

# **LYNDEN VENTURES LTD.**

3<sup>rd</sup> Floor, 157 Alexander Street  
Vancouver, BC V6A 1B8  
Tel: (604) 684-0561 Fax: (604) 602-9311

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August 31, 2005

TSXV: LVL.H

## **Lynden Closes \$2.75 Million Private Placement; Agreement with Canadian Spirit Resources Approved; Re-qualifies for Tier 2 of TSXV**

VANCOUVER, BC – August 31, 2005 – Lynden Ventures Ltd. (TSXV: LVL.H) reports that the previously announced private placement in the amount of C\$2.75 million has closed. These funds were raised through a non-brokered private placement of 5.5 million units at C\$0.50 per unit. Each unit consists of one share and one-half of a share purchase warrant. Every whole warrant will entitle the holder to purchase one share at a price of C\$0.75 for a period of one year. The shares, and any shares to be issued on exercise of the warrants, are subject to a hold period expiring December 31, 2005. The Company paid finders' fees of C\$109,375 to two individuals and 34,560 units to Haywood Securities Inc. in connection with the private placement.

Additionally, the Company has been informed by the TSX Venture Exchange ("TSXV") of their acceptance of the joint venture agreement dated April 27, 2005 with Canadian Spirit Resources Inc. ("CSRI") (TSXV: SPI) under which Lynden and CSRI have agreed to acquire, explore and develop petroleum and natural gas rights in central Alberta. The joint venture will be focused on, but not limited to, coalbed methane (natural gas from coal or "NGC") targets. Lynden will earn a 50% participating interest in the joint venture lands by incurring expenditures of C\$2.5 million. CSRI, headquartered in Calgary, Alberta, will act as operator under the joint venture.

The initial joint venture lands are comprised of three sections (768 hectares) of land in the form of P&NG leases, none of which has been drilled by CSRI. These lands are located in an area with existing NGC and conventional production. CSRI has identified a number of NGC drilling locations initially targeting a Horseshoe Canyon prospect. The first well is expected to be spudded in mid-September.

With the closing of the private placement and TSXV acceptance of the joint venture agreement with CSRI, Lynden has re-qualified for listing on Tier 2 of the TSXV. The Company expects to begin trading on Tier 2 of the TSXV under the symbol LVL, effective September 2, 2005.

ON BEHALF OF THE BOARD OF DIRECTORS  
**LYNDEN VENTURES LTD.**

**"Colin Watt"**  
President and CEO