



16 December 2011

The Manager
Company Announcements Office
Australian Securities Exchange Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Via e-lodgement

PLACEMENT OF OPTIONS

The Board of Directors of Lindian Resources Limited (**Company**) (ASX Code: **LIN**) is pleased to announce that it will undertake, subject to the approval of shareholders, a placement of options on the basis of one (1) new Option for every one (1) Listed Option (**LINOA**) held by Optionholders registered as at 5.00pm (WST) on 31 December 2011 (**Record Date**) at an issue price of 2 cents per Option to raise approximately \$2,730,580 (**Placement**). The options will have an expiry date of 31 December 2014 and an exercise price of 8 cents. The shareholder meeting is expected to be held in mid-January 2012.

The Company will lodge a prospectus with the Australian Securities and Investments Commission (ASIC) and the Australian Securities Exchange (ASX) for the issue of up to 136,529,001 options on the basis of one (1) option for every one (1) option held by optionholders as soon as it is practicable to do so.

The placement will require shareholder approval under Listing Rules 7.1 and 10.11 and the Company will lodge a Notice of Meeting of Shareholders with the Australian Securities Exchange (**ASX**) in the near future. The Company will apply to the ASX within seven (7) days after the date of the lodgement of a Prospectus for official quotation of the Options offered under the lodged Prospectus.

Yours faithfully,

Scott Funston
Company Secretary
LINDIAN RESOURCES LIMITED