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## PARADOX BASIN PROJECT NORTHERN PROSPECT AREA UPDATE

VANCOUVER, BC (July 14, 2008) – Lynden Energy Corp. (TSXV: LVL) provides an update on the ongoing completion program on four recently drilled vertical wells in the Paradox Basin Project Northern Prospect Area. To date, the lowermost of the two targeted shale zones has been fracture stimulated and completed in each of the Anteater State #1-21X, the Explorer State #1-16, the Chanticleer #1-32 and the Raider #1-17 wells. All four of these wells have been tied into sales through the Company's 21-mile Northern Prospect Area pipeline, which was completed in late April.

Three of the four wells have produced consistently since being tied in, although production has been periodically interrupted as a result of work to optimize production and carry out tests. Production from the wells also includes an additional shale zone that has been fracture stimulated and completed in the Raider #1-17 and two additional conventional Pennsylvanian zones have been fracture stimulated and completed up-hole in the Chanticleer #1-32. The lowermost shale in the Explorer State #1-16, produced sporadically, but was unable to maintain continuous production.

Additional up-hole zones of the Paradox Formation stratigraphic sequence will also be completed as part of the ongoing program in the Anteater State #1-21X, the Raider #1-17 and the Explorer State #1-16. The current methodical completion program, which consists of both shale and up-hole completions, has taken longer than originally anticipated primarily because of the encouraging results observed from the shale completions.

In addition to the ongoing completion work described above, in excess of 75 million standard cubic feet of gas have been produced in the first 75 days of production from the S.P. Meyer #1 well, the first Northern Prospect Area well to be tied-in. The Anteater State #1-21X is approximately 1.3 miles to the northeast, the Explorer State #1-16 is approximately 5.1 miles northwest, the Raider #1-17 is approximately 9.8 miles north-west, and the Chanticleer 1-32 is approximately 0.5 miles to the southeast of the S.P. Meyer #1. Production from the S.P. Meyer #1 is from up-hole Pennsylvanian aged conventional zones.

The operator's exploitation program is based on commingling production from multiple zones and the successful completion of the shale zones provides a cost-effective opportunity to increase per well production. Successful completions of the shales in vertical wells may ultimately lead to drilling horizontal wells in areas of the Paradox Basin Project where the shales would be the primary target – a concept which is currently being tested by Bill Barrett Corporation in Colorado on the eastern edge of the Southern Prospect Area.

The Paradox Basin Project includes two contiguous oil and gas prospect areas totalling 1,525,000 acres. Lease holdings in the prospect areas cover in excess of 115,000 acres. The 900,000 acre Northern Prospect Area includes leases covering in excess of 100,000 acres. Lynden has a 55% before payout working interest (41.25% after payout working interest) in an 80% net revenue interest in the Northern Prospect Area. The 625,000 acre Southern Prospect Area includes leases covering in excess of 15,000 acres. Lynden has a 25% before payout working interest (23.75% after payout working interest) in an 85% to 87% net revenue interest in the Southern Prospect Area.

ON BEHALF OF THE BOARD OF DIRECTORS  
**LYNDEN ENERGY CORP.**

**"Colin Watt"**  
President and CEO

**WARNING:** *This news release contains forward-looking information. The reader is cautioned that assumptions used in the preparation of such information, although considered accurate at the time of preparation, may prove incorrect. The actual results may vary materially from the information provided herein.*

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