

LIONGOLD CORP LTD

COMPANY ANNOUNCEMENT

PROPOSED SUBSCRIPTION OF 105,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF LIONGOLD CORP LTD BY MOI HSIEN HUR – RECEIPT OF IN-PRINCIPLE APPROVAL

1. INTRODUCTION

LionGold Corp Ltd (the “**Company**”) refers to its announcement dated 30 December 2015 in relation to the proposed subscription by Moi Hsien Hur of 105,000,000 new ordinary shares in the capital of the Company (the “**Subscription Shares**”) at an issue price of S\$0.019 for each Subscription Share, to raise gross proceeds of S\$1,995,000 (the “**Previous Announcement**”).

Unless otherwise defined, all capitalised terms used in this Announcement shall bear the same meanings given to them in the Previous Announcement.

2. RECEIPT OF IN-PRINCIPLE APPROVAL

Further to the Previous Announcement, the Company wishes to announce that it has today received the in-principle approval of the SGX-ST for the admission to the Official List of the SGX-ST and the listing and quotation of the Subscription Shares. The in-principle approval of the SGX-ST is subject to, *inter alia*, the following conditions:

- (a) compliance with the SGX-ST’s listing requirements;
- (b) submission of the following documents:
 - (i) a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual of the SGX-ST in relation to the use of the proceeds from the Subscription and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report;
 - (ii) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual of the SGX-ST; and
 - (iii) a written confirmation from the Company that it will not issue the Subscription Shares to persons prohibited under Rule 812(1) of the Listing Manual of the SGX-ST.

Please note that the SGX-ST’s in-principle approval is not to be taken as an indication of the merits of the Subscription, the Subscription Shares, the Company and/or its subsidiaries.

3. FUND RAISING EXERCISES IN THE PAST TWO (2) YEARS

The Company wishes to announce that the aggregate amount of net proceeds raised by the Company from its fund raising exercises in the past two (2) years from the date of this

Announcement is approximately S\$40.1 million, the details of which are provided in Schedule 1 to this Announcement (the “**Previous Fund Raising Exercises**”).

For further details on the use of proceeds from the Previous Fund Raising Exercises, please refer to (i) the extracts of the annual reports of the Company for the financial year ended 31 March 2014 in relation to the use of proceeds and (ii) the announcements made by the Company on the SGXNET in respect of the Previous Fund Raising Exercises dated 9 April 2014, 30 June 2014 and 5 November 2014.

4. GENERAL

The Company will make the necessary announcement upon completion of the Subscription.

By Order of the Board

Tan Soo Khoo Raymond
Executive Director
20 January 2015

Schedule 1

PREVIOUS FUND RAISING EXERCISES

No:	Details of the fund raising exercises	Net proceeds raised and utilised	Uses of the net proceeds raised
1.	<p>Private placement of 80,000,000 Shares at an issue price of S\$0.183 per Share.</p> <p>Gross proceeds : S\$14.6 million</p> <p>Net proceeds : S\$13.8 million</p>	S\$13.8 million	<p>Announcement dated 9 April 2014</p> <ul style="list-style-type: none"> - Gold mining activities : S\$9.7 million (70.2%) - Working capital : S\$4.1 million (29.8%) <p>Working capital breakdown :</p> <ul style="list-style-type: none"> a) Advance of working capital to subsidiaries : S\$1.3 million b) Group general administration expenses : S\$0.4 million c) Acquisition of shares in A1 Consolidated Gold Ltd: S\$0.2 million d) Acquisition of shares in Unity Mining Ltd : S\$0.8 million e) Professional fees : S\$1.4 million
2.	<p>Exercise of 18,969,695 warrants at an issue price of S\$1.1717 per Share</p> <p>Gross proceeds : S\$22.2 million</p> <p>Net proceeds : S\$22.2 million</p>	S\$22.2 million	<p>Announcement dated 30 June 2014</p> <ul style="list-style-type: none"> - Exploration : S\$5.3 million (24.1%) - Working capital : S\$16.9 million (75.9%) <p>Working capital breakdown :</p> <ul style="list-style-type: none"> a) Repayment of group borrowing : S\$7.2 million b) Acquisition of shares in A1 Consolidated Gold Ltd: S\$3.3 million c) Acquisition of shares in Acadian Mining Corporation : S\$3.3 million d) Advance of working capital to subsidiaries : S\$0.9 million e) Acquisition of marketable securities : S\$1.1 million

No:	Details of the fund raising exercises	Net proceeds raised and utilised	Uses of the net proceeds raised
			f) Group general administration expenses : S\$0.3 million g) Professional fees : S\$0.8 million
3.	Private placement of 52,000,000 Shares at an issue price of S\$0.08135 per Share Gross proceeds : S\$4.2 million Net proceeds : S\$4.1 million	S\$4.1 million	Announcement dated 5 November 2014 - Gold mining activities : S\$2.9 million (71.1%) - Working capital : S\$1.2 million (28.9%) Working capital breakdown : a) Advance of working capital to subsidiaries : S\$0.7 million b) Group general administration expenses : S\$0.1 million c) Professional fees : S\$0.4 million