

# LIONGOLD CORP LTD

## FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

The Board of Directors (“**Board**”) of LionGold Corp Ltd (the “**Company**”) is pleased to present the results of the Company and its subsidiaries (the “**Group**”) for the period ended 30 June 2015. The figures presented below have not been audited nor reviewed by the Company’s auditors.

### 1(a)(i) An income statement (for the Group) with comparatives for the 3 months period ended 30 June 2015 (“1Q2016”) with the corresponding period of the immediately preceding financial year.

	Group		
	3 months period ended		
	30.06.2015	30.06.2014	Change
	S\$'000	S\$'000	%
<b>CONTINUING OPERATIONS</b>			
Revenue	15,478	13,887	11.5
Cost of goods sold	(14,772)	(17,182)	(14.0)
<b>Gross Profit</b>	<b>706</b>	<b>(3,295)</b>	<b>(121.4)</b>
Other income <sup>(Note 2)</sup>	89	344	(74.1)
Expenses :			
Administrative expenses	(1,921)	(2,627)	(26.9)
Other expenses <sup>(Note 2)</sup>	(201)	(10,954)	(98.2)
Finance costs	(452)	(1,121)	(59.7)
<b>Total expenses</b>	<b>(2,574)</b>	<b>(14,702)</b>	<b>(82.5)</b>
<b>Loss before income tax from continuing operations</b>	<b>(1,779)</b>	<b>(17,653)</b>	<b>(89.9)</b>
Income tax expense	-	-	-
<b>Net loss for the period from continuing operations</b>	<b>(1,779)</b>	<b>(17,653)</b>	<b>(89.9)</b>
<b>DISCONTINUED OPERATIONS</b> <sup>(Note 1)</sup>			
Loss from discontinued operations, net of tax	-	(3,579)	(100.0)
<b>Total loss after tax for the period</b>	<b>(1,779)</b>	<b>(21,232)</b>	<b>(91.6)</b>
<b>Net loss for the period attributable to :</b>			
Equity holders of the Company			
Loss from continuing operations, net of tax	(802)	(16,712)	(95.2)
Loss from discontinued operations, net of tax	-	(3,579)	(100.0)
<b>Loss for the period attributable to equity holders of the Company</b>	<b>(802)</b>	<b>(20,291)</b>	<b>(96.0)</b>

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	Group		
	3 months period ended		
	30.06.2015	30.06.2014	Change
	S\$'000	S\$'000	%
<b>Non-controlling interests</b>			
Loss from continuing operations, net of tax	(977)	(941)	3.8
<b>Loss for the period attributable to non-controlling interests</b>	<b>(977)</b>	<b>(941)</b>	<b>3.8</b>

**1(a)(ii) A statement of comprehensive income with comparatives for the 3 months period ended 30 June 2015 with the corresponding period of the immediately preceding financial year.**

	Group	
	3 months period ended	
	30.06.2015	30.06.2014
	S\$'000	S\$'000
<b>Total loss for the period</b>	<b>(1,779)</b>	<b>(21,232)</b>
Fair value gain on available-for-sale financial assets	1,564	-
Realisation of fair value gain on disposal of available-for-sale financial assets	(1,564)	-
Exchange differences on translating foreign operations	(3,766)	(3,679)
<b>Total comprehensive loss for the period</b>	<b>(5,545)</b>	<b>(24,911)</b>
<b>Total comprehensive loss for the period attributable to :</b>		
<b>Equity holders of the Company</b>		
Total comprehensive loss from continuing operations, net of tax	(4,052)	(19,754)
Total comprehensive loss from discontinued operations, net of tax	-	(3,579)
<b>Total comprehensive loss for the period attributable to equity holders of the Company</b>	<b>(4,052)</b>	<b>(23,333)</b>
<b>Non-controlling interests</b>		
Total comprehensive loss from continuing operations, net of tax	(1,493)	(1,578)
<b>Total comprehensive loss for the period attributable to non-controlling interests</b>	<b>(1,493)</b>	<b>(1,578)</b>

# LIONGOLD CORP LTD

## FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

Note 1:

Discontinued operations:

	<b>Group</b>		
	<b>3 months period ended</b>		
	<b>30.06.2015</b>	<b>30.06.2014</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Revenue	-	18,661	(100.0)
Cost of goods sold	-	(16,621)	(100.0)
<b>Gross Profit</b>	<b>-</b>	<b>2,040</b>	<b>(100.0)</b>
Other income	-	158	(100.0)
Expenses :			
Selling and distribution expenses	-	(539)	(100.0)
Administrative expenses	-	(1,839)	(100.0)
Other expenses	-	(3,388)	(100.0)
<b>Total expenses</b>	<b>-</b>	<b>(5,766)</b>	<b>(100.0)</b>
<b>Loss before income tax</b>	<b>-</b>	<b>(3,568)</b>	<b>(100.0)</b>
Income tax expense	-	(11)	(100.0)
<b>Net loss profit for the period</b>	<b>-</b>	<b>(3,579)</b>	<b>(100.0)</b>

Discontinued operations comprise the following:

1) Acadian Mining Corporation

The Company's wholly owned subsidiary LionGold Mining Canada Inc. ("LGMC") entered into a share purchase agreement on 30 August 2014 with Atlantic Gold Corporation ("Atlantic"), for the sale by LGMC to Atlantic of 67,686,662 shares in the capital of Acadian Mining Corporation ("ADA"), being all of the issued and outstanding shares in the capital of ADA (the "ADA Disposal"). The Company completed the ADA Disposal on 22 September 2014.

2) Vista Gold Antigua Corp, LionGold South America and LionGold Bolivia Ltd

The Company entered into an Investment Agreement with Silvermane Investments Limited ("Investor") on 26 September 2014 whereby the Investor agreed to subscribe for new shares to be issued by Vista Gold Antigua Corp ("VGA"), LionGold South America Ltd ("LGSA") and LionGold Bolivia Ltd ("LGB") that allows the Investor to gain 89.46% shareholding control over each VGA, LGSA and LGB or effectively, a 89.46% interest in the Amayapampa Gold Project.

3) Ivy Bushes Holding Ltd

The Company announced on 2 September 2014 that it entered into a sale and purchase agreement with Grandway Asia Limited for the sale of Ivy Bushes Holding Ltd ("Ivy Bushes" and collectively with its subsidiaries, the "Manufacturing Group"). The disposal of the Manufacturing Group was approved by shareholders and completed on 19 December 2014.

Note 2:

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**FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

Total costs and expenses included the following charge/(credit):

	<b>Group</b>		
	<b>3 months period ended</b>		
	<b>30.06.2015</b>	<b>30.06.2014</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<u>Cost of goods sold:-</u>			
From continuing operations:			
Amortisation of mining properties	1,465	2,026	(27.7)
Depreciation of property, plant and equipment	2,379	2,669	(10.9)
From discontinued operations:			
Depreciation of property, plant and equipment	-	93	(100.0)
Operating lease - rental expenses	-	144	(100.0)
<u>Other income:-</u>			
From continuing operations:			
(Loss)/gain on disposal of property, plant and equipment	(8)	(5)	60.0
Interest income	81	53	52.8
Rental income	16	17	(5.9)
Gain on derivative financial instruments	-	274	(100.0)
Others	-	5	(100.0)
	<b>89</b>	<b>344</b>	<b>(74.1)</b>
From discontinued operations:			
Loss from sales of spare parts	-	(12)	(100.0)
Investment income	-	(12)	(100.0)
Interest income	-	14	(100.0)
Service fees	-	168	(100.0)
	-	<b>158</b>	<b>(100.0)</b>
<u>Administrative expenses:-</u>			
From continuing operations:			
Depreciation of property, plant and equipment	42	57	(26.3)
Operating lease - rental expenses	79	84	(6.0)

**LIONGOLD CORP LTD**
**FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	<b>Group</b>		
	<b>3 months period ended</b>		
	<b>30.06.2015</b>	<b>30.06.2014</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
From discontinued operations:			
Depreciation of property, plant and equipment	-	48	(100.0)
Operating lease - rental expenses	-	206	(100.0)
<u>Other expenses:-</u>			
From continuing operations:			
Allowance for impairment loss on available-for-sale financial assets	215	8,482	(97.5)
Allowance of impairment on receivables	27	-	NM
Care and maintenance expenses	1,334	1,688	(21.0)
Gain on foreign exchange (net)	(2)	(340)	(99.4)
(Gain)/loss on disposal of available-for-sale financial assets	(1,564)	12	NM
Fair value loss on financial assets at fair value through profit or loss	-	584	(100.0)
Loss on disposal of subsidiary	213	-	NM
Other mining related expenses	82	323	(74.6)
Expenses for amount payable to non-controlling interest	127	205	(38.0)
Write-back of allowance for impairment loss on receivables	(231)	-	NM
	<b>201</b>	<b>10,954</b>	<b>(98.2)</b>
From discontinued operations:			
Amortisation of intangible assets	-	11	(100.0)
Care and maintenance expenses	-	2,674	(100.0)
Loss on foreign exchange (net)	-	627	(100.0)
Other mining related expenses	-	58	(100.0)
Property, plant and equipment written off	-	3	(100.0)
Others	-	15	(100.0)
	-	<b>3,388</b>	<b>(100.0)</b>

NM: Not Meaningful

# LIONGOLD CORP LTD

## FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	As at 30.06.2015	As at 31.03.2015	As at 30.06.2015	As at 31.03.2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Current assets</b>				
Cash and cash equivalents	14,105	15,607	2,405	3,231
Financial assets at fair value through profit or loss	-	-	-	-
Available-for-sale financial assets	856	6,488	-	5,394
Trade and other receivables	5,311	4,625	4,898	3,936
Due from subsidiaries	-	-	5,786	5,696
Other current assets	258	455	81	96
Inventories	7,816	7,718	-	-
	<b>28,346</b>	<b>34,893</b>	<b>13,170</b>	<b>18,353</b>
<b>Non-current assets</b>				
Other receivables	805	931	-	-
Security deposits	4,774	4,878	-	-
Investment in subsidiaries	-	-	44,126	44,422
Exploration and evaluation	25,524	29,131	-	-
Mining properties	5,500	4,688	-	-
Property, plant and equipment	29,061	32,481	4	5
Intangible assets	12	15	-	-
	<b>65,676</b>	<b>72,124</b>	<b>44,130</b>	<b>44,427</b>
<b>Total assets</b>	<b>94,022</b>	<b>107,017</b>	<b>57,300</b>	<b>62,780</b>
<b>Current liabilities</b>				
Trade and other payables	11,099	13,626	1,261	2,908
Due to subsidiaries	-	-	32,485	32,401
Income tax liabilities	18	18	-	-
Finance lease liabilities	1,490	1,595	-	-
Convertible bonds	22,963	27,035	22,963	27,035
	<b>35,570</b>	<b>42,274</b>	<b>56,709</b>	<b>62,344</b>

**LIONGOLD CORP LTD**

**FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	Group		Company	
	As at 30.06.2015	As at 31.03.2015	As at 30.06.2015	As at 31.03.2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current liabilities</b>				
Finance lease liabilities	-	156	-	-
Deferred consideration	1,751	1,790	-	-
Rehabilitation and preservation provision	6,771	7,131	-	-
Other non-current liabilities	18,367	18,558	-	-
	<b>26,889</b>	<b>27,635</b>	-	-
<b>Total liabilities</b>	<b>62,459</b>	<b>69,909</b>	<b>56,709</b>	<b>62,344</b>
<b>Net assets</b>	<b>31,563</b>	<b>37,108</b>	<b>591</b>	<b>436</b>
<b>Equity</b>				
<b>Issued capital and reserves attributable to equity holders of the Company</b>				
Issued capital	67,736	67,736	67,736	67,736
Share premium	268,598	268,598	268,598	268,598
Discount on capital	(3,650)	(3,650)	(3,650)	(3,650)
Other reserves	(267,585)	(263,533)	(332,093)	(332,248)
	<b>65,099</b>	<b>69,151</b>	<b>591</b>	<b>436</b>
Non-controlling interests	(33,536)	(32,043)	-	-
<b>Total equity</b>	<b>31,563</b>	<b>37,108</b>	<b>591</b>	<b>436</b>

**LIONGOLD CORP LTD****FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015****1(b)(ii) Aggregate amount of Group's borrowings****Amount repayable in one year or less, or on demand**

	As at 30.6.2015		As at 31.03.2015	
	S\$'000	S\$'000	S\$'000	S\$'000
	Secured	Unsecured	Secured	Unsecured
Finance lease creditors	1,490	-	1,595	-
Convertible loan	-	22,963	-	27,035
	<b>1,490</b>	<b>22,963</b>	<b>1,595</b>	<b>27,035</b>

**Amount repayable more than one year**

	As at 30.06.2015		As at 31.03.2015	
	S\$'000	S\$'000	S\$'000	S\$'000
	Secured	Unsecured	Secured	Unsecured
Later than 1 year but not later than 5 years:				
Finance lease creditors	-	-	156	-
	<b>-</b>	<b>-</b>	<b>156</b>	<b>-</b>

As at 30 June 2015, the Group's borrowings are secured by property, plant and equipment with a net book value of S\$2.0 million (31 March 2015: S\$2.2 million).

# LIONGOLD CORP LTD

## FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	<b>Group</b>	
	<b>3 months period ended</b>	
	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before income tax	(1,779)	(21,221)
Adjustments for:-		
Allowance for impairment loss on available-for-sale financial assets	215	8,482
Allowance for impairment loss on other receivables	27	-
Amortisation of intangible assets	1	11
Amortisation of mining properties	1,465	2,026
Depreciation of property, plant and equipment	2,568	2,867
Fair value loss on financial assets at fair value through profit or loss	-	584
Gain on derivative financial instruments	-	(274)
(Gain)/loss on disposal of available-for-sale financial assets	(1,564)	12
Loss on disposal of property, plant and equipment	8	5
Loss on disposal of subsidiary	213	-
Performance shares awarded	-	483
Property, plant and equipment written off	-	3
Expenses for amount payable to non-controlling interests	127	205
Unrealised foreign exchange gain	(550)	(185)
Write-back of allowance for impairment loss on receivables	(231)	-
Interest income	(81)	(67)
Interest expense	452	1,121
<b>Operating gain/(loss) before working capital changes</b>	<b>871</b>	<b>(5,948)</b>
Changes in operating assets and liabilities:		
Inventories	(97)	1,685
Trade and other receivables	(662)	(1,678)
Other current assets	192	642
Trade and other payables	(887)	8,349
Other liabilities	(582)	(3,717)
<b>Cash used in operations</b>	<b>(1,165)</b>	<b>(667)</b>
Interest received	81	67
Interest paid	(16)	(74)
Tax paid	-	(9)
<b>Net cash used in operating activities</b>	<b>(1,100)</b>	<b>(683)</b>

**LIONGOLD CORP LTD**

**FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	<b>Group</b>	
	<b>3 months period ended</b>	
	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to mining properties	(2,372)	(1,614)
Disposal of subsidiaries	464	-
Exploration and evaluation expenditure	(384)	(1,415)
Proceeds from disposal of available-for-sale financial assets	6,958	53
Proceeds from disposal of financial assets at fair value through profit or loss	-	800
Proceeds from disposal of property, plant and equipment	17	18
Purchase of intangible assets	-	(20)
Purchase of property, plant and equipment	(438)	(390)
<b>Net cash generated from/(used in) investing activities</b>	<b>4,245</b>	<b>(2,568)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(4,046)	-
Repayment of finance lease creditor	(224)	(581)
<b>Net cash used in financing activities</b>	<b>(4,270)</b>	<b>(581)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,125)</b>	<b>(3,832)</b>
Cash and cash equivalents at beginning of period	15,607	23,485
Effect of foreign exchange rate changes, net	(377)	572
<b>Cash and cash equivalents at end of period</b>	<b>14,105</b>	<b>20,225</b>

# LIONGOLD CORP LTD

## FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Issued Capital	Share Premium	Discount on Capital	Contributed Surplus	Statutory Reserve	Warrant Reserve	Equity Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Non- controlling interests	Total Equity
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
<b>Group</b>											
As at 1 April 2015	67,736	268,598	(3,650)	-	-	16,308	-	(33,415)	(246,426)	(32,043)	37,108
Loss for the year	-	-	-	-	-	-	-	-	(802)	(977)	(1,779)
Fair value gain on available-for- sale financial assets	-	-	-	-	-	-	1,564	-	-	-	1,564
Realisation of fair value gain on disposal of available-for-sale financial assets	-	-	-	-	-	-	(1,564)	-	-	-	(1,564)
Currency translation differences	-	-	-	-	-	-	-	(3,250)	-	(516)	(3,766)
Total comprehensive loss for the year	-	-	-	-	-	-	-	(3,250)	(802)	(1,493)	(5,545)
As at 30 June 2015	<b>67,736</b>	<b>268,598</b>	<b>(3,650)</b>	-	-	<b>16,308</b>	-	<b>(36,665)</b>	<b>(247,228)</b>	<b>(33,536)</b>	<b>31,563</b>
As at 1 April 2014	57,975	265,701	-	(11,833)	3,100	16,308	119	(23,070)	(212,284)	8,201	104,217
Issue of performance shares	287	196	-	-	-	-	-	-	-	-	483
Realisation of impairment loss in available-for-sale financial assets	-	-	-	-	-	-	(119)	-	-	-	(119)
Loss for the year	-	-	-	-	-	-	-	-	(20,291)	(941)	(21,232)
Currency translation differences	-	-	-	-	-	-	-	(3,042)	-	(637)	(3,677)
Total comprehensive loss for the year	-	-	-	-	-	-	-	(3,042)	(20,291)	(1,578)	(24,911)
As at 30 June 2014	<b>58,262</b>	<b>265,897</b>	-	<b>(11,833)</b>	<b>3,100</b>	<b>16,308</b>	-	<b>(26,112)</b>	<b>(232,575)</b>	<b>6,623</b>	<b>79,670</b>

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**FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	Issued Capital	Share Premium	Discount on Capital	Warrant Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Company</b>							
As at 1 April 2015	67,736	268,598	(3,650)	16,308	-	(348,556)	436
Loss for the year	-	-	-	-	-	155	155
Total comprehensive loss for the period	-	-	-	-	-	155	155
As at 30 June 2015	<b>67,736</b>	<b>268,598</b>	<b>(3,650)</b>	<b>16,308</b>	-	<b>(348,401)</b>	<b>591</b>
As at 1 April 2014	57,975	265,701	-	16,308	(1,695)	(272,992)	65,297
Issue of performance shares	287	196	-	-	-	-	483
Loss for the year	-	-	-	-	-	(9,663)	(9,663)
Total comprehensive loss for the period	-	-	-	-	-	(9,663)	(9,663)
As at 30 June 2014	<b>58,262</b>	<b>265,897</b>	-	<b>16,308</b>	<b>(1,695)</b>	<b>(282,655)</b>	<b>56,117</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

The changes in the Company's paid-up capital were as follows:

Issued and fully paid (ordinary shares of USD0.04 par)	No. of shares	Share Capital (S\$'000)	Share Premium (S\$'000)	Discount on Capital (S\$'000)
As at 1 April 2015 / 30 June 2015	1,221,658,597	67,736	268,598	(3,650)

## LIONGOLD CORP LTD

### FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

The number of shares that may be issued on conversion of all the outstanding convertibles as at 30 June 2015 and as at 30 June 2014 is as follows:

<b>Number of shares that may be issued (ordinary shares of USD0.04 par) as at 30 June 2015</b>	<b>No. of shares</b>	<b>Share Capital (S\$'000)</b>	<b>Share Premium (S\$'000)</b>
New ordinary shares to be issued on the conversion of the total outstanding warrants. For illustrative purposes, the table shows the number of LGC Shares to be issued assuming full conversion of the warrants. The outstanding warrants will expire on 17 December 2015.	250,893,523	13,556	296,724

<b>Number of shares that may be issued (ordinary shares of USD0.04 par) as at 30 June 2014</b>	<b>No. of shares</b>	<b>Share Capital (S\$'000)</b>	<b>Share Premium (S\$'000)</b>
New ordinary shares to be issued on conversion of outstanding convertible bond of US\$20 million. The price at which Shares will be issued on conversion is S\$1.158 per Share at an exchange rate of US\$1.00 to S\$1.277515. For illustrative purposes, the table shows the number of LGC Shares to be issued assuming full conversion of the convertible bonds.	22,064,162	1,127	24,423
New ordinary shares to be issued on the conversion of the total outstanding warrants. For illustrative purposes, the table shows the number of LGC Shares to be issued assuming full conversion of the warrants.	250,893,523	12,733	297,547

The existing convertible bonds as at 30 June 2014 were cancelled further to the bond restructuring agreement as described in section 8 of this announcement.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

There are no treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year. The total number of issued shares as at 30 June 2015 is 1,221,658,597 (31 March 2015: 1,221,658,597).

**1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).**

The figures have not been audited nor reviewed by the Company's auditors.

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3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial have been applied.

Other than the adoption of the new and revised Financial Reporting Standards (FRS) as mentioned in paragraph 5 below, there were no changes in the accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 March 2015.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In the current financial period, the Company and the Group have adopted all the new and revised Financial Reporting Standards ("FRS") and interpretations of FRS ("INT FRS") that are relevant to its operations and are effective for annual periods beginning on 1 April 2015. The adoption of the new FRS and INT FRS will have no material impact on the financial statements.

6. Earnings per ordinary share of the Group for the current year reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	As at 30.06.2015	As at 30.06.2014
	S\$	S\$
Loss per ordinary share for the financial period:		
Based on weighted average number of ordinary shares of 1,221,658,597 (30 June 2014: 1,034,202,474) - basic and diluted:		
- Continuing operations	(0.07) cents	(1.61) cents
- Discontinued operations	-	(0.35) cents

7. Net asset value (for the issuer and the Group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.

	Group		Company	
	As at 30.06.2015	As at 31.03.2015	As at 30.06.2015	As at 31.03.2015
	S\$	S\$	S\$	S\$
Net assets value per ordinary shares based on issued share capital at end of financial period/year	5.33 cents	5.66 cents	0.05 cents	0.04 cents

Net asset value per share is calculated based on 1,221,658,597 (31 March 2015: 1,221,658,597) shares in issue at the end of the financial period ended 30 June 2015.

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8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

#### (A) Financial Performance Review

The Group recorded an increase in revenue for the first quarter of the financial period ended 30 June 2015 ("1Q2016"). Revenue increased by S\$1.6 million from S\$13.9 million to S\$15.5 million in 1Q2016 as compared to the preceding period ("1Q2015"). This was attributed primarily to the increase in gold sold from 8,614 ounces in 1Q2015 to 9,681 ounces in 1Q2016. In addition, there was an increase in average selling price of gold from A\$1,377 to A\$1,535 for the same comparative periods.

Gross profit increased by S\$4.0 million in 1Q2016 as compared to the preceding period. The increase was mainly attributed to a 11.5% increase in revenue as well the depreciation of the Australian Dollar ("AUD") against the United States Dollar ("USD"). The depreciation of AUD was deemed favorable to the Group as gold prices are quoted in USD, whereas the costs are mostly incurred in AUD at Castlemaine Goldfields ("CGT"). Total quantity of gold ore mined increased from approximately 53,000 tonnes in 1Q2015 to approximately 55,000 tonnes in 1Q2016 and total gold production increased from 8,917 ounces in 1Q2015 to 9,901 ounces in 1Q2016 as a result of the higher tonnage and the higher grade of gold mined. The average grade of gold extracted improved from 5.5g/t in 1Q2015 to 6.2g/t in 1Q2016.

Other income recorded a decrease of S\$0.3 million in 1Q2016 compared to 1Q2015, mainly attributed to a S\$0.3 million gain from derivative instrument recognised in 1Q2015. There was no such gain in 1Q2016.

Administrative expenses decreased by S\$0.7 million in 1Q2016 as compared to 1Q2015, mainly attributed to the reduction in staff costs and related expenses of S\$0.8 million. This is in line with the decline in headcount across the Group and the depreciation of the AUD against SGD, resulting in a decrease of S\$0.3 million in staff salaries. In addition, there were employee share grants amounting to S\$0.5 million that were awarded in 1Q2015 but no such awards were given in 1Q2016.

There was a decrease in other expenses of S\$10.8 million in 1Q2016 as compared to 1Q2015. The decrease is mainly due to (1) allowance for impairment on available-for-sale financial assets of S\$8.5 million incurred in 1Q2015 which did not recur in 1Q2016; and (2) S\$1.6 million gain recognised from the disposal of available-for-sale financial assets in 1Q2016.

The decrease in finance costs of S\$0.7 million in 1Q2016 as compared to 1Q2015 was mainly attributed to the decrease in the interest expense from the convertible bonds of S\$0.6 million.

#### *Discontinued Operations*

The discontinued operations as described in note 1 have ceased to be subsidiaries of the Company during FY2015.

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#### (B) Financial Position Review

1) The Current Assets of the Group decreased by S\$6.6 million from S\$34.9 million as at 31 March 2015 to S\$28.3 million as at 30 June 2015. The decrease was mainly due to:

- The decrease in available-for-sale financial assets by S\$5.6 million, attributed to the decline in fair value and the disposal of these financial assets in 1Q2016.
- A decrease in cash and cash equivalents by S\$1.5 million. This was mainly attributed to the expenditure on mining related activities of S\$2.8 million, partial repayment to convertible bondholder of S\$4.0 million, purchase of PPE of S\$0.4 million, repayment to finance lease creditors of S\$0.2 million and net cash used in operations amounting to S\$1.1 million. The net cash used in operations can be mainly attributed to care and maintenance expenses incurred for Owere Mines Ltd. This was partially offset by proceeds from disposal of available-for-sale financial assets of S\$7.0 million and the proceeds from the disposal of Brimstone Resources Ltd of S\$0.5 million.

The decrease in Current Assets of the Group was partially offset by:

- The increase in trade receivables and other receivables of S\$0.7 million was mainly attributed to a loan provided to Annica Holdings Ltd of S\$0.8 million.

2) The Non-Current Assets of the Group decreased by S\$6.4 million from S\$72.1 million as at 31 March 2015 to S\$65.7 million as at 30 June 2015. The decrease was mainly due to:

- The decrease in property, plant and equipment (“PPE”) by S\$3.4 million which was mainly attributed to depreciation charge of S\$2.6 million. In addition, the Group has significant PPE that are held in Ghanaian Cedi (“GHS”) which resulted in a decrease in net book values of approximately S\$1.3 million. The decrease was partially offset by purchases amounting to S\$0.4 million during the period.
- The decrease in exploration and evaluation expenditure (“E&E”) of S\$3.6 million which was mainly attributed to the depreciation of GHS and AUD against the SGD, resulting in a decrease in the net book value of the E&E assets by approximately S\$3.6 million.

The decrease in Non-Current Assets of the Group was partially offset by:

- The increase in mining properties of S\$0.8 million. This was mainly attributed to additions of S\$2.4 million which was partially offset by amortization charge of S\$1.5 million.

3) The Current Liabilities of the Group decreased from S\$42.3 million as at 31 March 2015 to S\$35.6 million as at 30 June 2015. The decrease of S\$6.7 million was mainly attributable to :

- The decrease in trade and other payables of S\$2.5 million was mainly attributed to the repayment of outstanding payables to the creditors of the Group.
- The decrease in convertible bonds of S\$4.1 million was mainly attributed to the partial repayment of US\$3.0 million to the convertible bond holder.

4) The Non-Current Liabilities of the Group decreased from S\$27.6 million as at 31 March 2015 to S\$26.9 million as at 31 March 2015. The decrease of S\$0.7 million was mainly attributable to the decrease in rehabilitation and preservation provision of S\$0.4 million due to the depreciation of GHS and AUD against the SGD.

5) Issued capital and reserves attributable to equity holders and non-controlling interests of the Company decreased by S\$5.5 million from S\$37.1 million as at 31 March 2015 to S\$31.6 million as at 30 June 2015.

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These were mainly attributable to the following:

- The decrease in other reserves (excluding accumulated losses) by S\$3.3 million, due to a decrease in foreign currency translation reserve.
- The increase in accumulated losses from S\$246.4 million as at 31 March 2015 to S\$247.2 million as at 30 June 2015, which reflects the Group's consolidated losses attributable to equity holders for the period.
- The increase in non-controlling interest ("NCI") to a deficit of S\$33.5 million as at 30 June 2015 compared to a deficit of S\$32.0 million as at 31 March 2015, due mainly to a decrease in non-controlling interests share of results and foreign currency translation reserve of S\$1.0 million and S\$0.5 million respectively.

The Group has net current liabilities of S\$7.2 million as at 30 June 2015. This was mainly due to the S\$23.0 million outstanding convertible bonds which are due to Value Capital Asset Management Pte. Ltd ("Value Capital"). The Company has entered into a (i) bond restructuring agreement and (ii) a subscription agreement with Value Capital for the repayment of these convertible bonds and for the issuance of S\$100 million in aggregate amount of new convertible bonds respectively. Shareholders' approval was obtained subsequently at the special general meeting on 14 September 2015.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

There is no forecast or prospect statement which has been previously disclosed.

**10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting year and the next 12 months.**

Gold prices remain depressed 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, CGT. While the Company has achieved lower year-on-year cash operating cost and all-in sustaining cost per ounce of gold sold in 1Q2016 as compared to the same period last year, factors such as quantity of gold mined as well as average grade of gold extracted can influence the cost of production. Further, exchange rate fluctuations may impact the Group's profitability in various aspects: gold prices are quote in USD, whereas costs are mostly incurred in AUD; meanwhile translation losses/gains may occur as the Group's payables are denominated in USD and may fluctuate against the Group's reporting currency.

#### CGT's operations summary

	1Q2016	1Q2015
Ounces produced	9,681	8,917
Cash operating cost / ounce sold	A\$1,044	A\$1,212
All-in sustaining cost / ounce sold	A\$1,409	A\$1,490
Selling price / ounce sold	A\$1,535	A\$1,376

o

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

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remains the generally accepted standard of reporting cash costs of production by gold mining companies. All-in sustaining cash costs include sustaining capital, corporate general & administrative expenses and exploration expense.

The Group continues to face challenges with weak gold prices, depressed share prices for shares in the Company and a challenging fundraising environment. To meet these challenges, the Company focused on re-strategising its portfolio of mining assets with a view to rationalize, streamline and stabilize gold mining operations. Following the disposal of its non-core PRC based office equipment manufacturing business, Acadian Mining and the dilution of its majority stake in Amayapampa Gold Project in FY2015, the Group has subsequently disposed its 100% stake in Brimstone Resources Ltd in 1Q2016.

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 not economically viable, the Company may decide to diversify into other minerals or businesses.

Other known factors or events that may affect the group in the next reporting year and the next 12 months

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.

#### 11. Dividend

**(a) Current Financial Year Reported On**

**Any dividend declared for the current financial year reported on?**

No.

**(b) Corresponding Year of the Immediately Preceding Financial Year**

**Any dividend declared for the corresponding year of the immediately preceding financial year?**

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

#### 12. If no dividend has been declared/recommended, a statement to that effect

No final dividend has been recommended.

#### 13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained any IPT mandate from its shareholders. There are no IPT transactions as at 30 June 2015.

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#### 14. Confirmation pursuant to Rule 705(5) of the Listing Manual Section B: Rules of Catalist

We, Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil and Tan Soo Khoon Raymond being two of the directors of the Company, do hereby confirm on behalf of the Board that to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the first quarter ended 30 June 2015 to be materially false or misleading.

#### 15. Use of Proceeds

Not Applicable

#### BY ORDER OF THE BOARD

Tan Soo Khoon Raymond  
Executive Director

*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.*

*The announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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