Toronto, Ontario--(Newsfile Corp. - November 19, 2015) - Lydian International Ltd. (TSX: LYD) ("Lydian" or "the Company") is pleased to announce the results of a value engineering and optimization study for its 100%-owned Amulsar Gold Project in south-central Armenia. Pre-production capital costs decreased by 13% to $370 million and all-in sustaining costs decreased by 17% to $585/oz of gold. All dollar amounts in this news release are presented in U.S. dollars unless otherwise noted.

Howard Stevenson, Lydian's President and CEO, stated, "We set out to reduce capital expenditures without negatively impacting operating costs. This $56 million capital cost reduction met our target. Combining this outcome with a decrease of more than $100/oz in all-in sustaining costs greatly enhances Amulsar's economics. Amulsar will be a very low-cost gold producer of excellent scale. We will produce 2.1 million ounces of gold from the current mine plan, and we see strong opportunity for orebody-growth."

Results of the value engineering program include:

- Initial capital costs of $370 million, a $56 million reduction from the October 2014 technical report (the "2014 Technical Report");
- All-in sustaining costs reduced to $585/oz of gold, down from $701/oz of gold based on the 2014 Technical Report;
- Operating cost reductions reflecting a lower 2.4:1 W:O stripping ratio and decreases in key consumables including electricity, diesel and reagents;
- Total recoverable gold of 2.1 million ounces over a 10 year mine life;
- Gold production averaging 243,000 ounces per year during the first five years and an overall average of 211,000 ounces per year over the life of mine;
- Accelerated after-tax cash flows of $567 million during the first five years of operations to support early payback of project debt and equipment financing;
- Over 100 million tonnes of inferred mineral resources and potentially mineralized zones adjacent to and below currently defined mineral resources and reserves; and
- After-tax unleveraged IRR of 21.6% and NPV of $338 million based on a discount rate of 5% and a gold price of $1,150 per ounce.

Mr. Stevenson added, "Value engineering results are based solely on mineral reserves defined as 96.7 Mt, containing 2.4 million ounces of gold. Economic results may be enhanced by additional drilling as mining operations begin, potentially resulting in conversions of inferred mineral resources into proven and probable mineral reserves. Inferred mineral resources include 106 Mt containing 2.0 million ounces of gold. Of this, 26 Mt containing an estimated 0.5 million ounces of gold are within the presently defined mine plan and classified as waste."

Lydian undertook an optimization exercise for Amulsar earlier during 2015. The objective was to reduce capital expenditures without negatively impacting operating costs or adversely affecting environmental and social impacts. To support this process, the Company commissioned Samuel Engineering Inc. ("Samuel") to review a number of engineering design concepts and incorporate the findings into an updated technical report (the "Q4 2015 Technical Report").

Results of the study demonstrate that initial capital costs will be reduced to $370 million. Operating cost improvements will also be realized, with all-in sustaining costs estimated to decrease from $701/oz of gold to $585/oz of gold produced. Lower costs resulted, in part, from a decrease in the stripping ratio; the optimized layout and flow sheet leading to favorable reductions in consumables such as diesel, electricity and reagents; and a higher percentage of gold ounces recovered per tonne of ore mined and processed.

The study was prepared by Samuel in accordance with the CIM Definition Standards on Mineral Resources and Mineral Reserves referred to in NI 43-101, and is a mining study for the purposes of NI 43-101.

Comparative Results

The Q4 2015 Technical Report incorporates results of the value engineering program that has occurred since completion of the 2014 Technical Report. The following table compares key outcomes of the Q4 2015 Technical Report with those of the 2014 Technical Report:

	Q4 2015 Technical Report	2014 Technical Report
Operating Information:		
Mine life - years	10.0	10.4
Average annual ore tonnes mined/processed - Mtpy	9.7	9.8
Strip ratio (W:O)	2.4	2.8
Average gold grade - g/t	0.78	0.77
Average gold recovery - %	87.2	84.2
Average annual gold recovered - ozs	211,000	205,000
Total gold recovered - ozs	2,113,000	2,130,000
Capital and Operating Costs:		

Pre-production capital - $ millions	$370	$426
Total cash costs (C2) - $/oz	$509	$642
All-in sustaining costs - $/oz	$585	$701
Financial Results ($1,150 gold, unleveraged after-tax):		
NPV_0 - $ million	$577	N/A
NPV_5 - $ million	$338	N/A
Project IRR - %	21.6	N/A
Financial Results ($1,250 gold, unleveraged after-tax):		
NPV_0 - $ million	$718	$534
NPV_5 - $ million	$438	$306
Project IRR - %	25.7	20.2

Economic results for the Q4 2015 Technical Report were based on a gold price of $1,150/oz and a silver price of $16/oz. For purposes of comparing the Q4 2015 Technical Report to the 2014 Technical Report, financial results were based on a gold price of $1,250/oz and a silver price of $20/oz.

Key Design Modifications and Assumptions

Crushing facility - This year's metallurgical testwork, together with all previous testwork and an assessment of the rock quality of the orebody, has led to the crush size being increased to 19 mm from the previous 12.5 mm with no loss in gold recoveries. This has allowed us to eliminate three of five cone crushers from the secondary and tertiary circuits and reduce the number of double deck screens from five to three. The primary gyratory crusher will be replaced by a jaw crusher.

Overland conveyor - The overland conveyor route and design have been modified. The revised route will reduce the length of the conveyor to 5.3 Km, a reduction of approximately 15%. Design modifications will result in a single conveyor on-grade. The previous design contemplated two partially elevated conveyors with a transfer station.

Infrastructure - Infrastructure was relocated to consolidate facility footprints and improve constructability and operability. This included moving the main haul road from the east side to the west side of the ridge line, relocating the truck shop to a lower elevation and adjacent to administrative facilities, eliminating the second sub-station, siting the remaining sub-station in a centralized and accessible location along the conveyor corridor, and moving the ADR plant adjacent to the process pond near the base of the heap leach facility.

Mining - Pre-production mine development was increased to provide early access to sufficient ore faces, and the mining rate was moderated to reflect expectations of start-up operating conditions. This allowed a staged approach to mine fleet additions during the first 24 months of operations. However, total ore mined and delivered to the heap leach facility during the initial three years of operations only declined by 1.5% because of mine plan revisions and the noted design changes to the crushing facility which can now accommodate up to 10.5 Mtpy.

Processing - The recent metallurgical testwork demonstrated that the difference of gold extraction between 12.5 and 19 mm crush sizes for the ore bodies are not statistically significant. Gold extraction at a 19 mm crush size was also consistent with previous testwork, leading to a higher level of confidence. As a result, the overall gold recovery percentage was increased to 87.2% .

Mineral Resource Estimate

The independent mineral resource estimate was prepared by AMC Consultants (UK) Limited ("AMC"). Mineral resources were estimated in conformity with generally accepted CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines and are classified according to the "CIM Standards on Mineral Resources and Reserves: Definition and Guidelines" (November, 2010). The resource estimate stated here is the same mineral resource estimate stated in both the 2014 Technical Report and May 2015 technical report of the Company.

Mineral Resource Statement
AMC Consultants (UK) Limited, 29 August 2014

Classification	Quantity (tonnes 000s)	Gold Grade (g/t)	Silver Grade (g/t)	Contained Gold (Koz)	Contained Silver (Koz)
Measured	77,200	0.78	3.6	1,940	8,810
Indicated	45,100	0.76	3.5	1,100	5,120
Total Measured and Indicated	122,400	0.77	3.5	3,030	13,930
Total Inferred	106,200	0.59	2.6	2,010	8,980

Notes to Mineral Resource Statement:

- The effective date of the mineral resource estimate was August 29, 2014.
- A cut-off grade of 0.20 g/t gold for this Project based on an optimized open-pit shell based on a gold price of US$1,500/oz of gold and assuming an open-pit mining scenario.
- Figures have been rounded to the appropriate level of precision for the reporting of Indicated and Inferred Resources in the upper and lower volcanic units.
- Due to rounding, some columns or rows may not compute exactly as shown.
- Mineral Resources are reported inclusive of Mineral Reserves.
- Mineral Resources in this statement are not Mineral Reserves and do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. Mineral Reserves have been previously reported for this Project using a prior Mineral Resource statement.

Mineral Reserve Estimate

The independent mineral reserve estimate was prepared by Mine Development Associates ("MDA"). MDA classifies reserves in order of increasing confidence into probable and proven categories in accordance with the "CIM Definition Standards - For Mineral Resources and Mineral Reserves" (2014) and therefore NI 43-101.

The mineral reserve estimate is based on the August 29, 2014 AMC mineral resource model. The resource block model was updated in May 2015 by AMC. The measured and indicated resources were evaluated to determine the minable portion by first using pit optimization techniques and then using the optimization templates to design pit phases and a final design. A production schedule was created from the design pit phases, which forms the basis of the economic evaluation for this study.

Mineral Reserve Statement (0.20 g Au/t cutoff)
Mine Development Associates, 23 October 2015

Item	Quantity (tonnes 000s)	Gold Grade (g/t)	Gold Contained (Koz)	Silver Grade (g/t)	Silver Contained (Koz)
Proven Reserves	67,146	0.79	1,703	3.68	7,940
Probable Reserves	29,508	0.76	718	3.53	3,352
Total Proven & Probable Reserves	96,654	0.78	2,422	3.63	11,292
Waste	229,084				

Notes to Mineral Reserve Statement:

- The pit design was based on an optimization shell generated on gold only at a gold price of $912/oz.
- The economic evaluations were based on a gold price of $1150/oz and a silver price of $16.00/oz.
- A diluted gold cut-off grade of 0.20 g/t was used for processing.
- The effective date of this mineral reserve estimate is October 23, 2015.

The Q4 2015 Technical Report mineral reserves declined by 3.7 million tonnes compared to the 2014 Technical Report mineral reserves due, in part, to a biodiversity exclusion zone boundary and the haul road located close to the Erato final pit design. Waste stripping has been reduced by approximately 56 million tonnes, mostly due to variable slope angles per rock type rather than using an average slope angle for the pits.

Pre-Production Capital Costs

Pre-production capital costs total $369.9 million, a $56.2 million reduction from the 2014 Technical Report. This cost estimate addresses engineering, procurement, construction, owner's costs, and startup of the 10.5 Mtpy mine and process facility. The table below summarizes pre-production capital costs.

Pre-Production Capital Costs

	$ Millions
Contracted Direct Costs:	
Infrastructure and facilities	$ 77.4
Earthworks	51.4
Heap leach facility	18.9
Mine pre-production	14.1
Total Contracted Direct Costs:	$ 161.8
Contracted Indirect Costs:	
Construction facilities, power and equipment	$ 16.2
Construction crew support	15.6
Other	0.8
Total Contracted Indirect Costs:	$ 32.5
EP/CM, Vendor Reps, Spare Parts, First Fills:	

EP/CM and vendor representatives	$	30.1
Spare parts and first fills		2.8
Total EP/CM, Vendor Reps, Spare Parts, First Fills:	$	32.9
Owner's Cost:		
Mine fleet	$	48.1
Owner's costs and pre-production capital		45.2
Plant Mobile Equipment		1.7
Total Owner's Cost:	$	95.0
Additional Costs:		
Contingency	$	37.6
Freight & Logistics		8.3
Total Additional Costs:	$	45.9
In-Fill Drilling	$	1.8
Total Preproduction Capital Cost:	$	369.9

Operating Costs

Operating cost estimates were provided by the qualified persons and Company personnel:

Unit Operating Costs		
	$/t ore	$/oz Au
Mining	$ 5.83	$ 267
Processing	2.69	123
General and administrative	1.39	64
Production royalties	1.22	56
Offsite transportation and refining	0.08	4
By-product credit	(0.11)	(5)
Total Cash Costs (C2)	$ 11.10	$ 509
Corporate general and administrative	0.52	24
Sustaining capital, net	0.80	37
Closure and rehabilitation	0.34	15
All-in Sustaining Costs	$ 12.76	$ 585

Total cash costs (C2) of $509/oz of gold sold represents a $133/oz decrease from the results of the 2014 Technical Report. This decrease reflects benefits from a number of factors, including: a decline in diesel costs, weakening of the Armenian dram, reduced loading and haulage costs due to use of larger equipment, reduced energy consumption resulting from redesign of the crushing facility and less solution pumping requirements, lower reagent consumptions, and overall higher gold recovery per tonne of ore mined and processed.

Sensitivity to Gold Price

Reducing operating costs has decreased the project's sensitivity to the gold price as demonstrated in the following table of key after-tax financial parameters.

Gold Price Sensitivity			
	$1,050/oz	$1,150/oz	$1,250/oz
After-tax, unleveraged:			
NPV_0 ($ millions)	$ 437	$ 577	$ 718
NPV_5 ($ millions)	$ 238	$ 338	$ 438
IRR	17.3%	21.6%	25.7%

Amulsar Gold Project Description

The Amulsar Gold Project is located in south-central Armenia roughly 115 Km in a direct line to the southeast of the capital Yerevan or a 170 Km drive by paved road. The Amulsar property comprises mountainous terrain with the prominent feature of an approximately seven Km long northwest-southeast trending ridge. The gold ore deposit is located within three ridge peaks (Erato, Tigranes and Artavasdes) at 2,500 to 2,988 meters above sea level. The heap leach facility will be located in a valley at lower elevations providing nominal top surface elevations ranging from 1,664 to 1,856 meters above sea level.

All major infrastructural needs are readily accessible, including high tension power lines, a gas pipeline, a fiber optic internet cable, on-site sources of water, and regional labor sources. The sealed highway to Yerevan is immediately adjacent to the Amulsar project site. The closest town to the Project is Jermuk, which is situated approximately 11 Km north from the Project's infrastructure. There are also four rural communities in proximity to the Project, including Kechut, Saravan (including Saralanj and Ughedzor), and Gndevaz.

The Company's planned operations contemplate an owner-operated mining fleet delivering run-of-mine ore at a nominal rate of

10.5 Mtpy from the three open pits to the crushing facility. The ore will be reduced in size through a two-stage crushing facility to 100% passing 19 mm. The crushed ore will be transported approximately 5.3 Km via overland conveyor to a crushed ore stockpile. From there, it will be reclaimed by belt feeders underneath the stockpile and transferred by conveyor to a loadout bin. Lime will be added to the ore for pH control and trucks will haul the ore approximately 0.5 Km to the heap leach pad for stacking.

The planned heap leach facility consists of the lined leach pad and collection ponds. The leach pad will be constructed in four phases with a total ore heap stacking capacity of 104 Mt over the 10 year project life. The collection ponds will include the process pond and three storm event ponds. Process solution and storm/snowmelt water will flow from the leach pad and will gravity-drain through a spillway from the pad to the process pond. Spillways will connect the ponds for potential runoff overflows.

Stacked ore on the heap leach pad will be treated by applying leach solution. The design leaching cycle of the ore heap is 60 days. Over 80% of the recoverable gold is expected to be recovered during this leach cycle. Pregnant leach solution will be collected in the process pond and then pumped into the adjacent ADR plant for processing. Filter cake bearing the precipitated gold and silver will then be dried and smelted into doré bars. Doré will be shipped offsite to be refined and sold. Overall gold recovery is expected to be 87.2% .

Technical Information

The scientific and technical information in this news release has been reviewed and approved by Matt Bender, P.E., who is a "qualified person" for the purposes of NI 43-101. A Technical Report prepared in accordance with NI 43-101 will be filed on SEDAR within 45 days. For further information with respect to the key assumptions, parameters, risks, the mineral reserve estimate and other technical information with respect to the Amulsar Gold Project, please refer to the Technical Report when available at www.sedar.com. The following qualified persons, as that term is defined in NI 43-101, have prepared or supervised the preparation of their relevant portions of the technical information in this news release and the related Technical Report:

Qualified Persons	Company
Matt Bender, P.E.	Samuel Engineering
G. David Keller, P. Geo.	AMC Consultants
Neil Prenn, P.E.	Mine Development Associates
Charlie Khoury, P.E.	Samuel Engineering
Larry Breckenridge, P.E.	Global Resource Engineering
Rick Kiel, P.E.	Golder Associates

Conference Call and Webcast Information

Lydian will host a conference call and live webcast on November 19, 2015 (today) at 1:00 p.m. EST to discuss the content of this news release. The call and webcast will be posted on the Company's website for a limited period of time.

Dial-in Information:	
Conference Title:	Lydian International Value Engineering Results
North America toll-free	1-800-895-1085
U.K. toll-free	0 808 101 1183
Global Toll Access:	1-785-424-1055
CONFERENCE ID:	Lydian
SIMULTANEOUS SCREEN SHARE OF PRESENTATION (WEBCAST)	https://www.conferencecalling.com/meeting/49868881

A copy of the presentation will also available one hour prior to the conference call at www.lydianinternational.co.uk.

About Lydian International Limited

Lydian is an emerging gold developer, focused on its 100%-owned Amulsar Gold Project, located in south-central Armenia. The Company's current mine development and construction plan for Amulsar is aimed at achieving average production greater than 200,000 ounces of gold per year and establishing the Company as a high cash-flow producer. The Company is committed to best practices in all aspects of its operations including production, sustainability, and good corporate citizenry. For more information and to directly contact us, please visit www.lydianinternational.co.uk.

For further information please contact

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Caution regarding forward-looking information

Certain information contained in this news release, including any information relating to Amulsar's expected future performance

is "forward looking". All statements in this news release, other than statements of historical fact, that address events, results, outcomes or developments that the Company expects to occur are "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "projects", "potential", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur" or "be achieved" or the negative connotation of such terms. Forward-looking statements in this news release primarily relate to the results of the Amulsar value engineering and optimization study, and include, among others, statements with respect to: the economic and feasibility parameters of the Amulsar Gold Project, the cost and timing of development of the project, expected capital costs, sustaining capital costs, operating costs, production, cash flows, cash costs and all-in sustaining costs; the expected mine life, scale, construction, mining operations and plan, processing methods and rate, lowered use of consumables including diesel, electricity and reagants, grades, recovery rates, total recovery, stripping ratio, average annual ore tonnes minned/processed, production and other attributes of the Amulsar Gold Project; the tonnages and grades of mineral reserves and resources and the estimation of mineral reserves and resources; the timing for submission of the Amulsar environmental impact assessment report and receipt of permits; the timing of development of Amulsar in the future; and the expected pre-tax and after-tax NPV, IRR and payback period associated with the Amulsar Gold Project; key design features of the Company's expected mining operations at the Amulsar Gold Project; the Company's plans with respect to the Newmont royalty and the option to terminate it; and tax planning and allocation of tax attributes.

All forward-looking statements in this news release are based on the opinions and estimates made as of the date such statements and are made and are subject to important risk factors and uncertainties, many of which are beyond the Company's ability to control or predict. Material assumptions regarding forward looking statements are discussed in this news release, where applicable, and will also be discussed in our Technical Report, which will be filed on SEDAR within 45 days of this news release. In addition to, and subject to, such specific assumptions, the forward-looking statements in this new release are subject to the following assumptions: (1) there being no signification disruptions affecting the development and operation of the project; (2) the exchange rate between the Canadian dollar, the Armenian Dram, the British pound and the U.S. dollar being approximately consistent with current levels; (3) the availability of certain consumables and services and the prices for diesel, reagants, natural gas, fuel oil, electricity and other key supplies being approximately consistent with current levels; (4) labor and materials costs increasing on a basis consistent with current expectations; (5) permitting and arrangements with landholders being consistent with current expectations; (6) that all environmental approvals, required permits, licenses and authorizations will be obtained from the relevant governments and other relevant stakeholders within the expected timelines; (7) certain tax rates, including the allocation of certain tax attributes to the project; (8) the availability of financing for the Company's development activities; (9) the timelines for exploration and development activities on the project; (10) assumptions made in mineral resource and reserve estimates, including geological interpretation grade, tonnage, recovery rates, gold price assumption, and operational costs; (11) mine life for the Amulsar Gold Project and total tonnes of ore mined and processed; (12) operations will be conducted via an owner-operated mining fleet; (13) the supply and demand for, deliveries of, and the level and volatility of prices of gold and other precious metals; (14) the ability to procure equipment and operating suppliesin sufficient quantities and on a timely basis; (15) the ability to attract and retain skilled directors, staff, advisors and consultants, and contractors; (16) that the 5% discount rate used to complete the Amulsar value engineering and optimization study is sufficient; (17) the development of the Amulsar project will be viable operationally and economically and proceed as expected; and (18) general business and economic conditions. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Such risks, uncertainties and factors include, without limitation: significant capital requirements and availability of capital resources to fund such requirements; price volatility in the spot and forward markets for commodities; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, Armenia, Great Britain and the United States; discrepancies between actual and estimated production, between actual and estimated reserves and resources and between actual and estimated metallurgical recoveries; changes in national and local government legislation in Armenia; taxation; changes to the Company's mine plan or profitability or to the Company's asset profile that might alter the allocation of tax attributes to Amulsar; controls, regulations and political or economic developments in Jersey, Canada or Armenia; the speculative nature of mineral exploration and development; risks associated with obtaining and maintaining the necessary licenses and permits and complying with permitting requirements, including, without limitation approval of the Armenian Government and receipt of all related permits, authorizations or other rights; the uncertainties inherent to current and future legal challenges the Company is or may become a party to; diminishing quantities or grades of reserves and resources; competition; loss of key employees; adverse general economic, market or business conditions; additional funding requirements;; rising costs of labor, supplies, fuel, electricity and equipment; actual results of current exploration activities; uncertainties inherent to mining economic studies such as the value engineering and optimization study for Amulsar, including the risk that the assumptions underlying the value engineering and optimization study and its economic parameters will not be realized; changes in project parameters as plans continue to be refined; accidents; labor disputes; defective title to mineral claims or property or contests over claims to mineral properties; delays and costs inherent to consulting and accommodating local stakeholders; and uncertainties with respect to obtaining all necessary surface rights, land use rights and other tenure from the Armenian Government and private landowners required for the Amulsar Gold Project. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental events and hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance or inability to obtain insurance to cover these risks) as well as "Risk Factors" included in the disclosure documents filed on and available at www.sedar.com. Forward-looking statements are not guarantees of future performance, and actual results and future events could materially differ from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. All of the forward-looking statements contained in this news release are qualified by these cautionary statements. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.

Cautionary Note concerning estimates of Measured, Indicated and Inferred Mineral Resources

This news release uses terms that comply with reporting standards in Canada and certain estimates are made in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes Canadian standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the requirements of the U.S. Securities and Exchange Commission (“SEC”), and mineral resource information contained herein may not be comparable to similar information disclosed by United States companies. This news release uses the terms “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources” to comply with reporting standards in Canada. We advise United States investors that while such terms are recognized and required by Canadian regulations, the SEC does notrecognize them. United States investors are cautioned not to assume that any part or all of the mineral deposits in such categories will ever be converted into mineral reserves under SEC definitions. These terms have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. Therefore, United States investors are also cautioned not to assume that all or any part of the “measured mineral resources”, “indicated mineral resources” or “inferred mineral resources” exist. In accordance with Canadian rules, estimates of “inferred mineral resources” cannot form the basis of pre-feasibility or other economic studies. It cannot be assumed that all or any part of the “measured mineral resources”, “indicated mineral resources” or “inferred mineral resources” will ever be upgraded to a higher category.

Financial Definitions—Non-GAAP Measures

“Total Cash Costs” figures are non-GAAP measures which are calculated in accordance with a standard developed by The Gold Institute, a worldwide association of suppliers of gold and gold products and included leading gold producers from North America that ceased operations in 2002. Adoption of the standard is voluntary and the cost measures presented may or may not be comparable to other similarly titled measures from other gold companies. Total cash costs for Lydian were calculated and defined to include the addition of mining costs, processing costs, general and administrative costs, off site refining and transportation of bullion costs, the Newmont royalty, and the Armenian mining royalty tax on gross revenues. The sum of these components are reduced by the estimate of by-product credits. This sum is then divided by tonnes of ore or ounces of gold to attain Total Cash Costs on a per tonne ore or per ounce of gold basis. These measures are considered to be key indicators of a company’s ability to generate operating earnings and cash flow from its mining operations. This data is furnished to provide additional information and is a non-GAAP measure specific to the gold mining industry. Total cash costs do not have standardized definitions under GAAP and may not be comparable to other measures. It should not be considered in isolation as a substitute for other measures of performance and it is not necessarily indicative of operating costs presented under GAAP.

“All-in Sustaining Costs” were determined using guidance announced in 2013 from the World Gold Council. Reported values were calculated by Lydian as the sum of the Total Cash Costs, corporate general and administrative costs (estimated to be approximately $5 million per year) and sustaining capital. This sum is then divided by tonnes of ore or ounces of gold to attain All-in Sustaining Costs on a per tonne ore or per ounce of gold basis. This non-GAAP measure provides further transparency into costs associated with producing gold and will assist analysts, investors and other stakeholders of the company in assessing the Amulsar Gold Project expected operating performance, ability to generate free cash flow and its overall value. This data is furnished to provide additional information and is a non-GAAP measure. All-in sustaining costs do not have standardized definitions under GAAP and may not be comparable to other measures. It should not be considered in isolation or as a substitute for other GAAP conforming measures.

Glossary of Abbreviations

$	United States dollars
$/oz	United States dollars per troy ounce
$/t	United States dollars per tonne
/oz	Per troy ounce
Ag	Silver
Au	Gold
C$	Canadian dollars
Company	Lydian International Ltd.
ADR	Adsorption, desorption and recovery
EST	Eastern Standard Time, meaning Coordinated Universal Time minus 5:00 hours
g/t	Grams per tonne
IRR	Internal rate of return
Km	Kilometers
Koz	Thousand ounces
Lydian	Lydian International Ltd.
mm	Millimeters
Mt	Million tonnes
Mtpy	Million tonnes per year
Newmont	Newmont Overseas Exploration Limited
NI 43-101	Canada's National Instrument 43-101 - Standards of Disclosure for Mineral Projects
NPV_0	Net present value, applying a 0% discount factor

NPV_5	Net present value, applying a 5% discount factor
ozs	Troy ounces
W:O	Waste to ore stripping ratio