

LINDIAN RESOURCES LIMITED
ACN 090 772 222

PROSPECTUS

For the offer of up to 62,500 Shares in the capital of the Company at an issue price of \$0.016 per Share to raise up to \$1,000 (before expenses).

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered under this Prospectus should be considered speculative.

TABLE OF CONTENTS

1.	CORPORATE DIRECTORY.....	1
2.	TIMETABLE AND IMPORTANT NOTES	2
3.	DETAILS OF THE OFFER.....	4
4.	PURPOSE AND EFFECT OF THE OFFER.....	8
5.	RIGHTS AND LIABILITIES ATTACHING TO SHARES	10
6.	RISK FACTORS	13
7.	ADDITIONAL INFORMATION	20
8.	DIRECTORS' AUTHORISATION	29
9.	DEFINITIONS	30

For personal use only

1. **CORPORATE DIRECTORY**

Directors

Asimwe Kabunga
Non-Executive Chairman

Shannon Green
Managing Director

Matthew Bull
Non-Executive Director

Company Secretary

Geoff James

Share Registry*

Automic Registry Services
Level 2, 267 St Georges Terrace
Perth WA 6000

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

Registered Office

Level 24
108 St Georges Terrace
Perth WA 6000

Telephone: + 61 8 6557 8838
Email: info@lindianresources.com.au
Website: www.lindianresources.com.au

ASX Code

LIN

Lawyers

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditors*

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

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. TIMETABLE AND IMPORTANT NOTES

2.1 Timetable

Action	Date
Lodgement of Prospectus with the ASIC and ASX	5 August 2019
Opening Date	5 August 2019
General Meeting of Shareholders*	30 September 2019
Issue of Shares following Shareholder approval at General Meeting	7 October 2019
Closing Date**	5:00pm (WST) on 8 October 2019
Expected date of Official Quotation of the Shares	8 October 2019

* As at the date of lodgement of this Prospectus, the date of the General Meeting has not been confirmed and accordingly, the date of the General Meeting is subject to change. As such, the date the Shares are expected to be issued may vary with any change in the date of the General Meeting.

** The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Shares are expected to commence trading on ASX may vary with any change in the Closing Date.

2.2 Important Notes

This Prospectus is dated 5 August 2019 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Offer is only available to those who are personally invited to accept the Offer. Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.3 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.lindianresources.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any

person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

2.4 Risk Factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

2.5 Overseas Investors

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.6 Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offer. You should rely only on information in this Prospectus.

3. DETAILS OF THE OFFER

3.1 Background to the Offer

On 24 July 2019, the Company announced that it was intending to raise up to \$1,300,000 via an issue of 81,250,000 Shares at an issue price of \$0.016 per Share, together with one (1) free attaching option to acquire a Share (**Option**) for every one (1) Share subscribed for and issued, exercisable at \$0.02 each, on or before the date that is three years from the date of issue (**Capital Raising**). The Capital Raising is being completed in two tranches as follows:

- (a) tranche 1 of the Capital Raising (**Tranche 1**) comprises an issue of 68,750,000 Shares (**Tranche 1 Shares**) and 68,750,000 Options (**Tranche 1 Options**) to unrelated parties of the Company, to raise up \$1,100,000 (before costs). The Tranche 1 Shares were issued under the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A on 2 August 2019. The issue of the Tranche 1 Options is subject to Shareholder approval at a general meeting of Shareholders to be convened on or around 30 September 2019 (**General Meeting**); and
- (b) tranche 2 of the Capital Raising (**Tranche 2**) will comprise the issue of up to a further 12,500,000 Shares and 12,500,000 Options to Chairman, Mr Asimwe Kabunga (a related party of the Company), to raise up to \$200,000. The issue of Shares and Options under Tranche 2 is subject to Shareholder approval at the General Meeting.

The Company intends to apply funds raised from the Capital Raising towards:

- (a) satisfying the "Stage 1 Interest" earn-in under the option agreement with entities associated with the Company's Chairman, Mr Asimwe Kabunga, KB Bauxite Guinea SARLU (**KB Bauxite**) and its sole shareholder Guinea Bauxite Pty Ltd (**Option Agreement**) (under which the Company has the right to acquire an initial 51% interest in the Gaoual Bauxite Project by spending USD\$1,000,000 within 24 months of completion) (refer to ASX announcement dated 16 July 2019 for further detail regarding the Option Agreement);
- (b) progress exploration activities on the Company's existing exploration projects in Tanzania; and
- (c) for general working capital purposes.

In addition to the Shareholder approvals required in respect of the Capital Raising (set out above), the General Meeting will be held to approve the following:

- (a) the acquisition of up to a 75% interest in the Gaoual Bauxite Project (**Gaoual Bauxite Acquisition**);
- (b) the issue of 5,000,000 Shares to KB Bauxite (or its nominee) in part consideration for the Gaoual Bauxite Acquisition;
- (c) the issue of 30,000,000 performance rights in the capital of the Company to KB Bauxite (or its nominee) in part consideration for the Gaoual Bauxite Acquisition; and
- (d) the issue of 10,000,000 Shares to the vendors of the Lushoto Bauxite Project in consideration for the completion of the 51% stage 1

acquisition of the entity that owns 100% of the Lushoto Bauxite Project (**Lushoto Bauxite Acquisition**) (refer to ASX announcements dated 3 August 2017, 11 January 2018, 8 October 2018 and 20 March 2019 for further detail).

Please refer to the Notice of Meeting for the General Meeting to be despatched to Shareholders after the date of this Prospectus for further detail regarding the Gaoual Bauxite Acquisition and Lushoto Bauxite Acquisition as set out above.

3.2 Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 62,500 Shares at an issue price of \$0.016 per Share to raise up to \$1,000 (before expenses).

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus. A summary of the rights and liabilities attaching to Shares is set out in Section 6.

3.3 Objective

The Company is seeking to raise only a nominal amount of \$1,000 under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date (including, for the avoidance of doubt, the Shares issued under Tranche 1 and Tranche 2 of the Capital Raising and other Shares issued pursuant to the General Meeting).

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

3.4 Application for Shares

Applications for Shares must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Shares must be made in full at the issue price of \$0.016 per Share.

Completed Application Forms and accompanying cheques must be mailed or delivered to the Company as follows:

Delivery by hand	Delivery by post
Level 24, 108 St Georges Terrace Perth WA 6000	Level 24, 108 St Georges Terrace Perth WA 6000

Cheques should be made payable to "**Lindian Resources Limited**" and crossed "**Not Negotiable**". Completed Application Forms and cheques must reach the address set out above by no later than the Closing Date.

3.5 Minimum subscription

There is no minimum subscription.

3.6 Issue of Shares

Issue of Shares under the Offer will take place as soon as practicable after the Closing Date. Application moneys will be held in a separate subscription account until the Shares are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Shares. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for.

Where the number of Shares issued is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Closing Date. Where no issue of Shares is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

3.7 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

3.8 Restrictions on the distribution of the Prospectus

The distribution of this Prospectus outside Australia may be restricted by law.

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

3.9 Enquiries

Any questions concerning the Offer should be directed to Geoff James, Company Secretary, on + 61 8 6557 8838.

For personal use only

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date (including prior to the date of this Prospectus). All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to section 7.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

4.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure is set out below.

Shares ¹	Number
Shares currently on issue ²	446,562,124
Shares to be issued following Shareholder approval at the General Meeting ³	27,500,000
Shares to be issued under this Prospectus	62,500
Total Shares on issue on completion of the Offer and Capital Raising^{3,4,5}	474,124,624

Notes:

1. The rights and liabilities attaching to the Shares are summarised in section 5 of this Prospectus.
2. This includes 68,750,000 Shares issued under Tranche 1 of the Capital Raising on 2 August 2019.
3. This includes the following Shares to be issued subject to Shareholder approval to be obtained at the General Meeting:
 - a. 12,500,000 Shares to be issued under Tranche 2 of the Capital Raising;
 - b. 5,000,000 Shares in part consideration for the Gaoual Bauxite Acquisition; and
 - c. 10,000,000 Shares in consideration for a 51% interest in the Lushoto Bauxite Acquisition.
4. This assumes the Offer is fully subscribed and no Options are exercised, or Performance Shares converted.

Options	Number
Options currently on issue	
Unlisted Options exercisable at \$0.02 each on or before 31 December 2020 ¹	165,000,001
Options to be issued following Shareholder approval at the General Meeting ²	81,250,000
Options to be issued under this Prospectus	Nil
Total Options on issue on completion of the Offer and Capital Raising²	246,250,001

Notes:

1. 2,500,000 of these 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.

2. This includes the following Options to be issued subject to Shareholder approval to be obtained at the General Meeting:
- 68,750,000 Unlisted Options, exercisable at at \$0.02 each on or before the date that is three years from the date of issue of the Options, to be issued under Tranche 1 of the Capital Raising; and
 - 12,500,000 Unlisted Options, exercisable at at \$0.02 each on or before the date that is three years from the date of issue of the Options, to be issued under Tranche 2 of the Capital Raising.

Performance Shares	Number
Performance Shares on issue as at the date of this Prospectus Class B Performance Shares ¹	25,000,000
Performance Shares to be issued under the Capital Raising	Nil
Performance Shares to be issued under this Prospectus	Nil
Total Performance Shares on issue on completion of the Offer and the Capital Raising	25,000,000

Notes:

The Company notes that the Class B Performance Shares are convertible into Shares on a 1:1 basis subject to conversion of the Class A Performance Shares and an independent third party expert producing a Pre-Feasibility Study (as defined in the JORC Code) which evidences a 15% or greater internal rate of return (using publicly available industry assumptions, including deliverable spot product pricing, which is independently verifiable) for the development of the tenements (as acquired in the Tangold Pty Ltd transaction) or on before 6 December 2020 (the full terms and conditions are set out in the Notice of Meeting announced to the ASX on 26 October 2016). Whilst one of the milestones of the Class B Performance Shares is unable to be satisfied (by virtue of the Class A Performance Shares having lapsed), the Class B Performance Shares may still convert into Shares upon a change of control occurring.

Performance Rights

The Company notes that it does not currently have any performance rights on issue. However, as announced to ASX on 10 April 2019 and subsequently on 16 July 2019, the Company is intending to proceed to acquire the Gaoual Bauxite Project from a company associated with the Company's Chairman, Mr Asimwe Kabunga (refer also to Section 3.1 above). As part of the Gaoual Bauxite Acquisition, the Company intends to issue 30,000,000 performance rights that will convert into Shares in the Company upon the achievement of specific milestones related to the Gaoual Bauxite Project (as set out in the ASX announcement dated 10 April 2019). The full terms and conditions of the proposed performance rights will be set out in the Notice of Meeting for the General Meeting to be despatched to Shareholders after the date of this Prospectus.

4.3 Financial effect of the Offer

After expenses of the Offer of approximately \$10,000, there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$1,000) will be met from the Company's general working capital.

As such, the Offer will have an effect on the Company's financial position, being receipt of funds of \$1,000 less costs of preparing the Prospectus of approximately \$10,000.

For personal use only

5. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

5.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

5.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

5.3 Dividend rights

Subject to the rights of any preference Shareholders, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (including amounts credited) is of the total amounts paid and payable (including amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may capitalise any profits of the Company and distribute that capital to the Shareholders, in the same proportions as the Members are entitled to a distribution by Dividend.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares

which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

5.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

5.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

5.6 Transfer of shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

5.7 Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

5.8 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

5.9 Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least

28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

For personal use only

6. RISK FACTORS

6.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company specific

(a) Going Concern Risk

While completing the audit review of the Company's half yearly financial report for the half-year ended 31 December 2018, the Company's auditor, HLB Mann Judd noted the following:

"The ability of the [Company] to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cashflows in line with available funds."

Notwithstanding the emphasis of matter included in the half yearly financial report, the Directors believe that upon the successful completion of the Capital Raising, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company. Please refer to Section 6.2(b) below for further details.

In the event that the Capital Raising are not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern, and which is likely to have a material adverse effect on the Company's activities.

(b) Future Capital Requirements Risk

To effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses the Company will be required to raise additional funds.

Further funds may be sought by the Company through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of

exploration or development on the Company's projects, or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and may involve substantial dilution to Shareholders.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

(c) **Sovereign Risk**

The Company's core projects, the Lushoto and Pare Bauxite projects, are located in the United Republic of Tanzania which is considered to be a developing country and as such subject to emerging legal and political systems compared to the systems in place in Australia.

Sovereign risks associated with operating in Tanzania include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.

No assurance can be given regarding future stability in Tanzania or any other country in which the Company may have an interest.

(d) **Tanzania Bauxite Projects**

The Company currently holds a 51% interest in the Lushoto and Pare Bauxite Projects located in Tanzania through its interest in East African Bauxite Limited, and has the option to increase ownership to 75%.

The Company is subject to the risk that changes in the status of this joint venture (including changes caused by financial failure or default by a participant in the joint venture) may adversely affect the operations and performance of the Company.

(e) **Gaoual Bauxite Project**

Pursuant to the exclusive option agreement announced in the Company's ASX release on 10 April 2019 between the Company and KB Bauxite Guinea SARLU and its sole shareholder, Guinea Bauxite Pty Ltd., the Company has been granted an option to acquire up to 75% of the Gaoual Bauxite project located in Guinea. As announced in the Company's ASX release on 16 July 2019, the Company has elected to proceed with its option to acquire up to 75% of the Gaoual Bauxite project.

The exercise of the option is subject to Shareholder approval at the General Meeting pursuant to ASX Listing Rule 10.1 as KB Bauxite Guinea

SARLU and Guinea Bauxite Pty Ltd. are related parties of the Company's Chairman, Asimwe Kabunga.

There is a risk that Shareholders will not approve the transaction, which may adversely affect the Company's financial performance, market price of its Shares and operational outlook.

6.3 Industry specific

(a) Exploration

The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the cash reserves of the Company and possible relinquishment of the Tenements.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) Mine development

Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.

(c) **Operations**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(d) **Resource estimates**

The Company does not presently have any JORC Code compliant resources on the projects in which it is earning an interest. In the event a resource is delineated this would be an estimate only. An estimate is an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(e) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(f) **Government policy changes**

Adverse changes in government policies or legislation may affect the Company's ability to develop its technology, availability of research and development credits, taxation, royalties, ownership of mineral interests, land access, labour relations, and mining and exploration

activities of the Company. Any material adverse changes in relevant government policies or legislation of Australia or Tanzania (or in any other jurisdiction in which the Company conducts its business) may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

(g) **Tenure**

Mining and exploration permits in Tanzania are subject to periodic renewal. There is no guarantee that current or future permits or future applications for permits will be approved.

(h) **Environmental risks**

The exploration and any future mining activities of the Company are subject to local laws and regulations concerning the environment. As with most exploration projects and mining operations, the proposed activities in Tanzania are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Such impact can give rise to substantial costs for environmental rehabilitation, damage, control and losses. Further, if there are environmental rehabilitation conditions attaching to the permits granted in Tanzania, failure to meet such conditions could lead to forfeiture of these permits.

6.4 **General risks**

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the

Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(f) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(g) **Insurance**

Insurance against all risks associated with the Company's business is not always available or affordable. The Company maintains insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

(h) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(i) **Unforeseen expenditure risks**

Expenditure may need to be incurred which has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, however if such expenditure is subsequently required or incurred, this may adversely impact budgeted expenditure proposals by the Company.

6.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Litigation

Other than as set out below, as at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

The Company commenced legal action in Malawi in respect of an exclusive option agreement entered into with Michael Saner and Rift Valley Resource Developments Limited (**Rift Valley**) 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. The Company remains committed to seeking to enforce specific performance of the agreement or financial damages which will include actual and consequential losses. The matter is scheduled to move to a formal trial in August/September 2019.

Legal costs to date have been kept to a minimum and the formal trial process in Malawi will not be a significant drain on the Company's ongoing cash requirements. In the event that the Company was to be unsuccessful in the legal action, no material losses are expected to be incurred.

7.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the

purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
02/08/2019	Appendix 3B – Share Placement
31/07/2019	Investor Presentation
30/07/2019	Quarterly Cashflow Report
30/07/2019	Quarterly Activities Report
24/07/2019	Lindian Funded for Gaoual Bauxite Drilling Program
22/07/2019	Trading Halt
16/07/2019	Lindian To Proceed With Gaoual Bauxite Transaction
15/07/2019	Trading Halt
08/07/2019	Significant Bauxite Discovery

Date	Description of Announcement
04/07/2019	Trading Halt
19/06/2019	Initial Director's Interest Notice - Shannon Green
19/06/2019	Guinea Bauxite Project Update
14/06/2019	Experienced Bauxite Executive Appointed as Managing Director
11/06/2019	Change of Director's Interest Notices x 3
11/06/2019	Expiry of Unlisted Options
21/05/2019	Becoming a substantial holder
15/05/2019	Drilling Update Tanzania
08/05/2019	Assay Results Confirm Potential of Guinea Bauxite Project
30/04/2019	Quarterly Cashflow Report
30/04/2019	Quarterly Activities Report
18/04/2019	Update on Malawi Injunction Granted to Lindian
10/04/2019	Reinstatement to Official Quotation
10/04/2019	Exclusive Option to Acquire Strategic Bauxite Tenement
08/04/2019	Voluntary Suspension Extension Request
01/04/2019	Voluntary Suspension Extension Request
01/04/2019	Project and Funding Update
01/04/2019	Change of Registered Office
26/03/2019	Change of Director's Interest Notice - A Kabunga
26/03/2019	Change in substantial holding
25/03/2019	Voluntary Suspension Extension Request
20/03/2019	Update on Malawi Injunction and Bauxite Projects
18/03/2019	Voluntary Suspension Extension Request
15/03/2019	Change of Director's Interest Notices - A Kabunga & M Bull
15/03/2019	Expiry of Performance Shares
15/03/2019	Half Year Accounts
12/03/2019	Drilling Commences on Lushoto and Pare Bauxite Projects
11/03/2019	Voluntary Suspension Extension Request
05/03/2019	Exploration Update - Expansion of Bauxite Portfolio
04/03/2019	Voluntary Suspension Extension Request
25/02/2019	Voluntary Suspension Extension Request
18/02/2019	Voluntary Suspension Extension Request
11/02/2019	Voluntary Suspension Extension Request
04/02/2019	Voluntary Suspension Extension Request
01/02/2019	Quarterly Activities Report
01/02/2019	Quarterly Cashflow Report

Date	Description of Announcement
29/01/2019	Voluntary Suspension Extension Request
21/01/2019	Voluntary Suspension Extension Request
14/01/2019	Voluntary Suspension Extension Request
07/01/2019	Voluntary Suspension Extension Request
31/12/2018	Voluntary Suspension Extension Request
24/12/2018	Voluntary Suspension Extension Request
17/12/2018	Voluntary Suspension Extension Request
10/12/2018	Voluntary Suspension Extension Request
03/12/2018	Voluntary Suspension Extension Request
30/11/2018	Results of Meeting
26/11/2018	Voluntary Suspension Extension Request
23/11/2018	Lindian Granted Injunction
19/11/2018	Voluntary Suspension Extension Request
12/11/2018	Voluntary Suspension Extension Request
05/11/2018	Suspension from Official Quotation
01/11/2018	Trading Halt
01/11/2018	Pause in Trading
31/10/2018	Quarterly Cashflow Report
31/10/2018	Quarterly Activities Report
30/10/2018	Notice of Annual General Meeting/Proxy Form
23/10/2018	Appendix 3B - Issue of Options
19/10/2018	Company Secretary Appointment/Resignation
08/10/2018	Grant of Lushoto Bauxite Project Licences in Tanzania
05/10/2018	Appendix 3B and Cleansing Statement
04/10/2018	Trading Halt
27/09/2018	Appendix 4G

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.lindianresources.com.au.

7.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.018	19/07/2019
Lowest	\$0.009	04/06/2019
Last	\$0.015	02/08/2019

7.4 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Kabunga Holdings Pty Ltd ATF Kabunga Family A/C ¹	53,525,000 ²	14.17% ³
Futurity Private Pty Ltd	21,703,692	5.74%
Matthew Norman Bull	24,250,000	6.42%

Notes:

1. Director, Mr Asimwe Kabunga controls Kabunga Holdings Pty Ltd ATF Kabunga Family A/C.
2. The Company notes that subject to Shareholder approval, Mr Asimwe Kabunga (or entities associated with Mr Kabunga) will be issued an additional:
 - a. 12,500,000 Shares and 12,500,000 Options pursuant to Mr Kabunga's participation in Tranche 2 of the Capital Raising; and
 - b. 5,000,000 Shares and 30,000,000 performance rights convertible into Shares in part consideration for the Gaoual Bauxite Acquisition,
3. If all of the securities set out above at Note 2 are issued to Mr Asimwe Kabunga (or entities associated with Mr Kabunga), this may increase Mr Kabunga's relevant interest to above 20%, however any acquisition will be in compliance with all applicable laws. Refer to the Notice of Meeting to be despatched after the date of lodgement of this Prospectus for further detail.

7.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

For personal use only

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Performance Shares	Options
Asimwe Kabunga	53,525,000 ¹	11,250,000 ²	10,000,000 ^{1,3}
Matthew Bull	24,250,000 ⁴	4,250,000 ⁵	4,000,000 ⁶
Shannon Green	Nil	Nil	Nil

Notes:

1. Held indirectly by Asimwe Kabunga through Kabunga Holdings Pty Ltd ATF Kabunga Family A/C, being entities of which Asimwe Kabunga is a director/beneficiary. The Company notes that subject to Shareholder approval, Mr Asimwe Kabunga (or entities associated with Mr Kabunga) will be issued an additional:
 - a. 12,500,000 Shares and 12,500,000 Options pursuant to Mr Kabunga's participation in Tranche 2 of the Capital Raising; and
 - b. 5,000,000 Shares and 30,000,000 performance rights convertible into Shares in part consideration for the Gaoual Bauxite Acquisition.
2. Comprising 5,250,000 Class B Performance Shares held by Kabunga Holdings Pty Ltd ATF Kabunga Family A/C and 6,000,000 Class B Performance Shares held by Jabari Resources (T) Limited, being entities of which Asimwe Kabunga is a director/shareholder.
3. Unlisted Options exercisable at \$0.02 each on or before 31 December 2020. Held indirectly by Asimwe Kabunga through Kabunga Holdings Pty Ltd ATF Kabunga Family A/C, being entities of which Asimwe Kabunga is a director/beneficiary.
4. Comprising 2,500,000 Shares held by Matthew Bull ATF The MDKN Superannuation Fund A/C (of which Matthew Bull is a trustee and beneficiary) and 21,750,000 Shares held directly by Matthew Bull.
5. Comprising 4,250,000 Class B Performance Shares held directly by Matthew Bull.
6. Unlisted Options exercisable at \$0.02 each on or before 31 December 2020. Held directly by Matthew Bull.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$240,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Financial Year ended 30 June 2020	Financial Year ended 30 June 2019	Financial Year ended 30 June 2018
Asimwe Kabunga	\$60,000 ¹	\$90,000 ¹	\$60,000 ¹
Matthew Bull	\$60,000 ¹	\$120,000 ^{1,2}	\$120,000 ^{1,2}
Shannon Green ³	\$251,850 ^{1,4}	\$11,543 ^{1,4}	N/A

Notes:

1. This includes salary, short-term, long-term and non-monetary benefits and fees provided for services (if any).
2. Includes a consulting fee of \$60,000.
3. Appointed as a Director on 13 June 2019.
4. Including, superannuation contributions received by Mr Green from the Company.

7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$5,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not been paid any fees for legal services provided to the Company.

7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.8 Estimated expenses of Offer

The estimated expenses of the Offer are estimated to be approximately \$10,000 (excluding GST) and are expected to comprise legal fees and other administrative expenses, including ASIC fees. The estimated expenses will be paid out of the Company's existing working capital.

7.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on + 61 8 6557 8838 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

7.10 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing Share certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring

stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.11 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Asimwe Kabunga
Chairman
For and on behalf of
Lindian Resources Limited

For personal use only

9. DEFINITIONS

\$ means Australian dollars.

Applicant means an investor who applies for Shares pursuant to the Offer.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward).

Company means Lindian Resources Limited (ACN 090 772 222).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Offer means the offer of Shares referred to in the "Details of the Offer" Section of this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offer as specified in the timetable set out in Section 2.1 of this Prospectus (unless varied).

Option means an option to acquire a Share.

Prospectus means this prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Share Registry means Automic Registry Services (ACN 152 260 814).

WST means western standard time as observed in Perth, Western Australia.