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LIONGOLD
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Media Announcement
(For Immediate Release)

**LionGold produced 13,845 ounces of gold in Q2 FY2014
and grows resources to 7 million ounces
with completion of the Acadian Mining acquisition**

Highlights :

- **LionGold produced 13,845 ounces of gold in Q2 FY2014 at a low cash operating cost of A\$666 per ounce**
- **Group total resource grows to 7 million ounces with the inclusion of Acadian's 1.33 million ounces of gold resources**
- **Geographically diversified portfolio of gold mining assets at various stages of the gold mining project lifecycle**
- **LionGold's on-going operations are unrelated to recent trading restrictions imposed on LionGold's shares**

SINGAPORE, 11 October 2013 - LionGold Corp Ltd ("**LionGold**" or the "**Group**") has achieved strong gold-mining operational performance for the quarter ended 30 September 2013. For the three month period, LionGold's wholly-owned subsidiary, Castlemaine Goldfields' Ballarat Mine produced a record 13,845 ounces of gold at a low cash operating cost of A\$666 per ounce and an all-in cost of A\$1,055 per ounce. This represents a 47% increase in gold production when compared to the prior quarter's gold production of 9,431 ounces and exceeds the operations teams' previous quarterly guidance of between 8,000 and 12,000 ounces of gold production. The result was achieved on the back of a record gold grade of 12.8g/t. The annualized production target remains at 40,000 to 50,000 ounces of gold. This level of sustainable production going forward is dependent upon exploration success. To achieve this target, three underground diamond drill rigs continue to operate at the Ballarat mine, and more regionally, an RC drilling campaign has commenced on the company's Tarnagulla tenements.

Furthermore, in September 2013, LionGold diversified its revenue stream with the signing of an ore-processing agreement with A1 Consolidated Gold, which LionGold has agreed to subscribe to a 19.9%

stake in the company via two tranches¹. In conjunction with the agreement, Castlemaine Goldfield's Ballarat gold plant will process up to 150,000 tonnes of ore per year from the A1 Gold Mine over a three year period (which may be extended upon agreement for a further three years). The agreement doubles the current throughput of 150,000 to 200,000 tonnes of ore at the 600,000 tonne capacity Ballarat plant and is expected to commence in the coming months. LionGold will receive a share of gold revenues achieved from the A1 Gold Mine in addition to revenues from a toll treatment rate per tonne of ore processed.

Completion of Acadian Acquisition

Furthermore, LionGold is pleased to announce the completion of the acquisition of all remaining shares of Acadian Mining ("**Acadian**" or the "**Company**") which it does not own. LionGold now holds 100% of outstanding shares of Acadian. Acadian shares are expected to be delisted from the TSX-exchange shortly after its trading halt on 10 October 2013.

Backed by an experienced team, Acadian has multiple gold tenements in Nova Scotia, Canada, with a focus on the Beaver Dam and Fifteen Mile Stream projects. These are within the Meguma Gold Terrain and hold a combined resource of 1.333 million ounces of free-milling gold. The resource at Fifteen Mile Stream has recently been upgraded, and efforts are underway for a detailed feasibility study for an open pit operation with a centralised processing facility. The area enjoys excellent infrastructure support and a climate conducive to year-round mining activities. The Group is of the view that the investment provides an inexpensive foothold in an under-explored gold-bearing region in Canada that is consonant with a longer term plan to create a North American Hub of gold mining operations.

LionGold grows diversified gold mining assets

With the acquisition of Acadian, LionGold now holds 7.0 million ounces of gold resources, with 900,000 ounces of gold classified as reserves. The Group's wholly-owned Castlemaine Goldfields in Australia has an annualized production of 40,000 to 50,000 ounces of gold at an operating cash cost below US\$800 per ounce. LionGold's other wholly owned subsidiaries include: Minera Nueva Vista in Bolivia; and Brimstone in Western Australia. LionGold also has a 77% stake in Australian-listed Signature Metals, which holds the Konongo Gold Project in Ghana. Strategic equity interests are also held in Australian-listed Citigold Corporation, Unity Mining and A1 Consolidated.

¹ In conjunction with the processing agreement, LionGold will subscribe to 34.5 million new A1 shares at A\$0.116 per share in two tranches, which together represent about 19.9% of A1's enlarged share capital valued at S\$4.7 million (A\$4 million). The first tranche of 24.1 million new shares will give the Group approximately 14.9% of the enlarged share capital and the right to appoint one director to the A1 board. The second tranche of 10.3 million shares is subject to approval by A1's shareholders and regulatory agencies. For more information on the transaction, please visit www.sgx.com

LionGold presents a unique proposition to shareholders with its geographically diversified portfolio of gold mining assets at various stages of the gold mining project lifecycle. Furthermore, SGX-ST's recent designation of LionGold shares and the subsequent further decline in its share price, LionGold is now trading below its book value while the Group's enterprise value per ounce of gold is significantly lower than many Asia-listed peers.

Commenting on the Group's latest developments, Group Chief Executive Officer, Nicholas Ng states, *“With the completion of the Acadian acquisition and Castlemaine Goldfield's strong gold production, we would like to emphasize that the company's on-going operations are unrelated to the recent trading restrictions imposed on LionGold's shares. However, the designated status of our shares by SGX-ST has placed further downward pressure on LionGold's share price. This has resulted in a significant disadvantage relative to other resource and mining companies given the abundance of opportunities to acquire undervalued producing gold mining assets which are complementary to our existing operations. Nonetheless, LionGold's management remains committed to the development of our gold mines and will continue to lend our full cooperation to SGX-ST while awaiting the exchanges' update on the restrictions of the trading of our company's shares.”*

Peer comparison: Global Gold Companies listed in Asia

Company Name	Country of listing	Market Cap (US\$/M)	Enterprise Value (US\$/M)	Resource (Gold Moz)	EV/ Resource	Operations
CNMC Goldmine	SGX	75	74	0.50	148	Malaysia, Sokor, in production
G-Resources	HKSE	765	780	8.10	96	Indonesia, Martabe, in production
Zhaojin Mining	HKSE	2,492	3,795	22.20	171	Projects in China, in production
China Gold	HKSE	1,080	1,308	8.10	161	Projects in Tibet, Inner Mongolia, in production
Zijin Mining	HKSE	8,027	11,789	44.80	263	Projects in China, in production
LingBao Gold	HKSE	170	794	3.00	265	Projects in China, in production
Zhongjin Gold	SSE	4,629	5,493	15.00	366	Projects in China, in production
Shandong Gold	SSE	5,069	5,969	11.00	543	Projects in China, in production
Median Valuation		1,786	2,551	9.55	217	
LionGold Corp	SGX	139	116	7.00	17	8 Projects: Australia, Ghana, Bolivia and Canada

Valuations as of 10 October 2013. Source: Bloomberg and respective company websites

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About LionGold Corp Ltd (Bloomberg: LIGO SP / Reuters: LION.SI)

LionGold Corp Ltd (“LionGold or “the Group”) is Singapore’s first Main Board listed gold company. The Group has rapidly established itself in the global gold mining industry. Since March 2012, interests in eight gold exploration and mining companies have been acquired, of which one wholly-owned subsidiary is in production. Primary concessions are currently in Australia, Ghana, Bolivia and Canada. Future expansion will be achieved through further acquisitions and organic growth. For more information visit: www.liongoldcorp.com.

LionGold Corp Resources & Reserves²

Company	LGC Interest	Country	Project	Resources (ounces)	Reserves (ounces)
Castlemaine Goldfields	100%	Australia	Castlemaine	686,000	-
			Ballarat	71,700	-
Signature Metals	77%	Ghana	Konongo	1,470,000	-
Minera Nueva Vista	100%	Bolivia	Amayapampa	1,280,000	787,300
Brimstone Resources	100%	Australia	Penny’s Find	52,300	-
Acadian Mining Corporation	100%	Canada	Beaver Dam	950,000	-
			Fifteen Mile Stream	383,000	-
Citigold Corporation	18%	Australia	Charters Towers	2,120,400	110,000
Investments					
Unity Mining	13%	Australia	Henty, Dargues	623,000	354,000
A1 Consolidated ³	15%	Australia	A1 Gold Mine	281,200	-

² Resources include Reserves. Figures are extracted from previous JORC- and NI43-101-compliant announcements and are based on LionGold’s equitable stake in gold projects.

³ LionGold will subscribe to A1 shares in two tranches. The second tranche of the placement, which amounts to 5% of A1’s share capital, is subject to approval by A1 shareholders and regulatory agencies.

About Acadian Mining Corporation Ltd

Acadian Mining Corporation Ltd (“Acadian” or “the Company”) is a gold explorer based in Nova Scotia, Canada. The Company has a suite of Scotia Goldfields projects and is focused on developing its two flagship properties which hold some 1.333 million ounces of gold resources in compliance with the NI43-101 reporting standard. Both of these have potential for open-pit development.

Acadian Mining Corporation Resources

Property	Cut-Off Grade (grams per tonne)	Category	Tonnes	Grade (grams per tonne)	Resources (ounces)
Beaver Dam	0.3	Indicated	9,080,000	1.50	446,000
		Inferred	10,400,000	1.50	504,000
Fifteen Mile Stream	0.7	Inferred	6,000,000	1.60	383,000
Total					1,333,000

Figures are extracted from a presentation released by Acadian Mining Corporation in October 2012 and are based on the NI43-101 reporting standard. Further information is available on the Acadian’s website: www.acadianmining.com.

Infrastructure at Castlemaine Goldfields



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