



QUARTERLY ACTIVITY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2009

HIGHLIGHTS

Dinguiraye Platinum - Nickel Project, Guinea

- **Second exploration licence granted.** Project area now covers 705km².
- **Infill and extension soil sampling results received,** confirming excellent project potential.
- **Airborne geophysical survey completed:**
 - Interpretation supports the current geological model and has enabled the mapping of the various rock units within the Dinguiraye Project.
 - The airborne magnetics have enabled a reconstruction of the geological history of the Dinguiraye Intrusive showing it to be Archean or Paleoproterozoic in age.
 - Geological interpretation of the airborne magnetics demonstrates the potential extension of the 12.5km coincident Pt-Ni anomaly in Block 1 to the north for a further 7.5km into the recently granted exploration permit.
- **Site visit completed by Managing Director Greg Smith,** during which geological reconnaissance of soil geochemical anomalies in Blocks 1 and 2 shows the anomalies to be underlain by rocks of ultramafic affinity. Petrology has identified rocks as harzburgite, which is closely related to the PGE mineralisation in both the Bushveld and Great Dyke.
- **Drill programme to test priority targets scheduled to commence in late October 2009.**
- Potential exists for discovery of significant new platinum / nickel sulphide district.

EXPLORATION ACTIVITIES

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

The project 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 with the final 80km to Dinguiraye on the N30 all weather unsealed road (Figure 1).



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

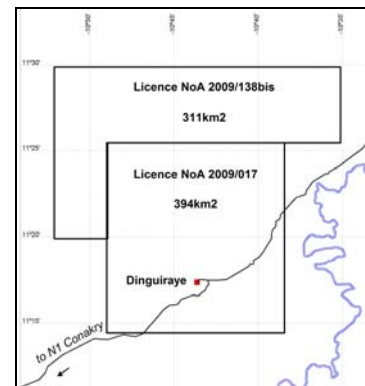


Figure 2 – Dinguiraye Licences

The Project now consists of two granted exploration licences covering 705km² following the granting of the second licence in September 2009 (Figure 2).

Exploration

Previous exploration by the Company included reconnaissance rock chip sampling, soil geochemistry and a remote sensing interpretation. This work defined three large soil anomalies in structural Blocks 1, 2 and 3. These anomalies are considered to be highly prospective for PGE's and nickel sulphides.

During the quarter the Company received the results of an 848 sample Phase II infill and extension soil sampling programme. The infill results mirrored the results from the initial programme, confirming the presence of the anomalies and providing additional detail. The extension programme demonstrated the continuance of the anomalies along strike to the limits of the sampling.

An airborne magnetic survey was completed in July. Interpretation of the data supports the current geological model of a block faulted intrusive of mantle origin located within a continental scale extensional structure. In addition interpretation of the survey has:

- Identified 3 major structural directions; NE paralleling the crustal extensional zone, a major NW to WNW suture zone along the Archean craton / Siguiri Basin contact and an EW fault set filled in part by a felsic dyke swarm.
- Demonstrated the Dinguiraye Intrusive to have been intruded by later granites mapped by the BRGM as late Paleoproterozoic in age which places the age of the Dinguiraye Intrusive at Archean to Paleoproterozoic similar to the Bushveld or Great Dyke and

- Indicated that the ultramafic unit may extend a further 7,500m to the north into the recently granted licence. The coincident Pt-Ni soil geochemical anomaly in Block 1 is open to the north.

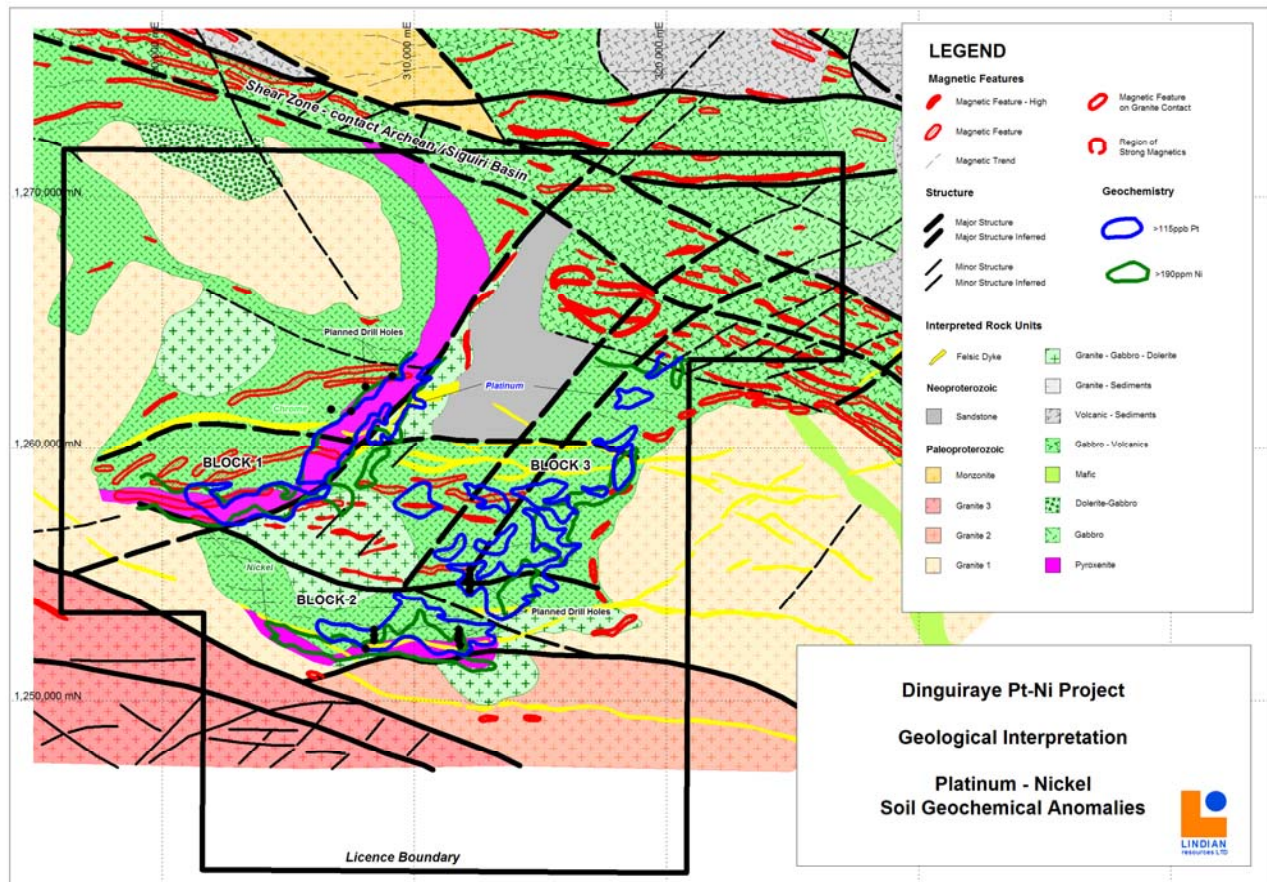


Figure 3 – Geological Interpretation Magnetics – Geochemical Anomalies – Planned Drill Holes

In late August the Company’s Managing Director, Mr Greg Smith, along with the Company’s local geological team, visited the key target areas identified with the objective of prioritising drill targets. During these traverses a small area of outcrop and subcrop in the south central portion of the Block 1 anomaly and scattered float in the northern part of the Block 1 anomaly and western portion of the Block 2 anomaly were located. These demonstrate the areas to be underlain by rocks of ultramafic affinity identified by petrology as harzburgite. Harzburgite is closely related to the PGE mineralisation in both the Bushveld and Great Dyke.

The exploration work completed to date has identified three key target areas:

Block 1 - Soil geochemistry identified an open ended 12,500m long by 1,000m wide zone of coincident Pt and Ni anomalism along the southern scarp of the Block 1 plateau. The area is covered by thick red soils and laterite scree. However, as noted above, recent geological reconnaissance has identified harzburgite in a small area of outcrop and subcrop and in scattered float. Magnetic interpretation also suggests that the ultramafic unit may extend a further 7,500m to the north into the recently granted second licence.

Block 2 - Soil geochemistry identified coincident Pt, Ni and Cr anomalism over 7,000m along the southern scarp face while the Ni anomalism continues for a further 5,000m along the scarp face to the west. The area is covered by thick red soils and laterite scree as in Block 1. As noted above, recent geological reconnaissance has identified harzburgite in scattered float. The magnetic signature of the rocks underlying the soil geochemical anomaly is similar to that in Block1.

Block 3 - Soil geochemistry identified a large 5,000m x 1,500m Pt anomaly. Pd, Ni, Cu and Cr anomalism are coincident in part. Geological reconnaissance determined that this area is entirely covered by laterite. The peak values forming the 5,000m x 1,500m Pt soil anomaly are coincident with positive topographic features in areas of active laterite weathering. The underlying rocks have a similar magnetic signature to Blocks 1 and 2.

Drill targets have now been prioritised and an 18 hole 3,000m RC drill programme has been designed to test the geochemical anomalies overlying the harzburgite. The programme is scheduled to commence in late October.

The magnetic survey also identified an area of exceptionally high magnetics occurring in the northeast portion of the project area at the intersection of the northeast trending structures and the craton / Siguiri Basin contact. The soil geochemistry completed to within 1 km of this feature shows a developing nickel anomaly open to the north. Further geochemistry is planned to test this anomaly.

CORPORATE ACTIVITIES

In July 2009 the Company completed a fully underwritten, pro-rata (on the basis of one option for every three shares held) non-renounceable entitlement issue of options (at a price of one cent each) to raise approximately \$126,000 before costs. The monies raised will be used to contribute to the exploration programme at the Dinguiraye Project.

In October 2009 the Company completed the placement of 5,670,336 shares at 30 cents each to clients of CPS Securities to raise approximately \$1.7 million before costs. The monies raised will be used to fund the ongoing exploration programme at the Dinguiraye Project, and in particular the initial 3,000m RC drill programme.

As at 30 September 2009 the Company had cash at bank totaling \$1.243 million.

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

Reg Gillard	Greg Smith	Tony Cunningham
Chairman	Director	Director
Tel: (61 8) 9345 2478	Tel: (61 8) 9345 2478	Tel: (61 8) 9223 2201
Email: gillardr@crcpl.com.au	Email: smithg@crcpl.com.au	Email: tony@cpssecurities.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.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

LINDIAN RESOURCES LIMITED

ABN

53 090 772 222

Quarter ended ("current quarter")

30 September 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(253) - - (108)	(253) - - (108)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	9	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other –	-	-
Net Operating Cash Flows	(352)	(352)
Cash flows related to investing activities		
1.8 Payment for purchase or renewal of: (a) prospects (b) equity investments (c) other fixed assets	(24) - - -	(24) - - -
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets (d) other -	- - - -	- - - -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	(24)	(24)
1.13 Total operating and investing cash flows (carried forward)	(376)	(376)

1.13	Total operating and investing cash flows (brought forward)	(376)	(376)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	127	127
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – share / option issue expenses	(22)	(22)
	Net financing cash flows	105	105
	Net increase (decrease) in cash held	(271)	(271)
1.20	Cash at beginning of quarter/year to date	1,514	1,514
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,243	1,243

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	62
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Management and Directors' fees paid to Directors of the Company	46
Accounting, secretarial and occupancy expenses	16

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	-
Total	500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	19	43
5.2 Deposits at call	1,224	1,471
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,243	1,514

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	None.	-	Nil	Nil
6.2 Interests in mining tenements acquired or increased	Dinguiraye Pt-Ni-Cu project in Guinea, West Africa – A 2009/138/DIGM/CPDM	Exploration Licence (“EL”)	Nil	92%*

* Subject to Guinea government interest at production.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 Preference securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter	-	-	-	-
7.3 +Ordinary securities	37,829,512	37,829,512		
7.4 Changes during quarter				
Exercise of options	1,125	1,125	30 cents	30 cents
Exercise of options	365	365	15 cents	15 cents
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	17,380,754	17,380,754	30 cents	31/12/2009
	12,608,976	12,608,976	15 cents	31/12/2011
	495,000	-	20 cents	31/12/2010
	1,000,000	-	20 cents	01/07/2011
	200,000	-	30 cents	30/09/2010
	350,000	-	35 cents	30/09/2010
	500,000	-	30 cents	31/12/2011
7.8 Issued during quarter	12,609,341	12,609,341	15 cents	31/12/2011
7.9 Exercised during quarter	(1,125) (365)	(1,125) (365)	30 cents 15 cents	31/12/2009 31/12/2011
7.10 Cancelled/Expired during quarter	(3,000,000)	-	30 cents	15/09/2009
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: _____
Company Secretary

Date: 21 October 2009

Print name: PAUL JURMAN

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.