TORONTO, ONTARIO--(Marketwired - Aug. 10, 2016) - Dalradian Resources Inc. (TSX:DNA)(AIM:DALR) ("Dalradian" or the "Company") announces results for the three and six months ended June 30, 2016, including closing cash and cash equivalents of $22.7 million(1). The Company also reports that the work program at its Curraghinalt Gold Project in Northern Ireland continues on-schedule toward completion of the Feasibility Study (FS) and Environmental & Social Impact Assessment (ESIA) by Q4 of 2016.

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

"Following Britain's recent decision to leave the European Union, Dalradian reaffirms our commitment to Northern Ireland and the Curraghinalt Gold Project, one of a handful of undeveloped high grade gold systems in the world.

We remain on track and on budget to deliver our feasibility study in the autumn this year and only the test stope study and paste backfill tests remain to be completed. We expect to release the results from the test stopes and a grade reconciliation study in the coming weeks."

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

Operational highlights as of August 8, 2016

- Completion of 492 days working underground, 232 blasts, approximately 960 metres of underground development, partial completion of 2 test stopes, all with zero non-compliance with regulations and zero lost-time injuries. Since the beginning of the underground exploration program in 2014, more than 70 inspections have been carried out by various health & safety and environmental regulatory authorities;
- FS is progressing well, with metallurgy/flow sheet planning and the geotechnical program complete, test stoping and paste backfill tests still ongoing and mine planning and engineering nearing completion. The FS remains on track for release in Q4 2016;
- Baseline studies for the ESIA are complete and impact studies are expected to be finished during Q4. Consultations with stakeholders are ongoing, with more than 500 individuals having been consulted to date and 400 community members having toured our operations. The final project design is expected to be presented to stakeholders this fall and the planning application submitted during Q4 following completion of the FS and ESIA
- Jim Rutherford, a director of the Company with more than 25 years of capital markets experience and in-depth knowledge of the mining industry, was appointed as Non-Executive Chairman of the board of directors;
- The Company was granted option agreements for precious metals and prospecting licenses for base metals for two new licence areas (DG5 and DG6) contiguous with Dalradian's existing licences in Northern Ireland. The Company's licence areas now stretch over approximately 122,000 hectares of proven prospective ground. Dalradian's field crews began regional prospecting and sampling in June as part of its 2016 regional exploration program, which includes the new licence areas;
- Metallurgical testing for the FS demonstrated that gold recoveries over 94% are achievable with a simplified processing circuit that allows for a coarser primary grind size and reduced process equipment; and
- The updated mineral resource statement showed a 109% increase in gold ounces contained in the Measured and Indicated categories compared with the 2014 resource.

Corporate and financial highlights of Q2 2016 and subsequent period

- Cash and cash equivalents were $22.7 million at June 30, 2016 compared with $43.3 million as at December 31, 2015;
- Net loss of $3.4 million ($0.02 per share) in the six months ended June 30, 2016 compared with a net loss of $2.6 million ($0.02 per share) in the comparable period of 2015. Net loss of $1.4 million ($0.01 per share) in the three months ended June 30, 2016 compared with a net loss of $1.2 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 Program, in the six months ended June 30, 2016 was $14.5 million compared with $14.9 million in the comparable period of 2015. Spending on asset evaluation for the three months ended June 30, 2016 was $5.6 million compared with $9.4 million during the comparable period in 2015;
- Exploration expenditures (outside of the Curraghinalt gold deposit) during the six months ended June 30, 2016 were $0.4 million compared with a nominal amount for the comparable period of 2015. For the three months ended June 30, 2016 exploration expenditures were $0.2 million compared with a nominal amount for the comparable period of 2015. The increased spending in 2016 reflects increased regional exploration activity; and
- As of August 8, 2016 Dalradian had 217,848,949 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 $40.1 million spent to June 30, 2016. With the infill drill program and underground development (other than test stoping) completed, project spending is expected to decrease in the two remaining quarters of 2016. Test stoping, field and study work for the FS and ESIA will continue through Q3, and permitting activities and ESIA study work will continue to increase leading to submission of the

planning application. Dalradian's net working capital at June 30, 2016 was approximately $19.6 million against a remaining budget of approximately the same amount for the Underground Program, FS, ESIA, Planning Application and corporate, general and administrative costs for the year ended December 31, 2016.

Supporting Documents

The Q2 2016 Financial Statements (not including notes) can be found below. The full Q2 2016 Financial Statements and Management Discussion and Analysis 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, 2016	As at Dec. 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	$ 22,711,757	$ 43,322,899
Amounts receivable	289,478	856,244
Prepaid expenses and advance payments	1,069,056	1,373,798
	24,070,291	45,552,941
Non-Current assets:		
Restoration deposit	1,072,413	1,268,930
Property, plant and equipment	14,145,921	12,096,928
Exploration and evaluation assets	97,651,601	82,356,346
	$ 136,940,226	$ 141,275,145
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 3,851,403	$ 6,070,328
Non-Current liabilities:		
Provision for decommissioning and restoration	1,067,950	1,265,234
Shareholders' equity:		
Share capital	164,558,063	162,680,450
Warrants	14,675,601	15,019,060
Contributed surplus	12,478,870	12,533,961
Accumulated deficit	(59,691,661)	(56,293,888)
	132,020,873	133,939,583
	$ 136,940,226	$ 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 June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
Operating expenses:				
Salaries and related benefits	$ 549,492	$ 595,105	$ 1,099,808	$ 1,544,597
Professional fees and consulting	228,091	113,433	695,422	224,358
Share-based payments	123,215	272,238	279,712	605,173
Investor relations and general travel	198,180	346,983	406,500	567,312
Office, regulatory and general	137,657	212,742	330,608	412,440
Amortization	1,150	38,066	2,302	77,007
Foreign exchange loss (gain)	224,026	(311,553)	665,096	(696,214)
Interest and bank charges	2,251	1,677	6,474	2,815
	1,464,062	1,268,691	3,485,922	2,737,488
Interest income and other	37,182	68,964	88,149	133,051
Loss and comprehensive loss for the period	$ (1,426,880)	$ (1,199,727)	$ (3,397,773)	$ (2,604,437)
Loss per share - basic and diluted	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.02)

Dalradian Resources Inc.
(An exploration stage company)

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

	Six months ended June 30, 2016	Six months ended June 30, 2015
Share capital:		
Balance, beginning of period	$ 162,680,450	$ 110,693,043
Common shares issued	121,500	8,838,934
Warrants exercised	1,217,482	11,089,372
Options exercised	261,131	-
RSUs redeemed	277,500	-
Balance, end of period	$ 164,558,063	$ 130,621,349
Warrants:		
Balance, beginning of period	$ 15,019,060	$ 7,288,894
Warrants issued	-	1,984,250
Warrants exercised	(299,676)	(1,778,196)
Warrants expired	(43,783)	(53,085)
Balance, end of period	$ 14,675,601	$ 7,441,863
Contributed surplus:		
Balance, beginning of period	$ 12,533,961	$ 11,118,485
Increase from share-based payments	339,757	672,391
Warrants expired	43,783	53,085
Options exercised	(161,131)	-
RSUs redeemed	(277,500)	-
Balance, end of period	$ 12,478,870	$ 11,843,961
Accumulated deficit:		

Balance, beginning of period	$ (56,293,888)	$ (48,830,319)
Loss and comprehensive loss for the period	(3,397,773)	(2,604,437)
Balance, end of period	$ (59,691,661)	$ (51,434,756)
Total shareholders' equity	$ 132,020,873	$ 98,472,417

Dalradian Resources Inc.
(An exploration stage company)

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

	Six months ended June 30, 2016	Six months ended June 30, 2015
Cash flows from (used in) operating activities:		
Loss and comprehensive loss for the period	$ (3,397,773)	$ (2,604,437)
Items not affecting cash:		
Unrealized foreign exchange loss (gain)	997,964	(616,026)
Interest income and other	(88,149)	(133,051)
Amortization	2,302	77,007
Share-based payments	279,712	605,173
Change in non-cash operating working capital:		
Amounts receivable	554,902	(457,355)
Prepaid expenses and advance payments	(7,029)	(93,111)
Restoration deposit	196,517	(97,223)
Accounts payable and accrued liabilities	177,575	(747,943)
Cash flows used in operating activities	$ (1,283,979)	$ (4,066,966)
Cash flows from financing activities:		
Net proceeds from common shares and warrants issued	$ -	$ 10,823,184
Exercise of warrants	917,806	9,311,176
Exercise of options	100,000	-
Cash flows from financing activities	$ 1,017,806	$ 20,134,360
Cash flows from (used) in investing activities:		
Expenditures on exploration and evaluation assets	$ (17,132,889)	$ (10,235,283)
Additions to property, plant and equipment	(2,314,385)	(222,820)
Interest received	100,269	132,191
Cash flows used in investing activities	$ (19,347,005)	$ (10,325,912)
Net change in cash and cash equivalents	(19,613,178)	5,741,482
Cash and cash equivalents, beginning of period	43,322,899	29,776,872
Effect of exchange rate fluctuations on cash held	(997,964)	616,026
Cash and cash equivalents, end of period	$ 22,711,757	$ 36,134,380

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 stoping).

In May 2016, Dalradian announced an updated mineral resource estimate for Curraghinalt, including a 109% increase in gold ounces contained in the Measured and Indicated categories compared with the 2014 resource. The current resource consists of 2.1 million ounces of contained gold in the Measured and Indicated categories (5.61 million tonnes at 11.61 g/t) and 2.3 million ounces of contained gold in the Inferred category (7.13 million tonnes at 10.06 g/t gold). For further information, see the NI

43-101 technical report entitled, "Technical Report for the Northern Ireland Gold Project, Northern Ireland", dated June 17, 2016 and prepared by Dr. Jean-Francois Couture, PGeo (APGO#0197) and Dr. Oy Leuangthong, PEng (PEO#90563867), both of SRK Consulting (Canada) Inc. and Stacy Freudigmann, PEng (APEGBC #33972) of JDS Energy & Mining Inc.

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.

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