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News Release

FOR IMMEDIATE RELEASE

Toronto Stock Exchange: LYD

**LYDIAN COMMENCES DRILLING AT ITS AMULSAR
GOLD PROJECT; ARMENIA**

Four drill rigs to drill a minimum 16000m, increase and upgrade the 1.4M oz inferred resource and develop new targets in the immediate vicinity

Toronto, Ontario: June 17, 2010 – Lydian International Limited (TSX:LYD) (“Lydian” or “the Company”), a diversified mineral exploration and development company, today announced that it has commenced its 2010 drilling program on its Amulsar gold project in Armenia.

The Company has contracted International Drilling Services (IDS) for a minimum of 16000m of combined and reverse circulation drilling. IDS have provided four drill rigs; two track-mounted multi purpose rigs equipped to drill both reverse-circulation and diamond drill holes and two diamond drill rigs.

The 2010 drilling will be focused primarily on;

- Upgrading and extending the current inferred category resource of 1.4M ounce gold in the Tigranes and Artavasdes areas.
- Extending known gold in the Erato area, 900m to the north of the current resource envelope (e.g. 2009 drill hole DDA 030 - 229m at 1.0g/t gold).
- Extending known gold in the Arshak area, 500m to the south of the current resource envelope (e.g. 2009 drill hole RCA 093 - 94m at 1.5g/t gold).
- Exploring outlier targets defined by rock and soil samples on both the Eastern and Western flanks of the Amulsar ridge.

"Our drilling in 2008 focused on outlining the initial resource at Tigranes and Artavasdes areas, whilst in 2009 step-out and exploratory drilling was conducted and resulted in the

discovery of Erato, Arshak and other nearby prospect areas" says Lydian's President and CEO, Dr Tim Coughlin.

"This year our aim is to pull this all together by combining infill drilling on higher grade zones and systematic step out drilling to upgrade and extend the current resource together with closer-spaced drilling to explore exciting new areas such as Erato and Arshak. Currently it is very hard to put a meaningful number on the size potential at Amulsar, the resource remains open and there are new promising areas yet to be extended and explored. We are conducting detailed mapping and extending and infilling soil geochemical lines all of which will help outline the extents of what we recognize as a large mineralizing system. 2010 is set to be a pivotal year for our Amulsar gold project".

Dr. Tim Coughlin, MAusIMM is a "qualified person" as defined by National Instrument 43-101 overseeing Lydian's exploration programmes.

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 Kosovo. 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 projects 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 characterize emerging environments. The Company's significant 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.

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