

Lydian International Ltd.

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Lydian mulls options to get Amsular back on track

Lydian International Limited (TSE:LYD) is considering its options to get back to work on its Amsular project in Armenia as the company was granted a stay of proceedings to meet its financial obligations.

The Toronto-based company said it intends to continue discussions with its lenders and other stakeholders, including the Armenian government, to move the high-grade gold project forward.

Illegal blockades surrounding Amsular have been ongoing since June 2018, blocking access and effectively stopping any work at the site.

READ: Lydian International welcomes Armenia administrative court decision to reject application to revoke Amulsar EIA

On Monday, the miner was granted protection under the Companies' Creditors Arrangement Act under an order of the Ontario Superior Court of Justice. A stay was also granted in favour of Lydian's international subsidiaries.

The court granted protection from creditors and other stakeholders from enforcing any rights against Lydian and its subsidiaries for an initial 10-day period expiring January 2, 2020.

The firm's lenders were not prepared to further extend a previously announced forbearance agreement that expired on December 20, Lydian said in a statement.

Lydian said it expected to meet its obligations to employees and key suppliers during the CCAA proceedings. Management of the company will remain responsible for day-to-day operations in conjunction with Alvarez & Marsal Canada Inc, the court-appointed monitors.

"While under CCAA protection, the company intends to continue discussions with its lenders and others, including the Government of Armenia, to seek to maximize the outcome for all stakeholders including the hundreds of employees, contractors and suppliers affected by the ongoing illegal blockades," Lydian said in a statement.

It also said it intends to pursue financing or sale options and finalize financing discussions with respect to potential foreign investment arbitration proceedings against the Armenian government.

Shares of Lydian were halted on the Toronto Stock Exchange on Monday morning.

Contact Angela at angela@proactiveinvestors.com

Follow her on Twitter @AHarmantas

Price: 0.075

Market Cap: \$57 m

1 Year Share Price Graph



Share Information

Code: LYD

Listing: TSX

52 week High Low
0.24 0.06

Sector: Gold & silver

Website: www.lydianinternational.co.uk

Company Synopsis:

Lydian is a gold developer focusing on construction at its 100%-owned Amulsar Gold Project, located in south-central Armenia. Amulsar will be a large-scale, low-cost operation with production targeted to average approximately 225,000 ounces annually over an initial 10-year mine life. Open pit mining and conventional heap leach processing contribute to excellent scale and economic potential.

action@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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