



RESOURCES LTD.

## NOTICE OF GENERAL MEETING

### LINDIAN RESOURCES LIMITED ACN 090 772 222

---

<b>Date:</b>	Tuesday, 27 September 2022
<b>Time:</b>	3.00 pm (WST)
<b>Location:</b>	HLB Mann Judd Boardroom, Level 4, 130 Stirling Street, Perth, Western Australia

---

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisors prior to voting. Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact the Company Secretary on +61 8 6557 8838.

If COVID-19 social distancing restrictions change prior to the Meeting, the Company will advise via an ASX announcement as to any changes in the manner in which the Meeting will be held and as to whether Shareholders will still be able to attend in person and participate in the usual way.

---

## LINDIAN RESOURCES LIMITED

ACN 090 772 222

### NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Lindian Resources Limited (**Lindian** or the **Company**) will be held on Tuesday, 27 September 2022 at 3.00pm (WST) at the offices of HLB Mann Judd Boardroom, Level 4, 130 Stirling Street, Perth, Western Australia. (**Meeting**).

The Resolutions proposed to be considered at the Meeting is set out below. Further details in respect of the Resolutions proposed in this Notice of Meeting are set out in the Explanatory Memorandum accompanying this Notice of Meeting. The Explanatory Memorandum and the accompanying Proxy Form should be read together with, and form part of, this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary contained in the Explanatory Memorandum.

#### AGENDA

##### **RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES – PROPOSED ACQUISITION OF THE KANGANKUNDE RARE EARTHS PROJECT**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to complete the Proposed Transaction as described in the Explanatory Memorandum”*

##### **Voting exclusion statement**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) Wendy Alice Saner as Executrix in the Estate of the Late Michael Godfrey Saner, Safwan Master, Zahir Shaikh and Skyscrapers Middle East LLC, being all of the shareholders in Rift Valley Resource Developments Limited; or
- (b) an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (c) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (d) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

##### **RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES AND ATTACHING OPTIONS – JUNE PLACEMENT**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 20,000,000 Shares and 10,000,000 attaching Options, on the terms and conditions set out in the Explanatory Memorandum.”*

##### **Voting exclusion statement**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) Top Wei Investment Pty Ltd; or
- (b) an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (c) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (d) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES AND ATTACHING OPTIONS – AUGUST PLACEMENT**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 15,000,000 Shares and 7,500,000 attaching Options on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Voting exclusion statement**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) Bonacare Pty Ltd; or
- (b) an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (c) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (d) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **BY ORDER OF THE BOARD**



**Susan Park**  
**Company Secretary**

Dated 25 August 2022

## VOTING AT THE MEETING

### VOTING ENTITLEMENTS

The Directors have determined, in accordance with Regulation 7.11.37 of the Corporations Regulations, that Shareholders entitled to vote at the Meeting will be the registered holders of Shares (**Registered Shareholders**) at 3.00pm (WST) on 25 September 2022 (**Voting Record Date**).

Shareholders who become Registered Shareholders after the date of dispatch of the Notice of General Meeting, but prior to the Voting Record Date, and wish to vote at the Meeting by proxy, should contact the Company to request a Proxy Form.

Persons who hold a beneficial interest in Shares, such as an interest in Shares held through a trustee or nominee holder, and who wish to vote at the Meeting, should contact their broker or relevant intermediary.

The Board encourages you to attend the Meeting in person, by proxy, or by appointing an authorised representative.

### HOW TO VOTE

You may vote by attending the Meeting in person, by proxy, or by appointing an authorised representative.

#### ***Voting in Person***

To vote in person, attend the Meeting on the date and at the place set out in this Notice of General Meeting. If possible, Shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, so that the Company may check the Shareholders' holding against the Company's share register and note attendance.

#### ***Voting by Proxy***

Appointment of proxy: Shareholders who are entitled to attend and vote at the Meeting, may appoint a proxy to act generally at the Meeting and to vote on their behalf. The proxy does not need to be a Shareholder.

A Shareholder that is entitled to cast two or more votes may appoint two proxies and should specify the proportion of votes each proxy is entitled to exercise. If a Shareholder appoints two proxies, each proxy may exercise half of the Shareholder's votes if no proportion or number of votes is specified.

Voting by proxy: A Shareholder can direct its proxy to vote for, against or abstain from voting on each Resolution by marking the appropriate box in the voting directions section of the Proxy Form. If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chair, who must vote the proxies as directed.

#### ***Deadline***

Proxy Forms must be received by 3.00pm (WST) on 25 September 2022.

#### ***How to lodge Proxy Forms***

You can lodge your Proxy Forms with the Company by:

BY MAIL: Automic, GPO Box 5193, Sydney NSW 2001

BY FAX: +61 2 8583 3040

BY EMAIL: [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

ONLINE: <https://investor.automic.com.au/#/loginsah>

Further details on how to lodge your Proxy Form can be found on the Proxy Form. If you have any questions about your Proxy Form, please contact the Company Secretary by telephone at +61 8 6557 8838.

### ***Appointment of corporate representatives***

A body corporate that is a Shareholder may authorise, in accordance with section 250D of the Corporations Act, by resolution of its directors or other governing body, such person or persons as it may determine to act as its representative at the Meeting. The original form of appointment of a representative, a certified copy of the appointment, or a certificate of the body corporate evidencing the appointment of a representative is evidence of a representative having been appointed.

The documentation appointing a corporate representative must be received by the Company before the Meeting or at the registration desk on the day of the Meeting. The form of appointment of corporate representatives can be requested by contacting the Company Secretary on +61 8 6557 8838.

### **BENEFICIAL SHAREHOLDERS**

If you hold Shares beneficially (such as through a trust or a nominee company) and have received these materials through your broker or through another intermediary, please contact your broker or other intermediary in relation to directing any votes attaching to those Shares.

### **QUESTIONS AT THE MEETING**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [info@lindianresources.com.au](mailto:info@lindianresources.com.au) by 5.00pm (WST) on Friday, 23 September 2022, and relate to the business of the Meeting only.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business.

### **ENQUIRIES**

Shareholders are invited to contact the Company Secretary by telephone on +61 8 6557 8838 if they have any queries in respect of the matters set out in these documents.

## LINDIAN RESOURCES LIMITED

ACN 090 772 222

### EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders in connection with the General Meeting of the Company.

The purpose of this Explanatory Memorandum is to provide Shareholders with information that the Board believes to be material to Shareholders in deciding whether or not to approve the Resolution detailed in the Notice of General Meeting.

Shareholders should read this Explanatory Memorandum and all attachments carefully. If you have any questions regarding the matters set out in this Explanatory Memorandum or the Notice of General Meeting, please contact the Company Secretary on +61 8 6557 8838, or consult your stockbroker or other professional adviser.

#### **1 RESOLUTION 1 - CHANGE TO NATURE AND SCALE OF ACTIVITIES – PROPOSED ACQUISITION OF THE KANGANKUNDE RARE EARTHS PROJECT**

##### **1.1 Background**

As shareholders may recall, Lindian first sought to acquire an interest in the Kangankunde Rare Earths Project in Malawi (the **Kangankunde Project**) in 2018 by entering into an exclusive option agreement with Rift Valley Resource Developments Limited (**Rift Valley**) and the late Michael Saner (**Saner**) to acquire up to a 75% interest in the project.

However, Rift Valley and Saner purported to unilaterally cancel that option agreement which resulted in Lindian commencing legal proceedings to enforce the terms of that exclusive option agreement. Whilst those legal proceedings were ongoing, Lindian continued to update shareholders in its periodic reports regarding the status of the legal proceedings, whilst at the same time progressing its various bauxite projects in Guinea and Tanzania.

In May 2022, Lindian reached an out of court settlement in relation to the dispute with Rift Valley and Saner whereby Lindian agreed to withdraw its appeal in relation to the dispute in return for a period of exclusivity to negotiate the binding terms of the proposed acquisition by Lindian of all of the issued capital in Rift Valley (**Proposed Transaction**), the company that owns the Kangankunde Project.

As announced to ASX on 1 August 2022, Lindian has now entered into a binding share sale agreement on 28 July 2022 (being the **Signature Date**) to acquire 100% of Rift Valley (**Share Sale Agreement**) for US\$30 million, payable in four tranches as follows:

- (a) Tranche 1 – US\$2.5 million, which was paid on 15 August 2022 following satisfaction of all relevant legal and regulatory requirements in Malawi (**Tranche 1 Payment**).
- (b) Tranche 2 - US\$7.5 million, which is to be paid in cash no later than the date that is 180 days after the Signature Date (**Tranche 2 Payment**).
- (c) Tranche 3 - US\$10 million, which is to be paid in cash no later than the date that is 365 days after the Signature Date (**Tranche 3 Payment**).
- (d) Tranche 4 - US\$10 million, which is to be paid in cash no later than the date of commencement of commercial production at the Kangankunde Project and the date that is 48 months after the Signature Date, whichever is earlier of (**Tranche 4 Payment**).

Further details in relation to the Proposed Transaction are set out in section 1.3 below.

Listing Rule 11.1 requires an ASX-listed entity, such as Lindian, to notify the ASX if it proposes to make a significant change to the nature or scale of its activities. Listing Rule 11.1.2 provides that, if ASX requires, the entity must get the approval of holders of its ordinary securities to any such proposed transaction and must comply with any requirements of ASX in relation to the notice of meeting seeking such shareholder approval.

ASX has notified Lindian that it has exercised its discretion to require the Proposed Transaction to be subject to the approval of Lindian shareholders pursuant to Listing Rule 11.1.2.

Accordingly, Resolution 1 seeks the approval of Shareholders to the Proposed Transaction under, and for the purposes of, Listing Rule 11.1.2.

If Resolution 1 is passed, Lindian will be able to proceed with the Proposed Transaction and seek to acquire an interest in the Kangankunde Project.

However, if Resolution 1 is not passed, Lindian will not be able to proceed with the Proposed Transaction. In such circumstances, Lindian may forfeit any Tranche 1 Payment paid to secure the potential opportunity to proceed with the Proposed Transaction.

In accordance with ASX Guidance Note 12, Lindian confirms that the ASX takes no responsibility for the contents of this Notice.

## 1.2 The Kangankunde Project

Lindian considers the Kangankunde Project to be a globally significant rare earths deposit.

### (a) Overview

The Kangankunde Project is located in southern Malawi, 100km north of Blantyre and 25km from the Nacala rail corridor.



**Figure 1 Kangankunde Project location map**

Whilst the carbonatite mineralisation was first discovered in 1907, the importance of rare earth mineralisation within the deposit was not noted until the early 1950s. Since then, the project has had several phases of exploration, with the most comprehensive geological and process test work completed between 1987 and 1990 by the French geoscience organisation *Bureau de Recherches Géologiques et Minières* (BRGM).

### (b) Geology

The Kangankunde Hill rises to a height of up to 200m above the surrounding plain.

The Kangankunde carbonatite occurs as discrete tabular bodies and carbonatite layers. Individual bodies are continuous over several hundred metres and have continuity between cross sections. The deposit contains a central zone of carbonatite rocks passing outwards to a series of broadly concentric zones of altered agglomerate, breccia, and ultimately into unaltered gneiss host rock. Similar to many rare earth deposits, the main rare earth containing mineral in the deposit is monazite with minor amounts of bastnaesite.

(c) Mineralisation

Details of the JORC 2004 Mineral Resource estimates in relation to the Kangankunde Project can be found in the Company's ASX release dated 1 August 2022 (in regards to the announcement of the Proposed Transaction) as well as in prior ASX releases by Lynas Rare Earths Limited (**Lynas**) dated 6 September 2007, 6 December 2007 and 22 December 2010. Lindian considers the historical JORC 2004 Mineral Resource estimates for the Kangankunde Project to be reliable, having regard to the standing of Lynas and the fact that Lynas used a reputable independent geological consultant to sign off on the JORC 2004 inferred Mineral Resource.

(d) Near-term technical work plans

The project tenure is secured by a mining licence (ML 0290) which is valid to 21 April 2032 (Lindian understands that the Malawi Mines and Minerals Act 2018 allows for an initial lease of 25 years, and an extension of 15 years) which allows an acceleration of work programmes to commercialisation. However, the loss of historic data means that Lindian will need to reassess all technical programmes that have been conducted on the Kangankunde Project for compliance with current reporting standards.

Lindian's initial focus will be on completing technical studies prior to the commencement of the Malawian wet season (typically November to April), which will focus on re-establishing road access for drilling to assess the extent and grade of mineralisation. The Company will also recover enough samples for metallurgical test work over the wet season.

These programmes are expected to lead into more extensive work programmes in 2023 consisting of:

- Resource definition drilling
- Geotechnical assessment
- Advanced metallurgical works including hydrometallurgical assessment
- Mining studies
- Engineering flowsheet and plant design
- Site Civil assessment and infrastructure planning
- Logistics studies
- Marketing

Lindian also plans to commence local community engagement and relationship building such that the community is aware of the Company's plans for project development, the benefits to the community, and programmes the Company can assist with for community development.

(e) Business model

Following completion of the Proposed Transaction, the Company will remain an African focused mineral exploration company with bauxite projects in Guinea and Tanzania, as well as having an interest in the Kangankunde Project in Malawi. Such an outcome is consistent with Lindian's financial reports since as early as 2018.

It is therefore Lindian's view that the Proposed Transaction is consistent with its current business model (being to identify mineral resource exploration and development opportunities in Africa leveraging its extensive networks) and otherwise represents an opportunity to enhance Shareholder value.



However, successful completion of the Proposed Transaction will provide the Company with a significant interest in the rare earths market, with the applications of rare earth oxides (being neodymium and praseodymium or NdPr) in electric motors expected to be a core enabler of decarbonisation. Global attention on a looming shortfall in critical minerals is likely to result in the Company increasingly focussing its attention on seeking to successfully develop the Kangankunde Project.

### 1.3 Summary of key agreements to effect the Proposed Transaction

As announced to ASX on 1 August 2022, Lindian entered into a binding share sale agreement on 28 July 2022 (being the **Signature Date**) to acquire 100% of Rift Valley (**Share Sale Agreement**) for US\$30 million, payable in four tranches as follows:

- (a) a Tranche 1 Payment of US\$2.5 million, payable once all relevant legal and regulatory requirements in Malawi are satisfied. This payment was made on 15 August 2022.
- (b) a Tranche 2 Payment of US\$7.5 million, which is to be paid in cash no later than the date that is 180 days after the Signature Date. Once Lindian has paid the Tranche 1 Payment and the Tranche 2 Payment, Lindian will be entitled to be transferred 33% of the shares in Rift Valley. However, there is no obligation on Lindian to pay the Tranche 2 Payment, or any further tranches, in the event that Lindian shareholders do not approve the Proposed Transaction.
- (c) a Tranche 3 Payment of US\$10 million, which is to be paid in cash no later than the date that is 365 days after the Signature Date. Upon making this Tranche 3 Payment, Lindian will acquire a further 33% of the issued share capital in Rift Valley, taking its total shareholding in Rift Valley to 66%.
- (d) a Tranche 4 Payment of US\$10 million, which is to be paid in cash no later than the date of commencement of commercial production at the Kangankunde Project and the date that is 48 months after the Signature Date, whichever is earlier of. Upon making this payment, Lindian will acquire the remaining 34% of the issued share capital in Rift Valley, taking its shareholding in Rift Valley to 100%.

Lindian has the right, but not the obligation, to make the above payments sooner than as set out above in order to accelerate the acquisition of a 100% interest in Rift Valley.

To facilitate completion of the Proposed Transaction, an escrow agent has been appointed to hold all of the shares in Rift Valley pending the payment of the purchase price by Lindian in full. In the event that Lindian fails to pay a tranche of the purchase price when due, Lindian may be required to re-transfer any shares which it has acquired in Rift Valley back to the existing shareholders of Rift Valley for no consideration.

Lindian has undertaken not to alienate, dispose of, encumber or sell any of the shares in Rift Valley unless and until it has paid all of the purchase price set out above or it has otherwise obtained the prior consent of the existing shareholders of Rift Valley. In the event that such consent is obtained to a proposed disposal by Lindian of its interest in Rift Valley where the purchase price to be received by Lindian is higher than that payable by Lindian pursuant to the Transaction, then Lindian must pay the existing shareholders of Rift Valley an uplift equal to 20% of the difference between the purchase price that is to be received by Lindian pursuant to the new transaction and the US\$30 million agreed to be paid pursuant to the Transaction.

Lindian has entered into a shareholders agreement to govern the activities of Rift Valley whilst it is paying the purchase price pursuant to the Proposed Transaction. Under the shareholders agreement:

- the existing Rift Valley shareholders have agreed to maintain the status quo relating to the Kangankunde Project until such time as Lindian has paid the first and second tranches of the purchase price in full;
- Lindian is entitled to appoint one director of Rift Valley once it has paid the first and second tranches of the purchase price, and will be able to appoint a majority of the Board of Rift Valley once it has paid the first three tranches of the purchase price;
- Lindian has undertaken to fund all of Rift Valley's activities whilst it is in compliance with its obligations to pay the purchase price, and will not seek repayment of any such funding in the event that the Proposed Transaction is terminated (other than as a consequence of a breach of the Proposed Transaction terms by the existing shareholders of Rift Valley).

The existing shareholders of Rift Valley are entitled to terminate the Proposed Transaction in the event that Lindian breaches its obligations under the shareholders agreement and does not cure them within 30 days of being notified of the breach.

#### **1.4 The effect of the Proposed Transaction on Lindian**

##### **(a) Effect on activities**

Lindian has publicly reported an interest in the Kangankunde Project since it first entered into the exclusive option agreement in relation to Rift Valley in 2018. The Proposed Transaction will provide a legally binding mechanism by which Lindian can acquire up to 100% of the issued share capital in Rift Valley, the owner of the Kangankunde Project.

If the Proposed Transaction completes, Lindian expects to conduct the activities identified in section 1.20 above, in addition to continuing to progress its Guinean bauxite projects.

##### **(b) Effect on Board and management**

There are not expected to be any changes to the current Board or management team of Lindian as a result of the Proposed Transaction.

However, as announced on 4 August 2022, Mr Alistair Stephens has recently joined Lindian as its new Chief Executive Officer. Mr Stephens has significant experience in rare earths and rare metals, and operating in Malawi, and so is well placed to lead the Company's future activities in regards to progressing the development of the Kangankunde Project.

##### **(c) Effect on financial position**

The unaudited pro forma balance sheet set out below shows the effect of the Proposed Transaction on Lindian, and has been prepared on the basis of the accounting policies normally adopted by Lindian.

The pro forma balance sheet has been prepared to provide Shareholders with information on the assets and liabilities of Lindian and pro forma assets and liabilities of Lindian as noted below. The historical and pro forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

The likely effect of the Proposed Transaction on Lindian's consolidated total assets and total equity interests is set out below (based on an A\$/US\$ exchange rate of A\$1.00:US\$0.70).

**UNAUDITED PROFORMA BALANCE SHEET AS AT 31 DECEMBER 2021**

	Notes	31 December 2021 (Unaudited) \$	Adjustment	Proforma 31 December 2021
<b>Current Assets</b>		\$		
Cash and cash equivalents	1, 2	809,982	-	809,982
Trade and other receivables		84,877	-	84,877
Prepayments		46,093	-	46,093
<b>Total current assets</b>		<b>940,952</b>	<b>-</b>	<b>940,952</b>
<b>Non-Current Assets</b>				
Deferred exploration and evaluation expenditure	1	4,519,711	34,143,951	38,663,662
Property, plant and equipment		107,379	-	107,379
<b>Total non-current assets</b>		<b>4,627,090</b>	<b>34,143,951</b>	<b>38,771,041</b>
<b>Total assets</b>		<b>5,568,042</b>	<b>34,143,951</b>	<b>39,711,993</b>
<b>Current Liabilities</b>				
Trade and other payables		(282,400)	-	(282,400)
Borrowings		(304,027)	-	(304,027)
<b>Total current liabilities</b>		<b>(586,427)</b>	<b>-</b>	<b>(586,427)</b>
<b>Non-Current Liabilities</b>				
Borrowings	1, 2	-	(8,164,777)	(8,164,777)
<b>Total non-current liabilities</b>		<b>-</b>	<b>(8,164,777)</b>	<b>(8,164,777)</b>
<b>Total liabilities</b>		<b>(586,427)</b>	<b>(8,164,777)</b>	<b>(8,164,777)</b>
<b>Net Assets</b>		<b>4,981,615</b>	<b>25,979,174</b>	<b>30,960,789</b>
<b>Equity</b>				
Share capital	1, 2	36,310,161	25,979,174	62,289,335
Reserves		9,723,275	-	9,723,275
Accumulated losses	3	(41,448,804)	-	(41,448,804)
		<b>4,584,632</b>	<b>-</b>	<b>30,563,806</b>
Non-controlling interests		396,983	-	396,983
		<b>4,981,615</b>	<b>25,979,174</b>	<b>30,960,789</b>

**Notes:**

1. Comprising the following amounts:

	Undiscounted \$	Discounted* \$	Explanation**
<b>Tranche 1</b>	3,571,429	3,571,429	Being the Tranche 1 Payment of US\$2.5m

<b>Tranche 2</b>	10,714,286	9,985,386	Being the Tranche 2 Payment of US\$7.5m
<b>Tranche 3</b>	14,285,714	12,422,360	Being the Tranche 3 Payment of US\$10m
<b>Tranche 4</b>	14,285,714	8,164,777	Being the Tranche 4 Payment of US\$10m
<b>Total</b>	<b>42,857,143</b>	<b>34,143,951</b>	

\* Discounted using a pre-tax nominal discount rate of 15%, based on the Company's weighted average cost of capital (WACC) calculation using a comparison group of companies.

\*\* Using an exchange rate of A\$1.00:US\$0.70

It is noted that Lindian has raised a total of A\$5m through the placement of Shares conducted in June 2022 and August 2022.

2. It is assumed that the Tranche 1 Payment will be funded from Lindian's existing cash resources, that the Tranche 2 Payment and the Tranche 3 Payment would be funded from the proceeds of the issue of Shares in Lindian, and that the Tranche 4 Payment would be funded by way of debt funding at the relevant time (noting that the Tranche 4 Payment is likely to be payable at a time when Lindian expects the Kangankunde Project will be commencing commercial production).
3. No material costs associated with the Proposed Transaction and subsequent establishment of debt.
4. Rift Valley has no assets, liabilities, or contingent liabilities
5. Treated as an asset acquisition, and not a business combination, under applicable Accounting Standards.
6. Contemplating as meeting the definition of comprising one transaction under applicable Accounting Standards.
7. Finance costs arising from the unwinding of the discount applied to the deferred purchase consideration meet the definition of borrowing costs under Accounting Standards and are therefore capitalised.

Shareholders should however be aware that there was no historical financial information regarding Rift Valley's past operations available for Lindian to review in connection with its due diligence enquiries in connection with the Proposed Transaction. Lindian understands that this was primarily due to Rift Valley having historically conducted very little activities.

To provide some protection against Rift Valley having undisclosed liabilities associated with its past activities, Lindian obtained warranties from the existing shareholders of Rift Valley regarding the financial position, assets and liabilities of Rift Valley as well as the status of the Kangankunde Project. However, the maximum amount recoverable by Lindian from the existing shareholders of Rift Valley for a breach of these warranties is limited to 25% of the purchase price actually paid by Lindian under the Proposed Transaction.<sup>1</sup>

Accordingly, there is a risk that there are unknown liabilities within Rift Valley that are not able to be recovered through contractual claims against the existing shareholders of Rift Valley. However, due to the limited operations of Rift Valley over the past few years, Lindian considers that the prospects of Rift Valley having material outstanding actual or contingent liabilities to be low.

#### (d) Effect on issued capital

The following table outlines Lindian's share capital structure as at the date of this Notice, and the issued share capital structure of Lindian assuming that the Tranche 1 Payment, the Tranche 2 Payment and the Tranche 3 Payment are funded through the issue of further Shares.

<sup>1</sup> The maximum amount recoverable by Lindian for a breach of warranty relating to the authority of the existing shareholders of Rift Valley's ability to sell their shares to Lindian pursuant to the Proposed Transaction, and certain warranties relating to the issued share capital of Rift Valley, is 100% of the purchase price actually paid by Lindian.

<b>Ordinary Shares on issue as at 8 August 2022</b>	<b>848,347,013</b>
Performance shares	30,000,000
Options	
\$0.02 expiring on 20 November 2022	50,935,000
\$0.032 expiring on 28 September 2023	29,141,105
\$0.12 expiring on 6 June 2025	10,000,000
\$0.25 expiring on 3 August 2025	7,500,000
Tranche 2 Payment <sup>1,2</sup>	53,571,429
Tranche 3 Payment <sup>1,2</sup>	71,428,572
<b>Total fully diluted share capital</b>	<b>1,100,923,119</b>

**Notes:**

- 1 Purchase price tranches have been converted into A\$ at an exchange rate of A\$1.00 : US\$0.70.
- 2 Assumes the issue of Shares occurs at a price of \$0.20 per Share (being the price at which Shares were issued under the capital raising conducted in August 2022). As the Company has recently raised funds through share placements conducted in June 2022 and August 2022, the Company does not at this time expect to need to issue any further Shares in order to fund the Tranche 1 Payment.

Shareholders should be aware that any issues of Shares to fund the payment of the purchase price associated with the Proposed Transaction may be dilutive to their existing interests, and there is no certainty that Lindian will be able to raise the relevant amounts to pay the purchase price under the Proposed Transaction when due.

However, the considerable interest already expressed from third parties seeking to gain exposure to the Kangankunde Project provides Lindian with confidence that it will be able to raise sufficient funding so as to be able to pay the further tranches of the purchase price as and when such amounts are required to be paid.

## **1.5 Board recommendation**

For the reasons outlined above and in its previous announcements to the ASX relating to the Proposed Transaction, the Lindian Board believes that the proposed acquisition of the Kangankunde Project provides the Company with an excellent opportunity to acquire what is considered to be a significant strategic exposure to the rare earths market, whilst it continues to progress its bauxite projects in Guinea and Tanzania.

The purchase price structure also enables Lindian to progressively fund the Proposed Transaction in a staged manner as it progresses the project's development.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

## **2 RESOLUTION 2 – RATIFICATION OF THE PRIOR ISSUE OF SHARES AND ATTACHING OPTIONS – JUNE PLACEMENT**

### **2.1 Background**

On 1 June 2022, the Company announced that it had successfully completed a placement of 20,000,000 Shares at an issue price of \$0.10 per Share and 10,000,000 attaching unlisted Options (with each Option being exercisable into Shares at an exercise price of \$0.12 and having an expiry date of 6 June 2025), to raise \$2 million (before costs) (the **June Placement**).

Resolution 1 seeks Shareholder approval for the ratification of the issue of the Shares and Options pursuant to the June Placement for the purposes of Listing Rule 7.4.

## **2.2 Listing Rule 7.4**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The Placement was within the Company's available capacity under Listing Rule 7.1.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made, provided the Company complied with Listing Rule 7.1 at the time of issuing the relevant equity securities. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

Accordingly, Resolution 2 seeks Shareholder approval for the issue of the Shares and Options pursuant to the June Placement for the purposes of Listing Rule 7.4 and for all other purposes.

If Resolution 2 is approved, the Shares and Options the subject of the June Placement will be excluded for the purposes of calculating the Company's 15% available capacity under Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following their issue.

If Resolution 2 is not approved by the requisite majority, the Shares and Options the subject of the June Placement will be included in calculating the Company's 15% available capacity under Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following their issue.

## **2.3 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Shares and Options pursuant to the June Placement:

- (a) The Shares and Options were issued to a single sophisticated investor, Top Wei Investment Pty Ltd, identified by the Company.
- (b) The Company issued 20,000,000 Shares and 10,000,000 Options pursuant to the June Placement.
- (c) The Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the company's existing Shares. The Options are rights to acquire a Share.
- (d) A summary of the material terms of the Options is included at Annexure A.
- (e) The Shares and Options were issued on 6 June 2022.
- (f) Each of the Shares were issued at an issue price of \$0.10 per Share, which raised \$2,000,000 (before costs). The Options were issued for nil consideration as attaching securities to the Shares subscribed for under the June Placement. Each Option has an exercise price of \$0.12 and an expiry date of 6 June 2025.
- (g) Funds raised from the issue of the Shares and Options have been used to assist with the payment of the Tranche 1 Payment in connection with the acquisition of the Kangankunde Project the subject of Resolution 1 with the remaining funds being used for general working capital purposes.
- (h) A voting exclusion statement is included under Resolution 2 of this Notice of Meeting.

## 2.4 Board recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

## 3 RESOLUTION 3 – RATIFICATION OF THE PRIOR ISSUE OF SHARES AND ATTACHING OPTIONS – AUGUST PLACEMENT

### 3.1 Background

On 1 August 2022, the Company announced a placement of 15,000,000 Shares at an issue price of \$0.20 per Share and 7,500,000 attaching unlisted Options (with each option being exercisable into Shares at an exercise price of \$0.25 and having an expiry date of 3 August 2025), to raise \$3 million (before costs) (the **August Placement**).

Resolution 3 seeks Shareholder approval to the ratification of the issue of the Shares and Options pursuant to the August Placement for the purposes of Listing Rule 7.4.

### 3.2 Listing Rule 7.4

As set out in section 2.2 above, Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made, provided the Company complied with Listing Rule 7.1 at the time of issuing the relevant equity securities.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

Accordingly, Resolution 3 seeks Shareholder approval for the issue of the Shares and Options pursuant to the August Placement for the purposes of Listing Rule 7.4 and for all other purposes.

If Resolution 3 is approved, the Shares and Options the subject of the August Placement will be excluded for the purposes of calculating the Company's 15% available capacity under Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following their issue.

If Resolution 3 is not approved by the requisite majority, the Shares and Options the subject of the August Placement will be included in calculating the Company's 15% available capacity under Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following their issue.

### 3.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Shares and Options pursuant to the August Placement:

- (a) The Shares and Options were issued to a single sophisticated investor, Bonacare Pty Ltd, identified by the Company.
- (b) The Company issued 15,000,000 Shares and 7,500,000 Options pursuant to the August Placement.
- (c) The Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the company's existing Shares. The Options are rights to acquire a Share.
- (d) A summary of the material terms of the Options is included at Annexure A.
- (e) The Shares and Options were issued on 3 August 2022.
- (f) Each of the Shares were issued at an issue price of \$0.20 per Share, which raised \$3,000,000 (before costs). The Options were issued for nil consideration as attaching

securities to the Shares subscribed for under the August Placement. Each Option has an exercise price of \$0.25 and an expiry date of 3 August 2025.

- (g) Funds raised from the issue of the Shares and Options have been used to assist with the payment of the Tranche 1 Payment in connection with the acquisition of the Kangankunde Project the subject of Resolution 1, with the remaining funds being used for general working capital purposes.
- (h) A voting exclusion statement is included under Resolution 3 of this Notice of Meeting.

#### **3.4 Board recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.



## GLOSSARY

**\$** means Australian dollars.

**ASX** means ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market operated by it.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of the ASX, from time to time and as modified by any express waiver given by ASX.

**Board** means the board of Directors.

**Chair** means the person chairing the Meeting from time to time.

**Company** or **Lindian** means Lindian Resources Limited ACN 090 772 222.

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

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

**Director** means a director of the Company.

**Explanatory Memorandum** means the Explanatory Memorandum accompanying the Notice of Meeting.

**General Meeting** or **Meeting** means the meeting of Shareholders convened by the Notice.

**Kangankunde Project** means the Kangankunde Rare Earth Project located in Malawi owned by Rift Valley.

**Notice of Meeting**, **Notice of General Meeting** or **Notice** means the notice of General Meeting of which this Explanatory Memorandum forms a part, including the accompanying Proxy Form.

**Option** means a right to acquire a Share.

**Performance Right** means a performance right issued, or proposed to be issued, by the Company (as the context requires).

**Proposed Transaction** means the proposed acquisition of 100% of the issued capital in Rift Valley by Lindian.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Resolution** means a resolution set out in the Notice of Meeting.

**Rift Valley** means Rift Valley Resource Developments Limited.

**Section** means a section of this Notice.

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

**Shareholder** means a shareholder of the Company.

**Tranche 1 Payment** has the meaning set out in item 1.1(a) of this Explanatory Memorandum .

**Tranche 2 Payment** has the meaning set out in item 1.1(b) of this Explanatory Memorandum.

**Tranche 3 Payment** has the meaning set out in item 1.1(c) of this Explanatory Memorandum .

**Tranche 4 Payment** has the meaning set out in item 1.1(d) of this Explanatory Memorandum .

**WST** means Western Standard Time as observed in Perth, Western Australia.

## ANNEXURE A – OPTION TERMS

Each Option gives the holder (**Optionholder**) the right to subscribe for Shares on the following terms and conditions:

- (a) Each Option entitles the Optionholder, when exercised, to one (1) Share.
- (b) The Options vest immediately on issue.
- (c) The Options issued under the June Placement are exercisable at any time on or before 6 June 2025 and the Options issued under the August Placement are exercisable at any time on or before 3 August 2025 (**Expiry Date**).
- (d) Any Options not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (e) The amount payable upon exercise of each Option issued under the June Placement is \$0.12 and the amount payable upon exercise of each Option issued under the August Placement is \$0.25 (**Exercise Price**).
- (g) Optionholders may exercise their Options by lodging with the Company, before the Expiry Date:
  - (1) a written notice of exercise of Options specifying the number of Options being exercised; and
  - (2) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

**(Exercise Notice)**.
- (h) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price in cleared funds, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (i) The Options and any Shares issued through exercise of the Options will be transferable.
- (j) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (k) The Company will not apply for quotation of the Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX within 5 Business Days after the allotment of those Shares.
- (l) If at any time the issued capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (m) There are no participating rights or entitlements inherent in the Options and the Optionholder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.
- (n) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to shareholders after the date of issue of the Options, the exercise price of the Options may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (o) In the event the Company proceeds with a bonus issue of securities to shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.

If you are attending the meeting  
in person, please bring this with you  
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **3.00pm (WST) on Sunday, 25, September 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY VOTE ONLINE

**Vote online at <https://investor.automic.com.au/#/loginsah>**

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



## SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

[illegible]