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

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED IN RELATION TO THE:

(I) PROPOSED SUBSCRIPTION OF UP TO 21,808,939,540 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE ISSUE PRICE OF S$0.001 FOR EACH NEW SHARE;

(II) TERMINATION OF THE DEBT RESTRUCTURING AGREEMENT; AND

(III) DISCLAIMER OF OPINION

LionGold Corp Ltd (the "**Company**") has received the following queries from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**SGX-ST Queries**") in relation to the Subscription Agreement and the termination of the Debt Restructuring Agreement.

The board of directors (the "**Board**") of the Company has provided the following responses to the SGX-ST Queries.

Unless otherwise defined, all terms and references used in this announcement shall bear the same meaning ascribed to them in the Company's announcement dated 28 December 2018.

SGX-ST Query 1:

Detailed next steps leading to the completion of the Subscription, including timeline and status of such steps.

Company's response:

The Company has on 5 July 2019 received the Whitewash Waiver from the Securities Industry Council.

The process leading up to the completion of the Subscription Agreement is set out below.

(a) Receipt of whitewash waiver by the Securities Industry Council
(b) Submission of all relevant documents to Sponsor and SGX-ST for clearance
(c) Receipt of listing and quotation notice from SGX-ST
(d) Completion of the necessary checks and enquiries as to proof of funds and anti-money laundering procedures by the Subscriber, the Creditor and the Manager (the Company is not a party to this process)
(e) Convene SGM
(f) Completion of Subscription Agreement

The Company expects the Subscription Agreement to be completed in approximately 10 weeks from now and, in any case, by the Long-Stop Date of 30 September 2019.

SGX-ST Query 2:

Update on process on proof of funds and anti-money laundering checks undertaken by the Creditor and Manager.

Company's response:

The Company understands that the parties to the Deed of Assignment (the Subscriber, the Creditor and the Manager) would complete the necessary checks and enquiries as to proof of funds and anti-money laundering procedures after all regulatory approvals have been obtained.

SGX-ST Query 3:

Update on the status of completion of the various conditions precedent for the Subscription Agreement.

Company's response:

The conditions precedent for the completion of the Subscription Agreement have been extracted and reproduced below in italics. To date, except for the execution of the Deed of Assignment as announced on 1 February 2019, none of the other conditions have been fulfilled.

"5. CONDITIONS

5.1 Completion of the Subscription is conditional upon:

(a) the execution of the Deed of Assignment, the completion of the Assignment on the terms and conditions of the Deed of Assignment and the Company's receipt of a Notice of Assignment from the Creditor and the Manager (provided that where the Assignment imposes any conditions on the Company, such conditions to be satisfactory to the Company);

*(b) a resolution passed by Shareholders approving the allotment and issue of the Subscription Shares pursuant to the Subscription, the transfer of controlling interest in the Company as a result of the allotment and issue of the Subscription Shares to the Subscriber and the termination of the Debt Restructuring Agreement (the "**Proposed Transactions**") if required under the Listing Manual or by the Sponsor and/or the SGX-ST;*

*(c) a resolution passed by shareholders independent of the Subscriber and its concert parties ("**Independent Shareholders**") to waive their rights to receive a general offer from the Subscriber and parties acting in concert with the Subscriber arising from and in connection with its subscription of the Placement Shares ("**Whitewash Resolution**");*

*(d) the Subscriber obtaining a whitewash waiver by the SIC 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 arising from or in connection with its subscription of the Subscription Shares and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Subscriber (the "**Whitewash Waiver**");*

(e) the receipt by the Company of approval in-principle for the listing and quotation of the Subscription Shares on the Catalist of the SGX-ST being obtained from the SGX-ST and not revoked or amended as at the Completion Date and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Subscriber;

(f) the Company having obtained all other necessary consents, approvals and waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Proposed Transactions and to give effect to the Proposed Transactions being obtained and not having been withdrawn or revoked as at the Completion Date;

(g) the Proposed Transactions not being prohibited by any statute, order, rule or regulation promulgated after the date of this Agreement by any applicable legislative, executive or regulatory body or authority;

(h) there having been no occurrence of any event or discovery of any fact rendering any of the warranties in Clause 6 or Clause 7 untrue or incorrect in any material respect as at the Completion Date as if they had been given again on the Completion Date; and

(i) the Company and the Subscriber not being in breach of any of the undertakings and the covenants in this Agreement as at the Completion Date."

SGX-ST Query 4:

The Company announced on 27 Jun 2019, the disclaimer of opinion received for FY2019's AR, with regards its going concern assumptions. Given that the Company is of the view that the ability of the Group to remain as going concern is dependent on the following:
(i) Interest-free loan from CEO of up to S$3.5m; and
(ii) Subscription agreement entered into with Yaoo Capital Pte Ltd (the "Subscriber") on 28 December 2018.

To the Audit Committee of the Board, in the event that the Subscription Agreement does not complete, will the Company still be a going concern that is suitable for continued listing?

Company's response:

Taking into account the following, the Audit Committee of the Board is of the view that there is no going concern issues even if the Subscription Agreement is not completed.

(a) In the event the Subscription Agreement is not completed, the RCB subscription agreement entered into between the Company, Premier Equity Fund Sub Fund E and its manager, Value Capital Asset Management Private Limited will remain in force until 16 March 2020. The Company further intends to approach Premier Equity Fund Sub Fund E and its manager to extend the tenure of the RCB Subscription Agreement before expiry;

(b) As stated in the Company's announcement on 27 June 2019, the Board believes its wholly-owned subsidiary, Castlemaine Goldfields Pty Ltd, would be able to generate positive cashflows from its mining operations; and

(c) The interest-free loan agreement entered into with Mr Raymond Tan whereby up to S$3.5 million would be advanced to the Company as and when needed.

BY ORDER OF THE BOARD

Tan Soo Khoon Raymond
Executive Director
5 July 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 Singapore Exchange Securities Trading Limited (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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