Issuer: LionGold Corp Ltd
Security: LionGold Corp Ltd

Meeting details:
Date: 28 July 2017
Time: 11.00 a.m.
Venue: Level 3, Meeting Room 310, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593

Company Description
LionGold Corp Ltd, an investment holding company, engages in the exploration and mining of gold projects. Its primary concessions are located in Australia and Ghana. The company was formerly known as The Think Environmental Company Limited and changed its name to LionGold Corp Ltd. LionGold Corp Ltd was incorporated in 2004 and is based in Singapore.

(Source: http://www.sgx.com/wps/portal/sgxweb/home/company_disclosure/stockfacts?code=A78)

Q1. The group's remaining asset is the producing Ballarat GoldMine and the regional exploration land holding (through its wholly owned subsidiary Castlemaine Goldfields).

In the Corporate Profile (page 1 of the annual report), the group reported that, in accordance with the Joint Ore Reserves Committee ("JORC") Code 2012, its "estimated net attributable ounces as at 31 March 2017 stand at 130,600 ounces of gold resources, with an annual production target of 40,000 ounces of gold."

a) **At the rate that the Ballarat mine is being mined, can management confirm that Ballarat will be exhausted in less than 4 years?**

b) **What are the exploration and evaluation activities planned?**

c) **What is the projected exploration and evaluation expenditure and how is the group going to fund it?**

Q2. As disclosed in Note 19 (page 81 - Discontinued operations and disposal group classified as held for sale), the group lost control over Owere Mines Limited, and its 70% owned subsidiary Mornington Offshore Inc. was struck off from the BVI Registry of Companies with effect from 1 November 2016.

a) **What were the efforts by the board and management to try to extract any value from these two investments before the lost of control/being struck off?**

b) **Who are the directors on the board of Signature Metals Limited and on Mornington?**

c) **How did the group allow Mornington to be struck off with effect from 1 November 2016 and only to be informed of it on 19 December 2016?**

Q3. In Note 28 (page 92 – Convertible bonds), the company has outstanding Redeemable Convertible Bonds (RCBs) that are "convertible into shares of the Company at the holder's option at the share conversion price valued at 85% of the average of the traded volume weighted average price per share of the Company for any 3 consecutive market days".

The company has also made announcements on SGX as and when the subscriber of the bonds exercises its right to convert the RCBs into "Conversion shares". One such conversion that happened in January 2017 is shown below.

The Conversion Price of S$0.00085 was determined by taking 85% of the average of the traded volume weighted average price per Share for any three (3) consecutive Trading Days determined at the sole and absolute discretion of the Bondholder, during the 30 Trading Days immediately preceding the relevant Conversion Date, being 24 January 2017. The three (3) consecutive Trading Days and their average of the traded volume weighted average price per Share are as follows:

Date	Volume Weighted Average Price
22 December 2016	S$0.0010 ("X")
27 December 2016	S$0.0010 ("Y")
28 December 2016	S$0.0010 ("Z")

As such, the Conversion Price is determined by the following calculation:

$$\text{Conversion Price} = \frac{X + Y + Z}{3} \times 0.85 = S\$0.00085$$

(Source: Company announcement dated 24 January 2017)

Also, as announced on SGX on 25 January 2017, the subscriber promptly disposed of 160,000,000 shares on 24 January 2017 via market transaction, the same day as their subscription.

a) Has the board deliberated and considered the dilutive impact of the redemption convertible bonds to the existing shareholders?

b) To prevent the dilutive impact of any conversion, can the board agree to not issue any new RCBs with a floating conversion price (with discount)?

c) Has the board and management deliberate on other sources of funding that would not cause severe dilution to the existing shareholders?