

31 Jan 2018

DECEMBER QUARTERLY ACTIVITY REPORT

Lindian Resources Limited (the Company) provides the following update to shareholders in respect to the Company's activities for the December 2017 quarter.

Lushoto Project

During the Quarter Lindian completed due diligence on the Lushoto Bauxite Project (see ASX announcement 3 August 2017) and resolved to proceed with the 75% farm in project. The project consists of 6 tenements with a total area of 213 km². High grade mineralisation has been confirmed on one of the Project areas (Magamba) with excellent levels of available alumina (54% average using a 40% cut-off) and very low levels of reactive silica (less than 1% average) and other deleterious elements including iron, silica, titanium. The other identified areas (see Figure 3 below) will be tested for bauxite quality over this quarter and Q2.

The Company focused on mapping new areas of mineralisation and expanding the known areas on mineralization so as to ensure that the proposed drilling programs moving forward capture all key areas. As a result of the quarters activities, additional areas of outcropping mineralisation were mapped with a total of 9 deposits now identified on the existing tenements.

There was a continued focus on maintaining and improving community relations in respect of the project area. The Company considers community relations of utmost importance as it moves into obtaining permits to allow drilling to commence this current quarter once formal granting of the tenements is completed.

Negotiations are being completed with potential drilling companies to carry out an auger drilling programme based on a 100m x 100m spacing.

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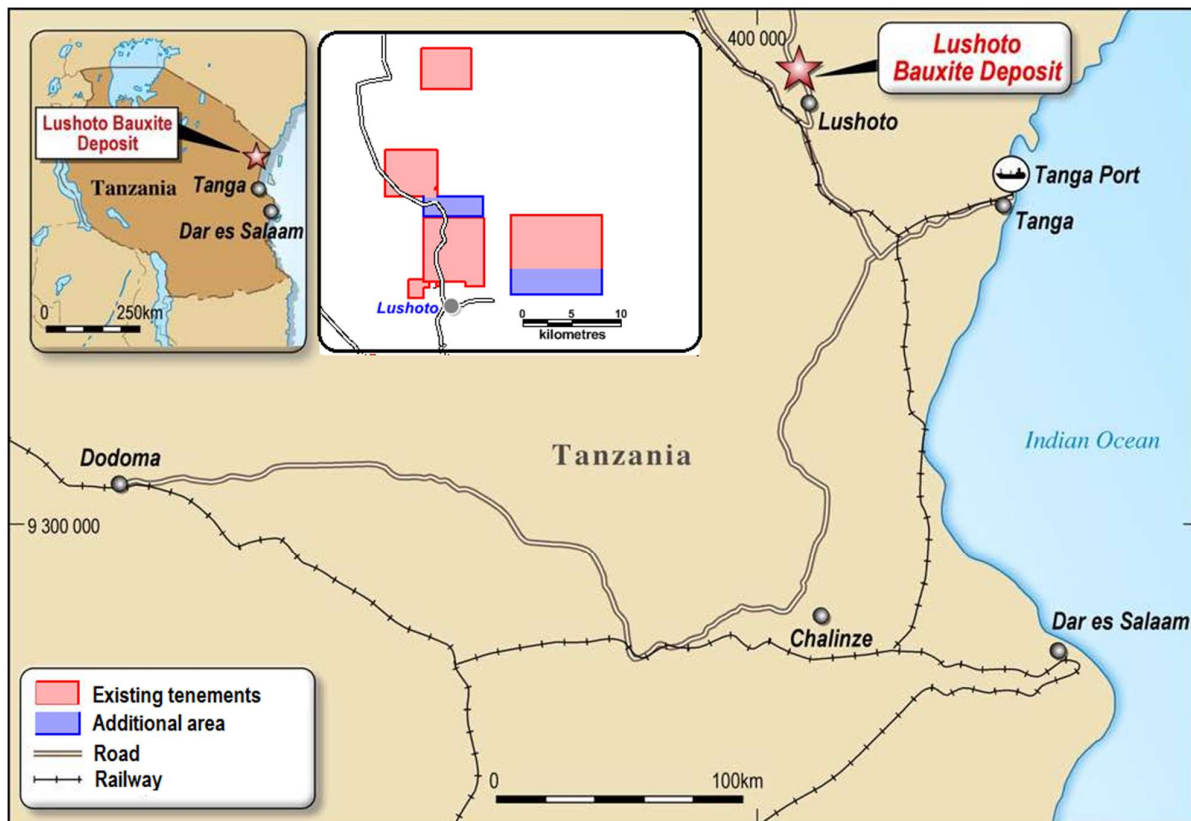


ASX Code : LIN.AX

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Figure 1 - location of the tenements showing the additional expanded areas as well as the location of road, rail and port infrastructure.



Mapping and Grab Sampling at Magamba

As a result of the ongoing field activities, bauxite mineralization has been mapped to the North West of the Magamba deposit increasing the size of the deposit to a strike length of over 2km. Mapping in this newly identified bauxite mineralization area at Magamba was conducted concurrently with grab sampling (Table 1). The assay results of the grab samples confirm outcropping bauxite mineralisation is of excellent grade with low reactive silica. Using a cut-off grade of 5% silica, the average grade was 49.9% Al_2O_3 and 1.7% SiO_2 . Pitting and trenching is ongoing with the aim of defining high grade zones for drill testing. A map showing the location of the sampling is shown in figure 2



Table 1 - Assay results from surface sampling at the Magamba Deposit

Sample_ID	Easting	Northing	Al ₂ O ₃	SiO ₂
L000084	420,777	9,476,791	54.25	5.30
L000085	420,990	9,476,865	53.83	6.00
L000086	420,934	9,476,870	57.32	3.80
L000088	420,669	9,476,778	48.01	4.80
L000089	420,653	9,476,761	43.56	1.80
L000090	420,878	9,476,260	41.16	1.70
L000091	420,327	9,477,127	34.35	30.60
L000092	420,329	9,476,959	37.69	28.00
L000093	420,318	9,476,824	49.89	9.60
L000094	420,187	9,476,830	44.47	1.50
L000095	420,269	9,476,696	37.61	1.12
L000096	420,265	9,476,606	55.71	1.70
L000097	420,259	9,476,589	46.15	0.78
L000098	420,368	9,476,475	51.42	0.92
L000099	420,470	9,476,515	52.05	0.73
L000117	420,014	9,476,831	53.56	2.50
L000118	420,019	9,476,874	57.88	2.00
L000119	420,424	9,476,766	49.31	1.20
L000124	419,895	9,476,568	44.80	1.80
L000125	419,666	9,476,492	64.66	0.64
L000126	419,912	9,476,642	45.71	0.70
L000127	420,444	9,475,946	55.94	0.82

Figure 2 - Location of the additional samples collected at Magamba which has extended the strike length to over 2km. New results with Al₂O₃ % displayed, previous results colour coded as per legend.

Figure 3 shows the locations of the 9 deposits identified to date. The current focus of fieldwork is to define drilling targets which will allow the company to define a maiden JORC resource forming the basis of sustaining a long term operation which produces direct shipping ore FOB Tanga Port. All of the tenements are in close proximity (10-15km) to each other and have excellent access to transport infrastructure to the deep water port of Tanga.

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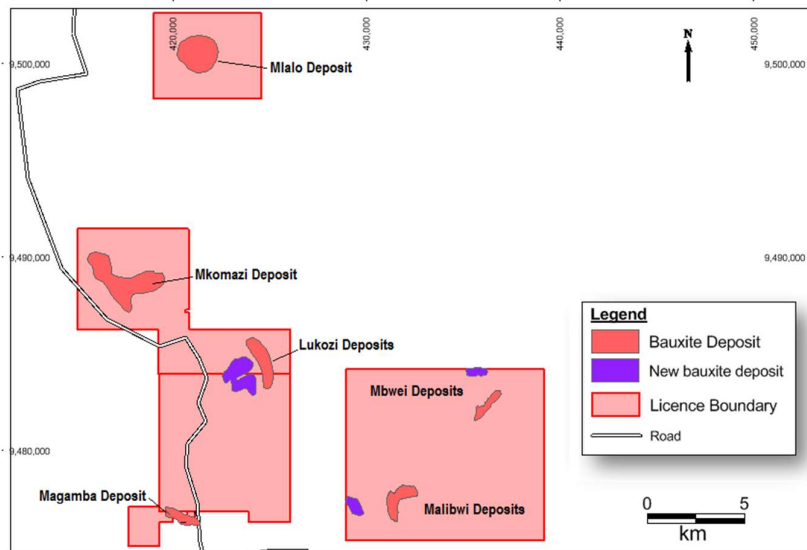


Figure 3 - The nine identified bauxite deposits on the Lushoto Project to scale.

Social and Community Engagement

During the quarter, Lindian was able to report to, and engage with, all authorities from the regional level to the village level. The engagements were aimed at building good social relationships with the authorities and secure all necessary documentation required for exploration in the project area. The offices involved included Tanga Regional Commissioner's office, Lushoto District Commissioner's office, District Executive Director's office, the Lushoto wards and villages.

As part of the engagement process, between the company and the surrounding community, Lindian held meetings with Lushoto district council members. The meetings focused on introducing the Company and cementing relationships for the upcoming exploration (and hopefully) development program. Positive feedback was received by the Company by the council members.



Lushoto Bauxite Project Overview

The Lushoto Bauxite deposit was formed by deep weathering of metamorphic rocks of the Mozambique Belt that are exposed in Eastern Tanzania. The mineralisation is situated on plateaus within the Usambara Mountains that have been preserved from a time when mineralisation was more extensive in the area. Assay results to date show excellent levels of available alumina and very low levels reactive silica and other deleterious elements including Iron, Silica, Titanium.

The presence of the Lushoto bauxite deposits were the subject of a University of Dar es Salaam report in 2003 which confirmed bauxite mineralisation of between 40-60% Al₂O₃ based on historical drilling data and surface geological mapping.

The results of the recent sampling program undertaken were in line with the conclusions of the 2003 report and greatly assist Lindian.

By order of the Board

Asimwe Kabunga
Chairman

Lindian Resources Limited

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Competent Person Statement

The information on the page that relates to Exploration Results is based on information compiled or reviewed by Mr Matt Bull, who is a director of Lindian Resources Limited. Mr Bull is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bull consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Appendix 1 shows the Tenement details and status

Appendix 1

Project	Licence Number	Status	Licence Type	Area
Kahama Project	PL10722/2015	Granted	Prospecting	21.81 km ²
Uyowa Project	PL10918/2016	Granted	Prospecting	27.08 km ²
Uyowa Project	PML15443/CWZ	Application	Primary Mining	0.08 km ²
Uyowa Project	PML15444/CWZ	Application	Primary Mining	0.08 km ²
Uyowa Project	PML15475/CWZ	Application	Primary Mining	0.03 km ²
Uyowa Project	PML15480/CWZ	Application	Primary Mining	0.06 km ²
Uyowa Project	PML15481/CWZ	Application	Primary Mining	0.07 km ²
Uyowa Project	PML15483/CWZ	Application	Primary Mining	0.08 km ²
Uyowa Project	PML15484/CWZ	Application	Primary Mining	0.1 km ²
Uyowa Project*	PML0003473	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML0003474	Granted	Primary Mining	0.07 km ²
Uyowa Project*	PML0003475	Granted	Primary Mining	0.04 km ²
Uyowa Project*	PML0003476	Granted	Primary Mining	0.05 km ²
Uyowa Project*	PML0003477	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML0003478	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML0003479	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML000044CWZ	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML000045CWZ	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML0003469	Granted	Primary Mining	0.08 km ²
Lushoto Project**	PL11176	Granted	Prospecting	0.26 km ²
Lushoto Project**	PL11177	Application	Prospecting	49.3km ²
Lushoto Project**	PL11178	Application	Prospecting	3.64km ²
Lushoto Project**	PL12194	Application	Prospecting	90.25km ²
Lushoto Project**	PL12195	Application	Prospecting	44.94km ²
Lushoto Project**	PL12227	Application	Prospecting	24.87km ²

* Hapa Gold's interest in these licences is subject to completion occurring under an option agreement with the local licence holders. Total cash consideration for acquisition of all 10 PMLs under the option agreement, over a three year period, is US\$400,000

**Due diligence to acquire a 75% interest in the Lushoto Project tenements is currently in progress