

TORONTO, ONTARIO--(Marketwired - Nov. 10, 2016) - [Dalradian Resources Inc.](#) (TSX:DNA)(AIM:DALR) ("Dalradian" or the "Company") announces results for the three and nine months ended September 30, 2016, including closing cash and cash equivalents of \$43.1 million⁽¹⁾. The Company also reports that the work program at its Curraghinalt Gold Project in Northern Ireland has remained on track and on budget with permitting and ESIA activities continuing into Q4 2016. The process to submit the Planning Application has commenced and submission of the Application is expected in early Q1 2017.

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

"As we move into Q4, we build on three solid quarters of progress and de-risking at our Curraghinalt project. So far this year we have: increased mineral resources through extensive infill drilling; staked additional ground to expand our total land package; and completed a successful test stoping and grade reconciliation program in support of mine planning. We look forward to the culmination of this work in Q4 with the publication of a feasibility study and environmental assessment, which will form the basis of our planning application.

With proceeds of almost \$26 million from warrant exercises, we are well positioned to embark on further work to enhance the results of our soon to be released feasibility study. Details of this work plan will be released prior to year-end."

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

Operational highlights as of November 9, 2016

- Completion of 558 days working underground, 244 blasts, approximately 960 metres of underground development, the completion of three test stopes, all with zero non-compliance with regulations and zero lost-time injuries;
- Results from the testing of the first two long-hole test stopes recovered 54% more gold than predicted in the resource model and demonstrated that mechanized long-hole mining can be used as the primary mining method;
- The Feasibility Study (FS) is near finalization, with metallurgy/flow sheet planning and the geotechnical program, test stoping and paste backfill tests completed and mine development and production sequencing 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 process to submit the Planning Application has commenced and submission of the Application is expected in early Q1 2017;
- 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 and;
- 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.

Corporate and financial highlights of Q3 2016 and subsequent period

- During Q3, common share purchase warrants, originally issued on October 7, 2015, were exercised by several shareholders at a price of C\$1.04, resulting in proceeds to the Company of \$24.8 million;
- Cash and cash equivalents were \$43.1 million at September 30, 2016 compared with \$43.3 million as at December 31, 2015;
- Net loss of \$4.8 million (\$0.02 per share) in the nine months ended September 30, 2016 compared with a net loss of \$4.7 million (\$0.03 per share) in the comparable period of 2015. Net loss of \$1.4 million (\$0.01 per share) in the three months ended September 30, 2016 compared with a net loss of \$2.1 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 nine months ended September 30, 2016 was \$19.6 million compared with \$22.3 million in the comparable period of 2015. Spending on asset evaluation for the three months ended September 30, 2016 was \$4.8 million compared with \$7.3 million during the comparable period in 2015;
- Exploration expenditures (outside of the Curraghinalt gold deposit) during the nine months ended September 30, 2016 were \$0.8 million compared \$1.7 million for the comparable period of 2015. For the three months ended September 30, 2016 exploration expenditures were \$0.4 million compared with \$1.3 million for the comparable period of 2015. Regional exploration spending decreased in 2016 as the program included soil and overburden sampling, panning and stream sediment testing on all six licence areas compared to the 2015 program which included limited drilling; and
- As of November 9, 2016 Dalradian had 242,432,276 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 at the time the budget was finalized), for the budget period from October 1, 2015 to December 31, 2016. The work program remains on-budget, with \$47 million spent to September 30, 2016. With the infill drill program completed and underground work nearing completion,

project spending is expected to decrease in Q4 2016. Permitting activities, FS and ESIA work will continue during Q4 2016 leading to submission of the planning application in early Q1 2017. Dalradian's net working capital at September 30, 2016 was approximately \$40 million against a remaining budget of approximately \$9 million for the Underground Program, FS, ESIA, Planning Application and corporate, general and administrative costs for the year ended December 31, 2016.

Supporting Documents

The Q3 2016 Financial Statements (not including notes) can be found below. The full Q3 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 Sept. 30, 2016	As at Dec. 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 43,108,509	\$ 43,322,899
Amounts receivable	200,134	856,244
Prepaid expenses and advance payments	786,754	1,373,798
	44,095,397	45,552,941
Non-Current assets:		
Restoration deposit	1,063,230	1,268,930
Property, plant and equipment	13,961,336	12,096,928
Exploration and evaluation assets	102,870,245	82,356,346
	\$ 161,990,208	\$ 141,275,145
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 4,116,345	\$ 6,070,328
Non-Current liabilities:		
Provision for decommissioning and restoration	1,058,278	1,265,234
Shareholders' equity:		
Share capital	194,839,561	162,680,450
Warrants	10,763,448	15,019,060
Contributed surplus	12,319,243	12,533,961
Accumulated deficit	(61,106,667)	(56,293,888)
	156,815,585	133,939,583
	\$ 161,990,208	\$ 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 Sept. 30, 2016	Three months ended Sept. 30, 2015	Nine months ended Sept. 30, 2016	Nine months ended Sept. 30, 2015
Operating expenses:				
Salaries and related benefits	\$ 579,902	\$ 1,231,245	\$ 1,679,710	\$ 2,775,842
Professional fees and consulting	235,137	328,930	930,559	553,288
Share-based payments	91,441	363,759	371,153	968,932
Investor relations and general travel	310,807	307,511	717,307	874,823
Office, regulatory and general	157,591	159,507	488,199	571,947
Amortization	1,152	24,243	3,454	101,250
Foreign exchange loss (gain)	69,468	(321,333)	734,564	(1,017,547)
Interest and bank charges	2,687	3,092	9,161	5,907
	\$ 1,448,185	\$ 2,096,954	\$ 4,934,107	4,834,442
Interest income and other	33,179	34,153	121,328	167,204
Loss and comprehensive loss for the period	\$ (1,415,006)	\$ (2,062,801)	\$ (4,812,779)	\$ (4,667,238)
Loss per share - basic and diluted	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.03)

[Dalradian Resources Inc.](#)

(An exploration stage company)

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

	Nine months ended Sept. 30, 2016	Nine months ended Sept. 30, 2015
Share capital:		
Balance, beginning of period	\$ 162,680,450	\$ 110,693,043
Common shares issued	121,500	8,838,934
Warrants exercised	30,729,039	11,395,255
Options exercised	1,031,072	413,823
RSUs redeemed	277,500	-
Balance, end of period	\$ 194,839,561	\$ 131,341,055
Warrants:		
Balance, beginning of period	\$ 15,019,060	\$ 7,288,894
Warrants issued	-	1,984,250
Warrants exercised	(4,211,829)	(1,864,955)
Warrants expired	(43,783)	(53,085)
Balance, end of period	\$ 10,763,448	\$ 7,355,104
Contributed surplus:		
Balance, beginning of period	\$ 12,533,961	\$ 11,118,485
Increase from share-based payments	445,071	1,098,712
Warrants expired	43,783	53,085
Options exercised	(426,072)	(158,822)
RSUs redeemed	(277,500)	-
Balance, end of period	\$ 12,319,243	\$ 12,111,460
Accumulated deficit:		
Balance, beginning of period	\$ (56,293,888)	\$ (48,830,319)
Loss and comprehensive loss for the period	(4,812,779)	(4,667,238)

Balance, end of period	\$ (61,106,667)	\$ (53,497,557)
Total shareholders' equity	\$ 156,815,585	\$ 97,310,062

[Dalradian Resources Inc.](#)
(An exploration stage company)

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

	Nine months ended Sept. 30, 2016	Nine months ended Sept. 30, 2015
Cash flows from (used in) operating activities:		
Loss and comprehensive loss for the period	\$ (4,812,779)	\$ (4,667,238)
Items not affecting cash:		
Unrealized foreign exchange loss (gain)	1,052,978	(1,053,494)
Interest income and other	(121,328)	(162,111)
Amortization	3,454	101,250
Share-based payments	371,153	968,932
Restoration deposit	205,700	(136,348)
Change in non-cash operating working capital:		
Amounts receivable	650,173	(603,148)
Prepaid expenses and advance payments	32,233	(226,063)
Accounts payable and accrued liabilities	18,389	624,387
Cash flows used in operating activities	\$ (2,600,027)	\$ (5,153,833)
Cash flows from financing activities:		
Net proceeds from common shares and warrants issued \$ -		\$ 10,823,184
Exercise of warrants	26,517,210	9,530,300
Exercise of options	605,000	255,000
Cash flows from financing activities	\$ 27,122,210	\$ 20,608,484
Cash flows from (used) in investing activities:		
Expenditures on exploration and evaluation assets	\$ (21,497,178)	\$ (17,890,514)
Additions to property, plant and equipment	(2,314,384)	(4,201,842)
Interest received	127,967	174,803
Cash flows used in investing activities	\$ (23,683,595)	\$ (21,917,553)
Net change in cash and cash equivalents	838,588	(6,462,902)
Cash and cash equivalents, beginning of period	43,322,899	29,776,872
Effect of exchange rate fluctuations on cash held	(1,052,978)	1,053,494
Cash and cash equivalents, end of period	\$ 43,108,509	\$ 24,367,464

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 completing 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 (approximately 960 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 Technical Report are accurate and complete, 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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