowings. At 30 June 2020, all trade and other payables and borrowings are expected to contractually mature within 30 days.

b) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.

The Group's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash and term deposits. The Group manages the risk by investing in short term deposits.

	2020 $	2019 $
Cash and cash equivalents	614,098	37,019

At balance date the Group's exposure to interest rate risk is not material.

c) Credit Risk Exposures

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's maximum credit exposure is the carrying amounts on the statement of financial position. The Group holds financial instruments with credit worthy third parties.

At 30 June 2020, the Group held cash at bank. These were held with a financial institution with a rating from Standard & Poors of AA or above (long term). The Group has no past due or impaired debtors as at 30 June 2020.

d) Foreign Currency Risk Exposures

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. The foreign currency risk is not material.

27. Share Based Payments

a) Recognised share based payment transactions

Share based payment transactions recognised either as operating expenses in the statement of comprehensive income, capital raising expenses in equity or exploration expenditure on the statement of financial position as follows:

	2020 $	2019 $
Operating expenses		
Share based payment[1,8,12]	263,762	28,299
Other Expenses – corporate advisor services[2,3,9]	72,702	130,538
	336,464	158,837
Exploration expenditure		
Part consideration for introduction of the Kangankunde Rare Earths Project[4,5]	-	221,075
Part consideration for the Gaoual Bauxite Project Guinea[10]	105,000	-
Consideration for consultancy fee[6,13]	15,000	59,804
	120,000	280,879
Borrowings		
Repayment of short term borrowings[11]	165,000	-
	165,000	-
	621,464	439,176
Equity		
Issued capital[3,4,10,11]	285,000	190,000
Share issue expenses[7]	-	(161,612)
Share-based payments reserve[1,2,5,6,7,8,9]	336,464	411,328
	621,464	439,716

1. The issue of 10,000,000 options with an exercise price of $0.03 each to expire on 31 December 2020 to former director, Steve Formica. Options were issued in recognition of additional services performed whilst a director.
2. On 5 October 2018, the Group issued 3,333,334 unlisted options exercisable at $0.02 on or before 31 December 2020 pursuant to a corporate advisor mandate.
3. On 5 October 2018, the Group issued 3,333,334 fully paid ordinary shares pursuant to a corporate advisor mandate. The shares were valued using the closing share price on the last trading day prior to the issue date of $0.023 per share.
4. On 14 August 2018, the Group issued 6,666,667 fully paid ordinary shares as part consideration for the introduction of the Kangankunde Rare Earths Project. The shares were valued using the closing share price on the issue date of $0.017 per share.
5. On 5 October 2018, the Group issued 6,666,667 unlisted options exercisable at $0.02 on or before 31 December 2020 as part consideration for the introduction of the Kangankunde Rare Earths Project.
6. On 23 October 2018, the Group issued 5,000,000 unlisted options exercisable at $0.02 on or before 31 December 2020 pursuant to a consultancy agreement. 2,500,000 options are subject to a vesting condition that the 5 day volume weighted average price of shares as traded on ASX after the date of issue of the Options is not less than $0.04.
7. On 5 October 2018, the Group issued 10,000,000 unlisted options exercisable at $0.02 on or before 31 December 2020 pursuant to a capital raising mandate.
8. As part of the terms of Mr Green's commencement package, the Company issued to Mr Green 20,000,000 unlisted options Executive Options (refer to Note 25) (a).
9. On 21 November 2019, the Group issued 5,000,000 fully unlisted options exercisable at $0.02 on or before 20 November 2022 to Baker Young as announced in the Notice to Annual General Meeting for 2019 (c).

10. On 21 November 2019 the Company issued of 5 million shares as part consideration of the acquisition of the Guinea Bauxite Project. 4.25 million shares to Kabunga Holdings Pty Ltd and 750 thousand shares to Mr. Kaba.
11. On 2 August 2019, 10,312,500 shares at $0.16 per share were issued to settle $150,000 in respect of the Rose Lawn facility including interest of $15,000 due to the terms of the facility which required 110% of the amount drawn to be repaid. Refer to Note 14.
12. On 21 November 2019, the Group issued 2,000,000 unlisted options exercisable at $0.02 on or before 20 November 2022 to the Company's geological consultant in Africa (b).
13. On 6 August 2019, the Company issued 937,500 shares at $0.016 for a total of $15,000 to Leticia Kabunga for services provided in respect of the Tanzanian bauxite project.

Fair value of options issued or proposed to be issued during the period calculated using the Black-Scholes option pricing model applying the following inputs:

	(a)	(b)	(c)
Valuation date	15 Nov 19	20 Nov 19	21 Nov 19
Valuation date fair value	$0.0116	$0.0162	$0.0145
Valuation date share price	$0.021	$0.023	$0.021
Exercise price	$0.020	$0.020	$0.020
Expected volatility	115.1%	114.4%	115.1%
Option life	1.6 years	3 years	3 years
Expiry date	30 Jun 21	20 Nov 22	20 Nov 22
Risk-free interest rate	0.78%	0.72%	0.75%

Details of the options on issue during the years ended 30 June 2020 and 30 June 2019 are set out below:

Grant Date	Expiry Date	Fair Value at Valuation Date	Exercise Price	Number at 30 June 2019	Number vested / exercisable at 30 June 2019	Number at 30 June 2020	Number vested / exercisable at 30 June 2020
05 Oct 18	31 Dec 20	$0.0162	$0.02	20,000,001	20,000,001	20,000,001	20,000,001
23 Oct 18	31 Dec 20	$0.0120	$0.02	5,000,000	2,500,000	5,000,000	5,000,000
15 Nov 19	30 Jun 21	$0.0116	$0.02	-	-	20,000,000	20,000,000
20 Nov 19	20 Nov 22	$0.0162	$0.02	-	-	2,000,000	2,000,000
21 Nov 19	20 Nov 22	$0.0145	$0.02	-	-	5,000,000	5,000,000
Total				25,000,001	22,500,001	52,000,001	52,500,001

The movement in options on issue during the current and previous year is reconciled as follows:

	Options number	Weighted Average Exercise Price $	Weighted Average Fair Value $	Weighted Average Contractual Life days
Options outstanding at 30 June 2018	-	-	-	-
Issued during the year	25,000,001	$0.020	$0.0154	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Options outstanding at 30 June 2019	25,000,001	$0.020	-	550
Issued during the year	27,000,000	$0.020	$0.0125	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Options outstanding at 30 June 2020	52,000,001	$0.020	-	346

28. Parent Entity Information

The following details relate to the parent entity, Lindian Resources Limited, as at 30 June 2020. The information presented here has been prepared using consistent accounting policies as presented in Note 2.

	2020 $	2019 $
Current assets	657,951	88,818
Non-current assets	1,968,890	1,073,151
Total assets	2,626,841	1,161,969
Current liabilities	119,801	424,601
Total liabilities	119,801	424,601
Net assets/(liabilities)	2,507,040	737,368
Issued capital	32,424,788	29,126,329
Reserves	9,716,196	9,379,732
Accumulated losses	(39,633,944)	(37,768,693)
Total equity	2,507,040	737,368
Loss for the year	(1,925,948)	(768,011)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(1,925,948)	(768,011)

Guarantees
Lindian Resources Limited has not entered into any guarantees in relation to the debts of its subsidiary.

Other Commitments and Contingencies
Refer to Note 22 and Note 31 for details of the parent company's commitments and contingent liabilities.

29. Dividends

No dividend was paid or declared by the Group in the period since the end of the financial year and up to the date of this report. The Directors do not recommend that any amount be paid by way of dividend for the financial year ended 30 June 2020. The balance of the franking account is nil as at 30 June 2020 (2019: Nil).

30. Events Subsequent to Balance Date

On 8 July 2020, the Company announced that a notice of appeal had been filed in respect of the exclusive option agreement for the Kangankunde Rare Earths Project in Malawi. After receiving the record, the Supreme Court of Appeal will set a date for hearing the arguments of both parties and will then make its judgement. A further update to market will be made at that time.

On 15 July 2020, the Company announced a maiden resource for the Bouba Plateaux at the Company's Gaoual Project in Guinea. A total JORC compliant Indicated Resource of 102M at 49.8% Al2O3 has been defined using a cut-off of 40% Al2O3. The Resource includes high grade areas with 84Mt at 51.2% Al2O3 using a higher cut-off of 45% Al2O3.

On 24 July 2020, the Company announced receipt of an offer to settle out of court in respect of the exclusive option agreement for the Kangankunde Rare Earths Project in Malawi. The Company is reviewing the offer and will discuss with legal counsel before taking action.

On 29 July 2020, the Company announced the appointment of Yves Occello as Non-Executive Director.

On 10 August 2020, the Company announced the appointment of Danny Keating to the role of Chief Executive Officer.

31. Contingent Consideration

Kangankunde Rare Earths Project

Lindian has previously announced the commencement of legal action in Malawi in respect of an exclusive option agreement (the "Exclusive Option Agreement") ("Agreement") entered into with Michael Saner ("Saner") and Rift Valley Resource Developments Limited ("RVR") regarding the Kangankunde Rare Earths Project in Malawi ("Project").

The Company obtained an injunction from the High Court of Malawi in November 2018 to prevent Michael Saner and Rift Valley dealing with the Kangankunde Rare Earths Project and or the shares in Rift Valley, as well as commenced legal proceedings seeking specific performance/damages.

During the year the High Court of Malawi hearing was held in accordance with the scheduled dates of 4-5 November 2019, the Company then filed the closing submissions in accordance with the 21-day maximum timeframe from 5th November 2019. The closing submission is an analysis of the evidence tendered in court considering the applicable law from 5th November 2019.

On 7 May 2020, the Company announced that the High Court of Malawi had not ruled in favour of its legal action in respect of the Exclusive Option Agreement for the Kangankunde Rare Earths Project in Malawi.

The Company had six weeks from the date of the judgment to file an appeal. On 8 July 2020, the Company announced that a notice of appeal had been filed in respect of the Exclusive Option Agreement for the Kangankunde Rare Earths Project in Malawi. The Supreme Court of Appeal will set a date for hearing the arguments of both parties and will then make its judgement.

Subsequent to the lodgement of the appeal, the Company received an offer to settle out of court, the details of which were included in the announcement released on 24 July 2020.

The Company maintains that it has a strong legal position and will pursue all legal avenues available to it. Legal costs to date have been kept to a minimum and pursuit of the claim will not be a significant drain on the Company's ongoing cash requirements.

Directors' Declaration

In accordance with a resolution of the Directors of Lindian Resources Limited, I state that:

1). In the opinion of the Directors:

(a) the financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the financial position of the Group as at 30 June 2020 and of its performance, for the year ended on that date; and

(ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(c) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(c).

2). This declaration has been made after receiving the declarations required to be made by the director in accordance with sections 295A of the *Corporations Act 2001* for the year ended 30 June 2020.

On behalf of the board

Asimwe Kabunga | Chairman
11 September 2020

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Lindian Resources Limited for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
11 September 2020

N G Neill
Partner

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REPORT
To the members of Lindian Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Lindian Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of matter - material uncertainty related to carrying value of exploration expenditure

We also draw attention to Note 9 in the financial report, which indicates a material uncertainty in relation to the recoverability of the Group's capitalised exploration expenditure in relation to the Kangankunde Rare Earths Project in Malawi. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* we have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Deferred exploration and evaluation expenditure Note 9	
In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group capitalises acquisition costs of rights to explore as well as subsequent exploration and evaluation expenditure and applies the cost model after recognition. Our audit focussed on the Group's assessment of the carrying value of the capitalised exploration and evaluation expenditure. We considered this to be a key audit matter because this is one of the significant assets of the Group. There is a risk that the capitalised expenditure no longer meets the recognition criteria of the standard. In addition, we considered is necessary to assess whether facts and circumstances existed to suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. Additionally, the Group has commenced legal action in Malawi in respect of an exclusive option agreement entered into with Michael Saner ("Saner") and Rift Valley Resources Developments Limited ("RVR") to earn up to 75% interest in the Kangankunde Rare Earths Project in Malawi ("Project"). The carrying value of this project at balance date is $646,045. The Group obtained an injunction from the High Court of Malawi in November 2018 to prevent RVR or Saner from dealing with the Project and/or shares in RVR. In May 2020, the High Court had ruled in favour of Saner and RVR and the Group has lodged an appeal in July 2020.	Our procedures included but were not limited to the following: • We obtained an understanding of the key processes associated with management's review of the exploration and evaluation asset carrying values; • We substantiated a sample of exploration expenditures; • We considered the Director' assessment of potential indicators of impairment; • We obtained evidence that the Group has current rights to tenures of its area of interest; • We enquired about the current status of the legal action in Malawi; • We examined the exploration budget and discussed with management the nature of planned ongoing activities; and • We examined the disclosures made in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Lindian Resources Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
11 September 2020

Norman Glad

N G Neill
Partner

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current at 4 September 2020.

Number of Shareholders and Option Holders

Shares

As at 4 September 2020, there were 885 shareholders holding a total of 581,949,624 fully paid ordinary shares.

Options

As at 4 September 2020, there were 112,025,001 un-quoted Options exercisable at $0.02 on or before 31 December 2020, 10,000,000 un-quoted Options exercisable at $0.03 on or before 31 December 2020, 20,000,00 un-quoted Options exercisable at $0.02 on or before 30 June 2021 and 80,212,500 un-quoted Options exercisable at $0.02 on or before 20 November 2021.

Distribution of Equity Securities

	Ordinary Shares		Unlisted Options	
	Number of Holders	Number of Shares	Number of Holders	Number of Shares
1 - 1000	101	25,082	-	-
1001 - 5000	33	96,638	-	-
5001 - 10,000	13	100,315	-	-
10,001 - 100,000	344	17,126,796	-	-
100,001 and above	394	564,600,793	70	222,237,501
Total	885	581,949,624	70	222,237,501

There were 254 holders totalling 2,591,169 ordinary shares holding less than a marketable parcel.

Top Twenty Share Holders

	Shareholder name	Ordinary shares held number	%
1	Kabunga Holdings Pty Ltd <Kabunga Family A/C>	70,275,000	12.08%
2	Ven Capital Pty Ltd	28,849,692	4.96%
3	Mr Rohan Patnaik	20,000,000	3.44%
4	Ms Leticia Kokutengeneza Kabunga	17,298,660	2.97%
5	Matthew Norman Bull	16,750,000	2.88%
6	Easy Connect Group Pty Ltd	14,000,000	2.41%
7	Leticia Kabunga	13,500,000	2.32%
8	Citicorp Nominees Pty Limited	12,630,139	2.17%
9	J P Morgan Nominees Australia Pty Limited	11,673,119	2.01%
10	Bnp Paribas Nominees Pty Ltd <Ib Au Noms Retailclient Drp>	8,879,010	1.53%
11	Ms Lianaeli Kineneko Mtei Nampesya	8,622,352	1.48%
12	Gotha Street Capital Pty Ltd <Blue Sky No 2 A/C>	8,400,000	1.44%
13	Mrs Lin Sheung Sze	8,025,000	1.38%
14	Mr Nigel Strong	7,796,056	1.34%
15	Futurity Private Pty Ltd	7,191,300	1.24%
16	Mr Victor Lorusso	7,000,000	1.20%
17	Mr Henry Wiechecki	7,000,000	1.20%
18	Mr Floyd Barry Aquino	6,437,023	1.11%
18	Prem Sanghani Pty Ltd <Sanghani S/F A/C>	6,250,000	1.07%
19	Aymon Pacific Pty Ltd <Jerezos A/C>	5,500,000	0.95%
20	Mr Robert Mario Franco & Mr Michael Robert Franco &Mrs Laura Michele Franco	5,100,000	0.88%
		291,177,351	50.03%

Substantial Share Holders

The names of substantial shareholders pursuant to the Company's share register are as follows:

Shareholder name	Ordinary shares held number	%
Kabunga Holdings Pty Ltd <Kabunga Family A/C>	70,275,000	12.08%
	70,275,000	12.08%

Voting Rights

All ordinary shares carry one vote per share without restriction.

Tenement Listing

Project	Country	Licence Number	Status	Licence Type	Area
Gaoual Project*	Guinea	22584	Granted	Prospecting	332.32 km^2
Lushoto Project**	Tanzania	PL 11176/2018	Granted	Prospecting	0.26 km^2
Lushoto Project**	Tanzania	PL 11177/2018	Granted	Prospecting	49.3 km^2
Lushoto Project**	Tanzania	PL 11178/2018	Granted	Prospecting	3.64 km^2
Lushoto Project**	Tanzania	PL 11262/2019	Granted	Prospecting	23.02 km^2
Lushoto Project**	Tanzania	PL 12194/2017	Application	Prospecting	90.25 km^2
Lushoto Project**	Tanzania	PL 12195/2017	Application	Prospecting	44.94 km^2
Lushoto Project**	Tanzania	PL 12227/2017	Application	Prospecting	24.87 km^2
Pare Project**	Tanzania	PL 11263/2019	Granted	Prospecting	73.84 km^2
Pare Project**	Tanzania	PL 14098/2019	Application	Prospecting	1.52 km^2
Pare Project**	Tanzania	PL 14099/2019	Application	Prospecting	1.47 km^2
Pare Project**	Tanzania	PL 14100/2019	Application	Prospecting	1.36 km^2
Uyowa Project	Tanzania	PL 10918/2016	Granted	Prospecting	27.08 km^2
Uyowa Project	Tanzania	PML002241CWZ	Granted	Primary Mining	0.08 km^2
Uyowa Project	Tanzania	PML002237GWZ	Granted	Primary Mining	0.08 km^2
Uyowa Project	Tanzania	PML002240CWZ	Granted	Primary Mining	0.03 km^2
Uyowa Project	Tanzania	PML002238CWZ	Granted	Primary Mining	0.06 km^2
Uyowa Project	Tanzania	PML002242CWZ	Granted	Primary Mining	0.07 km^2
Uyowa Project	Tanzania	PML002243CWZ	Granted	Primary Mining	0.08 km^2
Uyowa Project	Tanzania	PML002239CWZ	Granted	Primary Mining	0.08 km^2

* 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.
** Lindian Resources interest in these licenses is via a 51% stake in East Africa Bauxite Limited.