



**NEWS FOR IMMEDIATE RELEASE**

**LYDIAN INTERSECTS BEST GRADES YET; 13m @ 21.0% ZINC, 7.1% LEAD AT ST. BARBARA AREA (DRAZHNIJE PROJECT) IN KOSOVO**

TORONTO, Canada July 29th, 2008 – Lydian International Ltd. (TSX:LYD), a diversified U.K. mineral exploration and development company, today announced further drill results including some of the best grades yet, from the St. Barbara area of the Drazhnje project in Kosovo (Table 1 below). The Company also provided a progress update on the re-opening of underground access at Drazhnje.

Drill Hole	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Inter-section (m)	Zinc%	Lead%	Gold (g/t)	Silver (g/t)
DDZ-048	-60	245	90	23	36	13	20.99%	7.09%	0.53	25.33
DDZ-049	-70	245	183	No Significant Base Metals						
DDZ-050	-60	270	121.5	4	8	4	9.96%	NS <sup>^</sup>	NS	NS
DDZ-051*	-45	250	65	2	6	4	3.18%	2.52%	0.21	67.13
DDZ-052	-50	245	103.1	3	6	3	11.38%	NS	NS	NS
DDZ-053	-60	265	137	No Significant Base Metals						
DDZ-054	-45	260	96.8	55	64	9	5.81%	1.32%	0.50	6.50
DDZ-055	-70	235	139	88	92.3	4.3	2.10%	1.44%	1.20	4.55
DDZ-056	-55	300	138.6	0	13	13	NS	NS	1.12	NS
DDZ-057	Bogged and abandoned before objective									
<b>TABLE 1.</b> Cut-off 2% Zinc, maximum internal dilution 1m. Not true width.										
NS <sup>^</sup> Not Significant										
* Bogged and abandoned before main objective.										

The St. Barbara area is located immediately along-strike but outside of the historic resource at Drazhnje. Drill hole DDZ-048 was an infill hole (between previously reported holes DDZ-032 and DDZ-033) and intersected the highest grades returned from St. Barbara to-date with 13m at 21.0% Zn, 7.1% Pb, 25.3 g/t Ag and 0.5 g/t Au. Results from hole DDZ-54 located 120m to the northwest of DDZ-048 returned 9m at 5.81% Zn, 1.32% Pb, 6.5 g/t silver and 0.5 g/t gold. This work is being conducted as part of the current 6000m drill program to better define geometry and to ascertain the potential for extraction by open-pit mining methodologies.

Lydian also provided an update on the re-opening of historical underground drives at the St. George area, located to the immediate south of St. Barbara. Work has started and has progressed over a distance of some 150m to-date (695-level; St. George, see Figure 1 in

Appendix). This is the first time in 20 years that underground exploration access has been opened at Drazhnje, Lydian has contracted with a local mining company currently completing the work. The 695 portal commences in base-metal sulphide mineralization, the extent of this mineralisation will be tested by underground channel sampling. Further channel sampling will be conducted in the “main body” (See Figure 1) as soon as access is attained, then underground drilling to convert the resource to JORC compliance is planned for September of this year.

“The drilling at St. Barbara confirms the presence of very high grades at Drazhnje, which are outside of and additional to the historic resource,” said Tim Coughlin, Lydian’s President and CEO. “We are enthusiastic about the potential of this project and looking forward to our first underground results from sulphides in the main body.”

The Drazhnje project is located in central eastern Kosovo with former historical Yugoslav resources of 4.7Mt at 4.9%Zn, 2.4%Pb and 45ppm Ag in A, B and C1 categories and a further 2Mt at 5.76%Zn, 3.23%Pb and 45ppmAg in C2 category (not JORC compliant). Drazhnje also consists of the Trpeza, St. Barbara and St. George areas located to the north and outside of the historical resource.

In 2006 Lydian completed an initial combined confirmatory and exploratory drilling programme of some 2500m in 20 diamond drill holes. Currently the Company is close to completing a 6000m drill programme on targets located outside the historic resource and is also focusing on attaining underground access for sampling and underground drilling to convert the historic resource into JORC compliant reserves.

### **About Lydian International**

Lydian is a diversified U.K.mineral exploration and development company, with expertise employing “first mover” strategies in emerging exploration environments. The Company is currently focused on Eastern Europe, exploring in the Balkan and Caucasus regions, and is developing advanced precious and base metal assets located in Armenia and in Kosovo.

The Company’s two main projects are gold at Amulsar in Armenia, and zinc, lead, silver and gold at Drazhnje in Kosovo. Lydian also has a pipeline of promising gold and base metal exploration projects in the Balkans region, and operates a 50/50 gold and copper exploration joint venture with Newmont Overseas Exploration Limited, a subsidiary of Newmont Mining Corporation (NYSE & ASX: NEM, TSX: NMC), in the Caucasus region.

Lydian’s management team has a track record of success in grassroots discovery, in acquiring and developing undervalued assets, and in building companies. Lydian has a strong social agenda and a unique understanding of the complex social and political issues that characterise emerging environments. The two largest shareholders are Newmont Mineral Holdings B.V. (owned by Newmont Mining Corporation), and International Finance Corporation (part of the World Bank Group). More information can be found on Lydian’s web site at [www.lydianinternational.co.uk](http://www.lydianinternational.co.uk).

Dr Tim Coughlin, MAusIMM; is the Qualified Person overseeing Lydian's exploration programmes. Dr. Coughlin has supervised the preparation of the technical information contained in this press release.

Lydian employees are instructed to follow standard operating and quality assurance procedures intended to ensure that all sampling techniques and sample results meet international reporting standards. All assay work for the released results was carried out by ALS Chemex analytical laboratory in Rosia Montana, Romania, in Perth Australia, or in Vancouver, BC. Please see Lydian's web site for more information.

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**Forward-looking Information**

Securities regulators encourage companies to disclose forward-looking information to help investors understand a company's future prospects. This press release contains statements about our future financial condition, results of operations and business. These are "forward-looking" because we have used what we know and expect today to make a statement about the future. Forward-looking statements usually include words such as may, expect, anticipate, believe or other similar words. We believe the expectations reflected in these forward-looking statements are reasonable. However, actual events and results could be substantially different because of the risks and uncertainties associated with our business or events that happen after the date of this press release. You should not place undue reliance on forward-looking statements. As a general policy, we do not update forward-looking statements except as required by securities laws and regulations.

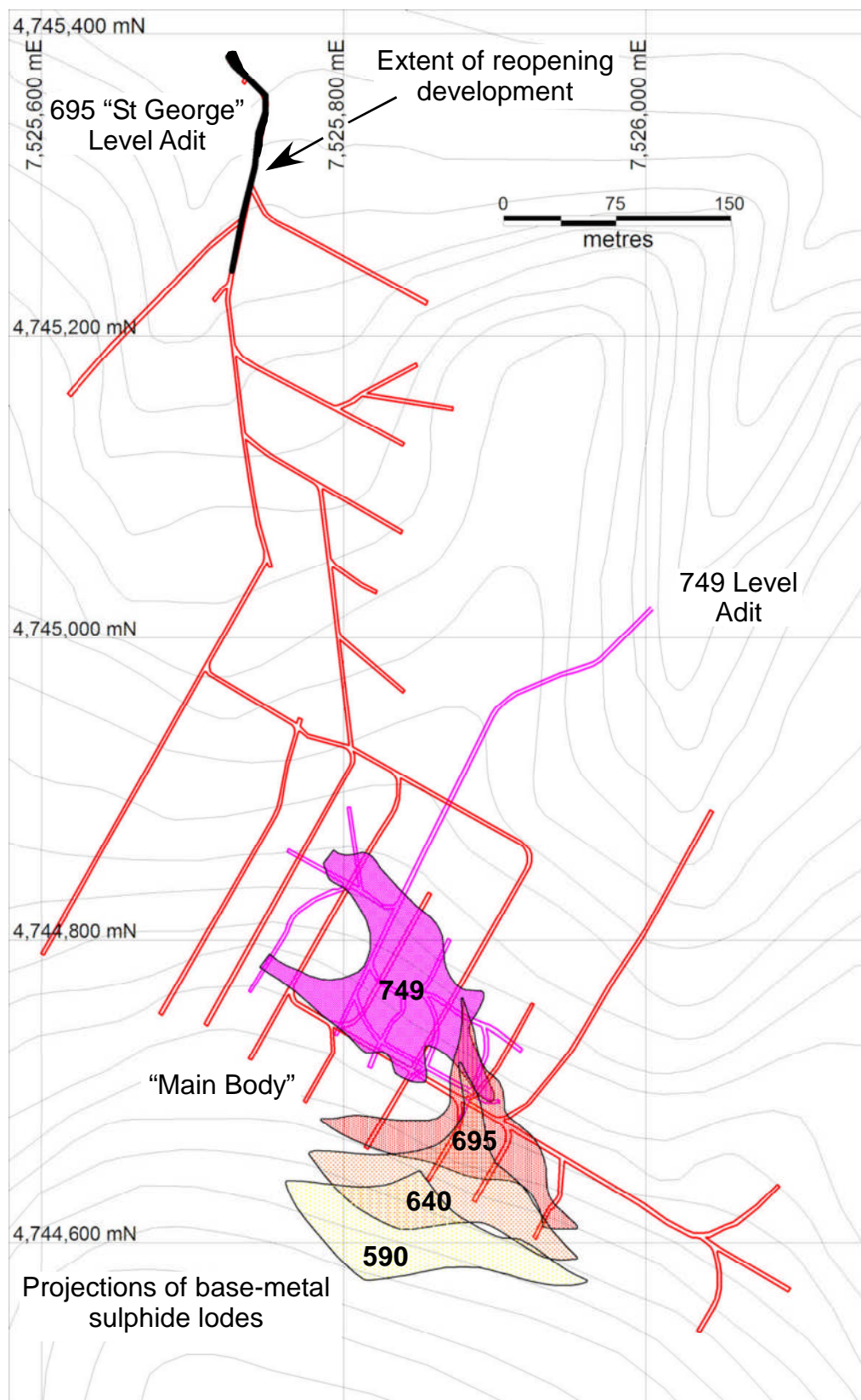


Figure 1. Extent of underground exploration access at Drazhnje (black line), two levels of underground development shown in plan and projection of sulphide lodes in the main body.