



Lydian Resource Company Ltd

HEALTH AND SAFETY POLICY STATEMENT DATED 1 AUGUST 2006

References:

- A. The Health and Safety at Work Act 1974.
- B. Council Directive 92/104/EEC of 3 December 1992 on the minimum requirements for improving the safety and health protection of workers in surface and underground mineral-extracting industries
- C. Directive 92/91/EEC on the minimum requirements for improving the safety and health protection of workers in the mineral-extracting industries through drilling.
- D. COUNCIL DIRECTIVE of 25 June 1991 supplementing the measures to encourage improvements in the safety and health at work of workers with a fixed-duration employment relationship or a temporary employment relationship (91/383/EEC)

The Company acknowledges that it is its duty to ensure, so far as is reasonably practicable, the health, safety and welfare of all who are affected by the way its undertaking is conducted. This refers to all permanent and temporary employees, sub-contractors, and members of the public who are, or may be, affected by its activities.

It is the policy of the Company to provide and maintain, as far as is reasonably practicable, a working environment that is safe and without risk to health. To this end it will allocate sufficient resources and sound management systems to the fulfilment of this policy.

Lydian Resource Company Ltd will comply with the References, all relevant statutory provisions and appropriate Approved Codes of Practice, and follow the best current practice in all aspects of its undertaking.

The company considers health and safety to rank equally with all other objectives in the performance of its business. To this end the health & safety responsibilities of all personnel have been defined and allocated. The Safety Management System is intended to affirm that the company achieves its purposes in this area and is based on the philosophy that



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accidents can be prevented by the identification and management of risk. In particular, the Company acknowledges that the management of health and safety is an integral part of good management at all levels. This includes the provision of:

- Safe and healthy working conditions
- Arrangements for the operation, design and maintenance of safe systems of work.
- Properly maintained and guarded machinery.
- Information, instruction, training, and supervision appropriate to the company's activities
- Arrangements for consultation with employees and their representation health and safety matters.

All employees shall receive a copy of this policy statement translated into their native language. Copies shall also be posted on appropriate notice boards where feasible given the nature of mineral exploration.

In return, the company requires all employees, sub-contractors and visitors to recognise their own individual responsibility and to comply with all health and safety requirements relevant to their activities.

This policy statement, associated procedures and practices will be reviewed regularly to ensure that the company's health & safety performance is continuously improved

Timothy Coughlin
CEO
Lydian Resource Company Ltd



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Attachments:

1. Council Directive 92/104/EEC of 3 December 1992 on the minimum requirements for improving the safety and health protection of workers in surface and underground mineral-extracting industries (twelfth individual Directive within the meaning of Article 16 (1) of Directive 89/391/EEC.
2. Council Directive 92/91/EEC of 3 November 1992 concerning the minimum requirements for improving the safety and health protection of workers in the mineral- extracting industries through drilling (eleventh individual Directive within the meaning of Article 16 (1) of Directive 89/391/EEC).
3. Council Directive 91/383/EEC of 25 June 1991 supplementing the measures to encourage improvements in the safety and health at work of workers with a fixed- duration employment relationship or a temporary employment relationship.