LIONGOLD CORP LTD

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

DISCLAIMER OF OPINION BY THE INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

In compliance with Rule 704(4) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), LionGold Corp Ltd (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the independent auditor of the Company, Baker Tilly TFW LLP (the **"Auditors**"), has issued a disclaimer of opinion in the Independent Auditor's Report (the "**Independent Auditor's Report**") on the basis set out below for the audited financial statements of the Company and the Group for the financial year ended 31 March 2019 ("**FY2019**") (the "**Financial Statements**").

A copy of the Independent Auditor's Report is annexed to this announcement. Shareholders are advised to read the Financial Statements in the Company's annual report for FY2019 (the "**FY2019 Annual Report**"), which will be despatched by 5 July 2019.

Board's Opinion

The Board of Directors (the "**Board**") of the Company would like to provide clarification on the following:

(A) Basis of Disclaimer of Opinion:

Going concern assumptions

As discussed in Note 2(a) to the financial statements, the Company has on 13 July 2018 entered into an unsecured interest-free loan agreement with Mr Tan Soo Khoon Raymond (Group CEO) of up to $3,500,000.

On 28 December 2018, the Company entered into a subscription agreement with Yaoo Capital Pte Ltd (the "**Subscriber**") whereby (a) the Subscriber intends to acquire the Company's debt owing to Premier Equity Fund Sub Fund D (the "**Creditor**") and Value Capital Asset Management Private Limited (the "**Manager**") amounting to approximately $21,558,000 (the "**Outstanding Amount**") pursuant to the debt restructuring agreement entered into with Premier Equity Fund Sub Fund D and Value Capital Asset Management Private Limited dated 29 June 2017. The Outstanding Amount would be repayable to the Subscriber; and (b) the Company will allot and issue to the Subscriber, up to 21,808,939,540 new ordinary shares ("**Subscription Shares**") in the capital of the Company at the issue price of $0.001 for each Subscription Share ("**Subscription**"). As a result of this Subscription, the Company's issued and paid up capital will increase from 8,698,161,119 shares as at 28 December 2018 to 30,507,100,659 shares, which approximates 71.49% of the enlarged issued and paid-up share capital of the Company after the share subscription. The consideration of the Subscription will be fully offset against the Outstanding Amounts under the debt restructuring agreement, which will be deemed fully repaid upon the completion of the allotment and issuance of the Subscription Shares. The completion of the Subscription is conditional upon, inter alia, approvals from the Securities Industry Council ("**SIC**") and shareholders of the Company. The Company will convene a special general meeting to seek the approval of the shareholders for (a) the allotment and issuance of the Subscription Shares and (b) Whitewash Waiver of the requirement for the Subscriber and its

concert parties to make a mandatory general offer for the Shares of the Company not already owned by the Subscriber or its concert parties.

The directors of the Company believe that the Group and the Company will be able to raise the necessary funds from the unsecured interest-free loan from the Group CEO and obtain the necessary approvals for the Subscription as described above, as well as to generate positive cash flows from the mining operations carried on by its wholly-owned subsidiary, Castlemaine Goldfields Pty Ltd. As such, the Board is of the opinion that the Company will have sufficient working capital for the next 12 months and will be able to pay its debts as and when they fall due based on the foregoing reasons.

(B) The Board confirms that all material disclosures have been provided for trading of the Company's shares to continue. The Board also confirms that it is unaware of any information that would cause the Financial Statements to be false or misleading.

Shareholders of the Company are advised to read the Audited Financial Statements in the FY2019 Annual Report which will be despatched by 5 July 2019.

Cautionary Statement

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully and to exercise caution when trading or dealing in their shares of the Company. Shareholders and potential investors should seek advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubts about the actions they should take.

By Order of the Board

Tan Soo Khoon Raymond
Group Chief Executive Officer
27 June 2019

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 announcement has not been examined or approved by the SGX-ST. 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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