

KANGANKUNDE OPERATIONS UPDATE

Stage 1 Plant Development

HIGHLIGHTS

- **2023 project achievements establish the base for Project Development in 2024**
- **Stage 3 drilling completed to define an Indicated Resource category: assays pending**
- **Simplification and optimisation of metallurgical flowsheet undertaken**
- **Trial mining campaign under assessment**
- **Mine geotechnical study program commenced**
- **Civil works tender submissions received with contract award expected Q1 CY 2024**
- **Process plant tender package being finalised for issue**
- **Resource model update and detailed mine design and mine schedule is expected to be completed Q1 CY 2024**
- **Feasibility Study on track to be completed and released Q1 CY2024**
- **Water Extraction Licence application in progress**
- **Negotiations for project funding and pre-sale and off-take agreements ongoing**

Lindian Resources Limited (ASX:LIN) (“Lindian” or “the Company”) is pleased to provide this update on mine development operations and the commissioning of the Stage-1 processing plant at the Kangankunde Rare Earths Project in Malawi.

Lindian’s Executive Chairman, Asimwe Kabunga commented: *“Lindian has made excellent progress in 2023 with the accelerated development of the world class Kangankunde rare earths project. We have achieved a considerable amount in a very short timeframe since we secured the project only 16 months ago. We expect a similar pace of development in CY2024 with a number of key value accretive milestones to be reported in the first quarter. Lindian is well-funded with plenty of flexibility and industry interest to deliver on our objective of rapidly bringing the project into production. Kangankunde is a hugely valuable rare earths project of global significance and this will become more evident as we deliver on our stated objectives in the near-term.”*

Lindian Chief Executive Officer Alistair Stephens added: *“The progress of site development is advancing well. We expect a steady flow of mine development updates including an updated resource statement, mine designs and material scheduling, and firm quotations for all processing plant and associated infrastructure costs to be progressively reported from early in the new year leading to our*

feasibility study in the first quarter of calendar 2024. The fact that the requisite licences are in place, with continued strong support from the Malawian Government and the Local Community, means we are on track for development next year. Lindian is making great progress with our low capex Stage 1 plant that will produce unique non-radioactive rare earths concentrate.”

STRATEGIC POSITIONING : THE NEXT RARE EARTHS PRODUCER

Lindian aims to be a significant global producer of NdPr bearing non-radioactive monazite mineral concentrate using gravity separation for mineral recovery. This, combined with the ability to access hydroelectric power from the national Malawi grid, and progressive programs to reduce the mobile-fleet carbon emissions on site and introduce renewable energy initiatives, will place the Company in a unique value position with a low environmental footprint in the rare earths industry.

The Company’s Rift Valley Resource Developments Limited (Malawi) is the sole owner of Mining Licence MML0290/22 and Environmental and Social Impact Assessment Licence No.2.10.16 for the Kangankunde Project. The Mining Licence is surrounded by Exploration License EL0514/18R.

2023 KANGANKUNDE PROJECT DEVELOPMENT MILESTONES TO DATE

The technical programs in 2023 have been an industry leading success, with the following achievements:

- On 1st August 2022 Lindian completed the acquisition of Kangankunde from Rift Valley Resources Developments for US\$30 million
- On 29th September 2022 shareholder approved the acquisition
- On 13th October 2022 the Company commenced a mine development resource drill campaign
- On 11th April 2023 metallurgical test work determines that 60% recoveries and 60% concentrate grades using gravity separation are achievable (refer ASX announcement 11th April 2023 for disclosure of testwork and results)
- On 27th July the Company made the third Tranche progress payment for project acquisition for a total of US\$20m.
- On the 3rd August 2023 the Company published the maiden JORC resource statement
- On 7th September 2023 ANSTO (Australian Nuclear Science and Technology Organisation) confirms that Kangankunde monazite mineral concentrate is non-radioactive for transportation purposes
- On 27th September 2023 an Explosives Licence was granted
- On the 5th October an Exploration Target below the MRE was published
- An application for a water extraction licence is in progress
- Civil engineering designs were completed, and
- MOU signed for supply and sale of 45,000 metric tonnes of monazite mineral concentrate with global metals trading company, Gerald SARL.

MINE DEVELOPMENT DRILLING

An infill drill program for mine development drill program has been completed, with all samples despatched from site and either at the laboratory or in transit with assays to be reported progressively from this month.

In August 2023 the Company declared a maiden Mineral Resource Estimate (“MRE”) at Kangankunde of 261 million tonnes at 2.2% TREO (refer ASX release dated 3rd August 2023) following a drill and assay program.

Resource Classification	Tonnes (millions)	TREO (%)	NdPr ratio (%)	Tonne TREO (million)	Tonnes Contained NdPr* (millions)
Inferred Resource	261	2.19	20.2	5.7	1.2

In addition to the MRE drill program, two additional deep drill holes were undertaken below the MRE that identified an exploration target as reported to the ASX on 5th October 2023. These results below the MRE provide the Company with an orientation to the potential for additional resource definition drill programs post construction of the Stage 1 Operations plant.

An infill mine development drill program has been designed within the envelope of the current MRE to convert a portion of the Inferred Mineral Resource to an Indicated category. Drilling has been completed while assays are expected within the next several months. The resource update, along with engineering quotations for construction, will form part of the Feasibility Study for Kangankunde which is anticipated to be published in the first quarter of CY 2024.

TRIAL MINING

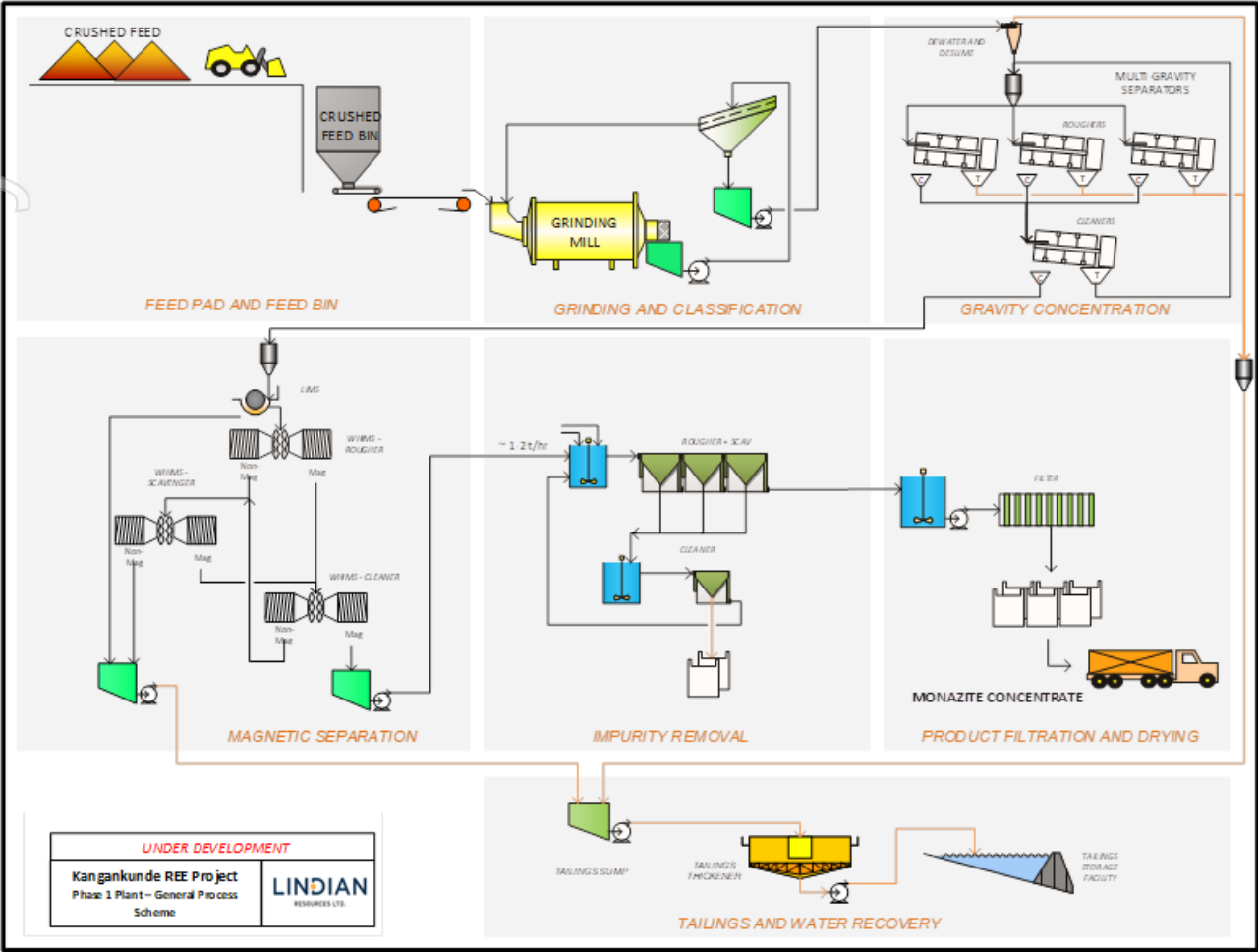
The Company is currently assessing a low-cost trial mining campaign in the first quarter of 2024. Mined material is intended to be stockpiled with the exercise used to assess drill and blast fragmentation requirements and material handling productivity.

MINE GEOTECHNICAL STUDY

The mine geotechnical study has commenced with a geotechnical engineer completing site mapping, drill core evaluation, rock quality sample selection and data compilation. A drill program designed to provide further data to optimise open pit slope configurations will commence in the near future. The study is being conducted to provide open pit wall design criteria and slope management procedures for the initial mine design.

METALLURGICAL TEST WORK SIMPLIFIES PROCESS DESIGN

The Company has undertaken continuous programs of metallurgical test work associated on bulk material at surface and of metallurgical drill holes (for along strike and depth variation analysis) with results being consistent with original releases on metallurgical outcomes. During grind size optimisation test work, a decision has been made to simplify the metallurgical flowsheet further with a) simplification to a single grinding mill, b) one fine size fraction in lieu of two (i.e. coarse & fine) further simplifying the design by eliminating the spiral circuit, and c) the inclusion of additional multi-gravity concentrator units (also called multi-gravity separators "MGS"). The Company is currently assessing the addition of a small flotation circuit for the purification of high-grade concentrate after the Wet High Intensity Magnetic Separators (WHIMS) for the removal of contaminants.



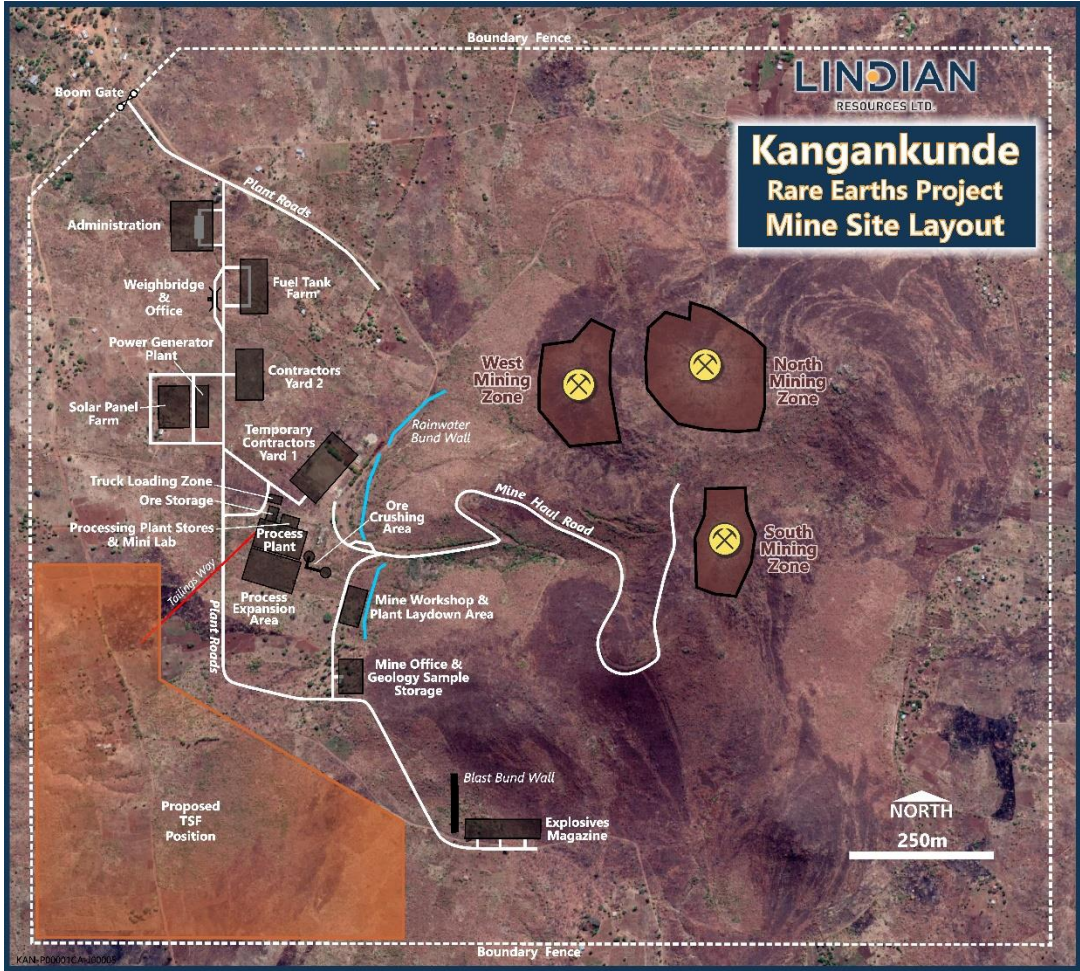
SITE LAYOUT DESIGN UPDATE

The project area site layout map (below) outlines the location of the exclusion zone, mining pits, haul roads, gate house, administration offices, fuels and solar farm, process plant, ROM pad, mine offices and tailing storage facility.

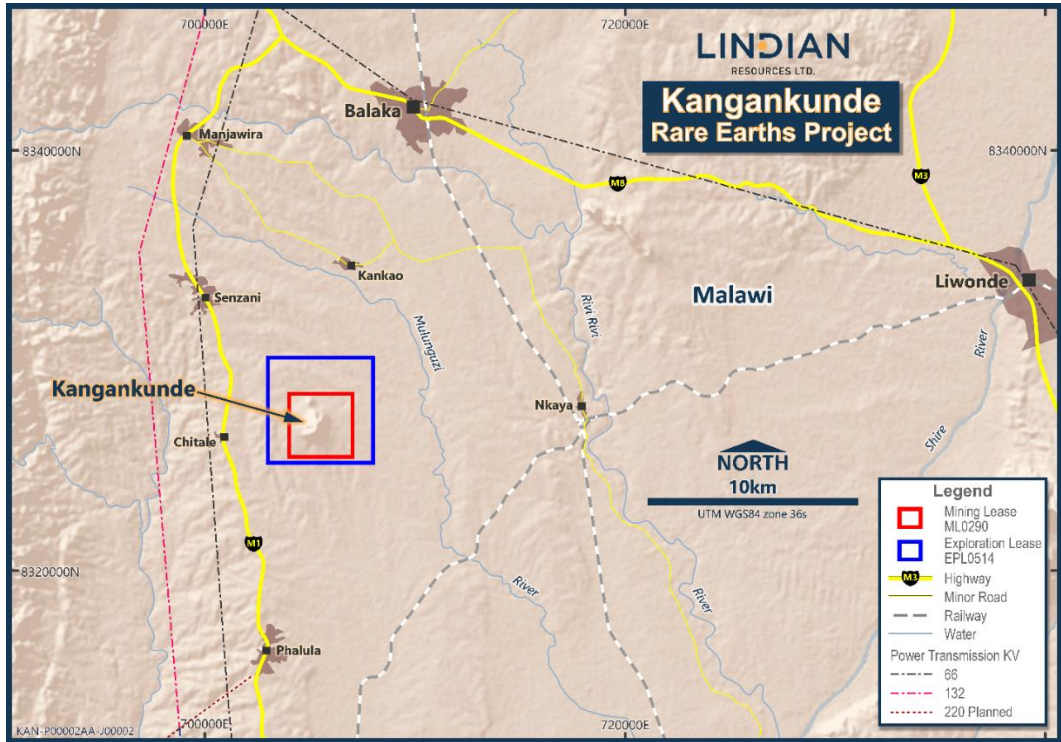
The project is located approximately 20 kilometres by the M1 highway from the town of Balaka in the south of Malawi. The civil works will include the upgrade of 5km road from the M1 highway to the site, bulk earthworks to for the process plant, the construction of the TSF and return water dam (RWD) and other miscellaneous works.

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Above: Kangankunde Site Layout



Above: Project Location

PROCESSING PLANT ENGINEERING AND DESIGN UPDATE

Alongside the mine development drill program, the Lindian team is also progressing with:

- The assessment of civil works tenders,
- Power and fuel supply,
- Administration facilities supply,
- Process Flow Diagrams (updated and simplified),
- Preferred equipment vendors,
- Concept 3D model for the process plant,
- The tender package for the design and construction of the process plant,
- Identification of several experienced Contractors to tender for the works.

PROJECT LICENCES

The Company has a Mining Licence, an Environmental Certificate and an Explosives Magazine Licence in place. These licences form part of the compliance documents that allow the Company to progress to development construction and operations in the near term. An application for a Water Extraction Licence has been submitted and expected to be granted in the near term.

PROJECT FUNDING

The Board expects that early-stage mine development works will be fully funded from existing cash reserves and is investigating other non-dilutive funding options. Considerable interest has been maintained from rare earths industry participants for offtake including the option for a pre-payment debt facility(s) for project development and the number of interested parties continues to expand.

NEAR-TERM DEVELOPMENTS

The Company expects that water extraction licence should be granted in the near term. The Company is working towards an updated Resource Statement, mine designs and ancillary works to be completed in Q1 CY 2024, for the publication of a feasibility study. It is anticipated that the capital costs for all plant property and equipment will be fixed, and tenders of contracts for construction will be awarded in the same quarter.

-ENDS-

This ASX announcement was authorised for release by the Board of Lindian Resources Limited.

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Table 1: Kangankunde Rare Earths Project Mineral Resource Above 0.5% TREO Cut-off Grade

Resource Classification	Tonnes (millions)	TREO (%)	NdPr% of TREO** (%)	Tonnes Contained NdPr* (millions)
Inferred Resource	261	2.19	20.2	1.2

Rounding has been applied to 1.0Mt for tonnes and 0.1% NdPr% of TREO which may influence total calculation.

* NdPr = Nd₂O₃ + Pr₆O₁₁, ** NdPrO% / TREO% x 100

Competent Person's Statement

The information in this Report that relates to drilling, sampling, and assay results of the Kangankunde Rare Earths Project is based on information compiled by Mr. Alistair Stephens, who is a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM). Mr. Stephens is the Chief Executive Officer of Lindian Resources Limited. Mr. Stephens has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). The Competent Persons' consents remains in place and has not been withdrawn.

The information in this Report that relates metallurgy testwork and results is based on information compiled by Dr. Marc Steffens, who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Dr. Steffens is a consultant metallurgist engaged by Lindian Resources and a principal of Specialised Metallurgical Services Pty Ltd. Dr. Steffens has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). The Competent Persons' consents remains in place and has not been withdrawn.

Unless otherwise stated, where reference is made to previous releases of exploration results and metallurgy testwork in this announcement, the Company conforms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the information included in those announcements continue to apply and have not materially changed.

The information in this report that relates to previous exploration results was prepared and first disclosed under the JORC Code 2012 and has been properly and extensively cross-referenced in the text to the date of the original announcement to the ASX.

The information in this report that relates to a Mineral Resource Estimate for the Kangankunde Rare Earths deposit was first released to the ASX on 3 August 2023 in an announcement titled "Lindian Reports Maiden Mineral Resource Estimate of 261 Million Tonnes at High Grade of 2.19% TREO", is available to view at www.lindianresources.com.au and for which Competent Persons' consents were obtained. The Competent Persons' consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource Estimate included in the original ASX announcement released on 3 August 2023 and all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply and have not materially changed.

Forward Looking Statements

This announcement may include forward-looking statements, based on Lindian's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Lindian, which could cause actual results to differ materially from such statements. Lindian makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of the announcement.