

TORONTO, ONTARIO--(Marketwired - Aug. 3, 2017) - [Dalradian Resources Inc.](#) (TSX:DNA)(AIM:DALR) ("Dalradian" or the "Company") announces results for the three and six months ended June 30, 2017, including closing cash and cash equivalents of \$34.6 million<sup>(1)</sup>.

Patrick F.N. Anderson, Dalradian's President and CEO, commented: "I am pleased to report that we have received over \$26 million so far this year from warrant exercises. An additional \$23 million in warrants exercisable at \$1.04 remain outstanding and we anticipate that the majority of these will be exercised before their expiry in October. The funds raised from these warrants has strengthened the cash position to be more than sufficient to complete our ongoing drill program and other studies."

#### Operational highlights as of August 2, 2017

- The 2017 work program is progressing with the completion of 9,580 metres of underground drilling during Q2 2017 and the commencement of a 30,000 metre surface drilling program
- Additional results from 9 underground drill holes were announced on May 31, further demonstrating the high-grade nature of the Curraghinalt deposit:
  - 2.04 m of 63.98 g/t gold from the 106-16 vein in hole 17-CT-423
  - 1.37 m of 75.69 g/t gold from the V75 vein in hole 17-CT-418
  - 1.98 m of 25.60 g/t gold from the 106-16 vein in hole 17-CT-419
  - 0.95 m of 50.24 g/t gold from the Crow vein in hole 17-CT-423
  - 0.56 m of 74.15 g/t gold from the 106-16 vein in hole 17-CT-413
  - 0.74 m of 29.44 g/t gold from the No. 1 vein in hole 17-CT-413
- Processing of nearly 14,500 tonnes of mineralized material from underground development and three test stopes achieved higher than expected gold grades with recovery of 95.9% compared to a predicted recovery of 94.3%. Milling resulted in a positive reconciliation for the test stopes yielding 42% more ounces and a 40% higher grade compared with the Block Model of the 2016 NI 43-101 Mineral Resource Estimate.
- Ongoing Environmental and Social Impact Assessment ("ESIA"), permitting and stakeholder relations activities to support the Planning Application to build a mine at Curraghinalt, expected to be submitted in 2017
- During Q2 2017, regional exploration continued across the broader licence areas, with 111 prospecting samples, 121 stream sediment samples, 54 soil samples, and 860 deep overburden samples collected. During the first six months of 2017, 127 prospecting samples, 113 soil samples, and 1,047 deep overburden samples were collected.

<sup>(1)</sup> All amounts are in Canadian dollars unless otherwise noted

#### Corporate and financial highlights of Q2 2017

- Cash and cash equivalents were \$34.6 million at June 30, 2017 compared with \$35.7 million at December 31, 2016
- Net loss of \$2.7 million (\$0.01 per share) for the three months ended June 30, 2017 compared with a net loss of \$1.4 million (\$0.01 per share) for the comparable period of 2016. For the six months ending June 30, 2017, the Company had a net loss of \$4.0 million (\$0.02 per share) compared to a net loss of \$3.4 million (\$0.02) in the same period of 2016.
- Expenditures on mineral property under development for the three months ended June 30, 2017 were \$4.3 million compared with \$5.6 million during the comparable period in 2016. During Q2 2017 permitting and infill drilling were the largest spending categories, as work mainly focused on finalizing the ESIA and Planning Application as well as completing an underground infill drilling program compared with Q2 2016 where activity centered on studies for the FS and Underground Program.
- During the six months ended June 30, 2017, expenditures on mineral property under development, net of receipt from processing of mineralized material, were \$6.8 million compared with \$14.5 million during the comparable period in 2016. During 2017, the biggest factor resulting in lower expenditures was completion of the Underground Program in late 2016. In addition, while both years had drilling programs underway (during Q1 2016 and Q2 2017), in 2017 there were fewer rigs deployed and therefore reduced spending.
- Warrants exercised during the first half of 2017 brought in total proceeds of \$10.3 million. Subsequent to the end of Q2, 2017, the Company received additional proceeds of \$16.3 million from warrant exercises. As of July 31, 2017 the remainder of the warrants exercisable at \$1.50 expired, with a total of \$15.5 million in proceeds having been received from the exercise of 10.3 million warrants. There are approximately 22.5 million warrants outstanding that are exercisable at \$1.04 until October 7, 2017, representing \$23.4 million in potential proceeds.
- As of August 2, 2017, Dalradian had 264,181,458 Common Shares issued and outstanding

#### Minco Acquisition

On June 1, 2017, Dalradian and [Minco Plc](#) ("Minco") announced that they had reached agreement on the terms of the acquisition of Minco's 2% net smelter return royalty on the Curraghinalt gold deposit by Dalradian under Rule 2.5 of the Irish Takeover Panel Act, Takeover Rules 2013 (the "Transaction"). On July 26, 2017 Minco shareholders voted to approve the Transaction and, subject to the final approval of the Irish High Court, closing of the Transaction is expected during Q3 2017.

#### Outlook

Dalradian plans to submit its Planning Application to build a mine in 2017 and is finalizing the many studies and reports that will make up the ESIA, while also ensuring that there is a continued focus on stakeholder engagement. The Company plans to

release additional drill results as they become available and ore sorting results during Q3 2017.

## Supporting Documents

The Q2 2017 Financial Statements (not including notes) can be found below. The full Q2 2017 Management Discussion and Analysis and Financial Statements are available on [www.dalradian.com](http://www.dalradian.com) and on [www.sedar.com](http://www.sedar.com).

### Condensed Consolidated Statement of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	As at June 30, 2017	As at Dec. 31, 2016
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 34,618,519	\$ 35,719,242
Amounts receivable	875,917	666,166
Prepaid expenses and other assets	637,468	506,785
	36,131,904	36,892,193
Non-Current assets:		
Restoration deposit	1,051,228	1,032,135
Property, plant and equipment	126,532,663	118,988,157
Exploration and evaluation assets	4,175,900	3,943,077
Other asset	412,652	-
	132,172,443	123,963,369
	<b>\$ 168,304,347</b>	<b>\$ 160,855,562</b>

### LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:

Accounts payable and accrued liabilities	\$ 4,499,348	\$ 4,908,196
Provision for reclamation	354,102	347,844
	4,853,450	5,256,040

Non-Current liabilities:

Provision for reclamation	691,342	679,124
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Shareholders' equity:

Share capital	209,619,328	195,974,511
Warrants	8,221,623	10,745,550
Contributed surplus	13,031,685	12,314,675
Accumulated deficit	(68,113,081 )	(64,114,338 )
	162,759,555	154,920,398

**\$ 168,304,347    \$ 160,855,562**

### Condensed Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Operating expenses:				
Salaries and related benefits	\$ 1,114,360	\$ 549,492	\$ 1,598,606	\$ 1,099,808
Professional fees and consulting	265,407	228,091	494,336	695,422
Share-based payments	961,689	123,215	1,206,629	279,712
Investor relations and travel	184,641	198,180	426,977	406,500
Office, regulatory and general	236,706	137,657	429,419	330,608
Interest and bank charges	4,857	2,251	8,374	6,474

Amortization	1,151	1,150	2,303	2,302	
Foreign exchange loss (gain)	4,915	224,026	(49,206)	) 665,096	
	\$ 2,773,726	\$ 1,464,062	\$ 4,117,438	\$ 3,485,922	
Interest income	55,420	37,182	118,695	88,149	
Loss and comprehensive loss for the period	\$ (2,718,306	) \$ (1,426,880	) \$ (3,998,743	) \$ (3,397,773	)
Loss per share - basic and diluted	\$ (0.01	) \$ (0.01	) \$ (0.02	) \$ (0.02	)

Condensed Consolidated Statement of Shareholders' Equity  
(Expressed in Canadian dollars)  
(Unaudited)

	Six months ended June 30, 2017	Six months ended June 30, 2016
Share capital:		
Balance, beginning of period	\$ 195,974,511	\$ 162,680,450
Common shares issued	-	121,500
Warrants exercised	12,781,891	1,217,482
Share-based payments exercised	862,926	538,631
Balance, end of period	\$ 209,619,328	\$ 164,558,063
Warrants:		
Balance, beginning of period	\$ 10,745,550	\$ 15,019,060
Warrants exercised	(2,476,160 )	(299,676 )
Warrants expired	(47,767 )	(43,783 )
Balance, end of period	\$ 8,221,623	\$ 14,675,601
Contributed surplus:		
Balance, beginning of period	\$ 12,314,675	\$ 12,533,961
Increase from share-based payments	1,365,669	339,757
Warrants expired	47,767	43,783
Share-based payments exercised	(696,426 )	(438,631 )
Balance, end of period	\$ 13,031,685	\$ 12,478,870
Accumulated deficit:		
Balance, beginning of period	\$ (64,114,338 )	\$ (56,293,888 )
Loss and comprehensive loss for the period	(3,998,743 )	(3,397,773 )
Balance, end of period	\$ (68,113,081 )	\$ (59,691,661 )
Total shareholders' equity	\$ 162,759,555	\$ 132,020,873

Condensed Consolidated Statement of Cash Flows  
(Expressed in Canadian dollars)  
(Unaudited)

	Six months ended June 30, 2017	Six months ended June 30, 2016
Cash flows from (used in) operating activities:		
Loss and comprehensive loss for the period	\$ (3,998,743 )	\$ (3,397,773 )
Items not affecting cash:		
Unrealized foreign exchange loss (gain) on cash	(36,748 )	997,964
Interest income	(118,695 )	(88,149 )
Amortization	2,303	2,302
Share-based payments	1,206,629	279,712

Unrealized foreign exchange loss (gain) on restoration deposit	(19,093 )	196,517
Change in non-cash operating working capital:		
Amounts receivable	83,932	554,902
Prepaid expenses and other asset	(104,102 )	(7,029 )
Accounts payable and accrued liabilities	(941,752 )	177,575
Cash flows used in operating activities	\$ (3,926,269 )	\$ (1,283,979 )
Cash flows from financing activities:		
Exercise of warrants	\$ 10,007,856	\$ 917,806
Exercise of options	166,500	100,000
Cash flows from financing activities	\$ 10,174,356	\$ 1,017,806
Cash flows from (used) in investing activities:		
Expenditures on exploration and evaluation assets	\$ (88,974 )	\$ (17,132,889 )
Additions to property, plant and equipment	(7,006,566 )	(2,314,385 )
Deferred acquisition costs	(412,652 )	-
Interest received	122,634	100,269
Cash flows used in investing activities	\$ (7,385,558 )	\$ (19,347,005 )
Net change in cash and cash equivalents	(1,137,471 )	(19,613,178 )
Cash and cash equivalents, beginning of period	35,719,242	43,322,899
Effect of exchange rate fluctuations on cash held	36,748	(997,964 )
Cash and cash equivalents, end of period	\$ 34,618,519	\$ 22,711,757

About Dalradian Resources Inc.

[Dalradian Resources Inc.](#) is a mineral exploration and development company that is focused on advancing its high-grade Curraghinalt Gold Project located in Northern Ireland, United Kingdom.

## FORWARD LOOKING STATEMENTS

This press release contains "forward looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its subsidiary and its mineral project, the future price of metals, test work and confirming results from work performed to date, the estimation of mineral resources and mineral reserves, the realization of mineral resource and mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, the timing and possible outcome of pending regulatory matters and the realization of the expected production, economics and mine life of the Curraghinalt gold deposit. Often, but not always, forward looking statements can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward looking statements are based on the opinions and estimates of management as of the date such statements are made and are based on various assumptions such as the continued political stability in Northern Ireland, that permits required for Dalradian's operations will be obtained on a timely basis in order to permit Dalradian to proceed on schedule with its planned exploration and mine development, construction and production programs, that skilled personnel and contractors will be available as Dalradian's operations commence and continue to grow towards production and mining operations, that the price of gold will be at levels that render Dalradian's mineral project economic, that the Company will be able to continue raising the necessary capital to finance its operations and realize on mineral resource and mineral reserve estimates and current mine plans, that the assumptions contained in the Company's Technical Report dated January 25, 2017 are accurate and complete, that the results of the ESIA will be positive and that a permitting application for mine construction will be approved.

Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Dalradian to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current and future exploration activities; the actual results of reclamation activities; conclusions of economic evaluations; meeting various expected cost estimates; changes in project parameters and/or economic assessments as plans continue to be refined; future prices of metals; possible variations of mineral grade or recovery rates; the risk that actual costs may exceed estimated costs; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled "Risk Factors" in the Company's Annual Information Form for the year ended December 31, 2016 dated March 23, 2017 (the "AIF").

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ

materially from those described in forward looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward looking statements contained herein are made as of the date of this press release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking statements.

## Contact

### [Dalradian Resources Inc.](#)

Marla Gale  
Vice President Communications  
+1 416 583 5600  
[investor@dalradian.com](mailto:investor@dalradian.com)  
[www.dalradian.com](http://www.dalradian.com)

Grant Thornton UK LLP (Nominated Adviser)  
Philip Secrett / Richard Tonthat  
+44 (0)20 7383 5100

Canaccord Genuity Limited (Broker)  
Henry Fitzgerald-O'Connor / Martin Davison  
+44 (0)20 7523 8000