



ABN 53 090 772 222

Financial Report for the half-year ended
31 December 2021

CORPORATE DIRECTORY

Directors

Mr Asimwe Kabunga (Non-Executive Chairman)

Mr Giacomo Fazio (Non-Executive Director)

Mr Yves Occello (Non-Executive Director)

Company Secretary

Ms Susan Park

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Auditors

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Securities Exchange

Australian Securities Exchange

(Home Exchange: Perth, Western Australia)

ASX Code: LIN

CONTENTS

DIRECTORS' REPORT	3
CORPORATE	9
AUDITOR'S INDEPENDENCE DECLARATION	10
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	11
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	12
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	13
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	14
DIRECTORS' DECLARATION	25
INDEPENDENT AUDITORS REVIEW REPORT	26
INTERESTS IN MINING TENEMENTS AS AT 31 DECEMBER 2021	28

DIRECTORS' REPORT

The Directors of Lindian Resources Limited ("Lindian") submit the financial report of the Group for the half-year ended 31 December 2021. 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 Yves Occello	Non-Executive Director
Mr Giacomo Fazio	Non-Executive Director

Results

The loss after tax for the half-year ended 31 December 2021 was \$508,878 (31 December 2020: \$916,119).

REVIEW OF OPERATIONS

Lindian's continued focus during the period has been advancing its portfolio of world-class bauxite projects in Guinea and seeking a resolution with respect to the Kangankunde Rare Earths Project in Malawi.

GUINEA BAUXITE PORTFOLIO

The focus for the period was on advancing Lindian's world class bauxite portfolio in Guinea working to define the optimal export solution and progress due diligence with interested parties.

Despite changes in the country's leadership, the political situation in Guinea has not impacted the bauxite industry with mining, processing and export operations continuing as usual.

There remains considerable third-party interest in the Company's bauxite assets.

Lindian's longer term strategy is to develop the "Northern Corridor" to unlock the full potential of the Group's portfolio, but as an interim step Lindian is exploring the opportunity to take advantage of the significant infrastructure developed in Guinea in the past 10 years to facilitate low capital, near term production.

The location of the different assets within Lindian's bauxite portfolio is shown below.

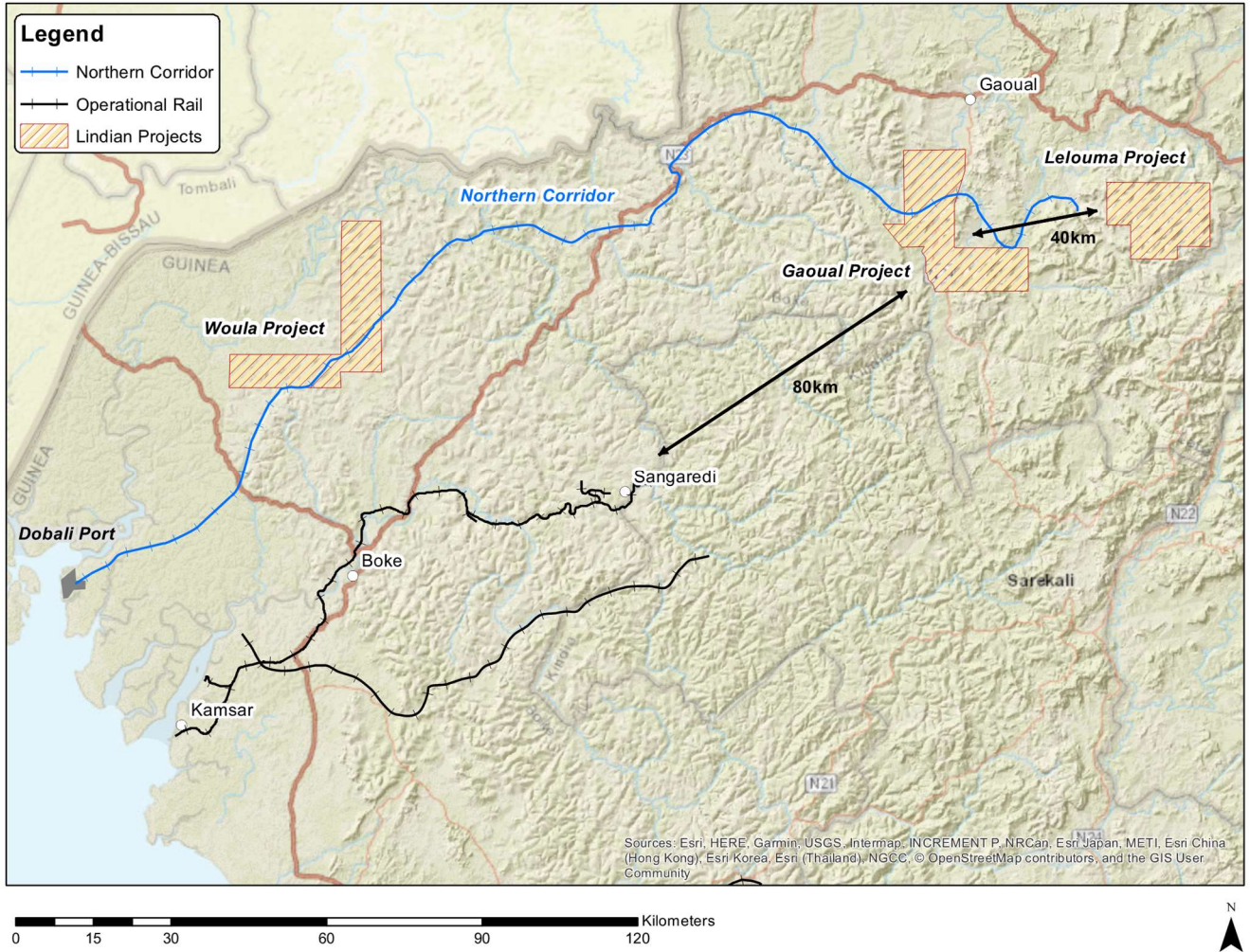


Figure 1 - Location of Assets within Lindian's Guinean Bauxite Portfolio¹

Specifically, the focus of the Company during the period has been on:

- Continuation of discussions with respect to infrastructure sharing agreements for rail, road and port allocations outside of its Northern Corridor development strategy.
- Advancing negotiations and responding to due diligence requests with interested parties on development of the Northern Corridor rail and port infrastructure.
- In addition, the Company's 75% owned infrastructure subsidiary, Terminal Logistics and Holdings Pte Ltd ("TLH"), continues to advance the Memorandum of Understanding ("MOU-G") regarding the potential exploration and joint development of the Port of Dobali and the associated logistics corridor (the "Northern Corridor") in Guinea.

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. 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.

¹ 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.

Lindian Resources Limited

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

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% Al₂O₃ and <10% SiO₂, 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).

Cut-off Criteria	Mineral Resource Category	Tonnes (Mt)	Al ₂ O ₃ (%)	O ₂ (%)
>40<45% Al ₂ O ₃ <10% SiO ₂ >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
	Total	502	42.5	2.1
>45% Al ₂ O ₃ <10% SiO ₂ >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
	Total	398	48.1	2.0
Combined (Total Mineral Resource)	Measured	155	47.9	1.8
	Indicated	743	44.4	2.1
	Inferred	2	42.9	2.8
	Total Combined	900	45.0	2.1

Table 1 - Lelouma Project Mineral Resource Statement¹

GAOUAL HIGH GRADE CONGLOMERATE BAUXITE PROJECT - GUINEA

The Gaoual High-Grade Conglomerate Bauxite Project (“**Gaoual Project**”) is located within a known bauxite mining province in the north-west of Guinea. It 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 owned by KB Bauxite Guinee SARLU, a registered Guinean company. Lindian Resources has held an exclusive option agreement with KB Bauxite Guinee SARLU since 10 April 2019.

Bouba plateaux resource estimate²

Lindian announced a maiden resource for the Bouba Plateaux at the Company’s Gaoual Project in Guinea. A total JORC compliant Indicated Resource of 102M @ 49.8% Al₂O₃ was defined using a cut-off of 40% Al₂O₃. The Resource includes high grade areas with 84Mt @ 51.2% Al₂O₃ using a higher cut off of 45% Al₂O₃.

² For further details, see Lindian’s ASX announcement dated 15 July 2020 titled “Lindian Defines Maiden Resource for its High Grade Conglomerate Bauxite Project”. Lindian confirms that it is not aware of any new information or data that materially affects the information included in that announcement, and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

	Resources (Mt)	Cut-off (Al ₂ O ₃ %)	Grade (Al ₂ O ₃ %)	Grade (SiO ₂ %)	Category
High Grade Resources	83.8	45	51.2	11.0%	Indicated
Total Resources	101.5	40	49.8	11.5%	Indicated

Table 2 - Gaoual Project Mineral Resource Statement¹

Screening Test Work

A screening program of the Bouba Plateau was 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 2). 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).

Screening test work results confirmed that a simple screening process significantly reduced SiO₂ and raised Al₂O₃ 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% Al₂O₃ to 58.4% Al₂O₃).
- The high-grade samples showed the average silica grade decreasing by 71.4% (9.8% SiO₂ to 2.8%).
- The screening of all high-grade conglomerate samples showed a consistent upgrade of all samples tested.

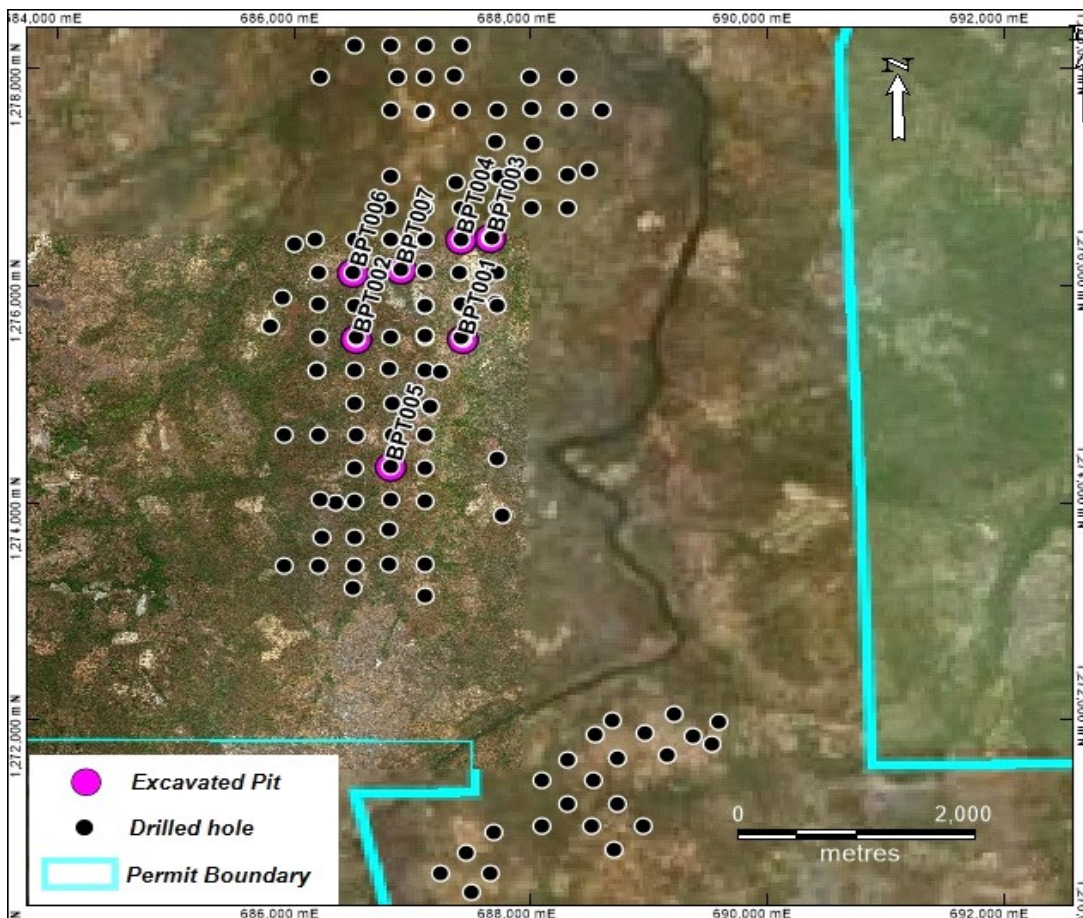


Figure 2 - Pit Locations¹

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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 3- Geochemical Analysis of the Coarse and Fine-Grained Screening Fractions - High Grade

Digestion Results Summary¹

Digestion test work was completed on the coarse fraction of the screened beneficiated bauxite ores. 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.

- 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 Mt¹ (45% Al₂O₃ Cut-off grade - indicated category) which has the capacity to have the ore quality significantly upgraded using a simple screening process.

	Al ₂ O ₃	SiO ₂	Fe ₂ O ₃	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 ¹	58.4%	2.8%	7.6%	28.1	51.2%	54.4%	1.6%	2.6%

Table 4: Summary of Gaoual Digestion Results

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.

Woula Mineral Resource Statement¹

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% Al₂O₃ and <10% SiO₂, 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.

Lindian Resources Limited

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

Table 5 - Woula Mineral Resource Statement

KANGANKUNDE RARE EARTH PROJECT – MALAWI

As disclosed in the prior year financial statements, Lindian previously announced the commencement of legal action in Malawi in respect of an exclusive option agreement (the “Exclusive Option Agreement”) announced to the ASX on 6 August 2018, entered into with the since deceased Michael Saner (“Saner”) and Rift Valley Resource Developments Limited (“RVR”) regarding the Kangankunde Rare Earths Project in Malawi (the “Kangankunde Project”).

As detailed in the Company’s ASX announcement on 23 November 2018, Saner and RVR subsequently claimed that changed circumstances in Malawi made the agreement unenforceable and made an offer to enter into a separate agreement for the sale of the Project on completely different terms to those originally agreed between the Company, Saner and RVR. The Company obtained an injunction from the High Court of Malawi in November 2018 to prevent Saner and RVR dealing with the Kangankunde Project and or the shares in RVR, as well as commenced legal proceedings seeking specific performance/damages.

Lindian’s position was that the terms of the Exclusive 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, announced to the ASX on the 7 May 2020.

On 8 July 2020, the Company announced a notice of appeal had been filed (19 May 2020) at the High Court of Malawi in relation to the legal action in respect of an exclusive option agreement for the Kangankunde Project.

On 24 July 2020, the Company announced that it had received an offer from the legal counsel representing Saner and RVR to settle out of court. The Company did not accept this offer.

On 28 September 2021, the Company announced the Malawi Supreme Court of Appeal would hear an appeal on 8 December.

On 11 November 2021, Lindian was notified that the appeal was adjourned and the Court of Appeal is yet to schedule a revised date for the hearing. Lindian is maintaining a willingness to work towards an out-of-court settlement based on sensible commercial terms. Legal costs to date have been kept to a minimum and pursuit of the claim will not be a significant drain on the Company’s ongoing cash requirement.

LUSHOTO AND PARE BAUXITE PROJECTS, TANZANIA

The Lushoto and Pare bauxite projects are subject to a Farm-In and Joint Venture Agreement pursuant to which Lindian has earned a 51% Stage 1 interest in East Africa Bauxite Limited. The Group owing a 51% interest in the Projects through the acquisition of Batan Pty Limited in the prior year.

No meaningful work has been undertaken on the Tanzanian projects this period.

CORPORATE

In October 2021, Lindian secured a short-term loan facility of \$300,000 on an arm's length basis from Kabunga Holdings Pty Ltd, a related entity of Mr Asimwe Kabunga (Non-Executive Chairman). The unsecured loan was for a period of two months and matured on 21 December 2021. The loan terms comprised a 7% non-compounding interest rate, with interest payable at maturity. On 25 November 2021 the parties to this loan agreement extended the maturity date of the Loan Facility until the date of a shareholders meeting. The facility will now be repaid via the issue of 10,000,000 shares to Kabunga Holdings Pty Ltd, subject to shareholder approval.

In December 2021, Lindian successfully completed a \$1,020,000 non-brokered placement through a number of sophisticated and professional investors and existing shareholders, through the issue of 34,000,000 fully paid ordinary shares in the capital of Lindian at an issue price of \$0.03 per Share.

Subject to shareholder approval, 10,000,000 of the Shares will be issued to Kabunga Holdings Pty Ltd, a company associated with Mr Asimwe Kabunga (as mentioned above), in repayment of the principal outstanding on the \$300,000 term loan facility entered into on 21 October 2021. Lindian has reached agreement with Kabunga Holdings Pty Ltd to extend the maturity date of the loan facility until the date of shareholder approval for the issue of the 10,000,000 Shares, which is scheduled to be on or before 28 March 2022, on the same terms. This will leave Lindian debt free and well-funded given its low monthly cash burn rate and modest projected project expenditure.

Accordingly, the total receipts of the beforementioned placement totalled \$720,000 (24,000,000 shares at \$0.03 per share).

The Shares will be issued under Lindian's current placement capacity under listing rule 7.1, with the funds raised from the issue to be used to advance Lindian's projects in Guinea and Tanzania, for costs associated with the Kangankunde Rare Earths Project in Malawi and the ongoing dispute in relation to that project, and for general working capital purposes.

In addition, in late December 2021, 7,000,000 \$0.02 options were converted into ordinary shares to raise an additional \$140,000 during the period. \$60,000 of this was received post balance date, in January 2022.

At 31 December 2021, the Company held \$0.81 million in cash.

Related Party Transactions

As described above, the arms-length loan of \$300,000 with the terms described above, was provided to the company by Mr Asimwe Kabunga, the Non-Executive Chairman. Under this facility, \$4,027 amount of interest was paid to Mr Kabunga, with the accrued interest of \$4,027 owing at 31 December 2021 due at maturity.

In addition, during the six month period, Lindian paid \$90,000 in relation to Non-Executive Director fees and \$63,300 in Consulting fees.

Annual General Meeting

During the half-year, the company held its Annual General Meeting (AGM) on 10 November 2021.

All resolutions presented to shareholders were approved.

Subsequent Events

Other than noted above and elsewhere in this report, no matter or circumstance has arisen since 31 December 2021, 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.

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 2021.

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



Asimwe Kabunga
Non-Executive Chairman
Perth, Western Australia
15 March 2022

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 2021, 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 2022



N G Neill
Partner

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Lindian Resources Limited

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the half-year ended 31 December 2021

	31 December 2021	31 December 2020
	\$	\$
Revenue		
Interest income	3	40
Other income	-	34,995
Consulting and directors' fees	(153,300)	(186,452)
Depreciation expense	(1,982)	(2,478)
Impairment of exploration and evaluation assets	(17,780)	(6,526)
Employee benefits expense	-	(84,640)
Finance costs	(4,027)	(837)
Other expenses	(331,792)	(670,221)
Loss before income tax	(508,878)	(916,119)
Income tax expense/(benefit)	-	-
Loss after income tax	(508,878)	(916,119)
Other comprehensive loss, net of income tax		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations	(25,747)	72,519
Other comprehensive loss for the period, net of income tax	(25,747)	72,519
Total comprehensive loss for the period	(534,625)	(843,600)
Loss attributable to:		
Owners of Lindian Resources Limited	(519,569)	(875,515)
Non-controlling interests	10,691	(40,604)
	(508,878)	(916,119)
Total comprehensive loss attributable to:		
Owners of Lindian Resources Limited	(532,574)	(830,837)
Non-controlling interests	(2,051)	(12,763)
	(534,625)	(843,600)
Loss per share attributable to owners of Lindian Resources Limited		
Basic and diluted loss per share (cents per share)	(0.07)	(0.15)

The accompanying notes form part of these financial statements.

Condensed Consolidated Statement of Financial Position

as at 31 December 2021

	Note	31 December 2021 \$	30 June 2021 \$
Assets			
Current Assets			
Cash and cash equivalents		809,982	500,761
Trade and other receivables	3	84,877	10,626
Prepayments		46,093	21,677
Total Current Assets		940,952	533,064
Non-Current Assets			
Property, plant and equipment		107,379	109,362
Deferred exploration and evaluation expenditure	4	4,519,711	4,319,932
Total Non-Current Assets		4,627,090	4,429,294
Total Assets		5,568,042	4,962,358
Current Liabilities			
Trade and other payables	5	282,400	306,118
Borrowings	6	304,027	-
Total Current Liabilities		586,427	306,118
Total Liabilities		586,427	306,118
Net Assets		4,981,615	4,656,240
Equity			
Share capital	7	36,310,160	35,450,160
Reserves		9,723,276	9,736,281
Accumulated losses		(41,448,804)	(40,929,235)
		4,584,632	4,257,206
Non-controlling interests	11	396,983	399,034
Total Equity		4,981,615	4,656,240

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 2021

	Share Capital \$	Accumulated Losses \$	Option Reserve \$	Share-Based Payment Reserve \$	Foreign Currency Translation Reserve \$	Attributable to the owners of Lindian Resources \$	Non- Controllin g Interests \$	Total \$
Balance at 1 July 2021	35,450,160	(40,929,235)	4,106,626	5,609,570	20,085	4,257,206	399,034	4,656,240
Loss for the half-year	-	(519,569)	-	-	-	(519,569)	10,691	(508,878)
Other comprehensive loss	-	-	-	-	(13,005)	(13,005)	(12,742)	(25,747)
Total comprehensive loss for the half-year	-	(519,569)	-	-	(13,005)	(532,574)	(2,051)	(534,625)
Transactions with owners in their capacity as owners								
Shares issued	860,000	-	-	-	-	860,000	-	860,000
Balance at 31 December 2021	36,310,160	(41,448,804)	4,106,626	5,609,570	7,080	4,584,632	396,983	4,981,615
Balance at 1 July 2020	32,424,788	(39,534,368)	4,106,626	5,609,570	1,270	2,607,886	(93,436)	2,514,450
Loss for the half-year	-	(875,515)	-	-	-	(1,394,515)	(40,604)	(916,119)
Other comprehensive income	-	-	-	-	44,678	44,678	27,841	72,519
Total comprehensive loss for the half-year	-	(875,515)	-	-	44,678	(830,837)	(12,763)	(843,600)
Transactions with owners in their capacity as owners								
Options issued	-	-	-	-	-	-	-	-
Shares issued	1,858,896	-	-	-	-	2,416,655	-	2,416,655
Cost of share issue	(67,357)	-	-	-	-	(67,356)	-	(67,356)
Balance at 31 December 2020	34,774,087	(40,409,883)	4,106,626	5,609,570	45,948	4,126,348	(106,199)	4,020,149

The accompanying notes form part of these financial statements

Condensed Consolidated Statement of Cash Flows

for the half-year ended 31 December 2021

	31 December 2021	31 December 2020
	\$	\$
Cash flows from operating activities		
Government incentives received	-	61,468
Payments to suppliers and employees	(577,210)	(670,051)
Interest received	3	40
Interest paid	-	(837)
Net cash used in operating activities	(577,207)	(609,380)
Cash flows from investing activities		
Payments for exploration expenditure	(213,691)	(531,363)
Payments for plant and equipment	-	(136,803)
Net cash used in investing activities	(213,691)	(668,166)
Cash flows from financing activities		
Proceeds from issue of shares	800,000	1,833,833
Share issue costs	-	(67,356)
Proceeds from borrowings	300,000	(10,790)
Net cash provided by financing activities	1,100,000	1,755,687
Net increase in cash and cash equivalents	309,102	478,141
Cash and cash equivalents at beginning of period	500,761	614,098
Effect of exchange rate changes on cash and cash equivalents	119	(1,528)
Cash and cash equivalents at the end of the period	809,982	1,090,711

The accompanying notes form part of these financial statements.

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 2021 was authorised for issue in accordance with a resolution of the Directors on 15 March 2022.

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 for-profit 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 2021 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 2021 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 2021

In the half-year ended 31 December 2021, 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 2021.

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 2021.

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.

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 2021.

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 2021 of \$508,878 and experienced net cash outflows from operating activities of \$577,207. At 31 December 2021, the cash and cash equivalents balance was \$809,982.

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 2021 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 \$800,000 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.

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).

Lindian Resources Limited

SEGMENT PERFORMANCE

31 December 2021	TANZANIA	GUINEA	MALAWI	AUSTRALIA	TOTAL
	\$	\$	\$	\$	\$
Revenue					
Corporate interest revenue	-	-	-	3	3
Total segment revenue	-	-	-	3	3
Expenditure					
Depreciation expense	-	-	-	1,982	1,982
Impairment of exploration and evaluation assets	5,549	-	12,231	-	17,780
Finance costs	-	-	-	4,027	4,027
Other expenses	(7,698)	3,258	-	489,532	485,092
Total segment expenditure	(2,149)	3,258	12,231	495,541	508,881
Loss before income tax	2,149	(3,258)	(12,231)	(495,538)	(508,878)

SEGMENT ASSETS

31 December 2021					
Segment operating assets	3,975	3,924,156	681,086	958,825	5,568,042
Total segment assets	3,975	3,924,156	681,086	958,825	5,568,042

SEGMENT LIABILITIES

31 December 2021					
Segment operating liabilities	6,048	-	-	580,379	586,427
Total segment liabilities	6,048	-	-	580,379	586,427

Lindian Resources Limited

NOTE 2: SEGMENT REPORTING (Continued)

31 December 2020	TANZANIA	GUINEA	MALAWI	AUSTRALIA	TOTAL
	\$	\$	\$	\$	\$
Revenue					
Corporate interest revenue	-	-	-	40	40
Other revenue	-	-	-	34,995	34,995
Total segment revenue	-	-	-	35,035	35,035
Expenditure					
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
Total segment expenditure	124,622	-	-	826,532	951,154
Loss before income tax	(124,622)	-	-	(791,497)	(916,119)
SEGMENT ASSETS					
	30 June 2021				
Segment operating assets	8,358	3,742,609	662,852	548,539	4,962,358
Total segment assets	8,358	3,742,609	662,852	548,539	4,962,358
SEGMENT LIABILITIES					
	30 June 2021				
Segment operating liabilities	5,787	-	-	300,331	306,118
Total segment liabilities	5,787	-	-	300,331	306,118

Lindian Resources Limited

NOTE 3: TRADE AND OTHER RECEIVABLES

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
GST receivable	25,384	9,660
Other receivable	59,493	966
	84,877	10,626

NOTE 4: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
Exploration and evaluation phase:	Six months to 31 December 2021	Year to 30 June 2021
	\$	\$
At beginning of the period	4,319,932	1,938,156
Exploration expenditure during the period	216,776	573,820
Exploration acquired - Lelouma Bauxite Project	-	1,070,846
Exploration acquired - Woula Bauxite Project	-	782,728
Impairment expense (i)	(17,780)	(53,838)
Foreign exchange movement	783	8,220
Total deferred exploration and evaluation expenditure	4,519,711	4,319,932

The deferred exploration and evaluation expenditure consists of expenditure on the Group's Kangankunde Rare Earths Project in Malawi and the Gaoual, Lelouma and Woula Bauxite Projects in Guinea. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of respective areas. The ongoing legal issues with Michael Saner and Rift Valley Resources outlined in Note 12 gives rise to a material uncertainty on the recoverability of the Kangankunde Rare Earths Project in Malawi.

- (i) The impairment expense for the period ended 31 December 2021 of \$17,780 (30 June 2021: \$53,838) relates to the Group's Hapa Gold and Lushoto Bauxite Projects in Tanzania as the Group is now focussed on the Bauxite Projects in Guinea.

NOTE 5: TRADE AND OTHER PAYABLES

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Trade Payables and Accruals	282,400	306,118
	282,400	306,118

Lindian Resources Limited

NOTE 6: BORROWINGS

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Short term loan facility – related party (i)	304,027	-
	304,027	-

- (i) Lindian secured a short-term loan facility for \$300,000 on an arm's-length basis from Kabunga Holdings Pty Ltd, a company associated with Chairman Asimwe Kabunga in October 2021. The unsecured loan was at a rate of 7% per annum (non-compounding) with interest payable at maturity for originally a period of two months maturing on 21 December 2021 but this was subsequently extended to the date of a shareholders meeting. The facility will now be repaid via the issue of 10,000,000 shares to Kabunga Holdings Pty Ltd, subject to shareholder approval.

Subject to shareholder approval, 10,000,000 of the Shares will be issued to Kabunga Holdings Pty Ltd, a company associated with Mr Asimwe Kabunga (as mentioned above), in repayment of the principal outstanding on the \$300,000 term loan facility entered into on 21 October 2021. Lindian has reached agreement with Kabunga Holdings Pty Ltd to extend the maturity date of the loan facility until the date of shareholder approval for the issue of 10,000,000 Shares, which is anticipated to be on or before 28 March 2022, on the same terms.

NOTE 7: ISSUED CAPITAL

(a) Issued capital

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Ordinary shares fully paid	36,310,160	35,450,160

(b) Movements in shares on issue

	Six months to 31 December 2021		Year to 30 June 2021	
	Number of shares	\$	Number of shares	\$
Balance at the beginning of the period	747,935,771	35,450,160	581,949,624	32,424,788
Shares issued – Placement December 2021	24,000,000	720,000	-	-
Shares issued – placement November 2020	-	-	61,349,694	1,000,000
Shares issued as part of consideration for Woula Bauxite Project (refer note 10)	-	-	12,269,939	245,399
Issue of shares in consideration for Lelouma Bauxite Project (refer note 10)	-	-	30,674,847	613,497
Exercise of options ¹	7,000,000	140,000	61,691,667	1,233,833
Less fundraising costs	-	-	-	(67,357)
Balance at the end of the period	778,935,771	36,310,160	747,935,771	35,450,160

¹ Includes 3 million shares issued before exercise amount of \$60,000 was received on 28 January 2022.

Lindian Resources Limited

NOTE 7: ISSUED CAPITAL (Continued)

(c) Share options

At 31 December 2021, there were 103,887,347 unissued ordinary shares under options (30 June 2021: 110,887,347 options). The details of the unlisted options are provided below.

Number	Exercise Price \$	Expiry Date
30,674,847	0.032	28 September 2023
73,212,500	0.02	20 November 2022

The movement in options during the half-year ended 31 December 2021 is set out below. No ordinary shares were issued on the exercise of options during the period.

	Number of options
Movements in options on issue	
At beginning of period	110,887,347
Options exercised	(7,000,000)
At end of period	<u>103,887,347</u>

(d) Performance shares – Acquisition of Guinea Bauxite (Gaoual Bauxite Project)

At 31 December 2021, there were 17,500,000 performance shares on issue (30 June 2021: 30,000,000 performance shares).

The details of the performance shares on issue at 1 July 2021 were as follows:

Number	Expiry Date	Vesting Condition
12,500,000 Stage 1	24 months after Completion (October 2019) as defined in the 2019 Notice of Annual General Meeting	Conditional on the Company identifying and establishing an initial JORC Code compliant resource containing a minimum of 65 million tonnes with an average grade greater than 45% Al ₂ O ₃ with less than 5% SiO ₂ reactive silica being defined in relation to the Gaoual Bauxite Project and announced on ASX.
17,500,000 Stage 2	24 months from the date of Stage 2 Election as defined in the 2019 Notice of Annual General Meeting	Conditional on the Company completing a Preliminary Feasibility Study in relation to the Gaoual Bauxite Project.

The movement in performance shares and rights are set out below. No performance rights vested during the period.

Lindian Resources Limited

NOTE 7: ISSUED CAPITAL (Continued)

	Number of performance shares
Movements in performance shares on issue	
At beginning of period - LINAP Stage 1	12,500,000
At beginning of period - LINAP Stage 2	17,500,000
LINAP Stage 1 - Lapsed ¹	(12,500,000)
At end of period	<u>17,500,000</u>

¹ SiO₂ reactive silica of the JORC compliance resources exceeded 5%, accordingly, these performance shares lapsed on Completion (October 2021).

As at 31 December 2021, while Lindian had met its Stage 1 expenditure commitment to spend US\$1,000,000 on the project within 24 months of signing the agreement (Stage 1 Completion Date). Accordingly, the Group, subject to the completion of formal paperwork, has earned a 51% interest in the Gaoual Bauxite Project (the Project).

In accordance with the original agreement terms, Lindian can elect within 24 months of Completion (by October 2021) to spend a further US\$2,000,000 to earn an additional 24% in the Project. Whilst the Stage 2 Election is yet to occur at the date of this financial report, the Company continues to work informally, and favorably, with the vendor (Mr Asimwe Kabunga, Non-Executive Chairman) with respect to an extension to the timeframe to make this election.

Each Performance Right converts into 1 share for nil consideration. The Stage 2 milestone expires 24 months Stage 2 Election.

NOTE 8: RESERVES

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Share based payments reserve	5,609,570	5,609,570
Option reserve	4,106,626	4,106,626
Foreign currency translation reserve	(7,080)	20,085
	<u>9,723,276</u>	<u>9,736,281</u>

Movement in reserves

Share based payments reserve

Balance at the beginning of the period	5,609,570	5,609,570
Balance at the end of the period	<u>5,609,570</u>	<u>5,609,570</u>

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

Option reserve

Balance at the beginning of the period	4,106,626	4,106,626
Balance at the end of the period	<u>4,106,626</u>	<u>4,106,626</u>

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	20,085	1,270
Exchange difference on translation of foreign operation attributable to owners of Lindian Resources Limited	(13,005)	18,815
Balance at the end of the period	<u>7,080</u>	<u>20,085</u>

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

Lindian Resources Limited

NOTE 9: 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 10: DIVIDENDS

No dividends have been paid or provided for during the half-year (2021: nil).

NOTE 11: NON-CONTROLLING INTEREST

The Group's material non-controlling interests comprise a 49% non-controlling interest in Batan Australia Pty Ltd, a 39% non-controlling interest in Woula Natural Resources SARL and a 25% non-controlling interest in Sarmin Bauxite Limited.

	31 December 2021	30 June 2021
	\$	\$
Opening balance	399,034	(93,436)
Loss allocated to non-controlling interest	(2,051)	(63,829)
Other comprehensive loss allocated to non-controlling interest	-	19,845
Non-controlling interest on acquisition	-	536,454
Closing balance	396,983	399,034

Investments in Subsidiaries

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

	Country of Incorporation	31 December 2021 %	30 June 2021 %
West African Exploration Pty Ltd	Australia	100%	100%
West African Exploration Cameroon Pty Ltd	Cameroon	100%	100%
Tangold Pty Ltd	Australia	100%	100%
Hapa Gold Limited	Tanzania	100%	100%
Batan Australia Pty Ltd	Australia	51% ¹	51% ¹
East Africa Bauxite Limited	Tanzania	51% ¹	51% ¹
Lindian Guinea SARL ^{4,7}	Guinea	100%	100%
Woula Natural Resources SARL ^{3,8}	Guinea	61%	61%
Bauxite Holdings Limited ^{2,3}	Mauritius	75%	75%
Lelouma Bauxite Guinea SARL ^{3,5,6,9}	Guinea	75% ⁶	75% ⁶
Terminal Logistics & Holdings Pte Ltd ³	Singapore	75%	75%
Northern Rail Pte Ltd ⁴	Singapore	100%	100%
Guinea Bauxite Pty Ltd	Guinea	100%	-
KB Bauxite Guinea SARL ¹⁰	Guinea	51%	-

¹ Refer to the 30 June 2021 Annual Report for details of the acquisition of the subsidiaries.

² Formerly known as Sarmin Bauxite Limited.

³ Asset acquisitions during the year ended 30 June 2021, refer to the 30 June 2021 Annual Report.

⁴ Wholly owned newly incorporated entities during the year ended 30 June 2021.

⁵ Formally known as Sarmin Bauxite Guinea SARL.

⁶ 100% owned by Bauxite Holdings Limited.

⁷ Holds 61% interest in Woula Natural Resources SARL.

⁸ Holds the Woula Bauxite Project

⁹ Holds the Lelouma Bauxite Project

¹⁰ Holds the Gaoual Bauxite Project

Notes to the Financial Statements

for the half-year ended 31 December 2021

NOTE 12: CONTINGENT LIABILITIES

Kangankunde Rare Earths Project

As disclosed in the prior year financial statements, Lindian has previously announced the commencement of legal action in Malawi in respect of an exclusive option agreement (the "Exclusive Option Agreement") ("Agreement"), announced to the ASX on 6 August 2018, entered into with Michael Saner ("Saner") and Rift Valley Resource Developments Limited ("RVR") regarding the Kangankunde Rare Earths Project in Malawi ("Project").

As detailed in the Company's ASX announcement on 23 November 2018, Saner and RVR subsequently claimed that changed circumstances in Malawi made the agreement unenforceable and made an offer to enter into a separate agreement for the sale of the Project on completely different terms to those originally agreed between the Company, Saner and RVR. 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.

Lindian's position was that the terms of the Exclusive 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, laid down on 5 May 2020. This was announced to the ASX on the 7 May 2020.

The Company had six weeks from the date of the judgment to file an appeal. On 8 July 2020, the Company announced that a notice of appeal had been filed in respect of the Exclusive Option Agreement. The Supreme Court of Appeal thereafter was obligated to set a date for hearing the arguments of both parties at which time it will make its judgement.

On 8 July 2020, the Company announced a notice of appeal had been filed (19 May 2020) at the High Court of Malawi in relation to the legal action in respect of an exclusive option agreement for the Kangankunde Rare Earths Project in Malawi,

As a result of the lodgement of the notice of appeal, the High Court set down the matter for settlement of the record of appeal on 15 July 2020. This simply means, that the process has commenced for the parties and the court to agree on the documents to be included in the submission to the Supreme Court of appeal. Once agreed (record of appeal set down), the High Court prepares their submission. At this time, a date is then set for the case to be heard in the Supreme Court of Malawi.

On 24 July 2020, the Company announced that it had received an offer from the legal counsel representing Michael Saner and Rift Valley Resource Developments Limited to settle out of court. The company did not accept this offer.

On 28 September 2021, the Company announced the Malawi Supreme Court of Appeal would hear an appeal on 8 December 2021 in relation to the Exclusive Option Agreement and the ongoing dispute against Michael Saner and Rift Valley Resource Developments Limited regarding the project. The Company's position being that the terms of the Option Agreement remain valid.

On 11 November 2021, Lindian was notified that the appeal was adjourned, and the Court of Appeal is yet to schedule a revised date for the hearing. While disappointing, Lindian maintains a willingness to work towards an out-of-court settlement based on sensible commercial terms. Legal costs to date have been kept to a minimum and pursuit of the claim will not be a significant drain on the Company's ongoing cash requirement.

NOTE 13: SUBSEQUENT EVENTS

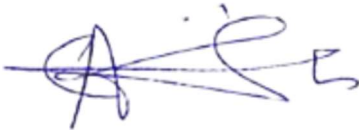
Other than noted above and elsewhere in this report, no matter or circumstance has arisen since 31 December 2021, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

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 2021 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 2021.

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



Asimwe Kabunga
Non-Executive Chairman
Perth, Western Australia
15 March 2022

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 2021, 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 2021 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.

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

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.

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 2021 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 2022



N G Neill
Partner

INTERESTS IN MINING TENEMENTS AS AT 31 DECEMBER 2021

<i>Project</i>	<i>Country</i>	<i>Licence Number</i>	<i>Status</i>	<i>Licence Type</i>	<i>Lindian Beneficial Interest</i>
<i>Gaoual Project¹</i>	<i>Guinea</i>	<i>22584</i>	<i>Granted</i>	<i>Prospecting</i>	<i>75%</i>
<i>Lelouma Project</i>	<i>Guinea</i>	<i>2017/4994</i>	<i>Granted</i>	<i>Prospecting</i>	<i>75%</i>
<i>Woula Project</i>	<i>Guinea</i>	<i>2020/2351</i>	<i>Granted</i>	<i>Prospecting</i>	<i>61% (Up to 75%)</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>11176/2018</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>11177/2018</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>11178/2018</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>11262/2019</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>12194/2017</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>12195/2017</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Lushoto Project</i>	<i>Tanzania</i>	<i>12227/2017</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Pare Project</i>	<i>Tanzania</i>	<i>11263/2019</i>	<i>Granted</i>	<i>Prospecting</i>	<i>51%</i>
<i>Pare Project</i>	<i>Tanzania</i>	<i>14098/2019</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Pare Project</i>	<i>Tanzania</i>	<i>14099/2019</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Pare Project</i>	<i>Tanzania</i>	<i>14100/2019</i>	<i>Application</i>	<i>Prospecting</i>	<i>51%</i>
<i>Uyowa Project³</i>	<i>Tanzania</i>	<i>10918/2016</i>	<i>Granted</i>	<i>Prospecting</i>	<i>100%</i>
<i>Uyowa Project³</i>	<i>Tanzania</i>	<i>2241CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project³</i>	<i>Tanzania</i>	<i>2237GWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project³</i>	<i>Tanzania</i>	<i>002240</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project³</i>	<i>Tanzania</i>	<i>2238CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project³</i>	<i>Tanzania</i>	<i>2242CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project³</i>	<i>Tanzania</i>	<i>2243CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>
<i>Uyowa Project³</i>	<i>Tanzania</i>	<i>2239CWZ</i>	<i>Granted</i>	<i>Primary Mining</i>	<i>100%</i>

- 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.*