LIONGOLD
CORP

Sustainability Report

for the year ended 31 March 2019



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1. Message from LionGold's Group Chief Executive Officer

On behalf of the Board of Directors (**Board**) we are pleased to present LionGold's Sustainability Report for the year ended 31 March 2019 (**FY2019**). Only a few months have passed since we submitted our sustainability Report for the year ended 31 March 2018 (**FY2018**) but our efforts to manage sustainability have continued unabated. Our ongoing positive record on safety, environmental and community relations management bears evidence to our unwavering commitment to maintain and improve our sustainability track record.

The Board and Management are committed to manage our operations and sustainability issues to achieve the best outcomes for all our stakeholders and we recognise that our host communities are very important in all our endeavours. I thank our neighbours and broader community for their support and assure them that we will not stop in our quest for continuous improvement.

I remind our staff and management to vigilantly maintain and innovatively improve our track record of being responsible and proactive members of the communities within which we operate.

Tan Soo Khoon Raymond
Group Chief Executive Officer

Sustainability is a core value based on the following principles:

- Implement and maintain ethical business practices and sound systems of corporate governance;
- Integrate sustainable development considerations into the decision-making process;
- Uphold fundamental human rights and respect cultures, customs and values in dealings with employees and others who are affected by our activities;
- Continually improve our health and safety, environmental and community relations performance;
- Implement and maintain effective and transparent engagement, communication and reporting arrangements with our stakeholders.

2. Introduction

LionGold Corp Limited (**LGC**, **LionGold** or the **Company**) is proud to present its annual Sustainability Report for FY2019. The report is published pursuant to, and in compliance with, Rules 711A and 711B of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (**SGX-ST**) as well as the SGX-ST Sustainability Reporting Guide. The Board commissioned a materiality assessment of Environment, Social and Governance factors (the **ESG factors**) that are of the highest importance to LionGold and its stakeholders in 2018. These factors were reported upon in the report for FY2018 published in March 2019. There have been no fundamental changes in the business operations and the ESG factors remain valid for the current reporting period. This report explains how the ESG factors were determined and how the Board manages these factors. The report should be read together with the LionGold 2019 Annual Report.

This report has been prepared in accordance with the Global Reporting Initiative (**GRI**) Standards Core Option as it is widely accepted and considered best suited to LionGold's circumstances. Any questions regarding the report or its content should be addressed to the Company's Singapore headquarters, located at 100 Beach Road, #21-01 Shaw Tower, Singapore 189702 and contactable at the following telephone number: +65 6690 6860.

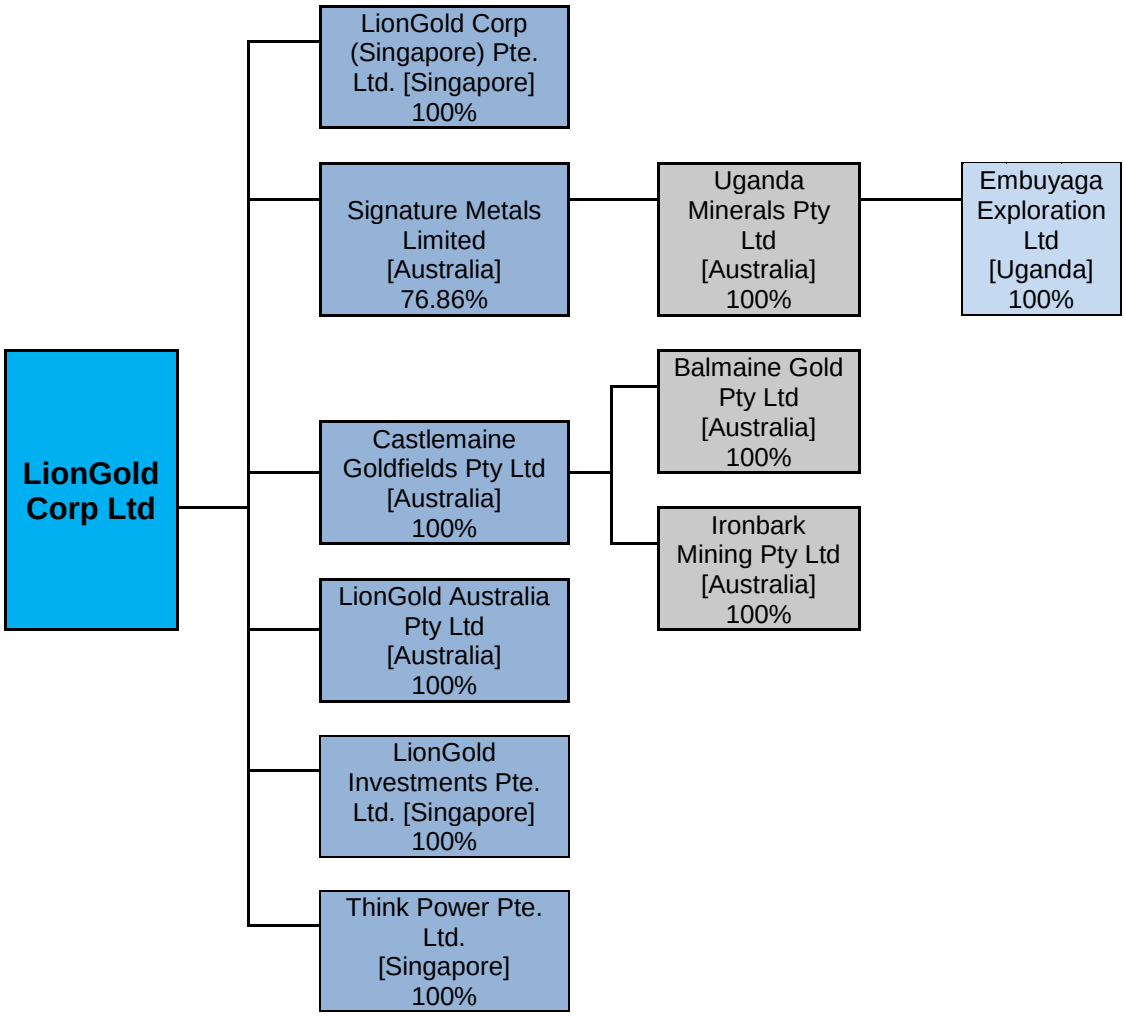
3. LionGold's Profile

LionGold is a Singapore head-quartered gold mining and exploration company with operations in Australia. In accordance with the Joint Ore Reserves Committee (**JORC**) Code 2012, LionGold's estimated net attributable ounces as at 31 March 2019 stand at 128,900 ounces of gold resources, with an annual production target of 40,000 ounces of gold. The Company's wholly owned subsidiary, Castlemaine Goldfields Pty Ltd (**Castlemaine Goldfields** or **CGT**), produced approximately 41,800 ounces of gold in FY2019, contributing to S$70.1 million in revenue.

3.1 Corporate Structure

LionGold Corp Ltd, a Bermuda domiciled entity (No. #35500) is listed on the SGX-ST with symbol A78. Pursuant to the shareholder information contained in LGC's 2019 Annual Report, as at 18 June 2019, 81.71% of the issued ordinary shares of the Company were held by the public. DBS Vickers Securities (S) PTE LTD was the major shareholder, holding 18.87% of the total share capital on 18 June 2019.

The LionGold Group structure is depicted in the following diagram:

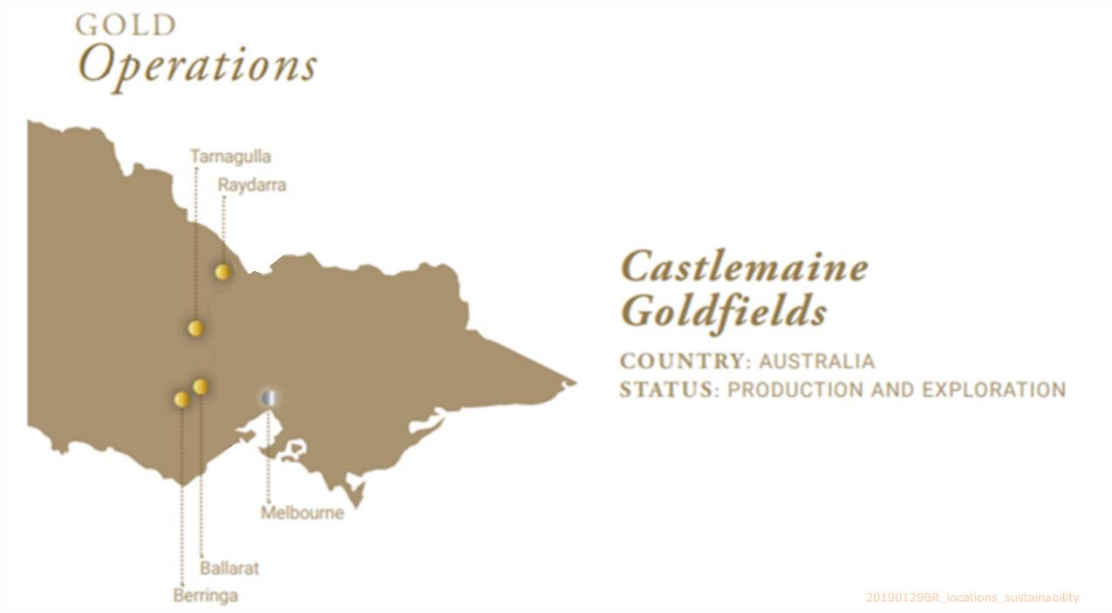


LionGold and its wholly-owned subsidiary, Castlemaine Goldfields (which in turn wholly-owns subsidiaries Balmaine Gold Pty Ltd and Ironbark Mining Pty Ltd), are the only economically active companies in the group structure.

The principal activity of the LionGold office is to maintain the listing of the Company on the SGX-ST and manage and direct the activities of Castlemaine Goldfields. As such, the office's own environmental impact is relatively negligible in view of its low energy, power and water consumption. This report thus focusses on the ESG factors that apply to Castlemaine Goldfields and its subsidiaries (the **CGT Group**) and their activities.

3.2 Operations/Activities

LionGold, through its wholly-owned subsidiary Castlemaine Goldfields, operates a well-established gold mine at Ballarat in Australia's premier Victoria gold belt and owns several tenements around the Ballarat Gold Mine and in nearby goldfields. Besides the producing Ballarat Gold Mine, Castlemaine Goldfields' other main asset is its regional exploration land holding.



Castlemaine Goldfields produces approximately 40,000 ounces of gold per year at the underground Ballarat Gold Mine with facilities that include a 600,000 tonne per annum processing plant with gravity gold and concentrate recovery circuits.

In FY2019, the Ballarat Gold Mine processed 267,941 tonnes of gold-bearing ore through its gold processing plant, at a grade of 5.68 g/t and produced 41,830 ounces of gold. Total all-in sustaining cost for the year was A$1,578/ounce and the Ballarat Gold Mine achieved an average gold price of A$1,725/ounce during the period.

Some 3.39 kilometres of tunnels were developed underground during the operation of the Ballarat Gold mine, with 227,426 tonnes of waste rock removed in the process. The main areas of development were in the Normanby and Canton compartments. Works aimed at raising the capacity of the current Tailings Storage Facility (**TSF**) with an upstream lift were nearing completion at year end. Work continued on the planning, permitting and designing of a new TSF to support future operations.

Castlemaine Goldfields continued its regional exploration program throughout FY2019, which focusses on low-impact exploration and identification of new target areas for exploration. A key

exploration focus is on the Ballarat tenements. Geochemistry, remodeling, research and structural interpretation have continued through the year.

Gold dore produced by the site is forwarded to an Australian refiner for smelting and further refinement in accordance with London Bullion Market Association standards and Australian Law. The refined gold bullion is purchased by the Australian refiner for their use locally and internationally.

3.3 Scale of the Organisation

The Company has approximately 171 employees, 11 at the LionGold Office in Singapore and 160 involved with mining and exploration operations in Ballarat, Australia.

Employees	Male		Female		Total	
	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019
Permanent						
LionGold	2	2	9	9	11	11
CGT	145	151	9	9	154	160
Total	147	153	18	18	165	171
Full-time						
LionGold	2	2	8	8	10	10
CGT	143	146	7	6	150	152
Total	145	148	15	14	160	162
Part-time/Casual						
LionGold	-	-	1	1	1	1
CGT	2	5	2	3	4	8
Total	2	5	3	4	5	9

At the end of March 2019, 72% of CGT employees were covered by an Enterprise Agreement and the remaining 28% have individual employment contracts.

Castlemaine Goldfields employed 74 contractors at the end of FY2019. There are three main groups of contractors: 22 were engaged to carry out underground exploration drilling, 10 provided production drilling services and some ground support installation services with the remainder being involved in a variety of tasks comprising maintenance works in the main.

The mining process is a 24-hour continuous operation and employee and contractor numbers remain reasonably constant. The employee data set out above was extracted from the Company's personnel records.

Our mining and exploration licenses grant CGT access to almost the entire historic gold mining areas of the city of Ballarat. While the underground footprint of the mine extends around 3.5 km from Mt Clear in the south to Bakery Hill in the north, the mine site's actual footprint in the Mt Clear pine forest is relatively small at around 80 hectares. Regional exploration is undertaken at Ballarat, Tarnagulla, Raydara and Berringa in Victoria, Australia.

For FY2019, the Group recorded revenue of S$70.1 million. As at 31 March 2019, the Consolidated LionGold Group had borrowings of S$15.8 million and equity attributable to equity holders of the Company of S$13.7 million.

3.4 Supply Chain

The mining industry is well established in Australia and there is an extensive support network of suppliers that cater for the needs of the industry. Castlemaine Goldfields and its operating subsidiary, Balmaine Gold Pty Ltd, have entered into supply contracts with a wide range of suppliers to provide utilities, services and consumables. Items such as explosives, ground support consumables, fuel, mechanical supplies, electricity and gas and other goods and services used in the mining operations are supplied to us under long term contracts. Appropriate commercial contract review and tender processes are followed to ensure that the best value for money is obtained and that products that are fit for purpose are sourced with reliable supply arrangements.

The London-based Risk Advisory Group published their Corruption Challenges Index 2019 in April 2019. The index lists New Zealand as the jurisdiction least challenged by corruption in the world, closely followed by Australia, United Kingdom, France and Singapore. While all the necessary security measures are taken to prevent fraud and error, our operations in Australia are not unduly challenged by corruption.

During 2018/19, CGT dealt with 538 suppliers with the top ten accounting for 61% of CGT's expenditure. The Company has a policy to support local suppliers in the Ballarat region or Victoria where possible, although some of the specialist materials and services are not available within Victoria and are sourced from the traditional mining states of Western Australia and Queensland.

Total expenditure for FY2019 by Castlemaine Goldfields amounted to A$69 million of which A$20 million was for labour costs and the balance of A$50 million for goods and services. The CGT Group makes a significant annual contribution to the Victorian economy of about A$53 million in salaries, goods and services.

Australia has extensive and rigorous industrial and health and safety laws to ensure that individual suppliers maintain appropriate practices to safeguard workers and protect the environment. Such national laws and policies govern the occupational health and wellbeing of workers that are in CGT's supply chain but are not its employees.

During the reporting period there has been no significant changes to the Company or its supply chain. Operations have continued as in the past and while the Company operates in a dynamic business environment and may have moved from one supplier to another for sound economic reasons, such changes have not been significant.

3.5 Precautionary Principle Approach

The Company exercises a precautionary approach to sustainability through diligent adherence to the rigorous risk management frameworks described in this report and the application of extensive corporate governance practices as described in the FY2019 Annual Report.

3.6 External Relationships

Castlemaine Goldfields supports local charities as well as academic and community groups though the donation of goods, funds and in-kind contributions. Some of the beneficiaries have been: Berry Street, Sovereign Hill Museum Society, Ballarat Historical Society and Federation University.

The largest investment is via in-kind services to educational institutions from primary schools to post graduate studies. Castlemaine Goldfields has continued to provide educational institutions with access to our staff and data. This includes paid work-experience for student geologists and engineers through the Federation University – Industry Internship partnership.

CGT is a committed member of the local Ballarat, national business, academic and industry communities and maintains memberships or representation in the following business, professional and lobby group organisations: Committee for Ballarat, Commerce Ballarat, Australian Institute of Geologists (AIG), Victorian Chamber of Commerce and Industry, Australian Institute of Mining and Metallurgy and the Minerals Council of Australia.

Many members of the Senior Management Team (refer to page 10 for information about the Senior Management Team) are members of the Australian Institute of Mining and Metallurgy and other industry professional bodies. CGT is fully supportive of our managers' membership of such professional bodies as it better enables them to adhere to professional standards in their dealing with and for the company.

Castlemaine Goldfields is a member of the Minerals Council of Australia (**MCA**). The MCA represents Australia's exploration, mining and minerals processing industry, nationally and internationally, in its contribution to sustainable development and society at large. The MCA represents the minerals industry with a common purpose in advocating responsible policies to promote growth, prosperity and sustainability.

4. Governance Structure

The Board provides entrepreneurial leadership, oversees the business affairs and dealings of the Group, determines and sets the Group's corporate strategies and objectives, and ensures that the necessary financial and human resources are in place for the Company to meet its objectives. It also monitors and evaluates the Group's operations and financial performance, establishes targets for the management of the Company and monitors the achievement of these targets. The Board has overall responsibility for establishing and maintaining a framework of good corporate governance in the Group, including the risk management systems and internal control to safeguard shareholders' interests and the Group's assets.

The Board has three committees to assist it in the execution of its responsibilities, namely the Audit Committee, the Nominating Committee and the Remuneration Committee. Each Committee has its own terms of reference and operating procedures, which are reviewed periodically.

Our Board consists of the following individuals:

Name	Board of Directors	Audit Committee	Nomination Committee	Remuneration Committee
Roland Kenneth Selvanayagam	Non-executive Chairman, Lead Independent Director	Member	Member	Chairman
Tan Soo Khoon Raymond	Group Chief Executive Officer, Executive Director	N.A.	N.A.	N.A.
Bernard Soo Puong Yii	Non-executive Independent Director	Chairman	Member	Member
Dr Denis Edmund Clarke	Non-executive Independent Director	Member	Chairman	Member

Under the direction and supervision of the LionGold Board, Castlemaine Goldfields has a Senior Management Team in Ballarat that manages the day to day affairs of the Australian mining and exploration operations. The team is headed by a General Manager and comprises executive managers for Mining, Processing, Exploration, Health & Safety, Environment & Community, Geology and Finance & Administration. Members of LionGold's Singapore Office and the Senior Management Team formed a Working Committee to steer the development of this Sustainability Report.

5. About this Sustainability Report

LionGold engaged Virtus Assure Pte. Ltd. (**Virtus Assure**) to work with the Company to develop a questionnaire to identify the ESG factors that the Company considers important to its stakeholders, as listed on page 12 of this report. Virtus Assure is an independent assurances services consultancy company and is familiar with the requirements of the SGX-ST and the principles of the Global Reporting Initiative which was used as the reporting framework for this report.

Castlemaine Goldfields has regular and ongoing interactions with a range of stakeholders, and the nature of such engagement with stakeholders depends on the type of stakeholder concerned. The following table sets out the key interactions and purpose of the interactions with the various stakeholder groups.

Stakeholder Group	Engagement Approach	Key Interests
Employees & Managers	• Regular Dialogue • Training Program • Work related meetings & discussions • Online Survey	• Working Environment • Staff Benefits • Development of Technical Skills
Local Communities	• Regular Dialogue • Feedback Sessions • Social and Community Events • Online Survey	• Create a positive impact on Local community
Government Regulators	• Site Visit & Workshops • Formal Meetings • Dialogue Sessions • Online Survey	• Compliance with rules and regulations
Goods and services providers	• Phone Calls • Email Contacts • Formal & Informal Meetings • Online Survey	• Ensure quality of products and services • Goods and services provided on time • Better risk management • Adequate corporate governance
Shareholders	• Shareholders Annual General Meeting • Quarterly Announcements of Financial Results	• Better risk management • Adequate corporate governance

To identify the stakeholders that needed to be engaged to determine the ESG factors to be reported upon, consideration was given to parties that could be expected to be extensively affected by LionGold's activities or could affect the Company's ability to carry out its business.

A range of stakeholders, comprising external and internal parties, were identified. External stakeholders included individuals or entities such as shareholders of LionGold, goods and services providers, government regulators and neighbouring communities of the Castlemaine Goldfields operations. Internal stakeholders included all staff (c. 150) and c. 40 major contractor staff working at the Ballarat mine.

A wide range of potential ESG factors were selected to ensure that the candidate ESG factors presented to stakeholders are representative of the Company's performance in the wider context of sustainability. Some 22 potential ESG factors were identified, the more pertinent ones being:

- Carbon emissions
- Employee diversity
- Waste management
- Data protection and privacy
- Community relations
- Whistleblowing
- Discrimination, bullying and harassment
- Compliance with licence conditions
- Health and safety
- Ethics

An online survey tool was then used by Virtus Assure to conduct an independent and confidential survey to determine the importance of the various ESG factors to our stakeholders. Respondents to the survey had the option of remaining anonymous.

Virtus Assure collated the survey results and presented them to the LGC board to select three ESG factors to monitor and report against for the organisation's first Sustainability Report. There have been no fundamental changes in the business operations and the ESG factors remain valid for the current reporting period.

The top three factors selected from the survey were:

Internal Survey Result - 40 responses

1. Adherence to Safety Regulations - Prevent and reduce injury
2. Training and Development for Staff - Improve efficiency and productivity
3. Compliance with License Conditions - Ensure compliance with all legal and regulatory requirements

External Survey Result - 22 responses

1. Adherence to Safety Regulations - Prevent and reduce injury
2. Compliance with License Conditions - Ensure compliance with all legal and regulatory requirements
3. Community Relations - Engagement with the local community

With both groups of stakeholders selecting and ranking almost identical factors the Board decided to report on the following factors:

1. Adherence to Safety Regulations
2. Compliance with License Conditions
3. Community Relations

These factors were reported upon in the FY2018 report and because there has been no fundamental change in the business operations the same factors are being used again in the FY2019 report.

The topic boundaries and materiality considerations are more fully discussed in the sections below addressing the individual ESG factors.

6. Adherence to Safety Regulations

LionGold is committed to operating its business in a safe and responsible manner to prevent occupational injuries and illness to all its employees, contractors and the community with which it interacts. Occupational health and safety has been treated with the utmost importance since the inception of LionGold's mining and exploration activities. The Company recognises that its safety record has an impact on its social standing and acceptance in the community and on the decisions of both its internal and external stakeholders. Moreover, safety regulations governing our operations and our commitment to remain compliant with such regulations ensure that high standards of safety are achieved, and our workers' wellbeing is catered for.

The Topic Boundary for this important ESG factor is the workplace of all CGT employees. This is primarily within the perimeter of the Ballarat mine but also covers the regional exploration work sites.

The Company has taken a number of steps to ensure that occupational safety and health is managed proactively and consistently with diligence and commitment by everybody at all levels of the organisation. The Occupational Health and Safety Policy shown below is a cornerstone of the Board and Senior Management's approach to safety.

CASTLEMAINE GOLDFIELDS PTY LTD

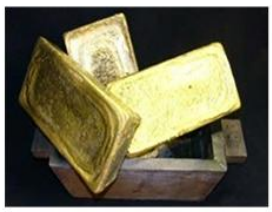
OCCUPATIONAL HEALTH & SAFETY POLICY











At Castlemaine Goldfields Pty Ltd we are committed to operate our business in a safe and responsible manner so as to prevent occupational injury and illness to our employees, our contractors and our community.

It is our objective to provide a safe work environment in which people are encouraged to identify hazards and reduce risks by considering safety in everything we do, focussing on improving safe work practices and knowing we will be held accountable for complying with the company's requirements.

To achieve this we will:

- Ensure safety is a core value and a major priority, not to be compromised
- Promote a safe work culture that requires visible leadership, and where all employees and contractors take responsibility for their own safety and that of their fellow workers
- Ensure Occupational Health and Safety is an integral part of all decision making processes throughout the business
- Provide appropriate resources (people, equipment and time) to identify hazards and to reduce risk and to improve safety systems and behaviours
- Recognise that everyone's involvement in health and safety is essential and that we need to maintain a consultative and open approach to safety on our sites
- Provide appropriate induction, training and supervision to actively motivate our people to work in a safe and responsible manner
- Continually strive to identify and control hazards and ensure safety focus, priorities and actions are appropriate to the level of risk involved
- Include mandatory occupational health and safety requirements in all position descriptions and contracts and hold people accountable for compliance
- Ensure that the organisation adheres with all relevant safety legislation, regulations and standards.
- Measure and monitor the effectiveness of safety performance and the Health & Safety Management System by setting strategies, measurable objectives and targets to enable regular management review and to ensure continued improvement in the reduction of work-related injury and illness.
- Strive for continuous improvement through auditing, investigations and monitoring and ensure our Health & Safety Management System continues to support our needs as the organisation grows

Stephen Jeffers
General Manager - Victoria

Rev	IssueDate	Revised Document		Reviewed by	Authorised by
3	5/02/2018	SAF-POL-001C	OCCUPATIONAL HEALTH & SAFETY POLICY	L.SEARLE	S. JEFFERS
L:\CGT - DOCUMENT CONTROL\SAFETY\SAFETY\POLICIES\CURRENT - PDF\SAF-POL-001C OCCUPATIONAL HEALTH & SAFETY POLICY.DOCX					
THIS DOCUMENT IS SCHEDULED FOR REVIEW IN 2018 AND IS UNCONTROLLED AFTER PRINTING					Page 1 of 1

The CGT Health & Safety Management System, depicted in the diagram below, is the central framework to achieve the above policy objectives. The Health & Safety Management System is divided into fifteen elements. The elements are further separated into four categories; Commit, Plan, Do, and Check & Act.



The intent behind and performance requirements of each element provide goals that should be achieved for the system to work effectively in the present and to also achieve continuous improvement for the future. The management team sets targets for achievements annually which include lead and lag indicators.

Lead indicators are measurements of the extent that actions that are intended to pre-emptively manage hazards and prevent incidents and injuries are actually completed. Examples are number of audits completed, number of safety meetings held, safety training completed, safety assessments completed etc. Lag indicators include total recordable injuries, number of hazards identified in incident investigations that were not identified in the safety assessments, number of safety incidents and injury rates.

Overall, our target for the next year is to continue to proactively manage occupational health and safety risks to reduce the number and severity of work-related injuries and ill health.

The operation of the Health & Safety Management System and ancillary activities are described in more detail below.

6.1 Occupational Health and Safety Management System

An Occupational Health & Management System has been implemented and provides a framework for the continual improvement of health and safety measures and processes for all employees, contractors and visitors across all CGT operations and activities.

CGT is committed to ensuring that its Health & Safety Management System:

- Improves overall Health and Safety performance,
- Is appropriate for CGT operations,
- Integrates with other systems and core processes,
- Assists CGT to meet its legal obligations, and
- Meets the requirements of the CGT Occupational Health and Safety Policy as depicted on page 14.

The CGT Health & Safety Management System has been developed and implemented based on the guidelines published in the following Australian/New Zealand Standards:

- AS/NZS 4804:2001 Occupational health and safety management systems – General guidelines on principles, systems and supporting techniques
- AS/NSZ 4801:2001 Occupational health and safety management systems – Specifications and guidance

The CGT Health & Safety Management System has been implemented to adhere to the requirements of the Victorian Occupational Health and Safety Regulations 2017 (the **Regulations**).

Crucially, Part 5.3 of the Regulations requires the operator of a prescribed mine to establish and implement a safety management system which provides a comprehensive and integrated management system for all risk control measures and is used as the primary means of ensuring the safe operation of the mine.

Scheduled audits of the CGT Health & Safety Management System are completed by an independent organisation to comply with the Regulations, which require the operator of a prescribed mine to review and, if necessary, revise the safety management system at least once every three years.

Elements of the CGT Health & Safety Management System are audited by the Victorian Health & Safety Regulator as part of the annual Major Mine Hazard Verification Audit. The scope of the audit and the elements assessed vary from year to year.

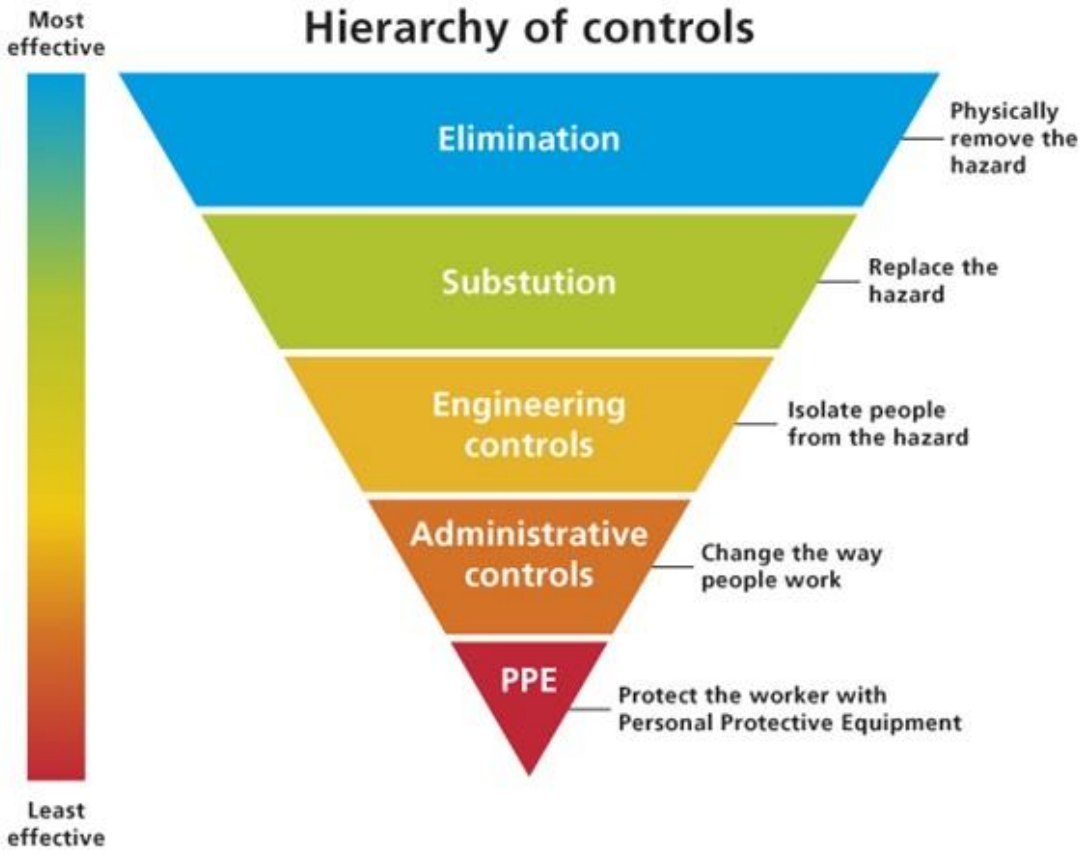
6.2 Hazard Identification, Risk Assessment and Incident Investigation

Hazard and Risk Management is an integral part of the CGT Health & Safety Management System.

Proactively identifying and mitigating potential risks and hazards is an effective way to ensure a safe work place. All employees, contractors and visitors are encouraged to actively identify hazards and reduce risks associated with all CGT activities without fear of victimisation or reprisals. Site personnel are instructed in the use of CGT Hazard and Risk Management tools upon induction and during periodic refresher training and are encouraged to stop and seek assistance if a task cannot be completed safely.

Hazards are routinely identified through a range of activities such as major mine hazard safety assessments, workplace inspections, environmental monitoring of the workplace, audits, job safety analysis, management of change workshops, and site safety meetings.

Identified hazards are recorded and ranked according to risk potential using CGT Hazard report forms and the CGT Risk Assessment Matrix. Corrective actions are then assigned to each hazard utilising the Hierarchy of Controls (see diagram below) to reduce the hazard as far as is reasonably practicable where risk cannot be eliminated.



When unfortunate incidents resulting in injury, damage or loss occur, they are investigated using the Incident Cause Analysis Method (ICAM). The basic cause and contributing factors are identified and, where appropriate, corrective actions are assigned to prevent reoccurrence.

Identified hazards, reported incidents and allocated corrective actions are recorded into the site Hazard & Incident Database and tracked through to completion. Hazards, incidents and corrective actions are routinely discussed as an agenda item in site safety meetings and reported in weekly and monthly reports. Such reports are circulated to the Senior Management Team and the Board to keep them informed and to take follow-up action and/or forward to members of the respective managers' teams as appropriate.

6.3 Occupational Health Services

CGT is committed to operate the business in a safe and responsible manner so as to prevent occupational injury and illness.

Medical and health assessments are conducted before and during employment to ensure employees are fit to perform the inherent requirements of their role and to monitor workplace related health effects. Workers' personal health related information remains strictly confidential and is secured both digitally and physically on site with restricted access.

Ergonomic assessments of work stations and tasks are completed as required and, where appropriate, adjustments are made to reduce the likelihood of injury or aggravation.

CGT conducts scheduled health monitoring for known occupational health risks including exposure to silica, diesel particulate matter, lead and arsenic. Health monitoring results are provided to all personnel via letters, site notice boards and reports. In addition to national exposure standards published by Safe Work Australia, the statutory agency established to improve work health and safety in Australia, CGT has established action levels for health hazards i.e. when an exposure approaches a specified level below the exposure standard, action will be taken to reduce exposure through the application of risk control measures.

CGT offers all employees free access to a weekly onsite soft tissue clinic for the treatment of work-related and non-work-related injuries or physical complaints. A registered medical practitioner attends the onsite clinic and is available to employees during work hours. Where appointments relating to work-related injuries cannot be scheduled at the onsite soft tissue centre, appointments are arranged during work hours for employees at an external registered health clinic. Employees consent to allow the provider to discuss relevant health information and other personal information concerning identified health conditions or injuries with relevant and authorised site personnel such as their manager or Health & Safety personnel. Personal health related information is retained offsite by the external providers and provided to Health & Safety personnel where appropriate to aid with rehabilitation & recovery.

CGT provides surface-based employees with free annual skin cancer checks run by an external medical practitioner. Results are strictly confidential and are shared only with the employee and their general practitioner. CGT also provides all employees with free annual flu vaccinations.

Further developments planned for next year include the implementation of voluntary Health Risk Assessments (HRA) for employees. HRAs will be conducted by an external health & wellbeing consultant and will provide participants with advice regarding blood glucose, cholesterol, blood pressure and body mass index (BMI).

6.4 Worker Consultation and Communication on Occupational Health and Safety

CGT strives to maintain effective consultation and communication between all levels of the organisational structure in a manner that ensures that employees and contractors feel empowered to participate in maintaining a healthy, safe and enjoyable workplace with a positive culture.

Consultation and communication on health & safety matters take place via several formal forums including safety meetings, pre-shift meetings, management of change workshops, notice boards and through employee participation in risk assessments, incident investigations and workplace inspections.

Employees and contractors are involved in the development, implementation and review of processes used for hazard identification, hazard/risk assessment and control of hazards/risks. Safe work practices and procedures are developed in conjunction with the personnel required to use them.

6.5 Worker Training on Occupational Health and Safety

Ensuring that all employees, contractors and visitors are appropriately trained and competent is a fundamental component of the CGT Health & Safety Management System.

Each CGT role is assessed for the necessary competencies and skills, utilising formal competency-based assessment. Training is delivered by trained and competent personnel and, where applicable, contains both theory and practical components to assess competency.

Customised induction programmes which are commensurate to the level of risk involved in a particular employment role are prepared and conducted upon commencement of employment with CGT. The same applies to contractors and visitors to CGT sites. Inductions cover relevant health & safety risks, hazards, controls, behaviours, company objectives, policy, systems and procedures. CGT has systems in place to ensure that competency assessments and training records are maintained and ongoing, and that periodic refresher trainings are provided.

Where major mine hazard safety assessments identify competency levels as a critical control, competency assurance forms part of the overall critical control assurance & verification process.

All training and competency assessments are carried out by persons with appropriate knowledge, skills and experience. All records of training, qualifications and competencies are maintained with confidentiality.

6.6 Promotion of worker health

CGT offers all employees and their immediate family members access to the Employee Assistance Program (**EAP**). In addition to mental health counselling services, the EAP provides assistance to employees for a range of topics including nutrition, sleep, resilience, mindfulness and addictive behaviours.

The EAP is a free and confidential service facilitated by an external provider via face to face meetings or telephone calls. The services offered as part of the Employee Assistance Program are promoted regularly in inductions, site safety meetings and via site notice boards. All services are strictly confidential with all workers' personal health related information retained offsite by the external providers.

Monthly health & wellbeing topics are presented to CGT employees and contractors by an external health & wellbeing consultant. Topics presented include mental health awareness, hydration, dietary supplements, stress & recovery and nutrition.

CGT employees and contractors participate in daily pre-shift injury prevention exercises. The exercises are prescribed by an external health & wellbeing consultant and are updated on a monthly basis. Exercises focus on strengthening and conditioning key areas of the body with the aim of reducing injuries.

Further developments planned for next year include the implementation of a Mental Health education program and site Fitness Centre.

The Mental Health education program will be provided to all site employees with the aim of reducing stigma and empowering people to seek help when needed. Mental Health Response Training will be provided to the site leadership team and frontline staff including the implementation of a peer support program.

The Fitness Centre will contain exercise equipment with the aim of promoting the health benefits of daily exercise. The Fitness Centre will be open to CGT employees for use before, during and after work.

6.7 Work-Related Injuries

A summary of work-related injuries sustained in FY2019 compared to FY2018 is provided below.

Work-related injuries – Employees	Total Hours Worked		Number of occurrences		Rate (per 1,000,000 hours worked)	
	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019
Fatalities as a result of work-related injury	303,831	298,209	0	0	0.00	0.00
High-consequence work-related injuries (excluding fatalities) (1)			1	1	3.29	3.35
Recordable work-related injuries (including high-consequence work-related injuries) (2)			8	14	26.33	46.95

Note:

(1) "High-consequence work-related injuries" include injuries from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

(2) "Recordable work-related injuries" include medical treatment beyond first aid, restricted work or days away from work.

Work-related injuries – Employees – FY2018			
Type of Work-related injury	Number of occurrences	Hazard	Mechanism of injury
Concussion	1	Physical	Struck by object
Disc Prolapse	1	Physical	Gradual degeneration
Laceration	3	Physical	Contact with sharp object
Sprain	1	Physical	Trip & fall
Strain	2	Ergonomic	Awkward movement

Work-related injuries – Employees - FY2019			
Type of Work-related injury	Number of occurrences	Hazard	Mechanism of injury
Concussion	1	Physical	Slip & fall
Contusion	1	Physical	Struck by object
Eye injury	1	Physical	Energy release
Fracture	2	Physical	Struck by object
Laceration	3	Physical	Contact with sharp object
Strain	3	Physical	Awkward movement
Strain	1	Physical	Gradual onset
Strain	2	Physical	Manual handling

Work-related injuries –Contractors	Total Hours Worked		Number of occurrences		Rate (per 1,000,000 hours worked)	
	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019
Fatalities as a result of work-related injury	85,664	99,428	0	0	0.00	0.00
High-consequence work-related injuries (excluding fatalities) (1)			0	0	0.00	0.00
Recordable work-related injuries (including high-consequence work-related injuries) (2)			2	0	23.35	0.00

Work-related injuries – Contractors – FY2018			
Type of Work-related injury	Number of occurrences	Hazard	Mechanism of injury
Burn	1	Chemical	Exposure to chemical (cement)
Fracture	1	Physical	Struck by object

Work-related injuries – Contractors – FY2019			
Type of Work-related injury	Number of occurrences	Hazard	Mechanism of injury
Nil			

6.8 Work-Related Ill Health

A summary of work-related illnesses sustained in FY2019 compared to FY2018 is provided below.

Work-related ill health* – Employees	Number of occurrences	
	FY2018	FY2019
Fatalities as a result of work-related ill health	0	0
Cases of recordable work-related ill health	0	0

Work-related ill health* – Contractors	Number of occurrences	
	FY2018	FY2019
Fatalities as a result of work-related ill health	0	0
Cases of recordable work-related ill health	0	0

*CGT operates in a jurisdiction in which the workers' compensation system classifies musculoskeletal disorders as injuries; as such, these disorders have been reported as work-related injuries.

7. Compliance to Licence Conditions and Community Relations Management Approach

The mining industry in Australia is extensively regulated and there are numerous local, State and Federal legislation that govern mining and associated activities. In addition, LionGold also needs to comply with the conditions of its approved mining plan and the terms and provisions attached to its various mining and exploration tenements.

There have been no incidents during the reporting period that resulted in the Company incurring any fines or non-monetary sanctions for non-compliance with laws and/or regulations.

The main sources of legislation that govern our activities in respect of the Compliance with Licence Conditions and Community Relations ESG factors is the Mineral Resources (Sustainable Development) (**MRSD**) Act 1990 and MRSD Regulations 2013.

LionGold is very conscious of the fact that legal compliance is not enough in order to maintain its 'licence to operate' – it also needs to maintain a positive public image and reputation with its neighbours and the broader community.

The ESG factors Compliance to Licence Conditions and Community Relations are closely related and are proactively managed together using an Environmental Management System pursuant to the Environmental Management Plan (**EMP**).

The key areas in the Environment Management Plan are listed in the table below.

Risk/Issue	Controls	Monitoring and Reporting
Noise	Restricted work times for tasks that do not meet strict noise criteria, design and procurement of equipment, licence conditions	There are seven monitoring locations. Any exceedance of stipulated limits or non-compliance is reported to the relevant authority, the ERC and included in annual reporting.
Air quality	Water cart, polymer application on service road, sprinklers, vehicle speed restrictions, processing plant is primarily a wet circuit, licence conditions	There are seven permanent monitoring stations. Any exceedance of stipulated limits or non-compliance is reported to the relevant authority, the ERC and included in annual reporting.
Vibration	Restricted firing times, design criteria for production firings, use of electronic detonators for control of frequencies, licence conditions	Up to six vibration monitors are installed within close proximity to each firing. Any exceedance of stipulated limits or non-compliance is reported to the relevant authority, the ERC and included in annual reporting.

Risk/Issue	Controls	Monitoring and Reporting
Surface Water	Extensive surface water storage dams and wetlands, defined work areas, spill controls, zero discharge from processing water circuit, licence conditions	CGT collects a range of surface water quality data from in-site daily tests to National Association of Testing Authorities-accredited samples for licence compliance reporting. Any exceedance of stipulated limits or non-compliance is reported to the relevant authority, the ERC and included in annual reporting.
Ground Water	Defined work areas, spill controls, Tailings Storage Facility is lined with >0.6m clay liner to protect groundwater from contamination	There are eight groundwater bores that are regularly monitored for levels and quality. Any exceedance of stipulated limits or non-compliance is reported to the relevant authority, the ERC and included in annual reporting.
Traffic Management	A single point of entry, signage, all purchase orders stipulate directions and curfew restrictions.	Results and exceedances of the limits are reported to the regulatory authorities, the ERC and included in annual reporting.
Flora & Fauna	Flora & Fauna assessments, weed control, rehabilitation efforts use indigenous species in an effort to improve the biodiversity values of the site.	Annual revegetation and weed programs are monitored for success and reported to regulatory authorities and the ERC.
Land Management	Minimise soil disturbance and undertake progressive rehabilitation of disturbed areas. Stock piles of soil managed to minimise erosion, spread of weeds and soil biota to ensure successful rehabilitation. Fuel loads are managed to reduce spread of fire on and off site.	Audits undertaken during and post soil disturbing construction. Annual inspections of fuel loads with external agents.
Chemical and Hazardous Material	Minimise the type and quantity of chemicals stored on site. Ensure all chemicals are stored and disposed of appropriately.	Various inspections and audits completed depending on the product. Any loss of primary containment is reported through the site incident database and to the relevant regulatory authorities and the ERC.

Risk/Issue	Controls	Monitoring and Reporting
Waste	Implement the waste hierarchy, which encourages waste avoidance and reduction followed by reuse, recycling and reclamation before waste treatment and disposal. This control philosophy applies from smaller items of packaging to the much larger items of waste rock and tailings.	Audits and inspections of waste streams. Monthly reporting of waste streams to the ERC and various regulatory authorities on an annual basis.
Heritage	Avoid impact to Aboriginal and European sites by undertaking database searches and site inspections during planning stages of work likely to impact heritage sites.	Regular inspections during works, report any discovery or disturbance to appropriate authorities
Visual Impact	Maintain or incorporate visual buffers, minimise emission of light, reduce heights of stockpiles, minimise dust generated. Maintain landscaped and open grassed areas.	Audit and monitor levels of community complaints as a result of visual impacts. All complaints are reported to ERC and included in annual reporting.

CGT has an extensive monitoring network for the various environmental and community risks identified above. Monitoring data sets range from online weather and water monitoring at five-minute intervals to annual usage of energy.

Pursuant to licence conditions, environmental monitoring results are reported quarterly to the Environmental Review Committee (**ERC**) and annually to the Environmental Protection Authority (**EPA**), the National Pollution Inventory and the Department of Jobs, Precincts and Regions – Earth Resources Regulation (**DJPR-ERR**).

CGT's established procedures and regular monitoring and reporting of environment and community matters, as elaborated above, are an effective way of identifying the efficacy of controls. Should a control be identified as ineffective, CGT implements an investigation to identify corrective actions and ensure the site's standards and licence conditions are maintained.

The Topic Boundary for these important ESG factors extends beyond the operation's border fence to the neighbours and locations where the effects of the Company's activities are evident.

Besides our operating licence granted by the Australian authorities, Castlemaine Goldfields values its social "licence" to operate and is always looking for opportunities to give back to the community beyond economic benefit. As such, Castlemaine Goldfields also contributes to the community through education projects. This year, Castlemaine Goldfields hosted 86 visitors and seven presentations across a broad range of groups, from volunteer environmental and historic community groups, schools and universities to industry and regulatory groups.

LionGold has managed to build and develop constructive relationships with the community in Ballarat and other stakeholders by engaging them in frequent consultation and dialogue. Listening closely to the residents in the area around our mine and working to resolve any issues that arise have helped us to establish mutual support, understanding and trust. Some of the ways we demonstrate our commitment to the community include:

- communicating openly and honestly to understand and address concerns raised by the community;
- hosting an independently-run Environmental Review Committee consisting of local stakeholders, regulatory authorities and company representatives;
- employing and training local residents; and
- supporting local service and supply companies.

The target for environmental performance and compliance with licence conditions is to review and adopt, where practicable, industry best practices for new technologies and methods of work to ensure statutory limits continue to be met. Beyond simply complying with these limits, the company is committed to reduce waste and the effects of emissions, improve efficiency of natural resources usage such as energy and water, and to undertake rehabilitation of the environment affected by our activities.

The target for our community relations is to maintain the social licence to operate by continually improving our performance and to proactively engage with the local community. Community feedback, positive and negative, is a critical measure of our performance and forms an integral part of our review and monitoring of our operations. To assist with communication to the broader community of Ballarat, the mine in Ballarat is intending to launch a new community information website in FY2020.

The Company has implemented the following policies regarding the environment and the community:

Ballarat Gold Mine
CASTLEMAINE GOLDFIELDS PTY LTD

10 Woolshed Gully Drive
PO Box 98
Mount Clear Vic 3350
Telephone (03) 5327 2555
Facsimile (03) 5327 2556
Website www.cgt.net.au
BALMAINE GOLD Pty Ltd
ABN 67 142 297 685

ENVIRONMENTAL POLICY

Castlemaine Goldfields Pty Ltd is committed to providing responsible stewardship of the natural resources over which we have control or influence. We intend to apply this stewardship through:

- Ensuring our staff and contractors incorporate consideration of, and respect for, the environment in planning and operational decisions
- Observing all environmental laws and regulations as required to fulfil our commitment to a sustainable future
- Providing adequate resources to manage our environmental impacts
- Promoting environmental awareness and communication between our employees, contractors and the community
- Continually improving our environmental performance by:
  - Reducing the effect of emissions
  - Improving energy efficiency
  - Wisely consuming natural resources such as water
  - Focus on economic recycling wherever possible
  - Rehabilitating the environment affected by our activities
- Monitoring, auditing and reporting on our environmental performance.

Stephen Jeffers
General Manager
November 2017

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COMMUNITY POLICY

As CGT is a part of the community, we commit to contributing positively to environmental, social and economic development, based on a foundation of mutual understanding and respect.

To achieve this, we will:

- Communicate in an open and transparent manner
- Respect and consider differing opinions
- Respect diversity and protect cultural heritage

As our activities progress, we will continue to operate in consultation with host communities, government authorities, other organisations by:

- Encouraging and supporting community development
- Encouraging and supporting initiatives to enhance social benefits such as environment, health and education
- Identifying and facilitating opportunities for employment, training and business relationships both directly and through our contractors and suppliers.

We monitor, continuously improve and publicly report our activities and performance.

Stephen Jeffers
General Manager
November 2017

7.1 Licence Conditions Incidents

There have been no incidents during the reporting period that resulted in the Company incurring any fines or non-monetary sanctions for non-compliance with laws and/or regulations.

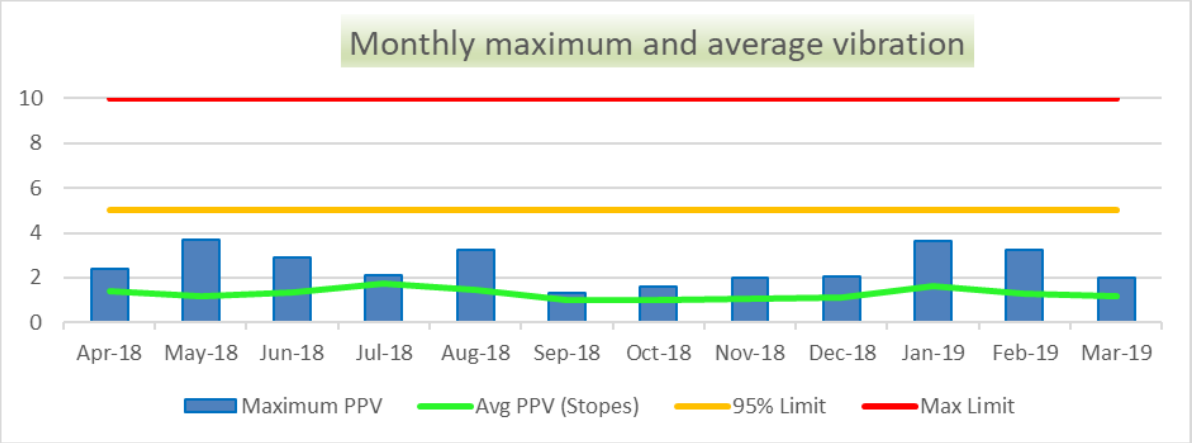
Two non-compliances to the Ballarat Work Plan Licence conditions were reported to the relevant authority during the reporting period. Both were non-compliances related to the curfew licence condition for heavy vehicles (vehicles over 10 tonnes). Heavy vehicles are required to use an approved route between the hours of 7 am to 6 pm from Monday to Friday. One of the breaches of this licence condition was in relation to entering the approved route prior to 7 am with the other vehicle entering via a non-approved route. Both breaches were identified by CGT staff and reported to the relevant regulator and the site's Environmental Review Committee.

Last year CGT sent a letter to all major suppliers of goods and services explaining the importance of adhering to the traffic management licence conditions. A map of the approved route was recirculated, and suppliers were requested to acknowledge receipt of the communication. While not achieving the desired 100% compliance, there was a marked reduction (60%) in incidents for this license condition compared to previous years.

7.2 Operations with Significant Actual and Potential Negative Impacts on Local Communities

The Environmental Management Plan highlights a range of subject areas that could have the potential to have negative effects on the community. 82% of the interactions (as more fully explained and tabulated below at page 30) with community residents in FY2019 were regarding vibration and noise relating to underground firings (i.e. explosives detonated underground to break rock for tunnelling and production purposes).

The two statutory limits for CGT's operations are that 95% of all firings must be less than 5 mm/sec and never above 10mm/s (measured as peak particle velocity (**PPV**) which is a measurement of maximum ground particle speed). The maximum PPV for the year was 3.62 mm/sec with an average of 0.61 mm/sec for all blasts and 1.24 mm/sec for just the production firings. While CGT is well within the licence limits, we respond seriously to questions and complaints from the community. All blasts are monitored and there is ongoing interaction with the mining engineers to design the blasts such that the effects are minimised.



CGT had 232 interactions with the community during the year: 43% of the interactions were initiated by the Company, a further 34% were community members providing responses to CGT's requests for feedback and the remaining 23% were complaints. The activities included letter drops for specific projects, meetings, direct face to face contacts, proactive emails and telephone calls as well as tours and presentations on and offsite to community groups and educational institutions.

	CGT pro-active		Neighbour feedback		Complaints	
	FY2018	**FY2019**	**FY2018**	**FY2019**	**FY2018**	**FY2019**
Blast vibration/noise	169	85	104	55	57	50
Noise	2	0	0	2	6	1
Dust	0	0	0	0	0	1
Amenity	5	2	22	14	2	2
Other	12	12	7	8	0	0
Total	188	99	133	79	65	54

All complaints are promptly investigated, and measures are taken to manage the effects that gave rise to the complaint.

Vibration and noise associated with blasting activity was again the prevailing concern for neighbours with 82% of all contacts and 93% of complaints relating to CGT's blasting activities. Two complaints for long grass on land managed by CGT and one complaint each for noise and dust from the mine site were also received. All complaints and feedback were welcomed, recorded and investigated, and a response was issued usually within 24 hours.

In response to vibration related community feedback, CGT has undertaken monitoring at residents' properties, provided information about blast vibration and licence limits and, where practical and safe to do so, modified mining methods. The modifications included using a low-density explosive, using smaller multiple firings rather than one larger firing, and altering the duration and pace of the firings. CGT remains committed to reviewing and refining this work to ease community concerns regarding our activities.

8. External Assurance

The Company has developed an in-house understanding of the GRI Standards requirements and last year sought guidance from an external consulting firm regarding the application of the GRI reporting framework. CGT has an extensive system in place to monitor, review and report the appropriate metrics needed to meet its statutory responsibilities regarding the selected ESG factors. Moreover, the Company is regularly audited by the relevant regulatory agencies. The management systems that are used for the ESG factors form an integral part of the overall management of the Company's operations and provide assurance of the integrity and credibility of this report and, consequently, the Company has not sought external assurance of this report.

9. GRI Content Index

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GRI Standard Disclosure Reference	Description	Report Section	Page Number
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403-5	Worker training on occupational health and safety	Worker Training on Occupational Health and Safety	19
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