

12 May 2016

ASX Limited  
Level 40, Central Park  
152-158 St Georges Terrace  
PERTH WA 6000

By E-Lodgement

**MARKET UPDATE – MASAPELID PROJECT**


Lindian Resource Limited (**Lindian** or **Company**) (ASX: LIN) wishes to provide an update to shareholders regarding its interests in the Masapelid Project in the Philippines.

Despite repeated attempts to progress the Declaration of Mining Project Feasibility (**DMPF**) with the Department of Energy and Resources (**DENR**), Lindian has yet to receive clarification on the approval process of the DMPF which was submitted to the Mines and Geosciences Bureau Regional Office No. XIII on 22 December 2014.

In view of the uncertainty around the approval process for the DMPF, the status of discussions with relevant stakeholders in the Philippines to extend the Mineral Production Sharing Agreement covering the Masapelid Project and the current appetite in the equity capital markets for Philippine mineral exploration assets, the Directors have resolved to not pursue its interests in the Philippines further.

As per the Rights Issue Prospectus dated 12 November 2015, remaining funds will be used for working capital and in addition, to pursue new opportunities with the goal of increasing shareholder value.

Yours faithfully



**Stephen Brockhurst**  
**Company Secretary**