LIONGOLD CORP LTD

COMPANY ANNOUNCEMENT

CLARIFICATION: UTILISATION OF PROCEEDS FROM PRIVATE PLACEMENT

LionGold Corp Ltd ("**Company**") refers to its announcements made on 5 November 2014 ("**Announcements**") relating to the utilization of proceeds from the private placement of 52,000,000 shares ("**Placement**"). The Company wishes to provide a clarification on the utilisation of the net proceeds of approximately SS$4.14 million ("**Placement Net Proceeds**") arising from the Placement.

Unless otherwise stated, terms defined in the Announcements have the same meaning when used in this Announcement.

SGX query: The Company announced that it has utilized S$1,198,717 for working capital purposes. Please disclose the breakdown with specific details on the use of proceeds for working capital purposes.

Company response: The breakdown of funds used for working capital purposes are as follows:

	S$
Group general administration expenses (relates to expenses, which includes salaries and related costs, office rental, travel, telecommunication, insurance and bank charges)	822,233
Professional fees (includes fees for listing expenses, corporate secretarial, engineering consultancy and legal advice)	376,474
Total	**1,198,717**

By Order of the Board
Tan Soo Khoon Raymond
Executive Director
LionGold Corp Ltd
14 November 2014