



Lydian Intersects First Significant Gold at Erato: 56m at 1.2 g/t (Open at Depth), 1.5km North of Current Resource at Amulsar, Armenia

First scout drill hole line at Erato extends resource potential at Lydian's Amulsar gold discovery in Armenia

TORONTO, ONTARIO -- September 8, 2009 -- Lydian International Ltd. (TSX:LYD) ("Lydian" or "the Company"), a diversified mineral exploration and development company, today announced further results from its 2009 step-out drilling program at its Amulsar gold discovery in Armenia.

Seventeen reverse circulation drill holes were completed in the Erato and Erato North areas of the Amulsar gold discovery up to 2km away from the current 1M ounce (31.0Mt at 1.0g/t gold) inferred resource. The gold assay results of the first ten holes have now been provided. Seven of these holes were drilled at 160m spacing along the first scout drill-hole line at Erato (see map and cross section in Appendix). Drill holes targeted a combination of surface gold anomalies, known north-south trending steeply-dipping silicified fracture zones, and geophysical anomalies (see map and cross section in Appendix).

Results from drill holes RCA-104 (50m at 1.0g/t gold and 56m at 1.2g/t gold) and RCA-106 imply steeply-dipping gold mineralization that remains open at depth. Surface geochemistry, combined with projections of down-hole grade to surface (see map in Appendix), suggest that potential exists for mineralized extensions to both the north and south.

"This is the first significant step-out drilling we have conducted at Amulsar" said Lydian's President and CEO, Dr. Tim Coughlin. "This is an aggressive program; we are testing targets and concepts over 2km away from the current resource. This type of work can be hit or miss, so these first results are highly encouraging and clearly open up potential for additional resources both along strike and at depth at Erato."

Whilst results from the Erato and Erato North areas have been pending, drill rigs were testing targets to the south of the current resource between Artavasdes and Arshak (results awaited; see map in Appendix). Once results for Erato North are received and interpreted, drilling will return to that area in order to better outline the resource potential.

The Amulsar gold project was discovered by Lydian just three years ago and already has a CIM compliant resource at one million ounces (31.0Mt at 1.0g/t gold) in Inferred Category which remains open in all directions.

Amulsar is a high-sulfidation type epithermal gold project located in central Armenia. Lydian identified the gold bearing potential of the project in mid-2006, started initial drilling in 2007 and in

2008 completed a 13,000m drill program to test the bulk tonnage potential and estimate a gold resource. In March 2009, Lydian announced a NI43-101 compliant resource estimate of an inferred category of one million ounces gold. The Amulsar group of licenses is 95% owned by Lydian's wholly owned Armenian subsidiary (Geoteam CJSC). The project is currently being explored as part of a 50/50 joint venture with Newmont Overseas Exploration Limited, a wholly owned subsidiary of Newmont Mining Corporation (NYSE:NEM).

About Lydian International

Lydian is a diversified mineral exploration and development company with expertise employing "first mover" strategies in emerging exploration environments. Currently Lydian is focused on Eastern Europe developing advanced precious and base metal assets in Armenia and in Kosovo (under UNSCR 1244). The 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 and Caucasus regions, and operates a 50/50 gold and copper exploration joint venture with Newmont Overseas Exploration Limited, a wholly owned subsidiary of Newmont Mining Corporation in the south 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 Company's three largest shareholders are the International Finance Corporation (IFC), a member of the World Bank Group, Newmont Mineral Holdings B.V. (owned by Newmont Mining Corporation), and the European Bank for Reconstruction and Development (EBRD). More information can be found on Lydian's web site at 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.

TABLE 1. INTERIM DRILL RESULTS FROM AMULSAR PROJECT (~1g/t GOLD)

Drill Hole	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Intersection (m)	Gold (g/t)
RCA-099	-60	290	136	2	6	4	1.12
RCA-100	-60	290	178	No Significant Intersections Greater Than 1g/t Gold			
RCA-101	-60	290	154	No Significant Intersections Greater Than 1g/t Gold			
RCA-102	-60	290	160	No Significant Intersections Greater Than 1g/t Gold			
RCA-103	-60	290	154	No Significant Intersections Greater Than 1g/t Gold			
RCA-104	-60	290	184	50	100	50	0.98
				128	184 (EOH)	56	1.20
RCA-105	-60	20	154	22	24	2	1.10
				54	66	12	0.98
RCA-106	-60	110	142	14	20	6	1.26
				26	30	4	1.08
RCA-107	-60	290	160	60	62	2	1.05
				108	122	14	1.08
RCA-108	-60	290	126	110	114	4	0.95
RCA-109	-60	110	159	No Significant Intersections Greater Than 1g/t Gold			

Cut-off 0.2g/t gold, maximum down-hole internal dilution 11m

All intersections are oxide gold, not true widths