LYDIAN INTERNATIONAL LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the nine month period ended September 30, 2016

November 14, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is Management's discussion and analysis ("MD&A") of the consolidated financial condition and results of operations of Lydian International Limited ("Lydian" or the "Corporation") for the three and nine month period ended September 30, 2016, dated November 14, 2016 ("Q3 2016"). This MD&A should be read in conjunction with the Corporation's unaudited condensed consolidated financial statements and the notes thereto as of September 30, 2016 and for the three and nine month periods ended September 30, 2016. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All monetary figures are expressed in U.S. Dollars unless otherwise indicated. Canadian Dollars are referred to as "C$" and Armenian Dram are referred to as "AMD".

Capitalized terms have the meaning ascribed thereto in the Glossary of Defined Terms found at the end of this MD&A.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute forward-looking statements, as such term is defined under applicable securities laws. These statements relate to future events or future performance and reflect Management's expectations and assumptions regarding the growth, results of operations, performances and business prospects and opportunities of the Corporation. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "intend", "will", "would", "project", "budget", "scheduled", "forecast", "could", "believe", "predict", "potential", "should", "might", "occur", "achieve" or the negative of these terms or other similar expressions are intended to identify forward-looking statements. In particular, information regarding: the Corporation's future operating results and economic performance; the anticipated completion of the equipment financing and the Financing Transactions; the completion, effectiveness or availability, as the case may require, of the other Financing Transactions; the Corporation's ability to meet its gold and silver delivery obligations under the Stream Agreement; the impact of the Offering, the equipment financing and the Financing Transactions on the Corporation's operations, infrastructure, opportunities, financial condition, access to capital and overall strategy; the receipt of required regulatory and other approvals; the anticipated economic and feasibility parameters of Amulsar; the expected cost and timing of development of Amulsar, including the related key milestone dates; the expected mine life, scale, construction, mining operations and plan, processing methods and rate, grades, recovery rates, total recovery, stripping ratio, average annual tonnes mined/processed, production and other attributes of Amulsar; the anticipated timing for the receipt of permits; the anticipated timing for the development of Amulsar; and the anticipated key design features for the mining operations at Amulsar is forward-looking information.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance, achievements or events to differ materially from those anticipated, discussed or implied in such forward-looking statements. The Corporation believes the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should be considered carefully and investors should not place undue reliance on them as the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. These statements speak only as of the date of this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of gold and other precious metals;
- the exchange rate between the Canadian dollar, the Armenian dram, the British pound, and the U.S. dollar;
- the timing of the receipt of any outstanding regulatory and governmental approvals for the Corporation’s projects;
- the availability of financing for the Corporation’s development of its properties on reasonable terms;
- the ability to procure equipment and operating supplies in sufficient quantities, on a timely basis and on reasonable terms;
- there being no significant disruptions affecting the development and operation of Amulsar;
- the receipt of all environmental approvals, required permits, licenses and authorizations and timing thereof;
- tax rates, including the allocation of certain tax attributed to Amulsar;
- mine life, total tonnes mined and processed, and mining operations;
- the operation and economic viability of the development of Amulsar;
- that the 5% discount rate used to complete the Q4 2015 Technical Report is sufficient;
- labour and materials cost increases;
- permitting and arrangements with landholders;
- the ability to attract and retain skilled staff;
- exploration and development timetables;
- market competition;
- the accuracy of the Corporation’s resource and reserve estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which they are based;
- the satisfaction or waiver of all conditions to the completion, effectiveness or availability, as the case may require, of each of the Financing Transactions;
- the receipt of funds under each of the Financing Transactions; and
- the Corporation’s ability to meet its gold and silver delivery obligations under the Stream Agreement.

These forward-looking statements involve risks and uncertainties relating to, among other things, significant capital requirements and availability of capital resources to fund such requirements; price volatility in the spot and forward markets for commodities; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, Armenia, Great Britain and the United States; discrepancies between actual and estimated production, between actual and estimated reserves and resources and between actual and estimated metallurgical recoveries; changes in national and local government legislation in Armenia; taxation; changes to the Corporation's mine plan or profitability or to the Corporation's asset profile that might alter the allocation of tax attributes to Amulsar; controls, regulations and political or economic developments in Jersey, Canada or Armenia; the speculative nature of mineral exploration and development; risks associated with obtaining and maintaining the necessary licenses and permits and complying with permitting requirements, including, without limitation, approval of the Armenian Government and receipt of all related permits, authorizations or other rights; the uncertainties inherent to current and future legal challenges the Corporation is or may become a party to; diminishing quantities or grades of reserves and resources; competition; loss of key employees; adverse general economic, market or business conditions; additional funding requirements; rising costs of labour, supplies, fuel, electricity and equipment; actual results of current exploration activities; uncertainties inherent to mining economic studies such as Q4 2015 Technical Report, including the risk that the assumptions underlying the Q4 2015 Technical Report and its economic parameters will not be realized; changes in project parameters as plans continue to be refined; accidents; labor disputes; defective title to mineral claims or property or contests over claims to mineral properties; delays and costs inherent to consulting and accommodating local stakeholders; and uncertainties with respect to obtaining all necessary surface rights, land use rights and other tenure from the Armenian government and private landowners required for Amulsar. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental events and hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance or inability to obtain insurance to cover these risks). Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors referenced in this MD&A. Investors should not place undue reliance on forward-looking statements as the plans, assumptions, intentions or expectations upon which they are based might change or not occur. The Corporation cautions that the foregoing list of important factors is not exhaustive. The forward looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Corporation does not undertake any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities law. See “Forward-Looking Statements” in the Annual Information Form and other filings available on SEDAR at www.sedar.com.

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources: This MD&A uses the terms “Measured”, “Indicated” and “Inferred” Resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the SEC does not recognize them. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable.

COMPANY DESCRIPTION

Lydian is a gold developer, focusing on construction of its 100%-owned Amulsar Gold Project, located in south-central Armenia. Amulsar presents an opportunity for a large scale, low cost operation with production expected to begin in 2018. Open pit mining and conventional heap leach processing contribute to excellent scale and economic potential. Amulsar will be Armenia’s largest gold mine, with estimated mineral resources containing 3 million measured and indicated ounces and 2 million inferred ounces. Gold production is targeted to average greater than 200,000 ounces annually over an initial 10-year mine life. Existing mineral resources and open extensions provide opportunities to improve average annual production and extend the mine life. The Corporation is committed to good international industry practices in all aspects of its operations including production, sustainability, and corporate social responsibility.

Q3 2016 HIGHLIGHTS

Lydian’s third quarter 2016 was highlighted by a significant ramp up in activities at Amulsar, which supported our recent start of construction for site earthworks. Accomplishments include:

- Receipt of $35 million as the second and final deposit under the Stream Agreement;
- Closing of a private placement with the EBRD for gross proceeds of $8.8 million;
- Finalization of private land purchases, providing Lydian with control of all surface rights needed to access and build Amulsar;
- Overall engineering surpassing 50%, including fully completing detail engineering for the HLF and mine haul road;
- Preparation of tender documents to support upcoming on-schedule orders for major equipment including the mining fleet, crushing plant, and the overland conveyor;
- Starting site earthworks on key infrastructure access roads and other facilities;
- Continuing key programs in the areas of community engagement and government relations;
- Advancing our sustainability commitments by establishing a framework for a biodiversity offset area and by becoming a signatory to the International Cyanide Management Code; and
- Building our organizational capacity in key construction and operations areas.

RECENT DEVELOPMENTS

Financing – Lydian continued to advance its financing plan for Amulsar by receiving additional cash proceeds under the Stream Agreement and the EBRD Private Placement. From all sources, Lydian has now received gross financing proceeds of $178 million toward its financing plan. Provisions of the Term Loan were also aligned with anticipated Amulsar cash flow requirements. Q3 2016 funding included receipt of the $35 million second deposit under the Stream Agreement and gross proceeds of $8.8 million from the EBRD. The availability periods for the initial and second tranches of the Term Loan were extended to June 30, 2017 and March 31, 2018, respectfully, each being subject to applicable conditions precedent.

Land Acquisition – All privately owned land parcels required for Amulsar have been acquired. Lydian now controls all surface rights within the footprint of the Rock Allocation Area as granted to Lydian by the Republic of Armenia. Re-zoning for industrial use of the most recently acquired land plots started upon closing of the purchase of the final plot and is expected to be complete during Q4 2016. This administrative process is not expected to impact planned construction activities.

Engineering & Procurement – Overall engineering progress is now greater than 50% complete. Detail engineering for the mine haul road and the HLF are complete. Tendering and commencing earthworks in the HLF is one of the Corporation's next major priorities. This work will start with installation of primary HLF surface water sedimentation control structures and contractor laydown areas, followed by primary earthworks later in Q4 2016.

The Corporation is finalizing key equipment packages for award in Q4 2016, including the crushing plant, overland conveyor and ADR plant equipment packages. Preparation of tender packages for pre-engineered metal buildings is also well advanced and will be released for tender in Q4 2016. Negotiations with the prospective vendors for the initial mining fleet and certain auxiliary mobile equipment are nearing completion and orders will be placed before the end of 2016.

Construction – Earthworks activities commenced with work on several infrastructure access roads. These roads provide access along the conveyor and internal interconnection of the Amulsar offices, mine maintenance facilities, and camp. Work on the mine haul road from the mine pits to the crusher location began, as well as construction of platforms for a 680-person camp, project offices, contractor laydown area. Land clearance activities in preparation for opening of the initial phase of the barren rock storage facility began.

Government Relations – Government support and local cooperation continued to be strong for Amulsar during Q3 2016. As engineering designs became available, applications for construction permits were initiated and received well within the Amulsar schedule requirements. This included construction permits for relocation of an existing irrigation pipeline and power line, as well as several site access roads. Engagement with senior-level government officials also continued unimpeded as the Republic of Armenia transitioned its prime minister post to Karen Karapetyan.

Environmental and Social Responsibility – Lydian became a signatory to the Cyanide Management Code. The Code is a voluntary industry program for responsible companies involved in the production of gold using cyanide. By becoming a signatory, Lydian has committed to follow the Code's Principles by implementing its Standards of Practice, and to have verification audits of its operation conducted by independent third-party auditors within one year of its first receipt of cyanide, and every three years thereafter. Operations will be certified if found in compliance with the Cyanide Code.

Previously initiated programs such as *Potentilla porphyrantha* translocation, the brown bear survey, community relations, and stakeholder engagement continued as planned. Field work increased during Q3 2016 for such activities as wildlife surveys, archeological surveys, and local health-related studies. Also, work started on a project to establish a biodiversity offset area. The final report for the inception phase of such offset was approved by the Ministry of Natural Protection. A memorandum of understanding is now being prepared.

Drilling – The Amulsar drilling that initiated during Q2 2016 continued; completion is expected during Q4 2016. The objectives of the program are to target conversion of inferred mineral resources that are within the currently designed pit boundaries and increase drill density in certain areas for mine planning purposes.

Organizational Development – We continued to build organizational capacity within all areas of Lydian's business. Significant focus included additions to the construction management group in key areas that included safety, project controls, sustainability, contracting, procurement and field management. Senior-level mining and process engineering personnel were also added.

BUSINESS OVERVIEW

The Corporation was incorporated under the Business Corporations Act (Alberta) on February 14, 2006. By articles of amendment dated December 12, 2007, the then outstanding shares of the Corporation were consolidated on the basis of two post-consolidation shares for each three pre-consolidation shares and the Corporation changed its name from "Dawson Creek Capital Corp." to "Lydian International Limited". By certificate of continuance effective December 12, 2007 pursuant to the Companies (Jersey) Law 1991, the Corporation was continued under the laws of Jersey from the Province of Alberta. The registered and head office of Lydian is located at Suite 3, 5/6 Esplanade, St. Helier, Jersey, JE2 3QA, Channel Islands. The Corporation also has a local office at 37 Hanrapetutyan Street, 4th floor, Yerevan 0010, Republic of Armenia. The Corporation's Ordinary Shares began trading under the symbol LYD on January 10, 2008, and the Warrants began trading under the symbol LYD.WT on May 26, 2016.

The Corporation's primary objective is to execute the development plan for Amulsar over a period of approximately 18 months. Upon completion, Amulsar is expected to process an average of 10 million tonnes of ore per year, producing an average of 211,000 gold ounces annually. The initial mine life is designed for 10 years, and expansion potential remains open from currently defined mineral resources not included in the initial mine plan and possible extensions of the deposit. In addition, the Corporation holds a combined exploration-mining license covering an early-stage gold prospect known as the "Kela Project" in the Guri region of the Ozurgeti province in Georgia. At the present time, the Kela Project does not comprise a material aspect of the Corporation's business operations.

SELECTED FINANCIAL INFORMATION

The following is selected information for the three and nine month periods ended September 30, 2016 and 2015.

Results of Operations

	For the three months ended September 30,		For the nine months ended September 30,	
	2016	2015	2016	2015
Interest income	$ 97,164	$ 1,252	$ 158,157	$ 16,062
Salaries, general & administrative expenses	1,631,370	1,463,554	4,996,207	4,561,257
Loss on financial instruments at fair value	2,188,403	-	14,833,730	-
Other	224,125	(704,888)	(398,225)	97,312
Total expenses	4,043,898	758,666	19,431,712	4,658,569
Net loss	(3,946,734)	(757,414)	(19,273,555)	(4,642,507)
Net loss per share (basic and diluted)	$ (0.01)	$ (0.00)	$ (0.05)	$ (0.03)

During 2016 and 2015, the Corporation had no revenues other than interest income from bank deposits. The increase in interest income for the periods ended September 30, 2016 was due to Lydian having higher average cash balances than during the comparable periods of 2015. Sources of additional cash on hand in 2016 included advances under the Stream Agreement, the Offering, the Private Placements, and the EBRD Private Placement.

Salaries, general and administrative expenses were largely comparable between Q3 2016 and the same period in 2015. A similar trend was reflected for Q3 YTD 2016 to the same period in 2015. The upward trend reflects the Corporation's increased level of activities as it advances Amulsar.

Financial instruments included a derivative asset and several derivative liabilities recorded at fair value, with changes in fair value being recorded as loss (gain) on financial instruments at fair value. Such derivatives were first recognized during Q2 2016, therefore, no comparable amounts existed for the 2015 periods. The table below summarizes the sources of loss on financial instruments at fair value.

	For the three months ended September 30, 2016	2015	For the nine months ended September 30, 2016	2015
Derivative Assets:				
Stream Prepayment Option	$ 304,529	$ -	$ (1,795,969)	$ -
Derivative Liabilities:				
Stream Commodity Linked Repayment	$ (649,144)	$ -	$ 8,816,667	$ -
Offtake Agreement Derivative	$ 816,597	-	$ 4,571,825	-
Warrants	$ 1,716,421	-	$ 3,241,207	-
Sub-total: Derivative Liabilities	$ 1,883,874	$ -	$ 16,629,699	$ -
Loss on financial instruments at fair value	$ 2,188,403	$ -	$ 14,833,730	$ -

The stream prepayment option is a derivative asset associated with Lydian's right to reduce its delivery obligation under the Stream Agreement. Exercise of this option is more likely to occur as the gold or silver price trends higher, which would be recognized as an increase in fair value. During Q3 2016, the gold price declined from $1,321 to $1,313. This change in the gold price was the primary cause for a $0.3 million loss in fair value. The $1.8 million gain for the stream repayment option recognized for Q3 YTD 2016 reflects the Q3 2016 loss, offset by a gain of $2.1 million that resulted from an increase in the gold price from $1,224 to $1,321 during the period from inception of this financial instrument on May 26, 2016 to June 30, 2016.

The stream commodity linked repayment is a derivative liability associated with Lydian's obligation to deliver gold and silver under the Stream Agreement. An increase in the gold or silver price causes the fair value of this liability to increase, which is recognized as a loss. The decline in the gold price from $1,321 to $1,313 during Q3 2016 reduced the fair value of this derivative liability and resulted in a $0.6 million gain. The $8.8 million loss for the stream commodity linked repayment for Q3 YTD 2016 reflects the Q3 2016 gain, offset by a loss of $9.5 million for Q2 2016. The Q2 2016 loss reflects the accounting treatment applied. This derivative liability was deemed to be a swap, which had a zero fair value at inception because the strike price was deemed to be equal to the market price. Therefore, the carrying value of this derivative was nil at its inception at May 26, 2016. The Q2 2016 loss reflects the adjustment to record this derivative liability at fair value as of June 30, 2016.

The offtake agreement derivative is a liability associated with the quotational period pricing mechanism. Gold price volatility is a key variable that affects fair value. Greater gold price volatility increases the fair value of this liability, which was the primary cause of the $0.8 million loss recognized during Q3 2016. Similarly, an increase in gold price volatility from the inception of this liability on May 26, 2016 to September 30, 2016 caused the Q3 YTD 2016 loss of $4.6 million.

The outstanding warrants represent a derivative liability that is linked, in part, to Lydian's share price relative to the strike price of the warrants. The fair value of this derivative liability generally increases as Lydian's share price increases. The loss of $1.7 million for Q3 2016 results primarily from an increase in Lydian's share price from C$0.38 at June 30, 2016 to C$0.44 at September 30, 2016. Similarly, the loss of $3.2 million for Q3 YTD 2016 is primarily the result of Lydian's share price increasing from C$0.35 at the inception of this liability to C$0.44 at September 30, 2016.

There was no income tax expense, and there were no extraordinary transactions or significant end of reporting period adjustments during the periods presented.

Summary of Balance Sheet Data

The following table summarises the Corporation's financial position:

	As of	
	September 30, 2016	December 31, 2015
Cash and cash equivalents	$ 155,076,554	$ 28,553,813
Other current assets	3,216,517	518,012
Property plant & equipment, net	6,485,529	5,508,488
Development assets	85,000,959	-
Exploration and evaluation assets	482,214	67,197,151
Derivative asset	4,864,759	-
Financing costs	17,304,093	2,538,164
Other non-current assets	4,220,826	3,633,342
	$ 276,651,451	$ 107,948,970
Current liabilities	$ 4,396,059	$ 26,935,925
Stream liability	57,989,916	-
Derivative liabilities	47,911,598	-
Provisions	343,518	338,498
Total Equity	166,010,360	80,674,547
Total Liabilities and Equity	$ 276,651,451	$ 107,948,970

Cash and cash equivalents increased by $126.5 million since December 31, 2015. Financing activities provided gross proceeds of $153.3 million for the Offering, Private Placements, the EBRD Private Placement, and the second deposit under the Stream Agreement. Offsetting these proceeds were net outflow of $5.7 million for operating activities, $14.6 million for investing activities which most notably included Amulsar capital expenditures, and $6.8 million for cost associated with these financing transactions.

The Q3 YTD 2016 increase in development assets of $85.0 million is comprised of the reclassification of exploration and evaluation assets of $71.7 million on May 26, 2016 when the Corporation formalized its decision to begin construction and other Amulsar project expenditures thereafter. Activity since December 31, 2015 includes:

Exploration and evaluation asset	Armenia Amulsar Gold Project	Georgia Kela Project	Total
As of December 31, 2015	$ 66,762,201	$ 434,950	$ 67,197,151
Additions	3,908,127	35,187	3,922,379
Disposals	-	-	-
Exchange differences	983,343	12,077	992,998
Reclassification to development assets	(71,653,671)	-	(71,653,671)
Balance as of September 30, 2016	$ -	$ 458,857	$ 458,857
Development asset			
Reclassification from exploration and evaluation asset	71,653,671	-	71,653,671
Additions	13,264,563	-	13,264,563
Exchange differences	82,725	-	82,725
Balance as of September 30, 2016	$ 85,000,959	$ -	$ 85,000,959

The derivative asset represents the fair value of Lydian's option to reduce metal deliveries under the Stream Agreement by 50%.

Financing costs increased by a net amount of $14.8 million during Q3 YTD 2016. This included total additional financing costs of $24.4 million resulting from initial recognition of the derivative financial instruments associated with the Offtake Agreement, Stream Agreement, and the Loan – Fee Warrants, and expenditures for third-party financing related costs. A total of $9.8 million was then reclassified as offset to the gross proceeds received from the equity financing transactions and the second deposit received under the stream agreement.

The decrease in current liabilities of $22.5 million is due to de-recognition of a $24.9 million of advances under Stream Agreement, offset by an increase in payables of $2.4 million associated with activities in support of Amulsar project activities and financing transactions.

The stream liability represents advance under the Stream Agreement. This liability was first recorded upon de-recognition of the advance under Stream Agreement. In addition to the initially recognized stream liability, the Corporation received $35 million on September 30, 2016 as the second deposit under the Stream Agreement. Netting against this latter amount was $1.8 million of financing costs.

In connection with the Financing Transactions, five derivatives were recognized as of May 26, 2016. These derivatives are carried at fair value, with adjustment made after initial recognition being recorded as gains or losses in the current period. The carrying value of derivative asset and liabilities as of September 30, 2016 consisted of:

Derivative Assets:	
Stream Prepayment Option	$ 4,864,759
Derivative Liabilities:	
Stream Commodity Linked Repayment	8,816,667
Offtake Agreement Derivative	26,493,796
Warrants, Loan Fee	895,323
Warrants, Public Offering	$11,705,812
Total	$47,911,598

Total equity increased by a net amount of $85.3 million since December 31, 2015. This resulted primarily from issuances of Ordinary Shares resulting in net proceeds of $112 million and recognition of a comprehensive loss of $18.5 million for Q3 YTD 2016.

Summary of Cash Flows

The following table is a summary of cash flows:

	For the nine months ended September 30, 2016	2015
Cash (used in) operations	$ (5,746,770)	$ (6,138,281)
Cash (used in) investing activities	(14,581,550)	(7,020,403)
Cash generated from financing activities, net	146,593,915	13,142,107
Increase (decrease) in cash and cash equivalents	126,265,595	(16,577)
Foreign exchange effect on cash	257,146	233,427
Cash and cash equivalents, beginning of period	28,553,813	9,448,339
Cash and cash equivalents, end of period	$ 155,076,554	$ 9,665,189

Cash (used in) operations during Q3 YTD 2016 decreased $0.4 million in comparison to the same period in 2015.

Cash (used in) investing activities increased $7.6 million over the same period in 2015. The increase is due to expenditures for the development of Amulsar, including engineering, earthworks, construction, project management and other early works activities.

Cash from financing activities increased $133.5 million over the prior year due to net proceeds from the financing activities of Q3 YTD 2016 associated with the Offering and Private Placements of $112 million (net of share issuance costs), $35 million received as the second deposit on the Stream Agreement, offset by $0.4 million for other financing costs, versus net proceeds from the public offering of $13.1 million that was completed in Q1 2015.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of results from the Corporation's eight most recently completed quarters:

	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net sales	$ -	$ -	$ -	$ -
Net loss	$ (3,946,734)	$ (13,905,671)	$ (1,421,150)	$ (1,770,865)
Net loss per share (basic and diluted)	$ (0.01)	$ (0.04)	$ (0.01)	$ (0.01)

	Q3 2015	Q2 2015	Q1 2015	Q4 2014
Net sales	$ -	$ -	$ -	$ -
Net loss	$ (757,414)	$ (2,113,061)	$ (1,772,032)	$ (2,835,604)
Net loss per share (basic and diluted)	$ -	$ (0.01)	$ (0.01)	$ (0.02)

The Corporation's financial results are not significantly impacted by seasonality.

OUTSTANDING SHARE DATA

A summary of the Corporation's share capital is:

	As of November 14, 2016	As of September 30, 2016	As of December 31, 2015
Ordinary Shares	699,449,253	699,449,253	184,632,587
Warrants (Warrants and Loan Fee Warrants)	104,187,500	104,187,500	-
Stock options	5,790,000	5,790,000	6,900,000
Restricted Stock Units	5,094,300	5,494,300	-

LIQUIDITY AND CAPITAL RESOURCES

Working capital as of September 30, 2016 was $153.9 million compared to $2.1 million as of December 31, 2015. This increase of $151.8 million resulted primarily from total gross proceeds of $153 million received from various financing transactions, offset by other expenditures incurred in connection with Lydian's development activities at Amulsar, corporate expenses, and financing-related costs. In total, the Corporation has now received gross proceeds of $178 million towards its Amulsar financing plan.

The current level of working capital is sufficient to advance all anticipated work programs into 2017. However, funding from the balance of the financing plan discussed below is necessary to meet all project and corporate financing requirements through completion of Amulsar's construction. Management's financing plan is intended to provide up to $437 million for initial estimated Amulsar capital costs of $370 million and an additional $14 million in the form of the COF beyond the contingency included in initial capital costs. The balance of funds required is for corporate expenses, financing transaction costs, and interest payable on various credit facilities once drawn.

Management has completed or anticipates arranging the following sources of funds in connection with its financing plan:

	In Millions
Gross proceeds received to date:	
Initial deposit under the Stream Agreement	$ 60.0
Private Placements to RCF and Orion	80.0
Public offering	29.5
EBRD private placement [1]	8.8
Sub-total: Gross proceeds received to date	$178.3
Other arranged Financing Transactions [2]	
Term Loan	160.0
COF [3]	14.0
Sub-total: Other arranged Financing Transactions	$174.0
In-process [4]	
Equipment financing	$ 85.0
Sub-total: In-process	$ 85.0
Total financing plan	$437.3

[1] The terms of the EBRD Private Placement designate the use the net proceeds to be for the financing of environmental and social mitigation measures and related activities in connection with development of Amulsar.

[2] Advances under the Term Loan and COF are subject to satisfaction or waiver of applicable conditions. In addition, use of proceeds under the COF are limited to, if any, project cost overruns in excess of the $38 million contingency included as part of the initial capital cost estimate.

[3] Availability of funds under the COF was amended October 21, 2016.

[4] The Corporation is advancing equipment financing facilities to provide $70 – 85 million. The principal security for such facilities is anticipated to include the mining fleet, material handling equipment and other ancillary equipment and facilities. Negotiations are at various stages, and there can be no assurances that management will successfully arrange availability of sufficient funds under the equipment financing package or be able to draw such funds as required. Failure to secure equipment financing of at least $70 million may adversely affect the Corporation's ability to draw on funding from the Term Loan and COF. Furthermore, management anticipates that any advances under equipment financing agreements will be subject to satisfaction or waiver of certain conditions yet to be defined.

In addition to the amounts set out in the financing plan, the Corporation may receive additional equity proceeds in the event outstanding warrants are exercised prior to expiration. While there can be no assurances such warrants will be exercised, in part or in full, the table below summarizes the gross proceeds receivable by the Corporation in the event of full exercise of the respective classes of warrants:

	Expiration Date	**Exercise Price**	**Warrants Outstanding**	**Gross Proceeds (In millions)**
Warrants	November 25, 2017	C$0.36	99,187,500	C$35,707,500
Loan Fee – Warrants	May 25, 2019	C$0.39	5,000,000	C$ 1,950,000

In addition to project financing requirements for Amulsar, the Corporation will require additional sources of working capital for near-term exploration opportunities, corporate purposes, and other contractual obligations when due. The Corporation is subject to certain reimbursement limitations under the terms of the Financing Transactions. While the Corporation has provided for an estimate of such costs, actual costs may exceed these estimates. As a result, the financing plan may be insufficient and require the Corporation to issue additional ordinary shares or seek other funding sources to meet its construction and non-Amulsar related expenditures.

The ability to secure the remaining financing requirements for Amulsar and satisfactorily fulfill the conditions of the Financing Transactions and other potential financing arrangements, draw upon such sources when needed, and meet other obligations of the Corporation when due is uncertain. The Corporation will be required to substantially curtail or defer most activities if financing cannot be secured and drawn as needed.

The time periods and the Corporation's costs relating to the construction-related milestones for Amulsar and other estimates contained in studies or estimates prepared by or for the Corporation may differ significantly from those currently expected by the Corporation. There can be no assurance that the actual time periods, access to sufficient funding and the Corporation's actual costs with respect to these objectives will not be higher than currently expected.

While the Corporation believes it can accomplish its stated business and financing objectives, exploration for and development of mineral properties has a number of inherent risks. See Risk Factors in the Corporation's AIF for factors that may impact the timing and success of the Corporation's planned activities in connection with Amulsar.

The Corporation has made certain expenditure, performance and timing commitments to the licensing authorities for the Corporation's projects. Should these expenditure targets not be met or amended, the applicable licenses are not expected to automatically be forfeited, but any shortfall will be considered by the applicable regulatory authority as a factor in whether to renew such licenses.

TAXES PAID IN ARMENIA

Summary of payments to the Armenian State Budgets and local community governments

The following information is provided as part of an initiative by Publish What You Pay (a global civil society coalition) to achieve transparency of oil, gas and mining Corporation payments to agencies and representatives of those governments as a first step towards a more accountable system for the management of natural resources.

	For the three months ended September 30,		For the nine months ended September 30,	
	2016 (1)	2015 (1)	2016 (1)	2015 (1)
State duty on mining and exploration license	$ -	$ -	$ 20,452	$ 21,179
Income tax	146,570	268,377	440,122	726,185
Land rent	723,478	247,269	1,029,575	719,626
Other taxes	127,712	3,357	199,034	429,329
Total	$ 997,760	$ 519,003	$ 1,689,183	$ 1,896,319

(1) The amounts above were paid in Armenian drams, and converted to US$ using the annual average exchange rate for this report period.

FINANCIAL AND OTHER INSTRUMENTS

The Corporation's financial instruments consist of cash and cash equivalents, receivables, prepayments, accounts payable and accrued liabilities, the stream liability, and derivative asset and liabilities. The fair values of financial instruments are directly impacted by the respective underlying variables of each instrument. Such variables include: Lydian's stock prices, stock price volatility, risk-free rates of return, the Corporation's credit-risk-premium, LIBOR rates, remaining durations of options and exercise periods, the availability of alternative financing, gold and silver price forward curves, gold and silver price volatilities, the timing of future production, the timing of draws upon financing facilities, the timing of repayments of financing facilities, expected future LIBOR rates, the timing of attainment of commercial production, the availability of excess cash flows from operations, and other factors.

The Corporation's exposure to changes in market interest rates relates to the Corporation's earned interest income on cash deposits and to future interest payments under the Term Loan, which will be subject to a variable interest rates. The Corporation balances the requirements for liquidity with interest that may be earned on longer-term deposits. The carrying amount of accounts receivable, net of any provisions for losses, represents the Corporation's maximum exposure to the credit risk of others. A qualified exception to this is that the Corporation is dependent on drawing future committed loans from Orion and RCF, and therefore also indirectly subject to the credit risks of these financiers.

SIGNIFICANT TRANSACTIONS, CONTRACTS AND OFF-BALANCE SHEET ARRANGEMENTS

Significant Transactions and Contracts

Significant transactions and contracts for the nine month period ended September 30, 2016 included:

- $60 million Stream Agreement, of which the funds have been received;
- $160 million undrawn Term Loan, as amended, and issuance of 5,000,000 Loan Fee - Warrants on May 26, 2016;
- $25 million undrawn COF, subsequently amended to $14 million;
- Offtake Agreement associated with the Financing Transactions, calling for the sale of all gold from Amulsar not delivered through the Streaming Agreement;
- $80 million Private Placements, which closed May 26, 2016;
- $29.5 million Offering, which released funds from escrow to the Corporation on May 26, 2016;
- $8.8 million Private Placement with the EBRD;

Off-Balance Sheet Arrangements

On April 23, 2010, the Corporation purchased from Newmont all of Newmont's interest in the former joint venture between the Corporation and Newmont known as the Caucasus Venture, including all of Newmont's interest in Amulsar. As partial consideration, the Corporation agreed to pay Newmont, following the start of commercial production at Amulsar, a 3% Net Smelter Royalty ("NSR"). However, at any time prior to the date that is 20 days following commencement of commercial production, the Corporation may at its option elect to buy out the 3% NSR and instead pay to Newmont the aggregate sum of $20 million, without interest, in 20 equal quarterly installments of $1 million commencing on the first day of the third calendar month following the start of commercial production. Furthermore, the Corporation has a one-time option prior to the commencement of commercial production to prepay these quarterly installments in a single cash payment using an annual discount rate of 10%. This equates to a single payment of approximately $15.7 million.

These potential post production payment(s) do not constitute an "obligation or a constructive obligation", as the triggering event of commercial production has not yet occurred and is not determinable at this time. Therefore, these potential payments are not accrued as a liability as of September 30, 2016.

The Corporation does not have any other significant or off-balance sheet arrangements.

COMMITMENTS

The Corporation and its subsidiaries lease office space for administrative and operational purposes. In 2011, the Corporation, through its subsidiary Lydian Armenia, entered into long term rental contracts for lands under the planned rock allocation area, and other areas associated with planned mine development. Recently, these contracts were changed to reflect the current mine design and rock allocation area. Though these operating leases are cancelable, rental obligations are listed below:

		As of September 30, 2016
Less than one year	$	2,026,744
One to five years		5,811,414
Greater than five years		6,775,562
	$	14,613,720

In May 2016, Lydian Armenia updated its Mining Right with the Ministry of Energy and Natural Resources of Armenia. In accordance with the agreement, Lydian Armenia paid a deposit to the Government of Armenia in the amount of AMD279.7 million, or $573,000, as a guarantee for post mining environmental rehabilitation and AMD38.1 million, or $78,000, for ongoing monitoring. The amounts paid represented 15% of the contractual obligation. The remainder of the rehabilitation guarantee will be paid in equal installments of AMD121.9 million, or $250,000, over 13 years commencing in 2016, and the ongoing monitoring will be paid in equal installments of AMD16.61 million, or $34,000, over 13 years commencing in 2016. In addition, Lydian Armenia is committed to invest annually AMD61.0 million, or $125,000, after mine closure for workforce social mitigation and AMD61.5 million, or $126,000, for adjacent communities' social-economic development.

RELATED PARTY TRANSACTIONS

The parent and ultimate controlling party of the Group is Lydian International Limited. No individual party had overall control of the Corporation or Group during the periods being presented. Transactions between the Corporation and its subsidiaries, which are related parties of the Corporation, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

Related parties include the board of directors, officers, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Compensation awarded to related parties for the periods indicated below was as follows:

	For the three months ended September 30,				For the nine months ended September 30,			
		2016		2015		2016		2015
Salaries and other compensation	$	340,905	$	274,342	$	1,219,941	$	886,968
Share-based compensation		249,915		76,913		315,789		325,634
	$	590,820	$	351,255	$	1,535,730	$	1,212,602

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

Critical Judgements and Accounting Estimates

Significant judgments made by management and applied in preparing these interim financial statements were consistent with those applied and disclosed in the Corporation's audited consolidated financial statements for the year ended December 31, 2015. In addition, certain events and transactions occurring during the nine month period ended September 30, 2016 required management to apply the following additional significant judgements:

Development assets – The Corporation made a decision to proceed with construction at Amulsar in May 2016. Upon making this decision, costs previously recorded as exploration and evaluation assets were reclassified to development assets. Evaluation of the recoverability of the Amulsar development assets was required at this time and will be done each reporting period thereafter. This recoverability assessment is dependent on a number of judgments. These include consideration of indications of impairment and, if necessary to proceed with an assessment, such factors as mineral reserves and recoverable mineral products, execution of the development plan as intended, sufficiency of estimated future cash flows from mining operations, potential proceeds from dispositions, maintenance and receipt of necessary authorizations, and adequacy of financing. The Group will use the evaluation work of professional geologists, geophysicists and engineers for estimates in determining whether to continue development. These estimates generally rely on scientific and economic assumptions, which in some instances may not reflect actual outcomes and thereby affect the ultimate recoverability of the carrying value of development assets.

Functional currency – Amulsar is held by Lydian Armenia a member of the Group. Prior to the Corporation's construction decision for Amulsar, the Armenian Dram was designated as the functional currency for Lydian Armenia. In management's judgment, underlying events that supported the construction decision provided sufficient indications that the primary economic environment in which Lydian Armenia operates had changed. As such, the U.S. Dollar was determined to be Lydian Armenia's functional currency. The primary factors assessed in making this determination included the currency of financings, future revenues and expenditures, and the currency in which cash and cash equivalents are held.

Stream liability – The Corporation entered into a stream agreement ("Stream Agreement") on November 30, 2015 and subsequently received an initial advance of cash. As set out in the audited consolidated financial statements for the year ended December 31, 2015, management treated the cash received as an advance, pending satisfaction or waiver of certain conditions. Such conditions were met in May 2016. As a result, it was management's judgment that advances under the Stream Agreement shall be accounted for as a financing arrangement, best characterized as a financial liability. This determination was based predominantly on conditions of the Stream Agreement permitting cash settlements.

Fair value of financial instruments – The Corporation entered into several financing agreements on November 30, 2015 that contained provisions giving rise to financial derivatives. Also, on May 26, 2016 the Corporation issued two forms of warrants, each representing financial derivatives. These derivatives are accounted for at fair value and marked to market each reporting period thereafter. In determining fair value, management judgement is required in respect of input variables of the financial model used for estimation purposes. These variables include such inputs as the Corporation's stock prices, stock price volatility, trading volumes of the Public Warrants, risk-free rates of return, the credit-risk-premium, LIBOR terms and associated rates, availability of alternative financing, gold and silver price forward curves, gold and silver price volatilities, timing of future production, timing of draws upon financing facilities, timing of repayments of financing facilities, expected future LIBOR rates, timing of achieving commercial production, availability of positive cash flows from operations, and other factors.

Accounting Policies

The accounting policies applied in preparing these unaudited condensed consolidated financial statements were based on the applicable IFRS and interpretations effective as of January 1, 2016. The accounting policies applied during the nine month period ending September 30, 2016 are consistent with those accounting policies applied in the December 31, 2015 financial statements. However, certain changes in circumstances, significant

transactions, and a new IFRS pronouncement have occurred since December 31, 2015. A summary of these matters and the application of the Corporation's accounting policies follows.
Effective May 26, 2016, the Corporation changed the functional currency of Lydian Armenia from the Armenian Dram to the U.S. Dollar. This change was deemed appropriate as it became evident that Lydian Armenia's underlying transactions, particularly capital spending and financing of Amulsar, are predominantly denominated in U.S. Dollars. No other Group entities were affected by this change in functional currency. This change in judgment has been accounted for prospectively in accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates.

The Corporation classifies financing arrangements giving consideration to cash flow characteristics, contractual terms, and relevant business objectives. Financing agreements, such as the Stream Agreement, shall be classified as debt when all or a significant portion of the commitment can be settled in cash and, in management's judgment, other considerations are insufficient to support an alternative accounting method.

Derivatives, other than those deemed to be swaps, are accounted for at fair value on the inception date. Swap derivatives have a zero fair value at inception as the strike price of the underlying variable will be equal to the market price. After inception, all derivatives are adjusted to fair value as of the financial statement date, with the amount of the adjustment being recognized currently as a gain or loss in the statement of loss. Costs incurred to establish debt and equity arrangements are recorded as financing costs. Such costs include legal and accounting fees, fees from independent engineers, printing costs, investment banker or registration fees, agency fees, arrangement fees, and the fair value of derivatives resulting from such debt and equity arrangements. As a financing arrangement closes or debt is drawn, the associated costs are allocated to and reclassified against such debt or equity arrangement. Financing costs associated with debt are expensed over time as interest expense using the effective interest rate method. Should a financing effort be unsuccessful, allocable financing costs are charged immediately to expense.

The International Accounting Standards Board (IASB) published IFRS 9, Financial Instruments, in July 2014, effective for annual periods beginning on or after January 2018. IFRS 9 replaces IAS 39, Financial Instruments: Recognition and Measurement; and includes a logical model for classification and measurement, a single, forward-looking 'expected loss' impairment model, and a substantially reformed approach to hedge accounting. The treatment of financial liabilities was little changed relative to IAS 39. Having reviewed IFRS 9, Lydian believes it may not need to alter its accounting practices upon later adoption of this pronouncement.

DISCLOSURES AND INTERNAL CONTROLS

The Corporation prepares its financial reports in accordance with International Financial Accounting Standards ("IFRS"). Financial reports and other disclosures by the Corporation are subject to Management's systems for maintaining internal controls over financial reporting and disclosure controls as defined in National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*. In preparing disclosures, Management makes certain interpretations and relies on assumptions and estimates. There is no assurance that Management's internal controls, interpretations, assumptions and estimates, or other precautions will completely ensure reliable and timely disclosures are made.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for the design of disclosure controls and procedures ("DC&P") to provide reasonable assurance that all relevant information required to be disclosed by the Corporation is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure.

Management is also responsible for the design of internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Corporation's Chief Executive Officer and Chief Financial Officer have used the COSO 2013 framework to design the Corporation's DC&P and ICFR as of September 30, 2016. The Corporation's Chief Executive Officer and Chief Financial Officer have each evaluated the design of the Corporation's DC&P and ICFR as of September 30, 2016 and have concluded that these controls and procedures are adequately designed to provide reasonable assurance that material information relating to the Corporation is made known to them by others within the Corporation, and to provide reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner.

Management of the Corporation was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The result of the inherent limitations in all control systems means no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. There have been no other significant changes in the Corporation's ICFR that occurred during the quarter ended September 30, 2016 that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the consolidated financial statements, is the responsibility of Management. In preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates are based on careful judgments and have been properly reflected in the Corporation's consolidated financial statements.

Management maintains a system of internal controls to provide reasonable assurance that the Corporation's assets are safeguarded and to facilitate the preparation of relevant and timely information.

RISK FACTORS AND PUBLIC SECURITIES FILINGS

The Corporation faces significant risks and uncertainties causing the mineral resource sector to be highly speculative in nature. Many of these can have material and adverse effects on the valuation of the Corporation's securities, cash flows, financial condition, results of operations, existing business activities, plans and prospects.

Risk factors and additional information relating to the Corporation are discussed in the Corporation's most recent AIF and other filings available on SEDAR at www.sedar.com

SUBSEQUENT EVENTS

On October 21, 2016, the Corporation entered into an amendment to the Term Loan. The amendment, among other things, aligns the availability periods under the Term Loan with the Amulsar cash flow requirements. The initial $50 million tranche has been extended to June 30, 2017 and the second $110 million tranche has been extended to March 31, 2018. Funding under each tranche of the term loan is subject to applicable conditions precedent, including satisfaction of the conditions of the initial tranche by December, 31, 2016. As part of the transaction, the COF was amended to $14 million.

GLOSSARY OF DEFINED TERMS

"*AIF*" means the annual information form of the Corporation dated March 30, 2016 for the year ended December 31, 2015;

"Amulsar" means the Amulsar Gold Project;

"BCS" means broad community support report

"*Corporation*" or "*Lydian*" or "*we*" or "*us*" or "*our*" means Lydian International Limited and its affiliates;

"*COSO*" means the Committee of Sponsoring Organizations of the Treadway Commission;

"*Cost Overrun Facility*" or *"COF"* means the $25 million cost overrun facility, was subsequently amended to $14 million;

"*DC&P*" means disclosure controls and procedures;

"*EBRD*" means the European Bank for Reconstruction and Development

"EBRD Private Placement" means the $8.8 million private placements of Ordinary Shares to the EBRD, which closed August 15, 2016;

"*Equator Principles*" means the Equator Principles – June 2013, developed by the Equator Principles Association, as amended, supplemented or superseded from time to time;

"*ESIA*" means the Environmental and Social Impact Assessment developed in 2014, as amended in 2016, for Amulsar to conform to the requirements of the 2012 International Finance Corporation Performance Standards and the 2008 European Bank for Reconstruction and Development Performance Requirements and other financial institutions that may be signatories to the Equator Principles;

"*Financing Transactions*" means, collectively, the series of financing transactions in an aggregate amount of approximately US$325 million, as subsequently amended to $314 million, entered into between the Corporation, Orion and RCF, to finance the engineering, design and construction of the plant, the acquisition of equipment, mine development and start-up costs, interest during construction, fees and expenses related to the financing transactions, other development costs, working capital requirements of Amulsar, and for corporate and working capital purposes.

"*HLF*" means the proposed heap leach facility to be part of the processing facilities at Amulsar;

"*ICFR*" means internal controls over financial reporting;

"*IFRS*" means the International Financial Reporting Standards as issued by the International Accounting Standards Board;

"*Loan Fee – Warrants*" means the 5,000,000 Ordinary Share purchase warrants of the Corporation issuable to Orion and RCF upon the closing of the Private Placements;

"*Lydian Armenia*" means Lydian Armenia CJSC, formerly Geoteam CJSC, the Corporation's wholly owned subsidiary which holds Amulsar.

"*Management*" means the management of the Corporation;

"*MD&A*" means Management's discussion and analysis;

"*Mining Right*" means the mining right for Amulsar as approval by the Armenian Ministry of Energy and Natural Resources;

"*Newmont*" means Newmont Overseas Exploration Limited;

"*NI 43-101*" means National Instrument 43-101 – Standards of Disclosure for Mineral Projects;

"*Offering*" means the distribution and offering of the Subscription Receipts by the Corporation pursuant to the Short Form Prospectus and the Ordinary Shares and Warrants issuable pursuant to the terms of the Subscription Receipts;

"*Offtake Agreement*" means the offtake agreement dated November 30, 2015 among Lydian Armenia, the Corporation, Lydian International Holdings Limited, Lydian Resources Armenia Limited, Orion and RCF;

"*Ordinary Shares*" means the ordinary shares of no par value in the capital of the Corporation;

"*Orion*" means both or either Orion Co IV (ED) Limited and Orion Co IV (SO) Limited;

"*Private Placements*" means the private placements of Ordinary Shares to each of Orion and RCF;

"Q2 2016" means the three month period ended June 30, 2016;

"*Q3 2016*" means the three month period ended September 30, 2016;

"*Q3 YTD 2016*" means the nine month period ended September 30, 2016

"Q4 2015 Technical Report" means the report titled "NI 43-101 Technical Report, Amulsar Value Engineering and Optimization, Armenia" dated November 20, 2015;

"*RCF*" means Resource Capital Fund VI L.P.;

"*SEC*" means the U.S. Securities and Exchange Commission;

"*SEDAR*" means the System for Electronic Document Analysis and Retrieval administered by the Canadian Securities Administrators;

"*Short Form Prospectus*" means the (final) short form prospectus of the Corporation dated March 11, 2016 with respect to the Offering;

"*Stream Agreement*" means the purchase and sale agreement dated November 30, 2015 among the Corporation, Lydian Armenia, Orion and RCF, as amended;

"*Subscription Receipts*" means the subscription receipts of the Corporation offered pursuant to the Short Form Prospectus, including, for greater certainty, the Over-Allotment Option;

"*Term Loan*" means the $160 million non-revolving credit agreement dated November 30, 2015 among Lydian Armenia, the Corporation, Orion and RCF, as amended;

"*Warrants*" means the Ordinary Share purchase warrants issued pursuant to the terms of the Subscription Receipts. Also described as Public Offering – Warrants.