

TORONTO, Aug. 09, 2017 (GLOBE NEWSWIRE) -- [Lydian International Ltd.](#) (TSX:LYD) ("Lydian" or "the Company") announced today its results for the three and six months ended June 30, 2017. All dollar amounts referenced in this news release are, unless otherwise indicated, in United States dollars.

## Second Quarter 2017 Highlights

The summer construction season in Armenia is providing opportunity for progress and completion of significant earthworks at Amulsar. As of June 30, 2017, project commitments totaled 72% of estimated total project costs. The ADR platform is now complete, and multiple contractors are working at all elevations. Foundation excavations and concrete work will begin during Q3 2017.

Major engineering and procurement commitments are complete; this supported initial deliveries of structural steel and other key equipment during Q2 2017. Shipments and deliveries of major mining and processing equipment are advancing as planned.

Howard Stevenson, President and Chief Executive Officer of Lydian International, stated, "During the second quarter, we significantly advanced construction at Amulsar and contractor performance continues to accelerate as we advance through summer. Overall project completion is now at 46%, with construction progress estimated at 29%. We received our first advance under our major credit facility and ended the quarter with a strong cash position of \$77 million. Looking ahead, we expect to achieve significant milestones by year-end and our first gold pour by mid-2018."

## Recent Developments

Key developments occurring during Q2 2017 and more recently include:

*Materials Handling System* – Major pieces of equipment for the crushing plant, including the jaw crusher, a secondary cone crusher, rock breaker, pan feeders, and screen liners have all arrived at site. The material handling system includes crushing and screening equipment and the overland conveyor, all supplied by Sandvik. Components have been shipping during Q2 2017 as fabrication is completed. Modular steel structures for the overland conveyor and other structural steel components are arriving on site and will continue throughout Q3 2017. Excavation of the crushing platform is advancing.

*Mine Operations* – Caterpillar remains on schedule in manufacturing the primary mine mobile equipment. The first phase of equipment, consisting of a 6040 hydraulic shovel, one 944 front end loader, five 789D haul trucks and other equipment, was shipped in July 2017. Deliveries to Amulsar and assembly are expected over the balance of Q3 2017.

*Heap Leach Facility* – Major earthworks continue and construction of the HLF has commenced with topsoil stripping, preparation of the sub-base for the geomembrane, and completion of the temporary sediment control dam.

*Processing Plant* – The ADR plant is being fabricated in South Africa by Azmet. Pre-assembled modules have been loaded for shipment later this month. Delivery is expected by late Q3 2017. The concrete foundations contract has been awarded and the concrete batch plant components have arrived at site.

*Infrastructure* – ABB is supplying all major site-wide electrical and control systems. Fabrication of the main substation and distribution grid, integrated automation and process control by optimized solutions, motors and drive systems is advancing in accordance with the manufacturer's planned delivery schedules. Electrical transformers are scheduled for shipment this month, with delivery anticipated during Q4 2017.

*Financing* – On June 30, 2017, Lydian received the first advance of \$25 million under the Term Loan Agreement and amended the agreement to provide for a second advance of \$25 million by August 15, 2017, subject to applicable conditions precedent. The commercial production date was extended by three months to September 30, 2018.

*Sustainability* – Biodiversity programs are successfully advancing as planned to achieve compliance with international standards. *Potentilla porphyrantha* studies demonstrate positive potential for *ex situ* conservation and propagation from seed. Planning activities and assessments are being completed in support of establishing the Jermuk National Park as a biodiversity offset. Lydian is also supporting Armenia's implementation of the Extractive Industries Transparency Initiative with membership on the EITI Multi-Stakeholder Group and participation in several working groups. Preparation of the Company's 2016 Sustainability Report continues, with publication expected Q3 2017.

To view construction photos and videos, please click on the following link:  
<http://www.lydianinternational.co.uk/projects/amulsar/multimedia-gallery>

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 mid-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](http://www.lydianinternational.co.uk).

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#### 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", "will", "would", "should", or "occur" or the negative or other variations of such terms. Forward-looking statements in this news release include, among others, statements with respect to: the realization of mineral resource estimates and the timing of development of the Amulsar Gold Project, including the expected start date of production; the current Amulsar Gold Project construction schedule, including the Company's plan to begin and advance various on-site construction activities; current expectations regarding forthcoming operational objectives and the timing and satisfaction of such objectives; the ability to access funds under current and future financing arrangements and the timing and terms of such funding; 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; the expected mining methods at the Amulsar Gold Project; and the expected cost of operations 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.

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: changes in gold and silver prices; adverse general economic, market or business conditions; failure to achieve the objectives of the future exploration and drilling programs; 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.