



NEWS RELEASE

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GRANTING OF RECONNAISSANCE LICENCE AT DINGUIRAYE IRON AND PGE / BASE METAL PROJECT - GUINEA

Lindian Resources Limited (“the Company”) is pleased to announce the granting of a Reconnaissance Licence (“RGA”) for the Dinguiraye iron and PGE / base metal project in Guinea, West Africa.

The Dinguiraye Project, covering 460km², is located in Faranah Region, Dinguiraye Prefecture approximately 400km northeast of Conakry in the central part of Guinea. It is readily accessible by the N1 sealed road from Conakry with the final 50km to the town of Dinguiraye on the N30, an all weather unsealed road. A railbed, once part of an operational rail line follows the N1 to Conakry. The RGA gives the Company access to the project and allows surface exploration programmes to be completed whilst awaiting the granting of the exploration licence (which the Company is the priority applicant for and should be granted within 3 months). The RGA has a term of 3 months renewable.

The initial licence application was completed in early 2008 following a reconnaissance of stream sediment nickel anomalies in central Guinea during late 2007. During this reconnaissance extensive areas of ferruginous laterites were noted. These laterites consist predominantly of cemented hematitic clasts and lesser amounts of magnetic and non-magnetic iron pisolites forming “bowals” which are flat to gently sloping grass covered plains with limited soil cover. The laterites are interpreted to cover approximately 50-60% of the project area. 8 grab samples of the lateritic material were taken and dispatched to Genalysis Laboratories in Western Australia to determine the Fe content. These samples returned between **30.98% and 42.94% Fe**.

The samples were also analysed for a suite of elements. This analysis returned some highly anomalous results including: 3 samples with **Pt** results exceeding 100ppb up to a maximum of **292ppb (repeat 331ppb, 0.33 g/t Pt)**, 3 samples with **Ni** results exceeding 200ppm up to **293ppm** and **Cu** up to a maximum of **142ppm**. High levels of **Cr** ranging from **3563ppm to 6715ppm** are present in most samples.

The Guinean Department of Mines, Geology and the Environment have compiled the geology of the area through a combination of existing geological mapping and geophysical interpretation to produce a hardrock map of the underlying geology.

Their interpretation shows the northern 80% of the project to be underlain predominantly by gabbros and granodiorite (possibly an intrusive complex) intruded into Archean granite/gneiss terrain. Geological reconnaissance of the area has identified the granite/gneiss along an east–west scarp separating the 2 terrains but has shown extensive laterite cover to exist in the north over areas mapped as gabbro/granodiorite and also over the granite/gneiss terrain to the south of the scarp.

Exploration has been planned to:

- (a) define the laterites with the best Fe potential; and
- (b) target potential Pt, Ni, Cu mineralisation in the laterites and underlying rocks.

Platinum Group Elements (PGE's), Ni and Cu mineralisation are associated with intrusive complexes. At Dinguiraye the laterite overlies extensive areas mapped as gabbro and granodiorite which are potentially a portion of an intrusive complex. The presence of high Cr and anomalous PGE's suggest the presence of underlying rocks of ultramafic affinity within this intrusive suite.

Mapping and grab sampling will be completed in the reconnaissance period to define the areas with the highest Fe potential while soil sampling will be completed over the laterites to identify Pt, Cu and Ni anomalies for follow-up programmes including drilling.

The Company was introduced to the project by, and the granting of the reconnaissance and exploration licences is being facilitated in Guinea by, Adem sarl (“Adem”) and Corporate & Resources Consultants Pty Ltd (“CRCPL”).

On granting of the exploration licence Adem will receive a cash payment of US\$45,000 and CRCPL will receive a cash payment of US\$25,000. In addition, Adem and CRCPL each have the right to the following in respect of the Dinguiraye Project:

- Shares to the value of US\$25,000 12 months after granting of the exploration licence; and
- 4% project interest carried to production (costs recovered from production). The Company has the right to buy half (2%) of each parties interest upon completion of a feasibility study by payment to each party of US\$1.5 million (comprising US\$1 million in cash and US\$0.5 million in shares).

Mr Reg Gillard and Mr Patrick Flint are directors of the Company and are directors and have a beneficial interest in (but do not control) CRCPL.

The Company advises that it is awaiting the granting of the licence applications in respect of the Coastal Iron project in Guinea, West Africa.

For further information in respect of the Company's activities, please contact:

Reg Gillard	Greg Smith	Patrick Flint
Chairman	Director	Director
Tel: (61 8) 9240 2836	Tel: (61 8) 9240 2836	Tel: (61 2) 9212 7999
Email: gillardr@crcpl.com.au	Email: smithg@crcpl.com.au	Email: pflint@crcpl.com.au

Company website: www.lindianresources.com.au

Scientific or technical information in this news release has been prepared under the supervision of Mr Greg Smith, a director of the Company and a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Smith has sufficient experience which is relevant to the style of mineralisation 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" (the JORC Code). Mr Smith consents to the inclusion in this report of the Information, in the form and context in which it appears.

Reconnaissance Geological Authorisation – Dinguiraye

