



LYDIAN DRILLS 82 METERS at 2.5 g/t GOLD AND EXTENDS 1M OUNCE RESOURCE AT ITS AMULSAR DISCOVERY IN ARMENIA

Further mineralisation identified: 94 meters at 1.5g/t gold intersected in drilling 500 meters south of the current inferred resource

TORONTO, Ontario -- August 12th, 2009 -- Lydian International Ltd. (TSX:LYD) ("Lydian" or "the Company"), a diversified mineral exploration and development company, today announced the first results from a 14000m step-out drilling program recently initiated at its Amulsar gold discovery in Armenia.

Drilling for this season is focused on stepping out and away from the current one million ounce inferred resource to test the true size-potential of the Amulsar gold mineralized system. Analyses from the first 17 reverse circulation drill holes have returned positive results (Table 1, [Click here](#) to view) with best intersections including:

- **RCA-079, 75m at 1.1 g/t gold**
- **RCA-080, 64m at 1.0 g/t gold**
- **RCA-082, 82m at 2.5 g/t gold**
- **RCA-084, 32m at 6.2 g/t gold**
 - **Including 18 meters at 10.2 g/t gold**
- **RCA-086, 58m at 1.2 g/t gold**
- **RCA-088, 80m at 1.1 g/t gold**
- **RCA-093, 94m at 1.5 g/t gold**

These first holes were aimed at testing NE-SW and NW-SE trending steeply-dipping fault-controlled mineralization as well as shallower easterly-dipping stratabound zones in the Artavasdes and Arshak areas of the project (see Figure 1 by [clicking here](#)). In the case of steeply-dipping mineralization, deeper intersections along drill strings are interpreted to project up faults to mineralized structures on surface.

"Clearly this is a promising start, which supports management's confidence in expanding the current resource" said Dr. Tim Coughlin, Lydian's President and CEO. "Our first significant drill program last year was mostly grid drilling and resource definition to satisfy regulatory requirements for the 25-year mining license we have now been granted. This year we are step-out drilling, testing targets and theories to outline the true size potential of the system. The initial

stage of step out programs such as this can sometimes be hit and miss, early theories may have very short shelf lives so obviously we are delighted with this first round of results".

The Amulsar gold project was discovered by Lydian just three years ago and already has a CIM compliant resource at one million ounces in Inferred Category which remains open in all directions. Additional holes have already been drilled in the new Artavasdes-Arshak areas and also in the Erato and Erato North areas.

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.

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