LIONGOLD CORP LTD

(Incorporated in Bermuda)
(Company Registration No. 35500)

DISPOSAL OF BRIMSTONE RESOURCES LTD

1. INTRODUCTION

The Board of Directors (the "**Board**") of LionGold Corp Ltd (the "**Company**") wishes to announce that the Company has disposed its 100% owned subsidiary, Brimstone Resources Ltd ("**Brimstone**") to Barola Resources Ltd (the "**Purchaser**"), for a cash consideration (the "**Consideration**") of AUD 450,000 (equivalent to approximately SGD 463,500 based on an exchange rate of AUD 1: SGD 1.03) (the "**Disposal**").

2. INFORMATION ON BRIMSTONE

The Company acquired 100% of Brimstone in October 2012. Brimstone's flagship operation is the Penny's Find Project, located 48 kilometres northeast of the Western Australia mining town of Kalgoorlie.

No mining-related activities have been undertaken since the Company acquired Brimstone.

The book value and the net tangible liability value of Brimstone as at 31 March 2015 are approximately negative SGD 2,383,000.

3. CONSIDERATION

The Consideration was fulfilled in cash as follows:

(i) AUD 35,000, as a non-refundable deposit, paid upon signing of the agreement in relation to the Disposal on 30 March 2015; and

(ii) AUD 415,000 upon completion of the Disposal which took place on 3 June 2015.

The Consideration was arrived at between the Company and the Purchaser after arm's length negotiations and on a willing buyer and willing seller basis, taking into account, *inter alia*, the book value and the net tangible asset value of Brimstone.

4. NON-DISCLOSABLE TRANSACTION

As the relative figures computed on the applicable bases set out in Rule 1006 of the SGX-ST Listing Manual do not exceed 5%, the Disposal constitutes a "non-discloseable transaction". The Disposal is not expected to have any significant impact on the consolidated net tangible asset per share and the consolidated earnings per share of the Company for the financial year ended 31 March 2015.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company have any interest, direct or indirect (other than through their shareholdings in the Company), in the Disposal.

By Order of the Board
Tan Soo Khoon Raymond
Executive Director
3 June 2015