

LION SELECTION GROUP

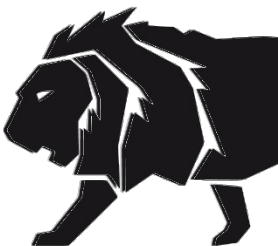
Mining Investment Company

November 2018



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Mining Investment Company

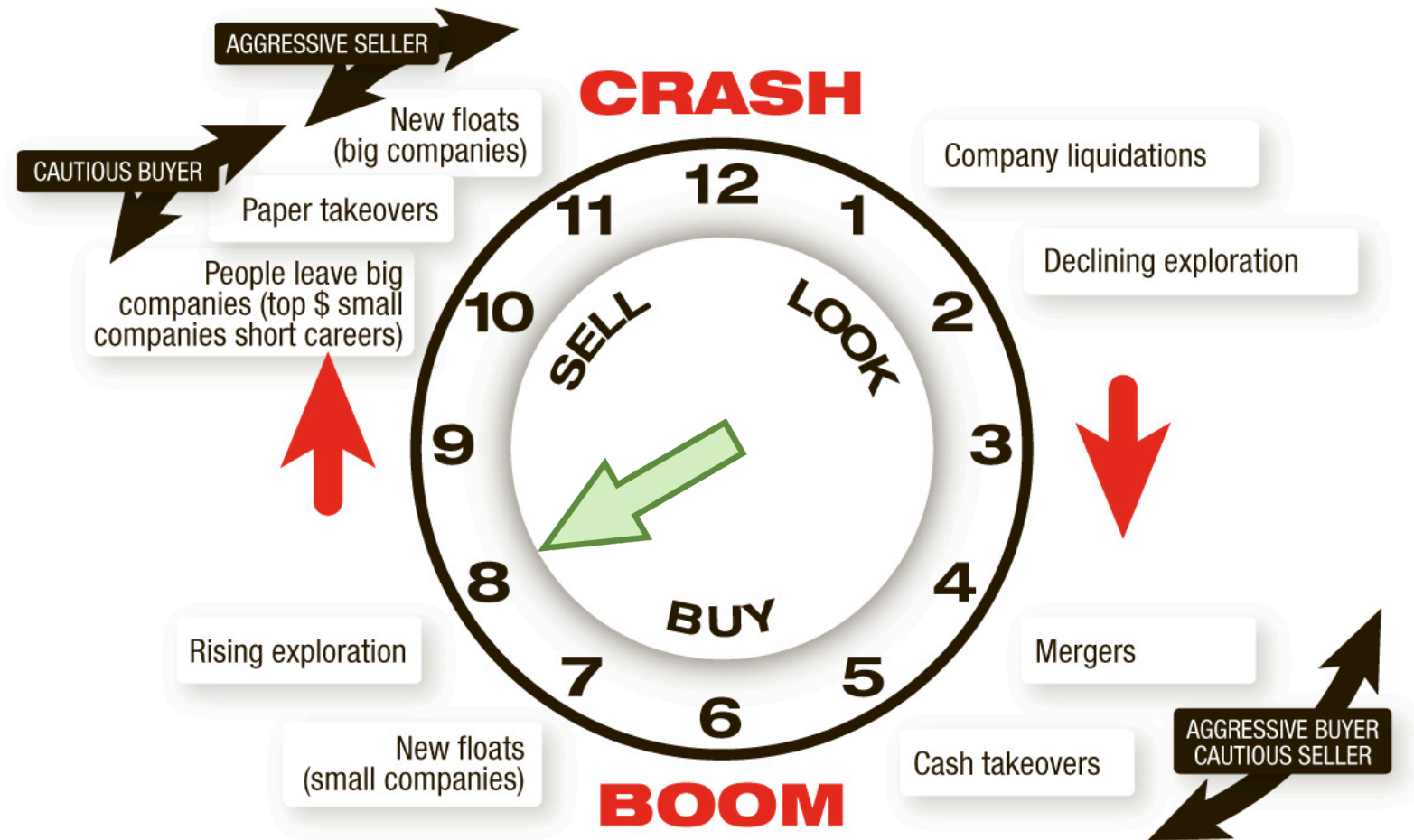
BUILDING EMERGING MINERS

NTA October 2018	% held	A\$ million	cps
Pani JV	33.3	39.3	26.2
<ul style="list-style-type: none">Fair value for Pani based on Merdeka's acquisition of 66.7% interest in the Pani JV from Lion's former JV partner in November 2018.			
Nusantara Resources	31.7	7.9	5.3
Roxgold	1.6	5.3	3.5
EganStreet Resources	16.2	4.1	2.7
Erdene Resources	5.2	2.1	1.4
Other		4.8	3.2
<ul style="list-style-type: none">Portfolio holdings measured at fair valueIncludes investments held directly by Lion and the value to Lion of investments held by African Lion			
Net cash		0.9	0.6
Total NTA		A\$64.4m	43cps

- Lion Selection Group: listed mining investment company, founded 1997
- Target investment pre-development
- 21 year track record: 7.3%pa TSR
- Portfolio approach: from time to time, choosing specific assets for investment focus



Lion Performance



- All historic cycles have exhibited similar characteristic evolutions
- Driven by liquidity and sentiment
- Equity prices react, but a poor indicator



Pani

World Class Gold Opportunity

Indonesia:

- *World class gold jurisdiction*

Pani Gold Project:

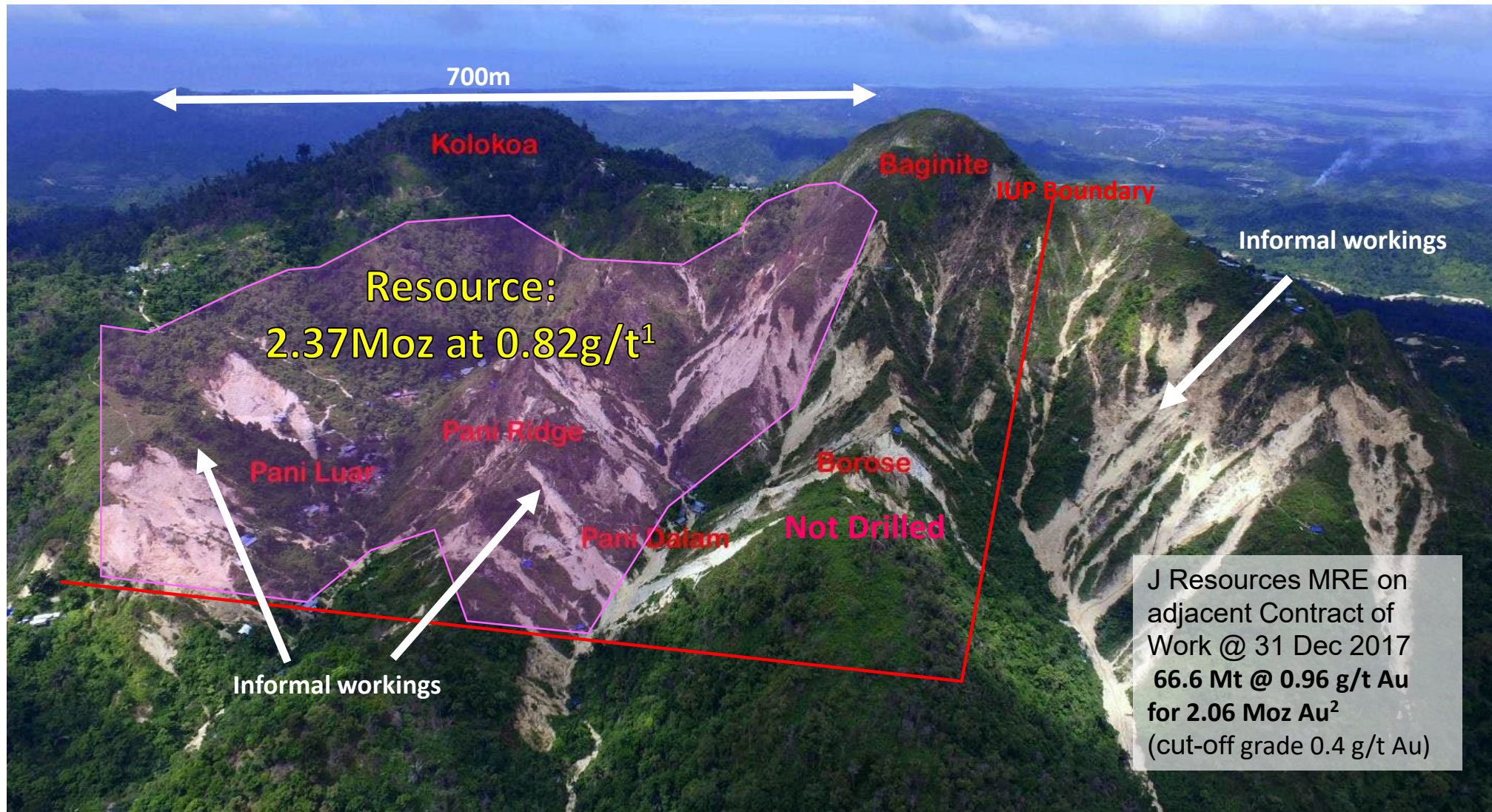
- Thick, low strip and leachable
- Multi-million ounce project
- Resource is open, hallmarks of a large system
- First class Indonesian development partner



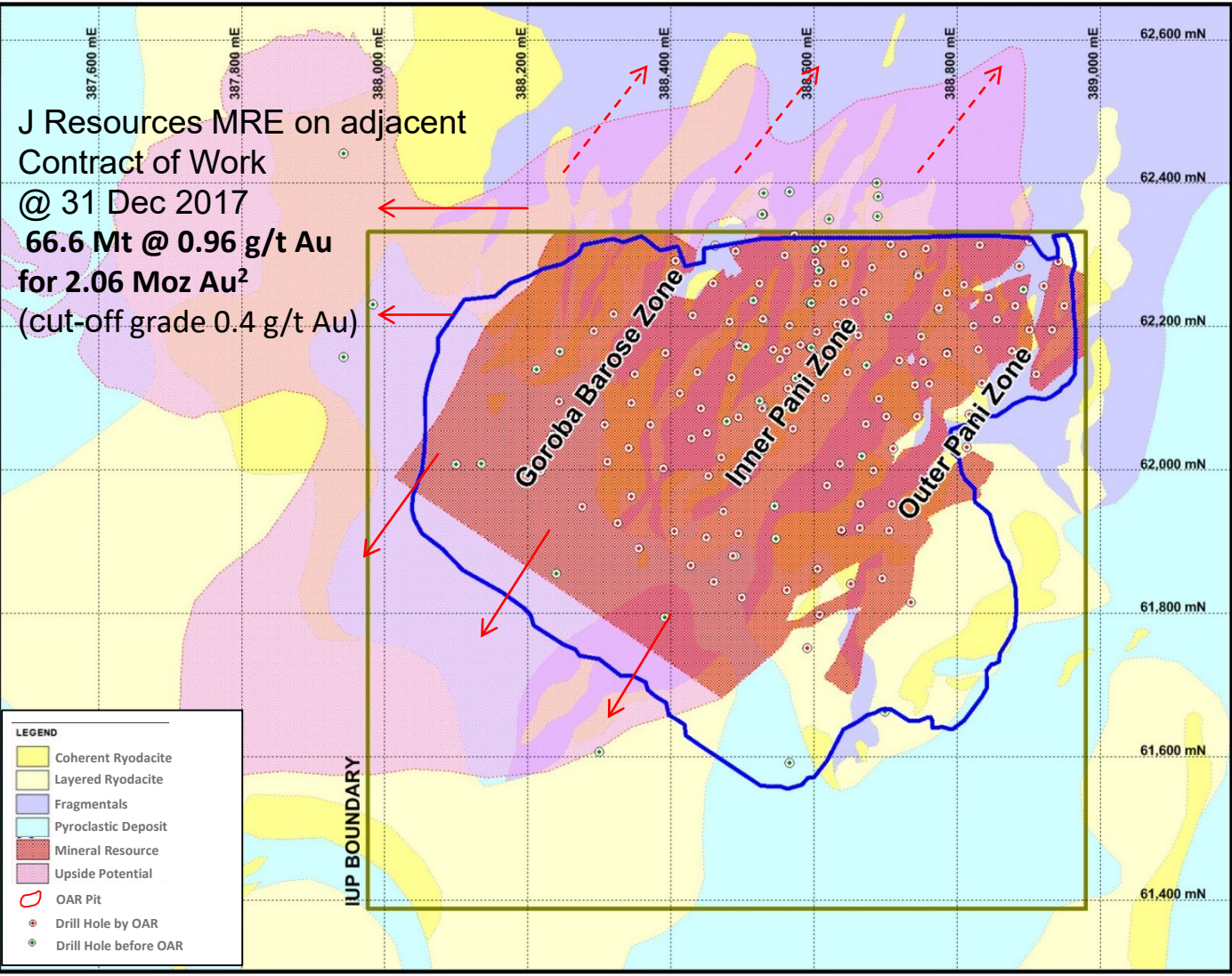
The Pani JV is owned 33.3% Lion, 66.6% Merdeka
No future sell down requirements



1. Thick, low strip, leachable



2. Multi-million ounces




Mineral Resource Estimate: 2.37Moz @ 0.82g/t gold¹

■ Outcrops, deeply oxidised

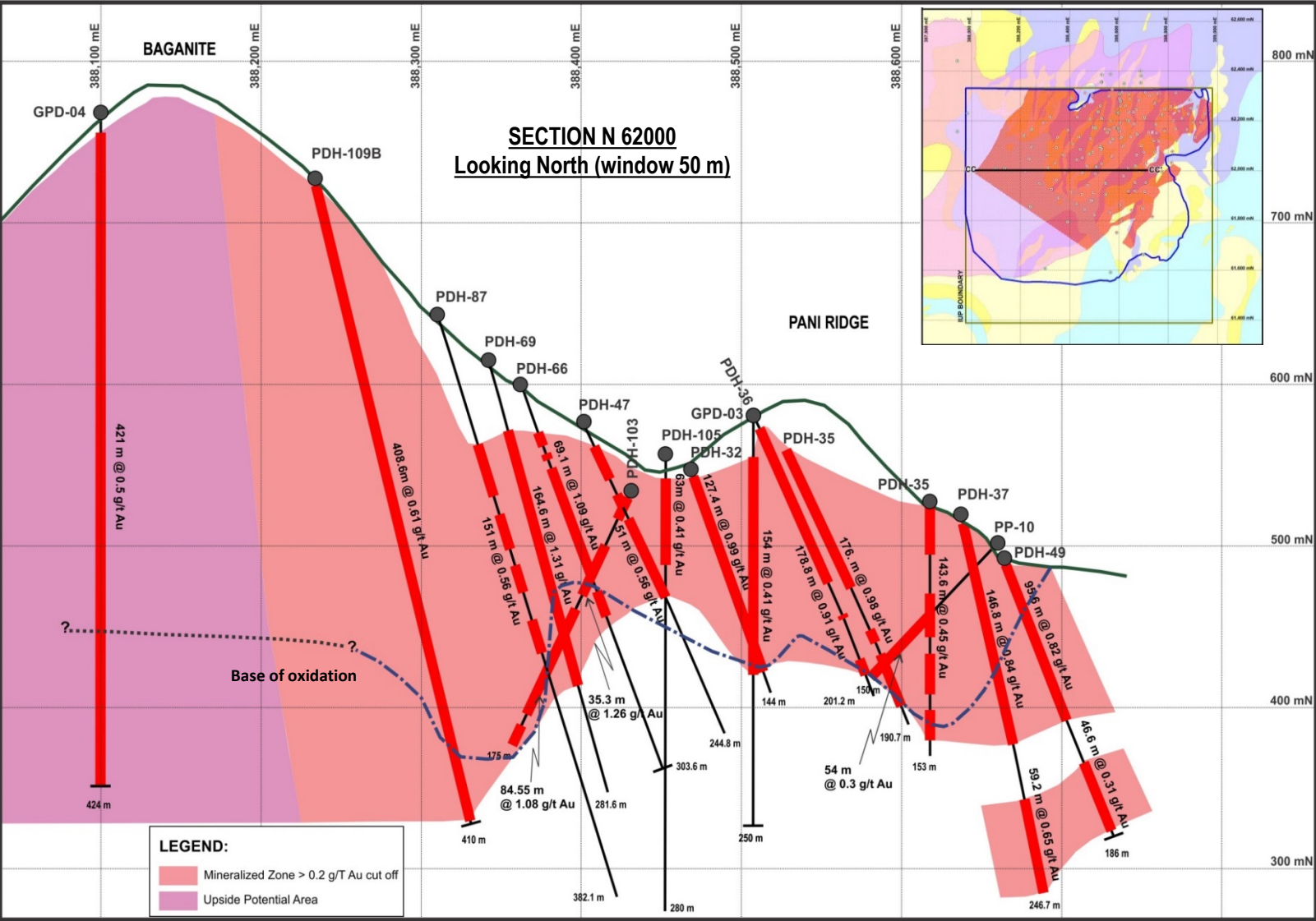
Category	Ore (Mt)	Grade (g/t Au)	Au (million oz)
Measured	10.8	1.13	0.39
Indicated	62.4	0.81	1.63
Inferred	16.2	0.67	0.35
Total	89.50	0.82	2.37

The above resource estimate from SRK Report dated December 2014

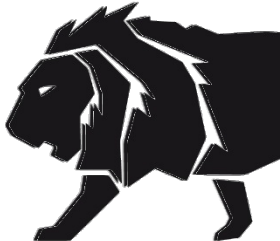
- 137 Diamond Drill holes, 26,000m drilling
- Resource using cut off grade of 0.2 g/t Au



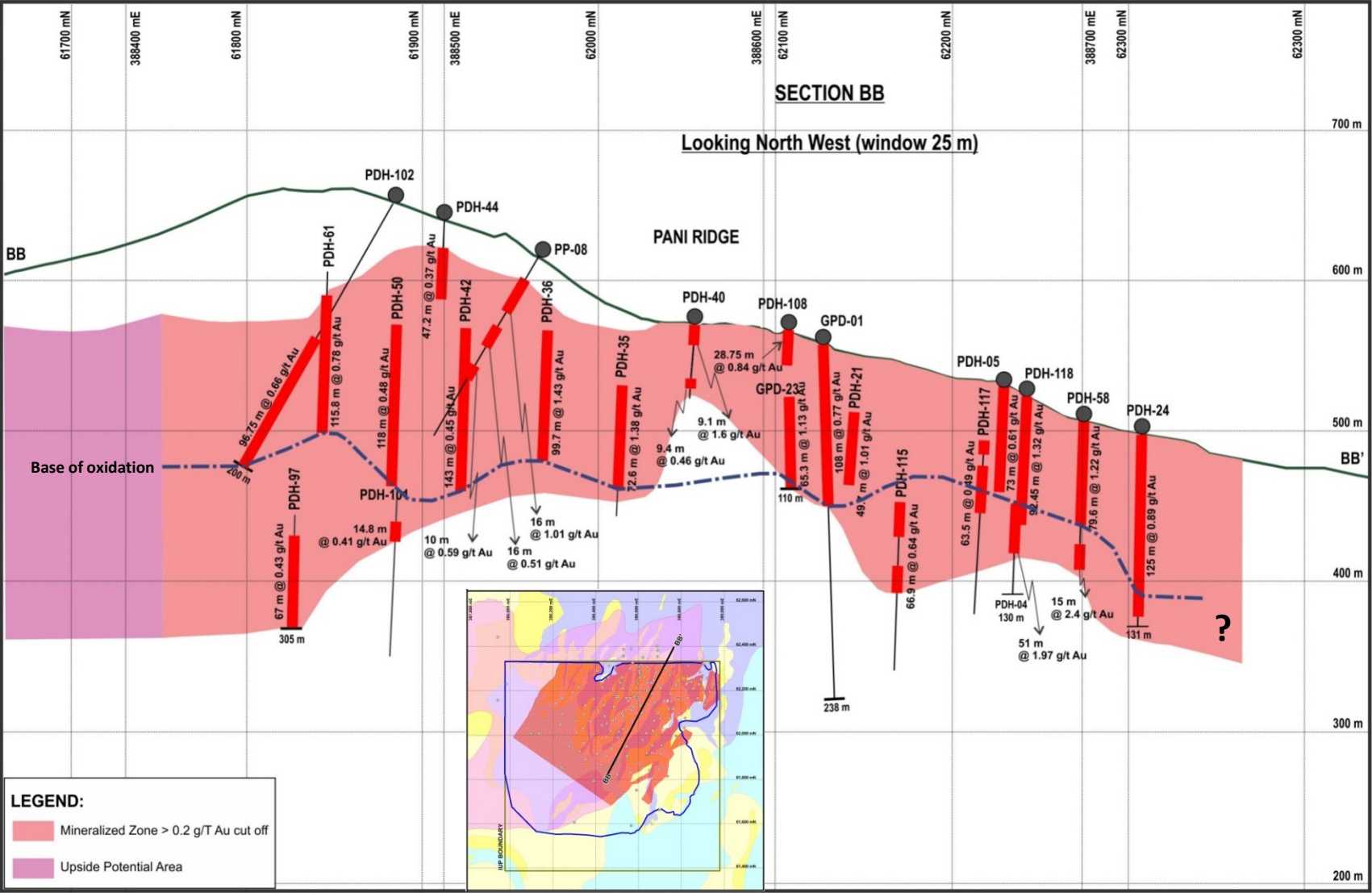
3. Open and prospective...



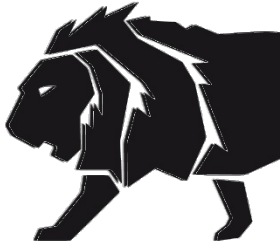
Open
West



...Open and prospective



Open
South



4. Partner of choice

Pani Joint Venture

- 33.3% Lion Selection Group
- 66.6% Merdeka

Leading Indonesian gold mining company: owner and operator of the Tujuh Bukit Heap Leach Gold Mine, with an assessment underway into development of the Tujuh Bukit underground copper and gold mine

- Future Indonesian ownership requirements already met – no sell down requirement

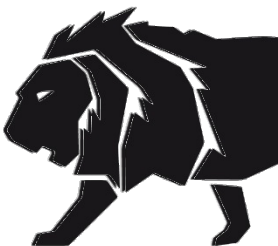
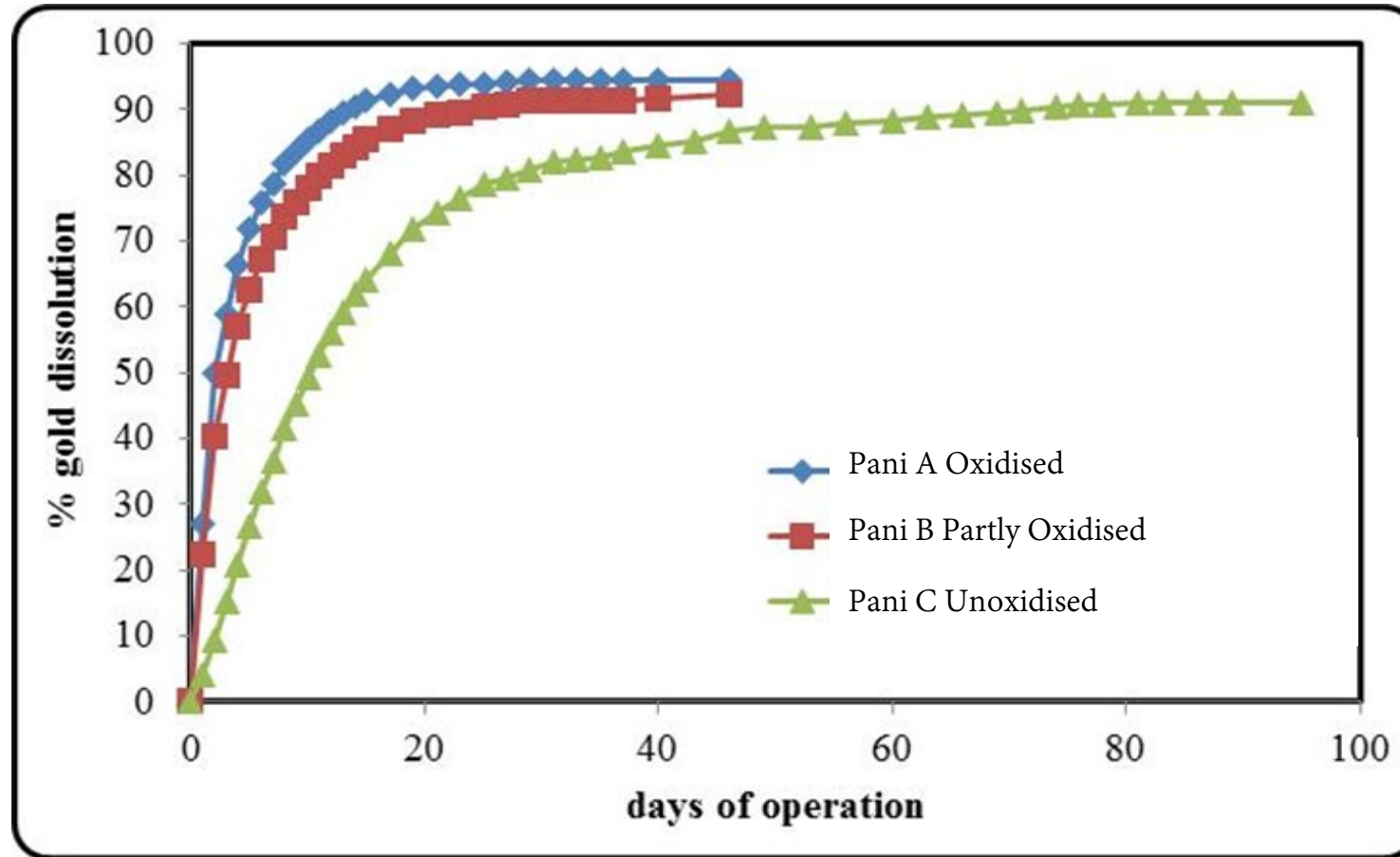
Pani Permitting

- Merdeka: strong history of Indonesian mining project permitting success
- Mining IUP
- Separate, specifically selected license area applied for processing and refining operations
- Connected by access corridor



Metallurgical testwork

Pani column leach test, ½ inch crush size



Pani: de-risking underway

Ownership:

- ✓ Partner 2015
- ✓ Ownership dispute resolved 2017
- ✓ Merdeka becomes partner 2018

Technical

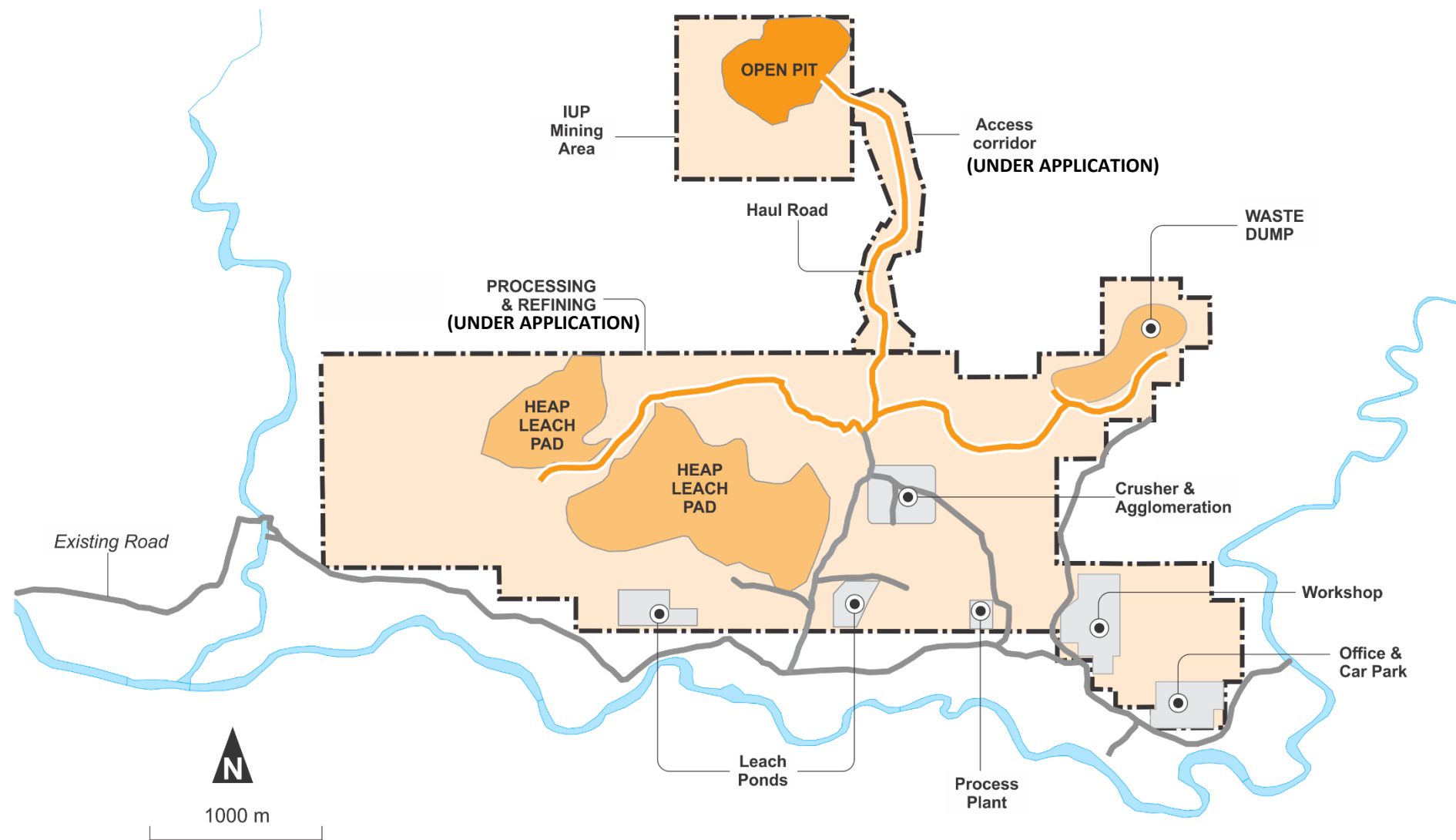
- ✓ Extensive drill hole database: 137 diamond drill holes for 26,017m
- ✓ Initial metallurgical test-work: leaches rapidly, recovers high 90% of metal at ½ inch crush size
- ✓ Re-logging, detailed geological model 2018
- ✓ Re-sampling – quantify effect of free gold
- Resource update
- Drilling: infill / extend / sample for detailed metallurgical test-work
- Detailed metallurgical test-work
- Feasibility Study



Pani Project – View East



Pani Gold Project



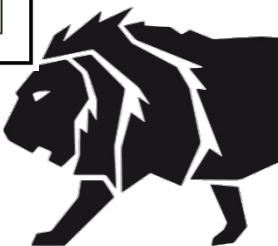
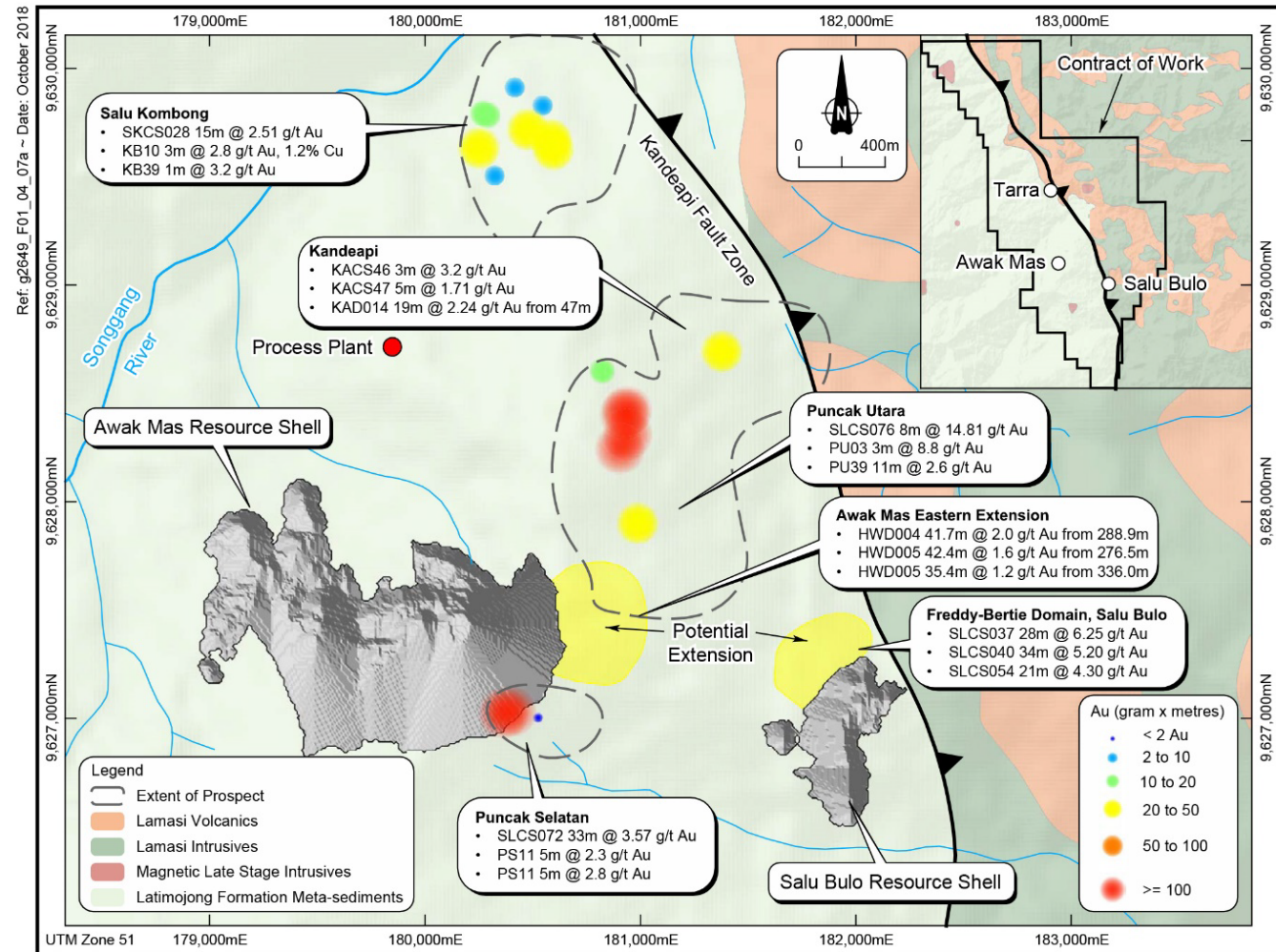
Nusantara (Indonesia, gold)

■ October 2018 DFS³:

- Long life, low cost gold mine
- 1.1 Moz Reserve⁴
- 2.0 Moz Resource⁵
- Upfront Capex US\$146M, AISC US\$758/oz
- NPV_{5%} US\$152M

■ Upside:

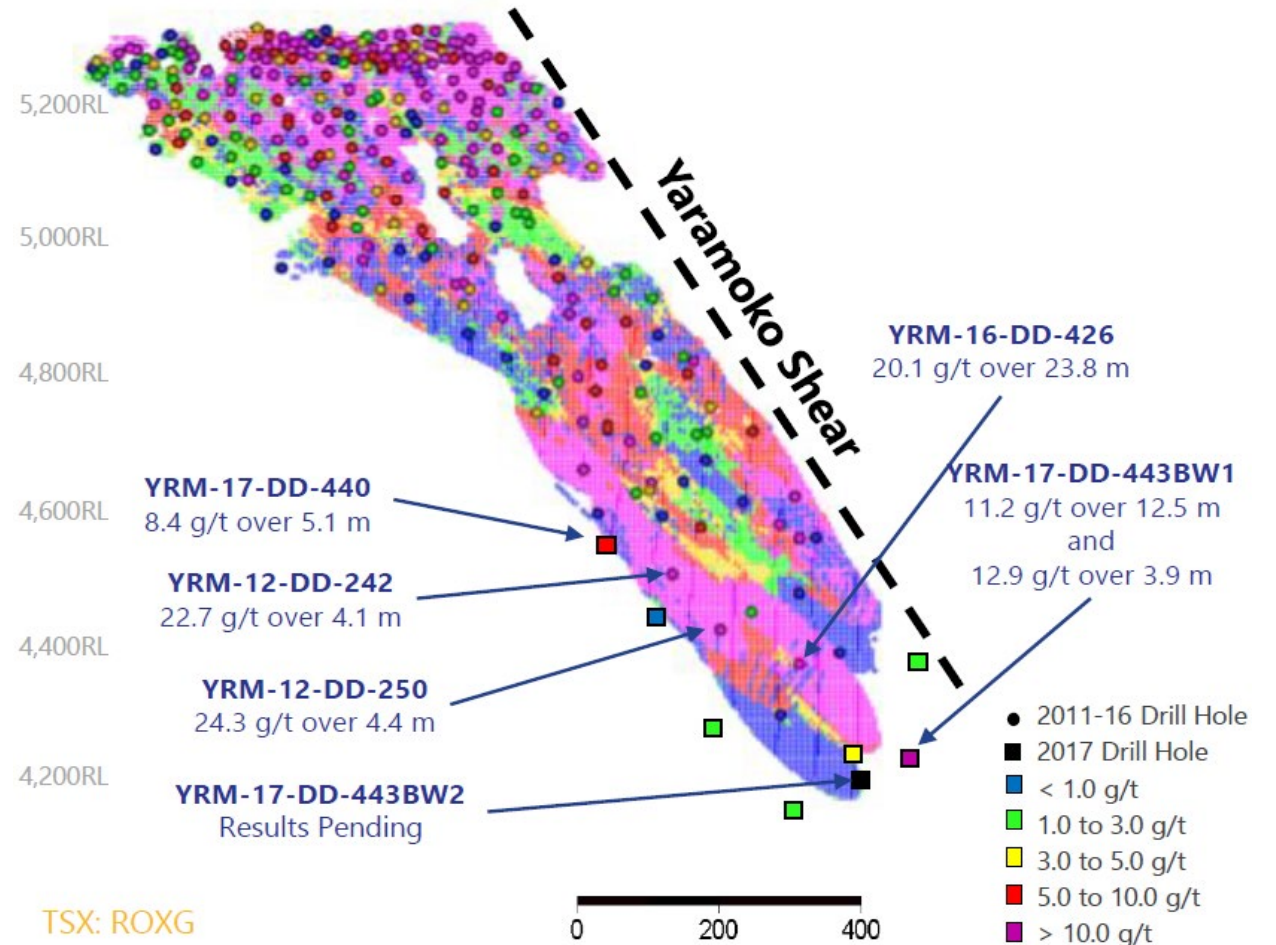
- Infill of higher grade zones
- Extension and regional targets



Roxgold (Burkina Faso, gold)

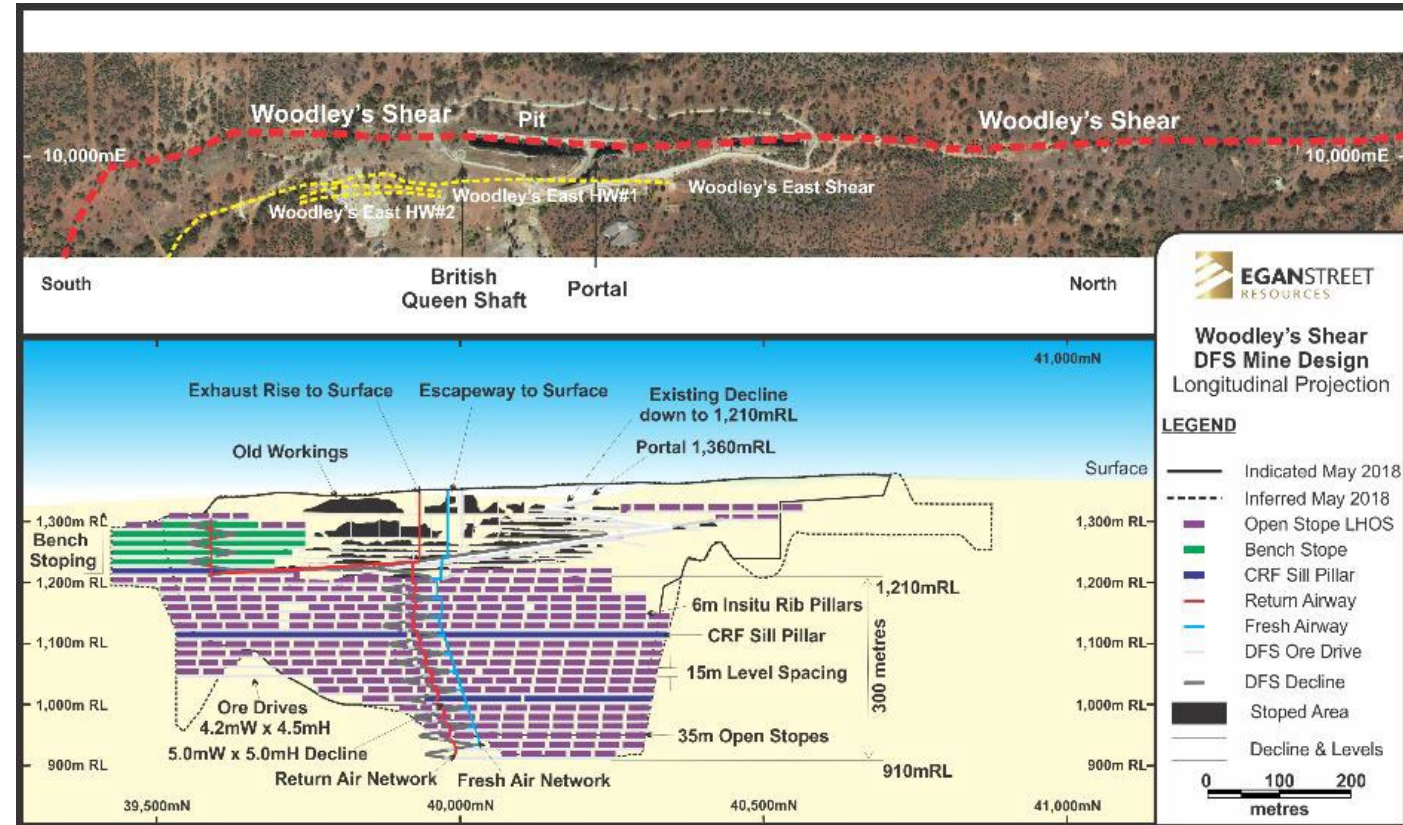
- High grade gold underground mine
- 2017 production: 127K Au oz @ 15.6g/t
- Cash Operating Cost – \$438/oz
- All-in Sustaining Cost – \$740/oz
- Second mine in development
- Exploration ramping up

Zone 55 - 2017 Deep Drilling Program



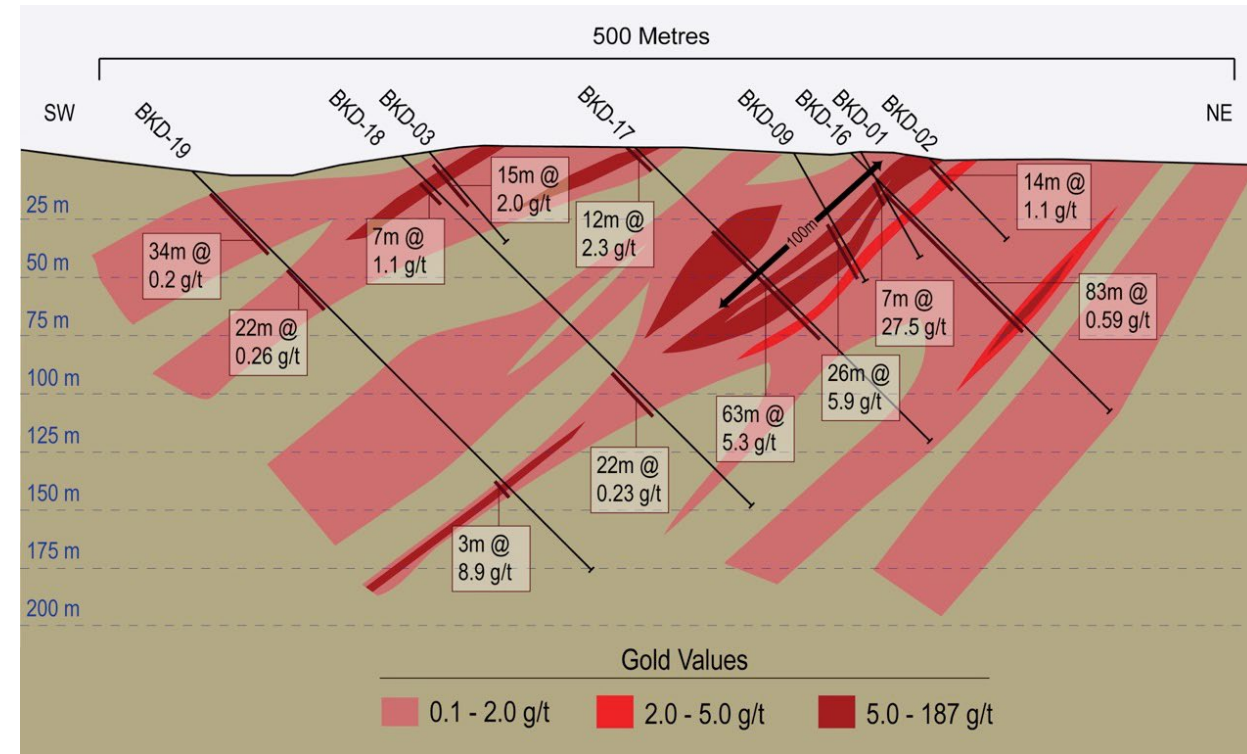
EganStreet Resources (WA, gold)

- High grade gold mine
- Resource: 401koz @ 8.8g/t Au (Indicated 820kt @ 9.3g/t Au and Inferred 600kt @ 8.0g/t Au)⁶
- DFS:⁶ low all-in cost (AISC A\$1,083/oz), low capital (A\$36m), payback 1.5 years
- Pre-tax NPV_{5%} of A\$80m
- Ore mined of 2.1Mt at 4.2g/t Au for 278,000oz of gold⁸
- Unexplored field – abundant discovery upside



Erdene Resource Devt Corp (Mongolia, gold)

- High grade gold discovery
- Resource:
 - 886 Koz AuEq @ 2.7 g/t AuEq, Measured and Indicated; and
 - 382 Koz AuEq @ 2.3 g/t AuEq, Inferred⁹
- Thick, stacked ore zones at / close to surface – low strip, minimal overburden
- Mongolia – primed for new developments, highly prospective geology
- Discovery – project or district ?



Notes

- 1. Refer to One Asia Resources Limited news release 3 December 2014, (<https://www.lionselection.com.au/wp-content/uploads/2018/08/PANI%20JORC%20RESOURCE.pdf>).
- 2. J Resources Reserve and Resources Statement 31 December 2017. [http://www.jresources.com/assets/uploads/home/JRAP_-_2017_-_RR_table_@_20171231_\(Sanjaya\).pdf](http://www.jresources.com/assets/uploads/home/JRAP_-_2017_-_RR_table_@_20171231_(Sanjaya).pdf)

J Resources Group		<i>Cut off grade</i>	<i>0.4 g/t</i>
Resource classification	Tonnes Mt	Grade g/t Au	Metal Koz Au
Measured	13.8	0.95	423
Indicated	38.7	0.91	1,136
Inferred	14.1	1.12	504
Total MRE	66.6	0.96	2,063

- 3. Nusantara ASX Announcement, 4 October 2018, Definitive Feasibility Study Confirms Robust, Long-Life, Low Cost Project
- 4. Nusantara ASX Announcement, 8 May 2018, Indicated Resource grows by a further 0.2 Moz
- 5. Nusantara ASX Announcement, 13 September 2018, Ore Reserve increases by 11% to 1.1. Moz

- 6. Refer to EganStreet Resources announcement “Rothsay Resource Jumps 31% to 401,000 Ounces” dated 14 May 2018
- 7. Refer to EganStreet Resources announcement to ASX 19 July 2018
- 8. Including Inferred Resources
- 9. Refer to Erdene New Releases of 12 September 2018.

Cut-off Grade	Resource Classification	Quantity (Mt)	Grade Au g/t	Gold Koz	Grade AuEq g/t	AuEq Koz
Bayan Khundii is 0.6 g/t gold and Altan Nar is 0.7 g/t AuEq	Measured	1.4	3.6	161	3.6	161
	Indicated	8.7	2.1	590	2.6	725
	Measured & Indicated	10.1	2.3	751	2.7	886
	Inferred	5.2	1.8	291	2.3	382

