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News Release

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FOR IMMEDIATE RELEASE

Toronto Stock Exchange: LYD

LYDIAN INTERNATIONAL LIMITED ANNOUNCES PUBLIC OFFERING AND COINCIDENT INVESTMENT BY IFC

Toronto, Ontario: March 29, 2010 – Lydian International Limited (“Lydian”) is pleased to announce that it has filed a preliminary short form prospectus in connection with a proposed marketed public offering of up to \$10 million the (“Offering”). Lydian is also pleased to announce today that the Board of Executive Directors of International Finance Corporation (“IFC”), a member of the World Bank Group, has approved an additional equity investment in Lydian of \$1,778,700 at a price of \$0.77 per share (the “IFC Placement”). The IFC Placement is expected to be completed concurrently with Lydian’s public offering.

In the Offering the number of ordinary shares to be distributed and the price per ordinary share will be determined in the context of the market with the final terms to be determined at the time of pricing. A syndicate co-led by Cormark Securities Inc. and Dundee Securities Corporation and including Canaccord Capital Corporation and Dahlman Rose & Company, LLC (who are participating only with respect to sales on an exempt basis in the United States), is underwriting the Offering. Lydian has granted to the underwriters an option, exercisable in whole or in part at the discretion of the underwriters, for a period of 30 days from the closing date of the Offering, to purchase up to that number of additional ordinary shares equal to 15% of the ordinary shares sold pursuant to the Offering, to cover over-allotments, if any.

Lydian intends to use the net proceeds of both the Offering and the IFC Placement to pay US\$5 million to Newmont (as part of the purchase price under an agreement pursuant to which Lydian will acquire Newmont’s entire interest in the Amulsar gold project), to fund drilling and pre-feasibility work at the Amulsar gold project in Armenia, to support regional exploration in the Caucasus, and for general corporate purposes.

The ordinary shares to be sold under the Offering will be offered by way of a short form prospectus in all provinces of Canada, except Quebec, and in the United States on a private placement basis pursuant to an exemption from the registration requirements of the *United States Securities Act of 1933*, as amended and internationally pursuant to available exemptions.

In accordance with the expected terms of the IFC Placement, the Company will also provide anti-dilution protection to IFC, whereby a limited number of additional shares (the “Additional Shares”) would be issuable to IFC, for no additional consideration, in the event that the price per ordinary share of the Offering is less than \$0.77 such that the IFC Placement will be at the same price per Ordinary Share as the Offering. In addition, the Company will agree to seek the

approval of the Company's shareholders (other than IFC) to amend the terms of 4,000,000 outstanding options (the "Options") of the Company issued to IFC pursuant to a private placement on December 27, 2007 and having an exercise price of £0.3125 to extend the expiry date of the Options from January 10, 2011 to January 10, 2012.

The Offering and the IFC Placement are subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange and, with respect to the Offering, the securities regulatory authorities.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful. The securities have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

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Forward-Looking Statements

This press release contains forward-looking statements regarding the proposed offering and the use of proceeds. The words "expected", "intends", "will" and similar words and expressions identify the forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results or developments to differ materially from those expressed by the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: our financial condition and operations, market metal prices, current global financial conditions, and regulatory approvals. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at the date of such statements, are inherently subject to significant business, economic, social, political and competitive uncertainties and contingencies. The material factors and assumptions that were applied in making the forward-looking statements in this press release include but are not limited to: up to C\$12 million being sold by the underwriters, entering into of an underwriting agreement, being able to obtain all necessary regulatory approvals and the offering being completed. For additional information with respect to risks, uncertainties and assumptions, please also refer to the "Risk Factors" in the preliminary short form prospectus dated March 25, 2010 filed on SEDAR at www.sedar.com under Lydian's profile. These forward-looking statements are made as of the date of this press release only and Lydian does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law.