

Media Announcement
(For Immediate Release)

**LionGold Corp achieved 28% increase in
3Q2015 revenue to S\$19.1 million and
all-in sustaining cost of A\$789/ounce of gold produced**

Key points:

- For the quarter ended 31 December 2014 (“3Q2015”), LionGold achieved 28% year-on-year increase in gold revenue to S\$19.1 million
- Subsequent to the sale of the Group’s non-core PRC-based office equipment manufacturing business, LionGold is a pure gold mining company and derives 100% of its revenue from the production and sale of gold
- The Group’s wholly owned subsidiary, Castlemaine Goldfields, reduced its year-on-year (-46%) and quarter-on-quarter (-21%) all-in sustaining cost to A\$789/ounce of gold produced
- The improvement was on the back of a 26.3% increase in the quantity of gold sold to 12,110 ounces as well as an increase in the average selling price of gold from A\$1,361 to A\$1,421
- Overall expense increased to S\$20.0 million, largely attributable to a non-recurring/non-cash S\$10.5 million loss on disposal of LionGold’s subsidiary to raise cash
- In all, the Group recorded a loss for the period attributable to equity holders of the company of S\$12.5 million in 3Q2015
- LionGold has made good progress in streamlining its portfolio of mining assets and expects to enjoy lower care and maintenance expenses as well as administrative expenses over the longer term

LionGold Corp Ltd	Quarter ended		Change %
	31.12.2014 '3Q2015'	31.12.2013 '3Q2014'	
	S\$ million	S\$ million	
Revenue	19.1	14.9	28.3
Cost of goods sold	(14.2)	(17.6)	(19.6)
Gross profit	5.0	(2.7)	285.9
Other income	0.1	2.8	(95.6)
Total expenses	(20,040)	(8,786)	128.1
Pre-tax loss from continuing operations	(14.9)	(8.6)	72.9
Net loss attributable to equity holders	(12.5)	(10.9)	14.0

SINGAPORE, 10 February 2015 – For the quarter ended 31 December 2014 (“**3Q2015**”), LionGold Corp Ltd (“**LionGold**” or the “**Group**”) recorded a 28.3% year-on-year increase in gold revenue to S\$19.1 million. The improvement was on the back of 26.3% increase in the quantity of gold sold to 12,110 ounces as well as an increase in the average selling price of gold from A\$1,361 to A\$1,421. As of 31 December 2014, LionGold derives 100% of its revenue from the sale of gold.

Castlemaine Goldfields, the group’s wholly owned producing Australian subsidiary, managed to reduce its year-on-year (-46%) and quarter-on-quarter (-21%) all-in sustaining cost to A\$789/ounce of gold produced as the grade of gold extracted improved from 6.6 g/t in 3Q2014 to 8.1 g/t in 3Q2015. Total gold production increased 53.6% with the higher grade of gold ore mined. Consequently, Castlemaine Goldfields recorded S\$7.7 million year-on-year increase in gross profit to S\$5.0 million for the quarter ending 31 December 2014. *For more detail on Castlemaine’s operations, please refer to the ‘Operations Summary’ section below.*

During the period, total expenses increased from S\$8.8 million in 3Q2014 to S\$20.0 million in 3Q2015. The increase was largely attributable to a non-recurring/non-cash S\$10.5 million loss on disposal of LionGold’s non-core PRC-based office equipment manufacturing business in the quarter to raise cash. In all, the Group recorded a loss for the period attributable to equity holders of the company of S\$12.5 million in 3Q2015.

Operations Summary

Castlemaine Goldfields

LionGold acquired the formerly ASX-listed Castlemaine Goldfields in August 2012. The company operates a well-established gold mine at Ballarat in Australia's premier Victoria gold belt and owns several tenements around the Ballarat gold project and in nearby goldfields. As of 31 December 2014, the Ballarat mine employs 139 personnel and 50 full time equivalent contractors.

Castlemaine Goldfields' production summary

	YTD	3Q2015	2Q2015	1Q2015	3Q2014
Ounces produced	33,784	13,131	11,736	8,917	8,550
Ounces sold	32,292	12,110	11,569	8,614	8,586
Cash operating cost / ounce sold	A\$873	A\$662	A\$871	A\$1,211	A\$1,131
All-in sustaining cost / ounce sold	A\$1,051	A\$789	A\$999	A\$1,488	A\$1,454
Selling price / ounce sold	A\$1,397	A\$1,421	A\$1,386	A\$1,376	A\$1,361

Cash operating cost and all-in sustaining cash cost per gold ounce in the gold mining industry is a common performance measure but a non-IFRS measure. The Group follows the recommendations of the Gold Institute Production Cost Standard. The Gold Institute, which ceased operations in 2002, was a non-regulatory body and represented a global group of suppliers of gold and gold products. The production cost standard developed by the Gold Institute remains the generally accepted standard of reporting cash costs of production by gold mining companies. All-in sustaining cash cost includes sustaining capital, corporate general & administrative expenses and exploration expense.

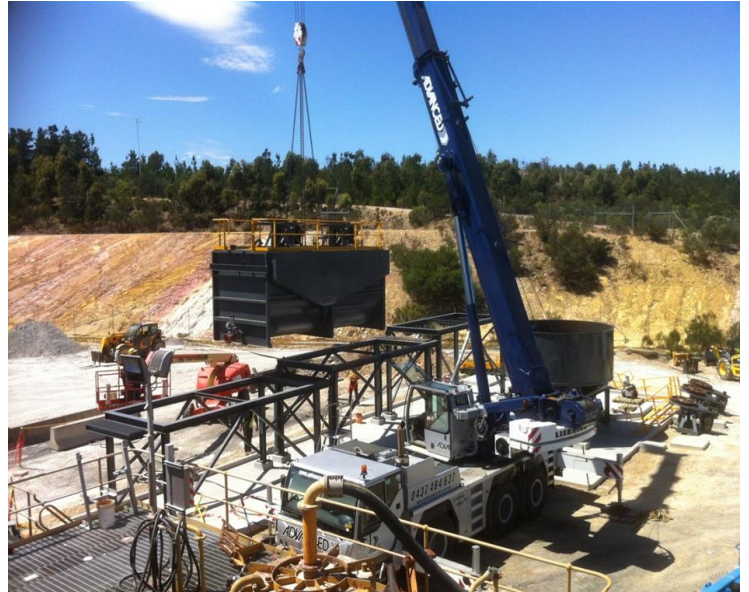
Gold production

In 3Q2015, Castlemaine Goldfields achieved strong underground production with 73,216 tonnes of ore mined from 15 ore sources in the Britannia, Llanberris and Sovereign compartments. Ore production was primarily from six narrow vein up-hole stopes, which was complemented by ore mined in stope development predominantly in the Britannia and Llanberris compartments.

A total of 65,111 tonnes of ore were processed at the Ballarat mine during the period at an average grade of 8.13 g/t, bringing the average year to date processed grade to 6.90 g/t. At the close of December 2014, Castlemaine Goldfields had a healthy stockpile of mined but unprocessed gold ore.

Total gold recovery remained consistent year to date at approximately 84%. Steps have been taken to adjust parameters in the processing of ore to increase recovery of finer gold.

The processing plant at the Ballarat gold project is being upgraded with the addition of two significant facilities that will improve gold recovery, decrease operating cost per ounce and extend the project life. While the current gravity and leaching process plant performs very well in recovering relatively coarse gold, the addition of a flotation circuit and ball mill will allow the recovery of finer gold to improve overall recovery. The successful commissioning of the flotation circuit is expected in late February / early March 2015. The improved plant performance and productivity will reduce the operating cost per ounce for ore treatment and will also allow the profitable reprocessing of up to 700,000 tonnes of existing tailings once the ball mill is commissioned.



Flotation cells lifted into position in the flotation circuit in the Ballarat mine processing plant.



Gold specimen collected from the Sovereign compartment 560mL South Ore Drive.

In all, the Ballarat mine produced 13,131 ounces for the December 2014 quarter and 33,784 ounces year to date. The improved production places the mine firmly on track for a full year gold production of 43,000 to 48,000 ounces, as forecast. Total all-in-sustaining cost for the quarter was A\$789/oz (YTD: A\$1,051/oz) and the mine achieved an average gold price of A\$1,421 per ounce during the December 2014 quarter.

3Q2015 Exploration activities

Castlemaine Goldfields' exploration team continued to focus on near term exploration targets adjacent to the Ballarat project underground workings with 1,871 metres of exploration diamond drilling completed

on underground mining targets. The total underground drilling completed was 15,292 metres, which was a combination of exploration drilling and in-fill drilling – the former activity conducted to discover further sources of gold bearing mineralisation, the latter to in-fill known areas and improve the level of knowledge to allow detailed mine planning to be completed ahead of mining. The mine team is currently working on upgrading and updating the mine’s resource and reserve estimates.

Other corporate activities

During the quarter, Castlemaine Goldfields commenced work on the consolidation of its regional exploration land holdings. Accordingly, certain tenements were relinquished and re-applied for under a different licence category in accordance with the Victorian tenement licensing legislation. In addition, Castlemaine Goldfields is currently reviewing known data on the company’s landholding to the South of the Ballarat mine and on the Tarnagulla landholdings with a view to extending its current knowledge on both exploration targets, and identifying drilling programmes for completion in 2015.

Signature Metals/Owre Mines

LionGold acquired a 77% interest in ASX-listed Signature Metals Limited following a successful off-market scrip takeover bid in April 2012. Signature Metals owns 70% of the Konongo gold project in Ghana which is held through the company’s stake in Owere Mines. Its concessions cover 16 known gold deposits within a 12-kilometre long trend in the world-class Ashanti Gold Belt.

In 3Q2015, Signature Metals continued to implement a strategic re-focus on sulphide mineralisation. Work that was carried out include the validation of the campaign data of high priority deposits as well as a critical review of geology and mineralisation.

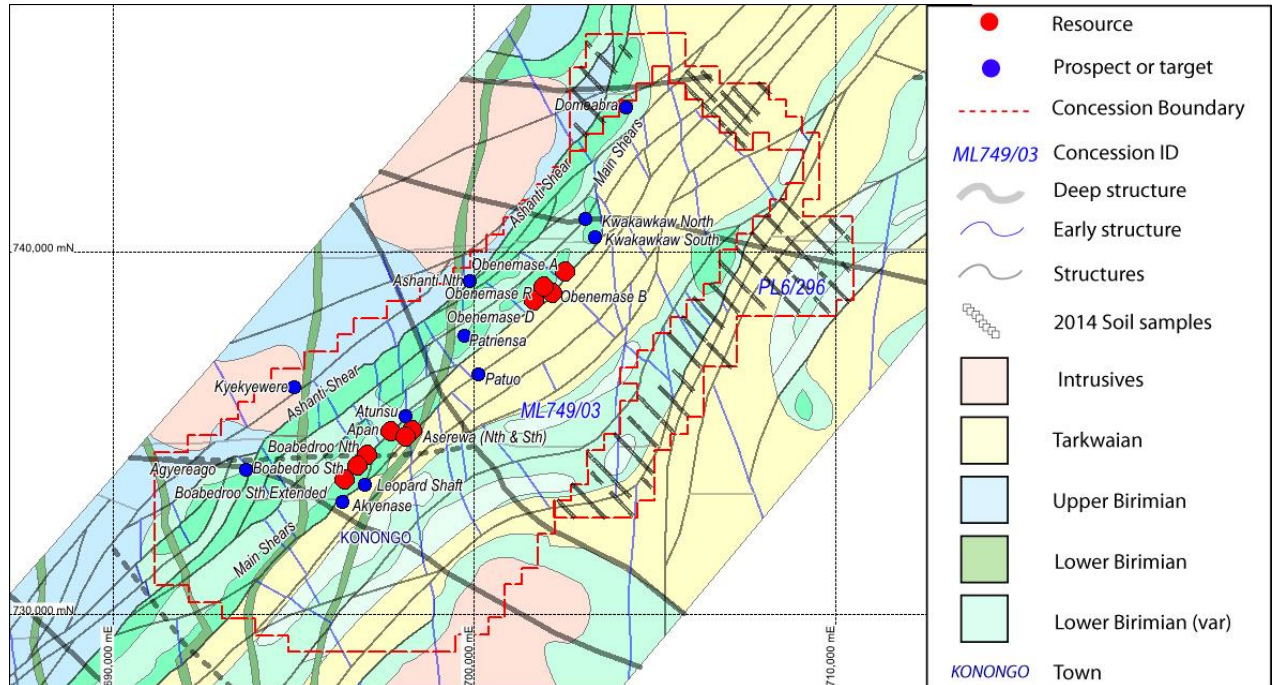
Principal activities in 3Q2015 include:

Assessment, validation and revision of historic resources and advanced exploration targets

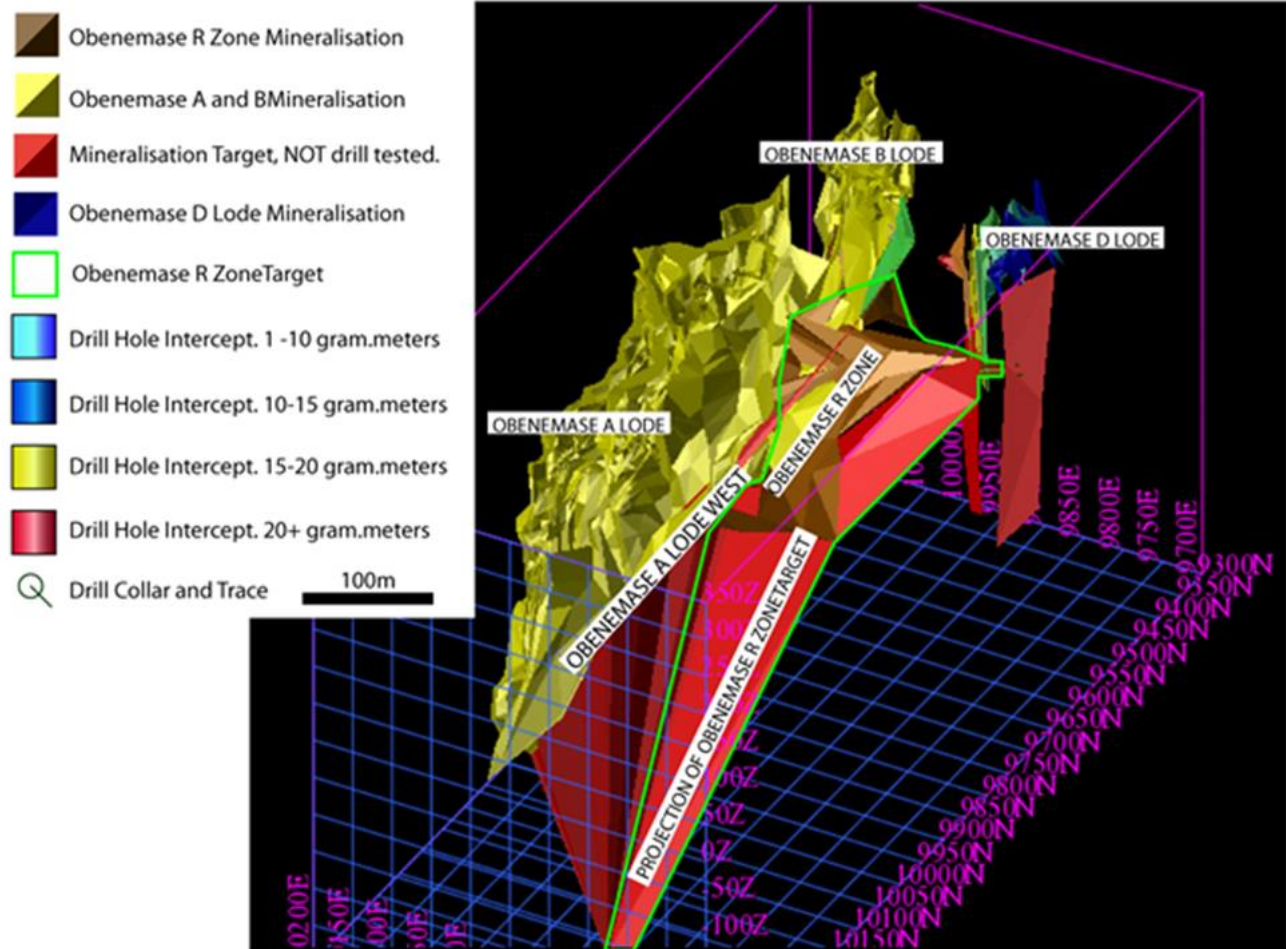
During the quarter, focus was placed on understanding the geological and structural controls of the Obenemase mineralisation. Recent studies have highlighted a number of additional mineralisation targets, and clearly demonstrate potential for deeper mineralisation. Nonetheless, focus has been on the resource targets; significant identified exploration targets have remained untested.

Meanwhile, satellite resources and historical data are being reviewed for all other prospects and targets to increase geological, structural, geotechnical and mineralogical confidence in the Konongo gold project resources. Work has been focused on Boabedroo, Akyenase, Atunsu, Kwakawkaw, Patuo and Leopard Shaft.

No development or mining activities occurred during the reporting period. The oxide processing plant and supporting mine infrastructure remain on care and maintenance during this period.



Konongo Prospect Location



Obenemase A, B, D and R Zone looking southeast

Note on Obenemase Deposits

Historically, the Obenemase Deposits were mined underground and from two contiguous oxide open pits - Obenemase A Pit and Obenemase B Pit. Underground workings extended to a depth of 150m and targeted auriferous quartz reefs and some refractory sulphide-hosted gold mineralisation. Current exploration is focused on the sulphide-hosted mineralisation, which is exposed in the pit floor and occurs adjacent to the quartz reefs or as discrete high grade sulphidic shoots. Mineralisation control is mostly structural, but is hosted predominantly within volcaniclastic siltstone units. Mineralisation occurs as semicontinuous, roughly tabular sheets containing moderately plunging, structurally controlled, high grade shoots. The siltstone host is folded with a plunge of 40-60 degrees northeast and is steeply northwest-dipping. The east-dipping short limb (of second-order folds) hosts an additional phase of mineralisation. The mineralisation is associated with and truncated to the southeast by a multiply sheared graphitic shale. Gold mineralisation is generally highest grade and thickest adjacent to the shale or where second-order folds occur.

The mineralisation assemblage is silica - ankerite - arsenopyrite +/- albite +/- sericite +/- biotite +/- pyrite +/- pyrrhotite. Free gold in quartz occurs rarely. Sulphide mineralisation occurs mainly within siltstone horizons in the host lithology and is interpreted to postdate the main structural event.

The resource for the Obenemase Deposits remains at **5.4Mt at 3.4g/t Au for 0.598Moz Au.**

Outlook

Gold prices continue to be volatile in anticipation of changes in interest rates by the US Federal Reserve. Amidst an uncertain gold price environment, the Group will focus its efforts on reducing costs to improve profit margins at its producing asset, Castlemaine Goldfields.

As the Group has been facing challenges of weak gold prices, the depressed price of its shares and a difficult fundraising environment, the Board took the view in May 2014 that there is a need to re-strategise the Group's portfolio of mining assets with a view to rationalise, streamline and stabilise its gold mining operations. During the quarter, LionGold completed the sale of its non-core PRC-based office equipment manufacturing business to raise cash.

In addition, with the completion of the disposal of Acadian Mining and the Amayapampa gold project in the prior quarter, the Group expects to enjoy lower care and maintenance expenses as well as administrative expenses over the longer term.

The Board and Management monitor the gold industry continually and are always looking for ways to reduce operating costs where possible. However, should gold prices and operating costs reach a sustaining level where gold mining becomes unprofitable, the Company may decide to diversify into other minerals or businesses.

Further to the Company's announcements made on 2 April 2014 and 29 April 2014 on investigations by the Commercial Affairs Department, the Company wishes to inform shareholders that the Commercial Affairs Department has not given any further details of its investigations. The Board reiterates that it is not aware if any offence has been committed by the Company or any of its subsidiaries.

Raymond Tan, Acting Group Chief Executive Officer & Executive Director, states, "***The Board would definitely welcome an early conclusion to investigations by the Commercial Affairs Department so that any uncertainty relating to the Company may be lifted or properly and adequately addressed.***"

The Directors are of the view that while the business and operations of the Company are not affected by the investigations, the investigations have had and may continue to have an impact on the Company's ongoing fundraising initiatives.

The Company will continue to monitor the progress of the investigations and make such further announcements as required.

END

Annex: LionGold Annual Mineral Resources and Ore Reserves Summary as at 31 December 2014

The Mineral Resource and Ore Reserve estimates for all projects presented below have been prepared as of 31 March 2014 and classified in accordance with the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, December 2012 (the “**JORC Code 2012**”).

Name of asset: Brimstone Resources Country: Australia							
Category	Mineral type	Gross attributable to licence		Net attributable to issuer (40%)			Competent Person
		Tonnes (t)	Grade (g/t Au)	Tonnes (t)	Grade (g/t Au)	Contained gold ounces (oz Au)	
Penny's Find Project							
Indicated Resources	Gold	410,000	3.2	160,000	3.2	17,000	1
Inferred Resources	Gold	240,000	2.6	95,000	2.6	8,000	1
Total Resources	Gold	650,000	3.0	255,000	3.0	25,000	1
Name of asset: Castlemaine Goldfields Country: Australia							
Category	Mineral type	Gross attributable to licence		Net attributable to issuer (100%)			Competent Person
		Tonnes (t)	Grade (g/t Au)	Tonnes (t)	Grade (g/t Au)	Contained gold ounces (oz Au)	
Ballarat East Mine							
Inferred Resources	Gold	370,000	11.5	370,000	11.5	140,000	1, 2, 3
Total Resources	Gold	370,000	11.5	370,000	11.5	140,000	1, 2, 3
Name of asset: Citigold Corporation Country: Australia							
Category	Mineral type	Gross attributable to licence		Net attributable to issuer (16.4%)			Competent Person
		Tonnes (t)	Grade (g/t Au)	Tonnes (t)	Grade (g/t Au)	Contained gold ounces (oz Au)	
Charters Towers Project							
Indicated Resources	Gold	3,200,000	7.6	520,000	7.6	130,000	4
Inferred Resources	Gold	25,000,000	14.0	4,100,000	14.0	1,800,000	4
Total Resources	Gold	28,200,000	13.3	4,620,000	13.3	1,930,000	4
Probable Ore Reserves	Gold	2,500,000	7.7	410,000	7.7	100,000	4
Total Reserves	Gold	2,500,000	7.7	410,000	7.7	100,000	4

Name of asset: Owere Mines Country: Ghana							
Category	Mineral type	Gross attributable to licence		Net attributable to issuer (54.6%)			Competent Person
		Tonnes (t)	Grade (g/t Au)	Tonnes (t)	Grade (g/t Au)	Contained gold ounces (oz Au)	
Konongo Gold Project							
Indicated Resources	Gold	3,300,000	3.8	1,800,000	3.8	220,000	1, 5
Inferred Resources	Gold	5,800,000	2.9	3,200,000	2.9	290,000	1, 5
Total Resources	Gold	9,100,000	3.2	5,000,000	3.2	510,000	1, 5

LionGold Corporation			
			Contained gold ounces (oz Au)
Indicated Resources			367,000
Inferred Resources			2,238,000
Total Resources			2,605,000
Probable Ore Reserves			100,000
Total Reserves			100,000

Probable Ore Reserves are derived from, and included in, Indicated Mineral Resources. Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. It is uncertain if further exploration will result in upgrading the Inferred Mineral Resource to an Indicated or Measured Mineral Resource category. Tonnages and ounces are rounded to the nearest two significant figures. Small discrepancies may occur due to rounding.

The information in the report to which this statement is attached that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by the Competent Persons listed below for the respective projects. Each of the Competent Persons listed below is a Member or Fellow of the Australasian Institute of Mining and Metallurgy or the Australian Institute of Geoscientists or a 'Recognised Professional Organisation' (RPO) included in a list posted on the ASX website from time to time. The Competent Persons have sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the JORC Code 2012.

Competent Persons:

1. Dr Simon C Dominy FAusIMM(CP) is employed by Snowden Mining Industry Consultants Limited as of 31 December 2014; **2. Lance Faulkner MAusIMM** is a full-time employee of the Group as of 31 December 2014; **3. Matthew J Hernan MAusIMM** is a full-time employee of the Group; **4. Christopher AJ Towsey FAusIMM(CP)** is employed by Citigold Corporation Limited; and **5. Dr Belinda Van Lente PrSciNat** is employed by Snowden Mining Industry Consultants Limited.

The respective Competent Persons have provided consent to the public reporting of the respective Qualified Persons' Reports which can be found on www.liongoldcorp.com. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Cut-off grades for reporting Mineral Resources are applied as follows:

- Brimstone Resources¹:
 - Penny's Find Project: 1 g/t Au
- Castlemaine Goldfields²:
 - Ballarat East Mine: 0 g/t Au
- Citigold Corporation³:
 - Charters Towers Project: 3 g/t Au
- Konongo Gold Project: 0.5 g/t Au, 0.7 g/t Au, and 1 g/t Au cut-off for oxide, transitional and sulphide respectively

Cut-off grades for reporting Ore Reserves are applied as follows:

- Citigold Corporation³:
 - Charters Towers Project: 4 g/t Au

More details regarding the Mineral Resource and Ore Reserve estimates, including information required under Practice Note 6.3 of SGX's Listing Manual, can be found in Technical Reports for the respective projects on the Company's website (www.liongoldcorp.com) and the accompanying SGX announcements for the respective Qualified Persons' Reports on each project.

Notes

¹Open cut.

²Underground operation. Zero cut-off as global estimate within high-nugget effect mineralisation with minimal selectivity.

³Underground.

For enquiries, please contact:

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About LionGold Corp Ltd (Bloomberg: LIGO SP / Reuters: LION.SI)

LionGold has interests in gold mining and exploration companies in Australia and Ghana. The Group's wholly owned Australian subsidiary, Castlemaine Goldfields, produced approximately 40,000 ounces of gold in FY2014, contributing to S\$65 million in revenue.

For more information visit: www.liongoldcorp.com.