LIONGOLD CORP LTD

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

**CONVERTIBLE BONDS ISSUED BY LIONGOLD CORP LTD –
EXTENSION OF TIME AND PARTIAL REDEMPTION**

Unless otherwise defined, all capitalized terms shall bear the same meanings as ascribed to them in the Company's announcement dated 30 December 2014.

1. INTRODUCTION

1.1 The Board of Directors (the "**Board**") of LionGold Corp Ltd (the "**Company**") refers to its (i) announcement dated 11 May 2012 on the issue of convertible bonds of US$23 million in aggregate principal amount (the "**Bonds**"); and (ii) announcement dated 30 December 2014 in relation to the restructuring of the Bonds with the then sole bond holder Myriad Opportunities Master Fund Limited ("**Myriad**").

1.2 As at the date of this Announcement, the aggregate principal amount under the Bonds is US$20 million (the "**Principal Amount**"). The Principal Amount was due and payable on 8 May 2015. Pursuant to the New Set-Off and Subscription Agreement entered into between Myriad and the Company on 30 December 2014, interest has ceased to accrue on the Principal Amount on and from 30 December 2014.

2. EXTENSION OF TIME AND PARTIAL REDEMPTION

2.1 On 22 May 2015, Premier Equity Fund Sub Fund D (managed by Value Capital Asset Management Pte. Ltd.) (the "**New Bondholder**"), informed the Company that it has completed the purchase of the outstanding Bonds from Myriad. The New Bondholder also requested a meeting with the Company to discuss a proposal for the settlement of the Bonds, as they were due and payable on 8 May 2015.

2.2 Following several meetings and negotiations between the Company and the New Bondholder, the New Bondholder has agreed to allow the Company an extension of time until 15 June 2015 to formulate a mutually acceptable restructuring plan (the "**Proposed Restructuring**") to restructure the redemption of the Bonds (the "**Extension of Time**"). In consideration for this Extension of Time, the Company has agreed to redeem US$3,000,000 in principal amount of the Bonds upfront (the "**Partial Redemption**").

2.3 The Company will be using its internal resources to effect the Partial Redemption.

3. MISCELLANEOUS

3.1 None of the directors or the substantial shareholders of the Company have any interest, direct or indirect, in the New Bondholder, Value Capital Asset Management Pte. Ltd. or the transactions described in this Announcement.

3.2 The Company will make further announcements in respect of the Proposed Restructuring as and when there are further developments.

By Order of the Board
Tan Soo Khoon Raymond
Executive Director
29 May 2015