LIONGOLD CORP LTD
FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THREE-MONTH PERIOD FROM 1 APRIL 2020 TO 30 JUNE 2020 AND THE FINANCIAL YEAR ENDED 30 JUNE 2020

The Board of Directors ("Board") of LionGold Corp Ltd (the "Company") present the results of the Company and its subsidiaries (the "Group") for the three-month period ended 30 June 2020 and the financial year ended 30 June 2020. The figures presented below have not been audited nor reviewed by the Company's auditors.

This financial statement and dividend announcement is made pursuant to a requirement of the Singapore Exchange Securities Trading Limited.

Change of financial year end

On 6 March 2020, the Company announced a change of its financial year end from 31 March to 30 June, to better align the Group's financial results and performance with other gold mining companies operating in Australia and provide comparative clarity and transparency to shareholders and potential investors. With this change, the Company's current financial year will cover a period of 15 months from 1 April 2019 to 30 June 2020. Shareholders should note that the financial results for the three-month period from 1 April 2019 to 30 June 2019 was provided to enable shareholders to compare the financial performance of the Group for the three-month period from 1 April 2020 to 30 June 2020. The financial performance of the Group for the three-month period from 1 April 2019 to 30 June 2020 was not reflected in the financial results for the financial year ended 31 March 2019 due to the change in financial year end from 31 March to 30 June.

1(a)(i) An income statement (for the Group) with comparatives for the 3-month and 15-month periods ended 30 June 2020 with the corresponding periods of the immediately preceding financial year.

	Group			Group		
	3-month period ended			15-month period ended	12-month period ended	
	30.06.2020	30.06.2019	Change	30.06.2020	31.03.2019	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Revenue	26,012	16,791	54.9	93,017	70,144	32.6
Cost of goods sold	(19,867)	(17,461)	13.8	(81,515)	(63,127)	29.1
Gross profit/(loss)	**6,145**	**(670)**	**NM**	**11,502**	**7,017**	**63.9**
Other income	75	142	(47.2)	512	215	NM
Expenses :						
Administrative expenses	(992)	(923)	7.5	(4,650)	(3,386)	37.3
Other (expenses)/gains	(5,660)	315	NM	(3,863)	362	NM
Finance costs	(114)	(759)	(85.0)	(1,730)	(2,999)	(42.3)
(Loss)/profit before income tax	**(546)**	**(1,895)**	**(71.2)**	**1,771**	**1,209**	**46.5**
Income tax expense	(1,629)	-	NM	(1,666)	(930)	79.1
Net (loss)/profit for the period	**(2,175)**	**(1,895)**	**14.8**	**105**	**279**	**(62.4)**
Net (loss)/profit for the period attributable to :						
Equity holders of the Company	(3,452)	(1,799)	91.9	520	1,217	(57.3)
Non-controlling interests	1,277	(96)	NM	(415)	(938)	(55.8)

NM: Not Meaningful

LIONGOLD CORP LTD
FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THREE-MONTH PERIOD FROM 1 APRIL 2020 TO 30 JUNE 2020 AND THE FINANCIAL YEAR ENDED 30 JUNE 2020

1(a)(ii) A statement of comprehensive income with comparatives for the 3-month and 15-month periods ended 30 June 2020 with the corresponding periods of the immediately preceding financial year.

	Group		Group	
	3-month period ended		15-month period ended	12-month period ended
	30.06.2020	30.06.2019	30.06.2020	31.03.2019
	S$'000	S$'000	S$'000	S$'000
Total (loss)/profit for the period	**(2,175)**	**(1,895)**	**105**	**279**
Other comprehensive income/(loss)				
Item that can be reclassified subsequently to profit or loss:				
Currency translation differences arising from consolidation	6,641	(812)	(217)	(3,340)
Item that will not be reclassified subsequently to profit or loss:				
Currency translation differences arising from consolidation	(1,145)	139	58	572
Total other comprehensive income/(loss) for the period	**5,496**	**(673)**	**(159)**	**(2,768)**
Total comprehensive income/(loss) for the period	**3,321**	**(2,568)**	**(54)**	**(2,489)**
Total comprehensive income/(loss) for the period attributable to :				
Equity holders of the Company	3,189	(2,611)	303	(2,123)
Non-controlling interests	132	43	(357)	(366)

Total costs and expenses including the following charges/(credit):

	Group			Group		
	3-month period ended			15-month period ended	12-month period ended	
	30.06.2020	30.06.2019	Change	30.06.2020	31.03.2019	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Cost of goods sold:-						
Amortisation of mining properties	1,466	1,595	(8.1)	6,826	7,058	(3.3)
Depreciation of property, plant and equipment	1,467	423	NM	3,855	3,736	3.2
Other income:-						
Interest income	(14)	29	NM	98	145	(32.4)
Rental income	-	-	-	-	13	NM
Fair value adjustment	-	63	NM	69	-	NM
Others	89	50	78.0	345	57	NM
	75	**142**	**(47.2)**	**512**	**215**	**NM**
Administrative expenses:-						
Depreciation of property, plant and equipment	42	19	NM	120	82	46.3
Operating lease - rental expenses	41	30	36.7	162	122	32.8
Other expenses/(gains):-						
Exploration and evaluation expenditure written off	-	-	-	132	610	(78.4)
Fair value loss on financial assets at fair value through profit or loss	115	-	NM	115	-	NM
Impairment loss on property, plant and equipment	1,226	-	NM	1,226	-	NM
Loss/(gain) on foreign exchange (net)	3,630	(419)	NM	68	(1,700)	NM
Loss on disposal of property, plant and equipment	17	1	NM	18	7	NM
Other mining expenses	661	103	NM	1,174	458	NM
Property, plant and equipment written off	39	-	NM	44	27	63.0
Receivables written off	-	-	-	-	13	NM
Termination fee	-	-	-	500	-	NM
Unwind of discount on deferred consideration	-	-	-	232	223	4.0
Upfront fee written off	-	-	-	384	-	NM
Others	(28)	-	NM	(30)	-	NM
	5,660	**(315)**	**NM**	**3,863**	**(362)**	**NM**

NM: Not Meaningful

LIONGOLD CORP LTD
FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THREE-MONTH PERIOD FROM 1 APRIL 2020 TO 30 JUNE 2020 AND THE FINANCIAL YEAR ENDED 30 JUNE 2020

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 30.06.2020	As at 31.03.2019	As at 30.06.2020	As at 31.03.2019
	S$'000	S$'000	S$'000	S$'000
Current assets				
Cash and cash equivalents	7,963	5,580	7	6
Financial assets at fair value through profit or loss	1,280	-	-	-
Trade and other receivables	630	488	1	3
Other current assets	539	570	41	459
Inventories	5,700	9,189	-	-
	16,112	**15,827**	**49**	**468**
Non-current assets				
Security deposits	4,386	4,180	-	-
Investment in subsidiaries	-	-	67,790	67,790
Exploration and evaluation expenditure	8,238	4,649	-	-
Mining properties	3,706	2,587	-	-
Property, plant and equipment	20,781	14,706	5	1
	37,111	**26,122**	**67,795**	**67,791**
Total assets	**53,223**	**41,949**	**67,844**	**68,259**
Current liabilities				
Trade and other payables	11,048	15,116	458	6,336
Due to subsidiaries	-	-	45,704	37,636
Income tax liabilities	2,149	834	-	-
Lease liabilities / Finance lease liabilities	1,194	402	-	-
Convertible bonds	-	46	-	46
Derivative liability conversion option in convertible bonds	-	9	-	9
Borrowings	996	-	996	-
	15,387	**16,407**	**47,158**	**44,027**
Non-current liabilities				
Lease liabilities / Finance lease liabilities	2,476	173	-	-
Borrowings	-	15,803	-	15,803
Deferred consideration	2,611	2,386	-	-
Rehabilitation and preservation provision	8,448	5,833	-	-
	13,535	**24,195**	**-**	**15,803**
Total liabilities	**28,922**	**40,602**	**47,158**	**59,830**
Net assets	**24,301**	**1,347**	**20,686**	**8,429**

	Group		Company	
	As at 30.06.2020	As at 31.03.2019	As at 30.06.2020	As at 31.03.2019
	S$'000	S$'000	S$'000	S$'000
Equity				
Issued capital and reserves attributable to equity holders of the Company				
Issued capital	3,171	870	3,171	870
Share premium	300,707	280,000	300,707	280,000
Other reserves	(266,829)	(267,132)	(283,192)	(272,441)
Equity attributable to equity holders of the Company	**37,049**	**13,738**	**20,686**	**8,429**
Non-controlling interests	(12,748)	(12,391)	**-**	**-**
Total equity	**24,301**	**1,347**	**20,686**	**8,429**

1(b)(ii) Aggregate amount of Group's borrowings

Amount repayable in one year or less, or on demand

	As at 30.06.2020		As at 31.03.2019	
	S$'000	S$'000	S$'000	S$'000
	Secured	Unsecured	Secured	Unsecured
Convertible bonds	-	-	-	46
Lease liabilities	1,194	-	402	-
Borrowings	-	996	-	-
	1,194	**996**	**402**	**46**

Amount repayable after one year and not later than five years

	As at 30.06.2020		As at 31.03.2019	
	S$'000	S$'000	S$'000	S$'000
	Secured	Unsecured	Secured	Unsecured
Borrowings	-	-	-	15,803
Lease liabilities	2,476	-	173	-
	2,476	**-**	**173**	**15,803**

As at 30 June 2020, the Group's lease liabilities (2019: finance lease liabilities) are secured by property, plant and equipment with a net book value of S$3.6 million (31 March 2019: S$0.9 million).

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

	Group		Group	
	3-month period ended		15-month period ended	12-month period ended
	30.06.2020	30.06.2019	30.06.2020	31.03.2019
	S$'000	S$'000	S$'000	S$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/profit before income tax	(546)	(1,895)	1,771	1,209
Adjustments for:-:				
Amortisation of mining properties	1,466	1,595	6,826	7,058
Amortisation of discount on provision for rehabilitation and preservation	13	13	63	53
Depreciation of property, plant and equipment	1,509	442	3,975	3,818
Exploration and evaluation expenditure written-off	-	-	132	610
Fair value adjustment on borrowings	-	(63)	(69)	-
Fair value loss on financial assets at fair value through profit or loss	115	-	115	-
Impairment loss on property, plant and equipment	1,226	-	1,226	-
Loss on disposal of property, plant and equipment	17	1	18	7
Property, plant and equipment written off	39	-	44	27
Receivables written off	-	-	-	13
Unwind of discount on deferred consideration	-	-	232	223
Upfront fee written off	-	-	384	-
Interest income	14	(29)	(98)	(145)
Interest expense	101	746	1,667	2,946
Operating cash flows before working capital changes	**3,954**	**810**	**16,286**	**15,819**
Changes in operating assets and liabilities:				
Inventories	1,730	2,219	3,490	(1,863)
Other receivables	(148)	(2,018)	(142)	(7)
Other current assets	(112)	80	31	(12)
Trade and other payables	1,220	(468)	(650)	(896)
Other liabilities	2,647	(285)	2,339	1,135
Currency translation adjustments	3,638	(419)	73	(1,705)
Cash generated from/(used in) operations	**12,929**	**(81)**	**21,427**	**12,471**
Interest received	(14)	29	98	145
Interest paid	(89)	(12)	(155)	(55)
Tax paid	(199)	-	(347)	(74)
Net cash generated from/(used in) operating activities	**12,627**	**(64)**	**21,023**	**12,487**

	Group		Group	
	3-month period ended		15-month period ended	12-month period ended
	30.06.2020	30.06.2019	30.06.2020	31.03.2019
	S$'000	S$'000	S$'000	S$'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Expenditure on exploration, evaluation and capital development	(4,763)	(1,778)	(11,873)	(5,963)
Financial assets at fair value through profit or loss	(1,428)	-	(1,428)	-
Proceeds from disposal of property, plant and equipment	-	-	-	10
Purchase of property, plant and equipment	(1,302)	(1,202)	(4,879)	(3,980)
Net cash used in investing activities	**(7,493)**	**(2,980)**	**(18,180)**	**(9,933)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	-	400	948	-
Net repayment to lease creditor	(455)	(103)	(1,020)	(667)
Addition to security deposits	(215)	-	(228)	-
Net cash (used in)/generated from financing activities	**(670)**	**297**	**(300)**	**(667)**
Net increase/(decrease) in cash and cash equivalents	**4,464**	**(2,747)**	**2,543**	**1,887**
Cash and cash equivalents at beginning of period	3,489	5,580	5,580	3,757
Effect of foreign exchange rate changes, net	10	(39)	(160)	(64)
Cash and cash equivalents at end of period	**7,963**	**2,794**	**7,963**	**5,580**

Major non-cash transactions:

On 31 October 2019, the Company completed the Proposed Yaoo Subscription. Pursuant thereto, the Company issued an aggregate of 23,008,044,936 Subscription Shares at an issue price of S$0.001 per Subscription Share to Yaoo Capital Pte Ltd. The consideration payable by Yaoo Capital Pte Ltd on the issuance of the Subscription Shares was settled by way of capitalisation of the Company's outstanding borrowings of S$15.8 million and interest payable from June 2016 to September 2019 of S$7.2 million under the Debt Restructuring Agreement. Following such capitalisation, the Debt Restructuring Agreement has been terminated in its entirety and the Company's obligations thereunder have extinguished. Please refer to the Company's Circular dated 6 September 2019 and the Company's announcement on 31 October 2019 for further details on the foregoing.

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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	Contributed Surplus	Foreign Currency Translation Reserve	Accumulated Losses	Non-controlling interests	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group							
As at 1 April 2019	870	280,000	61,979	(8,138)	(320,973)	(12,391)	1,347
Issuance of Subscription Shares	2,301	20,707	-	-	-	-	23,008
Profit/(loss) for the period	-	-	-	-	3,972	(1,692)	2,280
Currency translation differences	-	-	-	(6,858)	-	1,203	(5,655)
Total comprehensive (loss)/income for the period	-	-	-	(6,858)	3,972	(489)	(3,375)
As at 31 March 2020	**3,171**	**300,707**	**61,979**	**(14,996)**	**(317,001)**	**(12,880)**	**20,980**
(Loss)/profit for the period	-	-	-	-	(3,452)	1,277	(2,175)
Currency translation differences	-	-	-	6,641	-	(1,145)	5,496
Total comprehensive income/(loss) for the period	-	-	-	6,641	(3,452)	132	3,321
As at 30 June 2020	**3,171**	**300,707**	**61,979**	**(8,355)**	**(320,453)**	**(12,748)**	**24,301**

LIONGOLD CORP LTD
FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THREE-MONTH PERIOD FROM 1 APRIL 2020 TO 30 JUNE 2020 AND THE FINANCIAL YEAR ENDED 30 JUNE 2020

	Issued Capital	Share Premium	Contributed Surplus	Foreign Currency Translation Reserve	Accumulated Losses	Non-controlling interests	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group							
As at 1 April 2018 (As previously reported)	811	279,518	61,979	(21,133)	(305,855)	(12,025)	3,295
Adoption of SFRS(I)	-	-	-	16,335	(16,335)	-	-
As at 1 April 2018 (Restated)	811	279,518	61,979	(4,798)	(322,190)	(12,025)	3,295
Conversion of shares from convertible bonds	59	482	-	-	-	-	541
Profit/(loss) for the period	-	-	-	-	1,526	(980)	546
Currency translation differences	-	-	-	(3,260)	-	567	(2,693)
Total comprehensive (loss)/income for the period	-	-	-	(3,260)	1,526	(413)	(2,147)
As at 31 December 2018	**870**	**280,000**	**61,979**	**(8,058)**	**(320,664)**	**(12,438)**	**1,689**
(Loss)/profit for the period	-	-	-	-	(309)	42	(267)
Currency translation differences	-	-	-	(80)	-	5	(75)
Total comprehensive (loss)/income for the period	-	-	-	(80)	(309)	47	(342)
As at 31 March 2019	**870**	**280,000**	**61,979**	**(8,138)**	**(320,973)**	**(12,391)**	**1,347**

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FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THREE-MONTH PERIOD FROM 1 APRIL 2020 TO 30 JUNE 2020 AND THE FINANCIAL YEAR ENDED 30 JUNE 2020

	Issued Capital	Share Premium	Contributed Surplus	Accumulated Losses	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000
Company					
As at 1 April 2019	870	280,000	61,979	(334,420)	8,429
Issuance of Subscription Shares	2,301	20,707	-	-	23,008
Loss and total comprehensive loss for the period	-	-	-	(3,179)	(3,179)
As at 31 March 2020	**3,171**	**300,707**	**61,979**	**(337,599)**	**28,258**
Loss and total comprehensive loss for the period	-	-	-	(7,572)	(7,572)
As at 30 June 2020	**3,171**	**300,707**	**61,979**	**(345,171)**	**20,686**

	Issued Capital	Share Premium	Contributed Surplus	Accumulated Losses	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000
Company					
As at 1 April 2018	811	279,518	61,979	(332,953)	9,355
Conversion of shares from convertible bonds	59	482	-	-	541
Loss and total comprehensive loss for the period	-	-	-	(2,985)	(2,985)
As at 31 December 2018	**870**	**280,000**	**61,979**	**(335,938)**	**6,911**
Profit and total comprehensive income for the period	-	-	-	1,518	1,518
As at 31 March 2019	**870**	**280,000**	**61,979**	**(334,420)**	**8,429**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 ("Shares"))	No. of shares	Share Capital (S$'000)	Share Premium (S$'000)
As at 31 March 2020 and 30 June 2020	**31,706,206,055**	**3,171**	**300,707**

There were no changes in the Company's share capital since the end of the previous financial period reported on.

The number of Shares that may be issued on the exercise of options and conversion of the outstanding convertibles as at 30 June 2020 and 31 March 2019 is as follows:

As at 30 June 2020	No. of Shares that may be issued	Share Capital (S$'000)	Share Premium (S$'000)
The Company shall issue such number of Option Shares upon exercise of the Options by Premier Equity Fund Sub Fund E, with each Option carrying the right to subscribe for one Share in the Company at the exercise price of S$0.001 for each new Share.	500,000,000	50	450

As at 31 March 2019	No. of Shares that may be issued	Share Capital (S$'000)	Share Premium (S$'000)
New Shares to be issued on conversion of current outstanding convertible bonds of S$50,000 and the remaining convertible bonds of approximately S$22 million which have yet to be drawn down. For illustrative purposes, the table shows the number of Shares to be issued assuming full conversion of the convertible bonds at the conversion price of S$0.00085. (1)	25,898,497,477	2,590	19,424

Note(s):
(1) The RCB Subscription Agreement was terminated on 31 October 2019 upon the completion of the Proposed Yaoo Subscription. The outstanding convertible bonds of S$50,000 under the RCB Subscription Agreement was fully repaid on 31 October 2019.

There are no treasury shares or subsidiary holdings 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.

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 2020 is 31,706,206,055 (31 March 2019: 8,698,161,119).

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

Not applicable. There are no treasury shares.

1(d)(v) A statement showing all sales, transfers, disposals, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There are no subsidiary holdings.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable. The figures have not been audited or reviewed by the Company's auditors.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:
(a) updates on the efforts taken to resolve each outstanding audit issue; and
(b) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

As set out in the Company's FY2019 annual report, in April 2014, the Company and one of its subsidiaries were served notices by the Commercial Affairs Department of the Singapore Police Force in relation to an investigation into an offence under the Securities and Futures Act, Chapter 289. The Company has not been able to provide any updates or take any action on this matter as the Commercial Affairs Department have not provided the Company with any details on its investigation.

In addition, the Group reported a total comprehensive loss of S$2.5 million for the financial year ended 31 March 2019 ("FY2019") and as at that date, the Group's and the Company's current liabilities exceeded their current assets by S$0.6 million and S$43.6 million respectively. Also set out in the Company's FY2019 annual report are details relating to the debt owing by the Company to Premier Equity Fund Sub Fund D and Value Capital Asset Management Private Limited which was subsequently extinguished following the completion of the Yaoo Subscription Agreement (as defined in the circular to Shareholders dated 6 September 2019). The capitalisation of the debt resulted in a reduction in the Company's debt burden hence improving the balance sheet of the Company.

The Board further confirms that there was no other audit issue on the financial statements for FY2019 except for material uncertainties relating to going concern, the impact of which has been adequately disclosed in the said financial statements. No further audit issues were raised in respect of the financial statements for the current reporting period as such interim results were neither audited nor reviewed by the Company's auditors.

The Board confirms that the Company has adequate bank balances and working capital facilities to pay its debts as and when they fall due. As such, the Company will remain a going concern for at least 12 months from the end of the current reporting period.

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

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 recently audited annual financial statements as at 31 March 2019, except as disclosed in Note 5 below.

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.

The Group has adopted the new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") which became effective for the financial period beginning on or after 1 April 2019. The adoption of the new and revised standards did not have any material effect on the financial position or financial performance of the Group except as follows:

SFRS(I) 16 Leases

The Group has adopted SFRS(I) 16 Leases, which introduces a single, on-balance sheet lease accounting model. It requires a lessee to recognise a right-of-use asset representing its use of the underlying assets and a lease liability representing its obligation to make lease payments.

The adoption of SFRS(I) 16 Leases does not result in any material effect on the amounts reported for the current financial period or prior financial year.

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

	3-month period ended		15-month period ended	12-month period ended
	30.06.2020	**30.06.2019**	**30.06.2020**	**31.03.2019**
(Loss)/earnings per Share for the financial period based on weighted average number of ordinary shares in issue (in cents)	(0.02)	(0.02)	0.002	0.014
Weighted average number of ordinary shares	20,982,543,973	8,698,161,119	20,982,543,973	8,591,795,285
(Loss)/earnings per Share for the financial period based on fully diluted basis (in cents)	(0.02)	(0.02)	0.002	0.004
Weighted average number of ordinary shares	21,482,543,973	34,596,658,596	21,482,543,973	34,490,292,762

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

	Group		Company	
	As at 30.06.2020	**As at 31.03.2019**	**As at 30.06.2020**	**As at 31.03.2019**
Net assets value per ordinary share based on issued share capital at end of financial period/year (in cents)	0.12	0.16	0.07	0.10 (1)
Number of ordinary shares issued at the end of the period	31,706,206,055	8,698,161,119	31,706,206,055	8,698,161,119

Note(s):

(1) The change in the net assets value per ordinary share from that previously disclosed in the Company's unaudited full-year financial statement and dividend announcement on 29 May 2019 for the financial year ended 31 March 2019 was due to a write-back of allowance of S$3,345,000 in the investment in Castlemaine Goldfields Pty Ltd ("**CGT**") upon the finalisation of the valuation report of the property, plant and equipment which affected the computation of the estimated recoverable amount of the investment in CGT. The material differences between the unaudited financial statements and published audited financial statements were announced on 27 June 2019.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) 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; and

(b) 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

FY2020

The Group recorded an increase in revenue for the financial year ended 30 June 2020 (15-month period) ("**FY2020**"). Revenue increased to S$93.0 million compared with S$70.1 million for the financial year ended 31 March 2019 (12-month period) ("**FY2019**") mainly due to the inclusion of the 3 months' revenue from 1 April 2020 to 30 June 2020 ("**3M2020**") amounting to approximately S$26.0 million. Average price of gold sales rose from S$1,707/ounce (equivalent to A$1,726) in FY2019 to S$2,098/ounce (equivalent to A$2,246) in FY2020. The increase in revenue from higher gold price was partially offset by a decrease in the monthly average gold sales volume from 3,425 ounces in FY2019 to 2,952 ounces in FY2020.

The cost of goods sold included:

(1) an amortisation of mining properties which decreased from S$7.1 million in FY2019 to S$6.8 million in FY2020. The decrease in amortisation of mine properties was due mainly to a weakening of the Australian dollar ("AUD") against the Singapore dollar ("SGD"), partially offset by the increase in total gold production in FY2020 compared to FY2019;
(2) a depreciation of property, plant and equipment amounting to S$3.9 million in FY2020; and
(3) a 2.75% royalty on gold extracted in the Australian state of Victoria, effective from 1 January 2020, amounting to S$1.1 million.

Gross profit increased by S$4.5 million in FY2020 as compared to FY2019. The increase was mainly attributed to a 32.6% increase in the revenue with the inclusion of the revenue from 3M2020 as well the depreciation of the AUD against the United States dollar ("USD"), partially offset by the 2.75% royalty on gold extracted amounting to S$1.1 million which was effective from 1 January 2020. The depreciation of AUD was deemed favourable to the Group as gold prices are quoted in USD, whereas the costs are mostly incurred in AUD in CGT. Total quantity of gold ore mined increased by 33.2% from approximately 268,000 tonnes in FY2019 to approximately 357,000 tonnes in FY2020. Total gold production increased marginally from 41,830 ounces in FY2019 to 42,697 ounces in FY2020 as a result of the higher tonnage. However, the average grade of gold extracted fell from 5.7g/t in FY2019 to 4.5g/t in FY2020.

Other income recorded an increase of $0.3 million in FY2020 as compared to FY2019. This was due mainly to recovery of bad debts which were written off in previous years.

Administrative expenses increased from S$3.4 million in FY2019 to S$4.7 million in FY2020 due mainly to the inclusion of the 3 months' expenses from 3M2020 amounting to approximately S$1.0 million.

The Group incurred other expenses of S$3.9 million in FY2020 compared to other gains of S$0.4 million in FY2019. Other expenses in FY2020 was mainly due to other mining expenses of S$1.2 million, impairment loss of freehold land of S$1.2 million, a one-off early termination fee of S$0.5 million (in relation to the early termination of the RCB Subscription Agreement) and an upfront fee of S$0.4 million written off. Other gains in FY2019 was due mainly to gain on foreign exchange of S$1.7 million, partially offset by exploration and evaluation expenditure written off of S$0.6 million and other mining expenses of S$0.5 million.

Finance costs decreased by S$1.3 million from S$3.0 million in FY2019 to S$1.7 million in FY2020 mainly due to the termination of the Debt Restructuring Agreement in October 2019 following the issuance of 23,008,044,936 Subscription Shares to Yaoo Capital Pte Ltd.

Income tax expense increased from S$0.9 million in FY2019 to S$1.7 million in FY2020 due to recognised tax effects on taxable income for the period under review.

3-month period ended 30 June 2020

The Group recorded an increase in revenue for the three-month period ended 30 June 2020 ("**3M2020**"). Revenue increased to S$26.0 million compared to S$16.8 million in the three-month period ended 30 June 2019 ("**3M2019**'). This was attributed primarily to the increase in average selling price of gold from S$1,775/ounce (equivalent to A$1,857) in 3M2019 to S$2,445/ounce (equivalent to A$2,617) in 3M2020. The increase in revenue was also due to the increase in the amount of gold sold from 9,457 ounces in 3M2019 to 10,676 ounces in 3M2020.

The cost of goods sold included:

(1) an amortisation of mine properties which decreased from S$1.6 million in the 3M2019 to S$1.5 million in 3M2020. The decrease in amortisation of mine assets due to a weakening of the AUD against the SGD was partially offset by the increase in total gold production in 3M2020;
(2) a depreciation of the property, plant and equipment which increased from S$0.4 million in 3M2019 to S$1.5 million in 3M2020, mainly due to the purchase of mining equipment and motor vehicles in the 2nd half of FY2020 which resulted in an increase in depreciation expenses in 3M2020; and
(3) a 2.75% royalty on gold extracted in the Australian state of Victoria amounting to S$0.7 million for 3M2020.

Gross profit was S$6.2 million in 3M2020 compared to gross loss of S$0.7 million in 3M2019. The increase in gross profit was mainly due to:

(1) the increase in the selling price of gold as described above;
(2) the increase in average head grade of ore from 4.9 g/t in 3M2019 to 5.3 g/t in 3M2020 due to the increase in quantity of gold processed and produced. The total quantity of gold ore mined increased by 9.3% from approximately 70,000 tonnes in 3M2019 to approximately 76,500 tons in 3M2020. Total gold produced increased from 9,186 ounces in 3M2019 to 10,450 ounces in 3M2020;
(3) the depreciation of the AUD against the USD which was deemed favorable to the Group as gold prices are quoted in USD, whereas the costs are mostly incurred in AUD in CGT; and
(4) partially offset by the 2.75% royalty on gold extracted in the Australian state of Victoria amounting to S$0.7 million.

Administrative expenses were relatively stable in 3M2019 and 3M2020.

The Group had other expenses of S$5.7 million in 3M2020 compared to other gains of S$0.3 million in 3M2019. Other expenses in 3M2020 was mainly due to foreign exchange loss of S$3.6 million, impairment loss of freehold land of S$1.2 million based on the valuation performed by professional valuer as well as other mining expenses of S$0.7 million. In comparison, the Group had foreign exchange gain of S$0.4 million in 3M2019 which was partially offset by other mining expenses of S$0.1 million.

The decrease in finance costs of S$0.7 million from S$0.8 million in 3M2019 to S$0.1 million in 3M2020 was mainly attributed to the termination of the Debt Restructuring Agreement in October 2019.

Income tax expense for 3M2020 was S$1.6 million arising from taxable income recognised in the tax jurisdiction of the operating subsidiary.

(B) Financial Position Review

1) The current assets of the Group increased by S$0.3 million from S$15.8 million as at 31 March 2019 to S$16.1 million as at 30 June 2020. The increase was mainly due to:

- The increase in cash and cash equivalents of S$2.4 million. This was mainly attributed to the cash generated from operating activities of S$21.0 million and unsecured interest-free loan from former Group CEO of S$1.0 million. The increase was partially offset by the expenditure on mining related activities of S$11.9 million, purchase of property, plant and equipment ("**PPE**") of S$4.9 million and repayment to lease creditor of S$1.0 million.

- The increase of S$1.3 million in financial assets at fair value through profit or loss. This mainly comprises margin deposit placed with a financial institution as at 30 June 2020 for corporate investment activities (please refer to Section II part (V) for area of responsibility of the Head of Corporate Investments).

The increase in current assets of the Group was partially offset by:

- The decrease in inventory of S$3.5 million, which was mainly attributed to the decrease in the quantity of gold stockpiles held.

2) The non-current assets of the Group increased by S$11.0 million from S$26.1 million as at 31 March 2019 to S$37.1 million as at 30 June 2020. The increase was mainly due to:

- The increase in exploration and evaluation expenditure of S$3.6 million, which was mainly attributed to additions of capitalised expenditure of S$3.7 million, offset with exploration and evaluation expenditure written-off of S$0.1 million.

- The increase in mining properties of S$1.2 million, arising from additions of S$8.0 million, offset with amortisation of S$6.8 million for the period under review.

- The increase in PPE of S$6.1 million was mainly attributed to additions of S$11.6 million (including S$4.1 million purchased under lease arrangement) for the period under review. The increase was partially offset by the depreciation charge of S$4.0 million and impairment loss of freehold land in Australia of $1.2 million.

3) The current liabilities of the Group decreased from S$16.4 million as at 31 March 2019 to S$15.4 million as at 30 June 2020. The decrease of S$1.0 million was mainly attributed to:

- The decrease in trade and other payables of S$4.1 million mainly due to settlement of interest payables under the Debt Restructuring Agreement, partially offset by an increase in accrued gold royalty of S$1.1 million as at 30 June 2020. This was mainly because a 2.75% royalty on gold extracted in the Australian state of Victoria was imposed by the Victorian Government with effect from 1 January 2020 and remained payable as at 30 June 2020.

The decrease in current liabilities of the Group from the above was partially offset by:

- The increase in current borrowing of S$1.0 million due to the unsecured interest-free loan from former Group CEO. On 14 July 2020, the Company entered into a debt conversion agreement ("DCA") with former Group CEO, Mr Tan Soo Khoon Raymond, for the proposed conversion ("Proposed Debt Conversion") of the outstanding amount of S$1.0 million into 500,000,000 new ordinary shares in the capital of the Company ("Debt Conversion Shares") at the conversion price of S$0.002 per Debt Conversion Share ("Conversion Price"). The Proposed Debt Conversion was completed on 28 July 2020.

- The increase in lease liabilities of S$0.8 million was attributed to new equipment purchased under leasing.

At the Company level, the amount due to subsidiaries increased from S$37.6 million to S$45.7 million which was mainly attributed to the funding provided from a wholly owned subsidiary, CGT, to the Company for its operating expenses.

4) The non-current liabilities of the Group decreased from S$24.2 million as at 31 March 2019 to S$13.5 million as at 30 June 2020. The decrease was mainly attributed to:

- The completion of the Yaoo Subscription Agreement and the consequent capitalisation of non-current borrowings of S$15.8 million which extinguished the debt.

The decrease in non-current liabilities of the Group from the above was partially offset by:

- The increase in rehabilitation and preservation provision of S$2.6 million to S$8.4 million as at 30 June 2020. Such provision is to cover the estimated costs of land rehabilitation and preservation as a result of past mining and exploration activities at Ballarat and CGT, all in Australia.

- The increase in lease liabilities of S$2.3 million which was attributed to new equipment purchased under leasing.

Deferred consideration of S$2.6 million pertains to a consideration payable to the previous owner of Owere Mines Ltd following certain production milestones being met. Further details of this deferred consideration can be found on page 91, note 28 of the Company's FY2019 annual report.

5) Total equity of the Group increased by S$23.0 million from S$1.3 million as at 31 March 2019 to S$24.3 million as at 30 June 2020. These were mainly attributed to the following:

- The increase in share capital and share premium of S$2.3 million and S$20.7 million respectively, attributed to the issuance of the Subscription Shares.

- The increase in negative foreign currency translation reserve of S$0.2 million to S$8.4 million as at 30 June 2020.
- The decrease in accumulated losses from S$321.0 million as at 31 March 2019 to S$320.5 million as at 30 June 2020, which reflected the Group's consolidated profit attributed to equity holders for the period.

(C) Cash Flow Statement

FY2020

Net cash generated from operating activities in FY2020 was S$21.0 million as compared to S$12.5 million in FY2019. The net operating cash inflow was mainly due to an operating profit before working capital changes of S$16.3 million, adjusted for working capital inflows of S$5.1 million. The working capital inflows in FY2020 were attributed mainly to a decrease in inventories of S$3.5 million and an increase in other liabilities of S$2.3 million. The working capital inflows were partially offset by a decrease in trade and other payables of S$0.7 million.

Net cash used in investing activities in FY2020 was S$18.2 million as compared to S$9.9 million in FY2019. The net cash used in FY2020 was mainly attributed to the expenditure on exploration, evaluation and capital development of S$11.9 million, financial assets at fair value through profit or loss of S$1.4 million and purchase of mine equipment and motor vehicles of S$4.9 million. Comparatively, the net cash used in FY2019 was mainly attributed to the expenditure on exploration, evaluation and capital development of S$6.0 million and purchase of mine equipment of S$4.0 million.

Net cash used in financing activities in FY2020 was S$0.3 million as compared to S$0.7 million in FY2019. The net cash used in FY2020 was mainly attributed to the repayment to lease creditor of S$1.0 million and the addition to security deposit of S$0.2 million, which were partially offset by the loan of S$1.0 million from the former Group CEO.

3M2020

Net cash generated from operating activities in 3M2020 was S$12.6 million as compared to net cash used in operating activities of S$0.1 million in 3M2019. The net operating cash inflow was mainly due to an operating profit before working capital changes of S$4.0 million, adjusted for working capital inflows of S$9.0 million. The working capital inflows in 3M2020 were attributed mainly to a decrease in inventories of S$1.7 million, an increase in trade and other payables of S$1.2 million, an increase in other liabilities of S$2.6 million and an increase in currency translation adjustments of S$3.6 million.

Net cash used in investing activities in 3M2020 was S$7.5 million as compared to S$3.0 million in 3M2019. The net cash used in 3M2020 was mainly attributed to expenditure on exploration, evaluation and capital development of S$4.8 million, financial assets at fair value through profit or loss of S$1.4 million and purchase of mine equipment and motor vehicles of S$1.3 million. Comparatively, the net cash used in 3M2019 was mainly attributed to expenditure on exploration, evaluation and capital development of S$1.8 million and purchase of mine equipment of S$1.2 million.

Net cash used in financing activities in 3M2020 was S$0.7 million as compared to net cash generated from financing activities of S$0.3 million in 3M2019. This net cash used in 3M2020 was mainly attributed to the repayment to lease creditor of S$0.5 million and addition to security deposit of S$0.2 million. The cash generated from financing activities in 3M2019 was mainly attributed to a loan of S$0.4 million from former Group CEO.

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 significant trends and 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 period and the next 12 months.

Following the completion of the Yaoo Subscription Agreement on 31 October 2019 and the consequent capitalisation of the S$23.0 million debt (further details of which are provided in, *inter alia*, the Company's Circular dated 6 September 2019 and the announcement on 31 October 2019), the Company has taken steps to streamline and consolidate its gold mining operations at CGT.

Ballarat Gold Mine continued to operate throughout FY2020, with production largely achieving target levels. In addition, on 18 August 2020, the Group commenced exploration diamond drilling at the Tarnagulla Gold Project. The exploration tenement is registered under Ironbark Mining Pty Ltd (the "Ironbark Mining"), a wholly-owned subsidiary of CGT, which is owned by the Company (further details of which are provided in part II of this announcement).

Since the beginning of 2020, the Covid-19 pandemic has affected many countries. The Covid-19 pandemic pose a serious challenge to global public health security and has also had a significant impact on the global economy. On 2nd August 2020, a six-week lockdown order was implemented for Greater Melbourne, Australia. In this challenging period, ensuring the safety of personnel remains our top priority. The philosophy employed throughout the Group is centred on sustainable development, being people-oriented and maintaining stability.

The Group's COVID-19 health and safety protocols were implemented to reduce COVID-19 risks to its workforce and the community in April 2020, including temperature screening on arrival and increased handwashing stations; social distancing on site, remote works arrangement, continued mental health support and the suspension of all non-essential work, as well as visits to site. The Group' extensive list of COVID-19 health and safety protocols remain in effect and are expected to be followed for the foreseeable future.

The Group expects the prolonged COVID-19 outbreak to have adverse impact on its businesses, e.g. mine operation struggles with shortage of qualified manpower on site and longer lead time from order to deliver due to the evolving COVID-19 pandemic. However, the Group is unable to quantify the financial impact at this point in time because the COVID-19 pandemic remains highly uncertain. The Company will be updating shareholders by way of announcements as and when the need arises.

The full economic impact of the COVID-19 pandemic is still unfolding and a global recession is expected, the scale and duration of which is uncertain. These factors are generally supportive for demand for gold as safe haven assets in times of uncertainty. The Board prefers to take a cautiously optimistic view that the demand of gold should remain relatively stable for the next 12 months. The Company is however uncertain whether the continued demand and rising price of gold could be sustained over the longer term and would prioritise costs reduction, aiming for higher grade ore and exploring more opportunities.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No.

(b) (i) Amount per share (cents)

Not applicable.

(ii) Previous corresponding period (cents)

Not applicable as no dividend was declared for the previous corresponding financial period.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended by the board of directors of the Company ("**Board**" or "**Directors**") for the current financial period as (1) in view of the current macroeconomic uncertainty and global recessionary risks, the Group's priority is to manage its cash flow prudently and responsibly so as to ensure that its financial commitments are met; and (2) the disclaimer of opinion on the going concern assumptions issued by the Company's auditor in its report for the financial year ended 31 March 2019.

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 general IPT mandate from its shareholders for FY2020.

The aggregate value of interested person transactions during the current financial period was as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Premier Equity Fund Sub Fund E	Former Controlling Shareholder of the Company. Please see explanatory notes below.	S$1,000,000	-

Notes:

(1) The above transactions (comprising the proposed payment of the termination fee and proposed grant of options to Premier Equity Fund Sub Fund E) were entered into and announced on 25 March 2019, prior to the commencement of the current financial year.

(2) As at the date of the announcement of the above transactions, being 25 March 2019, Premier Equity Fund Sub Fund E had a shareholding interest of 18.23% in the Company and was a Controlling Shareholder of the Company pursuant to the Catalist Rules. As of 22 August 2019 (and as announced on 23 August 2019), however, Premier Equity Fund Sub Fund E had a shareholding interest of 13% in the Company and ceased to be a Controlling Shareholder of the Company.

(3) Shareholders' approval for the transactions was obtained on 30 September 2019.

For completeness, the Company drew down on S$1.0 million of the loan extended by Mr Tan Soo Khoon Raymond, the former Group Chief Executive Officer and Executive Director of the Company, pursuant to the loan agreement dated 13 July 2018. As the loan is interest-free, the value at risk is zero. On 14 July 2020, the Company entered into a debt conversion agreement ("DCA") with Mr Tan Soo Khoon Raymond, for the proposed conversion ("Proposed Debt Conversion") of the outstanding amount of S$1.0 million into 500,000,000 new ordinary shares in the capital of the Company ("Debt Conversion Shares") at the conversion price of S$0.002 per Debt Conversion Share ("Conversion Price"). The Proposed Debt Conversion was completed on 28 July 2020.

14. Negative confirmation pursuant to Rule 705(5) of the Catalist Rules

Not required for full year results announcement.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

16. Use of Proceeds

All proceeds have been fully utilised and announced accordingly as at the date of this announcement.

II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 and Half Year Results)

i) Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding financial year.

By business segments

The Group operates in one business segment, that of gold mining. Therefore, separate segment information is not presented.

By geographical segments

The Group operates in one main geographical segment by location of customers which is in Australia.

ii) In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

The Group operates in one business segment, that of the gold mining. The factors leading to material changes in contributions to turnover and earnings are disclosed in paragraph 8 of this announcement.

iii) Breakdown of sales

		15-month period ended 30.06.2020	12-month period ended 31.03.2019	Change
		S$'000	S$'000	%
(a)	Revenue reported for first half year	35,272	35,138	0.4%
(b)	Operating (loss)/profit after tax before deducting non-controlling interests for first half year	(973)	228	NM
(c)	Revenue reported for second half year	57,745[(1)]	35,006	65.0%
(d)	Operating profit after tax before deducting non-controlling interests reported for second half year	1,078[(1)]	51	NM

Note:

(1) For nine-months from 1 October 2019 to 30 June 2020.

iv) A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable. The Company has not declared any dividends for the latest full year and the previous full year.

v) Disclosure of person occupying a managerial position in the issuer of any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10).

On 1 April 2020, Ms Yao JiaJia, the daughter of Mr Yao Liang, the Executive Director, Group Executive Chairman and Group Chief Executive Officer, was appointed as Investment Manager of Shen Yao Investments Pte. Ltd., a wholly-owned subsidiary of the Company. Her area of responsibility involves participating in the investments undertaken by the Group. Such investments will be undertaken in accordance with the Company's internal investment procedures which includes obtaining relevant board approvals where acquired.

Ms Yao JiaJia was subsequently re-designated to Head of Corporate Investments, an Executive Officer of Shen Yao (Singapore) Pte. Ltd., another wholly-owned subsidiary of the Company on 15 May 2020. Her area of responsibility involves:

1. Review corporate investment opportunities that the Company is presented with and where suitable, undertake relevant assessments on the viability of such investments before presenting the finding to the Board for their review and consideration.
2. In conjunction with the operations team at Ballarat, consider the viability, methodology and process of hedging the gold production of the Company in attempt to manage the risk of uncertainty in gold prices ("Hedging Activities").
3. Where required, set up a team and the relevant infrastructure required to undertake the Hedging Activities.
4. Oversee the day to day operations of the Hedging Activities, including but not limited to ensuring that processes approved by the Board are adhered to and preparing periodic reports for review by Management of the Board.

Ms Yao JiaJia is also a 1% shareholder in Sheng Investment Pte. Ltd., which in turn is a 15.52% substantial shareholder of the Company.

III ADDITIONAL INFORMATION REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

(1) Rule 705 (6)(a) of the Catalist Listing Manual

(i) Use of funds/cash for the quarter – Tarnagulla Gold Project in Victoria, Australia

Not applicable as the Group only commenced exploration diamond drilling at the Tarnagulla Gold Project on 18 August 2020.

(ii) Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:

For the next immediate quarter (financial period from 1 July 2020 to 30 September 2020 ("**1Q2021**")), the Group's use of funds/cash for production activities is expected to be as follows:

Purpose	Amount (AUD'000)
Exploration and evaluation activities	600
Payments for plant and machinery	50
Payments for diesel and other production materials	10
Royalty and tribute fees to government	10
Upkeep of equipment and motor vehicles	10
General working capital	150
Total	**830**

The Group's exploration plans for 1Q2021 are as follows:

The Tarnagulla Gold Project is located 90 kilometres north of the Ballarat Gold Project. The tenements of Exploration Licence EL6036 and Retention Licence RL2027 are registered under Ironbark Mining. On 18 August 2020, Ironbark Mining commences its exploration diamond drilling of the Tarnagulla Gold Project. The Tarnagulla Gold Project is centred on the historic and famous Poverty Reef (360,000 ounces mined from 122,000 tonnes ore between 1853 and 1866 [92g/t], with a further 53,000 ounces mined from 57,400 tonnes ore between 1994 and 2000 [29g/t]).

The gold mineralisation targeted in this program is situated to the south of the historic workings, along the south extension of the Poverty Reef, additionally diamond drilling will target mineralisation associated with the eastern parallel Crystal Reef, with a historic production of 6,710 ounce mined at 53g/t.

Exploration diamond drilling will commence from Freehold Land, owned by the Ironbark Mining, providing a suitable drilling platform, while complying with all regulatory requirements to undertake exploration drilling. During the drilling of these initial mineralisation targets, the Group will continue to advance the requirements to be adhered to, as stipulated by the regulators, allowing further exploration drilling to be undertaken on parcels of Crown Land.

The exploration programs of Ironbark Mining will be evolving programs, that is, as each drill hole is advanced and completed, it will be geological reviewed, and the planning and design of future drilling will be dependent upon the previous results. This will result in a comprehensive understanding of the geology and controls of mineralisation for the projects explored.

The Company will keep the market informed of the progress of exploration upon the tenements. The Group is committed to providing a safe operating environment to the employees, contractors, environment, community and stakeholders. All exploration operations will be undertaken in a safe and responsible manner to the benefit of the Group, community, environment and stakeholders.

(2) Rule 705 (6)(b)

Yao Liang and Sun Shu, being two directors of the Company, have confirmed on behalf of the Board that, to the best of their knowledge, nothing has come to their attention which may render the information provided false or misleading in any material aspect.

(3) Rule 705 (7) of the Catalist Listing Manual

Details of exploration (including geography surveys), development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

The Group carried out the following activities in FY2020:-

CASTLEMAINE GOLDFIELDS

CGT operates a well-established gold mine at Ballarat in Australia's premier Victoria gold belt and owns several tenements around the Ballarat Gold Mine and in nearby goldfields. Besides the producing Ballarat Gold Mine, CGT's other main asset is its regional exploration land holding.

CGT produces approximately 40,000 ounces of gold per year at the underground Ballarat Gold Mine with facilities that include a 600,000 tonne per annum processing plant with gravity gold and concentrate recovery circuits.

The project maintains its production rate with an underground drilling programme targeting resources adjacent to existing workings. The project has significant additional potential for mine life extension at depth, along and across strike from the current workings.

In FY2020, Ballarat Gold Mine processed 357,000 tonnes of gold-bearing ore through its gold processing plant, at a grade of 4.5g/t. Ballarat Gold Mine also produced 10,450 ounces and 42,697 ounces of gold in 3M2020 and FY2020 respectively. Ballarat Gold Mine achieved an average gold price of A$2,246/ounce during the 15-month financial period ended 30 June 2020.

The Ballarat Gold Mine drilled 733 underground diamond drill holes in FY2020, totalling 87,382 metres. The drilling centred on the continuation of exploration efforts in the Victoria, Britannia, Llanberris, Canton, Sovereign and Normanby compartments. The purpose of this core drilling was to identify geological conditions related to gold mineralisation and to identify mineralisation or significant structures. This drilling was a combination of exploration and in-fill drilling – the former activity conducted to discover further sources of gold-bearing mineralisation, the latter to better define known areas and improve the level of knowledge to allow detailed mine planning to be completed ahead of mining. Some 4.41 kilometres of tunnels were developed underground with 303,021 tonnes of waste rock removed in the process. Some 349,672 tonnes of ore were mined at an average grade of 4.5g/t.

During the year, significant progress was made developing towards and in the deeper mine levels of the Normanby compartment focusing on mineralisation on the Mako Fault Zone. Higher up in the mine, immediately below the historic New Normanby Mine (the 1650 – foot level) stoping of remnant ore was successfully completed without incident. As the year ended, preparations were well underway to recommence mining in the Sovereign and Britannia compartments to augment mine feed from the existing Canton and Normanby Mining areas.

Works aimed at raising the capacity of the current Tailings Storage Facility (TSF3) with an upstream lift were completed in FY2020. Works continued on the planning, permitting and designing of a new TSF to fully realise the benefits of the Ball Mill and Tailings Reclaim Project.

CGT's exploration focus remains centred on the western Central Highlands of Victoria. At the end of the year, the Group holds five Exploration Licences, one Retention Licence and two Mining Licences. In addition, the Group has nine Exploration Licence Applications in process. The primary focus of exploration remains the Ballarat Gold Project where the Group has consolidated the entire 16-kilometre strike length of the filed. The distribution of other tenements under the control of the Group provide exposure to multiple goldfields within the highly prospective Victorian exploration domain, and exposure to multiple mineral commodities.

There were no mining related activities that were undertaken by the remaining subsidiaries of the Group in FY2020.

LIONGOLD CORP LTD
FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THREE-MONTH PERIOD FROM 1 APRIL 2020 TO 30 JUNE 2020 AND THE FINANCIAL YEAR ENDED 30 JUNE 2020

BY ORDER OF THE BOARD
Yao Liang
Executive Chairman
28 August 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, W Capital Markets Pte. Ltd.(the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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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