LIONGOLD CORP LTD

COMPANY ANNOUNCEMENT

UTILISATION OF PROCEEDS FROM PRIVATE PLACEMENT

LionGold Corp Ltd ("**Company**") refers to its announcements on 24 June 2014, 22 July 2014 and 25 July 2014 ("**Announcements**") relating to the private placement of 52,000,000 shares ("**Placement**"). The Company wishes to provide an update on the utilisation of the net proceeds of approximately SS$4.14 million ("**Placement Net Proceeds**") arising from the Placement.

Unless otherwise stated, terms defined in the Announcements have the same meaning when used in this Announcement.

The Company has utilised the Placement Net Proceeds as follows:

As at 31 October 2014	**S$**	**Percentage utilised**
Gold mining Operations	2,945,382.76	71.07%
Working capital	1,198,717.24	28.93%
Total amount utilised	**4,144,100.00**	**100.0%**

Following from the above, the Placement Net Proceeds arising from the Placement have been completely disbursed.

By Order of the Board
Tan Soo Khoon Raymond
Executive Director
LionGold Corp Ltd
5 November 2014