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

COMPANY ANNOUNCEMENT

UTILISATION OF PROCEEDS FROM ISSUE OF THIRD SUB-TRANCHE OF THE TRANCHE 1 RCBS

*Unless otherwise defined herein or the context otherwise requires, all capitalised terms shall bear the same meanings as ascribed to them in the Company's circular to shareholders dated 21 August 2015 (the "**Circular**").*

LionGold Corp Ltd (the "**Company**") refers to the Circular and its announcements dated 20 June 2015, 12 August 2015, 21 August 2015, 14 September 2015 and 17 September 2015 in relation to the issue of 2.5% redeemable convertible bonds due 2018 in the aggregate principal amount of up to S$100,000,000 (the "**RCB Issue**"). The Company wishes to provide an update on the utilisation of the net proceeds of approximately S$950,000 (the "**third sub-tranche of Tranche 1 Net Proceeds**") arising from the issue of the third sub-tranche of the Tranche 1 RCBs to the Subscriber on 12 January 2016.

The Company has utilised the third sub-tranche of Tranche 1 Net Proceeds as follows:

As at 25 January 2016	**S$**	**Percentage utilised**
Repayment of existing debt	**900,000**	**94.7%**
Working Capital :	**50,000**	**5.3%**
Professional fees	50,000	
Total amount utilised :	**950,000**	**100%**

Save for the deviation from the stated use of proceeds as announced by the Company on 2 December 2015, the utilisation of the sub-tranches of Tranche 1 RCBs Net Proceeds has been consistent with the intended use as disclosed in the Circular.

Following from the above, the third sub-tranche of Tranche 1 Net Proceeds arising from the RCB Issue have been completely disbursed.

By Order of the Board

Tan Soo Khoon Raymond
Executive Director
LionGold Corp Ltd
27 January 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").*

The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the

contents of this document, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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