



ASX Release

Thursday 21 July 2011

LINDIAN RESOURCES LIMITED

Level 1 / 33 Richardson Street
West Perth , Australia WA 6872
Tel: +61 8 9200 4438
Fax: +61 8 9200 4469

Contact:

Steven Leithead
Managing Director

E-mail: info@lindianresources.com.au

For the latest news:

www.lindianresources.com.au

Directors / Officers:

Matthew Wood
Steve Leithead
Scott Funston
Angus Caithness
Brian McMaster

ASX Symbol: LIN, LINOA

EXPLORATION UPDATE

Lindian Resources Limited is very pleased to provide an update for exploration on its Masapelid Project in the Philippines.

- **High grade gold, silver and base metal assays were received from underground sampling of the Davaoeno mine located at Layab. Underground channel sampling results ranged up to maximum contents of:**
 - 65.48g/t gold
 - 102g/t silver
 - 1.68% copper
 - 9.31% lead
 - 7.13% zinc

- **Discovery of a new zone of gold mineralisation at the Lunar-Magbanua Gold Prospect with results from the seven surface samples of exposed mineralisation returning:**
 - 3.21g/t gold
 - 6.87g/t gold
 - 2.68g/t gold
 - 4.78g/t gold
 - 3.75g/t gold
 - 7.45g/t gold
 - 8.41g/t gold

- **High grade gold mineralisation has been confirmed at the Uyajan Gold Prospect with the three assays from rock sampling returning:**
 - 5.75 g/t gold
 - 66.77g/t gold
 - 77.14g/t gold

- **Extremely encouraging results have been received from underground sampling of the Sabang Copper-Gold Porphyry. Recently completed underground sampling in the upper levels of the porphyry has returned consistent copper mineralisation averaging 1.22% copper with associated silver and gold credits (1.32g/t silver and 0.13g/t gold).**

- **Drill contract near completion with diamond drill rig being mobilised to Masapelid for commencement of drilling programmes.**



Quartz-gold-silver-galena—sphalerite-chalcopyrite mineralisation, Davaoeno Mine Prospect. The sample is typical of high grade gold mineralisation sampled by Lindian and historically mined in the Davaoeno Shaft.



Temporary headframe and hoisting operation to support clean out and refurbishment of No.2 Shaft, Manuel Vein.

GOLD

Davaoeno Mine Prospect

The former Davaoeno gold mine is located on the north eastern extent of the newly named “Manuel” Vein (Figure 2). The Manuel Vein being one of the two major vein systems mined historically at Masapelid.

Dewatering of the previously flooded Davaoeno Mine workings has allowed Lindian to map and channel sample all available underground exposures. Results from channel sampling of the gold-massive sulphide lode system has produced several significant results with maximum contents of:

- **65.48g/t gold**
- **102g/t silver**
- **1.68% copper**
- **9.31% lead**
- **7.13% zinc**

Complete results for all underground channel sampling on the Davaoeno Mine gold-massive sulphide mineralisation is provided in Table 1 and Figures 3 and 4.

These are outstanding results and show that higher grade gold and silver mineralisation is associated with a prominent galena leader, or marker horizon, which can be traced through the underground workings at Davaoeno.

The association of gold and silver with galena also has important implications for the reinterpretation of historical Western Mining Corporation lead in soil geochemical data for Masapelid Island. This association of gold and galena could lead to identification of other gold targets at Masapelid.

Interpretation of recently completed geological, alteration and structural mapping of the Layong and Manuel Vein area and surrounding area suggests that veins hosting gold mineralisation within the Layong and Manuel Vein corridors are vein splits related to a deeper level, major epithermal gold mineralising vein system.

Shaft No.2

The No.2 Shaft is a historic gold operation developed on the Manuel Vein, 800 metres to the southwest and along strike from the former Davaoeno Mine.

Shaft No.2 was developed to a vertical depth of 100 feet or approximately 30 metres. Since cessation of mining and implosion of the shaft at the commencement of World War II. Implosion filled the shaft with rock, mud and debris and consequently, the mine has never



Lunar-Magbanua discovery outcrop.



Exploration adit development.

been re-entered since that time.

Lindian has been performing refurbishment and clean out works on Shaft No. 2 during June and July. To support this work, headframe and hoisting equipment has fabricated and commissioned to provide for a safe and efficient clean out and re-timbering operations. Work is advancing and at present, 12 metres of the 30 metre (100 foot) deep shaft has been recovered and refurbished.

Access to the previous underground workings on the Manuel Vein will allow Lindian the opportunity to perform sampling on the vein system to confirm previously report grades and to obtain valuable information on the controls over mineralization which will permit targeting of surface diamond drilling.

Consideration is being given to performing similar clean-out and refurbishment works on the Manuel Vein Main Shaft. The Main Shaft was developed historically to a depth of 300 feet (approximately 100 metres).

Lunar-Magbanua

Seven samples collected from outcropping, intensively altered and opaline silica flooded host rock. Sampling of this zone has produced the following results.

- **3.21g/t gold**
- **6.87 g/t gold**
- **2.68g/t gold**
- **4.78g/t gold**
- **3.75g/t gold**
- **7.45g/t gold**
- **8.41g/t gold**

Sampling to date has defined an arcuate zone of gold mineralisation extending over an area of approximately 400 metres x 50 metres.

Lindian intends to perform further exploration on the Lunar-Magbanua Prospect given the encouraging and very consistent gold results obtained from this early stage sampling.

Uyajan

The Uyajan Prospect forms one of several targets proximal to the east coast of Masapelid Island.

Over the last year, local small scale miners have been mining and recovering native gold from surface hardpan, beach terraces and narrow (0.05-0.50 metre wide) quartz vein and quartz vein stockworks hosted in altered andesite.

A rock chip sample of quartz vein material beneath hardpan was obtained which returned **5.75 g/t gold**.



Old copper workings at the Sabang Prospect showing secondary copper exposed at surface.



Covellite-bornite vein stockwork and disseminated style mineralisation. Adit 1, north face, Sabang Prospect (1.70% copper, 0.10g/t gold and 4g/t silver).



Secondary copper mineralisation exposed below 0.5 metre soil profile, Sabang Prospect.

In addition underground sampling of two narrow (± 5 cm thick) quartz veins within a quartz vein stockwork zone at Uyajan has produced **66.77 and 77.14 g/t gold**.

Given the nature and extent of gold mineralisation in the near surface zone, Lindian believes that the Uyajan Prospect has very good exploration potential.

COPPER-GOLD

Sabang Copper-Gold Porphyry

The Sabang Copper-Gold Porphyry is located on the southern portion of Masapelid Island and covers the Sabang and recently identified May Tubig porphyries, (Figures 2 and 5). The prospect contains a copper-gold composite porphyry system previously explored by Western Mining Corporation in the period 1991-5.

Sabang Prospect

Preliminary exploration and routine mapping of Sabang earlier this year identified secondary copper mineralisation at surface in historical small-scale underground excavations. Over the last month, Lindian has developed 2 adits and underground drives on copper mineralisation to support exploration activities. Channel sampling of these underground workings in Adit No.1 has returned assay results averaging 1.22% copper, 1.32g/t silver and a gold credit of 0.13g/t (Figure 6). Complete results for underground sampling of Adit No. 1 are provided in Table 2.

These results are significant when compared to other copper-gold porphyry systems in the Philippines and worldwide and the Company believes they demonstrate the substantial potential of the Sabang Porphyry System.

The Sabang copper mineralisation is hosted by a clay-silica-sulphide altered porphyritic andesite in the near surface environment. Copper sulphides, principally covellite-bornite, occur as fracture fillings and disseminations. Observation of all exposures shows that the copper sulphide to pyrite ratio is much greater than one. Preliminary findings suggest that near surface copper mineralisation at Sabang may very well be on the high level core of a significant porphyry copper system.

Adit No. 2 is being advanced and will be sampled over the coming month.

In addition, 4 test pits are being excavated to expose copper mineralisation along strike to the west-northwest of Adits No. 1 and 2. Test pits 2 and 3 have intersected visible copper mineralisation. These test pits will be deepened over the next month and progressively sampled.

Given the effectiveness of underground exploration and favourable topography, the Company has committed to developing further underground exposures to support exploration ahead of diamond drilling on the Sabang Prospect

May Tubig Prospect

The recently discovered May Tubig porphyry and intrusive breccia system extends up to 1,000 metres to the west-northwest of Sabang. The locally significant west-northwest/east-southeast trending Sabang Fault passes through both prospects and is interpreted to have a controlling influence over copper mineralisation at both Sabang and May Tubig.

Two test pits excavated at May Tubig and along the projected strike extension of the Sabang Fault has identified a copper-sulphide bearing intrusive breccia. Samples have been taken from these pits and assays are pending.

DIAMOND CORE DRILLING PROGRAMME

Lindian is completing mobilisation of a diamond core drilling drill rig to site. Initial drilling is intended to test gold mineralisation on the Uyajan Prospect.

A further three drilling rigs are being sourced to perform diamond drilling on the Manuel Vein system and Sabang Copper-Gold Porphyry.

Steven Leithead
Managing Director

The information in the above announcement that relates to Exploration Results is based on information compiled by Mr Steven Leithead, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Leithead is a Director of Lindian Resources Limited. Mr Leithead has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Leithead consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Figure 1: Location of Lindian's Philippines Projects.

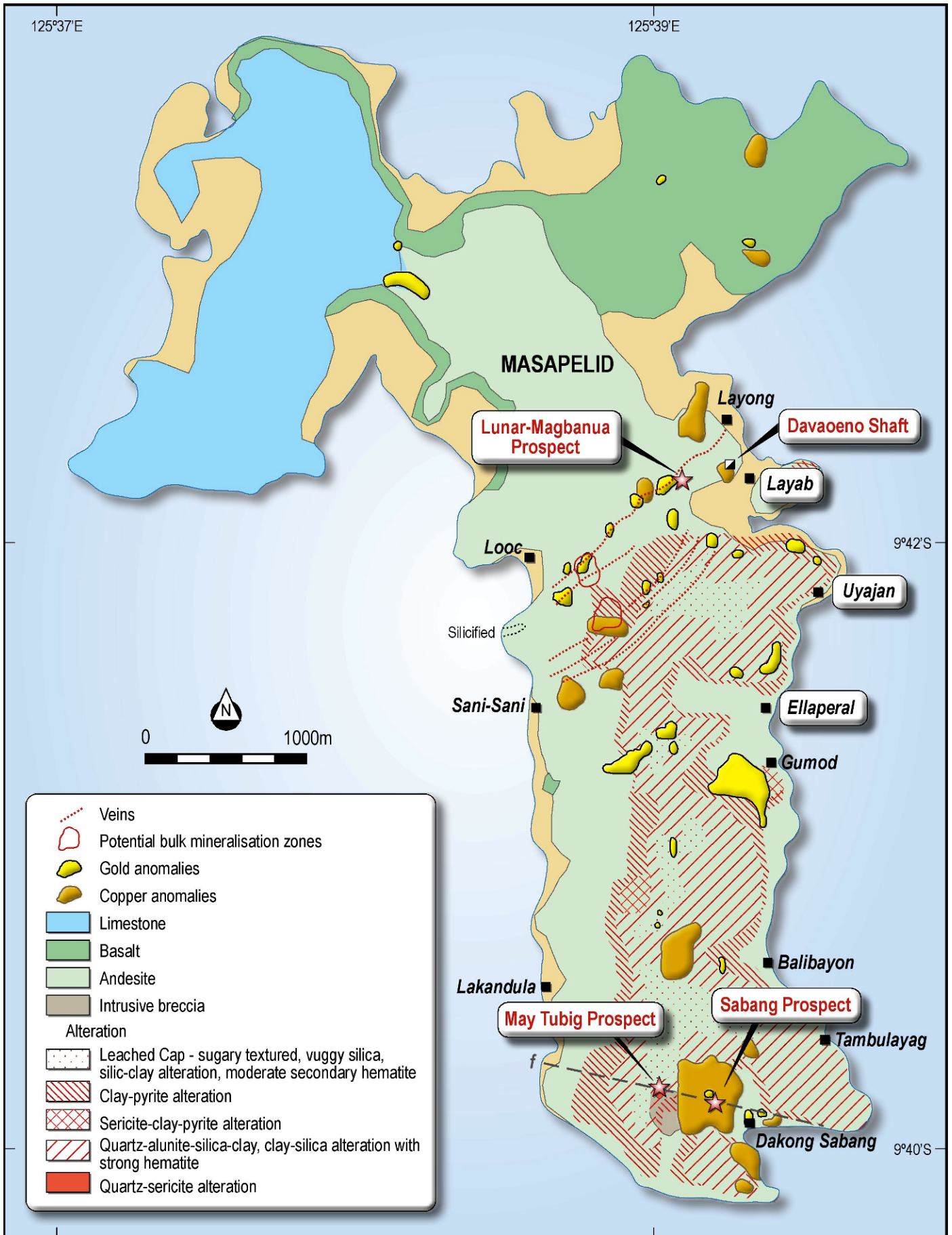


Figure 2: Masapelid Island Project showing prospect locations.

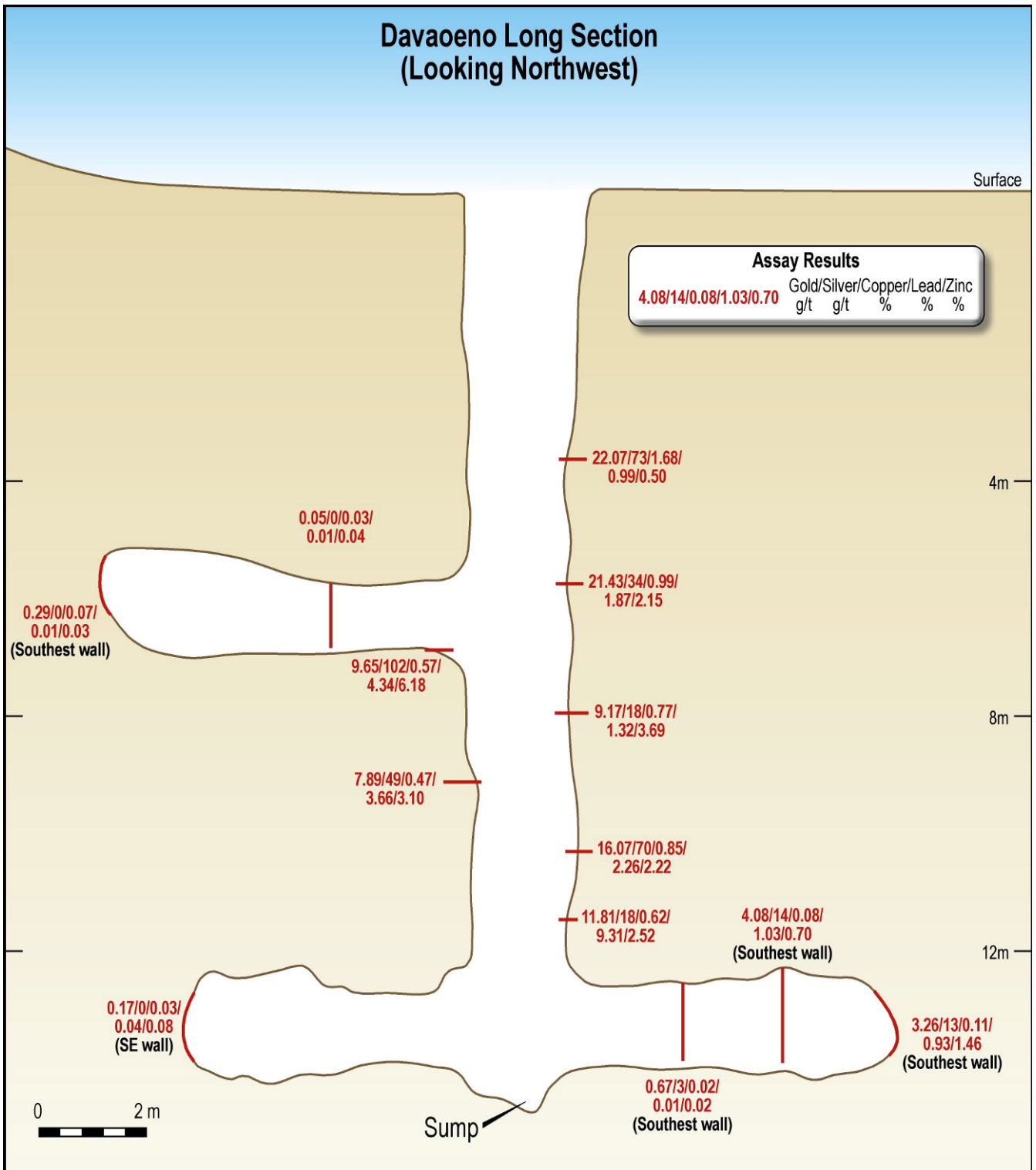


Figure 3: Longitudinal section through Davaoeno Mine shaft and levels showing sampling intervals and assay results.

Davaoeno Stacked Level Plan

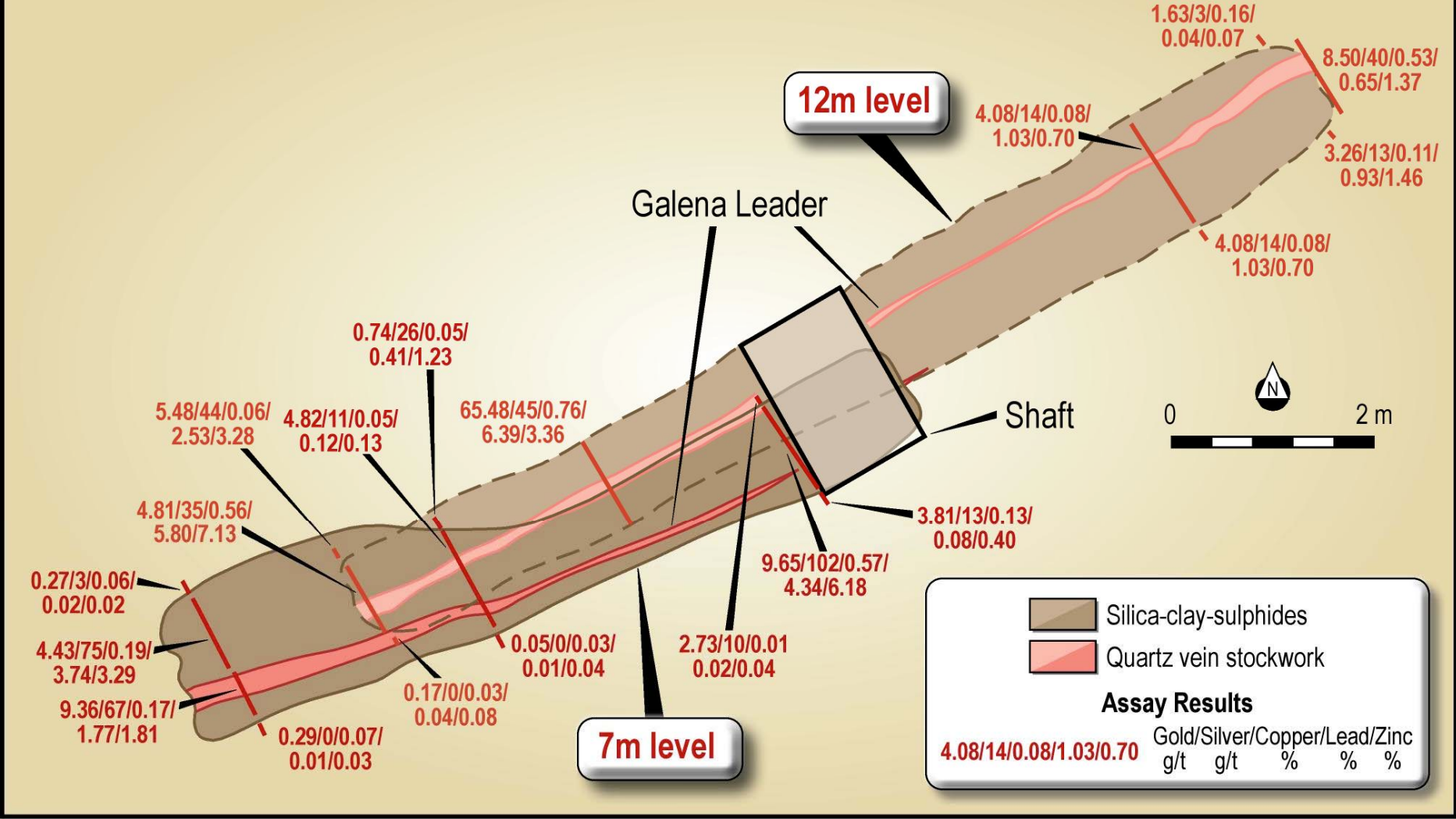


Figure 4: Davaoeno Mine stacked level plan showing sampling intervals and assay results.

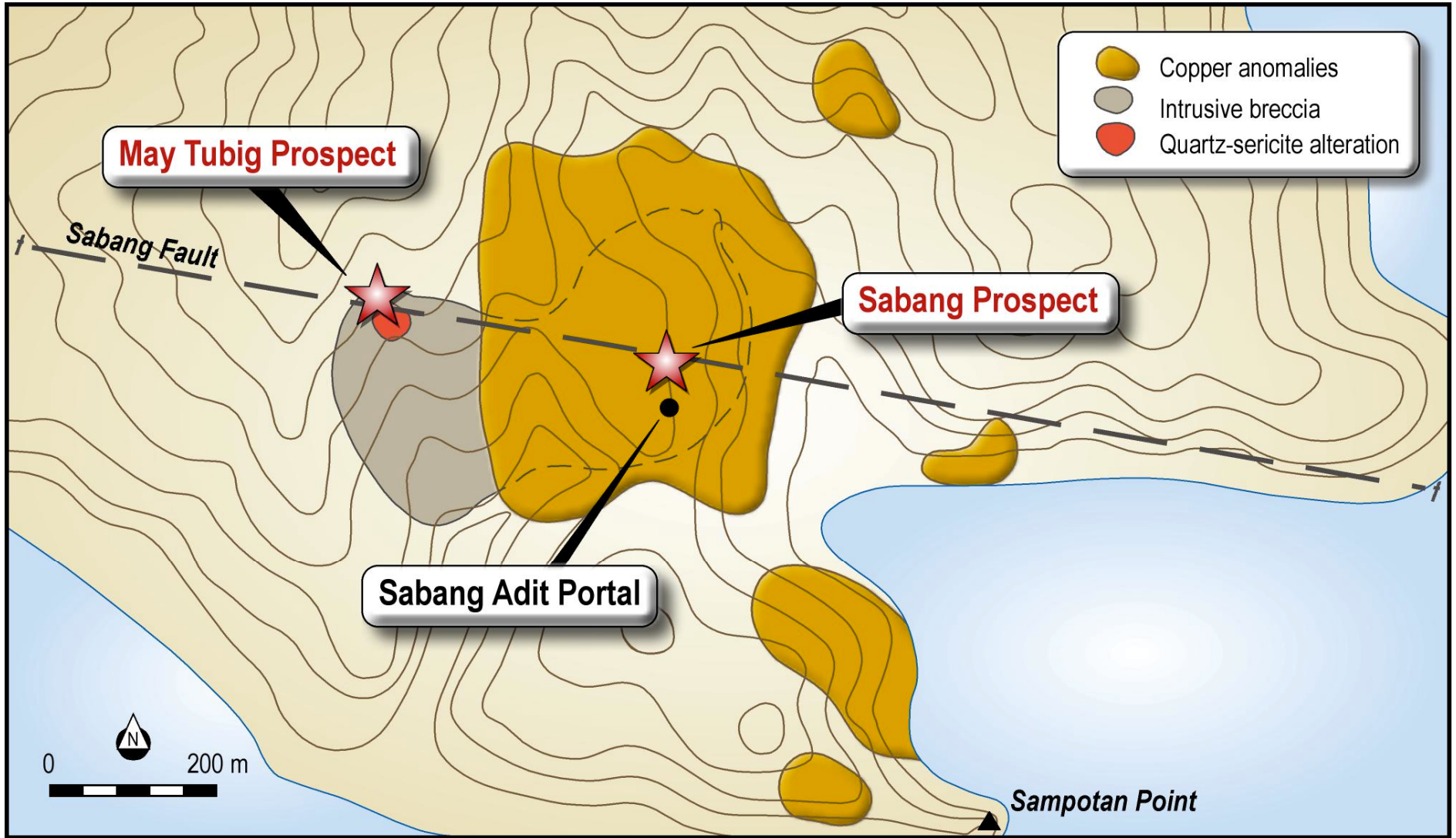


Figure 5: Sabang Copper-Gold Porphyry Prospect.

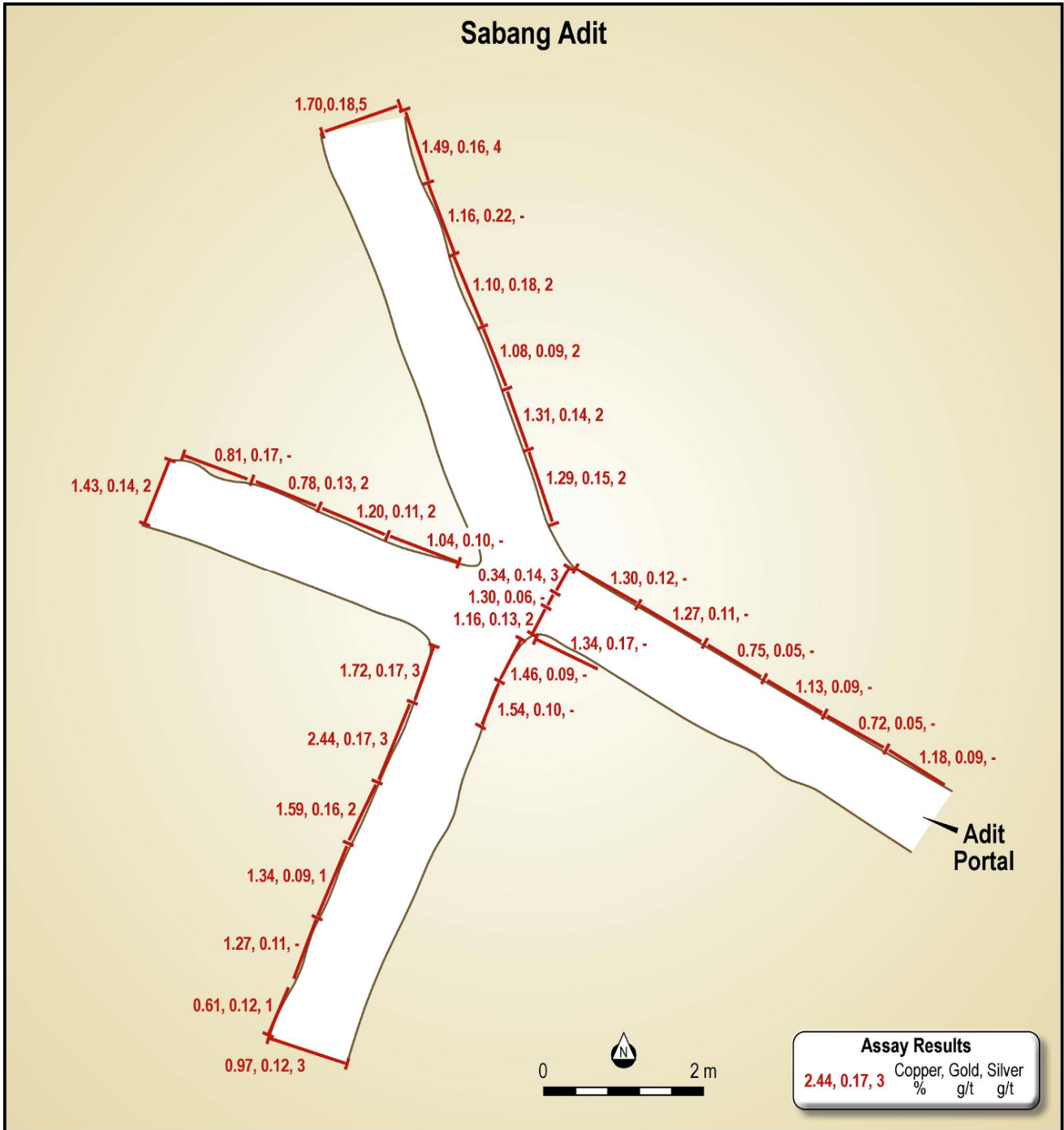


Figure 6: Sabang – Adit No.1 underground exploration drives showing sample intervals and copper, gold and silver assays.

Table 1: Davaoeno Prospect channel sampling with assay results.

Location	Sample Description	Interval (m)	Gold g/t	Silver g/t	Copper %	Lead %	Zinc %
Main Shaft	Horizontal across vein east wall	1.00	11.81	18	0.62	9.31	2.52
	Horizontal across vein east wall	0.80	16.07	70	0.85	2.26	2.22
	Horizontal across vein west wall	0.80	7.89	49	0.47	3.66	3.10
	Horizontal across vein west wall	0.80	9.17	18	0.77	1.32	3.69
	Horizontal across vein east wall	0.80	21.43	34	0.99	1.87	2.15
	Horizontal across vein east wall	0.80	22.07	73	1.68	0.99	0.50
	Horizontal across vein west wall	0.80	6.98	14	0.38	3.22	2.99
7m Level	Horizontal across vein	1.00	9.36	67	0.17	1.77	1.81
	Horizontal across vein	1.00	4.43	75	0.19	3.74	3.29
	Vertical on north wall	1.10	0.27	3	0.06	0.02	0.02
	Vertical on south wall	1.10	0.29	-	0.07	0.01	0.03
	Vertical on north wall	1.00	0.74	26	0.05	0.41	1.23
	Backs – across vein	1.50	4.82	11	0.05	0.12	0.13
	Vertical on south wall	1.00	0.05	-	0.03	0.01	0.04
	Vertical north wall	0.80	2.73	10	0.01	0.02	0.04
	Vertical south wall	1.00	3.81	13	0.13	0.08	0.40
	Horizontal across vein	1.00	9.65	102	0.57	4.34	6.18
12m Level	Horizontal across vein-face	0.80	8.50	40	0.53	0.65	1.37
	Horizontal on north hanging wall	0.60	1.63	3	0.16	0.04	0.07
	Horizontal on south footwall	0.50	3.26	13	0.11	0.93	1.46
	Backs - across vein	1.00	4.28	33	0.40	1.38	2.35
	Vertical on south wall	1.00	4.08	14	0.08	1.03	0.70
	Vertical on south wall	1.00	0.67	3	0.02	0.01	0.02
	Horizontal across vein	0.80	4.81	35	0.56	5.80	7.13
	Vertical north wall	1.00	5.48	44	0.06	2.53	3.28
	Vertical south wall	1.00	0.17	-	0.02	0.05	0.08
	Backs - across vein	1.00	65.48	45	0.76	6.39	3.36

Table 2: Adit No. 1 – Sabang Prospect Underground channel sampling with assay results.

Drive	Face	From (m)	To (m)	Copper (%)	Gold (g/t)	Silver (g/t)
Main Drive (290 ⁰)	North Face	0	1	1.18	0.09	-
		1	2	0.72	0.05	-
		2	3	1.13	0.09	-
		3	4	0.75	0.05	-
		4	5	1.27	0.11	-
		5	6	1.30	0.12	-
	South Face	5	6	1.34	0.17	-
	Backs	0	0.4	1.16	0.13	2
		0.4	0.6	1.30	0.06	-
		0.6	1.0	0.34	0.14	3
North Drive (345 ⁰)	East Face	0	1	1.29	0.15	2
		1	2	1.31	0.14	2
		2	3	1.08	0.09	2
		3	4	1.10	0.18	2
		4	5	1.16	0.22	-
		5	6	1.49	0.16	4
	North Face	0	1	1.70	0.16	4
	West Drive (285 ⁰)	North Face	0	1	1.04	0.10
1			2	1.20	0.11	2
2			3	0.78	0.13	2
		3	4	0.81	0.17	-
West Face		0	1	1.43	0.14	2
South Drive (200 ⁰)		West Face	0	1	1.72	0.17
	1		2	2.44	0.17	3
	2		3	1.59	0.16	2
	3		4	1.34	0.09	1
	4		5	1.27	0.11	-
		5	6	0.61	0.12	1
	South Face	0	1	0.97	0.12	3