



LYDIAN
INTERNATIONAL

Corporate Presentation

June 2016

Cautionary Statements

Certain information contained in this presentation, including any information relating to Amulsar's expected future performance, is "forward looking". All statements in this presentation, other than statements of historical fact, that address events, results, outcomes or developments that the Corporation 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", "targets", "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 presentation relate primarily to the results of the Amulsar value engineering and optimization study entitled the "NI 43-101 Technical Report Amulsar Value Engineering and Optimization Armenia" dated November 20, 2015 and prepared by Samuel Engineering, Inc., and include, among others, statements with respect to: the economic and feasibility parameters of Amulsar; the nature, cost and timing of development of the Amulsar project; expected capital costs, sustaining capital costs, production, cash costs and all-in sustaining costs; the expected mine life, scale, mining methods and plan, processing methods and rates, grades, recovery rates, stripping ratio, production and other attributes of Amulsar; the tonnages and grades of mineral reserves and resources and the estimation of mineral reserves and resources; the timing for receipt of permits and approvals; and the expected pre-tax and after-tax NPV, IRR and payback period associated with Amulsar; and tax planning and treatment of tax attributes.

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; fluctuations in international currency markets; price volatility in the spot and forward markets for commodities; tax rates or royalties being greater than assumed; 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; changes to the Corporation's mine plan or profitability or to the Corporation's asset profile that might alter the allocation of tax attributes to the Amulsar project; 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; and uncertainties inherent to mining economic studies such as the Amulsar value engineering and optimization study, including the risk that the assumptions underlying such study and its economic parameters will not be realized. Additional risk factors are discussed under "Risk Factors" in the Corporation's most recently filed Annual Information Form and also see "Risk Factors" in the Corporation's most recently filed Annual Management's Discussion and Analysis. Although the forward-looking statements contained in this presentation are based upon what management believes to be reasonable assumptions, these risks, uncertainties, assumptions and other factors could cause actual results, performance and achievements to differ materially from the expectations, future results, performances or achievements expressed or implied by the forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Corporation does not undertake any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities laws.

Information concerning estimates of minerals reserves and resources

This presentation uses terms that comply with reporting standards in Canada and certain estimates are made in accordance with National Instrument 43-101 – Standard of Disclosure for Mineral Projects, which 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 U.S. companies. This presentation uses the terms "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" to comply with reporting standards in Canada. We advise U.S. investors that while such terms are recognized and required by Canadian regulations, the SEC does not recognize them. U.S. 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, U.S. 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.

Where we say "we", "us", "our", the "Corporation", or "Lydian" in this presentation, we mean Lydian International Limited and/or one or more or all of its subsidiaries, as may be applicable.

Achievements

Completed value engineering resulting in a \$56M CAPEX reduction and 17% decrease in AISC

- Key to supporting project financing package
-

Secured \$325 million project financing

- \$185 million senior secured debt
 - \$80 million equity at premium
 - \$60 million capped stream
-

Strengthened the balance sheet with equity offerings and stream deposit

- Q1 15 public equity: C\$ 17.9 million
 - Q4 15 stream: US\$ 25.0 million
 - Q2 16 public equity: US\$ 29.5 million
 - Q2 16 private equity: US\$ 80.0 million
-

Updated project authorizations to align with the optimized Amulsar plan

- Q2 16: Re-approval by Armenia of EIA, Tech Safety Program & Mining Right
Published amended ESIA for international best practices
-

Path to Construction

Began pre-construction activities gearing toward full-scale construction start:

- Land
- Engineering
- Construction management systems
- Early works
- Government relations
- Sustainability
- Equipment financing
- Infill drilling

Compelling Asset; Ready to Build

Amulsar Project

Large Scale Deposit

Measured + Indicated Resources
Inferred Resources

3.0 M gold ozs (122 Mt @ 0.77gpt)
2.0 M gold ozs (106 Mt @ 0.59gpt)

Low Cost, High Gold Recovery, and Low Strip Ratio

Conventional open pit mining and heap leach processing

Total cash costs (C2)

\$509 / gold oz

All-in sustaining costs

\$585 / gold oz

Upside Potential

26 Mt of inferred in pits

Further inferred adjacent to pits

Potential extensions at depth

Financed to Proceed

Pre-construction activities underway; ramp up to full-scale construction activities this year

Mining Right in Hand



Large Scale Oxide Deposit

Amulsar Gold Project

	Tonnes (M)	Au Grade (g/t)	Ag Grade (g/t)	Contained Au (Moz)	Contained Ag (Moz)
Mineral Resources					
Measured + Indicated	122.4	0.77	3.5	3.0	13.9
Inferred	106.2	0.59	2.6	2.0	9.0
Mineral Reserves					
Proven + Probable	96.7	0.78	3.6	2.4	11.3

Notes to Mineral Resources:

1. The effective date of the Mineral Resource Statement is 29 August 2014.
2. 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 \$1,500 per ounce of gold and assuming an open-pit mining scenario.
3. 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.
4. Due to rounding, some columns or rows may not compute exactly as shown.
5. Mineral Reserves are reported inclusive of Mineral Resources.
6. 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.

Notes to Mineral Reserves:

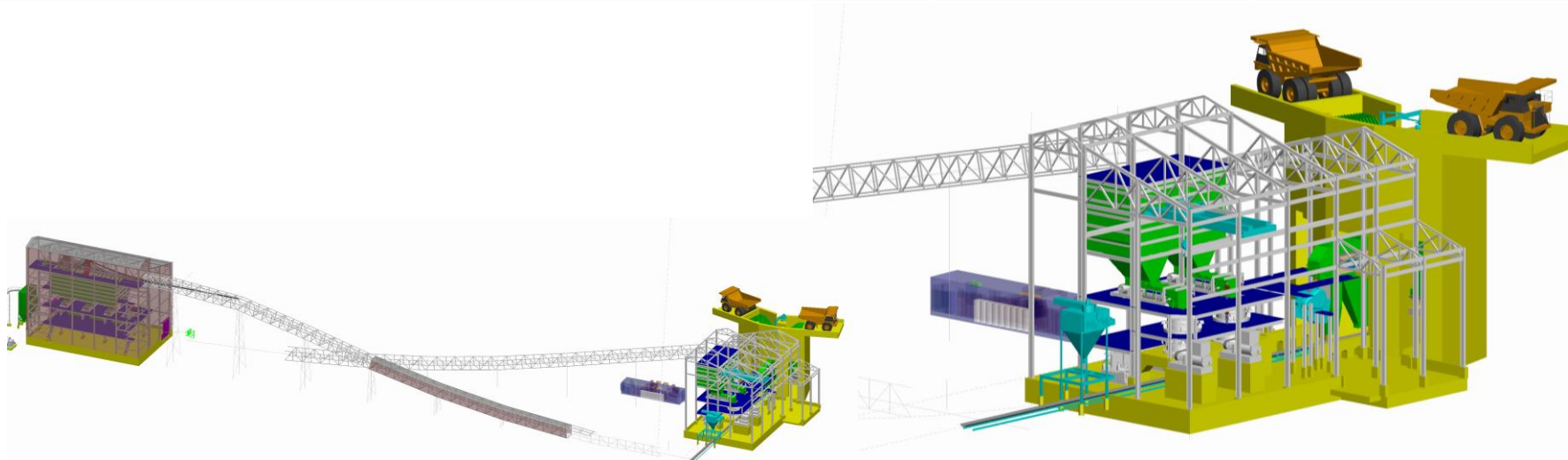
1. The pit design was based on an optimization shell generated on gold only at a gold price of \$912/oz.
2. The economic evaluations were based on a gold price of \$1,150/oz and a silver price of \$16.00/oz.
3. A diluted gold cut-off grade of 0.20 g/t was used for processing.
4. The effective date of this Mineral Reserve estimate is October 23, 2015.

Large Scale, Low-Cost, and Open Upside

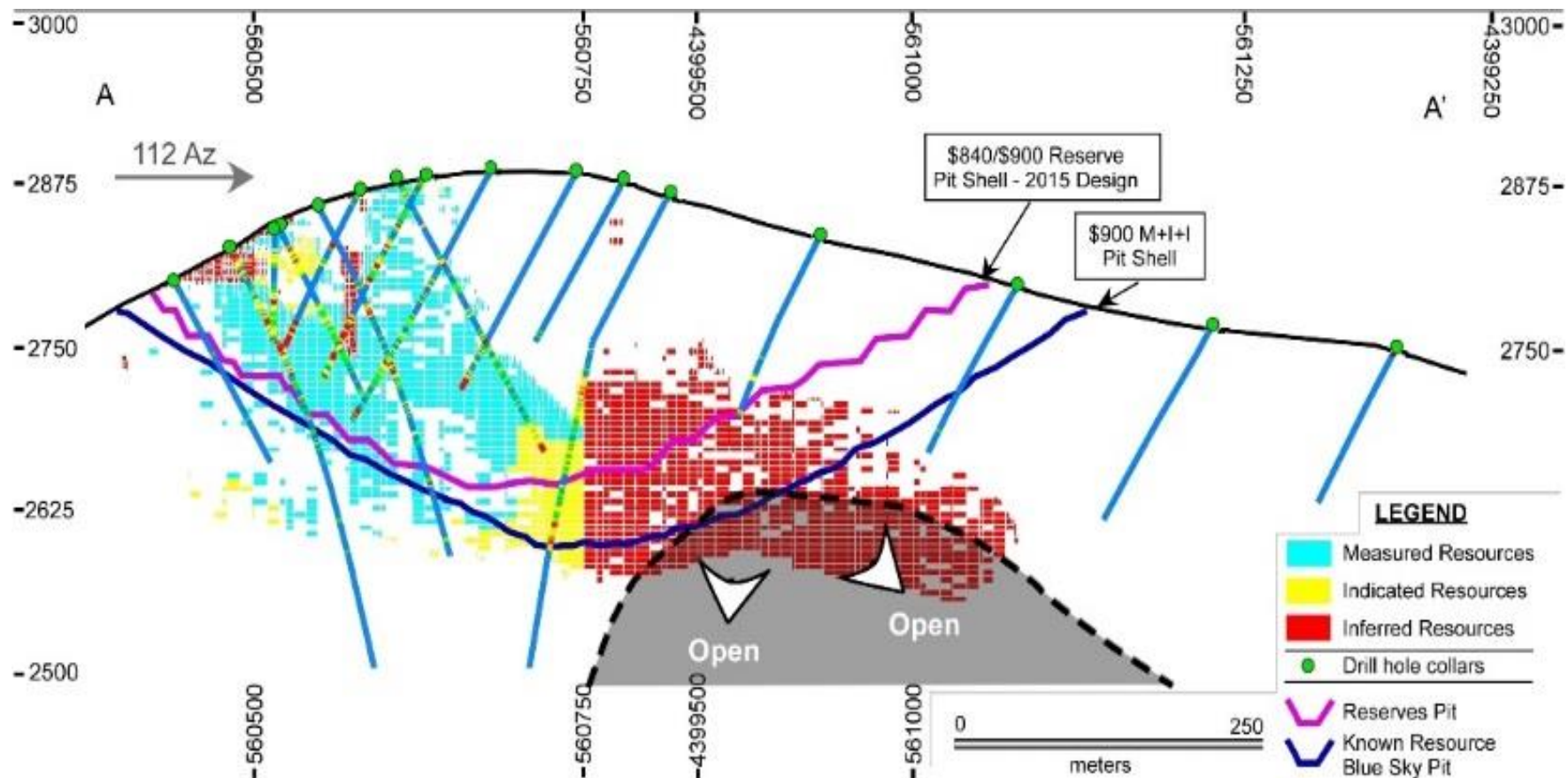
Large Scale – Drawn from Current Reserves Only	
Total gold recovered (initial 10-year life) – ozs	2,113,000
Average annual gold production – ozs	211,000
Low-Cost – Grade, Oxide Ore, Topography Key Drivers	
Average gold grade – gpt	0.78
Average gold recovery – %	87.2
Strip ratio – w:o	2.4
Total cash costs (World Gold Counsel C2) – \$/oz	\$509
All-in sustaining costs – \$/oz	\$585
Open Upside – Multiple Targets	
Inferred resources (106 Mt @ 0.59) – ozs	2,000,000
Portion of inferred resources in pits (near-term target) – tonnes	26,000,000
Adjacent inferred resources & open extension potential	Cross section

Robust Economics

Financial Results – Unleveraged After Tax	\$1,150 Gold	\$1,250 Gold
NPV – 0% discount	\$577,000,000	\$718,000,000
NPV – 5% discount	\$338,000,000	\$438,000,000
IRR – %	21.6	25.7



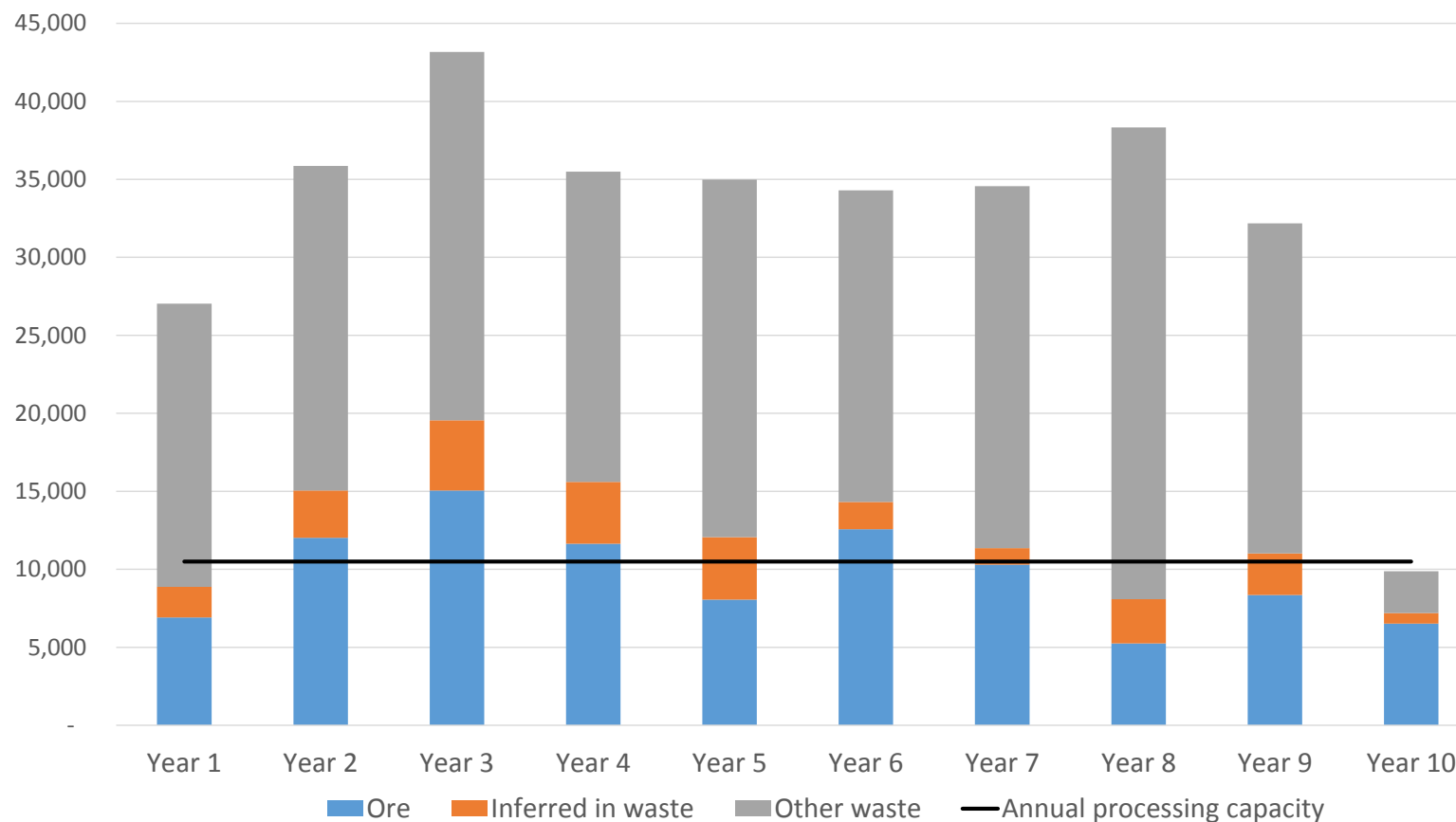
Sizable Upside within Reserve Pits



Upside Potential

26 Mt In-Pit Inferred Resources

In-Pit Inferred Resources



Secured Construction Financing

Multi-Tranche Financing Minimizes Equity Dilution

Minimum Amounts (\$ million)	Summary Description ¹
\$160 Term Loan ²	<ul style="list-style-type: none"> LIBOR + 6.5% maturing September 30, 2021 Interest and principal holiday until June 30, 2018
\$25 COF ²	<ul style="list-style-type: none"> LIBOR + 9.50% maturing September 30, 2020 Interest and principal holiday until June 30, 2018
\$60 Stream	<ul style="list-style-type: none"> 6.75% of 2.1Moz gold and 100% of 0.7Moz silver stream (based on current reserves only) Repurchase options to reduce stream to: <ul style="list-style-type: none"> 3.375% gold and 50% silver <ul style="list-style-type: none"> \$55 million two years after commercial production, or \$50 million three years after commercial production
\$105 Equity	<ul style="list-style-type: none"> \$29.5 million public equity offering of subscription receipts Private placements totaling \$80 million
\$70 Equipment Finance	<ul style="list-style-type: none"> To be arranged through equipment manufacturers and local lending sources³
Offtake	<ul style="list-style-type: none"> 100% of gold production up to 2.1M ounces, excluding ounces under the stream 6-Day quotational period, subject to potential reduction
\$420 Total	

1. This table provides a summary of certain of the material terms and conditions of the definitive agreements for the various components of the Financing Transactions. This summary is qualified in its entirety by the provisions of the respective definitive agreements which have been filed under the company's profile on www.sedar.com.
2. Subject to a 1% LIBOR floor.
3. Up to \$80M under financing structure.

Supportive Mining Jurisdiction

Alignment with national interests

Reduce ongoing high unemployment

Reverse trend of declining FDI

Local community support

Well attended and constructive participation in public hearings

Cooperative on reaching community land use agreements

Broad support among vast majority of landowners

IFC & EBRD support through investments and presence

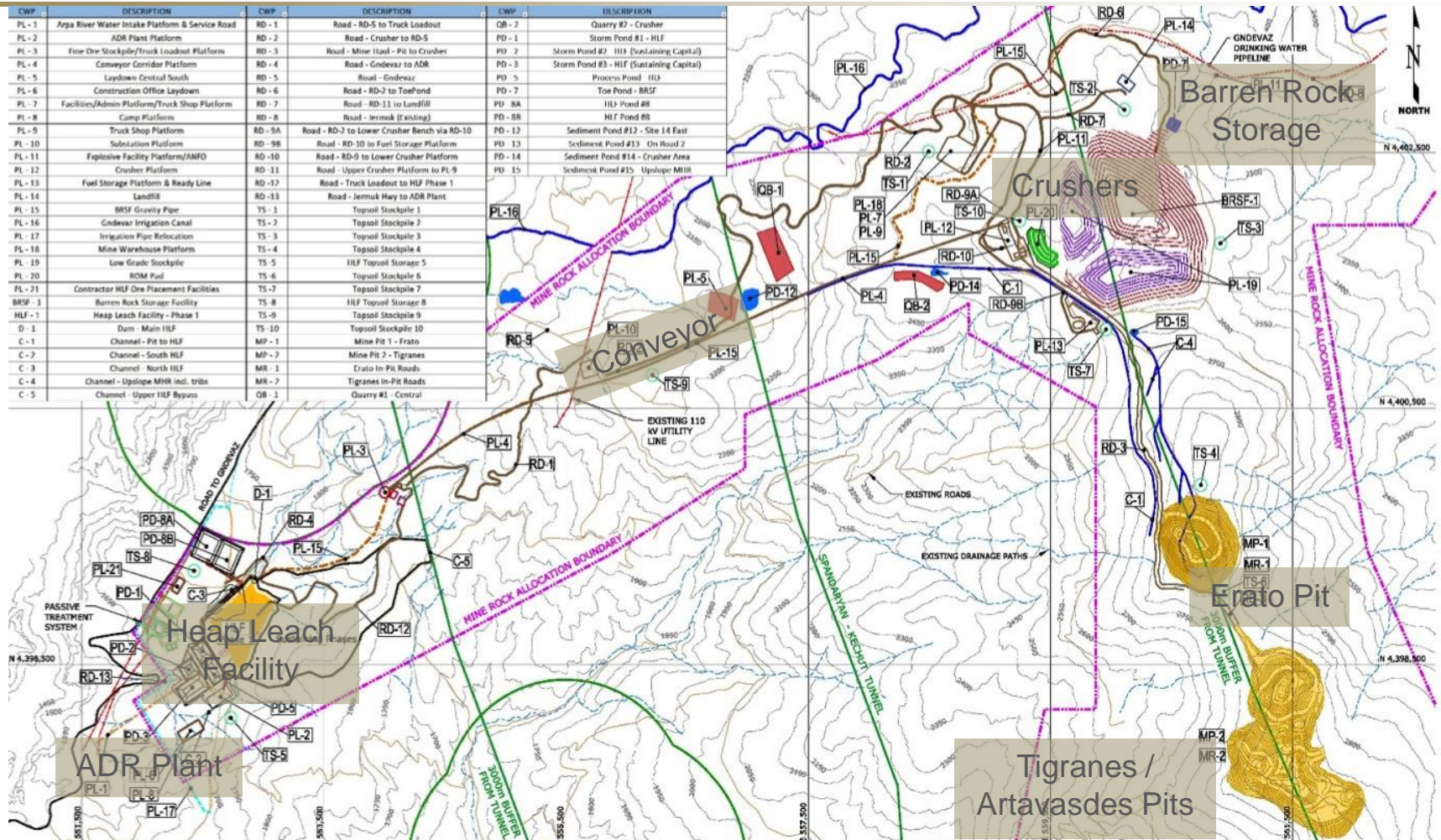
Lower construction cost inputs

Labor/services/equipment – benefiting from strong USD and competition

Major Equipment and Fleet – steel price & competition

Under-utilized contractors – More “A” team availability

Optimized General Arrangement









Near and Mid-term Catalysts

Focus on Construction



Comparable Development Stage Companies

Targeting to Re-rate Through Construction

						
Market Capitalization CAD\$	\$256	\$302	\$2,282	\$624	\$488	\$1,600
P/NAV	0.36x	0.82x	0.95x	0.50x	0.67x	0.80x
Asset Name	Amulsar	Volta Grande	Brucejack	Hardrock	Yaramoko	Morelos
Asset Location	Armenia	Brazil	British Columbia	Ontario	Burkina Faso	Mexico
Expected Startup	2018	2018	2017	2020	2016	2017
Average Production	211 koz Au	260 koz Au	404 koz Au 1,535 koz Ag	253 koz Au	100 koz Au	369 koz Au
AISC	US\$585/oz Au	US\$779/oz Au	na	US\$450/oz Au	US\$590/oz Au	US\$637/oz Au
Mine Life	10	17	18	8	7.5	10
Capex	US\$370M	US\$285M	US\$747M	US\$410M	US\$190M	US\$800M
Funding	Funded	Unfunded	Funded	Unfunded	Funded	Funded

Source: Company Filings
 Prepared by: Scotiabank
 Note: Priced as of June 21, 2016

Board of Directors

Development-Oriented; Independent, Diverse Experience

Gordon Wylie (Chair)

Non-Executive Director
32 yrs mining experience
AngloGold-Ashanti Global
Exploration Manager

Howard Stevenson

President, CEO & Director
25 yrs global mining experience
Alacer Gold President & COO
Meridian & Gold Fields

Tim Read

Non-Executive Director
40 yrs banking & mining exec
MD/Co-head Mining & Mineral
At Merrill Lynch; Adastra CEO

Bill Abel

Non-Executive Director
40 yrs professional mining engineer
global assurance, mining and
project management experience

Steve Altmann

Non-Executive Director
MD at Morrison Park
Desjardins Head of Mining
Banking and corporate
experience

John Stubbs


Non-Executive Director
40 years professional mining experience
McKinsey & Co.
BHP Billiton

Josh Parrill

Non-Executive Director
Resource Capital Fund VI L.P
Le Farge North America

Lydian International

Corporate Summary

<p>Symbols</p> <p>Ordinary Shares</p> <p>Publicly-trading Warrants</p>	 <p>LYD LYD.WT</p>
<p>Share Capital</p> <p>Ordinary Shares</p> <p>Publicly-trading Warrants</p> <p>Private Warrants</p>	<p>666 million</p> <p>99 million</p> <p>5 million</p>
<p>Market Capitalization</p>	<p>C\$256 million</p>
<p>Cash on-hand, sourced from</p> <p>On-hand</p> <p>Public Offering proceeds funded May 26</p> <p>Private Placements proceeds funded May 26</p>	<p>\$125 million</p>
<p>Leveraged Financing</p> <p>Debt (arranged, draws subject to normal conditions)</p> <p>Cost Overrun Facility</p> <p>Stream (1st deposit advanced)</p> <p>Stream (2nd deposit pending)</p>	<p>\$160 million</p> <p>\$25 million</p> <p>\$25 million</p> <p>\$35 million</p>
<p>Private Royalty</p>	<p>3% NSR, Capped at \$20 million</p>

The Value Proposition

2016/2017 Transformational Years

Path forward for construction to becoming a mid-tier gold producer

Financed to execute on the construction strategy

Strong government and community support

Low all-in sustaining costs

Robust mining project with upside potential



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