

Amulsar Gold Project

Mining Right Approved

Engineering for Value Enhancements

High Cash Flow, Sustainable Development Opportunity

Corporate Presentation

September 2015



LYDIAN
INTERNATIONAL

Lydianinternational.co.uk | TSX:LYD

Cautionary Statements

Forward Looking Statements & Nature of Mineral Reserves/Resources

Forward Looking Statements

Certain information contained in this document, including any information relating to Amulsar's expected future performance is "forward looking". All statements, 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", "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 relate primarily to the results of the updated feasibility study entitled the "2015 Amulsar NI 43-101 Feasibility Study" dated May 16, 2015 and prepared by SGS E&S Engineering Solutions 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 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 estimation of mineral reserves and resources; the timing for receipt of permits; and the expected pre-tax and after-tax NPV, IRR and payback period associated with Amulsar as well as the Corporation's plans with respect to the Newmont royalty and the option to terminate it, tax planning and allocation of tax attributes. Refer to the new release dated September 11, 2014 for the complete text of this cautionary statement. 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.

Information concerning estimates of minerals reserves and resources

This document uses terms that comply with reporting standards in Canada and certain estimates are made in accordance with Canadian NI 43-101. 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 news release 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. Refer to the new release dated September 11, 2014 for the complete text of this cautionary statement.

Lydian's Amulsar Gold Project

Project Overview

Technical Report - May 2015 Haul Road Gradient Improvement

Scale	Confirmed recoverable gold of 2.1 million ounces Maintained 10 year mine life Upside potential: inferred ozs & extensions
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Operations	10 million tonnes per annum 0.97 gpt initially, 0.78 gpt life of mine 84% gold recoveries Reduced strip ratio from 2.8:1 to 2.6:1
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Model Results ¹	Reduced initial capital costs to \$420 million Reduced AISC \$38 per ounce to \$664 Maintained accelerated after-tax cash flows After-tax unleveraged IRR of 21.7% NPV _{5%} of \$347 million
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Value Optimization 2015 On-Going

Lydian International is an emerging gold developer. Its **100% owned Amulsar Gold Project** will be Armenia's largest gold mine, with total estimated mineral resources containing **5 million ounces²**, and targeted production at **200,000 ounces annually**.

The **Mining Right was approved** for Amulsar in late 2014, allowing Lydian to proceed with development.

Amulsar is a compelling opportunity for a **large scale, low cost operation** utilizing open pit mining and **conventional heap leach** processing.

¹ Gold at \$1,250

² See details on slide 4

Amulsar Gold Project

Large Scale Oxide Deposit

	Tonnes (Millions)	Gold Grade (g/t)	Silver Grade (g/t)	Contained Gold (Millions)	Contained Silver (Millions)
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	100.4	0.78	3.7	2.5	11.8



Republic of Armenia

Overview

Borders: Azerbaijan, Turkey, Georgia, Iran

Country Size: 30,000 sq km

Capital: Yerevan, population of 1.2 million

Government:

President: Serj Sargsyan (elected in 2013, second term)

Prime Minister: Hovik Abrahamyan

Population: 3 million

Languages: Armenian 97.7%, Yazidi 1%,
Russian 0.9%, and other 0.4%

Literacy: Total population: 99.4%
(M: 99.7% / F: 99.2%)

Exports: 50% of Armenian exports by
value are Minerals



Amulsar's Path to Value

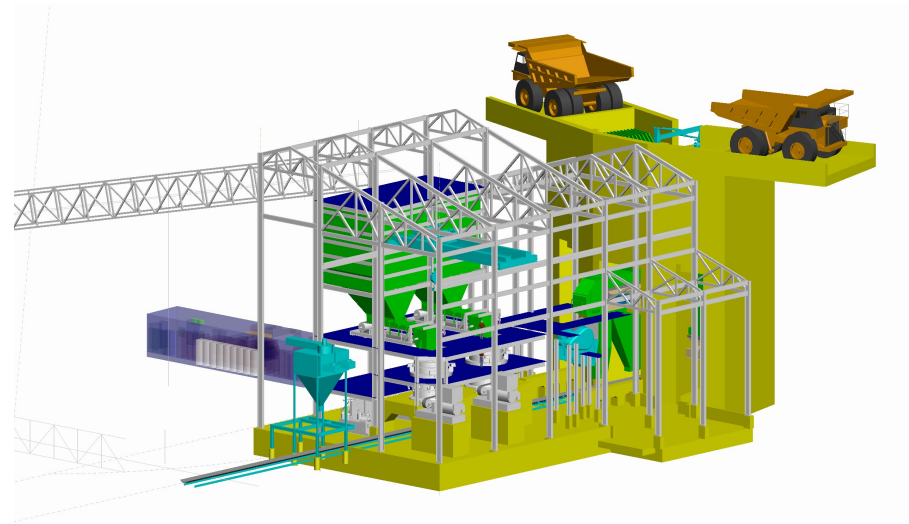
Position Amulsar for Construction or Strategic Alternatives

Area	Complete	In Progress
Value Optimization	Mining: Haul Road Gradient	Mine plan and haul routes Crushing plant re-design for 19 mm crush Conveying route HLF/Processing consolidation Site layout
Land Acquisition	Phase 1 & 2 (HLF Area): 98% offers signed, with 95% titles transferred	Phase 1 & 2 (HLF Area): Complete open files Phase 3 (Conveyor corridor) Rent or buy
Environmental and Social	ESIA published Public consultations Potentilla translocation agreement	Baseline studies Stakeholder engagement Translocation of potentilla (1,500)
Financing	Bought Deal C\$ 16.5M IFC Participation C\$ 1.4M	Project financing package
Upside Potential		Conceptual design for HLF expansion Evaluate resource conversion potential Outline resource extension potential

Value Engineering

Improving Economics, Constructability, Operability and Sustainability

Area	2015 Technical Report Assumptions	Value Engineering Results	Financial Implication	
			Initial CapEx	OpEx
Mining	6.5% maximum road gradient	10% maximum road gradient, updated fuel price	\$3M ↓	\$83M ↓
		Shorter haul distances	↓	↓
		Further reducing stripping ratio	↓	↓
		Reduced mine fleet		↓
		Accelerating ounces mined		
Crushing	Crush size - 12.5mm	Crush size - 19mm, based on favorable metallurgical test results		
	Rock quality: not considered	Rock quality: majority is highly fractured		
	Primary crusher - gyratory	Primary crusher - jaw	↓	↓
	5 cone crushers in secondary and tertiary circuit	2 cone crushers in secondary, no tertiary circuit	↓	↓
	5 double deck screens	3 double deck screens	↓	↓
		Reduced footprint	↓	



Value Engineering

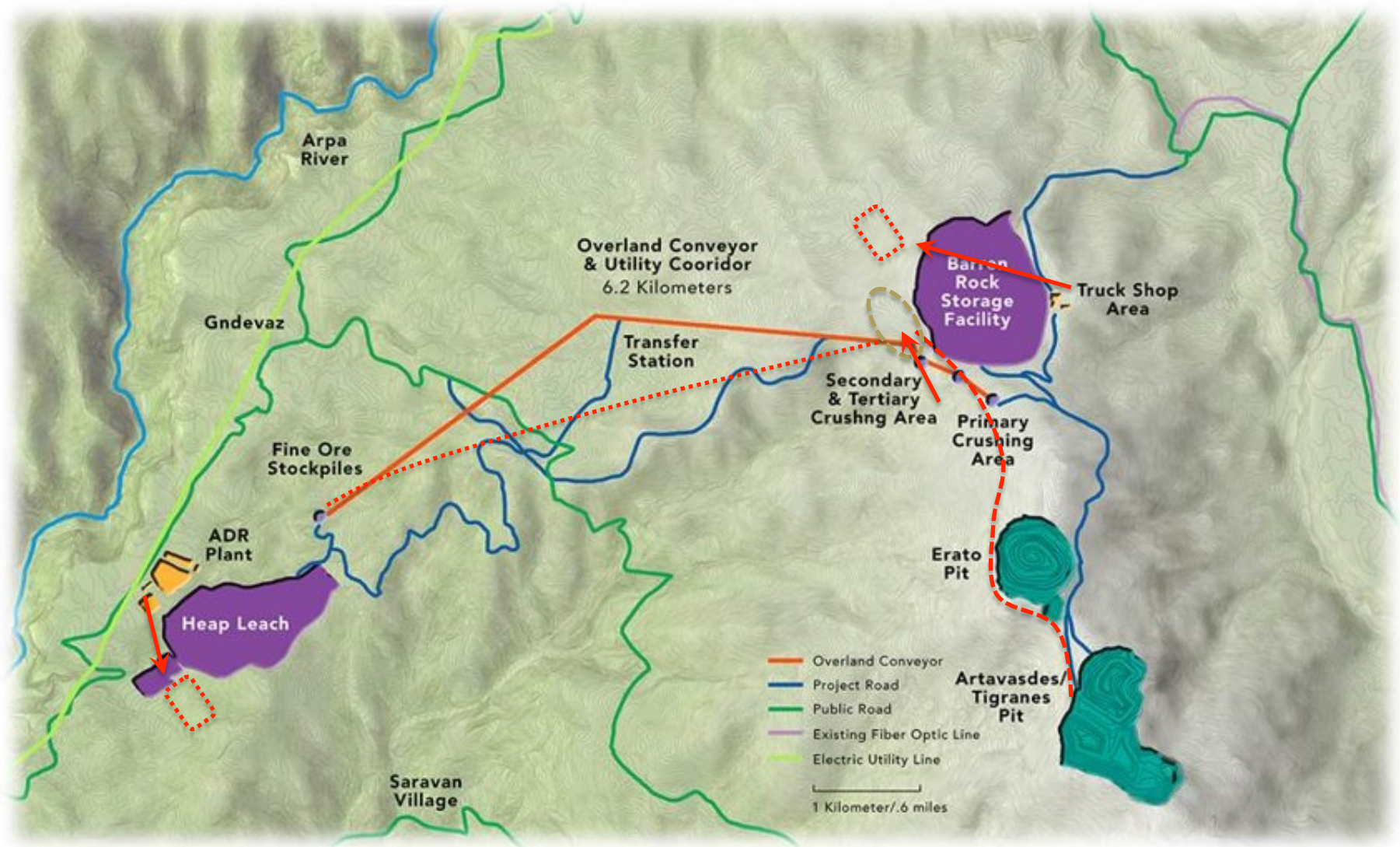
Improving Economics, Constructability, Operability and Sustainability

Area	2015 Technical Report Assumptions	Value Engineering Results	Financial Implication	
			Initial CapEx	OpEx
Conveying	Elevated, two conveyors with transfer station	Single conveyor on grade, up to 15% shorter	↓	↓
HLF/Processing	3 Construction Phases	4 Construction Phases	↓	
		Pad designed to accommodate expansion		
		Reduced power & reagent consumption		↓
	Two carbon columns ADR plant above ponds, adjacent to highway Electrowinning	Reduced solution flow rates	↓	↓
		Single carbon column with expansion capability	↓	
		ADR plant adjacent to ponds	↓	↓
Overall Site Layout		Merrill-Crowe	↓	
		Improved surface water management	↓	
		Combined facilities	↓	↓
		Reduced Earthworks (volumes)	↓	
		Increased Earthworks (rates)	↑	
	One main substation, five area substations	One main substation, four area substations	↓	



Amulsar Gold Project

General Arrangement Changes



Land Acquisition

Key De-Risking Activity

- Required following relocation of HLF from Site 14
 - Phases 1 & 2: HLF valley area
 - Phase 3: Conveyor corridor
 - Status – Phases 1 & 2:
 - Started February 2015
 - 95% of titles transferred
 - Continuing negotiations and admin process on open cases; initiating expropriation planning (if needed)
 - Status – Phase 3
 - Final conveyor design to determine land requirements
 - Land rentals possible, with land returned upon completion of Amulsar operations
-

Environmental & Social Management

Pre-Construction Requirements

- **ESIA Publication – Performance Standard Requirement**
 - Publish before construction commences (May 2015)
 - Hold public consultations (Summer 2015)
 - **Baseline Study – Brown Bear (Spring – Fall 2015)**
 - Bear Survey – extensive regional photos and DNA samples collected
 - Positive indications substantial habitat exists outside Amulsar project area
 - **Potentilla porphyrantha**
 - Translocation agreement signed by Armenia (August 2015)
 - Greenhouse and rockeries construction (Summer 2015)
 - Seed collection and translocation from initial mining area (Fall 2015)
 - **Community Programs and Stakeholder Engagement Continuing**
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Project Financing

Leverage Return, Manage Dilution

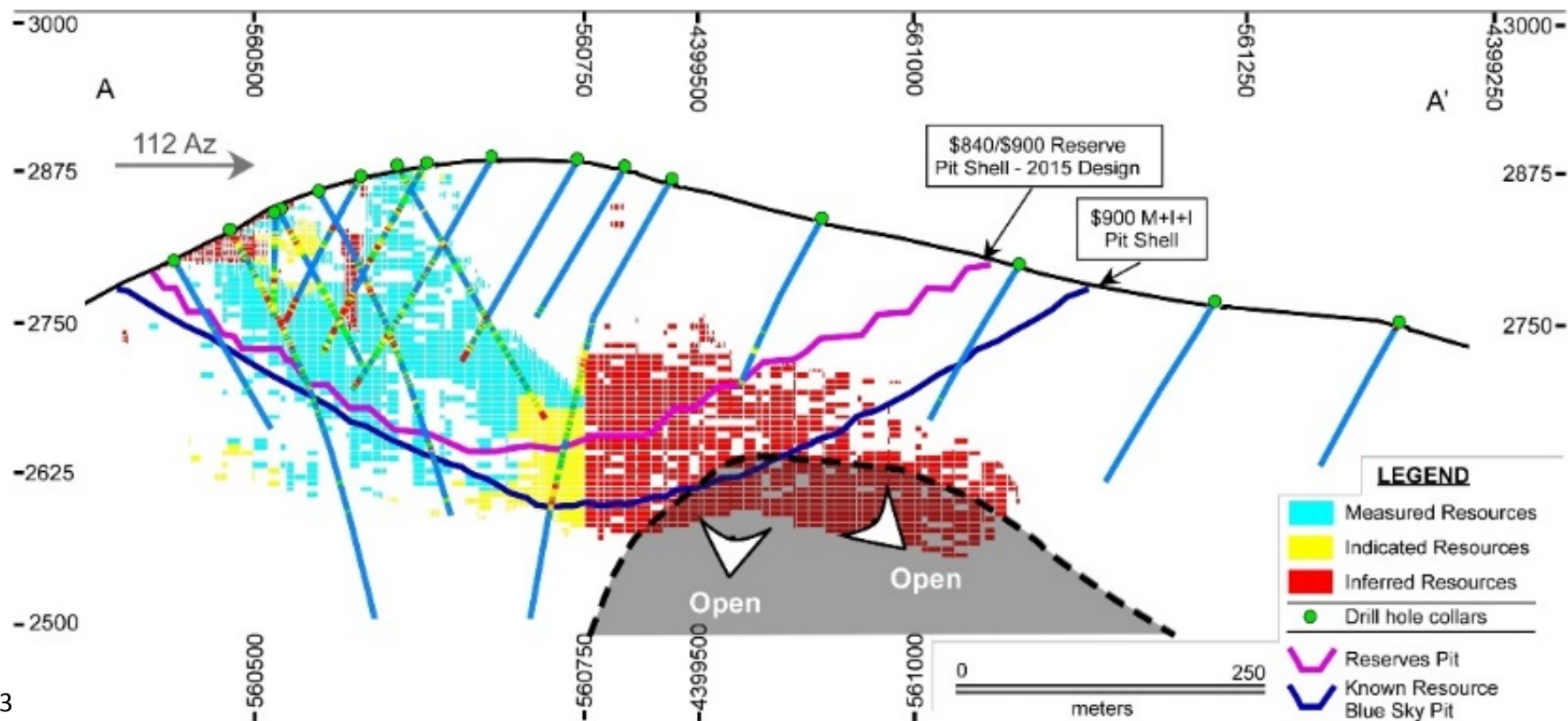
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- Key Considerations
 - Value engineering critical to reducing overall financing requirement
 - Maximizing early cash flows supports greater debt capacity
 - Minimize hedging and loss of upside potential
 - Challenges
 - Declining gold price diminishes debt capacity
 - Share price exposes shareholders to dilution risk
 - Diminishing access to capital
 - Response
 - Non-commercial bank alternatives
 - Private equity
 - Streams
 - Leasing
 - Seek large lead order participation for equity
-

Upside Potential

Sizable Upside Within & Near Reserves Pits

Resource Conversion	Tonnes (Millions)	Grade (g/t)	Contained Ounces
In pits - Inferred	30.1	0.57	555,000
Below pits - All categories	58.7	0.69	1,302,000

Strong conversion history
Known model limiters





Thank you
Q&A



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Appendix



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Corporate Summary

Strong Positioning

Symbol	TSX:LYD
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Share Capital	Shares Outstanding	184.6 million
At 30-Jun-15	Stock Options	7.2 million
	Fully Diluted Shares	191.8 million

Market Cap	At C\$0.30	C\$55.4 million
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Cash	At 30-Jun-15	\$13.4 million
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Financing	Debt: 30-Jun-15	Nil
	Off Balance Sheet	3% Royalty
		Capped: \$20 million



Corporate Summary

Research Coverage & Top Shareholders

Research Coverage

Bank of Montreal, Andrew Breichmanas
GMP Securities, Oliver Turner
Haywood Securities, Tara Hassan
National Bank, Shane Nagle
RBC Capital Markets, Jonathan Guy
Scotiabank, Trevor Turnbull

Top Shareholders

International Finance Corporation
Sprott
Franklin
European Bank for Reconstruction/Dev
RBC Global Asset Management
Van Eck Gold Fund
RBC Global Asset Management
Invesco
Global X Gold Explorers
Fidelity
D&O - 17.8 m shares, approx. 1%



Board of Directors – Realigned in 2014

Development-Oriented; Independent, Diverse Experience

Gordon Wylie (Chair) Member since 2009	<i>Non-Executive Director</i> 32 yrs mining experience AngloGold-Ashanti Global Exploration Manager	Howard Stevenson Member since 2014	<i>President, CEO & Director</i> 25 yrs global mining experience Alacer Gold President & COO Meridian & Gold Fields
Tim Read Member since 2014	<i>Non-Executive Director</i> 40 yrs banking & mining exec MD/Co-head Mining & Minerals at Merrill Lynch; Adastra CEO	Bill Abel Member since 2013	<i>Non-Executive Director</i> 40 yrs professional mining eng. Global assurance, mining and project mgmt experience
Steve Altmann Member since 2014	<i>Non-Executive Director</i> MD at Morrison Park Desjardins Head of Mining Banking and corporate exper.	Vahan Kololian Member since 2014	<i>Non-Executive Director</i> Founder TerraNova Co-founder Polar Capital Other mining/industrials boards



Management Team

Leadership Experience for Development

Doug Tobler

Since 2014

Chief Financial Officer

33 yrs finance, accounting and mining experience
Alacer Gold CFO
PwC, Equity & debt markets

Didier Fohlen

Since 2012

Executive Vice President

31 yrs mining & minerals experience
15 yrs World Bank Group
BRGM & Areva Mines

John Naisbitt

Since 2014

Amulsar Project Lead

35+ yrs int'l project development
Project leadership -
AngloGold-Ashanti, Lumina
Copper, Gold Fields & others

Dr. Hayk Aloyan

Since 2006

MD, Geoteam (Armenia)

17 yrs mineral exploration
Armenian metallogenesis and resource specialist
Local leadership & expertise



Armenia and Mining

Priority for Foreign Direct Investment

- Amulsar will be the largest gold mine in Armenia, up to 1,200 jobs during construction and 650 during operations
 - Mining in Armenia:
 - US\$320 million invested in exploration and development of the Teghout copper and molybdenum deposit by Vallex Group through 2014
 - Cronimet Mining AG owns Kajaran Cu & Mo mine (operational since 1951) and Zangezur Copper Molybdenum Combine
 - Dundee Precious Metals producing Au and Cu Kapan mine in southern Armenia
 - Global Gold Corp.'s Toukhmanuk is operating since 2009 with two additional Au & Ag properties at advanced exploration phases
 - Other exploration companies active in Armenia: Caldera Minerals Resources (Lichjvaz-Tey Gold project and Marjan Gold-Silver project), Anglo African Minerals (Azatek Gold project)
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Amulsar Gold Project

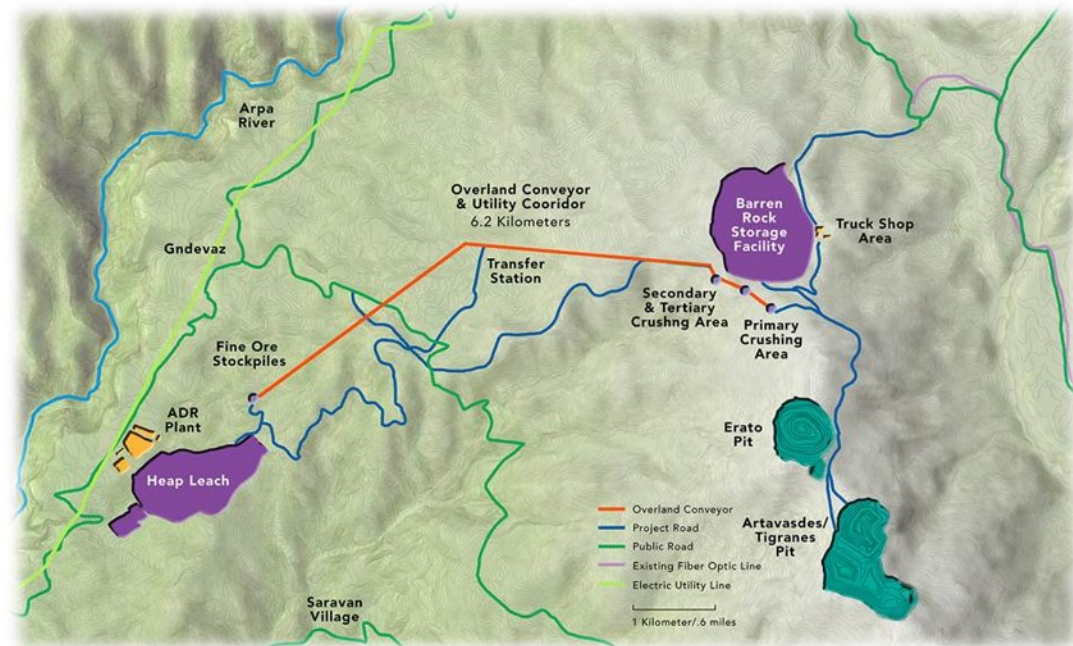
Key Infrastructure

Local Communities Resources for supplies, housing, other
Dedicated local workforce

Transportation Adjacent to existing road & rail routes
Sealed highway from Yerevan to site

Utilities

High tension power lines, substations,
fiber optics, gas line & water at site



Amulsar Gold Project

Snapshot – May 2015 NI 43-101

Total Gold Production	Ozs	2,130,000
Total Silver Production	Ozs	3,195,000
Mine Life	Years	10

Mining

Strip Ratio	2.6
Conventional Open-Pit	

Processing

Nominal Rate	Tpa	10,000,000
Gold Grade	Gpt	0.78
Gold Recovery	%	84.2%
Silver Grade	Gpt	3.65
Silver Recovery	%	26.8%
Three-Stage Crushing		
Conveyor to HLF		
Valley-Fill Heap Leach Facility		
ADR Gold Recovery Circuit		



Amulsar Gold Project

Snapshot – May 2015 NI 43-101

Economics (Unleveraged at \$1,250 gold)

Initial Capex	In millions	\$	420
Sustaining Capex	In millions	\$	78
All-in Sustaining Cash Costs	\$ / Oz	\$	664
NPV _{5%}	In millions	\$	347
IRR	%		21.7%

Royalties & Taxes Structure

Newmont Royalty (3% NSR, capped at \$20 mm total)	In millions	\$	20
Armenia - Royalty 1 (on gross revenue)	%		4.0%
Armenia - Royalty 2 (on EBIT)	%		12.5%
Income Tax Rate (on pre-tax net earnings)	%		20.0%

Capital & Operating Costs

Feasibility Study: Key Components

Capital Costs		Operating Costs		
	\$ Millions		\$/ Ore Tonne	\$/Oz Gold
Mining equipment	\$ 95	Mining	\$ 6.93	
Processing facilities	\$ 178	Processing	\$ 3.72	
Other	\$ 40	General & Admin	\$ 1.38	
Total Direct Costs	\$ 313	Other	\$ 0.76	
		Total Cash Costs	\$ 12.79	\$ 603
Indirects	\$ 24			
Owners costs	\$ 39	Corporate G&A	\$ 0.52	
Contingency	\$ 44	Sustaining capital	\$ 0.78	
Total Initial Capital Costs	\$ 420	All-in Sustaining Costs	\$ 14.09	\$ 664