

TORONTO, ONTARIO--(Marketwired - Aug. 17, 2015) - [Dalradian Resources Inc.](#) (TSX:DNA)(AIM:DALR) ("Dalradian" or the "Company") announced results for the three and six months ended June 30, 2015, including cash and cash equivalents of \$36.1 million at June 30, 2015. (All amounts are in Canadian dollars unless otherwise noted.) The Company is in the midst of a program of work to complete an advanced engineering/economic study and an environmental impact assessment ("EIA") in support of a planning (permitting) application to build a mine at the Curraghinalt gold deposit in Northern Ireland. Originally, the Company planned to release the results of a Pre-feasibility Study ("PFS") in late 2015. The PFS is now being transitioned to a more advanced Feasibility Study ("FS") supported by an expanded infill drilling program and underground exploration (the "Underground Program"). Assuming positive results from the EIA and FS, submission of the planning application is now scheduled for Q3 2016 and the Company is already engaged with the relevant government agencies in preparation for this.

Corporate and operational highlights of Q2 2015 and subsequent period

- Substantial completion of surface works for the Underground Program
- Receipt of the explosives storage licence
- Six of 12 underground drill bays completed and development on mineralized material in the T-17 and No. 1 veins is ongoing
- Completion of approximately 11,000 metres of infill drilling; program expanded to a minimum of 30,000 metres
- Initial Curraghinalt infill results from 25 drill holes announced, including intersection of 4.40 metres grading 54.84 g/t gold and 5.79 metres grading 7.12 g/t gold
- PFS: progress with field and laboratory studies on tailings, processing methods, geotechnical and hydrogeology; transitioning to FS
- EIA: advancement of desk-top studies and environmental fieldwork
- Patrick Downey and Jim Rutherford joined the Board of Directors and Patrick Anderson assumed the Chair

Financial highlights of Q2 2015 compared with Q2 2014

- Cash and cash equivalents were \$36.1 million at June 30, 2015 compared with \$14.7 million at June 30, 2014
- Net loss of \$1.2 million (\$0.01 per share) in the three months ended June 30, 2015 compared to a net loss of \$1.7 million (\$0.02 per share) in the comparable period of 2014; net loss for the six months ended June 30, 2015 was \$2.6 million (\$0.02 per share) compared to a net loss of \$2.9 million (\$0.03 per share) in the comparable period of 2014
- Spending on asset evaluation, which includes development planning, permitting and other activities associated with the Underground Program, was \$9.4 million in the three months ended June 30, 2015 compared with \$0.9 million in the comparable period of 2014 due to increased development activities associated with the Underground Program; similarly for the six months ended June 30, 2015, asset evaluation spending was \$14.9 million compared to \$1.8 million in the comparable period of 2014
- Exploration expenditures were nominal in the three months ended June 30, 2015 compared with \$0.4 million in the comparable period of 2014; for the six months ended June 30, 2015 exploration expenditures were \$0.1 million compared to \$0.8 million in the comparable period of 2014
- As of August 14, 2015 Dalradian had 163,890,205 Common Shares issued and outstanding

Outlook

By the end of 2015, the Company expects the following progress on the main deliverables for the work program:

- Underground Program - 85% complete, with only the two test stopes remaining
- Infill drilling - 80% complete (24,000 metres)
- Resource update - postponed to 2016, when infill drilling will be complete
- FS - 50% complete
- EIA - 50% complete

In addition to the above, the company is also engaged in:

- Exploration, including regional sampling as well as a drill program at the Alwories discovery;
- Community and government relations, including presentations and site visits for key government and community groups as well as support of local environmental and community projects; and
- Environmental monitoring and testing in support of the Underground Program.

Increased spending compared to Q1-Q3 of 2014 is expected to continue through the balance of 2015, as Dalradian continues work on the Underground Program, the infill drill program, the FS and the EIA. Exploration expenditures are expected to increase over the 2014 levels as the Company aims to grow the Curraghinalt deposit along strike at the Alwories discovery, which is located 1.7 kilometres east of Curraghinalt.

The original budget for completion of the PFS and Underground Program (including 20,000 metres of infill drilling) and partial completion of the EIA was £16.9 million (\$31 million) and spanned the period from September 2014 to December 2015. The revised budget for completion of the FS, Underground Program (including a minimum of 30,000 metres of infill drilling), EIA and submission of the planning application is £22.6-£25.6 million (\$45.2-\$51.2 million) spanning the period from July 2015 to December 2016. The Company's ability to fund currently planned exploration, evaluation and development planning activities, maintain operations and meet its existing obligations is conditional on its ability to secure financing when required.

Feasibility Study

In September 2014, Dalradian commenced a PFS with SRK Consulting (Canada) Inc. as the principal consultant. Work on the PFS has included an options analysis looking at alternatives to several aspects of the Preliminary Economic Assessment, including but not limited to dry stack tailings and the addition of a flotation circuit. Subsequent to the end of Q2 2015 management decided to transition to a FS based on the technical results received to date.

The feasibility study will include an economic assessment of the project in a technical report prepared in accordance with NI-43-101 and is proceeding on the basis of:

- mining primarily by longhole but with additional methods as required;
- mineral processing incorporating a flotation circuit;
- dry stack tailings; and
- approximately 50% of waste rock to be returned underground as paste backfill.

The FS is being supported by the Underground Program, including expanded infill drilling of at least 30,000 metres. Publication of the FS depends on continued positive results from the infill drilling program.

Subsequent to the end of Q2 2015, the Company added to its surface rights for a potential mill site in proximity to the Curraghinalt gold deposit. Additional land acquisitions are targeted for the remainder of 2015 and will be reported on a quarterly basis if and when they occur. The cost of additional land purchases is not included in the budget because of uncertainties in cost and timing and for competitive reasons.

Supporting Documents

The Q2 2015 Financial Statements (not including notes) can be found below. The full Q2 2015 Management Discussion and Analysis and Financial Statements are available on www.dalradian.com and also on www.sedar.com.

[Dalradian Resources Inc.](#)

(An exploration stage company)

Condensed Consolidated Balance Sheets

(Expressed in Canadian dollars)

(Unaudited)

	As at June 30, 2015	As at Dec. 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 36,134,380	\$ 29,776,872
Amounts receivable	704,606	246,390
Prepaid expenses and advance payments	1,656,369	2,963,947
	38,495,355	32,987,209
Restoration deposit	1,218,093	1,120,870
Equipment	429,314	408,069
Exploration and evaluation assets	64,143,252	49,085,740
	\$ 104,286,014	\$ 83,601,888
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 4,938,028	\$ 2,950,848
Non-Current liabilities:		
Provision for decommissioning and restoration	875,569	380,937
Shareholders' equity:		
Share capital	130,621,349	110,693,043
Warrants	7,441,863	7,288,894
Contributed surplus	11,843,961	11,118,485

Accumulated deficit	(51,434,756)	(48,830,319)
	98,472,417	80,270,103
	\$ 104,286,014	\$ 83,601,888

Dalradian Resources Inc.
(An exploration stage company)

Condensed Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended June 30, 2015	Three months ended June 30, 2014	Six months ended June 30, 2015	Six months ended June 30, 2014
Operating expenses:				
Salaries and related benefits	\$ 595,105	\$ 648,642	\$ 1,544,597	\$ 1,295,597
Professional fees and consulting	113,433	234,384	224,358	292,133
Share-based payments	272,238	475,061	605,173	623,270
Investor relations and general travel	346,983	215,189	567,312	359,479
Office, regulatory and general	212,742	122,147	412,440	295,798
Amortization	38,066	38,941	77,007	87,909
Foreign exchange gain	(311,553	) (494	) (696,214	) (2,050
Interest and bank charges	1,677	2,138	2,815	5,175
	1,268,691	1,736,008	2,737,488	2,957,311
Interest income and other	68,964	36,884	133,051	63,329
Loss and comprehensive loss for the period	\$ (1,199,727	) \$ (1,699,124	) \$ (2,604,437	) \$ (2,893,982
Loss per share - basic and diluted	\$ (0.01	) \$ (0.02	) \$ (0.02	) \$ (0.03

Dalradian Resources Inc.
(An exploration stage company)

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

	Six months ended June 30, 2015	Six months ended June 30, 2014
Share capital:		
Balance, beginning of period	\$ 110,693,043	\$ 79,585,917
Common shares issued	8,838,934	10,726,227
Warrants exercised	11,089,372	-
Balance, end of period	\$ 130,621,349	\$ 90,312,144
Warrants:		
Balance, beginning of period	\$ 7,288,894	\$ 139,310
Warrants issued	1,984,250	1,891,858
Warrants exercised	(1,778,196) -
Warrants expired	(53,085) -
Balance, end of period	\$ 7,441,863	\$ 2,031,168

Contributed surplus:		
Balance, beginning of period	\$ 11,118,485	\$ 10,103,852
Increase from share-based payments	672,391	626,737
Warrants expired	53,085	-
Balance, end of period	\$ 11,843,961	\$ 10,730,589

Accumulated deficit:			
Balance, beginning of period	\$ (48,830,319	) \$ (41,985,434)
Loss and comprehensive loss for the period	(2,604,437	) (2,893,982)
Balance, end of period	\$ (51,434,756	) \$ (44,879,416)
Total shareholders' equity	\$ 98,472,417	\$ 58,194,485	

Dalradian Resources Inc.
(An exploration stage company)

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

	Six months ended June 30, 2015	Six months ended June 30, 2014	
Cash flows from (used in) operating activities:			
Loss and comprehensive loss for the period	\$ (2,604,437	) \$ (2,893,982)
Unrealized foreign exchange (gain) loss	(616,026	) 16,223)
Interest income and other	(133,051	) (63,329)
Items not affecting cash:			
Amortization	77,007	87,909	
Share-based payments	605,173	623,270	
Change in non-cash operating working capital:			
Amounts receivable	(457,355	) (103,010)
Prepaid expenses and advance payments	(93,111	) 76,017)
Restoration deposit	(97,223) -)
Accounts payable and accrued liabilities	(747,943	) (131,381)
Cash flows used in operating activities	\$ (4,066,966	) \$ (2,388,283)
Cash flows from financing activities:			
Net proceeds from common shares and warrants issued	\$ 10,823,184	\$ 12,618,085	
Exercise of warrants	9,311,176	-	
Cash flows from financing activities	\$ 20,134,360	\$ 12,618,085	
Cash flows from (used) in investing activities:			
Expenditures on exploration and evaluation assets	\$ (10,235,283	) \$ (2,289,257)
Additions to equipment	(222,820	) (124,718)
Interest received	132,191	57,243	
Cash flows used in investing activities	\$ (10,325,912	) \$ (2,356,732)
Net change in cash and cash equivalents	5,741,482	7,873,070	
Cash and cash equivalents, beginning of period	29,776,872	6,855,035	
Effect of exchange rate fluctuations on cash held	616,026	(16,221)
Cash and cash equivalents, end of period	\$ 36,134,380	\$ 14,711,884	

About Dalradian

[Dalradian Resources Inc.](#) is a gold exploration and development company that is focused on advancing its high-grade Curraghinalt Gold Project located in Northern Ireland, United Kingdom. The Company is in the midst of a work program in support of a planning (permitting) application for construction of an operating mine at Curraghinalt. Components of the program include a feasibility study, an environmental impact assessment, infill drilling and underground exploration (885 metres of

development with two test stopes).

FORWARD-LOOKING INFORMATION

This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to the activities, events or developments that the Company expects or anticipates will or may occur in the future, including, without limitation, test work and confirming results from work performed to date, estimation of mineral resources, completion of the feasibility study, environmental impact assessment and underground program and the realization of the expected economics of Curraghinalt. 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 state 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 continued political stability in Northern Ireland, that permits required for the Company's operations will be obtained in a timely basis in order to permit the Company to proceed on schedule with its planned development and exploration programs, that skilled personnel and contractors will be available as the Company's operations continue to grow, that the price of gold will be at levels that render the Company'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 estimates, and that the assumptions contained in the Company's preliminary economic assessment are accurate and complete.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company 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 exploration activities; actual results of reclamation activities; conclusions of economic evaluations; meeting various expected cost estimates; changes in project parameters as plans continue to be refined; future prices of metals; possible variations of mineral grade or recovery rates; 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.

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 news 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.

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