

TAKING EXPLORATION AND
DEVELOPMENT TO NEW FRONTIERS



LYDIAN
INTERNATIONAL

INVESTOR PRESENTATION

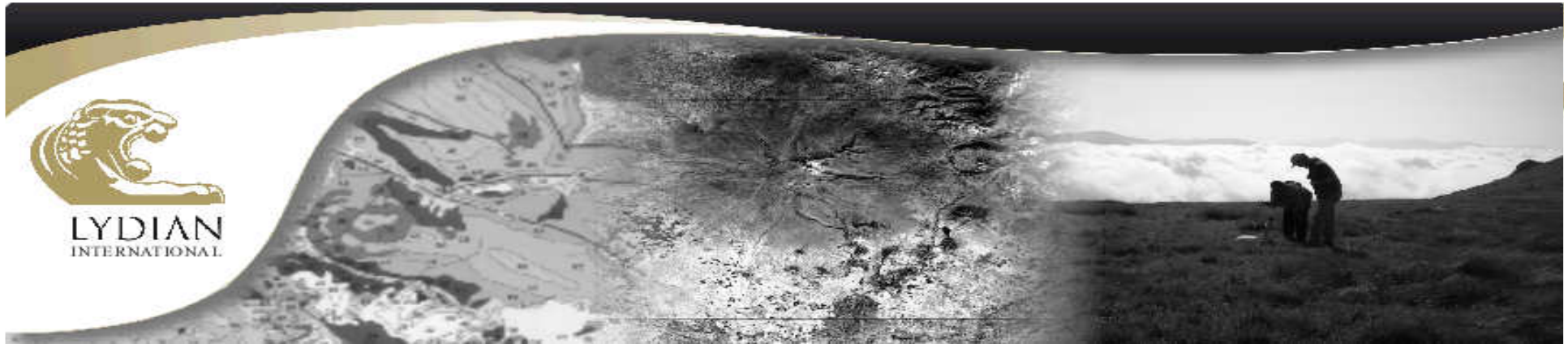
NOVEMBER 2008

TSX: LYD
www.lydianInternational.co.uk



FORWARD LOOKING STATEMENTS

This presentation contains projections and forward looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. These risks and uncertainties could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.



EXPLORATION FIRST MOVER SPECIALISTS



- British diversified exploration and development company
- Expertise- “first mover” strategy in emerging environments
- Precious and base metal assets in Eastern Europe:
 - Armenia- gold at Amulsar
 - Kosovo- zinc-lead-silver-gold at Drazhnje
 - Project pipeline- gold and base metals in Armenia, Kosovo
- Experienced management team with proven discovery record
- Joint venture partner is Newmont
- Major shareholder IFC (World Bank Group)
- Geopolitical risk mitigated (management risk)
- Listed on the Toronto Stock Exchange
Jan. 10th, 2008





CAPITAL STRUCTURE

Current Structure:

Shares outstanding	39.8m
Broker/Agent warrants/options	13.0m
Director/Employee options	2.7m
Fully Diluted Shares outstanding	55.2m
Market Capitalization (August, 2008)	\$15.0m
Cash (December 1st)	\$5.5m
Projected Average Monthly Burn	\$400k

Current Ownership:

Largest Shareholders	
Newmont	12.91%
IFC	12.91%
Insider Position (including Newmont, IFC undiluted)	44.16%



MANAGEMENT TEAM



Dr Tim Coughlin, (Chief Executive Officer). BSc Geology, MSc Exploration and Mining Geology, PhD (structural geology); 17-yrs experience, with wide-ranging international experience, held senior positions with major mining companies, conducted country entry programs in; Caucasus, Eastern Europe, Colombia and Russia



Dr Andor Lips, (Technical Director). MSc Geology, PhD (structural geology); 14-yrs experience, specialist in mineralising systems in Eastern Europe, 7 years as senior researcher with BRGM



Mr Roderick Corrie, (Executive Director, Finance). BA Cambridge, MA (Cantab), Associate Chartered Institute of Bankers, Member Securities Institute; Strategic advisor and financier with a variety of companies. Non Exec Director AIM-listed Europa Oil and Gas.



Dr Hayk Aloyan (Managing Director Armenia). PhD Ore Deposit Geology; 10-yrs experience, formerly Deputy Chief of Geological Survey in Armenian Mining and Metallurgical Institute, widely published on Armenian metallogenesis, specialist in resource estimation



Mr Jason Wilkinson, (Exploration Manager). BSc Geology and Mining Geology; 14 years in mining exploration, mining and business development. Held management and technical positions with international mining companies in the Balkans, the Middle East and in Central Africa



Mr Naim Ibishi (Managing Director Kosovo). BSc Chemistry, Background in chemistry and business development. Land and community relations specialist.



NON-EXEC BOARD



Mr Gordon Wylie, (Non-Exec Chairman). BSc (hons) Geology, Grad Dip Mining Engineering, Management Diploma (UNISA); 31-yrs experience, from 1998-2005 as AngloGold-Ashanti's Global Exploration Manager. Instrumental in developing the company's "New Frontiers Strategy", AngloGold-Ashanti's move into highly prospective but poorly prospected higher risk regions such as DRC, Colombia, China and Laos. Currently a Director of Oxus Gold

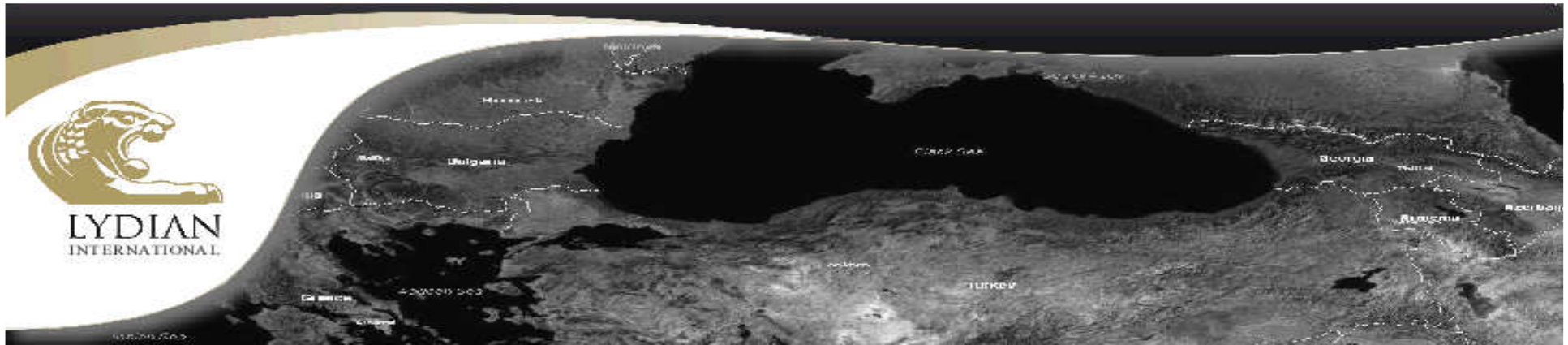


Mr Marc Henderson, (Non-Executive Director). Economics University of Colorado, Chartered Financial Analyst (CFA). More than 20 years running junior mining companies. President of a number of public companies including MineFinders from 1987 until 1994 and Republic Goldfields Inc, listed on the American Exchange, from 1988 to 1994. CEO of Aquiline Resources.

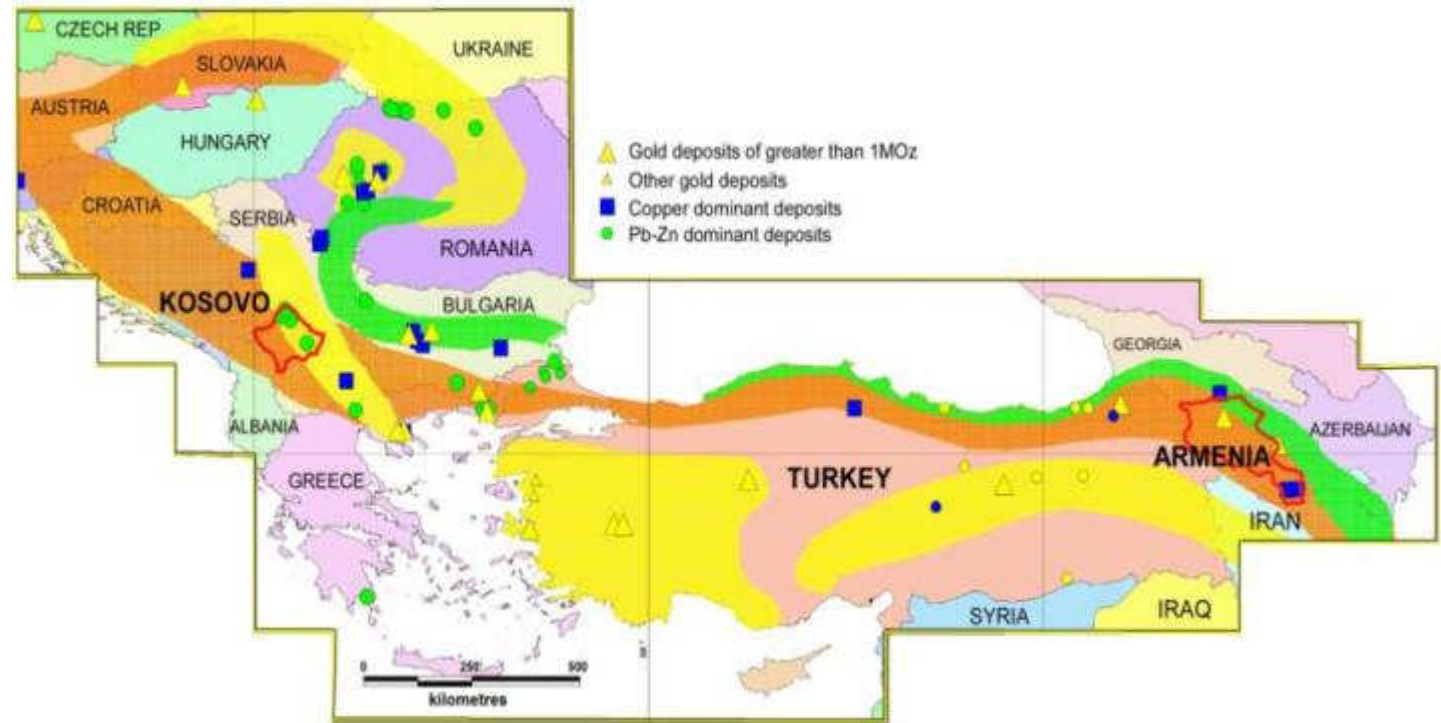


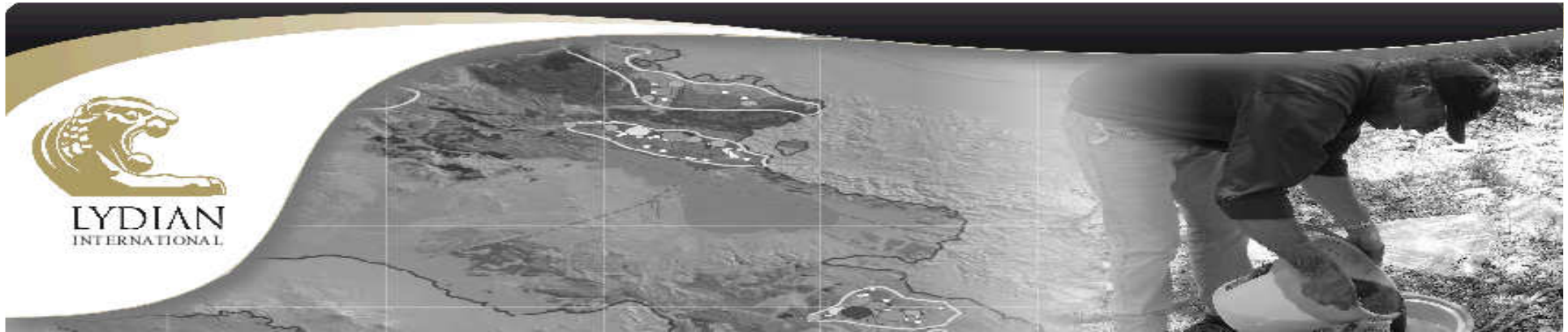
Mr Peter Mullens, (Non-Executive Director). BSc Geology; 21-yrs experience. Extensive and varied industry experience in mining and exploration. Successfully developed four Canadian listed exploration companies. Critical member of team which raised CAD \$ 150.0 million in equity finance. Good awareness and experience of commercial aspects, ore reserves, financial evaluations, mine planning, JV negotiations, and financing of junior exploration companies





AREA OF INTEREST





NEWMONT CAUCASUS JV

- 50/50 Joint Venture Agreement signed in May 2006
- Purpose: Joint exploration for gold and/or copper initially in Armenia
- Lydian is manager and has the option to own up to 100% of any discovery
- If a “Newmont Sized” project is identified, Newmont have two options:
 - Feasibility Option: Earn an additional 20% by completing feasibility study
 - Production Option: Fund through to commercial production to earn a further 10%





ARMENIA

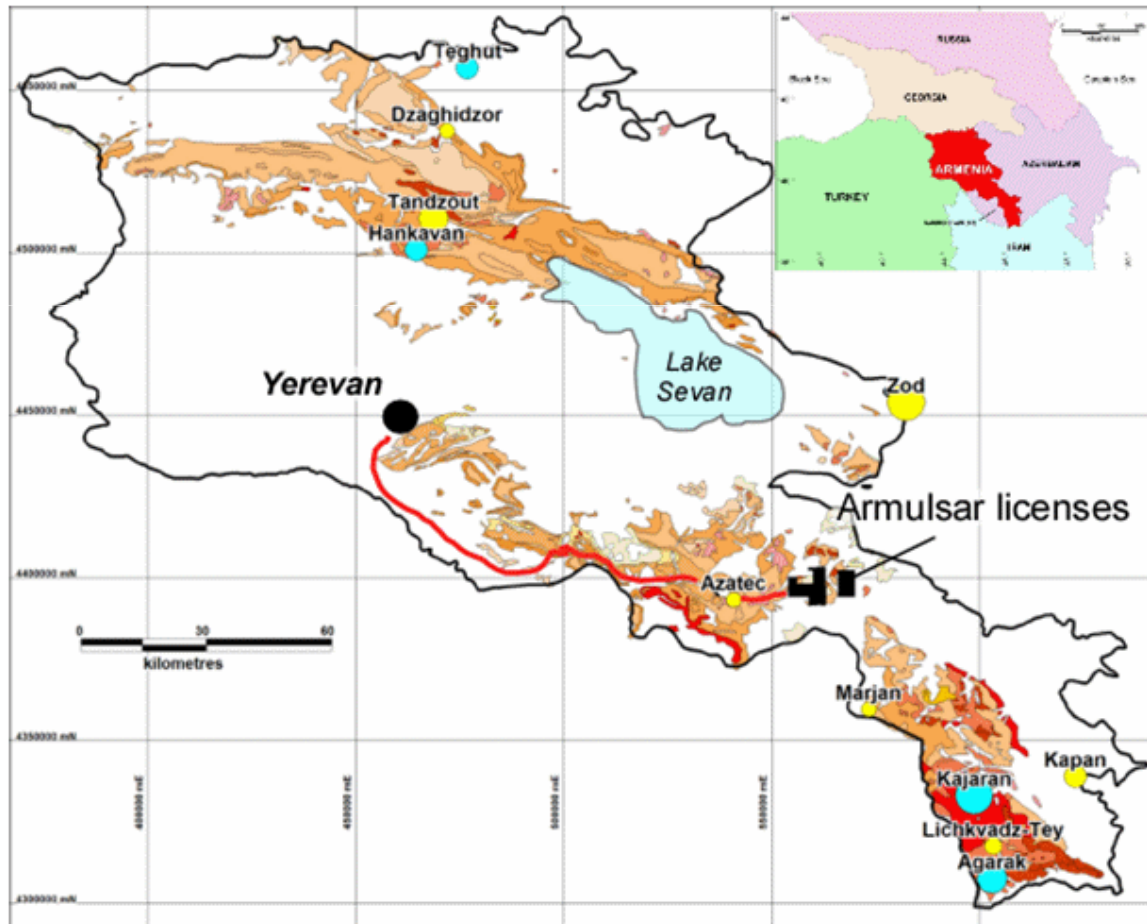
- WTO member and signatory to International Convention on Investment Disputes
- Independent Judiciary and laws protecting foreign investors
- Exploration and mining investment (Freeport McMoran, Dundee, Cronimet, Tamaya Res, Global Gold, Prominvestor, Alrosa)
- Privatised, democratic and undergoing rapid growth





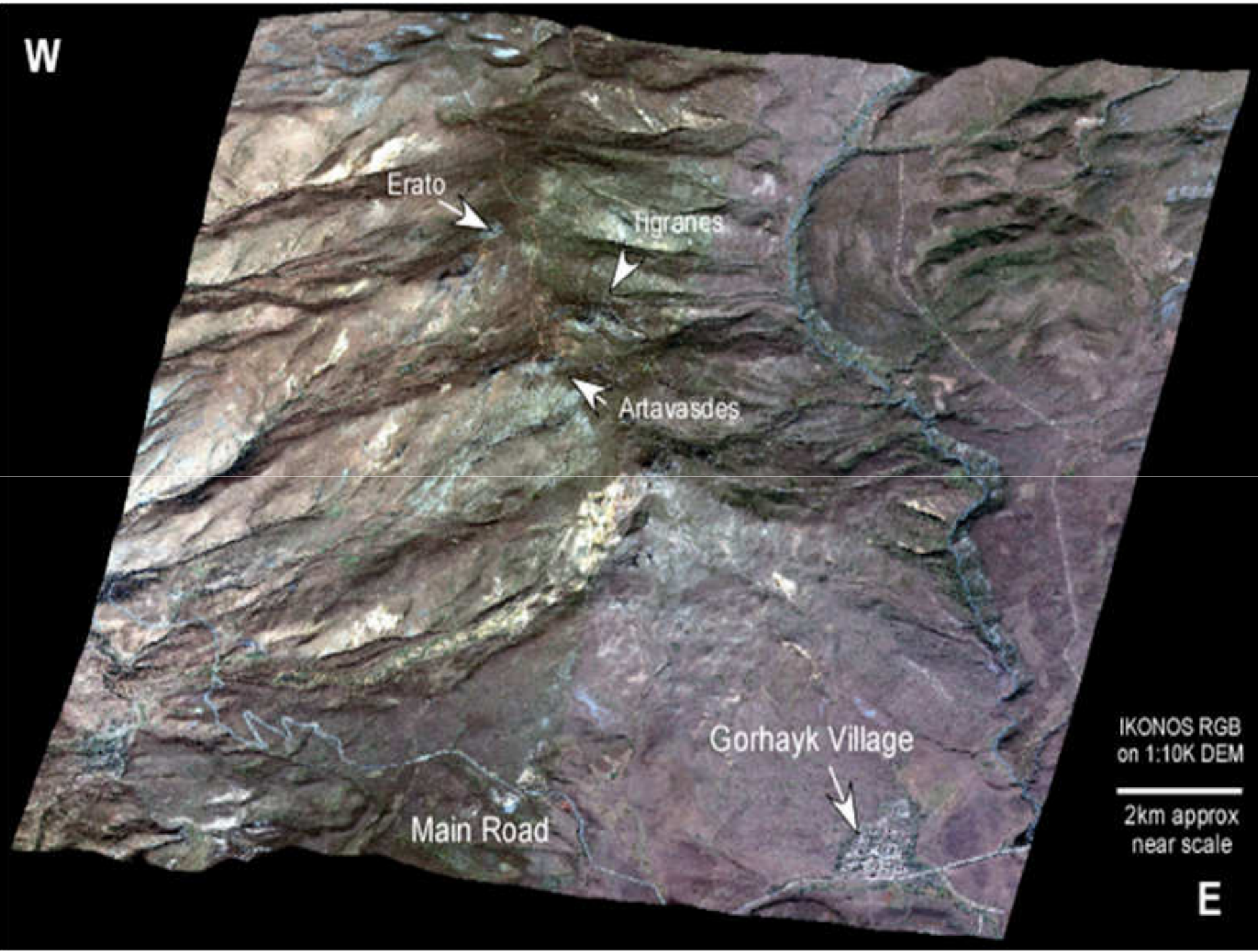
AMULSAR PROJECT

- High-sulphidation gold system at-least 3km long
- Completely new Lydian discovery which management believe has + million ounce oxide gold potential
- Initial 20,000m drilling programme and resource definition underway for 2008
- Of 83 holes released to-date all but 10 have intersected significant gold mineralisation. 10 holes have intersected >90m at >1g/t
- Heap-leach simulation tests indicate **94%-97% recoveries** (top percentile)



- Three license areas 240km from Yerevan along main sealed road
- Hosted in prospective Eocene-Oligocene volcanic arc
- High-tensile power line, gas pipe-line and fibre-optic cable transect the license areas
- Closest village 570 residents

W



Erato

Higranes

Artavasdes

Gorhayk Village

Main Road

IKONOS RGB
on 1:10K DEM

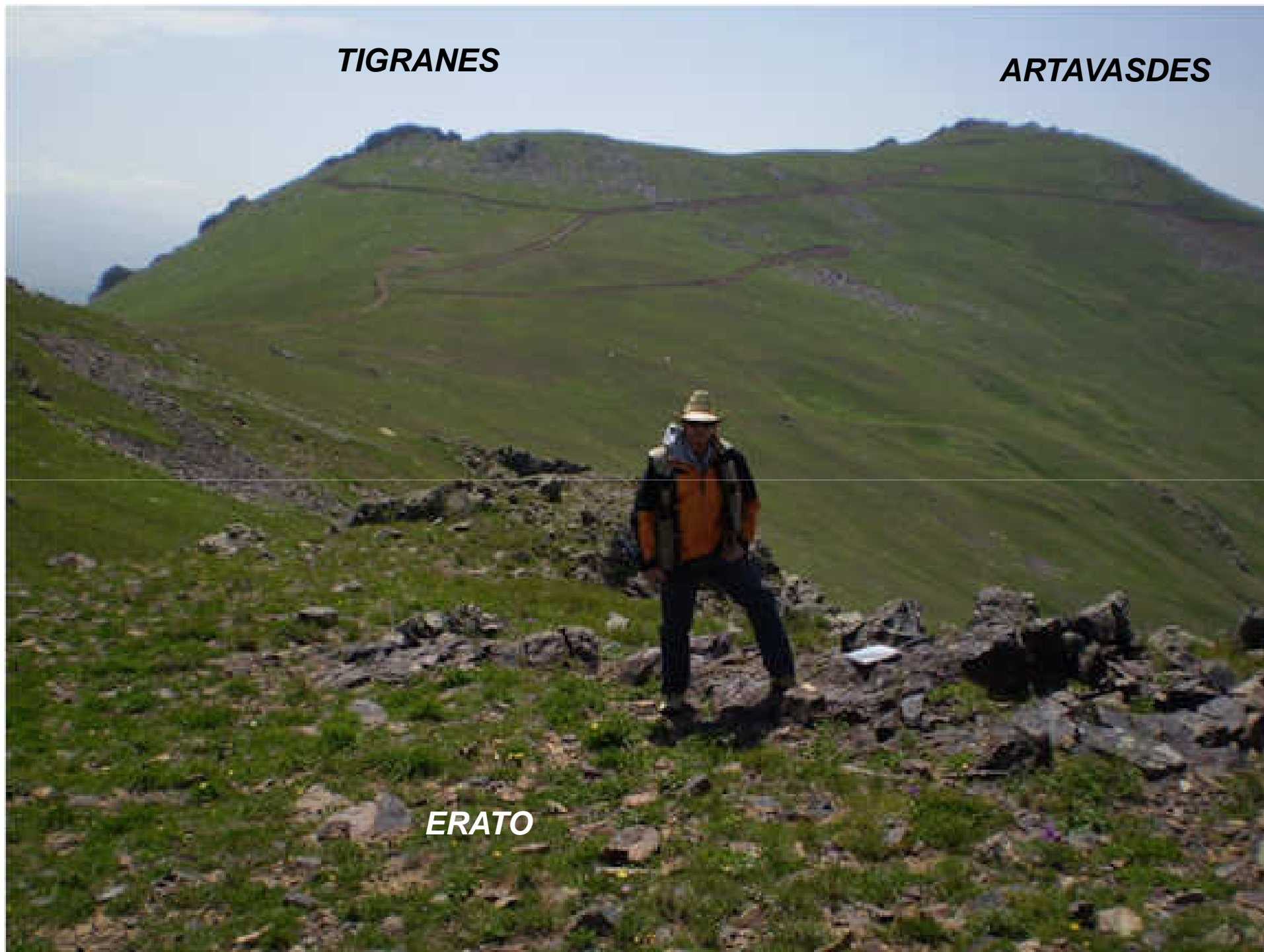
2km approx
near scale

E

TIGRANES

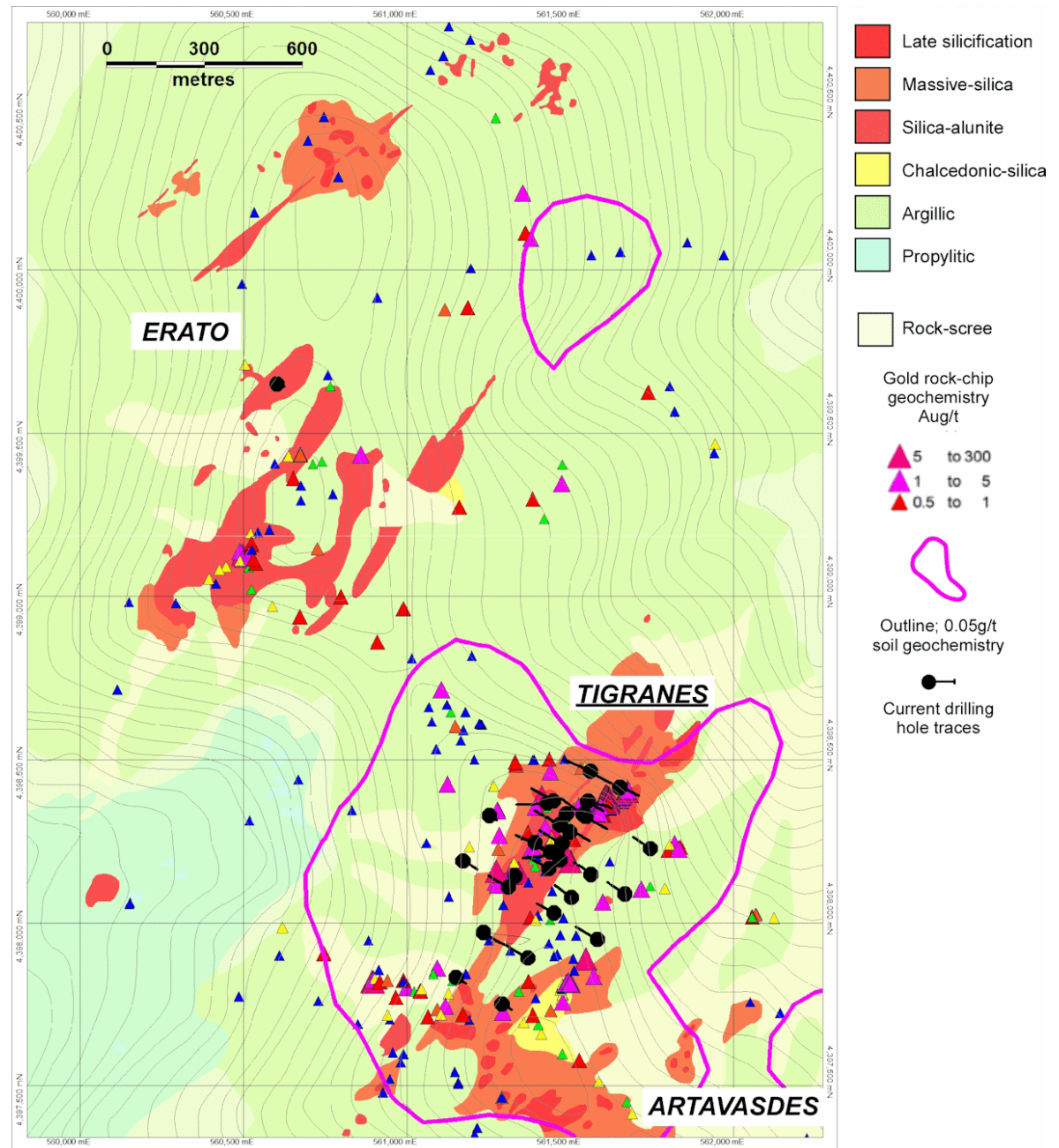
ARTAVASDES

ERATO

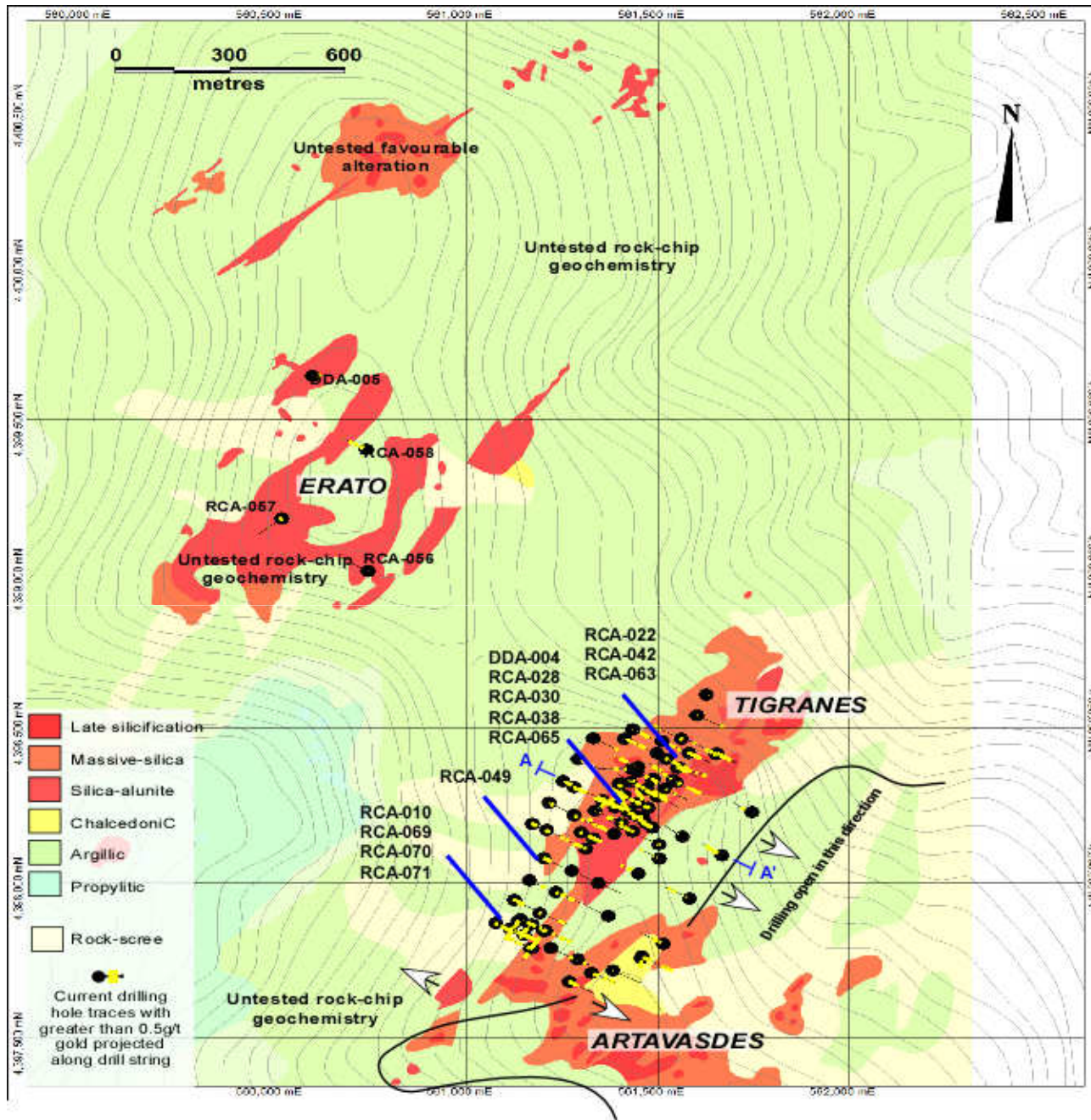




- At-least 3km strike length of known gold mineralisation in three prospect areas
- Large gold soil geochemical anomaly highlights Tigranes-Artavasdes area
- More than 20% of rock-chip samples greater than 1g/t gold, rock-chip channel results of:
20m @ 9.9g/t gold
23m @ 9.3g/t gold
- Drilling to-date focussed principally on Tigranes-Artavasdes zones only. Untested targets at Erato and to the south of Artavasdes



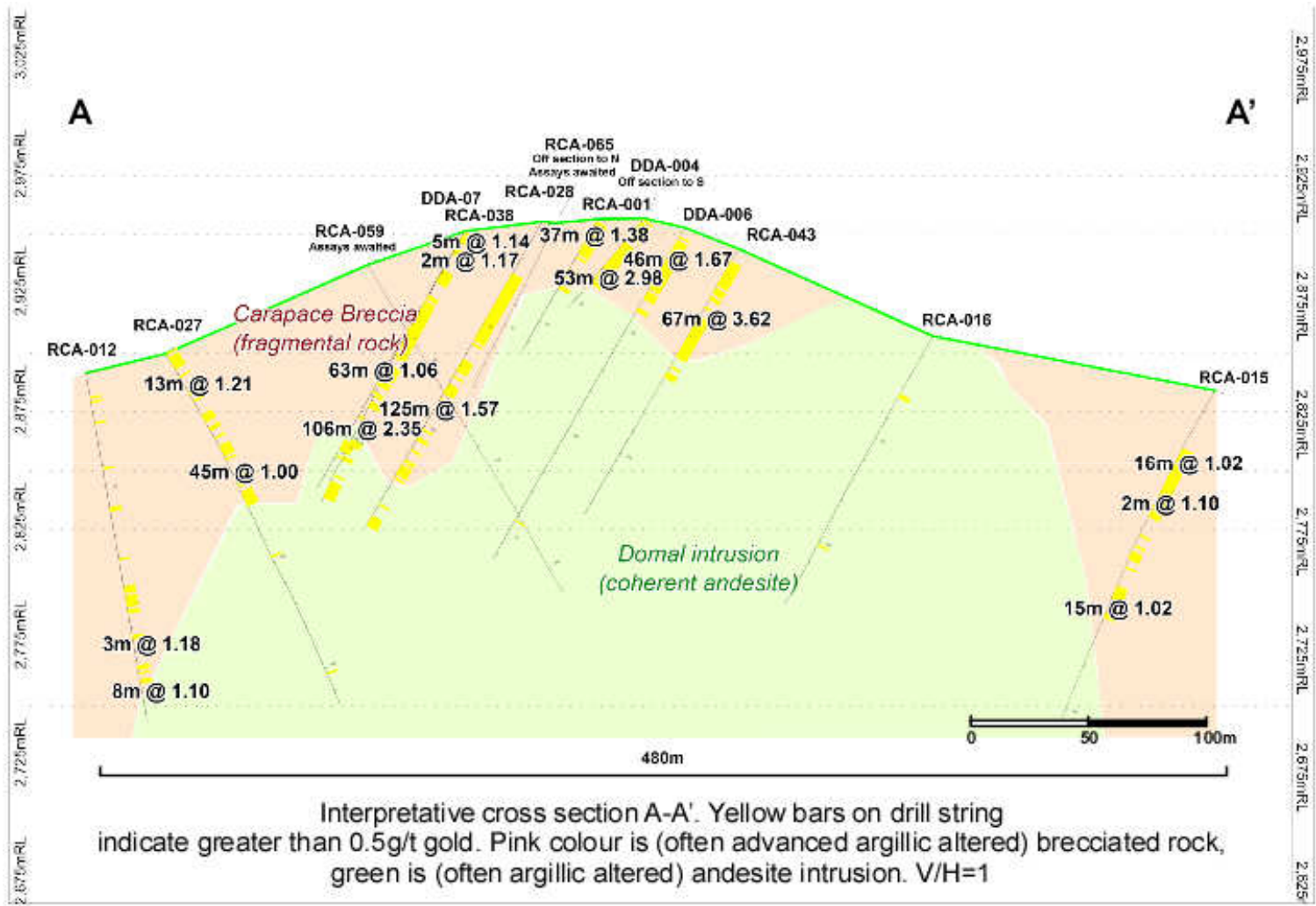




Hole	From	To	Int (m)	Gold g/t
DDA-004	0	53	53	2.60
Including	3	27	24	5.95
RCA-010	23	100	77	2.30
Including	54	70	16	3.63
RCA-022	45	154	109	1.11
Including	70	104	34	3.12
RCA-028	25	150	125	1.57
Including	26	57	31	4.44
RCA-030	0	122	122	1.01
Including	74	112	38	2.58
RCA-038	24	130	106	2.35
Including	38	59	21	9.67
RCA-042	3	70	67	3.62
Including	33	53	20	8.06
RCA-049	48	137	89	1.03
Including	101	108	7	6.59
RCA-063	0	111	111	1.08
Including	71	98	27	2.47
RCA-065	8	100	92	1.00
RCA-069	3	138	135	2.26
Including	3	20	17	5.26
RCA-070	29	100	71	3.05
RCA-071	52	148	96	1.37
Including	76	96	20	3.21

Yellow projections on drill strings are greater than 0.5g/t







ECONOMIC SCENARIOS

- Open-pit, heap leach with gravity conveyor system
- Armenian tax on profits is 20%, royalties 1.8% (last 0.8% on a sliding scale)
- Average total cash and operating costs for similar projects* are in the order:

Cash-\$280/oz

Operating-\$430/oz

* 2007 figures population of 5-mines





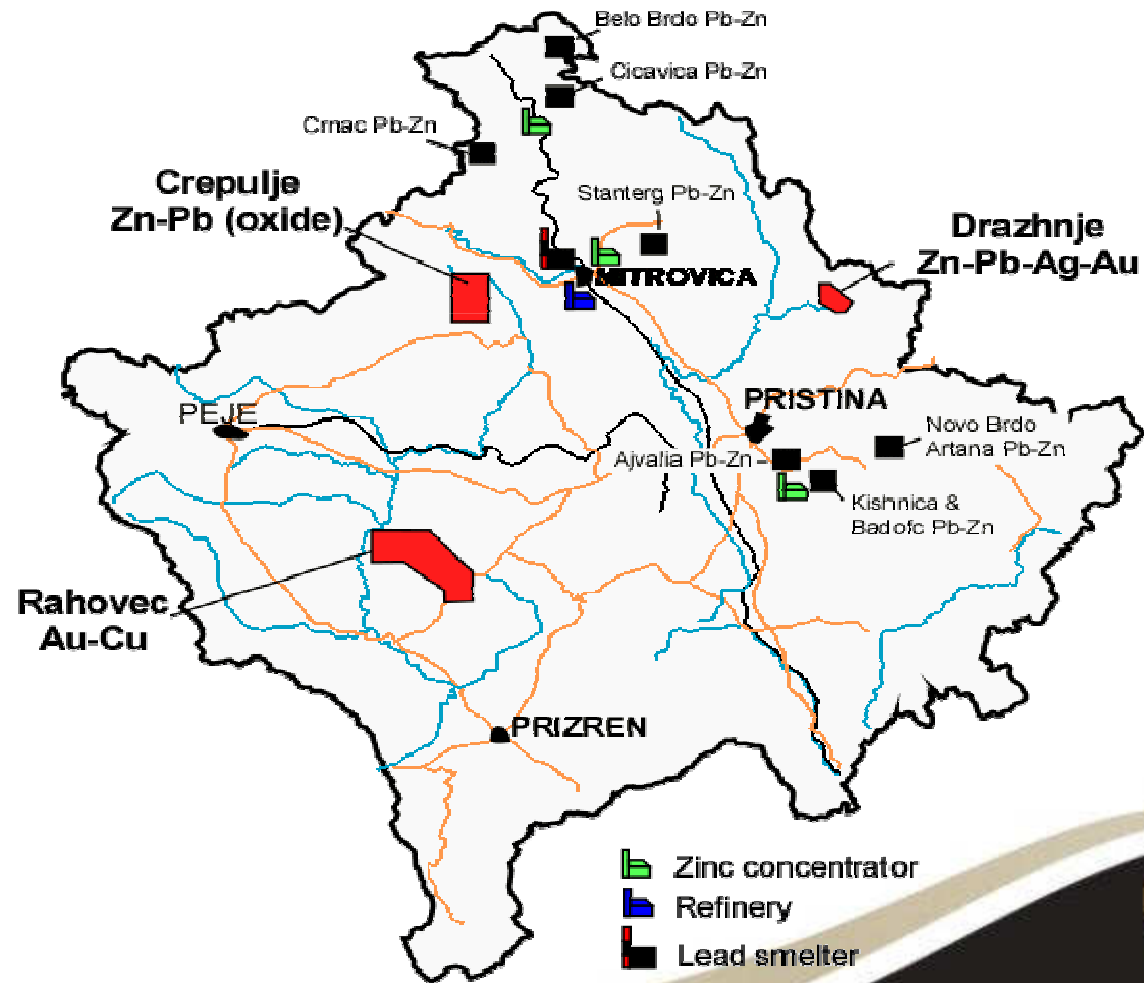
KOSOVO



- Newly independent
- On track for EU accession
- Underwritten by continuing NATO security presence
- Mining Law is international standard and independently monitored
- Long history of mining and skilled work force



KOSOVO, MINING INFRA- STRUCTURE AND LYDIAN LICENSES



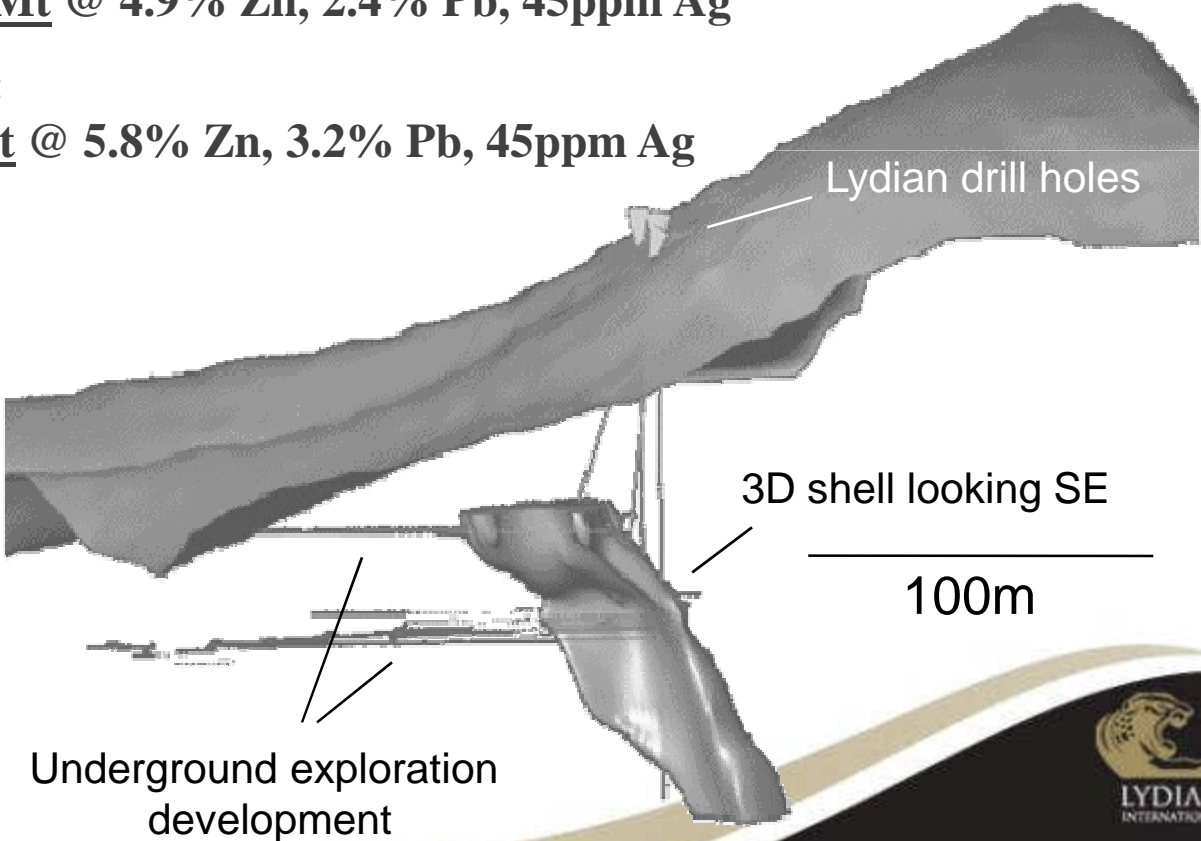


DRAZHNIJE

Historical exploration, Yugoslav resource

A+B+C1:
4.7Mt @ 4.9% Zn, 2.4% Pb, 45ppm Ag

C2:
2Mt @ 5.8% Zn, 3.2% Pb, 45ppm Ag





LYDIAN CONFIRMATORY DRILLING

Confirmed higher grades in Former Yugoslav resource

Identified possible down-faulted extensions on northern and southern sides

Drill Hole	From (m)	To (m)	Intersection (m)	Zinc%	Lead%	Gold (g/t)	Silver (g/t)	Sulphide (S)
DDZ-003	149	162.3	>13.2*	11.12%	6.39%	0.56	102.08	S
DDZ-012	146	181	35	9.51%	4.13%	0.62	72.08	S
DDZ-013	144	206	62	6.65%	1.94%	0.16	29.4	S
<i>Including</i>	<i>154</i>	<i>175</i>	<i>21</i>	<i>15.54%</i>	<i>3.56%</i>	<i>0.19</i>	<i>50.12</i>	<i>S</i>
DDZ-014	141	177.6	36.6	6.68%	3.16%	0.11	38.16	S
DDZ-015	147	166	19	6.10%	1.92%	0.07	22.56	S
	185	189	4	2.19%	3.28%	0.03	49.78	S
DDZ-016	138	145	7	1.87%	0.61%	0.11	4.9	S
DDZ-017	139	150	11	3.40%	1.09%	0.11	12.47	S
DDZ-018	125	131	>6.0*	7.43%	1.74%	0.55	21.22	S

* Bugged and abandoned in sulphide mineralisation





LYDIAN UP-SIDE DRILLING

Extensions to mineralisation in excess of 1.7km along strike

Intersections greater than 10% zinc over 10m


New gold system above massive sulphides discovered 1.7km along-strike



ST GEORGE SCOUT DRILLING						
Drill Hole	From (m)	To (m)	Intersection (m)	Zinc %	Lead %	Sulphide (S), Oxide (O)
DDZ-005	11.0	24.0	13	9.14%	4.29%	S
Including	12.0	17.0	5	20.22%	9.01%	S
DDZ-006	15.0	31.0	16	10.45%	0.10%	O
DDZ-007	1.0	13.6	12.6	10.49%	0.79%	O
DDZ-008	0.0	5.0	5	7.54%	1.13%	O
DDZ-009	0.0	5.0	5	6.66%	0.55%	O
DDZ-011	6.0	20.0	14	4.21%	1.37%	O

ST BARBARA SCOUT DRILLING							
Drill Hole	From (m)	To (m)	Intersection (m)	Zinc%	Lead%	Silver (g/t)	Sulphide (S), Oxide (O)
DDZ-031	13	24	11	18.10%	8.51%	25.30	S
DDZ-032	16	17	1	1.21%	0.97%	8.60	S
DDZ-033	40	56	16	12.10%	3.87%	10.80	S
DDZ-034	77	95	18	10.20%	3.25%	4.90	S
DDZ-048	23	36	13	20.99%	7.09%	25.33	S
DDZ-050	4	8	4	9.96%	NS*	NS	O
DDZ-051*	2	6	4	3.18%	2.52%	67.13	O
DDZ-052	3	6	3	11.38%	NS	NS	O
DDZ-054	55	64	9	5.81%	1.32%	6.50	S
DDZ-055	88	92.3	4.3	2.10%	1.44%	4.55	S





Currently 180m
underground, channel
sampling and preparing for
drilling

New sulphide bodies
identified, target 10Mt



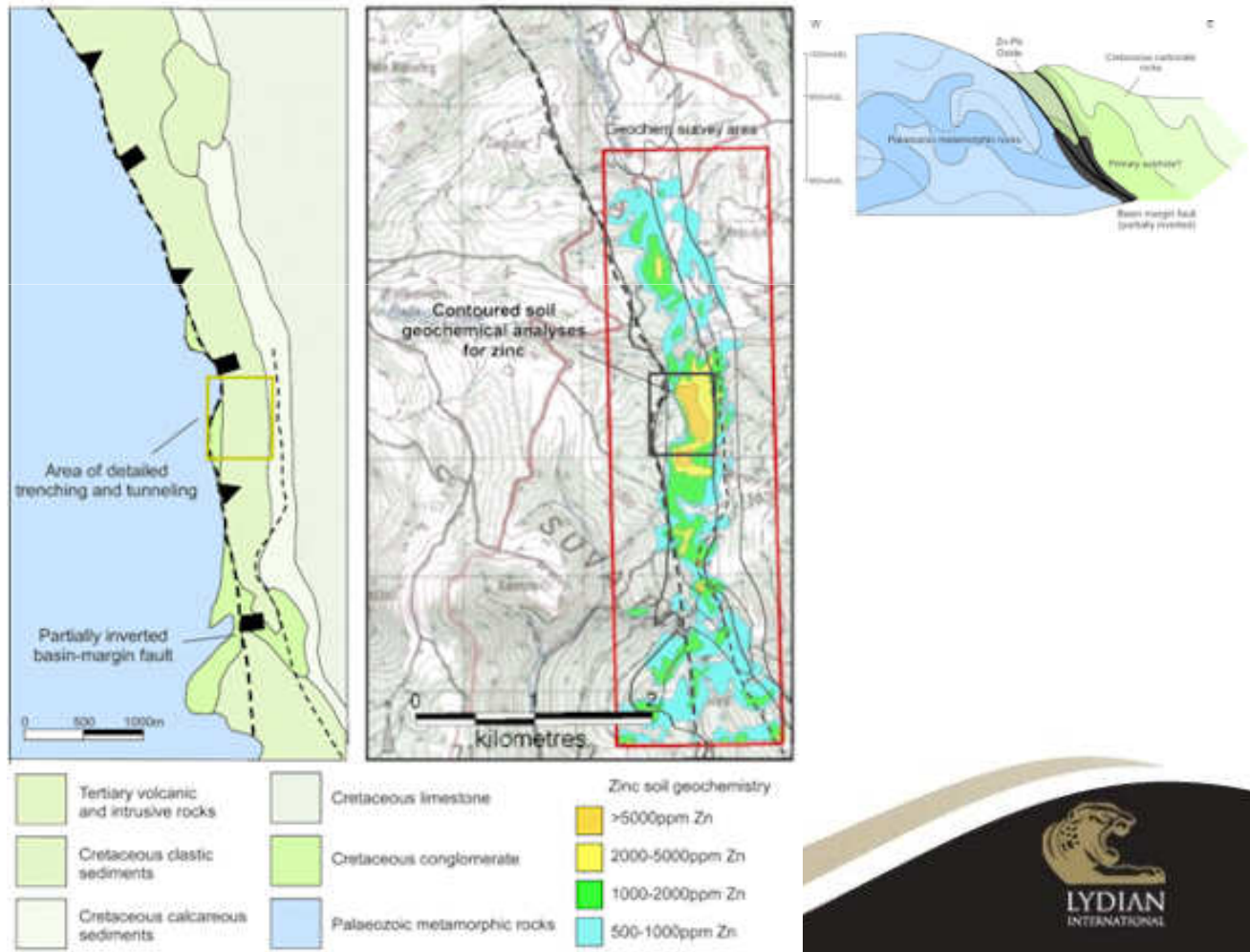
CREPULJE

- Explored in 60's & 70's
- Soil geochemistry, Pb & Zn anomalies 5km long
- Lydian trenching

32m @ 25.9% Zn, 4.0% Pb
25m @ 14.7% Zn, 1.8% Pb
23m @ 12.5% Zn, 1.1% Pb
15m @ 21.5% Zn, 1.5% Pb

Lydian rock-chip and soil sampling has extended the higher grades along strike

Results of scout-drilling awaited





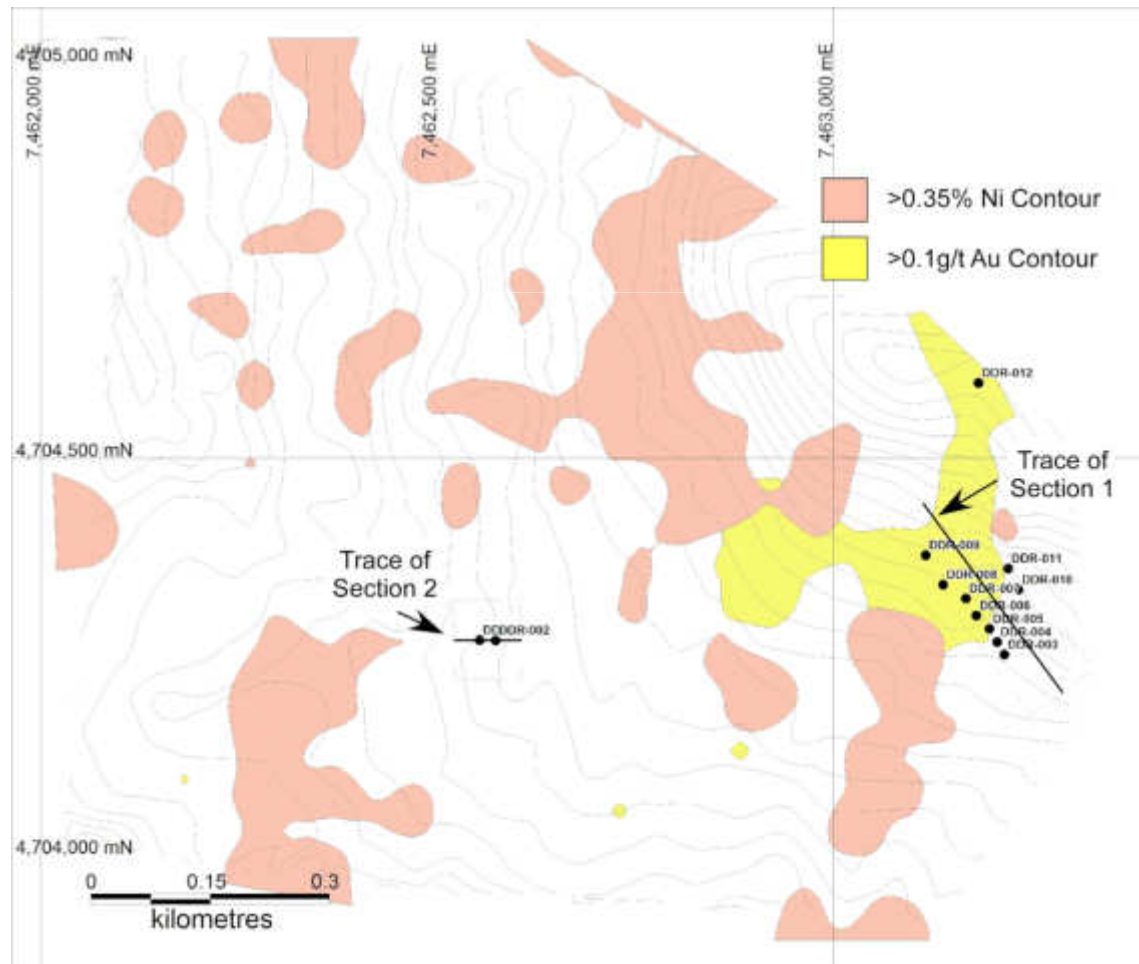
RAHOVEC

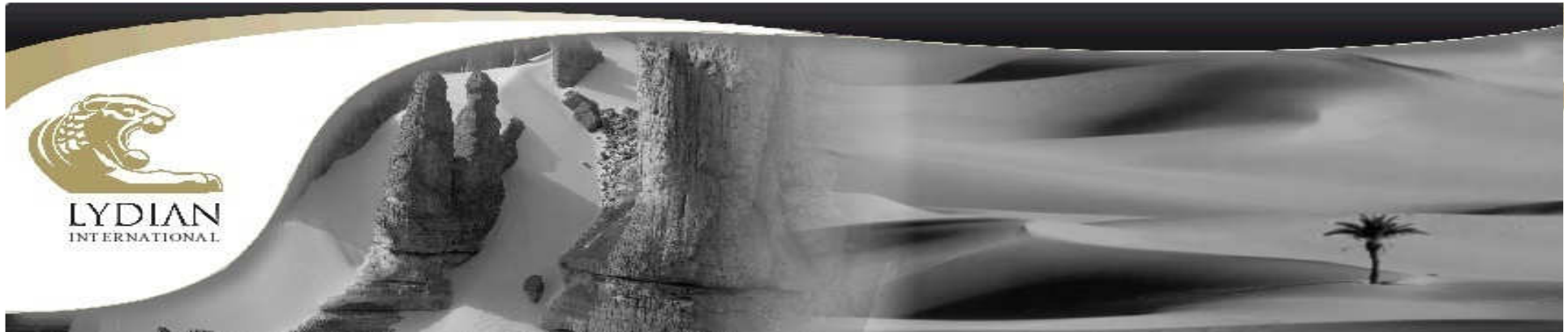
New Lydian Discovery

Gold-copper breccia-zone cross-cutting wide zone of nickel mineralisation

Scout drilling on low nickel soil geochemical anomalies returned best 107m@ 0.24% nickel and 74m@ 0.22% Ni in disseminated sulphides

Best nickel targets yet to be tested





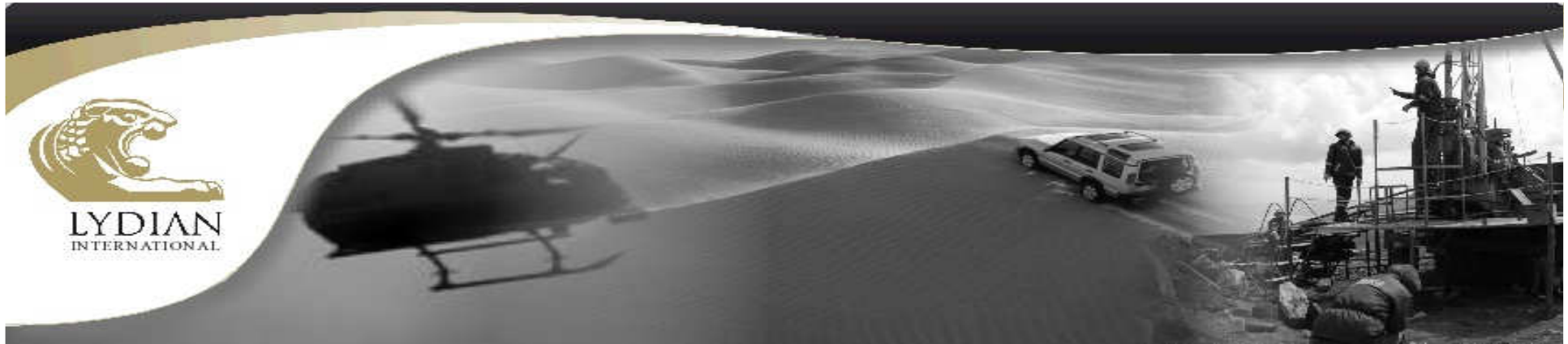
PROJECT PIPELINE

- The probability of discovering large “World-Class” gold projects is higher in prospective and newly emergent and transitional environments
- Lydian’s “New Frontiers” team is actively researching and exploring new first mover opportunities in emerging environments
- Our approach is opportunistic, our experience is in discovering and securing completely new resources, thus maximizing share holder value



OBJECTIVES 2008

- NI-43101 compliant resource at Amulsar, Armenia
- NI-43101 compliant resource at Drazhnje, Kosovo
- Drill test Crepulje, Kosovo
- Advance other licenses to drilling stage
- Advance and secure assets in new environments
- Build investor outreach and shareholder base



CONCLUSIONS

- Lydian is UK based, diversified exploration company with expertise employing “first mover” strategies in emerging environments.
- Company underpinned by significant cheap mining bulk-tonnage gold potential at Amulsar in Armenia and advanced zinc-lead and silver potential at Drazhnje in Kosovo.
- Significant further upside potential for open-pittable high-grade zinc and lead at Crepulje.
- Developing pipeline of further projects in new territories.
- Strong management team with track records in grassroots discovery, project development, and in building companies.
- Joint Venture partnership with Newmont and active strategic support of IFC