LIONGOLD CORP LTD

FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

The Board of Directors ("**Board**") of LionGold Corp Ltd (the "**Company**") is pleased to present the results of the Company and its subsidiaries (the "**Group**") for the year ended 31 March 2017. The figures presented below have not been audited nor reviewed by the Company's auditors.

1(a)(i) An income statement (for the Group) with comparatives for the 3 month period and year ended 31 March with the corresponding period of the immediately preceding financial year.

	Group			Group		
	3 month period ended			Financial year ended		
	31.03.2017	31.03.2016	Change	31.03.2017	31.03.2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
CONTINUING OPERATIONS						
Revenue	25,427	18,498	37.5	72,592	67,123	8.1
Cost of goods sold	(21,872)	(20,452)	6.9	(65,804)	(67,161)	(2.0)
Gross profit / (loss)	**3,555**	**(1,954)**	**(281.9)**	**6,788**	**(38)**	**NM**
Other income	69	233	(70.4)	375	522	(28.2)
Expenses :						
Administrative expenses	(1,366)	(1,524)	(10.4)	(5,597)	(6,940)	(19.4)
Other expenses	(893)	(6,885)	(87.0)	(777)	(10,111)	(92.3)
Finance costs	(290)	(695)	(58.3)	(1,297)	(2,622)	(50.5)
Profit / (loss) before income tax from continuing operations	**1,075**	**(10,825)**	**(109.9)**	**(508)**	**(19,189)**	**(97.4)**
Income tax credit	-	18	(100.0)	-	18	(100.0)
Profit / (loss) for the period / year from continuing operations, net of tax	**1,075**	**(10,807)**	**(109.9)**	**(508)**	**(19,171)**	**(97.4)**
DISCONTINUED OPERATIONS (Note 1)						
Loss from discontinued operations, net of tax	-	(5,537)	(100.0)	(49,703)	(9,006)	451.9
Profit / (loss) for the period / year	**1,075**	**(16,344)**	**(106.6)**	**(50,211)**	**(28,177)**	**78.2**

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FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Group			**Group**		
	3 month period ended			**Financial year ended**		
	31.03.2017	**31.03.2016**	**Change**	**31.03.2017**	**31.03.2016**	**Change**
	S$'000	**S$'000**	**%**	**S$'000**	**S$'000**	**%**
Profit / (loss) for the period / year attributable to :						
Equity holders of the Company						
Profit / (loss) from continuing operations, net of tax	507	(10,170)	(105.0)	(640)	(16,807)	(96.2)
Loss from discontinued operations, net of tax	-	(3,876)	(100.0)	(41,496)	(6,304)	558.2
Profit / (loss) for the period / year attributable to equity holders of the Company	**507**	**(14,046)**	**(103.6)**	**(42,136)**	**(23,111)**	**82.3**
Non-controlling interests						
Profit / (loss) from continuing operations, net of tax	568	(637)	(189.2)	132	(2,364)	(105.6)
Loss from discontinued operations, net of tax	-	(1,661)	(100.0)	(8,207)	(2,702)	203.7
Profit / (loss) for the period / year attributable to non-controlling interests	**568**	**(2,298)**	**(124.7)**	**(8,075)**	**(5,066)**	**59.4**

NM: Not Meaningful

LIONGOLD CORP LTD

FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

1(a)(ii) A statement of comprehensive income with comparatives for the 3 month period and year ended 31 March with the corresponding period of the immediately preceding financial year.

	Group		Group	
	3 month period ended		Financial year ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	S$'000	S$'000	S$'000	S$'000
Profit / (loss) for the period / year	**1,075**	**(16,344)**	**(50,211)**	**(28,177)**
Currency translation differences arising from consolidation	1,516	(596)	2,262	(1,277)
Reclassification of currency translation differences from equity on disposal and striking off of subsidiaries to profit and loss	-	-	10,766	-
Total comprehensive income / (loss) for the period / year	**2,591**	**(16,940)**	**(37,183)**	**(29,454)**
Total comprehensive income / (loss) for the period / year attributable to :				
Equity holders of the Company				
Total comprehensive income / (loss) from continuing operations, net of tax	2,310	(9,525)	7,051	(18,184)
Total comprehensive loss from discontinued operations, net of tax	-	(6,304)	(30,730)	(6,304)
Total comprehensive income / (loss) for the period / year attributable to equity holders of the Company	**2,310**	**(15,829)**	**(23,679)**	**(24,488)**
Non-controlling interests				
Total comprehensive income / (loss) from continuing operations, net of tax	281	1,591	(5,297)	(2,264)
Total comprehensive loss from discontinued operations, net of tax	-	(2,702)	(8,207)	(2,702)
Total comprehensive income / (loss) for the period / year attributable to non-controlling interests	**281**	**(1,111)**	**(13,504)**	**(4,966)**

Note 1:
Discontinued operations:

	Group			Group		
	3 month period ended			Financial year ended		
	31.03.2017	31.03.2016	Change	31.03.2017	31.03.2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Expenses :						
Administrative expenses	-	-	-	(10)	(2)	400.0
Other expenses	-	(5,492)	(100.0)	(49,693)	(8,834)	462.5
Finance costs	-	(45)	(100.0)	-	(170)	(100.0)
Loss before income tax	**-**	**(5,537)**	**(100.0)**	**(49,703)**	**(9,006)**	**451.9**
Income tax expense	-	-	-	-	-	-
Net loss for the period / year	**-**	**(5,537)**	**(100.0)**	**(49,703)**	**(9,006)**	**451.9**

Discontinued operations comprise the following:

1) Owere Mines Ltd

On 23 May 2016, Signature Metals Limited ("**SML**"), a 76.9% subsidiary of the Company, has entered into a separation agreement (the "**Separation Agreement**") with its joint venture partner, Talos Ghana Limited ("**Talos**"). With reference to the Company's announcement dated 23 May 2016, upon completion of the OML Rights Issue (as defined in the said announcement), SML's interest in Owere Mines Ltd ("**OML**") will be diluted from 70.0% to approximately 0.01%. Although the OML Rights Issue has yet to be completed as at the date of this announcement, management takes the view that subsequent to the execution of the Separation Agreement and the resignation of SML's nominees to the Board of OML, SML no longer exercises any form of control over OML. As a result, OML has been deconsolidated from the Group with effect from 23 May 2016. The comparative statement of profit or loss has been re-presented as if the operations had been discontinued from the start of the comparative year. The Company will make the relevant announcements as and when there are updates on the OML Rights Issue.

2) Mornington Offshore Inc.

On 22 December 2016, the Company announced that Mornington Offshore Inc. ("**Mornington**"), a dormant 70.0% subsidiary of the Company incorporated in the British Virgins Islands ("**BVI**"), has been struck off from the BVI Registry of Companies with effect from 1 November 2016. Emas Mali S.A. and Emas Keikoro S.A.R.L. (collectively, the "**Mornington subsidiaries**"), both incorporated in the Republic of Mali, are 100.0% and 80.0% subsidiaries of Mornington respectively. Mornington and the Mornington subsidiaries have been deconsolidated from the Group with effect from 1 November 2016.

FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

Total expenses and costs include the following charge/(credit):

	Group			Group		
	3 month period ended			Financial year ended		
	31.03.2017	31.03.2016	Change	31.03.2017	31.03.2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Cost of goods sold:-						
From continuing operations:						
Depreciation of property, plant and equipment	1,775	2,188	(18.9)	7,394	9,495	(22.1)
Amortisation of mining properties	3,692	2,904	27.1	9,620	7,552	27.4
Other income:-						
From continuing operations:						
Gain on disposal of available-for-sale financial assets	1	-	NM	102	-	NM
Interest income	47	193	(75.6)	172	426	(59.6)
Rental income	17	22	(22.7)	85	71	19.7
Others	4	18	(77.8)	16	25	(36.0)
	69	**233**	**(70.4)**	**375**	**522**	**(28.2)**
Administrative expenses:-						
From continuing operations:						
Depreciation of property, plant and equipment	42	89	(52.8)	176	209	(15.8)
Operating lease - rental expenses	77	79	(2.5)	306	316	(3.2)
From discontinued operations:						
Operating lease – rental expenses	-	-	-	6	-	NM

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FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Group			Group		
	3 month period ended			Financial year ended		
	31.03.2017	31.03.2016	Change	31.03.2017	31.03.2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Other expenses:-						
From continuing operations:						
Allowance for / (write-back) of allowance for impairment of other receivables	-	4,579	(100.0)	(1,010)	4,353	(123.2)
Allowance for impairment loss on available-for-sale financial assets	4	(27)	(114.8)	340	264	28.8
Amortisation of deferred consideration	371	-	NM	371	-	NM
Exploration and evaluation expenditure written off	112	147	(23.8)	546	147	271.4
Gain on disposal of available-for-sale financial assets	-	-	-	-	(1,564)	(100.0)
Loss on disposal of subsidiaries	-	-	-	-	213	(100.0)
Loss on disposal of property, plant and equipment	1	1	-	17	6	183.3
Loss / (gain) on foreign exchange (net)	715	(860)	(183.1)	198	536	(63.1)
Other mining related expenses	82	90	(8.9)	711	328	116.8
Provision amount payable to non-controlling interest	-	-	-	-	323	(100.0)
Provision for stock obsolescence	94	-	NM	90	11	718.2
Other receivables written off	-	2,955	(100.0)	-	2,955	(100.0)
(Write-back) / settlement payment with third parties	(486)	-	NM	(486)	2,539	(119.1)
	893	**6,885**	**(87.0)**	**777**	**10,111**	**(92.3)**
From discontinued operations:						
Allowance for impairment loss on exploration and evaluation expenditure	-	4,155	(100.0)	-	4,155	(100.0)
Care and maintenance expenses	-	1,007	(100.0)	648	4,611	(85.9)
Loss on foreign exchange (net)	-	330	(100.0)	1,644	68	NM
Loss on disposal of subsidiary	-	-	-	44,075	-	NM
Loss on striking off of subsidiary	-	-	-	3,326	-	NM
	-	**5,492**	**(100.0)**	**49,693**	**8,834**	**462.5**

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FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

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 31.03.2017	**As at 31.03.2016**	**As at 31.03.2017**	**As at 31.03.2016**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Current assets				
Due from subsidiaries	-	-	18	823
Inventories	6,168	4,725	-	-
Other current assets	742	1,137	498	852
Trade and other receivables	697	573	20	112
Financial assets at fair value through profit or loss	-	-	-	-
Available-for-sale financial assets	-	803	-	-
Cash and cash equivalents	11,153	9,705	374	1,124
Disposal group assets classified as held for sale	-	25,557	-	-
	18,760	**42,500**	**910**	**2,911**
Non-current assets				
Property, plant and equipment	19,609	20,258	13	18
Exploration and evaluation	5,287	4,298	-	-
Mining properties	2,558	4,958	-	-
Investment in subsidiaries	-	-	76,014	63,368
Security deposits	4,657	4,467	-	-
	32,111	**33,981**	**76,027**	**63,386**
Total assets	**50,871**	**76,481**	**76,937**	**66,297**
Current liabilities				
Due to subsidiaries	-	-	34,423	27,932
Trade and other payables	9,576	10,358	2,453	3,456
Finance lease creditors	664	552	-	-
Borrowings	11,852	19,805	11,852	19,805
Derivative financial instruments	124	300	124	300
Liabilities directly associated with disposal group classified as held for sale	-	6,898	-	-
	22,216	**37,913**	**48,852**	**51,493**

	Group		Company	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
	S$'000	S$'000	S$'000	S$'000
Non-current liabilities				
Finance lease creditors	546	328	-	-
Convertible bonds	541	1,306	541	1,306
Borrowings	3,951	-	3,951	-
Rehabilitation and preservation provision	5,615	5,278	-	-
Deferred consideration	2,191	1,754	-	-
Other non-current liabilities	-	18,587	-	-
	12,844	**27,253**	**4,492**	**1,306**
Total liabilities	**35,060**	**65,166**	**53,344**	**52,799**
Net assets	**15,811**	**11,315**	**23,593**	**13,498**
Equity				
Issued capital and reserves attributable to equity holders of the Company				
Issued capital	558	204	558	204
Share premium	277,648	274,162	277,648	274,162
Other reserves	45,644	27,187	61,979	61,979
Accumulated losses	(295,365)	(253,229)	(316,592)	(322,847)
	28,485	**48,324**	**23,593**	**13,498**
Non-controlling interests	(12,674)	(37,009)	**-**	**-**
Total equity	**15,811**	**11,315**	**23,593**	**13,498**

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

Amount repayable in one year or less, or on demand

	As at 31.03.2017		As at 31.03.2016	
	S$'000	S$'000	S$'000	S$'000
	Secured	Unsecured	Secured	Unsecured
Borrowings	-	11,852	-	19,805
Finance lease creditors	664	-	552	-
	664	**11,852**	**552**	**19,805**

Amount repayable more than one year

	As at 31.03.2017		As at 31.03.2016	
	S$'000	S$'000	S$'000	S$'000
	Secured	Unsecured	Secured	Unsecured
Later than 1 year but not later than 5 years:				
Borrowings	-	3,951	-	-
Convertible bonds	-	541	-	1,306
Finance lease creditors	546	-	328	-
	546	**4,492**	**328**	**1,306**

As at 31 March 2017, the Group's borrowings are secured by property, plant and equipment with a net book value of S$1.6 million (FY2016: S$1.8 million) and a corporate guarantee from the Company.

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1(c) A cash flows 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		Financial year ended	
	31.3.2017	31.3.2016	31.3.2017	31.3.2016
	S$'000	S$'000	S$'000	S$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit / (loss) before income tax	**1,075**	**(16,362)**	**(50,211)**	**(28,195)**
Adjustments for:-				
Allowance for impairment loss on available-for-sale financial assets	4	(27)	340	264
Allowance for impairment loss on exploration and evaluation expenditure	-	4,155	-	4,155
(Write-back) / allowance for impairment loss on other receivables	-	4,579	(1,010)	4,353
Amortisation of deferred consideration	371	-	371	-
Amortisation of discount on provision for rehabilitation and preservation	14	54	56	220
Amortisation of intangible assets	-	1	-	3
Amortisation of mining properties	3,692	2,904	9,620	7,552
Depreciation of property, plant and equipment	1,817	2,427	7,570	10,309
Exploration and evaluation expenditure written off	112	147	546	147
Loss on disposal of property, plant and equipment	1	1	17	6
Gain on disposal of available-for-sale financial assets	(1)	-	(102)	(1,564)
Loss on striking-off of a subsidiary	-	-	3,326	-
Loss on disposal of subsidiary	-	-	44,075	213
Receivables written off	-	2,955	-	2,955
Expenses for amount payable to non-controlling interests	-	-	-	323
Unrealised foreign exchange (gain) / loss	(874)	(740)	1,655	264
Interest income	(47)	(193)	(172)	(426)
Interest expense	275	686	1,241	2,572
Operating cash flows before working capital changes	**6,439**	**587**	**17,322**	**3,151**
Changes in operating assets and liabilities:				
Inventories	3,719	3,389	(1,443)	2,993
Trade and other receivables	1,188	(112)	886	(3,740)
Other current assets	20	90	54	74
Trade and other payables	(644)	561	(514)	1,325
Other liabilities	1,433	(202)	927	909
Cash generated from operations	**12,155**	**4,313**	**17,232**	**4,712**
Interest received	47	193	172	426
Interest paid	(20)	(1,325)	(196)	(1,371)

Net cash generated from operating activities	**12,182**	**3,181**	**17,208**	**3,767**
(cont'd)	**Group**		**Group**	
	3 month period ended		**Financial year ended**	
	31.3.2017	**31.3.2016**	**31.3.2017**	**31.3.2016**
	S$'000	**S$'000**	**S$'000**	**S$'000**
CASH FLOWS FROM INVESTING ACTIVITIES				
Disposal of subsidiaries, net of cash and cash equivalents disposed	-	-	(58)	814
Additions to mining properties	(1,900)	(2,006)	(7,309)	(8,043)
Exploration and evaluation expenditure	(807)	(231)	(1,278)	(1,631)
Proceeds from disposal of available-for-sale financial assets	-	-	99	6,958
Proceeds from disposal of property, plant and equipment	-	-	298	21
Purchase of property, plant and equipment	(1,404)	(506)	(5,547)	(2,482)
Net cash used in investing activities	**(4,111)**	**(2,743)**	**(13,795)**	**(4,363)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of convertible bonds	950	2,850	2,850	4,750
Proceeds from borrowings	-	-	-	2,000
Repayment of borrowings	-	(3,092)	(4,003)	(10,823)
Repayment of finance lease liabilities	(201)	(212)	(868)	(959)
Refunds of security deposits	-	-	-	41
Net cash generated from / (used in) financing activities	**749**	**(454)**	**(2,021)**	**(4,991)**
Net increase / (decrease) in cash and cash equivalents	**8,820**	**(16)**	**1,392**	**(5,587)**
Cash and cash equivalents at beginning of financial period/year	2,359	9,870	9,705	15,607
Effect of foreign exchange rate changes, net	(26)	(93)	56	(259)
Cash and cash equivalents at end of financial period/year	**11,153**	**9,761**	**11,153**	**9,761**
- Continuing operations	11,153	9,705	11,153	9,705
- Discontinued operations	-	56	-	56
Cash and cash equivalents per cash flows statement	**11,153**	**9,761**	**11,153**	**9,761**

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 2016	204	274,162	61,979	(34,792)	(253,229)	(37,009)	11,315
Conversion of shares from convertible bonds	237	2,660	-	-	-	-	2,897
Disposal of subsidiary	-	-	-	-	-	34,634	34,634
Striking off of subsidiary	-	-	-	-	-	3,205	3,205
Loss / (profit) for the period	-	-	-	-	(42,643)	(8,643)	(51,286)
Currency translation differences	-	-	-	16,654	-	(5,142)	11,512
Total comprehensive income / (loss) for the period	-	-	-	16,654	(42,643)	(13,785)	(39,774)
As at 31 December 2016	**441**	**276,822**	**61,979**	**(18,138)**	**(295,872)**	**(12,955)**	**12,277**
Conversion of shares from convertible bonds	117	826	-	-	-	-	943
Profit for the period	-	-	-	-	507	568	1,075
Currency translation differences	-	-	-	1,803	-	(287)	1,516
Total comprehensive income / (loss) for the period	-	-	-	1,803	507	281	2,591
As at 31 March 2017	**558**	**277,648**	**61,979**	**(16,335)**	**(295,365)**	**(12,674)**	**15,811**

	Issued Capital	Share Premium	Discount on Capital	Warrant Reserve	Contribution Surplus	Equity Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Non-controlling interests	Total Equity
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Group										
As at 1 April 2015	67,736	268,598	(3,650)	16,308	-	-	(33,415)	(246,426)	(32,043)	37,108
Capital reorganisation	(69,942)	2,480	5,483	-	61,979	-	-	-	-	-
Issuance of shares	2,333	-	(1,833)	-	-	-	-	-	-	500
Conversion of shares from convertible bonds	13	805	-	-	-	-	-	-	-	818
Expiry of warrants	-	-	-	(16,308)	-	-	-	16,308	-	-
Loss for the period	-	-	-	-	-	-	-	(9,065)	(2,768)	(11,833)
Fair value gain on available-for- sale financial assets	-	-	-	-	-	1,564	-	-	-	1,564
Realisation of fair value gain on disposal of available-for-sale financial assets	-	-	-	-	-	(1,564)	-	-	-	(1,564)
Currency translation differences	-	-	-	-	-	-	406	-	(1,087)	(681)
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	406	(9,065)	(3,855)	(12,514)
As at 31 December 2015	**140**	**271,883**	**-**	**-**	**61,979**	**-**	**(33,009)**	**(239,183)**	**(35,898)**	**25,912**
Conversion of shares from convertible bonds	64	2,279	-	-	-	-	-	-	-	2,343
Loss for the period	-	-	-	-	-	-	-	(14,046)	(2,298)	(16,344)
Currency translation differences	-	-	-	-	-	-	(1,783)	-	1,187	(596)
Total comprehensive loss for the period	-	-	-	-	-	-	(1,783)	(14,046)	(1,111)	(16,940)
As at 31 March 2016	**204**	**274,162**	**-**	**-**	**61,979**	**-**	**(34,792)**	**(253,229)**	**(37,009)**	**11,315**

	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 2016	204	274,162	61,979	(322,847)	13,498
Conversion of shares from convertible bonds	237	2,660	-	-	2,897
Loss and total comprehensive loss for the period	-	-	-	(2,307)	(2,307)
As at 31 December 2016	**441**	**276,822**	**61,979**	**(325,154)**	**14,088**
Conversion of shares from convertible bonds	117	826	-	-	943
Profit and total comprehensive income for the period	-	-	-	8,562	8,562
As at 31 March 2017	**558**	**277,648**	**61,979**	**(316,592)**	**23,593**

	Issued Capital	Share Premium	Discount on Capital	Warrant Reserve	Contributed Surplus	Accumulated Losses	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Company							
As at 1 April 2015	67,736	268,598	(3,650)	16,308	-	(348,556)	436
Capital reorganisation	(69,942)	2,480	5,483		61,979	-	-
Issuance of shares	2,333	-	(1,833)	-	-	-	500
Conversion of shares from convertible bonds	13	805	-	-	-	-	818
Expiry of warrants	-	-	-	(16,308)	-	16,308	-
Profit and total comprehensive income for the period	-	-	-	-	-	72	72
As at 31 December 2015	**140**	**271,883**	**-**	**-**	**61,979**	**(332,176)**	**1,826**
Conversion of shares from convertible bonds	64	2,279	-	-	-	-	2,343
Profit and total comprehensive income for the period	-	-	-	-	-	9,329	9,329
As at 31 March 2016	**204**	**274,162**	**-**	**-**	**61,979**	**(322,847)**	**13,498**

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, 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 year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles 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 1 April 2016	**2,034,749,734**	**204**	**274,162**
New Shares issued in relation to conversion of S$200,000 convertible bonds at a conversion price of S$0.003 on 20 April 2016	66,666,666	7	184
New Shares issued in relation to conversion of S$100,000 convertible bonds at a conversion price of S$0.003 on 25 April 2016	33,333,333	3	92
New Shares issued in relation to conversion of S$150,000 convertible bonds at a conversion price of S$0.003 on 26 April 2016	50,000,000	5	138
New Shares issued in relation to conversion of S$150,000 convertible bonds at a conversion price of S$0.0022 on 16 May 2016	68,181,818	7	138
New Shares issued in relation to conversion of S$150,000 convertible bonds at a conversion price of S$0.0022 on 17 May 2016	68,181,818	7	138
New Shares issued in relation to conversion of S$250,000 convertible bonds at a conversion price of S$0.0017 on 13 June 2016	147,058,823	14	228
New Shares issued in relation to conversion of S$200,000 convertible bonds at a conversion price of S$0.0017 on 14 June 2016	117,647,058	12	182
New Shares issued in relation to conversion of S$100,000 convertible bonds at a conversion price of S$0.0017 on 29 June 2016	58,823,529	6	78

Issued and fully paid (ordinary shares ("Shares"))	No. of Shares	Share Capital (S$'000)	Share Premium (S$'000)
New Shares issued in relation to conversion of S$200,000 convertible bonds at a conversion price of S$0.0017 on 1 July 2016	117,647,058	12	191
New Shares issued in relation to conversion of S$50,000 convertible bonds at a conversion price of S$0.0017 on 5 July 2016	29,411,764	3	48
New Shares issued in relation to conversion of S$50,000 convertible bonds at a conversion price of S$0.0017 on 7 July 2016	29,411,764	3	48
New Shares issued in relation to conversion of S$50,000 convertible bonds at a conversion price of S$0.0017 on 8 July 2016	29,411,764	3	48
New Shares issued in relation to conversion of S$50,000 convertible bonds at a conversion price of S$0.0017 on 11 July 2016	29,411,764	3	48
New Shares issued in relation to conversion of S$300,000 convertible bonds at a conversion price of S$0.0008 on 22 August 2016	375,000,000	37	250
New Shares issued in relation to conversion of S$100,000 convertible bonds at a conversion price of S$0.0008 on 23 August 2016	125,000,000	12	83
New Shares issued in relation to conversion of S$100,000 convertible bonds at a conversion price of S$0.00085 on 10 October 2016	117,647,058	12	86
New Shares issued in relation to conversion of S$450,000 convertible bonds at a conversion price of S$0.00085 on 17 October 2016	529,411,764	53	388
New Shares issued in relation to conversion of S$150,000 convertible bonds at a conversion price of S$0.000964 on 11 November 2016	155,601,659	16	127
New Shares issued in relation to conversion of S$100,000 convertible bonds at a conversion price of S$0.000964 on 23 November 2016	103,799,045	10	82

Issued and fully paid (ordinary shares ("Shares"))	No. of Shares	Share Capital (S$'000)	Share Premium (S$'000)
New Shares issued in relation to conversion of S$100,000 convertible bonds at a conversion price of S$0.00085 on 20 December 2016	117,647,058	12	83
As at 31 December 2016	**4,404,043,477**	**441**	**276,822**
New Shares issued in relation to conversion of S$500,000 convertible bonds at a conversion price of S$0.00085 on 16 January 2017	588,235,294	59	416
New Shares issued in relation to conversion of S$150,000 convertible bonds at a conversion price of S$0.00085 on 20 January 2017	176,470,588	17	124
New Shares issued in relation to conversion of S$350,000 convertible bonds at a conversion price of S$0.00085 on 24 January 2017	411,764,705	41	286
As at 31 March 2017	**5,580,514,064**	**558**	**277,648**

The number of Shares that may be issued on conversion of the outstanding convertibles as at 31 March 2017 and 31 March 2016 is as follows:

As at 31 March 2017	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$0.7 million and the remaining convertible bonds of approximately S$25 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.	29,016,144,532	2,902	21,762

As at 31 March 2016	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$0.7 million and the remaining convertible bonds of S$95.0 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 minimum conversion price of S$0.003.	32,233,333,333	3,223	93,477

There are no treasury shares and subsidiary holdings as at the end of the current financial period and as at the end 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 31 March 2017 is 5,580,514,064 (31 March 2016: 2,034,749,734).

1(d)(iv) A statement showing all sales, transfer, disposal, 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.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

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 matter).

The figures have not been audited nor reviewed by the Company's auditors.

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

Other than the adoption of the new and revised Financial Reporting Standards in Singapore ("**FRS**") and interpretations of FRS ("**INT FRS**") as mentioned in paragraph 5 below, 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 recent audited annual financial statements as at 31 March 2016.

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.

During the current financial period, the Company and the Group have adopted all the new and revised FRS and INT FRS that are relevant to its operations and are effective for annual periods beginning on 1 April 2016. The adoption of the new FRS and INT FRS will have no material impact on the financial statements.

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		Financial year ended	
	31.03.2017	**31.03.2016**	**31.03.2017**	**31.03.2016**
	S$	**S$**	**S$**	**S$**
Earnings / (loss) per Share for the financial period:				
Based on weighted average number of Shares – basic and diluted:				
- Continuing operations	0.01 cents	(0.73) cents	(0.02) cents	(1.21) cents
- Discontinued operations	-	(0.28) cents	(1.13) cents	(0.45) cents

Earnings or loss per Share is calculated based on the weighted average number of Shares of 3,686,161,370 for the full year ended 31 March 2017 (31 March 2016: 1,387,517,349) and 3,686,161,370 for the three (3) months ended 31 March 2017 (31 March 2016: 1,387,517,349). There was no difference between the basic and diluted earnings or loss per Share as the effect of all potentially dilutive shares outstanding was anti-dilutive.

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

	Group		Company	
	As at 31.03.17	**As at 31.03.2016**	**As at 31.03.2017**	**As at 31.03.2016**
	S$	**S$**	**S$**	**S$**
Net asset value per ordinary share based on the issued share capital at end of financial year	0.51 cents	2.37 cents	0.42 cents	0.66 cents

Net asset value per share is calculated based on 5,580,514,064 shares issued at the end of the financial year ended 31 March 2017 (31 March 2016: 2,034,749,734).

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss 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

<u>FY2017</u>

Continuing Operations

The Group recorded an increase in revenue for the financial year ended 31 March 2017 ("**FY2017**"). Revenue increased to S$72.6 million compared with S$67.1 million in the preceding financial year ended 31 March 2016 ("**FY2016**") mainly due to an increase in the average selling price of gold from A$1,567 in FY2016 to A$1,669 in FY2017. The increase in revenue was partially offset by the decrease in total gold sold from 41,516 ounces in FY2016 to 41,391 ounces in FY2017.

Gross profit increased by S$6.8 million in FY2017 as compared to the preceding period. There was a reduction in depreciation expense of S$2.1 million which contributed to the increase in gross profit. The increase in gross profit was partially offset by an increase in total mining and production cost per ounce mainly as result of a decrease in head grade. Total quantity of gold ore processed increased by 11.2% from approximately 251,000 tonnes in FY2016 to approximately 271,000 tonnes in FY2017. However, total gold production decreased marginally by 0.3% from approximately 41,500 ounces in FY2016 to approximately 41,400 ounces in FY2017 mainly due to the decrease in the head grade of ore processed from 6.1/t in FY2016 to 5.9g/t in FY2017.

The increase in amortisation of mining properties was mainly attributed to the increase in the estimated cost per unit of production. There was a decrease in depreciation of property, plant and equipment as some of these assets have been fully depreciated in FY2017.

Other income recorded a decrease of S$0.1 million in FY2017 compared to FY2016, mainly attributed to a decrease in interest income of S$0.3 million. The decrease was partially offset by a S$0.1 million gain recognised on disposal of available-for-sale financial assets.

Administrative expenses decreased by S$1.3 million in FY2017 as compared to FY2016. This was mainly attributed to a decrease in i) professional and legal fees of S$0.4 million, ii) travelling expenses of S$0.2 million, iii) commission charges of S$0.3 million and audit fees of S$0.1 million.

There was a decrease in other expenses of S$9.3 million in FY2017 as compared to FY2016. The decrease was mainly due to the following expenses which were incurred in FY2016 and did not recur in FY2017 i) a $2.5 million expense recognised in FY2016 in relation to a deed of settlement entered between the Company and Bass Metals Limited ("**Bass Metals**"), ii) an allowance on impairment of outstanding receivables due from Annica Holdings Ltd ("**Annica**") and Grandway Asia Limited ("**Grandway**") of S$3.5 million and S$0.9 million respectively iii) other receivables written off that were mainly due from Industrial Power Technology Pte Ltd ("**IPT**") and Grandway, which amounted to S$1.1 million and S$1.7 million respectively. In addition, there was a write back of impairment losses which were attributed to the repayment of S$1.0 million by Annica and write back of settlement payment with third parties of S$0.5 million, which was attributed to the Deed of Settlement and Release entered between the Company and Bass Metals as announced by the Company on 20 March 2017. The decrease in other expenses was partially offset by i) an increase in exploration and evaluation expenditure written off of S$0.4 million, ii) an increase in amortisation of deferred consideration of S$0.4 million and iii) and increase in other mining expenses of S$0.4 million. The Company has been in constant communication with the management of Annica to pursue the remaining outstanding amount of S$2.5 million. The Company has previously entered into a deed of assignment with Mr. Lim In Chong (the "**Assignee**"). During the financial year, the Assignee has paid an aggregate cash consideration of S$1.0 million as announced by the Company on 5 December 2016. Although the long stop date for the completion of the assignment of the entire loan owing by Annica has expired on 31 December 2016, the Company in discussion with the Assignee to extend the long stop date. The Company has already provided an allowance of impairment for the remainder of the outstanding loan in the last financial year. Further details on the deed assignment can be found in the Company's announcement dated 11 February 2016.

Deferred consideration of S$0.4 million as described in the above paragraph pertains to a consideration payable to the previous owner of OML. An aggregate of A$3.0 million will be made payable following a certain production milestones being met. Further details of this deferred consideration can be found on page 98, note 30 of the FY2016 annual report.

The decrease in finance costs of S$1.3 million in FY2017 as compared to FY2016 was mainly attributed to an outstanding coupon payment of S$0.7 million made to the convertible bondholder in July 2015 as part of the terms and conditions in relation to the bond restructuring agreement dated 19 June 2015 entered into between the Company, Premier Equity Fund Sub Fund D and Value Capital Asset Management Pte. Ltd. This payment was one-off and did not recur in FY2017. In addition, the decrease in finance costs was in line with the reduction in borrowings.

Discontinued Operations

The increase in other expenses of S$40.9 million was mainly due to the loss on disposal of S$44.1 million arising from the deconsolidation of OML and the loss of S$3.3 million from the striking off of Mornington. The increase in other expenses was partially offset by an allowance for impairment of S$4.2 million in FY2016 which did not recur in FY2017 and a decrease in care and maintenance expenses of S$4.0 million in FY2017 as compared to FY2016.

4Q2017

The Group recorded an increase in revenue for the three (3) months financial period ended 31 March 2017 ("**4Q2017**"). Revenue increased to S$25.4 million compared to S$18.5 million in the three (3) months financial period ended 31 March 2016 ("**4Q2016**') mainly due to an increase in total gold sold from 11,114 ounces in 4Q2016 to 14,775 ounces in 4Q2017. The increase in revenue was partially offset by a decrease in average selling price of gold from A$1,636 in 4Q2016 to A$1,618 in 4Q2017.

Gross profit increased by S$5.5 million in 4Q2017 as compared to 4Q2016. Although total quantity of gold ore processed decreased by 7.5% from approximately 67,000 tonnes in 4Q2016 to approximately 62,000 tonnes in 4Q2017, total gold production increased by 18.3% from approximately 9,000 ounces in 4Q2016 to approximately 11,000 ounces in 4Q2017 mainly due to the improvement in the head grade of ore processed from 5.2/t in 4Q2016 to 6.3g/t in 4Q2017.

The increase in amortisation of mining properties was mainly attributed to the increase in the estimated cost per unit of production. There was a decrease in depreciation of property, plant and equipment as some of the assets have been fully depreciated in 4Q2017.

Administrative expenses decreased by S$0.2 million in 4Q2017 as compared to 4Q2016. This was mainly attributed to a decrease in i) consultancy fees of S$0.1 million and ii) travelling expenses of S$0.1 million. The decrease was partially offset by the increase in legal fees of S$0.1 million.

There was a decrease in other expenses of S$6.0 million in 4Q2017 as compared to 4Q2016. The decrease was mainly due to the following expenses which incurred in 4Q2016 and did not recur in 4Q2017, i) an allowance on impairment of outstanding receivables due from Annica and Grandway of S$3.5 million and S$0.9 million respectively, and ii) other receivables written off that were mainly due from IPT and Grandway which amounted to S$1.1 million and S$1.7 million respectively. In addition, there was a write back of settlement payment with third parties of S$0.5 million which was attributed to the Deed of Settlement and Release entered between the Company and Bass Metals as announced by the Company on 20 March 2017. The decrease in other expenses was partially offset by a foreign exchange loss of S$0.7 million recognised in 4Q2017 as compared to a foreign exchange gain of S$0.9 million in 4Q2016 as SGD depreciated against the AUD in 4Q2017 and an increase in amortisation of deferred consideration of S$0.4 million.

The decrease in finance costs of S$0.4 million in 4Q2017 as compared to 4Q2016 was mainly attributed to a decrease in outstanding borrowings of the Group.

Discontinued Operations

OML has been deconsolidated from the Group with effect from 23 May 2016.

(B) Financial Position Review

1) The current assets of the Group decreased by S$23.7 million from S$42.5 million as at 31 March 2016 to S$18.8 million as at 31 March 2017. The decrease was mainly due to:

- The decrease in disposal group assets classified as held for sale by S$25.6 million due to the deconsolidation of OML.

- The decrease in other current assets by $0.4 million, attributed mainly to a decrease of $0.4 million in prepayments.

- The decrease in available-for-sale financial assets of S$0.8 million as these were transferred to Bass Metals as partial settlement for the outstanding amount due to Bass Metals. Further to the Deed of Settlement and Release that was entered between the Company and Bass Metals on 9th March 2017, the outstanding amount due to Bass Metals has been fully settled. Details of the Deed of Settlement and Release has been announced by the Company on 20th March 2017.

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

- The increase in cash and cash equivalents by S$1.4 million. This was mainly attributed to net cash generated from operating activities of S$17.2 million and proceeds from the issuance of convertible bonds of S$2.9 million. The increase in cash and cash equivalents was partially offset by the expenditure on exploration, evaluation and capital development of S$8.6 million, repayment of borrowings amounting to S$4.0 million, repayment to finance lease creditors of S$0.9 million and spending on property, plant and equipment ("**PPE**") of S$5.5 million which primarily relates to the construction works carried out to increase the storage capacity of the tailings storage facility at Ballarat.

- The increase in inventory of S$1.4 million mainly attributed to the increase in the quantity of gold stockpiles held.

At the Company level, the amount due from subsidiaries decreased by S$0.8 million which was mainly attributed to allowance for impairment of amount due from LionGold Australia Pty Ltd as they are deemed unrecoverable.

2) The non-current assets of the Group decreased by S$1.9 million from S$34.0 million as at 31 March 2016 to S$32.1 million as at 31 March 2017. The decrease was mainly due to:

- The decrease in property, plant and equipment of S$0.6 million. The decrease was mainly attributed to depreciation charge of S$7.6 million and disposal of plant and equipment of S$0.3 million, which was partially offset by the additions of S$6.8 million. The additions mainly pertains to capitalised expenses of construction works that were carried out to increase the storage capacity of the tailings storage facility at Ballarat.

- The decrease in mining properties of S$2.4 million. The decrease was mainly attributed to amortisation charge of S$9.6 million, which was partially offset by the additions of S$7.3 million during the year.

The decrease in non-current assets of the Group was partially offset by:

- The increase in exploration and evaluation expenditure of S$1.0 million as a result of the exploration activities at the Ballarat mine.

At the Company level, investments in subsidiaries increased by S$12.6 million which was attributed to a write back of allowance for impairment of investment in the Company's wholly-owned subsidiary, Castlemaine Goldfields Pty Ltd ("**CGT**") as the recoverable amount of the investment is higher than the previous carrying value of the investment.

3) The Current Liabilities of the Group decreased from S$37.9 million as at 31 March 2016 to S$22.2 million as at 31 March 2017. The decrease of S$15.7 million was mainly attributable to:

- The decrease in borrowings by S$8.0 million, attributed mainly to the reclassification of the S$4.0 million loan from current liabilities to non-current liabilities as a result of the supplemental agreement to the bond restructuring agreement dated 19 June 2016 ("**Supplemental Agreement**") entered into between the Company, Premier Equity Fund Sub Fund D and Value Capital Asset Management Pte. Ltd. ("**Value Capital**") on 5 July 2016, further to which the final repayment date of the Balance Sum (as defined in the Company's announcement dated 20 June 2015) was extended from 18 June 2017 to 18 June 2018. Further details of the Supplemental Agreement can be found in the announcement made by Company on 5 July 2016. In addition, the Company also made repayments amounting to S$4.0 million in FY2017. The Company is currently in negotiation with Value Capital to seek a further extension of dateline for the outstanding borrowings of S$15.8 million and will provide updates accordingly.

- The decrease in liabilities associated with disposal group classified as held for sale by S$6.9 million due to the deconsolidation of OML.

- The decrease in trade and other payables of S$0.8 million.

At the Company level, the amount due to subsidiaries increased from S$27.9 million to S$34.4 million which was mainly attributed to the funding provided by CGT to the Company for its operating expenses and for the repayment of the Company's borrowings.

4) The non-current liabilities of the Group decreased from S$27.3 million as at 31 March 2016 to S$12.8 million as at 31 March 2017. The decrease was mainly attributed to:

- The decrease in other non-current liabilities of S$18.6 million as a result of the signing of the Separation Agreement and the deconsolidation of OML. Please refer to page 4 of this announcement for further information on the Separation Agreement.

- The decrease in convertible bonds by S$0.8 million, attributed mainly to the partial conversion of these bonds into Shares.

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

- The increase in borrowings of S$4.0 million was mainly attributed to the reclassification of these borrowings from current liabilities to non-current liabilities as mentioned in paragraph 8(B)(3) above.

5) Issued capital and reserves attributable to equity holders and non-controlling interests of the Company increased by S$4.5 million from S$11.3 million as at 31 March 2016 to S$15.8 million as at 31 March 2017. These were mainly attributable to the following:

- The increase in share capital and share premium of S$0.4 million and S$3.5 million respectively, attributed to the conversion of shares from the convertible bonds.

- The increase in other reserves (excluding accumulated losses) by S$18.5 million, due to a decrease in foreign currency translation reserve.

- The decrease in non-controlling interest ("**NCI**") to a deficit of S$12.7 million as at 31 March 2017 compared to a deficit of S$37.0 million as at 31 March 2016, due mainly to movements relating to the disposal of subsidiary of S$34.6 million and striking off of subsidiary of S$3.2 million which was partially offset by NCI share of losses of S$8.1 million and a decrease of foreign currency translation difference of S$5.4 million.

The decrease in issued capital and reserves of the Group was partially offset by:

- The increase in accumulated losses from S$253.2 million as at 31 March 2016 to S$295.4 million as at 31 March 2017, which reflects the Group's consolidated losses attributable to equity holders for the period.

The Group has net current liabilities of S$3.5 million as at 31 March 2017. This was mainly due to the S$11.9 million outstanding debt which is due to Value Capital which is currently classified as short term borrowings. The Company is currently in negotiation with Value Capital to seek a further extension of deadline for the outstanding borrowings of S$15.8 million. The full amount of S$15.8 million is due and payable on the 18 June 2018.

The Company had on 19 June 2015 entered into a subscription agreement for the issuance of the redeemable convertible bonds ("RCBs"). Pursuant to a supplemental agreement dated 5 April 2016, and approved at a shareholder's meeting held on 29 April 2016, the minimum conversion price of S$0.003 per conversion share was removed. As at the date of this announcement, the Company has issued an aggregate amount of S$8.0 million of RCBs. Based on the maximum number of conversion shares that can be issued pursuant to the conversion of the RCBs of 33,333,333,333 conversion shares and the minimum conversion price of S$0.00085, the Company can issue a further S$23.9 million of RCBs. The proceeds from the issuance of a further S$23.9 million of RCBs will be sufficient to repay the Original Bondholder under the terms of the Bond Restructuring Agreement and to fund the Group's operating expenses for the foreseeable future.

In addition, the Company has been able to rely on CGT for the funding of its operations, which is currently profitable.

In the opinion of the Board, on the assumption of the successful issuance of subsequent tranches of the Redeemable Convertible Bonds and cash generated from CGT's operations, there are reasonable grounds to believe that the Company will have sufficient working capital for the next 12 months and will be able to pay its debts as and when they fall due and the Company will be able to operate as a going concern.

(C) Cash Flows Statement

FY2017

Net cash generated from operating activities in FY2017 was S$17.2 million as compared to S$3.8 million in FY2016. The net operating cash inflow was mainly due to an operating profit before working capital changes of S$17.3 million, adjusted for working capital outflows of S$0.1 million. The working capital outflows in FY2017 were attributed mainly to an increase in inventories of S$1.4 million and a decrease in trade and other payables of S$0.5 million. The working capital outflows were partially offset by a decrease in trade and other receivables of S$0.9 million and an increase in other liabilities of S$0.9 million.

Net cash used in investing activities in FY2017 was S$13.8 million as compared to S$4.4 million in FY2016. The net cash used in investing activities in FY2017 was mainly attributed to the expenditure on exploration, evaluation and capital development of S$8.6 million and the spending on PPE of S$5.5 million. Comparatively, the net cash used in FY2016 was mainly attributed to expenditure on exploration, evaluation and capital development of S$9.7 million and the spending on PPE of S$2.5 million which was partially offset by proceeds from disposal of available-for-sale financial assets of S$7.0 million. The increase in spending on PPE in FY2017 was primarily attributed to the construction works carried out to increase the storage capacity of the tailings storage facility at Ballarat.

Net cash used in financing activities in FY2017 was S$2.0 million as compared to S$5.0 million in FY2016. The decrease was mainly attributed to repayment of borrowings of S$4.0 million in FY2017 as compared to a repayment of S$10.8 million in FY2016. In addition, there were proceeds from borrowings of $2.0 million in FY2016 which did not recur in FY2017.

4Q2017

Net cash generated from operating activities in 4Q2017 was S$12.2 million as compared to net cash generated from operating activities of S$3.2 million in 4Q2016. The net operating cash inflow was mainly due to an operating profit before working capital changes of S$6.4 million, adjusted for working capital inflows of S$5.7 million. The working capital inflows in 4Q2017 were attributed mainly to a decrease in inventories of S$3.7 million, a decrease in trade and other receivables of S$1.2 million and an increase in other liabilities of S$1.4 million. The working capital inflows were partially offset by a decrease in trade and other payables of S$0.6 million.

Net cash used in investing activities in 4Q2017 was S$4.1 million as compared to S$2.7 million in 4Q2016. The net cash used in 4Q2017 was mainly attributed to expenditure on exploration, evaluation and capital development of S$2.7 million and purchase of PPE of S$1.4 million in 4Q2017. Comparatively, the net cash used in 4Q2016 was mainly attributed to expenditure on exploration, evaluation and capital development of S$2.2 million and purchase of PPE of S$0.5 million.

Net cash generated from financing activities in 4Q2017 was S$0.8 million as compared to net cash used in financing activities of S$0.5 million in 4Q2016. The net cash generated from financing activities in 4Q2017 was mainly attributed to proceeds from the issuance of convertible bonds of S$1.0 million which was partially offset by the repayment to finance lease creditors of S$0.2 million. Comparatively, the net cash used in financing activities in 4Q2016 was mainly attributed to the repayment of borrowings of S$3.1 million and the repayment of finance lease creditors of S$0.2 million which was partially offset by proceeds from the issuance of convertible bonds of S$2.9 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable. There is no forecast or prospect statement which has been previously disclosed.

10. A commentary at the date of the announcement of the 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 year and the next 12 months.

On 4 May 2017, the World Gold Council published its "Gold Demand Trends Q1 2017" report (http:// http://www.gold.org/supply-and-demand/gold-demand-trends/back-issues/gold-demand-trends-q1-2017) and commented that,

"Global gold demand in Q1 2017 was 1,034.5t. The 18% year-on-year decline suffers from the comparison with Q1 2016, which was the strongest ever first quarter. Inflows into ETFs of 109.1t, although solid, were nonetheless a fraction of last year's near-record inflows. Slower central bank demand also contributed to the weakness. Bar and coin investment, however, was healthy at 289.8t (+9% y-o-y), while demand firmed slightly in both the jewellery and technology sectors.

Inflows into gold-backed ETFs of 109.1t were concentrated in Europe. Although inflows were just one-third of the extraordinary levels seen in Q1 2016, demand was firm. European-listed products were the most popular, due to continued political uncertainty in the region.

Investment in gold bars and coins grew by 9% y-o-y. Much of this growth came from China, where retail investment was up 30%, breaching 100t for only the fourth time on record.

First quarter jewellery demand was steady at 480.9t, marginally up on Q1 2016. Gains in India were the main reason for the slight y-o-y increase, but global jewellery demand remains relatively weak in a historical context.

After a whirlwind end to 2016, Indian consumers enjoyed a period of relative stability in the domestic market, buoying demand. Continued remonetisation by the RBI lifted consumer sentiment, which encouraged demand ahead of the auspicious wedding season, albeit from a very low base.

Central bank demand for gold continued to slow: 76.3t were added to reserves. Central banks showed a diminished appetite for gold purchases; China's purchasing programme was on pause during the quarter as its foreign exchange reserves remained under pressure. Sales, once again, were sparse"

Following the comments of the WGC, it is the Board's view to be prudent and take a cautious view of the demand for and price of gold going forward.

Given the above, our wholly-owned gold mining producer, CGT, will continue to focus its efforts on increasing production and reducing operating cost per ounce produced and improving profit margins at its Ballarat Gold Project.

The Group continues to face challenges with depressed share prices for shares in the Company as a result of the issuance of Shares from the redeemable convertible bond issuance and the repayment of its outstanding borrowings.

11. Dividend

(a) Current Financial Year Reported On
Any dividend declared for the current financial year reported on?

No.

(b) Corresponding Year of the Immediately Preceding Financial Year
Any dividend declared for the corresponding year of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No final dividend has been recommended.

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 IPT mandate from its shareholders. There are no IPT transactions as at 31 March 2017.

14. Confirmation pursuant to Rule 705(5) of the Catalist Listing Manual

Not applicable.

15. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual

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 Listing Manual.

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

Financial year ended 31 March 2017:

	Investment holding	Gold division	Discontinued operations	Consolidated
	S$'000	S$'000	S$'000	S$'000
Segment revenue:				
Sales to external customers	-	72,592	-	72,592
Cost of goods sold	-	(65,804)	-	(65,804)
Gross profit	**-**	**6,788**	**-**	**6,788**
Other income	140	235	-	375
Expenses	(4,824)	(1,550)	(49,703)	(56,077)
Segment results	**(4,684)**	**5,473**	**(49,703)**	**(48,914)**
Finance costs				(1,297)
Income tax credit				-
Loss for the year				**(50,211)**
Segment assets	**1,109**	**49,762**	**-**	**50,871**
Segment liabilities	**8,100**	**9,282**	**-**	**17,382**
Unallocated liabilities				
- Finance lease liabilities				1,210
- Derivative financial instruments				124
- Borrowings				15,803
- Convertible bonds				541
				35,060

	Investment holding	Gold division	Discontinued operations	Consolidated
	S$'000	S$'000	S$'000	S$'000
Other segment information:				
Capital expenditure on property, plant and equipment	6	6,773	-	6,779
Allowance for impairment loss on available-for-sale financial assets	(340)	-	-	(340)
Amortisation of convertible bonds	(103)	-	-	(103)
Amortisation of mining properties	-	(9,620)	-	(9,620)
Amortisation of discount on provision for rehabilitation and preservation	-	(56)	-	(56)
Depreciation of property, plant and equipment	(118)	(7,452)	-	(7,570)
Exploration and evaluation expenditure written off	-	(546)	-	(546)
Loss on disposal of subsidiary	-	-	(44,075)	(44,075)
Loss on striking off of subsidiary	-	-	(3,326)	(3,326)

Financial year ended 31 March 2016:

	Investment holding	**Gold division**	**Discontinued operations**	**Consolidated**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Segment revenue:				
Sales to external customers	-	67,123	-	67,123
Cost of goods sold	-	(67,161)	-	(67,161)
Gross loss	**-**	**(38)**	**-**	**(38)**
Other income	173	349	-	522
Expenses	(15,113)	(1,938)	(8,836)	(25,887)
Segment results	**(14,940)**	**(1,627)**	**(8,836)**	**(25,403)**
Finance costs				(2,792)
Income tax credit				18
Loss for the year				**(28,177)**
Other segment information:				
Segment assets	**3,342**	**47,582**	**25,557**	**76,481**
Segment liabilities	**9,552**	**26,425**	**6,898**	**42,875**
Unallocated liabilities				
- Finance lease liabilities				880
- Derivative financial instruments				300
- Borrowings				19,805
- Convertible bonds				1,306
				65,166

	Investment holding	Gold division	Discontinued operations	Consolidated
	S$'000	S$'000	S$'000	S$'000
Other segment information:				
Capital expenditure on property, plant and equipment	20	2,586	-	2,606
Allowance for impairment loss on available-for-sale financial assets	(264)	-	-	(264)
Allowance for impairment on exploration and evaluation expenditure	-	-	(4,155)	(4,155)
Allowance for impairment loss on other receivables	(4,353)	-	-	(4,353)
Amortisation of convertible bonds	(2,459)	-	-	(2,459)
Amortisation of intangible assets	-	-	(3)	(3)
Amortisation of mining properties	-	(7,552)	-	(7,552)
Amortisation of discount on provision for rehabilitation and preservation	-	(50)	(170)	(220)
Depreciation of property, plant and equipment	(150)	(9,554)	(605)	(10,309)
Exploration and evaluation expenditure written off	-	(147)	-	(147)
Expenses for amount payable to non-controlling interest	-	(323)	-	(323)
Receivables written off	(2,955)	-	-	(2,955)

By geographical segments

The Group operates mainly in Australia and generates all its revenue from there. The non-current assets are based in Australia and Singapore.

	Australia	Singapore	Consolidated
	S$'000	S$'000	S$'000
Year ended 31 March 2017			
Non-current assets	27,390	64	27,454
Year ended 31 March 2016			
Non-current assets	29,305	209	29,514

*Non-current assets presented have excluded financial instruments.

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.

All revenue is derived from the sale of gold in Australia.

Net losses from the investment holding segment decreased by S$11.5 million in FY2017 primarily due to a decrease in other expenses of S$10.2 million. This was mainly attributed to the decrease in allowance for impairment on other receivables of S$4.4 million, the decrease in other receivables written off of S$2.9 million and the decrease in settlement payment with third parties of S$2.5 million. In addition, there was a decrease in administrative expenses of S$1.2 million in FY2017 as compared to FY2016.

The results from the gold investments segment improved from a loss of S$1.7 million in FY2016 to a profit of S$4.8 million in FY2017. This was mainly attributed to an increase in gross profit from the sale of gold of S$6.8 million.

Loss from discontinued operations increased by S$40.7 million mainly due to the loss on disposal of S$44.1 million arising from the deconsolidation of OML and the loss of S$3.3 million from the striking off of Mornington. The increase in other expenses was partially offset by an allowance for impairment of S$4.2 million in FY2016 which did not recur in FY2017 and a decrease in care and maintenance expenses of S$4.0 million in FY2017 as compared to FY2016.

iii) Breakdown of sales

		Year ended 31.03.2017	Year ended 31.03.2016	Change
		S$'000	S$'000	%
(a)	Sales reported for first half year	31,208	31,816	(1.9)
(b)	Operating loss after tax before deducting non-controlling interests reported for first half year	(36,058)	(9,348)	285.7
(c)	Sales reported for second half year	41,384	35,307	17.2
(d)	Operating loss after tax before deducting non-controlling interests reported for second half year	(13,769)	(18,829)	(26.9)

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).

Not applicable as there are no such persons.

III ADDITIONAL INFORMATION REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

i) Rule 705 (7)(a) 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 FY2017:-

CASTLEMAINE GOLDFIELDS ("CGT")

CGT is a wholly owned subsidiary of the Company, and has two main assets – the producing Ballarat Gold Mine (the "**Mine**"), and a regional exploration land holding. The Mine drilled 397 underground diamond drill holes during the financial year totalling 58,500 metres. The main areas of focus were in the Llanberris, Britannia and Canton compartments. The purpose of this core drilling was to identify geological conditions related to gold mineralisation and to try 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.

The Mine developed 3.77 kilometres of tunnels underground and removed 218,890 tonnes of waste rock in the process. The main areas under development were in the Llanberris, Britannia, Britannia West and Sovereign compartments. 270,314 tonnes of ore were mined from the Mine at an average grade of 5.8g/t.

The Mine processed 270,699 tonnes of gold bearing ore through its gold processing plant, at a grade of 5.9g/t, to produce 41,391 ounces of gold. The development work on extending the capacity of the Mine Tailings Storage Facility has continued throughout FY2017 with finalization of these works occurring in 4Q2017. During 4Q2017 minor project works commenced on the relocation of the ball mill purchased by CGT in FY2016.

CGT also conducted regional exploration during the financial year on some of its exploration tenements distant from the Ballarat Gold Mine. A prioritisation of tenements was conducted during the FY2017 focusing on the capacity to deliver ounces into the Ballarat mineralisation inventory in a time-effective manner. Priority tenement areas identified included Ballarat South, Ballarat Gap and the Exchange and Oregon Lines. The Tarnagulla tenements also remain an attractive target but with a longer lead-in time. The exploration team focused during the year on campaign exploration based on surface geochemistry, historic data compilation and re-interpretation. A review of the tenement portfolio has also been undertaken based on the above-mentioned priorities and the existing budget constraints with a view to maintaining a sustainable tenement package. The Berringa tenement remains under application. The Company is unable to give an estimated date on when the granting of this application could be given, as the application, review and granting of an exploration or retention license is long process that is dependent on a number of variables such as the number of applicants, complexity of the application and importance of the area to the relevant authorities.

CGT has capitalised exploration and evaluation expenditure of S$1.3 million and for capital development of S$7.3 million, and expensed S$0.7 million incurred in the ordinary course of these regional exploration activities.

There was no mining related activities that were undertaken by the remaining subsidiaries of the Group in FY2017.

ii) Rule 705 (7)(b) of the Catalist Listing Manual

Update on its reserves and resources, where applicable, in accordance with the requirements as set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

The Company is still in the process of preparing the qualify person's report at this juncture and will provide updates and a summary of reserves and resources as set out in Appendix 7D of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Listing Manual**") in its annual report for the financial year ended 31 March 2017 or earlier, as and when it is ready.

With reference to the Company's announcement made on 7 March 2014, the Company has obtained a waiver with respect to the requirement to include a Qualified Person's Report ("**QPR**") in its annual report pursuant to Rule 1207(21)(a) of the listing manual of the SGX-ST. However, soft copies of the QPRs will be disseminated on the SGX-ST's website by way of announcements to be made by the Company. Shareholders will also be provided with hard copies of the QPRs if they so request in writing to the Company.

BY ORDER OF THE BOARD
Tan Soo Khoon Raymond
Group Chief Executive Officer
30 May 2017

*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 "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

The announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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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