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[Lydian International Ltd.](#) (TSX:LYD) ("Lydian" or "the Company") is pleased to announce that it has closed its private placements (the "Private Placements") with Orion Mine Finance ("Orion") and Resource Capital Fund VI L.P. ("RCF"), previously announced by the Company on March 14, 2016, for aggregate gross proceeds of US\$80,000,000.

In addition, concurrent with completion of the Private Placements, each of the Company's outstanding subscription receipts was automatically exchanged for 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 will be halted from the Toronto Stock Exchange ("TSX") and de-listed after markets close today. The Warrants are expected to begin trading today on the TSX under the ticker symbol "LYD.WT". An aggregate of 132,250,000 ordinary shares and 99,187,500 Warrants will be issued upon exchange of the subscription receipts. Gross proceeds from the previously announced offering of subscription receipts of C\$38,352,500 were released to the Company today.

Howard Stevenson, Lydian's President and CEO, commented, "With receipt of the amended Mining Right earlier this week and now the funding received with today's events, we are on path to begin construction as planned this summer. We are thankful to our shareholders for their participation and support throughout this process. We are also pleased to have RCF and Orion as significant participants in the financing arrangements for Amulsar and the support of their respective teams. We look forward to their contributions to our success."

An aggregate of 349,066,666 ordinary shares were issued pursuant to the Private Placements at a price of C\$0.30 per share (converted into US dollars at rate of 1.3090 Canadian dollars per US dollar). In addition, pursuant to the credit agreement entered into by the Company with Orion and RCF in connection with the Amulsar project financing, the Company also issued warrants to Orion and RCF to purchase an aggregate of 5,000,000 ordinary shares at a price per share of C\$0.39 for a three year term. Following completion of the Private Placements, Orion, through Orion Co IV (ED) Limited, will hold 109,083,333 ordinary shares and warrants to purchase an additional 4,391,892 ordinary shares (together representing 16.9% of the issued and outstanding ordinary shares on a partially diluted basis) and RCF will hold 243,183,333 ordinary shares and warrants to purchase an additional 608,108 ordinary shares (together representing 36.6% of the issued and outstanding ordinary shares on a partially diluted basis), inclusive of 3,200,000 ordinary shares held by RCF prior to the Private Placements. The 3,200,000 ordinary shares held by RCF represented 1.7% of the issued and outstanding ordinary shares prior to the Private Placements and the exchange of the Company's outstanding subscription receipts.

Early Warning Report Filed for Orion and RCF

Each of Orion and RCF will file an early warning report in connection with completion of the Private Placements.

Orion acquired the ordinary shares under the Private Placement and warrants described above for investment purposes. Orion may from time to time acquire additional securities, dispose of some or all of the existing or additional securities or may continue to hold the securities of the Company. Orion is an exempted company incorporated under the laws of Bermuda. Orion's address is Cannon's Court, 22 Victoria Street, Hamilton, Bermuda HM12. See Orion's early warning report for further information. A copy of the report can be obtained under the Company's profile at www.sedar.com, or by contacting Jeffrey T. Kechejian at 212-596-3474.

RCF acquired the ordinary shares under the Private Placement and warrants described above for investment purposes. RCF may from time to time acquire additional securities, dispose of some or all of the existing or additional securities or may continue to hold the securities of the Company. RCF is a private investment fund existing under the laws of the Cayman Islands. RCF's address is 1400 Sixteenth Street, Suite 200, Denver, CO, 80202. See RCF's early warning report for further information. A copy of the report can be obtained under the Company's profile at www.sedar.com, or by contacting Molly M. Campbell, Chief Compliance Officer at 720-946-3524.

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. Lydian's address is Suite 3, 5/6 Esplanade, St. Helier, Jersey, JE2 3QA. For more information and to directly contact us, please visit 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 and delisting, respectively of the Warrants and Subscription Receipts on the TSX. 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.

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. 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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