JUNE 2011 QUARTERLY ACTIVITIES REPORT

ASX Release

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ASX Symbol: LIN, LINOA


Diamond drill (PQ3) operations at Uyajan.

HIGHLIGHTS

- **Completion of the Bundok Resources Pty Ltd acquisition (Bundok Transaction) resulting in Lindian acquiring (or obtaining rights to acquire) 5 gold and 2 copper-gold projects in the Philippines (Figure 1).**
- **Commencement of exploration on the Company's flagship Masapelid Project with immediate success.**
- **High grade gold, silver and base metal assays obtained from underground channel sampling of the former Davaoeno Mine.**
- **New gold discovery made following rock chip sampling at the Lunar-Magbanua Prospect.**
- **Identification of widespread copper-gold-silver mineralisation at the Sabang Porphyry. Presence of copper, gold and silver confirmed by underground channel sampling.**
- **Discovery of the copper mineralisation at the May Tubig Porphyry with test pitting and sampling confirming copper mineralisation extending up to 1,000 metres along strike from Sabang.**
- **The Company raised approximately $4.29M through a fully underwritten rights issue and placement.**
- **Addition to the board with the appointment of Mr. Brain McMaster as a non-executive director.**

MASAPELID PROJECT

During the quarter and following completion of the Bundok Transaction, the Company immediately commenced exploration on the Masapelid Project (Figure 2).

With commencement of activities at Masapelid, Lindian has recorded immediate exploration success at the Davaoeno and Lunar-Magbanua gold prospects, and Sabang and May Tubig copper-gold prospects.

GOLD

Davaoeno Mine Prospect

Dewatering and underground channel sampling of the former Davaoeno gold mine (Figures 2, 3, and 4) has produced exceptional results with assays from sampling across the main Galena Leader gold-silver-base metal vein producing maximum values of:

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

Full results (Table 1) show that whilst gold-silver mineralisation occurs in quartz-sulphide stockwork zones in the hangingwall and footwall sections of the mine sequence, consistent higher grade gold and silver mineralisation is associated with significant copper, lead and zinc mineralisation in the Galena Leader vein zone.

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.

The Davaoeno Mine is the northeastern most mine developed historically on the Manuel Vein system. The Manuel Vein being approximately one kilometre long and one of the two major gold vein systems mined pre-WWII on Masapelid.

Interpretation of recently completed geological, alteration and structural mapping of the Layong and Manuel Vein 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

During the quarter, work commenced on Shaft No.2. This shaft is situated approximately 800 metres to the southwest and along strike of the Davaoeno Mine.

Shaft No. 2 was one of the deeper shafts previously developed on the Manuel Vein. At the onset of WWII, the then operator of the mine imploded the shaft with that action resulting in the shaft filling with mud, rock and mine debris. Shaft No.2 has not been re-entered since then.

The Company commenced cleanout and re-timbering of this old shaft during June. To the end of the quarter, a headframe and hoist has been installed over the shaft with clean out operations recovering 12 metres of the 30 metre (approximately 100 feet) deep shaft.

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

Lindian intends to access underground workings on the Manuel Vein via Shaft No.2 to assess the tenor and extent of gold mineralisation in that section of mine sequence.

Consideration is now being given to performing similar clean-out and shaft recovering works on the Manuel Vein Main Shaft. The Main Shaft which was developed historically to a depth of 100 metres (approximately 300 feet) is located 750 metres northeast and along strike from Shaft No.2.

Lunar-Magbanua Prospect

Initial exploration at Masapelid has had immediate success with outstanding results obtained from sampling in an extended area between the historically significant, Manuel and Layong Vein Systems (Figure 2).

Seven samples collected from outcropping, intensively altered and opaline silica flooded host rock at Lunar-Magbanua 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.

Lunar-Magbanua Gold Prospect – discovery outcrop

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

Uyajan Prospect

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.

In addition, underground sampling of two narrow (±5cm 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 5). The prospect contains a copper-gold composite porphyry system previously explored by Western Mining Corporation in the period 1991-5.

Exploration adit development.

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, 0.18g/t gold and 5g/t silver.

Sabang Prospect

Preliminary exploration and routine mapping of Sabang earlier this year identified secondary copper mineralisation at surface in historical small-scale underground excavations. During June, the Company developed 2 adits and underground drives on copper mineralisation to support exploration activities. Channel sampling of 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).

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.

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.

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 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 DRILLING

The company has commenced a ~ 7,500m diamond core drilling programme at Uyajan Gold Prospect, located on the east coast of the Masapelid Project, the Philippines.

The first of four diamond drilling rigs has been contracted to complete 1,400m of a planned ~7,500m drilling programme on Masapelid.

The rig will be used to drill high grade gold vein targets at the Uyajan Prospect and to conduct drilling on the highly prospective Manuel Vein system.

GUINEA

Dinguiraye Pt-Ni-Cu Project (LIN 92%)

During the quarter the Company continued to review results of detailed exploration work completed to date to determine priority targets for the next stage of the exploration programme. The Company is currently considering options for the Dinguiraye Project.

CORPORATE ACTIVITIES

Bundok Acquisition

During the quarter, Lindian completed the acquisition of Bundok Resources Pty Ltd (Bundok) for the issue of 50,000,000 shares and 50,000,000 listed options (exercise price 15 cents expiry date 31 December 2011).

As a result of the Bundok transaction, Lindian has acquired (or has rights to acquire) a portfolio of 5 prospective gold projects and 2 porphyry copper-gold exploration projects in the Philippines.

Capital Raising

On 18 May 2011, the Company advised that it had completed a placement of 30,000,000 Shares at an issue price of 8 cents per share and 30,000,000 listed Options (exercisable at 15 cents each on or before 31 December 2011) to sophisticated and institutional investors, raising $2.4M.

In April 2011 and prior to completion of the Bundok Transaction, Lindian announced a fully underwritten non-renounceable entitlement issue on the basis of one share for every two shares, together with one free attaching listed option for every one share subscribed for, raising approximately $1.89M.

Board Appointment

During the quarter, Lindian was pleased to announce the appointment of Mr Brian McMaster as a non-executive director of the Company. Mr McMaster has a wealth of experience and will be a valuable addition to the Company.

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: Lindian Resources Limited – Philippines Projects

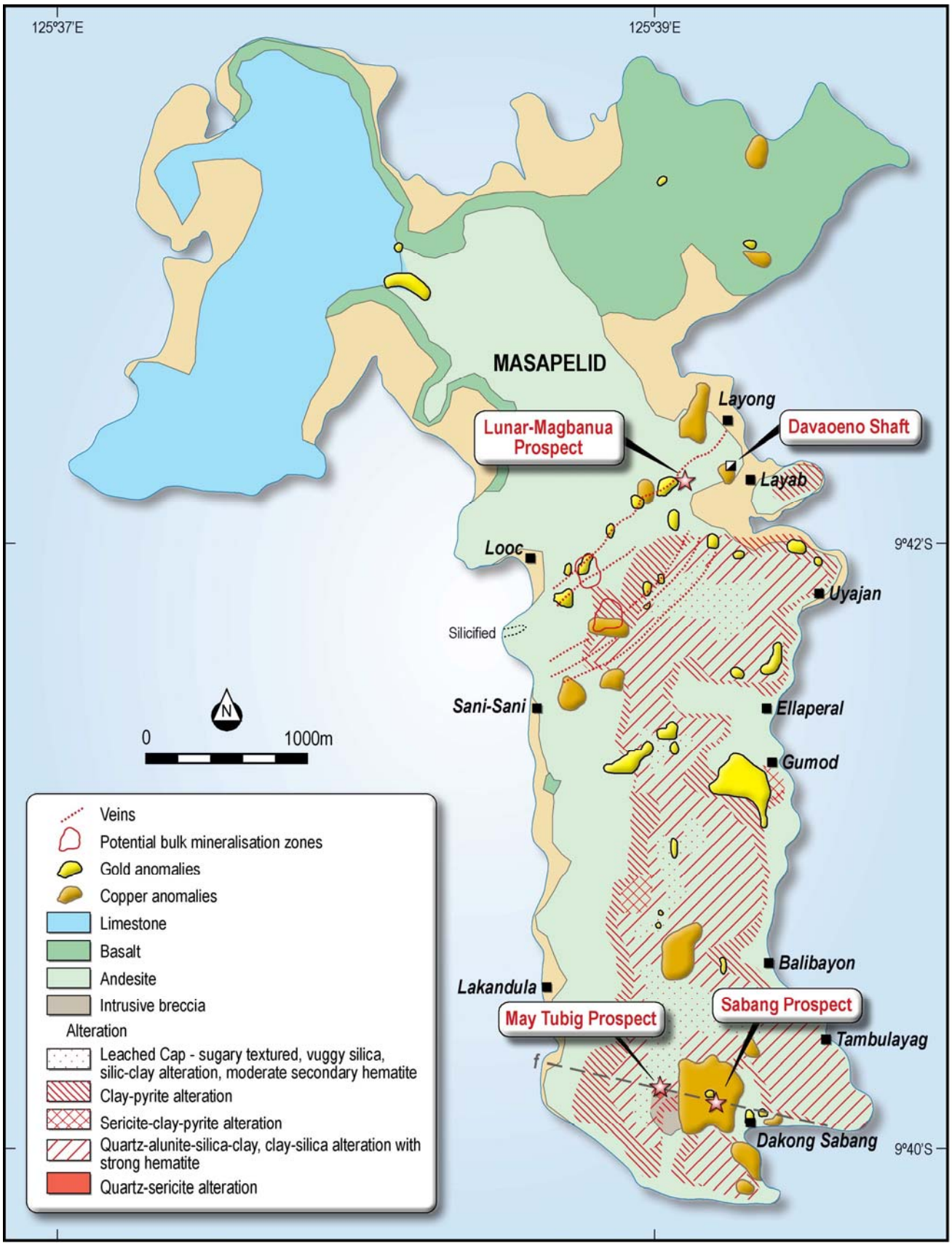

Figure 2: Masapelid Project

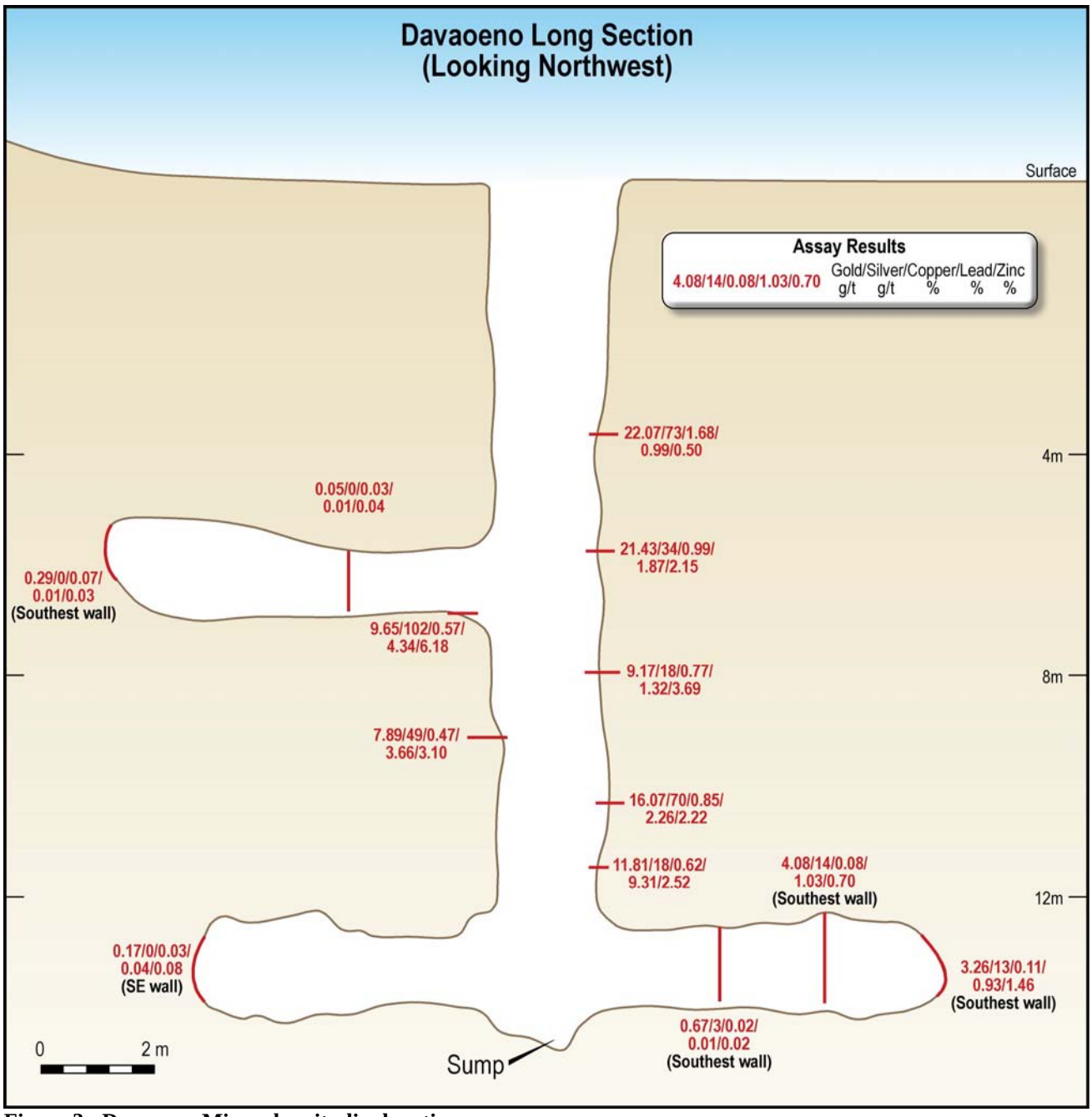

Figure 3: Davaoeno Mine – longitudinal section

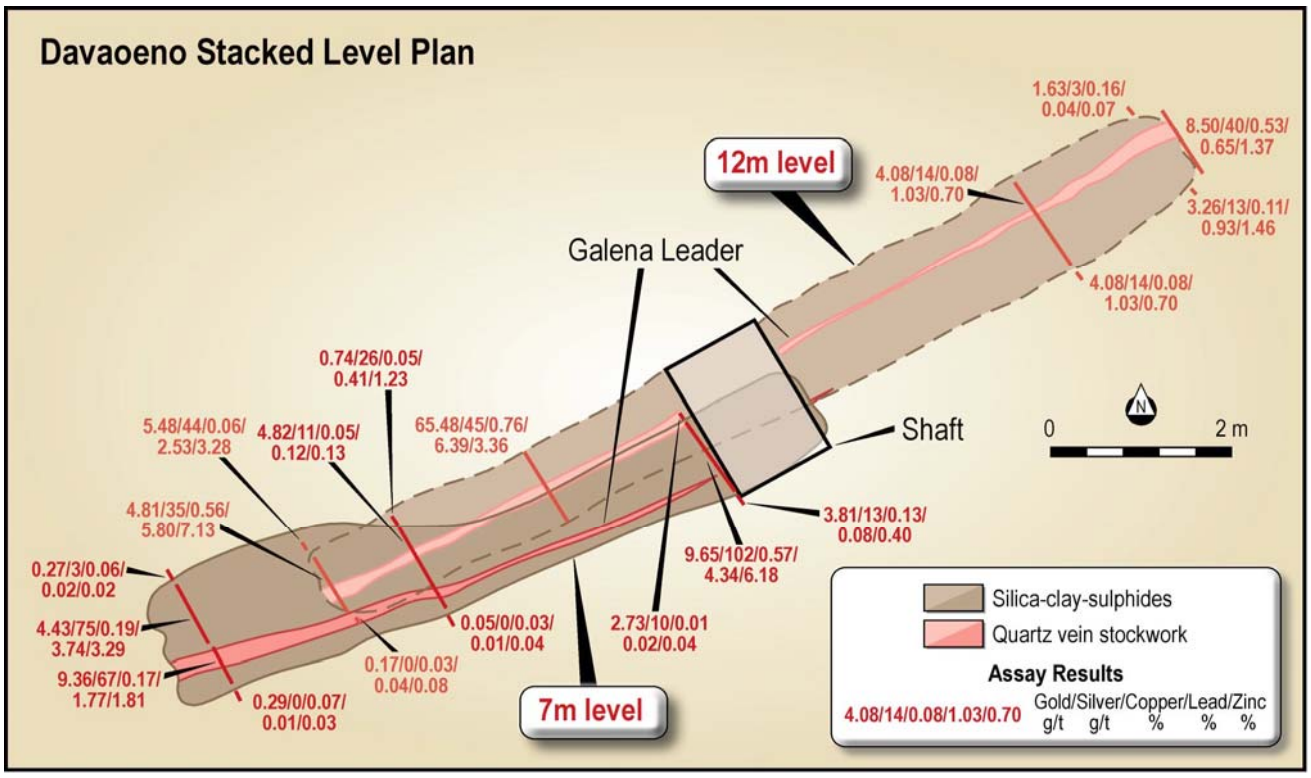

Figure 4: Davaoeno Mine – stacked level plan

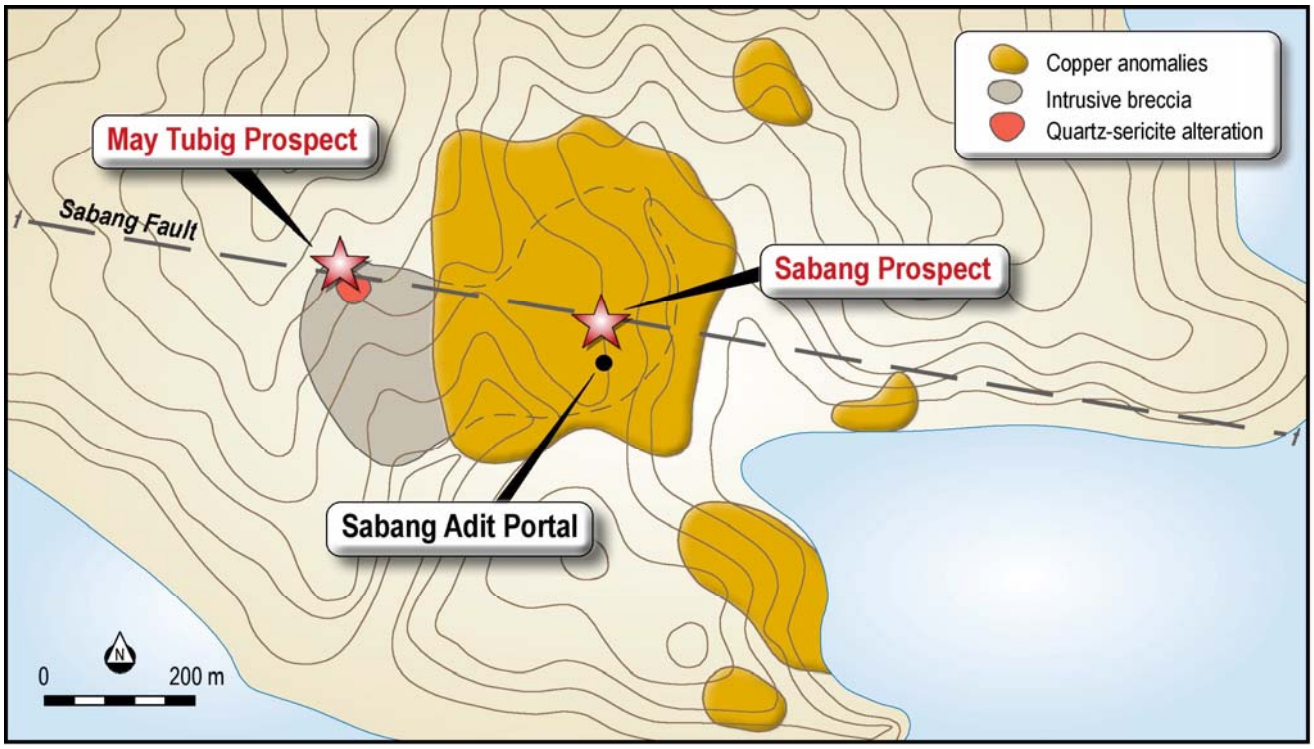

Figure 5: Location of the Sabang and May Tubig copper-gold prospects

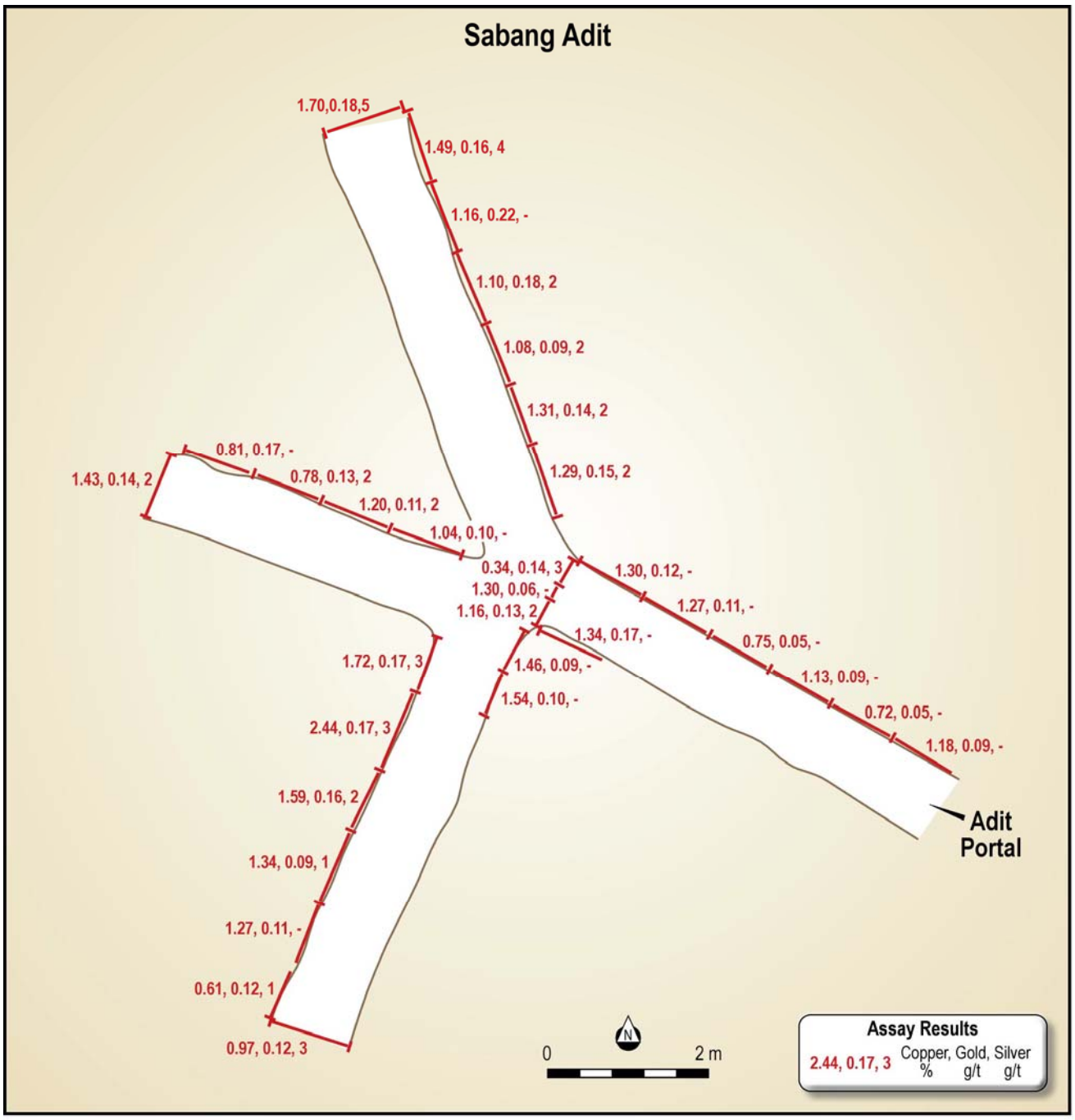

Figure 6: Sabang Prospect – plan of Adit No.1 and underground headings showing channel sample intervals with corresponding copper, gold and silver assay results.

Table 1: Davaoeno Mine – Sample description and corresponding gold, silver, copper, lead and zinc assay

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

Table 2: Sabang – Adit No.1 Channel sampling with corresponding copper, gold and silver assay results

Drive	Face	From (m)	To (m)	Interval (m)	Copper (%)	Gold (g/t)	Silver (g/t)
Main Drive (290^0)	North Face	0	1	1.00	1.18	0.09	-
		1	2	1.00	0.72	0.05	-
		2	3	1.00	1.13	0.09	-
		3	4	1.00	0.75	0.05	-
		4	5	1.00	1.27	0.11	-
		5	6	1.00	1.30	0.12	-
	South Face	0	1	1.00	1.34	0.17	-
	Backs	0	0.4	0.40	1.16	0.13	2
		0.4	0.6	0.20	1.30	0.06	-
		0.6	1.0	0.40	0.34	0.14	3
North Drive (345^0)	East Face	0	1	1.00	1.29	0.15	2
		1	2	1.00	1.31	0.14	2
		2	3	1.00	1.08	0.09	2
		3	4	1.00	1.10	0.18	2
		4	5	1.00	1.16	0.22	-
		5	6	1.00	1.49	0.16	4
	North Face	0	1	1.00	1.70	0.16	4
West Drive (285^0)	North Face	0	1	1.00	1.04	0.10	-
		1	2	1.00	1.20	0.11	2
		2	3	1.00	0.78	0.13	2
		3	4	1.00	0.81	0.17	-
	West Face	0	1	1.00	1.43	0.14	2
South Drive (200^0)	West Face	0	1	1.00	1.72	0.17	3
		1	2	1.00	2.44	0.17	3
		2	3	1.00	1.59	0.16	2
		3	4	1.00	1.34	0.09	1
		4	5	1.00	1.27	0.11	-
		5	6	1.00	0.61	0.12	1
	South Face	0	1	1.00	0.97	0.12	3