



19 April 2011

ASX/MEDIA RELEASE

Bundok Transaction Update

As previously announced on 8 February 2011, Lindian Resources Limited (Lindian) entered into an Implementation Agreement to acquire Bundok Resources Pty Ltd (Bundok) for the issue of 50,000,000 shares and 50,000,000 options (exercise price 15 cents expiry date 31 December 2011) (Bundok Transaction).

The Bundok Transaction will result in Lindian acquiring (or obtaining rights to acquire) a portfolio of 5 prospective gold projects and 2 porphyry copper-gold exploration projects in the Philippines.

The Bundok Transaction was conditional upon the Bundok shareholders accepting offers made to them by Lindian (this condition has been satisfied), the approval of Lindian shareholders (which is expected to be received on 20 April 2011) and Lindian completing due diligence to its satisfaction on the Bundok mineral interests.

Lindian advises that it has completed due diligence upon the Bundok mineral interests and as a result Lindian intends to proceed to complete the Bundok Transaction after receiving shareholder approval on 20 April 2011.

In order to update investors and shareholders as to the issues arising in respect of the due diligence upon the Bundok mineral interests, Lindian advises:

1. The parties to the memorandum of agreement concerning the Masapelid Project have executed an amending agreement to acknowledge that the existing Mineral Production Sharing Agreement (MPSA) may be converted to a Financial or Technical Assistance Agreement (FTAA) which is suitable for large-scale exploration and development of mineral resources and allows 100% foreign equity.
2. The holder of the mining leases in respect of the Exciban Project is Manuel Artificio. The status of the mining leases the subject of the project is in question as an order has been made to seek to cancel them and they have lapsed and may no longer be renewed under existing laws. The owner of the mining leases has lodged a motion for reconsideration for the reversal of the order of cancellation and an application for exploration permit has been made as a contingent measure in the event of an adverse resolution.

3. On each of the Tumbaga/Buena Aurora Project and the Del Gallego Project an exploration permit application has been rejected and is being reconsidered. However, the applications are considered as valid and subsisting.
4. A Supreme Court action was commenced against Bundok and another party on 7 April 2011 claiming that Bundok, in breach of an alleged contract, failed to issue 4,000,000 Bundok shares to the plaintiff. The plaintiff seeks damages being the loss of the value of 4,000,000 Bundok shares, interest and costs. Bundok has advised that it intends to defend the action. In the event of any adverse order or relief against Bundok, Lindian is protected under the implementation agreement. As a result, the litigation does not affect Lindian's decision to proceed to settlement of the Bundok Transaction.

As stated earlier, Lindian intends to proceed to complete the Bundok Transaction and is confident that the management team it will have in place will be able to oversee the perfection of the mineral interests upon all projects in the Philippines.

FURTHER INFORMATION

For further information contact the undersigned on +61 8 9223 2201 or by email to tony@cpssecurities.com.au.

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