

Project Commitments Total \$213 Million, or 58 Percent of Estimated Capital Expenditures

TORONTO, ONTARIO--(Marketwired - June 19, 2017) - [Lydian International Ltd.](#) (TSX:LYD) ("Lydian" or "the Company") announced that construction at the Company's 100%-owned Amulsar Gold Project is proceeding as planned. As of May 31, 2017, project commitments totaled \$213 million.

Infrastructure

Construction power and water are in place, access roads are complete, the construction warehouse has been erected, and detailed design and fabrication of the electrical distribution equipment are in process. Renovations to a local 250-bed hotel used for initial worker accommodations are complete and the 680-bed permanent residence camp is expected to be completed and occupied this summer.

Advancing site earthworks continues to be the priority. Work is complete on both primary site access roads, the Adsorption Desorption Refining ("ADR") plant platform, the construction warehouse platform, and the heap leach facility ("HLF") temporary sediment dam. Earthworks and construction activities have commenced on the platform for the crushing and screening plant and in other areas at higher elevations.

Mine Operations

The design of the mine haul road is complete and the construction contract has been awarded. Caterpillar is ahead of schedule in producing the primary mine mobile equipment, and initial deliveries are expected to commence in late July. The mining fleet for Amulsar will include, among other things, 19 Caterpillar 789D 180-tonne capacity haul trucks, one Caterpillar 994 front-end-loader, and two Caterpillar 6040 hydraulic shovels. A training simulator has been purchased to train equipment operators.

Materials Handling System

Design and fabrication contracts for the crushing and screening plant and the overland conveyor system have been awarded. Fabrication of equipment components is in process, and the first shipment of structural steel for the crushing plant was delivered to site on schedule. Earthworks preparing the crushing and screening plant building platform are in process.

Heap Leach Facility

Design of the HLF is complete and the contract for the earthworks has been awarded. The contractor has mobilized to site and commenced topsoil stripping. The contract for supplying and installing the geomembrane liner for the HLF and associated process ponds has also been awarded.

Processing Plant

The contract has been awarded for design and supply of the ADR plant, and fabrication of equipment is under way. Preparation of the ADR building platform is complete.

Howard Stevenson, President and Chief Executive Officer of Lydian, said, "With 58 percent of the initial capital now committed, the construction of Amulsar remains materially on schedule and budget. We are pleased with the progress of construction to date and look forward to achieving additional significant milestones through the summer. As construction continues to accelerate and employment approaches 1,300 workers later this year, we continue to enhance our safety programs and sustainability management systems to ensure the well-being of our employees, contractors, the environment, and all of our stakeholders."

The Company also announced that the Amulsar Gold Project is advancing its application to secure Pre-Operational Certification under the International Cyanide Management Code with positive assessments by an International Cyanide Management Institute (ICMI) listed third party auditor and a commendation by the ICMI on its commitment to the Cyanide Code and its pursuit of Pre-Operational Certification.

Upcoming Milestones

During 2017, Lydian expects to achieve the following significant milestones:

- Complete major earthworks for the HLF, mine haul road, and barren rock storage facility;

- Complete civils for all components of site infrastructure and equipment;
- Erect buildings for the material handling system and the ADR plant;
- Fabrication and delivery to site of major components of mechanical and electrical equipment;
- Commence installation of mechanical and electrical equipment;
- Fabrication, delivery to site, and assembly of the mine mobile fleet;
- Finalize biodiversity offset boundaries; and
- Hiring and training of staff for mine operations and the processing plant.

About Lydian International Limited

Lydian is a gold developer, focusing on construction at its 100%-owned Amulsar Gold Project, located in south-central Armenia. Amulsar presents an opportunity for a large-scale, low-cost operation with production expected to begin in 2018. Open pit mining and conventional heap leach processing contribute to excellent scale and economic potential. Amulsar will be Armenia's largest gold mine, with estimated mineral resources containing 3.5 million measured and indicated gold ounces and 1.3 million inferred gold ounces. Gold production is targeted to average approximately 225,000 ounces annually over an initial 10-year mine life. Existing mineral resources and open extensions provide opportunities to improve average annual production and extend the life of mine. The Company is committed to good international industry practices in all aspects of its operations including production, sustainability, and corporate social responsibility. For more information and to directly contact us, please visit www.lydianinternational.co.uk.

Cautionary Note 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", "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 include, among others, statements with respect to: the general development of the Amulsar Gold Project (including, but not limited to, infrastructure, mine operations, systems, facilities, plants, equipment and employment); the economic and resource potential of the Amulsar Gold Project; the realization of mineral resource estimates and the timing of development of the Amulsar Gold Project; the current Amulsar Gold Project construction schedule; results of future exploration and drilling; the commitment to and implementation of good international industry practices; the expected gold production from, and life of mine of, the Amulsar Gold Project; and the expected mining methods at the Amulsar Gold Project. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking information to the extent that they involve estimates of the mineralization that will be encountered when the property is developed.

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: 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 in gold and silver prices; adverse general economic, market or business conditions; changes to the Company's mine plan; the speculative nature of mineral exploration and development; diminishing quantities or grades of reserves and resources; and failure to improve average annual production and extend the Amulsar Gold Project mine life through the evaluation of defined inferred resources and from open extensions at depth. 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.

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