



ABN 86 106 293 190

8 February 2012

Company Announcements Office
Australian Securities Exchange Limited

Via e-lodgement

LIONGOLD ANNOUNCEMENT

The Company brings to the attention of shareholders the announcement by LionGold lodged on the Singapore Stock Exchange.

Yours faithfully

Bill Oliver
Managing Director
SIGNATURE METALS LIMITED

LIONGOLD CORP LTD
COMPANY ANNOUNCEMENT
PROFIT GUIDANCE

The Board of Directors ("**Board**") of LionGold Corp Limited ("**Company**") together with its subsidiaries and associated companies (collectively the "**Group**") wishes to issue a profit warning regarding the financial results of the Group for the third quarter ended 31 December 2011. The Group will suffer substantial increased losses from the second quarter ended 30 September 2011.

The main factors for the substantial increased losses are:

1. impairment of goodwill attributable to the Company's investment in 70% of Mornington Offshore Inc ("**MOI**") and MOI's investment in its 100% subsidiary, Emas Mali SA;
2. additional exploration costs and expenses attributable to the Company's gold mining exploration activities in Mali;
3. provision (one-time) of the amount due to The Chinese Society for Environmental Sciences; and
4. fees and expenses incurred by the Company in the arbitration proceedings with The Chinese Society for Environmental Sciences and the Company's proposed acquisition of all the issued shares of Signature Metals Limited.

The profit warning is based on a preliminary review of the unaudited financial results of the Group. Further details of the Group's financial performance will be disclosed when it finalises and announces its unaudited financial year results for the third quarter ended 31 December 2011 on or before 14 February 2012.

In the meantime, the Board advises Shareholders to exercise caution when dealing in the shares of the Company. If in doubt, Shareholders should consult their professional advisers.

By Order of the Board

Wong Choy Yin
Executive Director
LionGold Corp Ltd

7 February 2012