



ASX Release

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Sabang Prospect – New Discovery Zone.

# MASAPELID PROJECT CONTINUES TO DELIVER

Lindian Resources Limited is extremely pleased to announce that the Company has received further results for diamond core drilling completed on the gold silver sheeted vein, stockwork zone and supergene copper zone at the Sabang Prospect on the southern portion of the Masapelid Project in the Philippines (Figures 1, 2 and 3).

## HIGHLIGHTS

- **Supergene copper silver mineralisation intersected in hole BMS-018 comprising:**  
**20.00 metres from 35.00 metres at 1.42% copper and 172.69g/t silver, including:**
  - 5.00 metres from 35.00 metres at 2.69% copper and 182.30g/t silver.**
- **Supergene copper silver mineralisation intersected in hole BMS-012 comprising:**  
**Upper copper silver zone containing:**  
**29.00 metres from 8.00 metres at 0.64% copper and 8.58g/t silver.**  
**Lower copper silver zone containing:**  
**10.00 metres from 65.00 metres at 0.42% copper and 20.57g/t silver.**  
**Gold silver zone containing:**  
**3.00 metres from 318.00 metres at 6.01g/t gold, 8.17g/t silver and 0.27% copper.**
- **Supergene copper silver mineralisation intersected in hole BMS-013 comprising:**  
**32.00 metres from 3.00 metres at 0.50% copper and 6.66g/t silver.**
- **Gold silver mineralisation intersected in shallow hole BMS-016 comprising:**  
**49.60 metres from 31.00 metres at 0.77g/t gold, 6.33g/t silver, and 0.59% zinc.**  
**Hole BMS-016 terminated in gold-silver mineralisation at 80.60 metres due to hole cave-in and collapse.**

## MASAPELID PROJECT

### Drilling Programme

Lindian is pleased to announce that the Phase 1 drilling programme on the Masapelid Project is now drawing to a conclusion. That programme, which has focussed on obtaining an understanding of the geology, structure, alteration and mineralisation on the Project is now being finalised. The Phase 1 programme has proved invaluable to the Company as Lindian now has a considerably greater understanding of the gold, silver and copper mineralisation across the Masapelid Project and the target areas to focus on with the Phase 2 RC and diamond drilling programme due to commence imminently.



Sabang Prospect – Diamond Core Drilling

Limited exploration had been performed on Masapelid by past explorers and the Phase 1 exploration completed by Lindian have generated an enormous amount of valuable data on the nature, extent and controls over mineralisation needed to define key target mineralised zones for follow up exploration and resource drill out. That data has been compiled and targets selected for the forthcoming Phase 2 drilling programme have been finalised.

The Phase 2 drilling programme will have an initial focus on the Sabang and Layab Prospects as well as evaluation drilling on four new prospects at Sani Sani, Fabio, Gumod-Silay and Lunar-Magbanua. The Company is extremely excited about its soon to commence Phase 2 drilling programme and is hopeful that at least two high grade gold silver deposits can be highlighted in addition to the further definition of near surface high grade supergene copper silver mineralisation at Sabang Prospect. Phase 2 will evolve over the next four to six months with over 20,000 metres of drilling into each of the Sabang and Layab Prospects. The Company expects to be able to release drilling results every three to four weeks during the Phase 2 drilling programme.



Layab Prospect – recent diggings with exposure of seven new veins.

The Company's community relation's programme is working extremely well with full support from the local community being obtained for the forthcoming increase in drilling activities on the Masapelid Project.

### Results

Results have now been received for diamond drill holes BMS-012 to BMS-018 inclusive (Table 1).

Diamond drill holes BMS-012 and BMS-013 (Figures 3 and 4), drilled 50 metres to the southeast and parallel to the BMS-007a, BMS-007b, BMS-008, BMS-009, BMS-011 and BMS-017 discovery section, confirm that supergene copper-silver and underlying gold-silver vein mineralisation extends the southeast of the initial New Discovery Zone drill holes.



New vein system exposed in recent diggings at Layab Prospect.

Geological logging of holes BMS-012 and BMS-013 and assays received show that the supergene copper-silver zone bifurcates to the south of discovery holes BMS-007a, BMS-007b, BMS-008 and BMS-009 (“discovery holes”) and forms two distinct stacked zones (an upper zone and a lower zone on cross section) of copper-silver mineralisation. Of significance is that the upper supergene copper and silver mineralisation is only about 2.6 metres and 7 metres from surface respectively in holes BMS-013 and BMS-012, noting that both holes were drilled at a declination of 60 degrees. Copper and silver grades in the upper zone are consistent with previously reported results for holes the discovery holes.

Bifurcation of the supergene copper silver zone to the southeast of initial discovery holes, i.e. splitting of the supergene copper silver zone as identified in drill holes BMS-012 and BMS-013, may indicate that structure plays a part in controlling the near surface copper-silver mineralisation at the New Discovery Zone. Structural control to mineralisation is not unusual in a tectonic active island arc mineralisation setting and entirely consistent with the Company’s current level of understanding of this early discovery.

As with discovery holes, new holes BMS-012 and BMS-013 show that supergene copper silver mineralisation overlies gold silver mineralisation hosted by sheeted and stockwork quartz vein system passing through a copper silver  $\pm$  gold porphyry.

Recent drilling and the latest results now indicate that the sheeted and stockwork quartz vein gold and silver mineralisation at the New Discovery Zone is hosted by a package of multiple, steeply dipping and sub parallel quartz veins with intervening quartz vein stockwork, that broadly trend northeast-southwest through the New Discovery Zone.



New drill target - Sani Sani.

Diamond drill hole BMS-016 (Figures 3 and 5), drilled approximately 100 metres to the north of the discovery holes and targeted to test the width of the projected north and northeast extension of the New Discovery Zone sheeted and stockwork quartz vein gold and silver mineralisation has produced positive results. The assay results from BMS-016 confirm that the gold and silver mineralisation system extends to the north of the discovery holes and for a further 100 metres. This is of significance as the Company can now report the New Discovery Zone gold and silver mineralised system extends toward the eastern Sabang peninsula. The significance of this is that the projected trend of this mineralisation system provides the scope for target scale to be realised from the Phase 2 drilling programme.

BMS-016 terminated prematurely at 80.60 metres due to hole collapse with the hole terminating in mineralisation. Notwithstanding this, hole BMS-016 intersection 49.60 metres of gold silver mineralisation with some higher grade gold intervals recorded (Table 1).



Gold from panning of crushed samples from new veins identified at Layab Prospect.

Diamond drill hole BMS-018 drilled 50 metres to the southwest of the collar position of the discovery holes has recorded outstanding supergene copper and silver intercepts from 35 to 55 metres down hole (Figure 3 and 5, and Table 1).

The results from holes BMS-012, BMS-013 and BMS-018 confirms that supergene copper-silver mineralisation extends to the south and southwest of the discovery holes at the New Discovery Zone. These results expand the known area of supergene copper and silver mineralisation at Sabang and indicates that Sabang holds the potential to host a large zone of near surface copper-silver on the Sabang Prospect.

In terms of the gold-silver and supergene copper-silver potential of the Sabang Prospect, the forecast is for continued positive results from the prospect. The imminent Phase 2 RC drilling will be targeting the Sabang and Layab Prospect mineralised systems during the remainder of 2012.

All significant drill holes intersection for holes BMS-012 to BMS-018 inclusive are provided in Table 1.

The Company is extremely excited about the imminent commencement of the Phase 2 drilling programme on the Masapelid Project and looks forward to providing regular updates on progress and results from that programme.

**Steve Leithead**  
**Managing Director**

**COMPETENT PERSONS STATEMENT**

*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.*

**DISCLAIMER**

*The announcement may contain certain forward-looking statements. Words 'anticipate', 'believe', 'expect', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', and other similar expressions are intended to identify forward-looking statements. Indication of, and guidance on, future earnings and financial position and performance are also forward-looking statements.*

*Such forward-looking statements are not guarantees of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Lindian, its officers, employees, agents and associates, which may cause actual results to differ materially from those expressed of implied in such forward-looking statements.*

*Actual results, performance, or outcomes may differ materially from any projections or forward-looking statements or the assumptions on which those statements are based.*

*You should not place any undue reliance on forward-looking statements and neither Lindian nor its directors, officers, employees, servants or agents assume any responsibility to update such information.*



Figure 1: Lindian Resources Limited – Philippines Projects.



**Figure 2: Masapelid Project showing location of Sabang Prospect on the southern portion of Masapelid Island.**

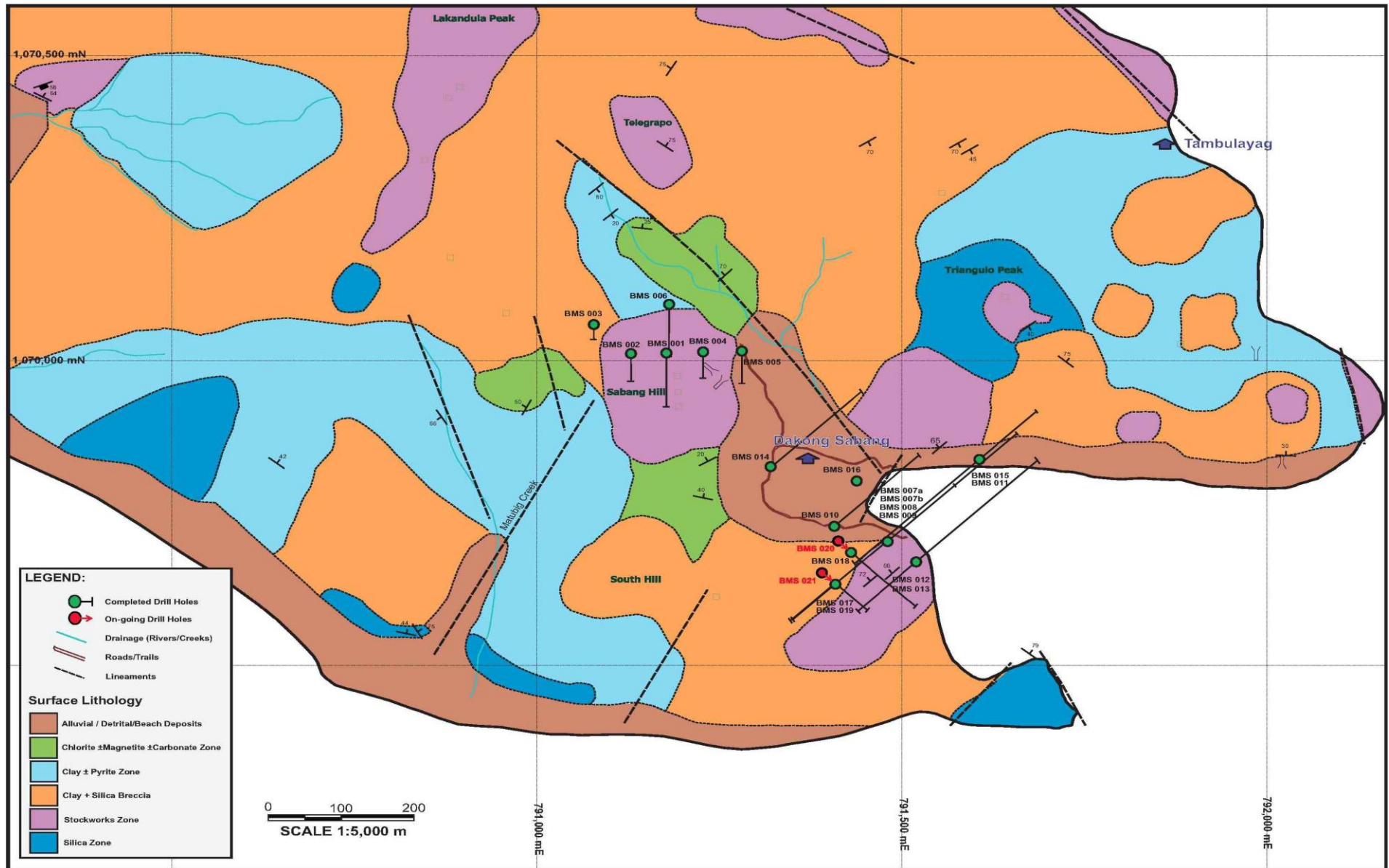
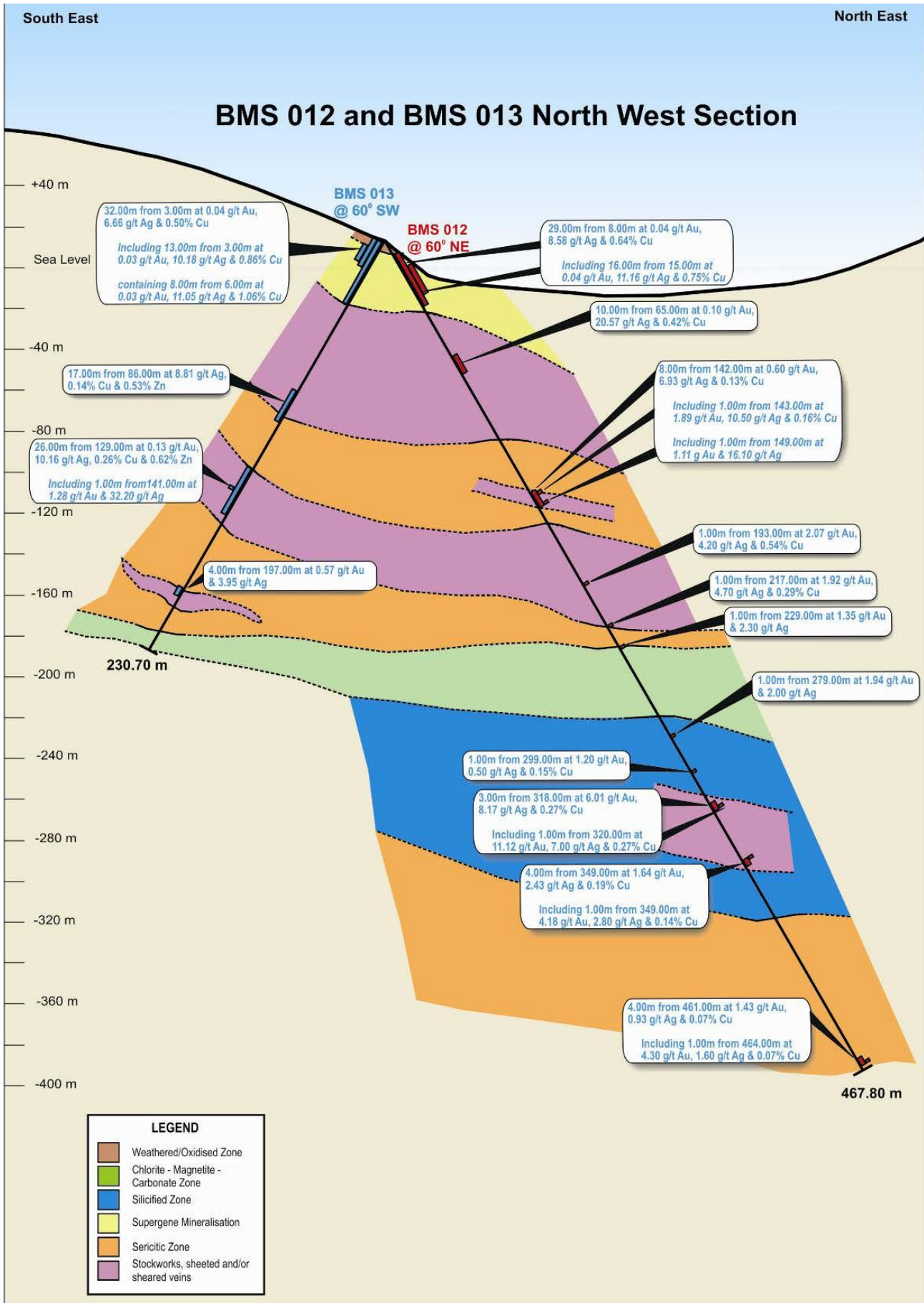


Figure 3: Sabang Prospect – New Alteration Mapping and Drill Hole Locations.



**Figure 4: Sabang Prospect – Cross Section BMS-012 and BMS-013.**

# BMS 016 NORTH WEST SECTION

SCALE 1:2,500m

South East

North East

BMS 016  
@ 90°

49.60m from 31.0m @ 0.77g/t Au,  
6.33g/t Ag & 0.11 Cu

Including 23.00m from 31.00m @  
1.37g/t Au, 9.05g/t Ag & 0.18 Cu  
containing 3.00m from 33.00m @  
5.21g/t Au, 18.13g/t Ag & 0.24 %Cu

80.60 m

**LEGEND**

-  Weathered/Oxidised Zone
-  Leached Zone

Drill hole intersections - BMS 016

Figure 5: Sabang Prospect – Cross Section BMS-016.

# BMS-018, BMS-020 and BMS-023 SW Section

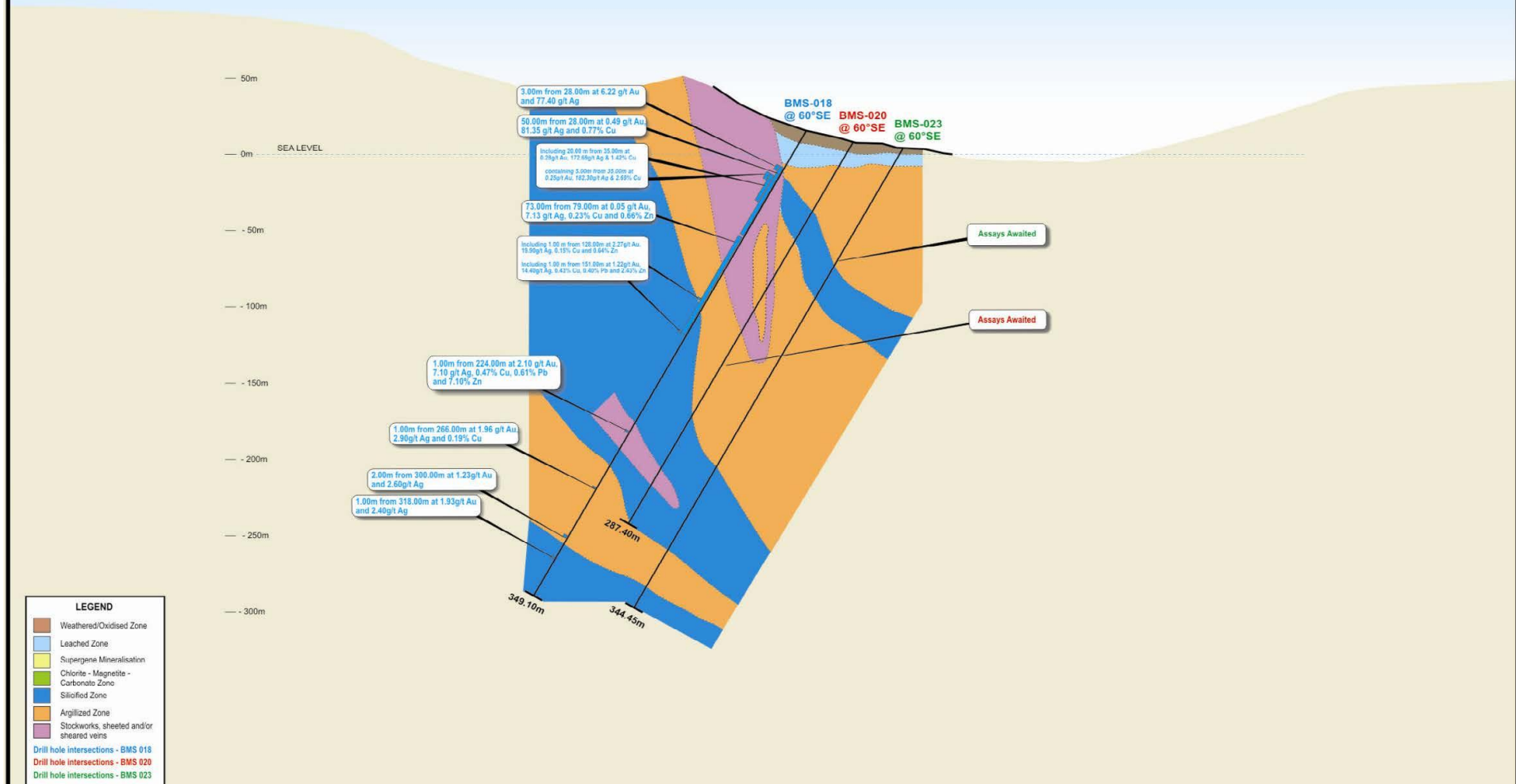


Figure 6: Sabang Prospect – Cross Section BMS-018, BMS-020, BMS-023.

Table 1: Significant Intersections for Drill holes BMS-012 to BMS-018 inclusive.

Prospect	Hole Number	Easting	Northing	Azimuth	Dip	Depth (metres)	From (metres)	To (metres)	Interval (metres)	Gold (g/t)	Silver (g/t)	Copper (%)	Lead (%)	Zinc (%)
<b>SABANG PROSPECT</b>														
	<b>BMS-012</b>	791520.70	1069670.80	045	-60	467.80	<b>8.00</b>	<b>37.00</b>	<b>29.00</b>	<b>0.04</b>	<b>8.58</b>	<b>0.64</b>		
	including						<b>15.00</b>	<b>31.00</b>	<b>16.00</b>	<b>0.04</b>	<b>11.16</b>	<b>0.75</b>		
	and						<b>65.00</b>	<b>75.00</b>	<b>10.00</b>	<b>0.10</b>	<b>20.57</b>	<b>0.42</b>		
	and						<b>142.00</b>	<b>150.00</b>	<b>8.00</b>	<b>0.60</b>	<b>6.93</b>	<b>0.13</b>		
	including						<b>143.00</b>	<b>144.00</b>	<b>1.00</b>	<b>1.89</b>	<b>10.50</b>	<b>0.16</b>		
	including						<b>149.00</b>	<b>150.00</b>	<b>1.00</b>	<b>1.11</b>	<b>16.10</b>			
	and						<b>193.00</b>	<b>194.00</b>	<b>1.00</b>	<b>2.07</b>	<b>4.20</b>	<b>0.54</b>		
	and						<b>217.00</b>	<b>218.00</b>	<b>1.00</b>	<b>1.92</b>	<b>4.70</b>	<b>0.29</b>		
	and						<b>229.00</b>	<b>230.00</b>	<b>1.00</b>	<b>1.35</b>	<b>2.30</b>			
	and						<b>279.00</b>	<b>280.00</b>	<b>1.00</b>	<b>1.94</b>	<b>2.00</b>			
	and						<b>299.00</b>	<b>300.00</b>	<b>1.00</b>	<b>1.20</b>	<b>0.50</b>	<b>0.15</b>		
	and						<b>318.00</b>	<b>321.00</b>	<b>3.00</b>	<b>6.01</b>	<b>8.17</b>	<b>0.27</b>		
	including						<b>320.00</b>	<b>321.00</b>	<b>1.00</b>	<b>11.12</b>	<b>7.00</b>	<b>0.27</b>		
	and						<b>349.00</b>	<b>353.00</b>	<b>4.00</b>	<b>1.64</b>	<b>2.43</b>	<b>0.19</b>		
	including						<b>349.00</b>	<b>350.00</b>	<b>1.00</b>	<b>4.18</b>	<b>2.80</b>	<b>0.14</b>		
	and						<b>461.00</b>	<b>465.00</b>	<b>4.00</b>	<b>1.43</b>	<b>0.93</b>	<b>0.07</b>		
	including						<b>464.00</b>	<b>465.00</b>	<b>1.00</b>	<b>4.30</b>	<b>1.60</b>	<b>0.07</b>		
	<b>BMS-013</b>	791520.70	1069670.80	225	-60	230.70	<b>3.00</b>	<b>35.00</b>	<b>32.00</b>	<b>0.04</b>	<b>6.66</b>	<b>0.50</b>		
	including						<b>3.00</b>	<b>16.00</b>	<b>13.00</b>	<b>0.03</b>	<b>10.18</b>	<b>0.86</b>		
	which contains						<b>6.00</b>	<b>14.00</b>	<b>8.00</b>	<b>0.03</b>	<b>11.05</b>	<b>1.06</b>		
	and						<b>86.00</b>	<b>103.00</b>	<b>17.00</b>	-	<b>8.81</b>	<b>0.14</b>		<b>0.53</b>
	and						<b>129.00</b>	<b>155.00</b>	<b>26.00</b>	<b>0.13</b>	<b>10.16</b>	<b>0.26</b>		<b>0.62</b>
	including						<b>141.00</b>	<b>142.00</b>	<b>1.00</b>	<b>1.28</b>	<b>32.20</b>			
	and						<b>197.00</b>	<b>201.00</b>	<b>4.00</b>	<b>0.57</b>	<b>3.95</b>			
	<b>BMS-014</b>	791320.70	1069827.60	045	-60	351.05	<b>227.00</b>	<b>229.00</b>	<b>2.00</b>	<b>1.91</b>	<b>16.30</b>			
	<b>BMS-015</b>	791607.40	1069834.80	045	-60	221.45	No significant results							
	<b>BMS-016</b>	791439.19	1069803.79	-	-90	80.60	<b>31.00</b>	<b>80.60</b>	<b>49.60</b>	<b>0.77</b>	<b>6.33</b>	<b>0.11</b>	<b>0.21</b>	<b>0.59</b>
	including						<b>31.00</b>	<b>54.00</b>	<b>23.00</b>	<b>1.37</b>	<b>9.05</b>	<b>0.18</b>	<b>0.27</b>	<b>0.78</b>
	which contains						<b>33.00</b>	<b>36.00</b>	<b>3.00</b>	<b>5.21</b>	<b>18.13</b>	<b>0.24</b>	<b>0.70</b>	<b>2.04</b>
	<b>BMS-017</b>	791409.98	1069634.45	225	-60	177.05	No significant results							
	<b>BMS-018</b>	791430.87	1069686.85	135	-60	349.10	<b>28.00</b>	<b>31.00</b>	<b>3.00</b>	<b>6.22</b>	<b>77.40</b>			
	and						<b>28.00</b>	<b>78.00</b>	<b>50.00</b>	<b>0.49</b>	<b>81.35</b>	<b>0.77</b>		
	including						<b>35.00</b>	<b>55.00</b>	<b>20.00</b>	<b>0.28</b>	<b>172.69</b>	<b>1.42</b>		
	which						<b>35.00</b>	<b>40.00</b>	<b>5.00</b>	<b>0.25</b>	<b>182.30</b>	<b>2.69</b>		

Prospect	Hole Number	Easting	Northing	Azimuth	Dip	Depth (metres)	From (metres)	To (metres)	Interval (metres)	Gold (g/t)	Silver (g/t)	Copper (%)	Lead (%)	Zinc (%)
	contains													
	and						<b>79.00</b>	<b>152.00</b>	<b>73.00</b>	<b>0.05</b>	<b>7.13</b>	<b>0.23</b>		<b>0.66</b>
	including						<b>128.00</b>	<b>129.00</b>	<b>1.00</b>	<b>2.27</b>	<b>19.90</b>	<b>0.15</b>		<b>0.64</b>
	including						<b>151.00</b>	<b>152.00</b>	<b>1.00</b>	<b>1.22</b>	<b>14.40</b>	<b>0.43</b>	<b>0.40</b>	<b>2.43</b>
	and						<b>224.00</b>	<b>225.00</b>	<b>1.00</b>	<b>2.10</b>	<b>7.10</b>	<b>0.47</b>	<b>0.61</b>	<b>7.10</b>
	and						<b>266.00</b>	<b>267.00</b>	<b>1.00</b>	<b>1.96</b>	<b>2.90</b>	<b>0.19</b>		
	and						<b>300.00</b>	<b>302.00</b>	<b>2.00</b>	<b>1.23</b>	<b>2.60</b>			
	and						<b>318.00</b>	<b>319.00</b>	<b>1.00</b>	<b>1.93</b>	<b>2.40</b>			
	<b>BMS-019</b>	791410.00	1069634.45	135	-60	252.15	At Laboratory							
	<b>BMS-020</b>	791411.00	1069708.00	135	-60	287.40	At Laboratory							
	<b>BMS-021</b>	791392.00	1069652.00	135	-60	293.35	At Laboratory							
	<b>BMS-022</b>	791379.00	1069666.00	135	-60	343.20	At Laboratory							
	<b>BMS-023</b>	791388.00	1069725.00	135	-60	344.45	At Laboratory							
	<b>BMS-024</b>	791442.00	1069740.00	135	-60	ongoing	Drilling in progress.							
	<b>BMS-025</b>	791517.00	1069669.00	315	-60	ongoing	Drilling in progress.							