



ABN 53 090 772 222

**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR
ENDED 31 DECEMBER 2008**

CORPORATE DIRECTORY

Directors and Officers

Reginald Gillard
Chairman

Gregory Smith
Executive Director

Patrick Flint
Non-Executive Director

Anthony Cunningham – appointed 4 March 2009
Non-Executive Director

Gavin Argyle – resigned 4 March 2009
Non-Executive Director

Paul Jurman
Company Secretary

Principal and Registered Office

30 Ledger Road
Balclatta
Western Australia 6021

Telephone +61 8 9345 2478
Facsimile +61 8 9240 2406

Auditors

RSM Bird Cameron Partners
8 St George's Terrace
Perth
Western Australia 6000

Telephone +61 8 9261 9100
Facsimile +61 8 9261 9101

Share Registry

Computershare Investor Services Pty Ltd
Level 2, 45 St George's Terrace
Perth
Western Australia 6000

Telephone +61 1300 557 010
Facsimile +61 8 9323 2033
Website www.computershare.com

ASX Code

Listed on the Australian Stock Exchange under the code LIN and LINO.

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half-year ended 31 December 2008.

Directors

The directors of the Company during or since the end of the half-year are listed below. All directors were in office for this entire period unless otherwise stated.

Name

Mr Reginald Gillard
Mr Gregory Smith
Mr Patrick Flint
Mr Anthony Cunningham appointed 4 March 2009
Mr Gavin Argyle resigned 4 March 2009

Results

The consolidated loss for the half year after tax was \$546,441 (2007: loss of \$378,635).

Review of Operations

Dinguiraye Platinum (Pt) - Nickel (Ni) – Copper (Cu) Project

The project, which covers 394 square kilometres, is located at the town of Dinguiraye approximately 400km northeast of Conakry in the central part of Guinea. It is readily accessible by the N1 sealed road from Conakry.

In May 2008 Lindian was granted a Reconnaissance Licence on the project, and following positive results from preliminary exploration activity, the Company applied for an exploration licence. In March 2009 four exploration permits covering the project were granted.

Exploration has demonstrated the excellent potential of the gabbro-dolerite intrusive to host accumulations of Pt-Ni-Cu sulphides similar to those found in the Bushveld Complex, South Africa or the Norilsk Intrusion in Russia. A remote sensing interpretation utilising existing geology maps and Landsat imagery identified a 20km by 14km oval shaped gabbro-dolerite intrusive. Soil sampling completed during the period over the southern portion of the gabbro-dolerite has defined three large anomalies.

- Anomaly 1: measures 6000m x 1500m and consists of coincident Pt, Pd, Ni, Cu and Chromium (Cr) values with results ranging up to 760ppb Pt (0.76g/t Pt), 69ppb Pd, 1,704ppm Ni, 95ppm Cu, and 5,107ppm Cr.
- Anomaly 2: is defined by broadly coincident Pt, Pd, Ni, Cu and Cr values with results ranging up to range up to 525ppb Pt, 56ppb Pd, 1,932ppm Ni, 90ppm Cu and 5,478ppm Cr. It measures 6000m x 1500m.
- Anomaly 3: consists of strongly coincident Pt-Ni values defining an anomaly measuring 7000m x 1500m. Anomalous results consist of Pt to 452ppb and Ni to 1,694ppm.

Extension soil geochemistry is planned over the remaining gabbro-dolerite intrusive and infill soil geochemistry on the existing anomalies to enable the targeting of future exploration programmes.



Figure 1 – Dinguiraye Pt-Ni-Cu Project – Location Plan

Bafwasende Gold and Diamond Project

The Bafwasende Gold / Diamond Project covers a total area of approximately 7,000 square kilometres and is located 220kms north east of Kisangani, Province Orientale in the north east of the Democratic Republic of Congo (Figure 2).

Under the terms of a joint venture signed by the Company with BRC DiamondCore Ltd (BRC) in April 2008, BRC completed a stream sediment programme during the period. These samples have recently been dispatched for analysis.

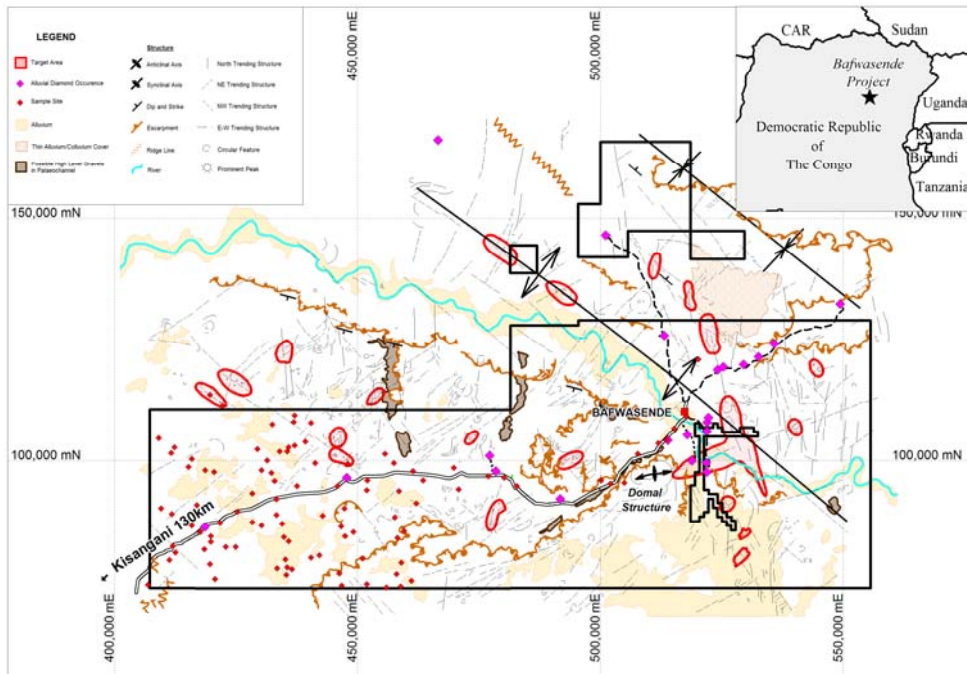


Figure 2 – Bafwasende Project – Interpreted Geology – Sample Location

Other Projects

During the half year, the Company continued to review a number of potential project opportunities, including coal projects in Kalimantan, Indonesia and a bauxite project in Africa.

Auditor's Independence Declaration

In accordance with section 307C of the Corporations Act 2001, the Directors have obtained a declaration of independence from RSM Bird Cameron Partners, the consolidated entity's auditors. The independence declaration is included at page 4 of the financial report.

Dated at Balcatta on 12 March 2009.

This report is signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to be 'G L Smith', written on a light-colored background.

G L Smith
Director

RSM Bird Cameron Partners

Chartered Accountants

8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844
T +61 8 9261 9100 F +61 8 9261 9101
www.rsmi.com.au

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF LINDIAN RESOURCES LIMITED

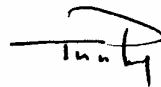
As lead auditor for the review of the financial report of Lindian Resources Limited for the half-year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Lindian Resources Limited and the entities it controlled during the period.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants



T PHONG
Partner

Perth, WA
Dated: 12 March 2009

Liability limited by a
scheme approved under
Professional Standards
Legislation

Major Offices in:
Perth, Sydney, Melbourne,
Adelaide and Canberra
ABN 36 965 185 036

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International, an affiliation of independent
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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF LINDIAN RESOURCES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Lindian Resources Limited (the consolidated entity) which comprises the income statement, balance sheet, statement of changes in equity, cash flow statement, accompanying notes to the financial statements and directors' declaration for the half-year ended 31 December 2008. The consolidated entity comprises both Lindian Resources Limited (the company) and the entities it controlled during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have followed applicable independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Lindian Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants



T PHONG
Partner

Perth, WA
Dated: 12 March 2009

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes thereto set out on pages 8 to 14 are in accordance with the Corporations Act 2001, and:
 - (a) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2008 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Dated at Balcatta on 12 March 2009.

This declaration is made in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to be 'G L Smith', written on a light-colored background.

G L Smith
Director

INCOME STATEMENT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Consolidated	Consolidated
	31.12.08	31.12.07
	\$	\$
Other revenue	58,190	98,199
Total Revenue	<u>58,190</u>	<u>98,199</u>
Occupancy expenses	(1,100)	(4,342)
Administrative expenses	(149,645)	(238,238)
Employee benefits expense	(237,369)	(198,808)
Exploration expense written off	(204,998)	(23,313)
Depreciation expenses	(13,694)	(12,133)
Foreign exchange (loss) / gain	2,175	-
Total Expenses	<u>(604,631)</u>	<u>(476,834)</u>
Loss before related income tax expense	(546,441)	(378,635)
Income tax expense	-	-
Loss after income tax	<u>(546,441)</u>	<u>(378,635)</u>
Loss is attributable to:		
Lindian Resources Limited	(544,801)	(378,635)
Minority Interest	(1,640)	-
	<u>(546,441)</u>	<u>(378,635)</u>
Basic loss per share (cents per share)	(1.44)	(1.16)

The accompanying notes form part of this interim financial report.

BALANCE SHEET

AS AT 31 DECEMBER 2008

	Consolidated	Consolidated
	31.12.08	30.6.08
	\$	\$
Current Assets		
Cash assets	1,860,026	2,428,436
Receivables	13,944	11,794
Total Current Assets	1,873,970	2,440,230
Non-Current Assets		
Other financial assets	115,825	83,203
Plant and equipment	41,565	55,259
Mineral interest acquisition, exploration and development expenditure	1,121,568	875,703
Total Non-Current Assets	1,278,958	1,014,165
Total Assets	3,152,928	3,454,395
Current Liabilities		
Payables	81,800	41,098
Total Current Liabilities	81,800	41,098
Total Liabilities	81,800	41,098
Net Assets	3,071,128	3,413,297
Equity		
Issued capital	12,063,317	12,063,317
Option premium reserve	1,130,200	1,130,200
Foreign currency translation reserve	175,162	(29,110)
Accumulated losses	(10,338,281)	(9,793,480)
Capital and Reserves attributable to equity holders of Lindian Resources Ltd	3,030,398	3,370,927
Minority interest	40,730	42,370
Total Equity	3,071,128	3,413,297

The accompanying notes form part of this interim financial report.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

Consolidated

	Issued Capital	Accumulated Losses	Option Premium Reserve	Foreign Currency Translation Reserve	Minority Equity Interest	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2007	11,526,830	(9,099,258)	1,024,650	-	-	3,452,222
Shares issued during the year	11,488	-	-	-	-	11,488
Loss attributable to members of the parent entity	-	(378,635)	-	-	-	(378,635)
Fair value of options issued	-	-	88,700	-	-	88,700
Balance at 31 December 2007	11,538,318	(9,477,893)	1,113,350	-	-	3,173,775
Balance at 1 July 2008	12,063,317	(9,793,480)	1,130,200	(29,110)	42,370	3,413,297
Currency translation differences	-	-	-	204,272	-	204,272
Loss attributable to members of the parent entity	-	(544,801)	-	-	(1,640)	(546,441)
Balance at 31 December 2008	12,063,317	(10,338,281)	1,130,200	175,162	40,730	3,071,128

The accompanying notes form part of this interim financial report.

CASH FLOW STATEMENT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Consolidated	Consolidated
	31.12.08	31.12.07
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(350,578)	(367,295)
Interest received	58,190	98,199
Net cash used in operating activities	(292,388)	(269,096)
Cash flows from investing activities		
Exploration expenditure	(279,805)	(87,864)
Acquisition of plant and equipment	-	(61,935)
Net cash used in investing activities	(279,805)	(149,799)
Cash flows from financing activities		
Issue of shares	-	11,488
Net cash inflow from financing activities	-	11,488
Net decrease in cash held	(572,193)	(407,407)
Cash at the beginning of the financial period	2,428,436	3,463,272
Net foreign exchange differences	3,783	-
Cash at the end of the financial period	1,860,026	3,055,865

The accompanying notes form part of this interim financial report.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008****NOTE 1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS**

The half-year financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The half-year financial report should be read in conjunction with the Annual Financial Report of Lindian Resources Limited as at 30 June 2008. It is also recommended that the half-year financial report be considered together with any public announcements made by Lindian Resources Limited and Controlled Entities during the half-year ended 31 December 2008 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The financial report covers the consolidated entity of Lindian Resources Limited and controlled entities. Lindian Resources Limited is a listed public company domiciled in Australia.

The half-year financial report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The half-year financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the consolidated entity as the full financial report.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in Lindian Resources Limited's Annual Financial Report for the year ended 30 June 2008.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	Consolidated	Consolidated
	31.12.08	30.6.08
	\$	\$
NOTE 2. MINERAL INTEREST ACQUISITION EXPLORATION AND DEVELOPMENT EXPENDITURE		
Exploration and evaluation costs (including acquisition costs) carried forward		
Balance at the beginning of the period	875,703	120,250
Purchase price for mineral interests	-	586,294
Expenditure incurred during the period	280,819	350,385
Costs written-off	(204,998)	(151,024)
Translation difference movement	170,044	(30,202)
Carried forward	<u>1,121,568</u>	<u>875,703</u>

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

NOTE 3. CONTRIBUTED EQUITY

(a) Issued and paid up share capital

37,878,022 (30 June 2008 – 37,878,022) ordinary shares, fully paid	12,063,317	12,063,317
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Movements in Ordinary shares

	No of Shares	Paid Up Capital
		\$
Balance – 1 July 2008	37,878,022	12,063,317
Balance – 31 December 2008	<u>37,878,022</u>	<u>12,063,317</u>

(b) Share Options

Options to take up ordinary shares in the capital of the Company have been granted as follows

Exercise Period	Exercise Price	Opening Balance	Options Issued	Options Exercised/ Cancelled/ Expired	Closing Balance
		1 July 2008	2008	2008	31 December 2008
		Number	Number	Number	Number
On or before 31 December 2010	\$0.20	495,000	-	-	495,000
On or before 1 July 2011	\$0.20	1,000,000	-	-	1,000,000
On or before 15 September 2009	\$0.30	3,000,000	-	-	3,000,000
On or before 31 December 2009	\$0.30	17,381,879	-	-	17,381,879
On or before 30 September 2010	\$0.30	200,000	-	-	200,000
On or before 30 September 2010	\$0.35	350,000	-	-	350,000
On or before 31 December 2011	\$0.30	500,000	-	-	500,000
		<u>22,926,879</u>	<u>-</u>	<u>-</u>	<u>22,926,879</u>

No options were issued, exercised, cancelled or expired during the half year ended 31 December 2008.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	31.12.08	30.6.08
	\$	\$
NOTE 4. OPTION PREMIUM RESERVE		
Option Premium Reserve	1,130,200	1,130,200
Movement in share option reserve	No of Options	\$
Balance – 1 July 2008	22,926,879	1,130,200
Balance – 31 December 2008	22,926,879	1,130,200

NOTE 5. SEGMENT REPORTING

During the half-year, Lindian Resources Limited operated in the mineral exploration industry within the geographical segments, Australia, Guinea and the Democratic Republic of Congo.

Geographical Segments

	Australia		Guinea		Democratic Republic of Congo		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$
Operating revenue								
Other revenue	58,190	98,199	-	-	-	-	58,190	98,199
Total revenue	58,190	98,199	-	-	-	-	58,190	98,199
Segment result	(538,238)	(378,635)	-	-	(8,203)	-	(546,441)	(378,635)
Consolidated entity operating loss							(546,441)	(378,635)
Segment assets	2,322,971	3,454,395	75,943	-	754,014	-	3,152,928	3,454,395

NOTE 6. CONTINGENT LIABILITIES

There were no contingent liabilities not provided for in the financial statements at 31 December 2008.

NOTE 7. EVENTS SUBSEQUENT TO REPORTING DATE

Other than the matters referred to below, there are no matters or circumstances that have arisen since 31 December 2008 that have or may significantly affect the operations, results, or state of affairs of the consolidated entity in future financial periods.

In March 2009, Lindian Resources Limited was granted 4 exploration permits covering a total of 394km² on the Dinguiraye Pt-Ni-Cu Project located in Guinea, West Africa.

On 4 March 2009 Mr Anthony Cunningham was appointed as a Non-Executive Director and Mr Gavin Argyle resigned.