

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES.

[Lydian International Ltd.](#) (TSX:LYD) ("Lydian" or "the Company") is pleased to announce that it has closed its previously announced public offering (the "Offering") of 115,000,000 subscription receipts ("Subscription Receipts") at a price of C\$0.29 per Subscription Receipt, for total gross proceeds of C\$33,350,000, to a syndicate of underwriters led by Scotiabank. Each Subscription Receipt entitles the holder to receive, upon satisfaction or waiver of all escrow release conditions, one Lydian ordinary share and three-quarters of one ordinary share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will entitle the holder to purchase one ordinary share of Lydian at a price of C\$0.36 for a period of 18 months from their date of issuance. The Subscription Receipts are expected to begin trading today on the TSX under the ticker symbol "LYD.R".

Lydian has also granted the underwriters an over-allotment option to purchase up to an additional 17,250,000 Subscription Receipts, for additional gross proceeds to Lydian of up to C\$5,002,500, to cover over-allotments, if any, and for market stabilization purposes. The over-allotment option is exercisable by the underwriters, in whole or in part, at any time not later than the earlier of (i) the 30<sup>th</sup> day following the date hereof and (ii) the occurrence of a termination event.

As previously disclosed by Lydian, certain of its pre-existing strategic shareholders have pre-emptive rights which may be exercised in respect of the Offering, and also the private placements, for aggregate proceeds of US\$80,000,000, announced by the Company on March 14, 2016.

No securities regulatory authority has either approved or disapproved the contents of this press release. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. Lydian's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

#### 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](http://www.lydianinternational.co.uk).

#### Caution regarding forward-looking information

Certain information contained in this news release 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", "intends", "anticipates" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", or "occur" or the negative connotation of such terms. Forward-looking statements in this news release include, among others, statements with respect to: the listing of the Subscription Receipts on the TSX, the exercise (if any) of pre-emptive rights held by certain of Lydian's pre-existing strategic shareholders, and the exercise (if any) of the over-allotment option.

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. The forward-looking statements in this news release are subject to the following assumptions: the receipt of all required approvals necessary for the completion of the Offering; the satisfaction or waiver of all conditions precedent of the Private Placements; the exchange rate of US\$ to C\$; and the satisfaction or waiver of all escrow release 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: the actual results of marketing activities; changes in gold and silver prices; adverse general economic, market or business conditions; regulatory changes; as well as "Risk Factors" included in the disclosure documents filed on and available at [www.sedar.com](http://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.



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