



ABN 53 090 772 222

Financial Report for the half-year ended  
31 December 2020

**CORPORATE DIRECTORY**

**Directors**

Mr Asimwe Kabunga (Non-Executive Chairman)  
Mr Matthew Bull (Non-Executive Director) (resigned 6 October 2020)  
Mr Giacomo Fazio (Non-Executive Director)  
Mr Yves Occhetto (Non-Executive Director) (appointed 29 July 2020)

**Company Secretary**

Ms Susan Park

**Registered Office**

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Perth WA 6000

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Website: [www.lindianresources.com.au](http://www.lindianresources.com.au)

**ABN** 53 090 772 222

**Share Registry**

Automic Registry Services  
Level 2, 267 St Georges Terrace  
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Telephone: + 61 8 9324 2099  
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**Auditors**

HLB Mann Judd (WA Partnership)  
Level 4, 130 Stirling Street  
Perth WA 6000

**Securities Exchange**

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

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## DIRECTORS' REPORT

The Directors of Lindian Resources Limited ("Lindian") submit the financial report of the Group for the half-year ended 31 December 2020. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

### Directors

The names of Directors who held office during or since the end of the half-year and until the date of this report are as below. Directors were in office for the entire period unless otherwise stated.

Mr Asimwe Kabunga	Non-Executive Chairman
Mr Matthew Bull	Non-Executive Director (resigned 6 October 2020)
Mr Yves Occello	Non-Executive Director (appointed 29 July 2020)
Mr Giacomo Fazio	Non-Executive Director

### Results

The loss after tax for the half-year ended 31 December 2020 was \$916,119 (31 December 2019: \$1,502,765).

## REVIEW OF OPERATIONS

### LELOUMA BAUXITE PROJECT - GUINEA

The Lelouma Project acquisition was completed on 26 November 2020 via acquisition of 75% of Sarmin Bauxite Limited ("Sarmin"), a private company that holds the rights for the Lelouma Bauxite Project. The Company has issued 30,674,847 fully paid ordinary shares at an implied issue price of \$0.0163 per share ("Consideration Shares") to two of Sarmin's existing shareholders, Sarmin Mining Inc. (or nominee) (19,598,160 Consideration Shares) and Canberra Resources Limited (or nominee) (11,076,687 Consideration Shares) following shareholder approval granted at the Company's 20 November 2020 Annual General Meeting.

The Lelouma Project is held by Sarmin Bauxite Guinea SARLU, a 100% subsidiary of Sarmin.

Under the terms of the agreement with Sarmin's shareholders, Lindian has agreed to fund all Lelouma Project expenditures (free-carrying the existing shareholders) until the completion of a Definitive Feasibility Study for the project.

The Lelouma Project is a world class, "Tier 1" bauxite project and is located just 40 km from Lindian's existing high grade Gaoual High Grade Conglomerate bauxite asset and both projects are within haulage distance of existing rail infrastructure and related shipping ports.

There has been over US\$10 million of historic expenditure by Lelouma's previous owners, including Mitsubishi Corporation.

### Lelouma Mineral Resource Statement (table 1)

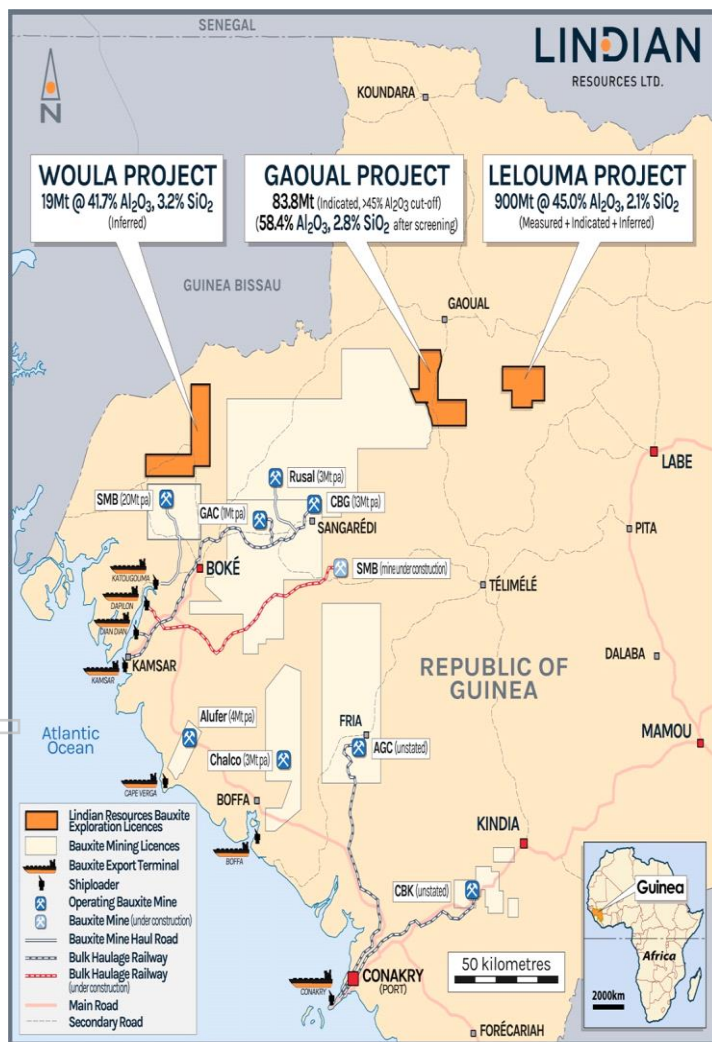
The Mineral Resource statement for the Lelouma Project was prepared and reported by SRK Consulting (UK) Ltd, in compliance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves. The JORC Code, 2012 Edition, by constraining the in situ model using cut-off grades of >40% Al<sub>2</sub>O<sub>3</sub> and <10% SiO<sub>2</sub>, a maximum stripping ratio of 1:1 (thickness overburden/thickness bauxite) and a minimum bauxite thickness of 1 m, all to satisfy the criteria of reasonable prospects for eventual economic extraction. Due to the very shallow and low stripping nature of the deposit, no pit optimisation had to be used to constrain the Mineral Resource. The effective date of the Mineral Resource statement is 5 October 2020.

The Mineral Resource is amenable to standard open-pit mining techniques to produce Direct Shipping Ore ("DSO"), without a requirement for processing for the potential sale to Atlantic or Pacific markets. The Lelouma Mineral Resources occur near-surface as tabular orebodies (6 to 10m thick) with minimal overburden (<1.0m) and low strip ratios (max. 1:1).

# Lindian Resources Limited

Cut-off Criteria	Mineral Resource Category	Tonnes (Mt)	Al <sub>2</sub> O <sub>3</sub> (%)	SiO <sub>2</sub> (%)
>40<45% Al <sub>2</sub> O <sub>3</sub> <10% SiO <sub>2</sub> >1m Thick <1 Strip Ratio (waste:ore thickness)	Measured	40	43.0	1.8
	Indicated	459	42.4	2.1
	Inferred	2	42.9	2.8
	<b>Total</b>	<b>502</b>	<b>42.5</b>	<b>2.1</b>
>45% Al <sub>2</sub> O <sub>3</sub> <10% SiO <sub>2</sub> >1m Thick <1 Strip Ratio (waste:ore thickness)	Measured	115	49.6	1.8
	Indicated	284	47.6	2.1
	Inferred	0.1	46.1	2.8
	<b>Total</b>	<b>398</b>	<b>48.1</b>	<b>2.0</b>
Combined (Total Mineral Resource)	Measured	155	47.9	1.8
	Indicated	743	44.4	2.1
	Inferred	2	42.9	2.8
	<b>Total Combined</b>	<b>900</b>	<b>45.0</b>	<b>2.1</b>

Table 1: Lelouma Project Mineral Resource Statement<sup>1</sup>



Map 1: Lindian Project Location Map<sup>1</sup>

<sup>1</sup> Refer ASX releases dated 15 July 2020 (Gaoual Project), 23 September (Woula Project), and 6 October 2020 (Lelouma Project) for full details of Mineral Resources Estimates 19 January 2021 for Gaoual screening test work results and 4 February 2021 for Digestion results. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and that all material assumptions and technical parameters underpinning the estimates continue to apply, and have not materially changed.

**GAOUAL HIGH GRADE CONGLOMERATE BAUXITE PROJECT - GUINEA**

Located in the north-west of Guinea, West Africa, is the Gaoual High-Grade Conglomerate Bauxite Project (“**Gaoual Project**”) The project area is located within a known bauxite mining province and 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 Gaoual Project is Permit No. 22584 as labelled within the Ministry of Mines Geology database and owned by KB Bauxite Guinee SARLU, a registered Guinean company. The Permit was applied for on 12 March 2019 and 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.

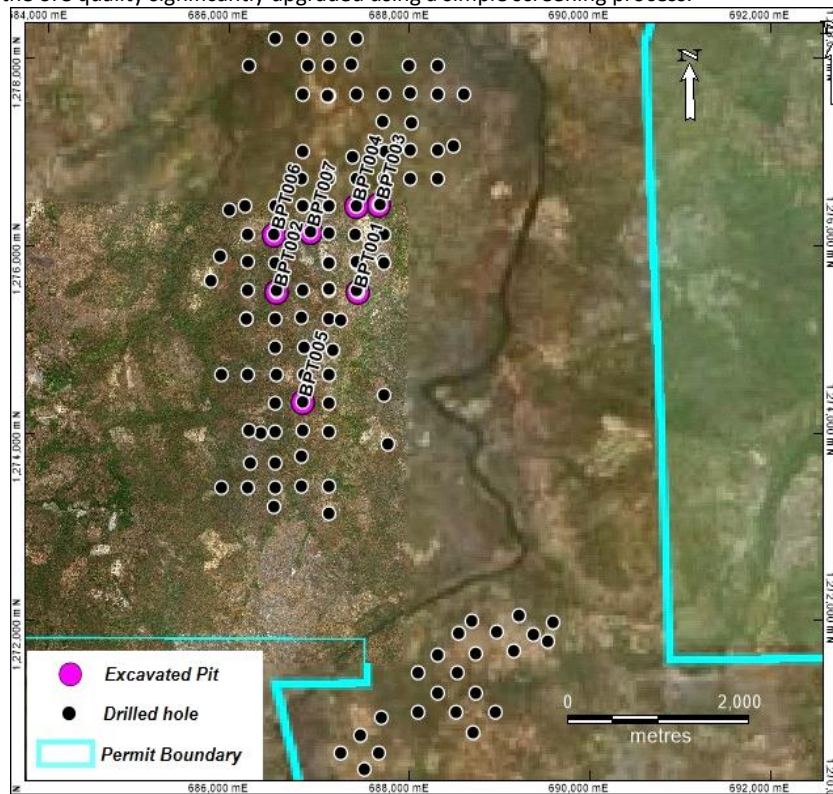
The Gaoual Project is close to essential infrastructure, a key requirement for all direct shipping ore projects. The Gaoual Project is very well strategically placed to take advantage of this infrastructure, given its location in an existing high-quality significant bauxite mining province.

On 19 January 2021, the Company announced the completion of screening test work at the Gaoual project. The results are transformative to the Gaoual Project, and Lindian.

Screening test work results from the Bouba Conglomerate Bauxite Plateau within the Gaoual Project confirmed that a simple screening process significantly reduced SiO<sub>2</sub> and raised Al<sub>2</sub>O<sub>3</sub> in the conglomerate samples, with minimal loss of tonnage.

- The test work results confirm that dry screening of the high-grade Bouba Conglomerate Bauxite Plateau JORC resource ores resulted in;
- The coarse component of the conglomerate bauxite formed 87.2% of the mass total in the high-grade ores tested.
  - The high-grade samples showed the average alumina grade increasing by 8.6% (53.8% Al<sub>2</sub>O<sub>3</sub> to 58.4% Al<sub>2</sub>O<sub>3</sub>).
  - The high-grade samples showed the average silica grade decreasing by 71.4% (9.8% SiO<sub>2</sub> to 2.8%).
  - The screening of all high-grade conglomerate samples showed a consistent upgrade of all samples tested.

The Gaoual Project’s Bouba Conglomerate Bauxite Plateau has a high-grade tonnage of 83.8 Mt (45% Al<sub>2</sub>O<sub>3</sub> Cut-off grade – indicated category), which can have the ore quality significantly upgraded using a simple screening process.



Map 2 – Pit Locations <sup>1</sup>

**Screening Test Work Summary**

A screening program of the Bouba Conglomerate Bauxite Plateau within the previously released<sup>1</sup> Mineral Resource estimate area of the Gaoual Project (“Resource Area”) has been completed by Lindian Resources technical staff. The purpose of the test work programme was to determine the potential for upgrading of the conglomerate bauxite ores containing high-grade alumina and high silica, to higher grade alumina and low silica ores through the removal of the fines material.

A total of 7 test pits within the Bouba Conglomerate Plateau were selected and 4 representative samples from each test pit were collected (Figure 1). All samples were dried, and then dry screened through a 1.5mm screen and recoveries of each fraction recorded, with one sample of four from each test pit undergoing a further procedure to determine if fines are retained in the coarse fraction by washing the coarse fraction post dry screening. All weights were recorded, and recoveries determined. All coarse and fines fraction samples were forwarded for analysis at Bureau Veritas (Australia).

High Grade	Coarse Fraction					Fine Fraction					Primary Grade (Calculated)				
	Al2O3	SiO2	Fe2O3	TiO2	LOI	Al2O3	SiO2	Fe2O3	TiO2	LOI	Al2O3	SiO2	Fe2O3	TiO2	LOI
Bouba DRY PIT 1	58.5	2.1	8.4	3.42	26.9	25.7	51.7	8.3	1.72	11.59	54.3	8.5	8.4	3.20	24.9
Bouba DRY PIT 3	58.8	3.1	7.3	2.24	28.1	32.0	41.2	9.5	2.00	14.23	57.2	5.4	7.4	2.23	27.3
Bouba DRY PIT 4	56.3	2.6	10.7	2.48	27.3	25.9	51.2	8.6	1.86	11.41	54.3	5.8	10.5	2.44	26.3
Bouba DRY PIT 6	59.5	3.1	4.9	2.28	29.8	21.6	58.4	7.8	1.36	9.92	52.6	13.2	5.4	2.11	26.1
Bouba DRY PIT 7	58.6	3.2	6.6	2.62	28.4	19.1	65.0	5.3	1.49	8.11	50.6	15.9	6.4	2.39	24.2
	58.4	2.8	7.6	2.61	28.1	24.9	53.5	7.9	1.69	11.05	53.8	9.8	7.6	2.47	25.8

Table 2 – Geochemical Analysis of the Coarse and Fine-Grained Screening Fractions – High Grade <sup>1</sup>

**Digestion Results Summary<sup>1</sup>**

Digestion test work was completed upon the coarse fraction of the beneficiated bauxite ores from the primary screening test work completed in December 2020 - January 2021. The test work was completed so as to confirm the “digest-ability” of the ores in both Low- Temperature and High- Temperature digestion settings, and to confirm the mineralogical make-up of the materials being tested.

	Al <sub>2</sub> O <sub>3</sub>	SiO <sub>2</sub>	Fe <sub>2</sub> O <sub>3</sub>	LOI	Total Available Alumina (“TAA”)		Reactive Silica (“RSi”)	
					Low Temp	High Temp	Low Temp	High Temp
Coarse Fraction – High Grade (After screening) Bouba Conglomerate Bauxite Plateau <sup>1</sup>	58.4%	2.8%	7.6%	28.1	51.2%	54.4%	1.6%	2.6%

Table 3: Summary of Digestion Results

- The digestion test work completed on the screened ores has confirmed they are Gibbsite dominant and suited well to both Low Temperature and High Temperature Bayer process alumina refineries.
- With the highly much reduced silica levels in the screened ores, the Reactive silica percentage levels are now in line with the highest quality bauxites in Guinea.
- The Gaoual Project’s Bouba Conglomerate Bauxite Plateau has a high-grade tonnage of 83.8 Mt<sup>1</sup> (45% Al<sub>2</sub>O<sub>3</sub> Cut-off grade – indicated category) which has the capacity to have the ore quality significantly upgraded using a simple screening process.

**WOULA BAUXITE PROJECT - GUINEA**

The acquisition of the Woula Bauxite Project was completed on 16 December 2020. Lindian entered into an agreement with Asena Holdings Pte Ltd (“Asena”) to acquire the rights Asena has under a binding term sheet entered into with Woula Natural Resources SARL (“Woula”); Entreprise Generale D’Entretien & Construction, and Mr Lancinet Dabo, to acquire up to 61% of the issued capital in Woula (the entity that holds the Woula Bauxite Project) in return for making a series of staggered cash payments over nine months totalling US\$150,000 to the existing shareholders of Woula. The binding term sheet also envisages Lindian being able to increase its interest in Woula to 75% if it elects to sole fund the completion of a JORC defined Scoping Study for the Woula Bauxite Project, and that scoping study is completed within 18 months of acquiring its initial 61% interest in Woula.

<sup>1</sup> Refer ASX releases dated 15 July 2020 (Gaoual Project), 23 September (Woula Project), and 6 October 2020 (Lelouma Project) for full details of Mineral Resources Estimates 19 January 2021 for Gaoual screening test work results and 4 February 2021 for Digestion results. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and that all material assumptions and technical parameters underpinning the estimates continue to apply, and have not materially changed.



### Woula Mineral Resource Statement<sup>1</sup>

The Mineral Resource statement for the Woula Bauxite Project was prepared and reported by SRK by constraining the in situ model using cut-off grades >34% Al<sub>2</sub>O<sub>3</sub> and <10% SiO<sub>2</sub>, a maximum stripping ratio of 1:1 (thickness overburden/thickness bauxite) and a minimum bauxite thickness of 1 m, all to satisfy the criteria of reasonable prospects for eventual economic extraction. Due to the very shallow and low stripping nature of the deposit, no pit optimisation had to be used to constrain the Mineral Resource. All tonnages and grades are reported on a dry basis. These parameters are guided by and have been validated using SRK's experience of other Guinea bauxite operations. The effective date of the Mineral Resource statement is 18 July 2018.

Cut-off Criteria	Mineral Resource Category	Tonnes (Mt)	Al <sub>2</sub> O <sub>3</sub> (%)	SiO <sub>2</sub> (%)
>34<40 Al <sub>2</sub> O <sub>3</sub> 10% SiO <sub>2</sub> >1m Thick <1 Strip Ratio (waste:ore thickness)	Inferred	45	37.5	3.0
	<b>Total</b>	<b>45</b>	<b>37.5</b>	<b>3.0</b>
>40 Al <sub>2</sub> O <sub>3</sub> 10% SiO <sub>2</sub> >1m Thick <1 Strip Ratio (waste:ore thickness)	Inferred	19	41.7	3.2
	<b>Total</b>	<b>19</b>	<b>41.7</b>	<b>3.2</b>
Combined (Total Mineral Resource)	Inferred	64	38.7	3.1
	<b>Total</b>	<b>64</b>	<b>38.7</b>	<b>3.1</b>

Table 3: Woula Project Mineral Resource Statement<sup>1</sup>

### KANGANKUNDE RARE EARTH PROJECT – MALAWI

Lindian has previously announced the commencement of legal action in Malawi with respect to an exclusive option agreement 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 from 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.

The High Court of Malawi hearing was held on the 4 and 5 of November 2019, and the Company filed its closing submissions following the 21-day maximum 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.

On 8 July 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 is 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 enforcing specific performance of the agreement or financial damages, which will include actual and consequential losses.

### Annual General Meeting

During the half-year, the company held its Annual General Meeting (AGM) on 20 November 2020.

All resolutions presented to shareholders were approved.

<sup>1</sup> Refer ASX releases dated 15 July 2020 (Gaoual Project), 23 September (Woula Project), and 6 October 2020 (Lelouma Project) for full details of Mineral Resources Estimates 19 January 2021 for Gaoual screening test work results and 4 February 2021 for Digestion results. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and that all material assumptions and technical parameters underpinning the estimates continue to apply, and have not materially changed.



### CORPORATE

In August 2020, the Company appointed Mr Danny Keating as its CEO.

In September 2020, the Company raised \$33,333 via exercise of 1,666,667 unlisted options at \$0.02.

In September 2020, the Company completed a \$1.0M placement capital raising via sophisticated investors for working capital and advancing technical studies on the Guinean bauxite projects. The placement was settled via the issue of 61,349,694 fully paid ordinary shares at an issue price of \$0.0163 per share, being at the 15 days closing VWAP of Lindian shares before the announcement of the issue. In addition, each subscriber was issued one share option for every two shares subscribed for in the Placement. The exercise price of each share option will be \$0.032 and vest over three years. The options are not listed on ASX. The Placement was complete in two tranches, with an initial tranche in September 2020 of 30,674,847 shares issued utilising the Company's existing ASX Listing Rule 7.1 placement capacity. In November 2020, the remaining 30,674,847 shares and 30,674,847 options were done subject to the approval of Lindian shareholders, which had been received at the 2020 AGM.

In October 2020, the Company appointed Mr David Sumich as its COO/CFO.

In November 2020, the Company and former CEO, Mr Danny Keating, reached a mutual agreement to terminate the CEO employment agreement. The COO/CFO, Mr David Sumich, and the existing Board members will share the CEO duties.

In November 2020, the Company completed the Lelouma Project acquisition via acquisition of 75% of Sarmin Bauxite Limited (Sarmin) a private company that holds the rights for the Lelouma Bauxite Project, located in the Republic of Guinea. The Company has issued 30,674,847 fully paid ordinary shares at an implied issue price of \$0.0163 per share (Consideration Shares) to two of Sarmin's existing shareholders, Sarmin Mining Inc. (or nominee) (19,598,160 Consideration Shares) and Canberra Resources Limited (or nominee) (11,076,687 Consideration Shares) following shareholder approval granted at the Company's 20 November 2020 Annual General Meeting.

In December 2020, 25 million Class B Performance Shares expired.

In December 2020, the Company completed the acquisition of the Woula Bauxite Project. Lindian entered into an agreement with Asena Holdings Pte Ltd (Asena) to acquire the rights Asena has under a binding term sheet entered into with Woula Natural Resources SARL (Woula), Enterprise Generale D'Entretien & Construction and Mr Lancinet Dabo to acquire up to 61% of the issued capital in Woula (the entity that holds the Woula Bauxite Project) in return for making a series of staggered cash payments over nine months totalling US\$150,000 to the existing shareholders of Woula. The binding term sheet also envisages Lindian being able to increase its interest in Woula to 75% if it elects to sole fund the completion of a JORC defined Scoping Study for the Woula Bauxite Project. The scoping studies should also be complete within 18 months of acquiring its initial 61% interest in Woula.

In December 2020, the Company raised \$0.801M via the exercise of 40,025,000 unlisted options at \$0.02. Lindian's Chairman, Asimwe Kabunga, exercised 15,000,000 options at \$0.02, comprising \$0.3M of the \$0.801M raised via options exercise.

At 31 December 2020, the Company held \$1.09M in cash.

#### Subsequent Events

On 9 February 2021, Lindian announced it had subscribed for a 75% interest in Terminal Logistics & Holdings Pte Ltd (a company incorporated in Singapore) to assist and facilitate further discussions with the Guinean Government regarding the potential exploration and joint development of the Port of Dobali, and the associated logistics corridor in Guinea.

Other than noted above and elsewhere in this report, no matter or circumstance has arisen since 31 December 2020, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

**Competent Person Statement**

Competent Person's Statement – Gaoual Project, 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 – Lelouma & Woula Projects, Guinea

*The information in this announcement that relates to Mineral Resources for Lelouma and Woula Projects are based on information reviewed and compiled by Mr Mark Campodonic or Mr Ben Lepley. They take responsibility for any contained information presented in relation to the Mineral Resource estimates.*

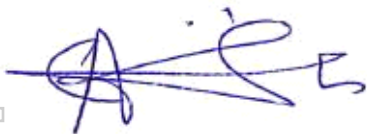
*Mr Campodonic is a Member with Chartered Professional Status (Geology) of the Australian Institute of Mining and Metallurgy ("MAusIMM(CP)"). Mr Campodonic is a full-time employee of SRK and is the Competent Person for the Woula Bauxite Project Mineral Resource estimate. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Campodonic consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.*

*Mr Ben Lepley is a Chartered Geologist ("CGeol") of the Geological Society of London. Mr Lepley is a full-time employee of SRK and is the Competent Person for the Lelouma Project Mineral Resource estimate. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lepley consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.*

**Auditor's Independence Declaration**

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on the next page and forms part of this Directors' Report for the half-year ended 31 December 2020.

This report is signed in accordance with a resolution of the Board of Directors.



**Asimwe Kabunga**  
**Non-Executive Chairman**  
Perth, Western Australia  
15 March 2021

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the consolidated financial report of Lindian Resources Limited for the half-year ended 31 December 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 review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia  
15 March 2021

  
**N G Neill**  
Partner

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## Lindian Resources Limited

### Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the half-year ended 31 December 2020

	31 December 2020	31 December 2019
	\$	\$
<b>Revenue</b>		
Interest income	40	183
Other income	34,995	-
Directors' fees	(186,452)	(60,000)
Depreciation expense	(2,478)	(3,898)
Impairment of exploration and evaluation assets	(6,526)	(514,934)
Exploration and evaluation expenses	-	(37,127)
Employee benefits expense	(84,640)	(471,371)
Finance costs	(837)	(279)
Other expenses	(670,221)	(415,339)
<b>Loss before income tax</b>	<b>(916,119)</b>	<b>(1,502,765)</b>
Income tax expense/(benefit)	-	-
<b>Loss after income tax</b>	<b>(916,119)</b>	<b>(1,502,765)</b>
<b>Other comprehensive income, net of income tax</b>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations	72,519	1,185
<b>Other comprehensive income for the period, net of income tax</b>	<b>72,519</b>	<b>1,185</b>
<b>Total comprehensive income for the period</b>	<b>(843,600)</b>	<b>(1,501,580)</b>
<b>Loss attributable to:</b>		
Owners of Lindian Resources Limited	(875,515)	(1,502,765)
Non-controlling interests	(40,604)	-
	<b>(916,119)</b>	<b>(1,502,765)</b>
<b>Total comprehensive loss attributable to:</b>		
Owners of Lindian Resources Limited	(830,837)	(1,501,580)
Non-controlling interests	(12,763)	-
	<b>(843,600)</b>	<b>(1,501,580)</b>
<b>Loss per share attributable to owners of Lindian Resources Limited</b>		
Basic and diluted loss per share (cents per share)	<b>(0.15)</b>	<b>(0.33)</b>

The accompanying notes form part of these financial statements.

## Lindian Resources Limited

### Condensed Consolidated Statement of Financial Position as at 31 December 2020

	Note	31 December 2020 \$	30 June 2020 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		1,090,711	614,098
Trade and other receivables	3	9,177	40,042
Prepayments		36,334	18,507
<b>Total Current Assets</b>		<b>1,136,222</b>	<b>672,647</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		165,066	30,741
Deferred exploration and evaluation expenditure	4	3,234,432	1,938,156
<b>Total Non-Current Assets</b>		<b>3,399,498</b>	<b>1,968,897</b>
<b>Total Assets</b>		<b>4,535,720</b>	<b>2,641,544</b>
<b>Current Liabilities</b>			
Trade and other payables	5	515,571	104,639
Unearned income		-	11,665
Borrowings		-	10,790
<b>Total Current Liabilities</b>		<b>515,571</b>	<b>127,094</b>
<b>Total Liabilities</b>		<b>515,571</b>	<b>127,094</b>
<b>Net Assets</b>		<b>4,020,149</b>	<b>2,514,450</b>
<b>Equity</b>			
Share capital	6	34,774,087	32,424,788
Reserves		9,762,144	9,717,466
Accumulated losses		(40,409,883)	(39,534,368)
		4,126,348	2,607,886
Non-controlling interests		(106,199)	(93,436)
<b>Total Equity</b>		<b>4,020,149</b>	<b>2,514,450</b>

The accompanying notes form part of these financial statements.

## Lindian Resources Limited

### Condensed Consolidated Statement of Changes in Equity for the half-year ended 31 December 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
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>	<b>32,424,788</b>	<b>(39,534,368)</b>	<b>4,106,626</b>	<b>5,609,570</b>	<b>1,270</b>	<b>2,607,886</b>	<b>(93,436)</b>	<b>2,514,450</b>
Loss for the half-year	-	(875,515)	-	-	-	(875,515)	(40,604)	(916,119)
Other comprehensive income	-	-	-	-	44,678	44,678	27,841	72,519
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>(875,515)</b>	<b>-</b>	<b>-</b>	<b>44,678</b>	<b>(830,837)</b>	<b>(12,763)</b>	<b>(843,600)</b>
<b>Transactions with owners in their capacity as owners</b>								
Shares issued	2,416,655	-	-	-	-	2,416,655	-	2,416,655
Cost of share issue	(67,356)	-	-	-	-	(67,356)	-	(67,356)
<b>Balance at 31 December 2020</b>	<b>34,774,087</b>	<b>(40,409,883)</b>	<b>4,106,626</b>	<b>5,609,570</b>	<b>45,948</b>	<b>4,126,348</b>	<b>(106,199)</b>	<b>4,020,149</b>
<b>Balance at 1 July 2019</b>	<b>29,126,329</b>	<b>(37,737,767)</b>	<b>4,106,626</b>	<b>5,273,106</b>	<b>(1,185)</b>	<b>767,109</b>	<b>(29,741)</b>	<b>737,368</b>
Loss for the half-year	-	(1,502,765)	-	-	-	(1,502,765)	-	(1,502,765)
Other comprehensive income	-	-	-	-	1,185	1,185	-	1,185
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>(1,502,765)</b>	<b>-</b>	<b>-</b>	<b>1,185</b>	<b>(1,501,580)</b>	<b>-</b>	<b>(1,501,580)</b>
<b>Transactions with owners in their capacity as owners</b>								
Options issued	-	-	-	336,464	-	336,464	-	336,464
Shares issued	2,745,393	-	-	-	-	2,745,393	-	2,745,393
Cost of share issue	(101,428)	-	-	-	-	(101,428)	-	(101,428)
<b>Balance at 31 December 2019</b>	<b>31,770,294</b>	<b>(39,240,532)</b>	<b>4,106,626</b>	<b>5,069,570</b>	<b>-</b>	<b>2,245,958</b>	<b>(29,741)</b>	<b>2,216,217</b>

The accompanying notes form part of these financial statements.

**Condensed Consolidated Statement of Cash Flows**

for the half-year ended 31 December 2020

	<b>31 December 2020</b>	<b>31 December 2019</b>
	\$	\$
<b>Cash flows from operating activities</b>		
Government incentives received	61,468	-
Payments to suppliers and employees	(670,051)	(646,618)
Payment for exploration and evaluation expenditure	-	(37,127)
Interest received	40	183
Interest paid	(837)	(279)
<b>Net cash used in operating activities</b>	<b>(609,380)</b>	<b>(683,841)</b>
<b>Cash flows from investing activities</b>		
Payments for exploration expenditure	(531,363)	(533,094)
Payments for plant and equipment	(136,803)	-
<b>Net cash used in investing activities</b>	<b>(668,166)</b>	<b>(533,094)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	1,833,833	2,459,018
Share issue costs	(67,356)	(101,428)
Repayment of borrowings	(10,790)	-
<b>Net cash provided by financing activities</b>	<b>1,755,687</b>	<b>2,357,590</b>
<b>Net increase in cash and cash equivalents</b>	<b>478,141</b>	<b>1,140,655</b>
Cash and cash equivalents at beginning of period	614,098	37,019
Effect of exchange rate changes on cash and cash equivalents	(1,528)	-
Cash and cash equivalents at the end of the period	<b>1,090,711</b>	<b>1,177,674</b>

The accompanying notes form part of these financial statements.



## Notes to the Financial Statements

for the half-year ended 31 December 2020

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Statement of Compliance

The consolidated financial report of Lindian Resources Limited and its controlled entities (the Group) for the half-year ended 31 December 2020 was authorised for issue in accordance with a resolution of the Directors on 15 March 2021.

The half-year consolidated financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the half-year financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

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

#### Basis of Preparation

These general purpose financial statements for the half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard 134: Interim Financial Reporting and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with *IAS 34 Interim Financial Reporting*.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the annual financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2020 and any public announcements made by Lindian Resources Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

The half-year report has been prepared on an accruals basis and is based on historical costs. Cost is based on the fair value of the consideration given in exchange for assets.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial statements. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

#### *Standards and Interpretations applicable to 31 December 2020*

In the half-year ended 31 December 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2020.

#### *Standards and Interpretations in issue not yet adopted*

The Directors have also reviewed all of the new and revised Standards and interpretations in issue not yet adopted that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 January 2020.

As a result of these reviews, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and therefore no material change is necessary to Group accounting policies.

## **Notes to the Financial Statements**

for the half-year ended 31 December 2020

### **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### *Significant accounting judgments and key estimates*

The preparation of half-year financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated annual financial report for the year ended 30 June 2020.

#### **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 half-year ended 31 December 2020 of \$916,119 and experienced net cash outflows from operating activities of \$609,380. At 31 December 2020, the cash and cash equivalents balance was \$1,090,711.

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 half year ended 31 December 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 half-year the Company raised \$1,833,833 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.

**Notes to the Financial Statements**

for the half-year ended 31 December 2020

**NOTE 2: SEGMENT REPORTING**

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 minerals), Guinea (bauxite minerals), Malawi (rare earths minerals) and Australia (corporate office).

**SEGMENT PERFORMANCE**

	31 December 2020	TANZANIA	GUINEA	MALAWI	AUSTRALIA	TOTAL
		\$	\$	\$	\$	\$
<b>Revenue</b>						
Corporate interest revenue		-	-	-	40	40
Other revenue		-	-	-	34,995	34,995
<b>Total segment revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>35,035</b>	<b>35,035</b>
<b>Expenditure</b>						
Depreciation expense		-	-	-	2,478	2,478
Impairment of exploration and evaluation assets		6,526	-	-	-	6,526
Finance costs		-	-	-	837	837
Other expenses		118,096	-	-	823,217	941,313
<b>Total segment expenditure</b>		<b>124,622</b>	<b>-</b>	<b>-</b>	<b>826,532</b>	<b>951,154</b>
<b>Loss before income tax</b>		<b>(124,622)</b>	<b>-</b>	<b>-</b>	<b>(791,497)</b>	<b>(916,119)</b>

**SEGMENT ASSETS**

	31 December 2020					
Segment operating assets		34,891	2,545,989	662,852	1,291,988	4,535,720
<b>Total segment assets</b>		<b>34,891</b>	<b>2,545,989</b>	<b>662,852</b>	<b>1,291,988</b>	<b>4,535,720</b>

**SEGMENT LIABILITIES**

	31 December 2020					
Segment operating liabilities		5,639	198,782	-	311,150	515,571
<b>Total segment liabilities</b>		<b>5,639</b>	<b>198,782</b>	<b>-</b>	<b>311,150</b>	<b>515,571</b>

## Lindian Resources Limited

### Notes to the Financial Statements

for the half-year ended 31 December 2020

#### NOTE 2: SEGMENT REPORTING (Continued)

31 December 2019	TANZANIA	GUINEA	MALAWI	AUSTRALIA	TOTAL
	\$	\$	\$	\$	\$
<b>Revenue</b>					
Corporate interest revenue	-	-	-	183	183
<b>Total segment revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>183</b>	<b>183</b>
<b>Expenditure</b>					
Depreciation expense	3,898	-	-	-	3,898
Impairment of exploration and evaluation assets	514,934	-	-	-	514,934
Exploration and evaluation expenses	-	37,127	-	-	37,127
Employee Benefits Expense	-	-	-	471,371	471,371
Finance costs	-	-	-	279	279
Other expenses	-	75,703	-	399,636	475,339
<b>Total segment expenditure</b>	<b>518,832</b>	<b>112,830</b>	<b>-</b>	<b>871,286</b>	<b>1,502,948</b>
<b>Loss before income tax</b>	<b>(518,832)</b>	<b>(112,830)</b>	<b>-</b>	<b>(871,103)</b>	<b>(1,502,765)</b>
<b>SEGMENT ASSETS</b>					
	<b>30 June 2020</b>				
Segment operating assets	57,243	1,292,104	646,045	646,152	2,461,544
<b>Total segment assets</b>	<b>57,243</b>	<b>1,292,104</b>	<b>646,045</b>	<b>646,152</b>	<b>2,461,544</b>
<b>SEGMENT LIABILITIES</b>					
	<b>30 June 2020</b>				
Segment operating liabilities	6,292	-	-	120,802	127,094
<b>Total segment liabilities</b>	<b>6,292</b>	<b>-</b>	<b>-</b>	<b>120,802</b>	<b>127,094</b>

#### NOTE 3: TRADE AND OTHER RECEIVABLES

	Consolidated	
	31 December 2020	30 June 2020
	\$	\$
GST receivable	9,660	14,355
Other receivable	(483)	25,687
	<u>9,177</u>	<u>40,042</u>

**Notes to the Financial Statements**

for the half-year ended 31 December 2020

**NOTE 4: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE**

Exploration and evaluation phase:	Consolidated	
	Six months to 31 December 2020	Year to 30 June 2020
	\$	\$
At beginning of the period	1,938,156	1,031,704
Exploration expenditure during the period settled by cash	531,363	1,298,328
Exploration expenditure during the period – deferred consideration (ii)	198,782	-
Exploration expenditure during the period settled by issue of shares and options (see note 6)	582,822	120,000
Impairment expense (i)	(6,526)	(511,876)
Exchange movement on assets held in foreign currency	(10,165)	-
Total deferred exploration and evaluation expenditure	<b>3,234,432</b>	<b>1,938,156</b>

The deferred exploration and evaluation expenditure consists of expenditure on the Group's Lelouma Bauxite Project, Woula Bauxite Project and Gaoual Bauxite Project in Guinea and the Kangankunde Rare Earth Project in Malawi. 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 (RVR) outlined in Note 10 gives rise to a material uncertainty on the recoverability of the Kangankunde Rare Earths Project in Malawi.

- (i) The impairment expense in the half-year ended 31 December 2020 of \$6,526 relates to the Group's Hapa Gold Projects in Tanzania as the Group is now focussed on the Bauxite Projects in Guinea.
- (ii) The exploration expense – deferred consideration in the half-year ended 31 December 2020 of \$198,782, relates to the net present value of the deferred cash acquisition payments in relation to the Group's Woula Bauxite Project in Guinea of US\$150,000 due and payable in instalments from February – August 2021.

**NOTE 5: TRADE AND OTHER PAYABLES**

	Consolidated	
	Six months to 31 December 2020	Year to 30 June 2020
	\$	\$
Trade Payables and Accruals	316,789	104,639
Deferred Consideration – Woula Bauxite Project	198,782	-
	<b>515,571</b>	<b>104,639</b>

## Lindian Resources Limited

### Notes to the Financial Statements for the half-year ended 31 December 2020

#### NOTE 6: ISSUED CAPITAL

##### (a) Issued capital

	Consolidated	
	31 December 2020	30 June 2020
	\$	\$
Ordinary shares fully paid	34,774,087	32,424,788

##### (b) Movements in shares on issue

	Six months to 31 December 2020		Year to 30 June 2020	
	Number of shares	\$	Number of shares	\$
Balance at the beginning of the period	581,949,624	32,424,788	377,812,124	29,126,329
Shares issued – August 2019 share placement	-	-	70,937,500	1,135,000
Shares issued to settle debt	-	-	10,312,500	165,000
Shares issued - Lelouma Bauxite Project costs <sup>1</sup>	30,674,847	582,822	-	-
Shares issued - November 2019 share placement	-	-	31,250,000	500,000
Shares issued - share placements	61,349,694	1,000,000	-	-
Shares issued – part consideration for the Gaoual Bauxite Project in Guinea	-	-	5,000,000	105,000
Proposed issue of shares for acquisition of Batan Australia Pty Ltd	-	-	10,000,000	-
Exercise of options	41,691,667	833,833	76,637,500	1,532,750
Less fundraising costs	-	(67,356)	-	(139,291)
Balance at the end of the period	<b>715,665,832</b>	<b>34,774,087</b>	581,949,624	32,424,788

<sup>1</sup> On 27 November 2020, the Group issued 30,674,847 shares to Canberra Resources Limited and Sarmin Mining Inc as consideration for acquisition of the Lelouma Bauxite Project.

##### (c) Share options

At 31 December 2020, there were 130,887,347 unissued ordinary shares under options (30 June 2020: 222,237,501 options). The details of the unlisted options are provided below.

Number	Exercise Price \$	Expiry Date
20,000,000	0.02	30 June 2021
80,212,500	0.02	20 November 2022
30,674,847	0.032	28 September 2023

**Notes to the Financial Statements**  
for the half-year ended 31 December 2020

**NOTE 6: ISSUED CAPITAL (continued)**

The movement in options during the half-year ended 31 December 2020 is set out below. No ordinary shares were issued on the exercise of options during the period.

	Number of options
<b>Movements in options on issue</b>	
At beginning of period	<b>222,237,501</b>
Options expired	(80,333,334)
Options issued – free attaching options for placement	30,674,847
Options exercised	(41,691,667)
At end of period	<b>130,887,347</b>

**(d) Performance shares**

At 31 December 2020, there were 30,000,000 performance shares on issue (30 June 2020: 55,000,000 performance shares). The details of the performance shares and the movement in performance shares during the half-year ended 31 December 2020 is set out below:

	Number of performance shares
<b>Movements in performance shares on issue</b>	
At beginning of period – Class B Performance Shares	25,000,000
At beginning of period – LINAP Stage 1	12,500,000
At beginning of period - LINAP Stage 2	17,500,000
Performance shares expired	(25,000,000)
At end of period	<b>30,000,000</b>

Number	Expiry Date	Vesting Condition
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, expired on 6 December 2020.
12,500,000 Stage 1	24 months after Completion as defined in the 2019 Notice of Annual General Meeting	The Company identifying and establishing an initial JORC Code compliant resource containing a minimum of 65m tonnes with an average grade greater than 45% Al2O3 with less than 5% SiO2 reactive silica being defined in relation to the Gaoual Bauxite Project and announced on ASX by the Company.
17,500,000 Stage 2	24 months after Completion as defined in the 2019 Notice of Annual General Meeting	The Company completing a Preliminary Feasibility Study in relation to the Gaoual Bauxite Project.

In relation to the performance shares, no vesting expense is recorded unless vesting conditions are achieved. As at 31 December 2020, no vesting expense has been recognised.



**Notes to the Financial Statements**

for the half-year ended 31 December 2020

**NOTE 7: RESERVES**

	Consolidated	
	31 December 2020 \$	30 June 2020 \$
Share based payments reserve	5,609,570	5,609,570
Option reserve	4,106,626	4,106,626
Foreign currency translation reserve	45,948	1,270
	<b>9,762,144</b>	<b>9,717,466</b>

**Movement in reserves**

*Share based payments reserve*

Balance at the beginning of the period	5,609,570	5,273,106
Recognition of share based payments for options issued for consultancy fees	-	72,702
Recognition of share based payments for options issued to the Managing Director	-	231,402
Recognition of share based payments for options issued to the Company's employee-consultant in Africa	-	32,360
Balance at the end of the period	<b>5,609,570</b>	<b>5,609,570</b>

The share based payments reserve is used to record the premium paid on the issue of unlisted options.

*Option reserve*

Balance at the beginning of the period	4,106,626	4,106,626
Options issued	-	-
Balance at the end of the period	<b>4,106,626</b>	<b>4,106,626</b>

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

*Foreign currency translation reserve*

Balance at the beginning of the period	1,270	(1,185)
Exchange difference on translation of foreign operation attributable to owners of Lindian Resources Limited	44,678	2,455
Balance at the end of the period	<b>45,948</b>	<b>1,270</b>

The foreign currency translation reserve is used to record the foreign currency movement in the subsidiaries.

**NOTE 8: FINANCIAL INSTRUMENTS**

The methods and valuation techniques used for the purpose of measuring fair values are unchanged compared to previous reporting period.

The Directors consider that the carrying value of the financial assets and liabilities as recognised in the consolidated financial statements approximate their fair values.

**NOTE 9: DIVIDENDS**

No dividends have been paid or provided for during the half-year (2019: nil).

### Notes to the Financial Statements

for the half-year ended 31 December 2020

#### NOTE 10: CONTINGENT LIABILITIES

Lindian has previously announced the commencement of legal action in Malawi in respect of an 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. As part of the formal court process a mediation hearing was conducted on 16 April 2019 with no resolution agreed to by the parties. The Company remains committed to seeking to enforce specific performance of the agreement or financial damages which will include actual and consequential losses. The High Court of Malawi hearing was held in accordance with the scheduled dates of 4-5 November 2019.

The Company has 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. The Company is now waiting on the Court to prepare and deliver its judgement.

The Company has been advised that Mr. Saner has lodged a counter-claim against Lindian for defamation, in relation to statements Lindian made to the ASX in an announcement dated 23 November 2018. Mr. Saner is alleging that the statement in the announcement, that Lindian had lodged a criminal complaint against him in South Africa, was defamatory and is seeking damages in the sum of USD 500,000.

The High Court, Commercial Division (Malawi) where the counter-claim was lodged has decided that it has no jurisdiction to hear Saner's counterclaim since the issue is not commercial in nature. The claim will therefore be transferred to the High Court, General Division to be prosecuted separately from Lindian's claim for breach of contract.

The Company's position was that the terms of the Option Agreement remained valid and commenced legal action in the Malawi Courts to defend its rights which culminated in a disappointing decision in the High Court of Malawi.

On 8 July 2020, the Company announced that it had filed a notice of appeal with High Court of Malawi. 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 details 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 enforcing specific performance of the agreement or financial damages, which will include actual and consequential losses.

Lindian maintains that it will continue to pursue all avenues open to it to obtain the best possible outcome for the shareholders of the Company.

#### NOTE 11: SUBSEQUENT EVENTS

There have been no other significant events subsequent to the half-year end and up to the date of this report, that require disclosure other than the following:

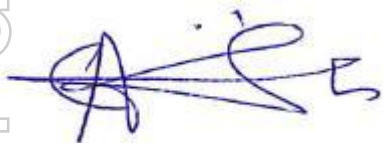
On 9 February 2021, Lindian announced it had subscribed for a 75% interest in Terminal Logistics & Holdings Pte Ltd (a company incorporated in Singapore) to assist and facilitate further discussions with the Guinean Government regarding the potential exploration and joint development of the Port of Dobali, and the associated logistics corridor in Guinea.

**DIRECTORS' DECLARATION**

In the opinion of the Directors of Lindian Resources Limited ('the company'):

1. The accompanying half-year financial statements and notes of the Group, as set out on pages 11 to 23, are in accordance with the *Corporations Act 2001* including:
  - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b. giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year then ended.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the Corporations Act 2001 for the half-year ended 31 December 2020.

This declaration is signed in accordance with a resolution of the Board of Directors.



Asimwe Kabunga  
Non-Executive Chairman  
Perth, Western Australia  
15 March 2021

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Lindian Resources Limited

### Report on the Condensed Half-Year Financial Report

#### *Conclusion*

We have reviewed the accompanying half-year financial report of Lindian Resources Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2020, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Lindian Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Basis for conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company 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 (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### *Material uncertainty related to going concern*

We draw attention to Note 1 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 conclusion 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 4 in the half-year 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 conclusion is not modified in respect of this matter.

#### *Responsibility of the directors for the financial report*

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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*Auditor's responsibility for the review of the financial report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**15 March 2021**



**N G Neill**  
**Partner**

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## INTERESTS IN MINING TENEMENTS AS AT 31 DECEMBER 2020

Project	Country	Licence Number	Status	Licence Type	Lindian Interest	Beneficial
Gaoual Project <sup>1</sup>	Guinea	22584	Granted	Prospecting	75%	
Lelouma Project	Guinea	2017/4994	Granted	Prospecting	75%	
Woula Project	Guinea	2020/2351	Granted	Prospecting	61% (Up to 75%)	
Lushoto Project	Tanzania	11176/2018	Granted	Prospecting	51%	
Lushoto Project	Tanzania	11177/2018	Granted	Prospecting	51%	
Lushoto Project	Tanzania	11178/2018	Granted	Prospecting	51%	
Lushoto Project	Tanzania	11262/2019	Granted	Prospecting	51%	
Lushoto Project	Tanzania	12194/2017	Application	Prospecting	51%	
Lushoto Project	Tanzania	12195/2017	Application	Prospecting	51%	
Lushoto Project	Tanzania	12227/2017	Application	Prospecting	51%	
Pare Project	Tanzania	11263/2019	Granted	Prospecting	51%	
Pare Project	Tanzania	14098/2019	Application	Prospecting	51%	
Pare Project	Tanzania	14099/2019	Application	Prospecting	51%	
Pare Project	Tanzania	14100/2019	Application	Prospecting	51%	
Uyowa Project <sup>3</sup>	Tanzania	10918/2016	Granted	Prospecting	100%	
Uyowa Project <sup>3</sup>	Tanzania	2241CWZ	Granted	Primary Mining	100%	
Uyowa Project <sup>3</sup>	Tanzania	2237GWZ	Granted	Primary Mining	100%	
Uyowa Project <sup>3</sup>	Tanzania	002240	Granted	Primary Mining	100%	
Uyowa Project <sup>3</sup>	Tanzania	2238CWZ	Granted	Primary Mining	100%	
Uyowa Project <sup>3</sup>	Tanzania	2242CWZ	Granted	Primary Mining	100%	
Uyowa Project <sup>3</sup>	Tanzania	2243CWZ	Granted	Primary Mining	100%	
Uyowa Project <sup>3</sup>	Tanzania	2239CWZ	Granted	Primary Mining	100%	

1. 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.
2. Hapa Gold Limited is a 100% owned subsidiary of Lindian Resources Limited.
3. License held on trust for Lindian Resources pursuant to a Declaration of Trust with Leticia Kabunga.