

Asset Acquisitions and Disposals::PRESS RELEASE

Issuer & Securities

Issuer/ Manager	DRAGON GROUP INTL LIMITED
Securities	DRAGON GROUP INTL LIMITED - SG2C50963991 - MT1
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Announcement Details

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Submitted By (Co./ Ind. Name)	DATO' MICHAEL LOH SOON GNEE
Designation	EXECUTIVE CHAIRMAN & CEO
Description (Please provide a detailed description of the event in the box below)	PLEASE SEE ATTACHED FILE.

Attachments	DGI_Press Release - Proposed Acquisition of Coeur Gold Armenia Ltd.pdf Total size =360K
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DRAGON GROUP INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199306761C)

Dragon Group continues road to expansion, to acquire gold mining assets for S\$500.0 million

- **Proposed Acquisition of Coeur Gold Armenia Limited in line with Group's strategy to diversify its business**
- **Proposed Acquisition to be paid through issuance of new Consideration Shares at S\$0.20 per share**
- **Prospects for gold industry robust as production likely to plateau and demand expected to rise**

Singapore, October 19, 2017 - Dragon Group International Limited (“**Dragon Group**” or “**DGI**”), an SGX Mainboard-listed company principally engaged in the distribution of electronic components and test consumables, supply of semiconductor equipment, materials and tooling, and development of battery and storage solutions, announced today a Proposed Acquisition to acquire 100% of precious metal mining company, Coeur Gold Armenia Limited (the “**Target Group**” or “**CGA**”), for approximately S\$500.0 million.

According to the term sheet, Dragon Group will acquire the entire issued and paid-up share capital of the Target Group for an aggregate consideration of S\$500.0 million comprising a cash consideration of S\$200,000 as a deposit and 2,499,000,000 new Consideration Shares at an Issue Price S\$0.20 per share. This amounts to approximately 88% of the enlarged share capital of DGI upon completion.

Incorporated in 2011, CGA is in the business of gold, silver, and copper mining and is based in Seychelles, Africa. The Target Group holds controlling stakes in both Vayk Gold and Vardani Zartong, which in turn own mining exploration rights in Azatek Mine and Sofi Bina Mine respectively, both of which are located within Armenia.

Armenia’s exports amounted to US\$198.1 million in August 2017, hitting an all-time high.¹ Main sectors which led to this growth in economic activity came from mining, reprocessing and trade. Globally, the outlook for gold prices improved coming into the second half of 2017 as a result of rising political uncertainty, expected gold supply peaking and increasing demand from emerging markets.²



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On the acquisition, DATO' Michael Loh Soon Gnee, Executive Chairman & CEO of Dragon Group, commented, *“The Proposed Acquisition of CGA brings us a step further in our plans to diversify the Group’s revenue and business. With the expected demand of gold to increase in the future, coupled with the reality that, based on known mineable reserves, global gold production may be at its peak, this acquisition opens a gateway for DGI to enter a market which could see very favourable circumstances in the medium term.*

With increased demand from countries such as India and China and from the increase of technology features which use gold such as chip sets in mobile phones, this is a rare opportunity to acquire these exceptional assets.”

Mr. George Howard Richmond, CEO of CGA added, *“This is an attractive offer from DGI, given the valuable underlying assets and high growth potential businesses of DGI. We have full confidence in the business acumen of DGI Chairman and CEO, DATO' Michael Loh, and that he will be able to drive CGA’s mining businesses post completion with great success.”*

DGI will update the market as and when there are further developments.

- **The End** -

¹<https://tradingeconomics.com/armenia/exports>

²<http://marketrealist.com/2017/07/analysts-bullish-regarding-second-half-outlook-gold-prices/>

About Dragon Group International Limited (SGX:MT1)

Founded in 1990, Dragon Group International Limited (“Dragon Group” or “DGI”) debuted on the Singapore Exchange-SESDAQ in September 1994. It subsequently progressed onto the Mainboard of the Singapore Exchange in September 1998. In June 2006, Dragon Group became a subsidiary of ASTI Holdings Limited (“ASTI”), one of the world’s leading semiconductor equipment and manufacturing services providers.

The Group’s three principal business activities comprises distribution of electronic components and test consumables undertaken by Spire Technologies Pte Ltd; supply of semiconductor equipment, materials and tooling, undertaken by Dragon Equipment and Materials Technology Limited; and Nanjing Dragon Treasure Boat Development Co., Ltd., a subsidiary that is involved in the construction of the Dragon Treasure Boat. This project is a joint venture with the Gulou District Government of Nanjing. The Dragon Treasure Boat is a replica of Admiral Zhenghe’s treasure boat that sailed across the world in the Ming Dynasty. The Group also engaged in the development of battery and storage solutions through EoCell.



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Headquartered in Singapore, Dragon Group has subsidiaries and representative offices across China, Hong Kong, and Taiwan, and a research and development centre in Silicon Valley, California, USA.

For more information, please visit DGI's website at www.dragongp.com.

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