

TORONTO, ONTARIO--(Marketwired - May 5, 2016) - [Dalradian Resources Inc.](#) (TSX:DNA)(AIM:DALR) ("Dalradian" or the "Company") announces results for the three months ended March 31, 2016, including closing cash and cash equivalents of \$31.1 million⁽¹⁾. The Company also provides an update on the work program at its Curraghinalt Gold Project in Northern Ireland, which is proceeding on-schedule toward completion of the Feasibility Study (FS) and Environmental & Social Impact Assessment (ESIA) in the second half of 2016.

Patrick F.N. Anderson, Dalradian's Chairman and CEO, commented:

"With our infill drill program completed and resource update imminent, we are on-track to submit our planning application later this year to build a mine at Curraghinalt. Desktop studies for the FS and ESIA are ongoing and we are incorporating feedback from the stakeholder consultation process into the studies in preparation for presenting our final project design this summer. We are particularly pleased to have completed 419 days working underground and 171 blasts, with an exemplary environmental and health and safety record. Our objective is responsible development of a Northern Irish gold mine that our shareholders, employees, local communities and government can all be proud of."

Operational highlights as of May 4, 2016

- FS is progressing well, with engineering, metallurgy/flow sheet planning and mine planning ongoing, and the geotechnical program almost complete. The FS remains on track for release in H2 2016
- All results have been reported from the completed infill drilling program of 51,479 metres in 181 holes
- The mineral resource update is expected shortly. The main goal of the infill drilling was to expand ounces contained in the Measured & Indicated categories in support of the FS
- Underground development is ongoing, with 419 days working underground, 171 blasts and approximately 790 m of 950 m of development completed. Preparation for test stoping on the V-75 vein began in March 2016 and is expected to be completed during the second half of the year. This will yield important information about dilution, ground conditions, mining methods and sequencing
- Since the beginning of underground development, we have achieved zero lost time accidents. The underground contractor and the Company work together in a health and safety committee on continuous improvement of procedures and standards
- Work on the ESIA is well-advanced, with baseline studies expected to be completed over the next few months. Consultations with stakeholders are ongoing, with more than 300 individuals having been consulted to date over a number of meetings. The final project design is expected to be presented to stakeholders this summer and the planning application submitted following completion of the FS and ESIA

(1) All amounts are in Canadian dollars unless otherwise noted.

Corporate and financial highlights of Q1 2016 and subsequent period compared with Q1 2015

- Cash and cash equivalents were \$31.1 million at March 31, 2016 compared with \$44.7 million at March 31, 2015
- Net loss of \$2.0 million (\$0.01 per share) in the three months ended March 31, 2016 compared with a net loss of \$1.4 million (\$0.01 per share) in the comparable period of 2015
- Spending on asset evaluation, which includes infill drilling, underground development, field and desktop studies, permitting and other activities associated with the underground exploration program, in the three months ended March 31, 2016 was \$8.8 million compared with \$5.5 million during the comparable period in 2015 due to an increase in on-site activities associated with the underground exploration program, including underground development and infill drilling
- Exploration expenditures (outside of the Curraghinalt gold deposit) during the three months ended March 31, 2016 and March 31, 2015 were nominal
- As of May 4, 2016 Dalradian had 216,590,571 Common Shares issued and outstanding

Outlook

The budget for completion of the FS, Underground Program (including infill drilling), land acquisition, ESIA, submission of the planning application and corporate, general and administrative costs is approximately £28 million (\$56 million), for the budget period from October 1, 2015 to December 31, 2016. The work program remains on-track and on-budget, with \$32.7 million spent to March 31, 2016. With the infill drill program completed, project spending is expected to decrease quarter by quarter in the three remaining quarters of 2016. Underground development, field and study work for the FS and ESIA will continue into the second half of the year, and permitting activities will continue to increase leading to submission of the planning application. Dalradian's net working capital at March 31, 2016 was approximately \$26.4 million against a remaining budget of approximately the same amount for the Underground Program, FS, land acquisition, ESIA, Planning Application and other related expenditures for the year ended December 31, 2016.

Supporting Documents

The Q1 2016 Financial Statements (not including notes) can be found below. The full Q1 2016 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 Mar. 31, 2016	As at Dec. 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 31,130,975	\$ 43,322,899
Amounts receivable	1,063,315	856,244
Prepaid expenses and advance payments	1,292,617	1,373,798
	33,486,907	45,552,941
Non-Current assets:		
Restoration deposit	1,160,525	1,268,930
Property, plant and equipment	14,300,203	12,096,928
Exploration and evaluation assets	91,644,910	82,356,346
	\$ 140,592,545	\$ 141,275,145
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 7,068,068	\$ 6,070,328
Non-Current liabilities:		
Provision for decommissioning and restoration	1,156,424	1,265,234
Shareholders' equity:		
Share capital	163,063,081	162,680,450
Warrants	14,975,277	15,019,060
Contributed surplus	12,594,476	12,533,961
Accumulated deficit	(58,264,781)	(56,293,888)
	132,368,053	133,939,583
	\$ 140,592,545	\$ 141,275,145

[Dalradian Resources Inc.](#)

(An exploration stage company)

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

	Three months ended Mar. 31, 2016	Three months ended Mar. 31, 2015
Operating expenses:		
Salaries and related benefits	\$ 550,316	\$ 949,492
Professional fees and consulting	467,331	110,925
Share-based payments	156,497	332,935
Investor relations and general travel	208,320	220,329
Office, regulatory and general	192,951	199,698
Amortization	1,152	38,941
Foreign exchange loss (gain)	441,070	(384,661)
Interest and bank charges	4,223	1,138

	2,021,860	1,468,797
Interest income and other	50,967	64,087
Loss and comprehensive loss for the period	\$ (1,970,893)	\$ (1,404,710)
Loss per share - basic and diluted	\$ (0.01)	\$ (0.01)

[Dalradian Resources Inc.](#)

(An exploration stage company)

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

	Three months ended Mar. 31, 2016	Three months ended Mar. 31, 2015
Share capital:		
Balance, beginning of period	\$ 162,680,450	\$ 110,693,043
Common shares issued	121,500	8,838,934
Warrants exercised	-	11,089,372
Options exercised	261,131	-
Balance, end of period	\$ 163,063,081	\$ 130,621,349
Warrants:		
Balance, beginning of period	\$ 15,019,060	\$ 7,288,894
Warrants issued	-	1,984,250
Warrants exercised	-	(1,778,196)
Warrants expired	(43,783)	(53,085)
Balance, end of period	\$ 14,975,277	\$ 7,441,863
Contributed surplus:		
Balance, beginning of period	\$ 12,533,961	\$ 11,118,485
Increase from share-based payments	177,863	343,371
Warrants expired	43,783	53,085
Options exercised	(161,131)	-
Balance, end of period	\$ 12,594,476	\$ 11,514,941
Accumulated deficit:		
Balance, beginning of period	\$ (56,293,888)	\$ (48,830,319)
Loss and comprehensive loss for the period	(1,970,893)	(1,404,710)
Balance, end of period	\$ (58,264,781)	\$ (50,235,029)
Total shareholders' equity	\$ 132,368,053	\$ 99,343,124

[Dalradian Resources Inc.](#)

(An exploration stage company)

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

	Three months ended Mar. 31, 2016	Three months ended Mar. 31, 2015
Cash flows from (used in) operating activities:		

Loss and comprehensive loss for the period	\$ (1,970,893)	\$ (1,404,710)
Items not affecting cash:		
Unrealized foreign exchange loss (gain)	582,378	(339,795)
Interest income and other	(50,967)	(64,087)
Amortization	1,152	38,941
Share-based payments	156,497	332,935
Change in non-cash operating working capital:		
Amounts receivable	(214,065)	(76,836)
Prepaid expenses and advance payments	(10,380)	(147,014)
Restoration deposit	108,405	(48,030)
Accounts payable and accrued liabilities	102,571	(771,392)
Cash flows used in operating activities	\$ (1,295,302)	\$ (2,479,988)
Cash flows from financing activities:		
Net proceeds from common shares and warrants issued \$ -		\$ 10,823,184
Exercise of warrants	-	9,311,176
Exercise of options	100,000	-
Cash flows from financing activities	\$ 100,000	\$ 20,134,360
Cash flows from (used) in investing activities:		
Expenditures on exploration and evaluation assets	\$ (8,196,693)	\$ (3,047,335)
Additions to property, plant and equipment	(2,275,513)	(120,421)
Interest received	57,962	58,323
Cash flows used in investing activities	\$ (10,414,244)	\$ (3,109,433)
Net change in cash and cash equivalents	(11,609,546)	14,544,939
Cash and cash equivalents, beginning of period	43,322,899	29,776,872
Effect of exchange rate fluctuations on cash held	(582,378)	339,795
Cash and cash equivalents, end of period	\$ 31,130,975	\$ 44,661,606

About Dalradian Resources Inc.

[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 and social impact assessment and underground exploration (at least 950 metres of development with associated test stopping).

FORWARD-LOOKING STATEMENTS

This news 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 subsidiaries and its mineral project, the future price of metals, test work and confirming results from work performed to date, the estimation of mineral resources, the realization of mineral resource 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 economics 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 development programs, that skilled personnel and contractors will be available as Dalradian's operations continue to grow, 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 estimates and current mine plans, that the assumptions contained in the Company's Preliminary Economic Assessment are accurate and complete, that results from the infill drilling program continue to be positive, that the mineral resource update is positive, that the results of the Environmental and Social Impact Assessment and the Feasibility Study 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. 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.

Contact

[Dalradian Resources Inc.](#)

Marla Gale
Vice President Communications
+1 416 583 5622
investor@dalradian.com

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

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