LIONGOLD CORP LTD
(Incorporated in Bermuda)
(Company Registration No. 35500)

(I) THE PROPOSED RE-DOMICILIATION OF THE COMPANY FROM BERMUDA TO THE REPUBLIC OF SINGAPORE;

(II) THE PROPOSED ADOPTION OF THE NEW CONSTITUTION;

(III) THE PROPOSED CHANGE OF NAME OF THE COMPANY FROM LIONGOLD CORP LTD TO SHEN YAO HOLDINGS LIMITED; AND

(IV) THE PROPOSED DIVERSIFICATION OF THE GROUP'S EXISTING BUSINESS TO INCLUDE THE NEW BUSINESSES.

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1. Introduction

The board of directors (the "**Board**" or the "**Directors**") of LionGold Corp Ltd (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company will be seeking the approval of its shareholders (the "**Shareholders**") for the following matters:

(a) the proposed re-domiciliation of the Company from Bermuda to Singapore (the "**Proposed Re-domiciliation**");

(b) the proposed adoption of a new constitution (the "**Proposed Adoption of the New Constitution**");

(c) the proposed change of name of the Company from LionGold Corp Ltd to Shen Yao Holdings Limited (the "**Proposed Change of Name**"); and

(d) the proposed diversification of the Group's Existing Business to include the New Businesses (the "**Proposed Diversification**").

2. The Proposed Re-domiciliation

2.1 Background

On 10 March 2017, the inward re-domiciliation regime ("**Re-domiciliation Regime**"), amongst other things, was passed under the Companies (Amendment) Act 2017 of Singapore and came into force on 11 October 2017. Under the Re-domiciliation Regime, foreign corporate entities which meet the relevant prescribed criteria will be allowed to transfer their domicile to Singapore without having to incorporate a new entity while at the same time retaining their corporate identity and history.

While Section 132G of the Companies Act 1981 of Bermuda (the "**Bermuda Companies Act**") provides that exempted companies may be discontinued out of Bermuda and be continued in a jurisdiction outside of Bermuda, Section 132G(2)(e) of the Bermuda Companies Act however requires that the other jurisdiction must be either an appointed jurisdiction or a jurisdiction that is approved by the Minister of Finance, Bermuda upon application. As Singapore was appointed as an appointed jurisdiction in Bermuda on 22 March 2018 and gazetted on 24 April 2018, Bermuda exempted companies are able to discontinue from Bermuda and continue in Singapore pursuant to the Bermuda Companies Act.

Accordingly, the Company proposes to transfer the domicile of the Company from Bermuda to Singapore by way of a discontinuance out of Bermuda and continuance and registration in Singapore under the Re-domiciliation Regime of Singapore for the reasons set out in paragraph 2.2 of this announcement.

2.2 Rationale for the Proposed Re-domiciliation

The rationale for the Proposed Re-domiciliation are as follows:

(a) Align the Company's country of registration with its country of listing

The shares of the Company (the "**Shares**") are listed on the Catalist Board of the SGX-ST and subject to the applicable Singapore listing rules and regulations. As at the date hereof, the Company has no substantial nexus to Bermuda in respect of its operations and business. The Proposed Re-domiciliation would allow the Company to align its country of registration with its country of listing.

(b) Increase administrative and operational efficiency/reduce administrative and compliance costs

Currently, when the Company contemplates any corporate action or undertakes any fundraising exercise, it will need to ensure compliance with both Singapore listing rules, regulations and laws as well as Bermuda laws and regulations (as applicable), which may be administratively cumbersome and costly, as it requires the Company to engage different sets of legal advisers to advise on the applicable laws and regulations and to obtain approvals (where necessary) from the regulatory authorities of both jurisdictions for its corporate actions.

Upon the completion of the Proposed Re-domiciliation, corporate actions and exercises undertaken by the Company would need to comply with Singapore listing rules, regulations and laws, without the added requirement of compliance with Bermuda laws and regulations. This would result in faster execution and lower costs incurred by the Company to ensure compliance with applicable laws and regulations.

(c) Increased flexibility for future corporate actions

The Bermuda Companies Act is different compared to The Companies Act (Cap. 50) of Singapore (the "**Singapore Companies Act**"). In some cases, the options available to the Company may be limited due to the limitations imposed, or different considerations necessitated by the Bermuda Companies Act. Upon completion of the Proposed Re-domiciliation, the Company will be able to fully utilise the options available under Singapore legislation when carrying out future corporate actions.

2.3 Effects of the Re-domiciliation

The Proposed Re-domiciliation will not involve the formation of a new company, the withdrawal of listing of the existing Shares, any issue of new Shares, any transfer of assets of the Company or any change in the existing shareholding structure of the Company. The Proposed Re-domiciliation will also not alter the underlying assets, investments, management or financial position of the Company (other than as a result of the expenses and professional fees to be incurred) or the proportionate interests of the Shareholders.

The implementation of the Proposed Re-domiciliation will not affect the Company's listing status on the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The Company will inform the relevant authorities of the changes to its country of registration. The Proposed Re-domiciliation is also not expected to affect any regulatory licences, permits or approvals required for the Company's operations.

3. The Proposed Adoption of the New Constitution

In connection with the Proposed Re-domiciliation, the Company will be required to amend its existing Memorandum and Association of the Company (the "**Existing Memorandum**") and the existing bye-laws of the Company (the "**Existing Bye-Laws**"), which are currently drafted to comply with the provisions of the Bermuda Companies Act, to bring them in line with the provisions of the Singapore Companies Act. The Company will also use this opportunity to update the Existing Memorandum and Existing Bye-Laws such that the provisions are consistent with the prevailing listing rules of the SGX-ST and in compliance with Rule 730 of the SGX-ST's Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"). In view of the extensive amendments required to be made to the Existing Memorandum and Existing Bye-Laws, the Company proposes to adopt a new constitution instead.

4. The Proposed Change of Name

The Directors are proposing to change the Company's name from "LionGold Corp Ltd" to "Shen Yao Holdings Limited".

The Proposed Change of Name stems from a change in controlling shareholder of the Company to Yaoo Capital Pte. Ltd. resulting from the completion of the Proposed Yaoo Subscription (as defined in the circular to Shareholders dated 6 September 2019) which took effect on 31 October 2019. The Proposed Change of Name will allow the public to better identify with the new controlling shareholder of the Company.

In addition, in the event the Company successfully effects the Proposed Re-domiciliation, the Company will be governed by the Singapore Companies Act. Under Section 27(7) of the Singapore Companies Act, a limited company shall have either "Limited" or "Berhad" as part of and at the end of its name.

The Proposed Change of Name does not affect the legal status of the Company or any of the rights of Shareholders, and the existing Shares will continue to be traded on the SGX-ST.

5. The Proposed Diversification

5.1 Background

The Company refers to the announcement dated 30 January 2019 wherein the Company stated that Yaoo Capital Pte Ltd ("**Yaoo Capital**") intends to assess the situation post completion of the subscription agreement dated 28 December 2018 (as amended and supplemented by an extension letter dated 7 June 2019 and a supplemental letter dated 3 September 2019) (the "**Subscription Agreement**") between the Company and Yaoo Capital. Yaoo Capital also intends to look at other areas of growth with a view to enhancing Shareholders values. Since the completion of the Subscription Agreement on 31 October 2019, Yaoo Capital has been reviewing the operations of the Company and assessing new business opportunities.

The existing business of the Company is that of "an investment holding company that invests in (whether by way of acquisition, joint venture, collaboration or otherwise) and manages, *inter alia*, companies, businesses and other entities or organisations that are engaged (whether directly or otherwise) in the exploration for and exploitation of precious and other minerals, and natural resources" (the "**Existing Business**").

The Proposed Diversification will involve the Group expanding the scope of its business to include the following (the "**Proposed Diversification**"):

(a) engaging in financial investment activities as principal (the "**Investment Business**"); and

(b) undertaking the business of fund management as a fund manager (the "**Fund Management Business**")

(collectively, the "**New Businesses**").

5.2 About the Investment Business

It is intended that the Investment Business will encompass the following activities:

(a) trading and/or investing directly or indirectly in futures, commodities, bonds, notes, swaps, options, forwards, foreign exchange and real estate investment trusts (whether quoted or unquoted);

(b) investing in funds, including but not limited to private equity funds and hedge funds; and

(c) any other investment instruments and/or activity related to or ancillary to the above-mentioned activities.

5.3 About the Fund Management Business

The Group proposes to expand its core business to include the business of fund management within the meaning of the Securities and Futures Act (Cap. 289) of Singapore ("**SFA**"), which involves managing the property of, or operating, a collective investment scheme, or undertaking on behalf of a customer (whether on a discretionary authority granted by the customer or otherwise), (a) the management of a portfolio of capital markets products; or (b) the entry into spot foreign exchange contracts for the purpose of managing the customer's funds, but does not include real estate investment trust management.

Fund management in Singapore is a regulated activity under the SFA, and is subject to the supervision and regulation of The Monetary Authority of Singapore ("**MAS**").

It is intended for the Group to commence its operations in the Fund Management Business by registering with the MAS to operate as a Registered Fund Management Company at the onset.

5.4 Rationale for the Proposed Diversification

The Board believes that the Proposed Diversification is in the interests of Shareholders for the following reasons:

(a) *The Proposed Diversification will reduce the Group's dependence on the Existing Business and provide a more diversified business and income base*

Given the current uncertainties prevailing in the global economy, the Group believes it is more prudent not to rely solely on its Existing Business. The Proposed Diversification would reduce the Group's reliance on the Existing Business by diversifying its revenue stream, as well as improve future prospects and better support the growth of the Group, so as to enhance Shareholders' value.

(b) *The Proposed Diversification is expected to provide additional and recurrent revenue streams with a view to achieving long-term growth*

The Proposed Diversification is expected to provide additional and recurrent revenue streams for the Group which may include, *inter alia*, capital gains and recurring dividend income from Investment Business and management fees and performance fees from the Fund Management Business.

The New Businesses provide an additional channel for the Group to utilise the earnings generated from the Existing Business to provide new income streams for the Group. This will allow the Group to have better prospects of profitability and ensure long term growth by enabling the Group to have access to new business opportunities which in turn could potentially enhance the return on the Group's assets and improve Shareholders' value over the long-term.

(c) *The Proposed Diversification may provide additional funds for expansion of the Group's Existing Business*

Prospective earnings generated from the New Businesses may also be channeled towards the operations and expansion of the Existing Business, hence reducing reliance on external funding which comes at a cost.

(d) *The Proposed Diversification will give the Group the flexibility to enter into transactions relating to the New Businesses in the ordinary course of business*

Upon receipt of approval from Shareholders for the Proposed Diversification, the Group may, in the ordinary course of business, enter into transactions relating to the New Businesses without having to seek Shareholders' approval, subject to compliance with the relevant Catalist Rules. This can be done as long as such transactions do not change the Group's risk profile, and will eliminate the need for the Company to convene separate general meetings on each occasion to seek Shareholders' approval as and when potential transactions relating to the New Businesses arise. This will allow the Group greater flexibility to pursue business opportunities relating to the Investment Business and Fund Management Business which may be time-sensitive in nature, and will substantially reduce the expenses associated with the convening of general meetings from time to time.

6. Circular

A circular containing, *inter alia*, further details on the Proposed Re-domiciliation, the Proposed Adoption of the New Constitution, the Proposed Change of Name and the Proposed Diversification will be dispatched to Shareholders in due course and the Company will release further announcements relating to the abovementioned matters as and when necessary.

7. Cautionary Statement

Shareholders are advised to exercise caution when dealing in the Shares of the Company as there is no certainty or assurance as at the date of this announcement that the Proposed Re-domiciliation, the Proposed Adoption of the New Constitution, the Proposed Change of Name and the Proposed Diversification will be completed. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

BY ORDER OF THE BOARD

Yao Liang
Executive Director
31 August 2020

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, W Capital Markets Pte. Ltd. (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Mr Chia Beng Kwan, Registered Professional, W Capital Markets Pte Ltd, 65 Chulia Street, #43-01 OCBC Centre, Singapore 049513, Telephone (65) 65133541.