

LION SELECTION GROUP

Annual General Meeting

December 2019



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Lion Selection Group

Portfolio Review



Lion Net Tangible Assets

	% held	A\$ million	¢ps	A\$ million	¢ps	
			Nov 2019	Nov 2018		
Pani JV	33.3	39.2	26.1	38.7	25.8	Gold
• 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	23.3	14.1	9.4	6.7	4.5	Gold
EganStreet Resources		<i>Sold</i>		4.2	2.8	Gold
Roxgold		<i>Sold</i>		4.9	3.3	Gold
Erdene Resources	5.7	2.0	1.3	2.0	1.4	Gold
Other		4.1	2.7	4.9	3.3	
• Portfolio holdings measured at fair value • Includes investments held directly by Lion and the value to Lion of investments held by African Lion						
Net cash		17.6	11.7	1.4	0.9	
Total NTA		A\$77.0m	51¢ps	A\$62.8m	42¢ps	

Capital Structure			Substantial Shareholders		M Shares	%
Shares on issue:	150,134,879		R. Widdup		16.16	10.8
Share price:	46¢ps	30 November 2019	Cooper Investors		11.46	7.6
Options on issue:	15,720,958	\$0.50 expiry 12 April 2020	Other: Lion Directors/Management		12.81	8.1

Lion Selection Group (LSX)

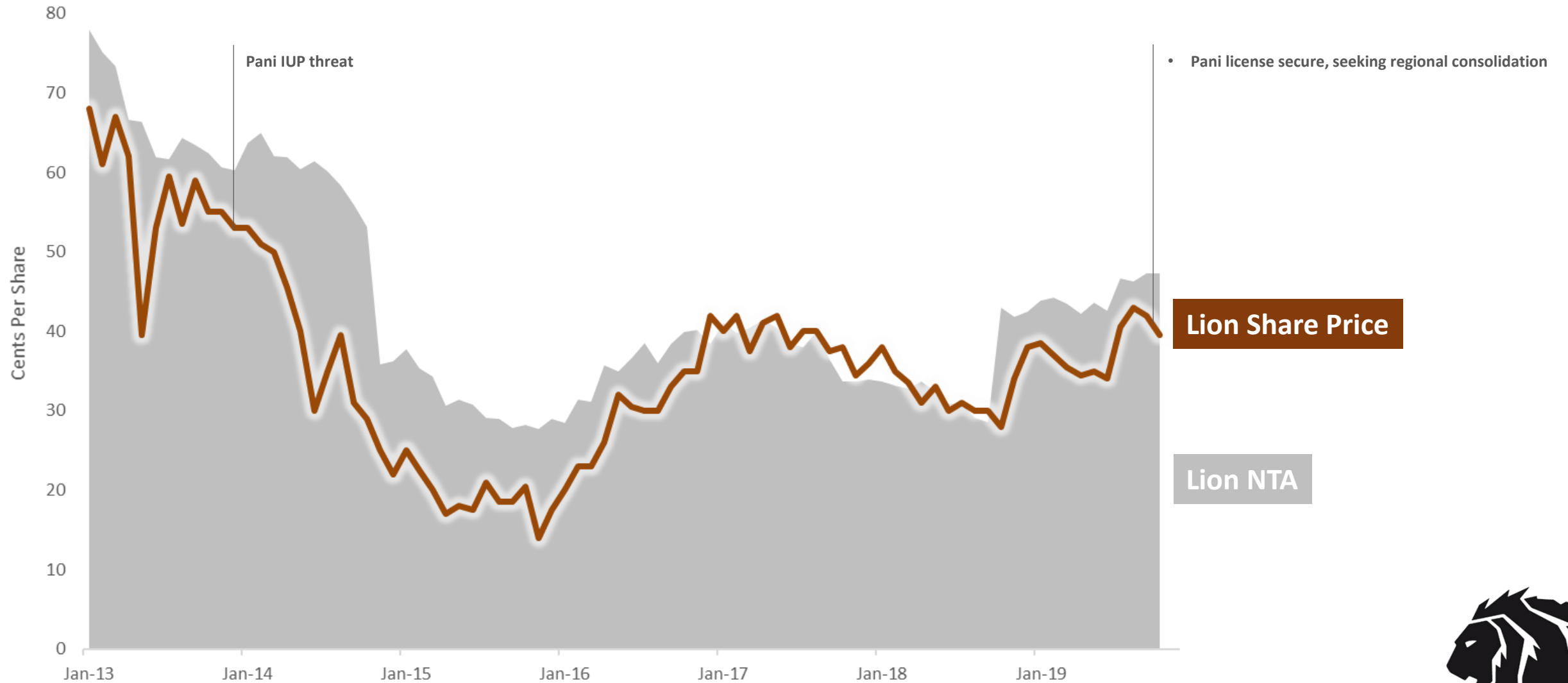
- Founded 1997
- Listed investment company – junior resources
- 8.0% pa TSR since inception (22 years)

Recent highlights

- Roxgold sold
- Toro taken over
- EganStreet taken over



7 year journey...



Two, multi-million ounce gold projects



Pani: Lion 33%

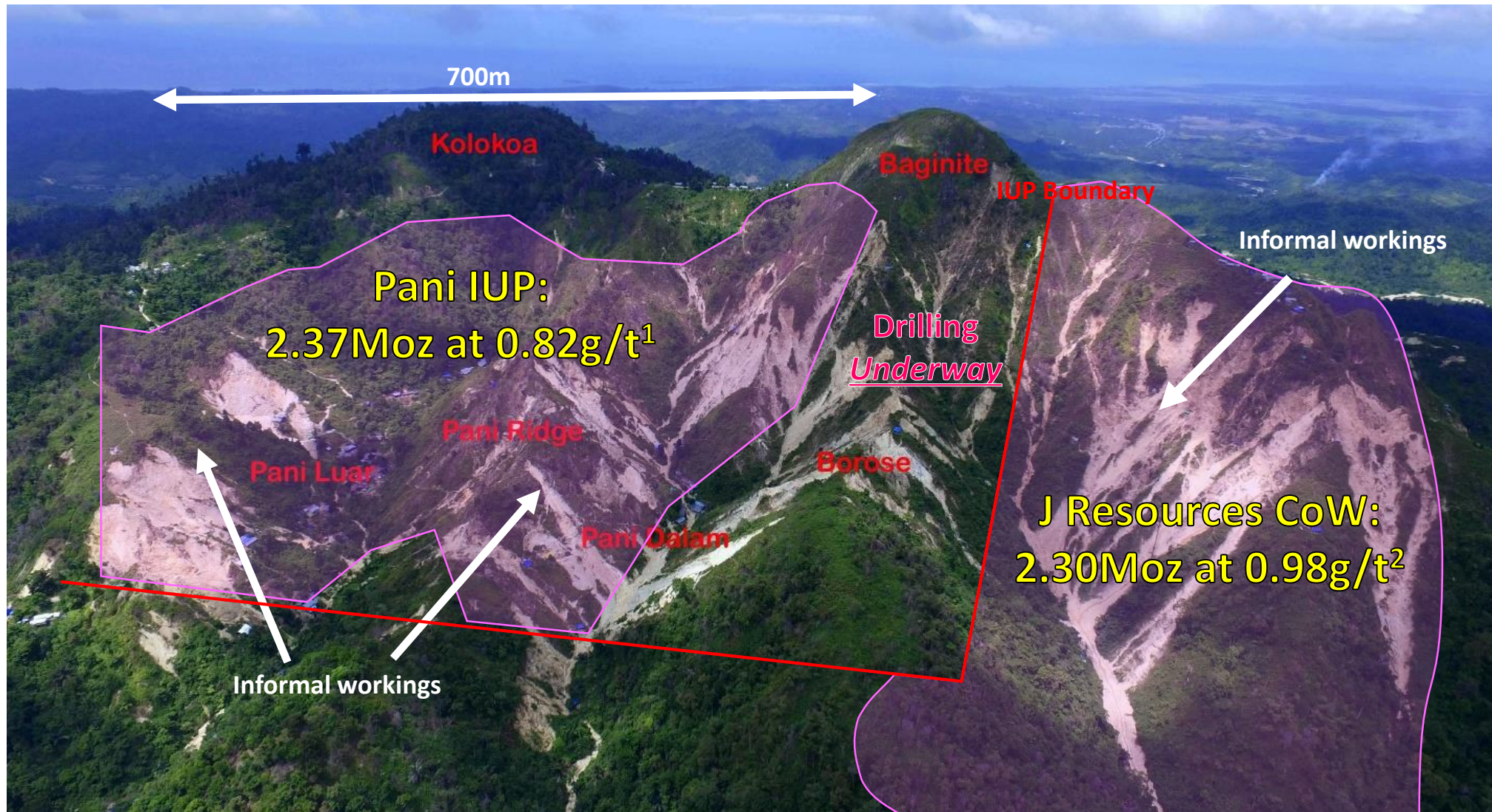
- Targeting unification of region to combine resources and unlock optimal development
- Drilling underway
- Development studies 2020

Nusantara: Lion 23%

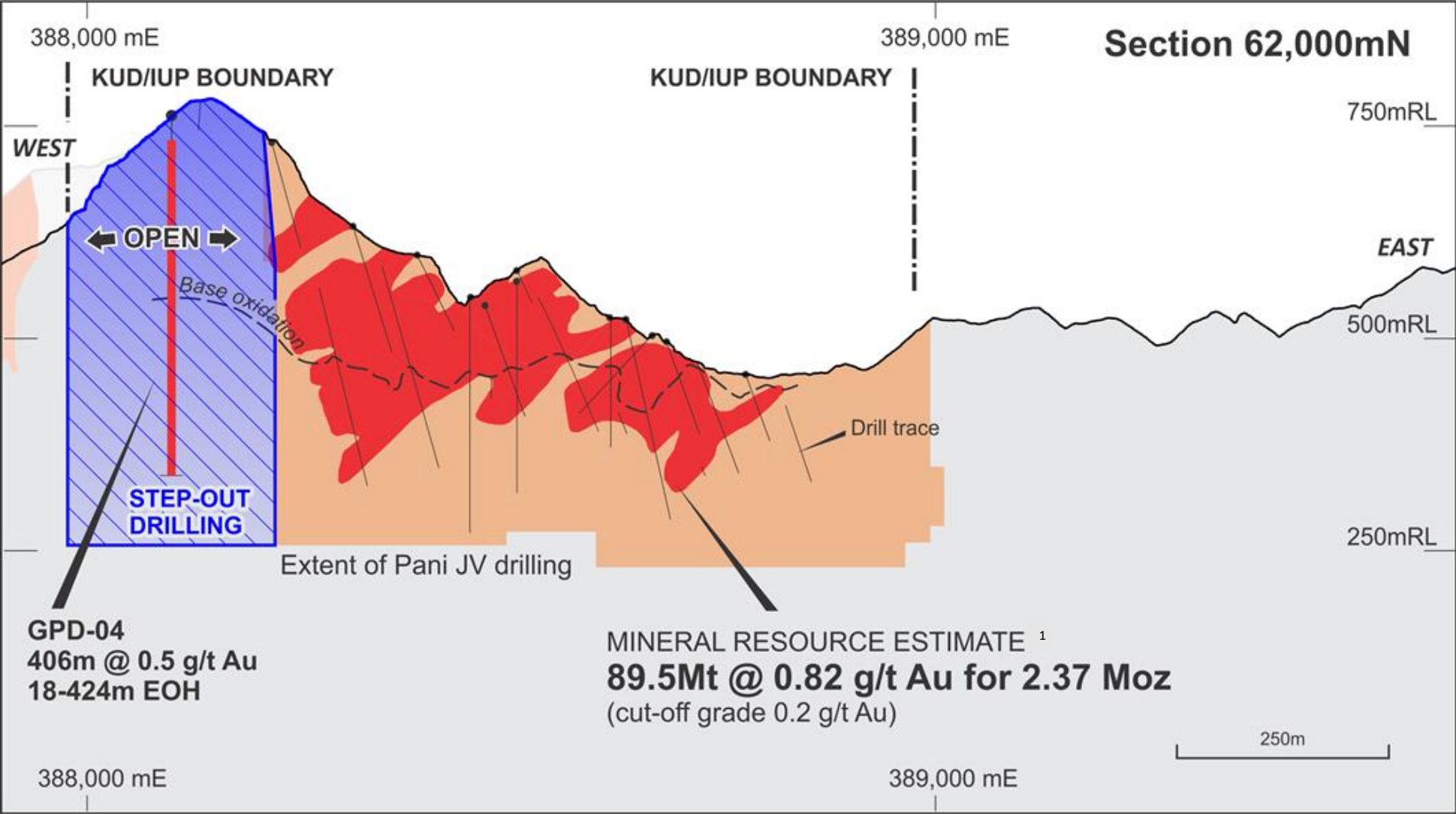
- DFS in place³
- Exploration success: outside Resource / Reserve shells⁵



Pani Looking south

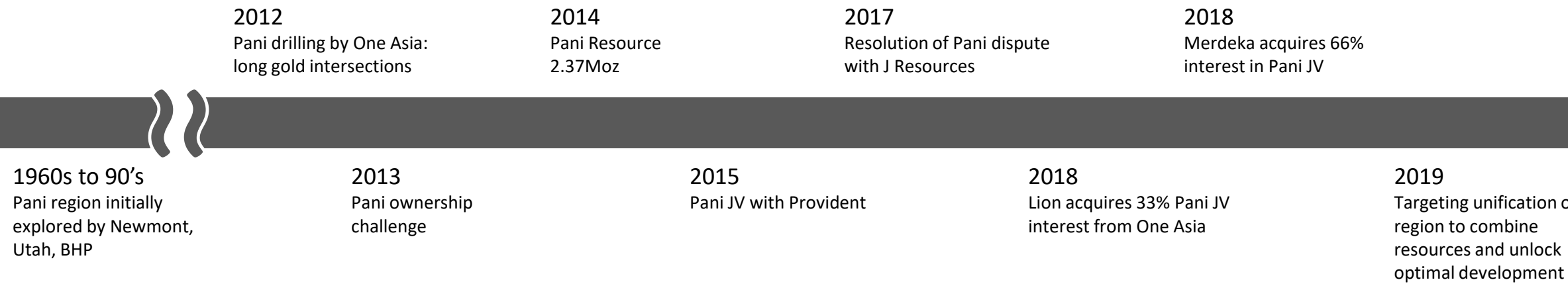


Pani Looking North

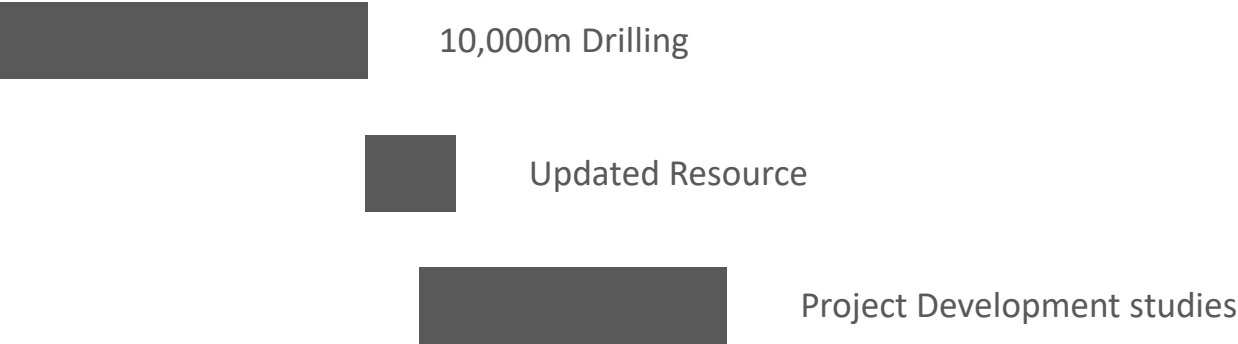


Pani Timeline

History:



Next Steps:



Nusantara

Strategy: *engage with strategic local partner*

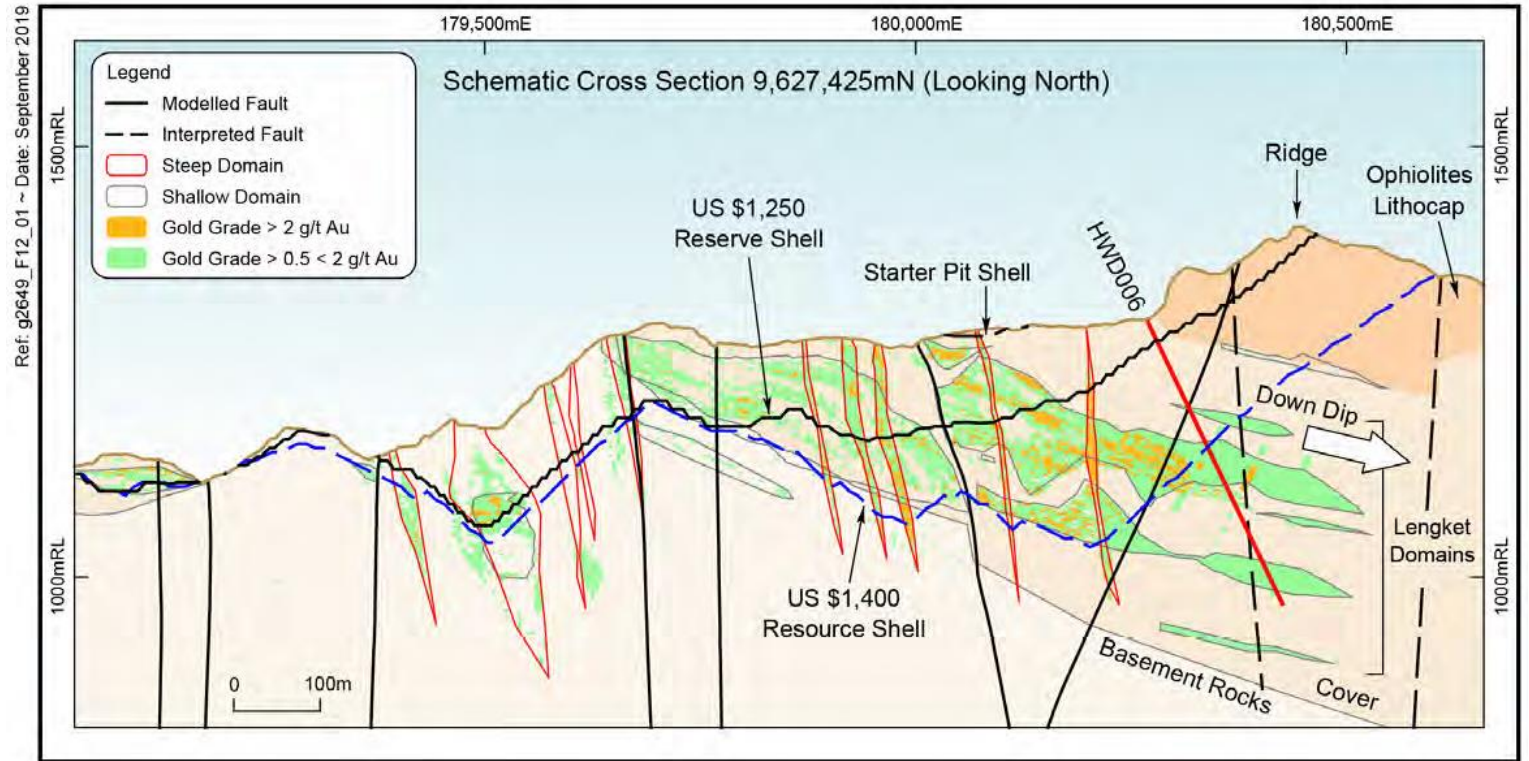
Build It

- 1.1Moz Reserve ⁴
- 100koz pa ³

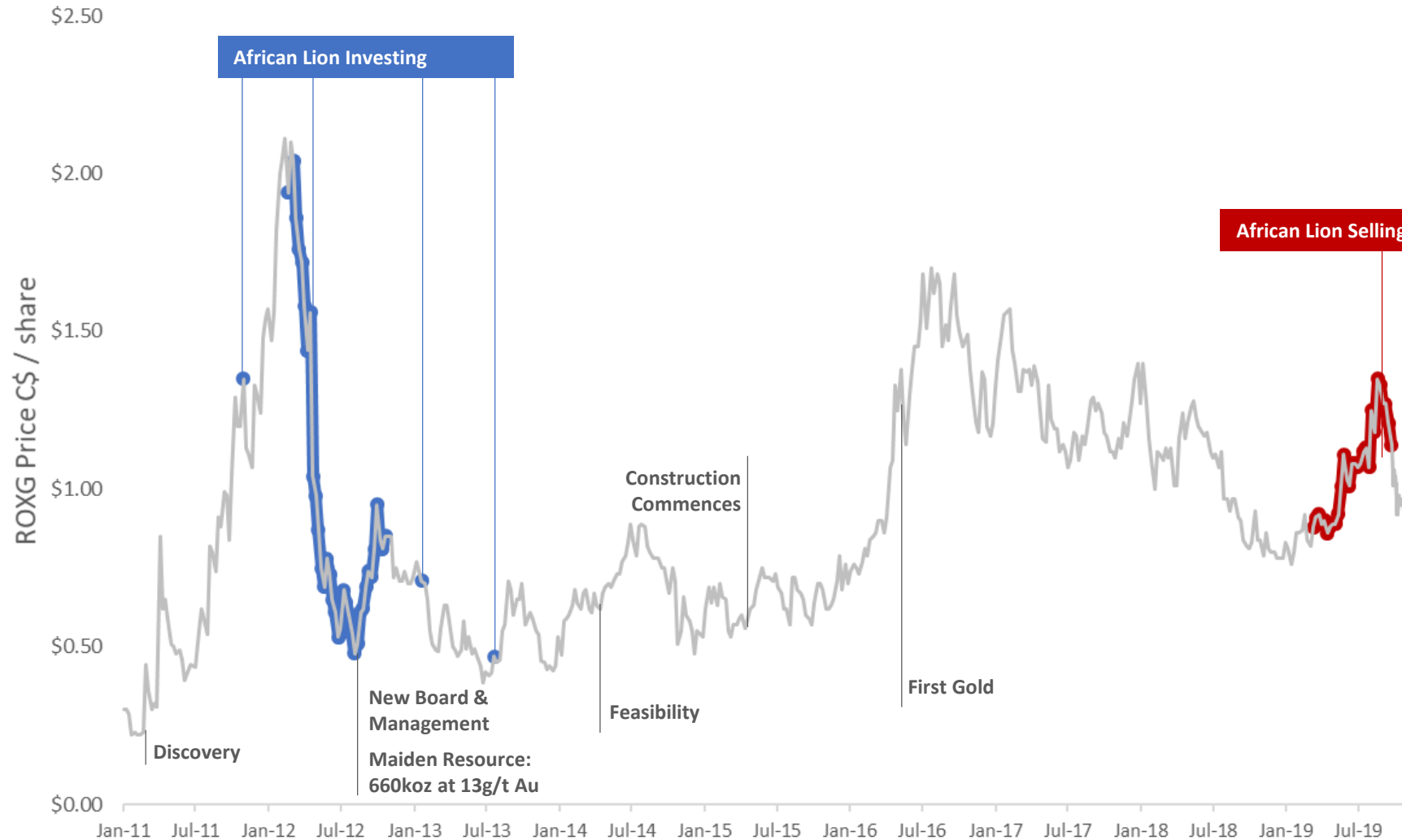
Grow It

- Expand Resource
- Review optionality

Main Pit Expansion Potential⁵



Roxgold – SOLD



Roxgold Resources

High grade gold, Burkina Faso

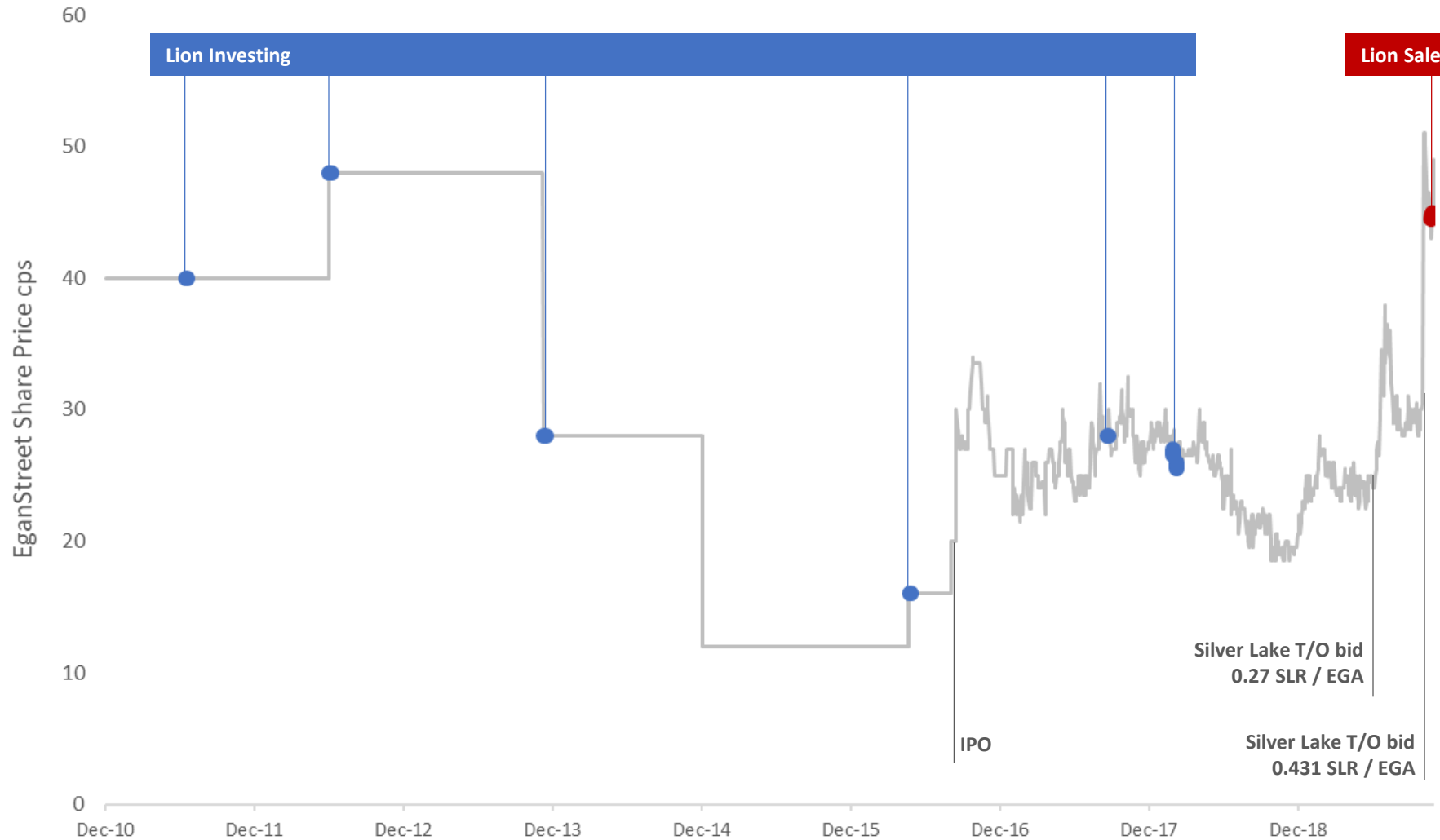
TSXV Listed (ROXG)

Held by African Lion 3 (Lion 23.7%)

- C\$ 16.9m invested
- C\$ 25.3m proceeds
- C\$ 8.5m profit
- (US\$ 4.45m *distribution* to Lion)



EganStreet – SOLD



EganStreet Resources

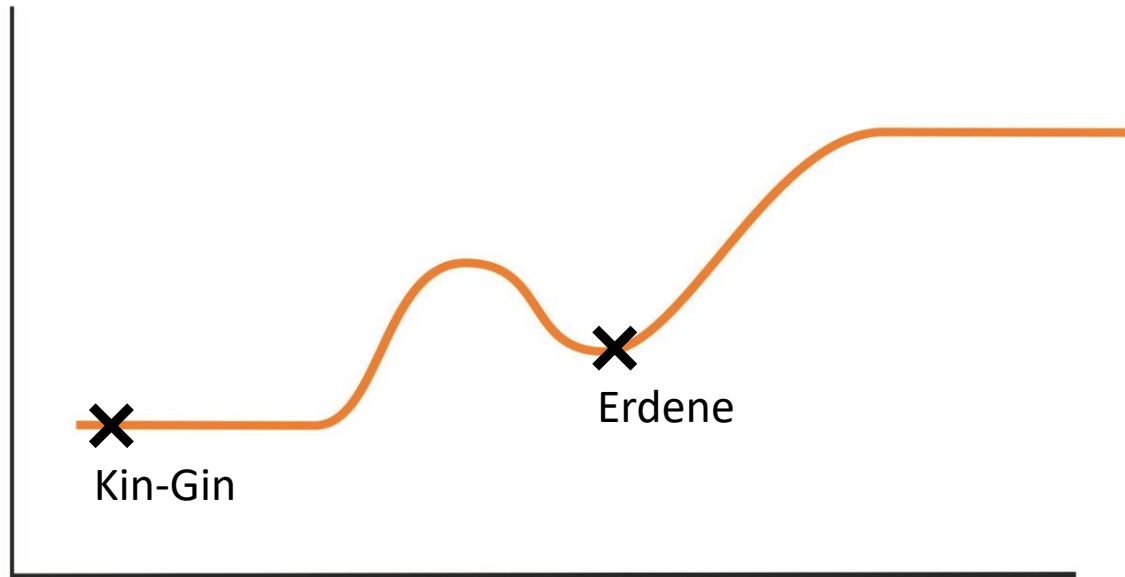
High grade gold, Australia

- A\$ 5.9m invested
- A\$ 9.6m proceeds
- A\$ 3.7m profit
- Incorp as Auricup 2010
- Lion first investment 2011
- Missed the IPO market 2011 & 2012
- New Management 2015
- IPO 2016
- T/O by Silver Lake 2019



Other investments

Gold



Tin

Kasbah, Morocco – Large, development ready tin project

Phosphate

Celamin, Tunisia

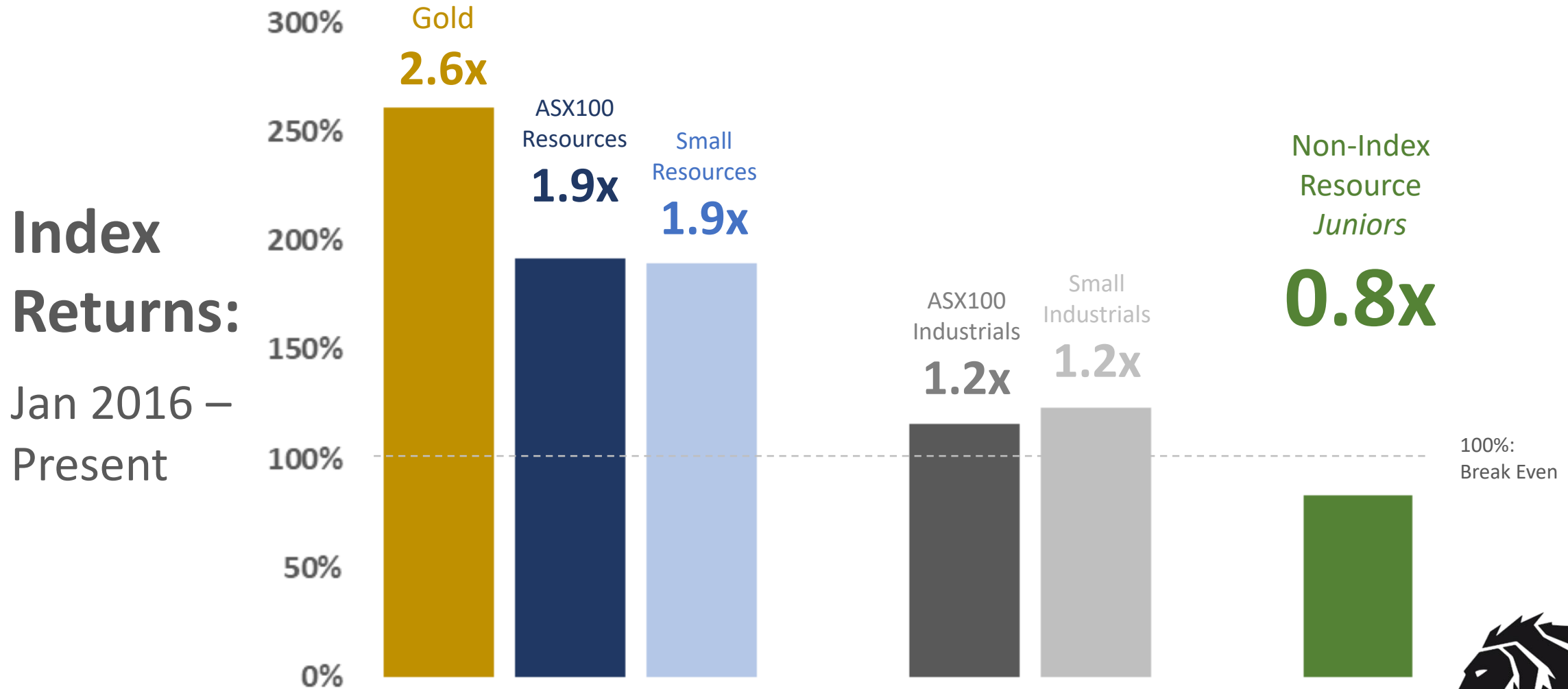
- Ownership dispute 2015
- Won international arbitration November 2017
- Local Partner March 2019
- Arbitration decision enforced in Tunis April 2019



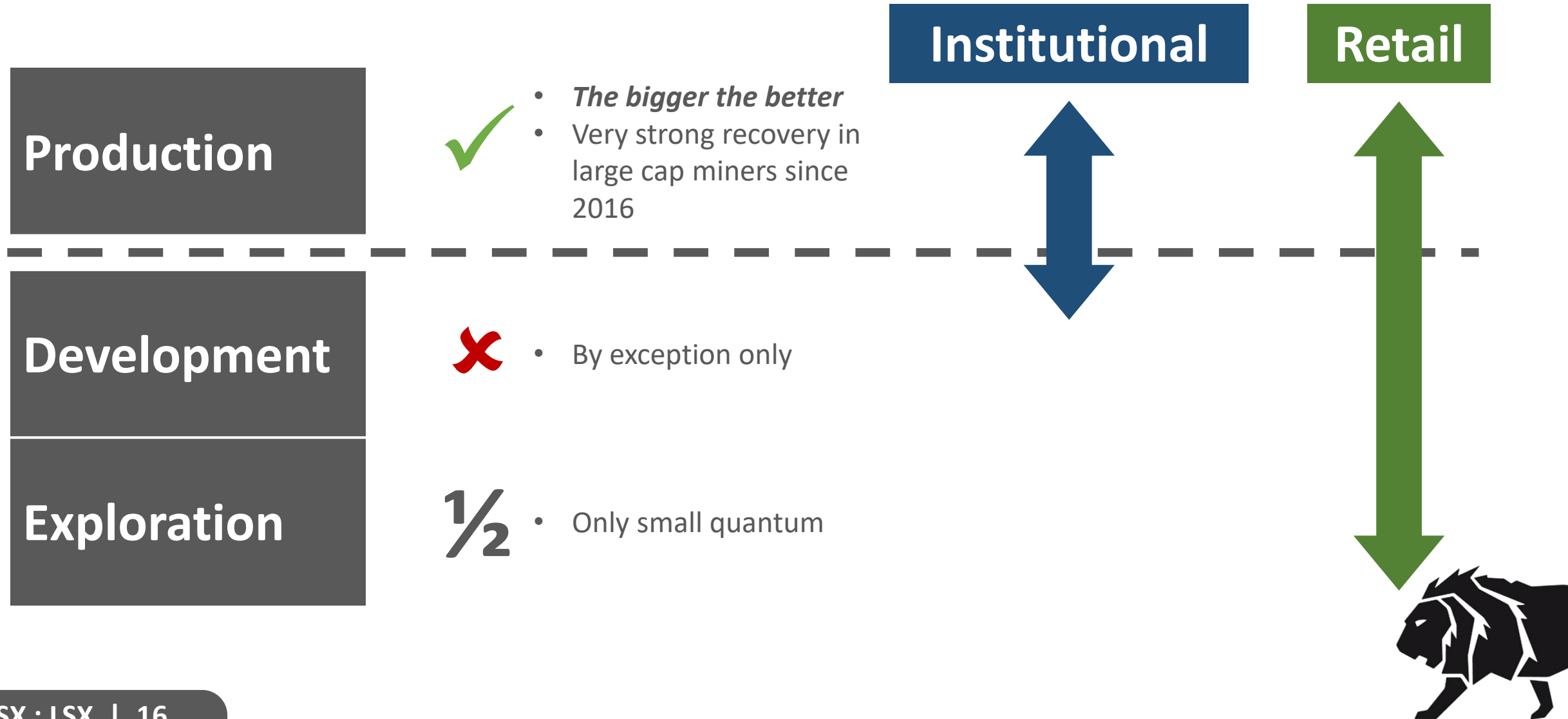
Mining Market Overview



Miners – best and worst performers



Who is buying miners



Challenges for funding of juniors

- Distractions



Tech

Massive Venture Capital Inflows /
Huge investment into unlisted
tech



Pot

Regulatory platform in
North America /
Equity market infatuation

- Investment market stratification

- Exchange Traded Funds (ETFs)
- Index Funds
- Royalty Companies



Growth oriented thinking in full flight

- Seeing two styles of M&A:

- Large deals (Barrick / Randgold, Newmont / Goldcorp, Kirkland / Detour)

(not hostile, non-competitive premiums)

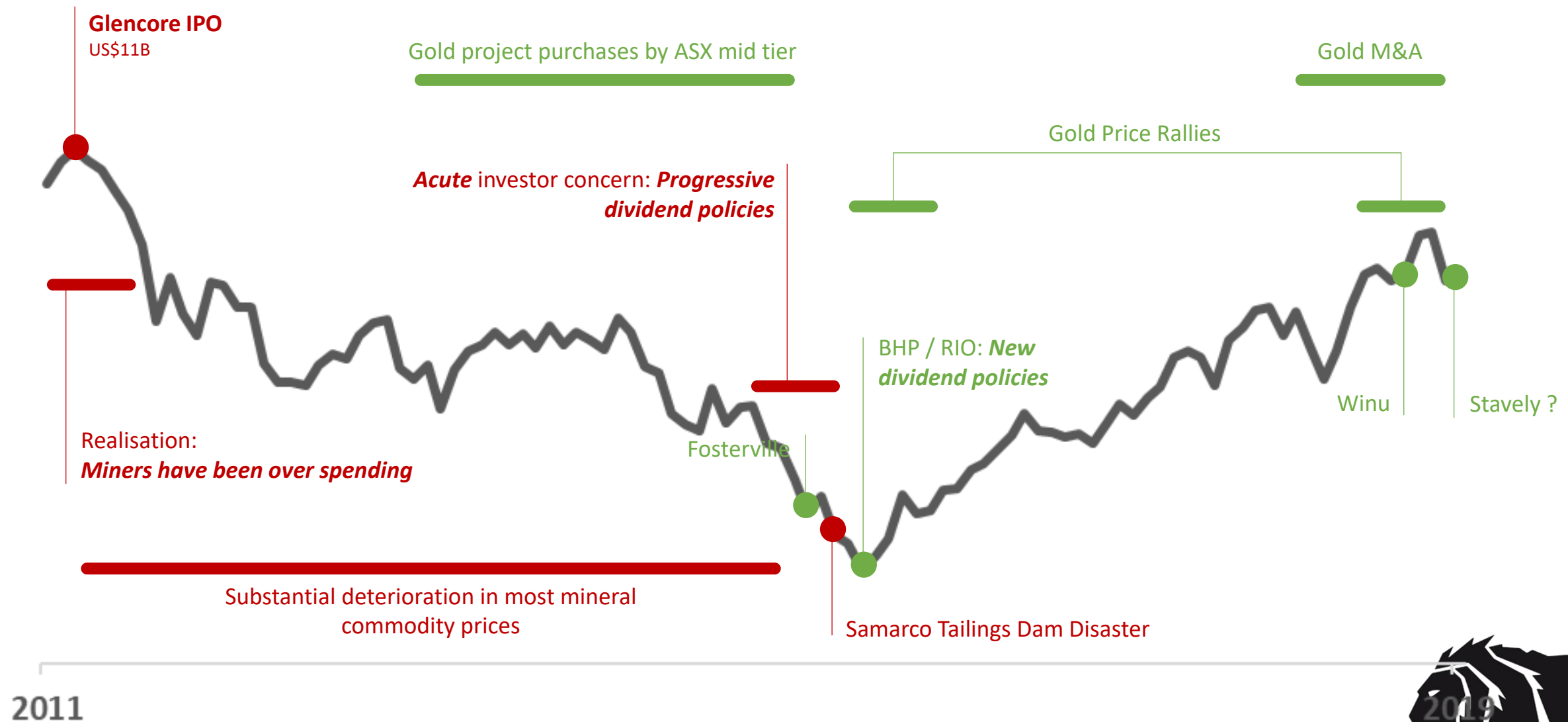
- Producers investing in / taking over juniors

(Industry cash flow the primary source of investment for progressing juniors AND shows value is compelling to established miners)

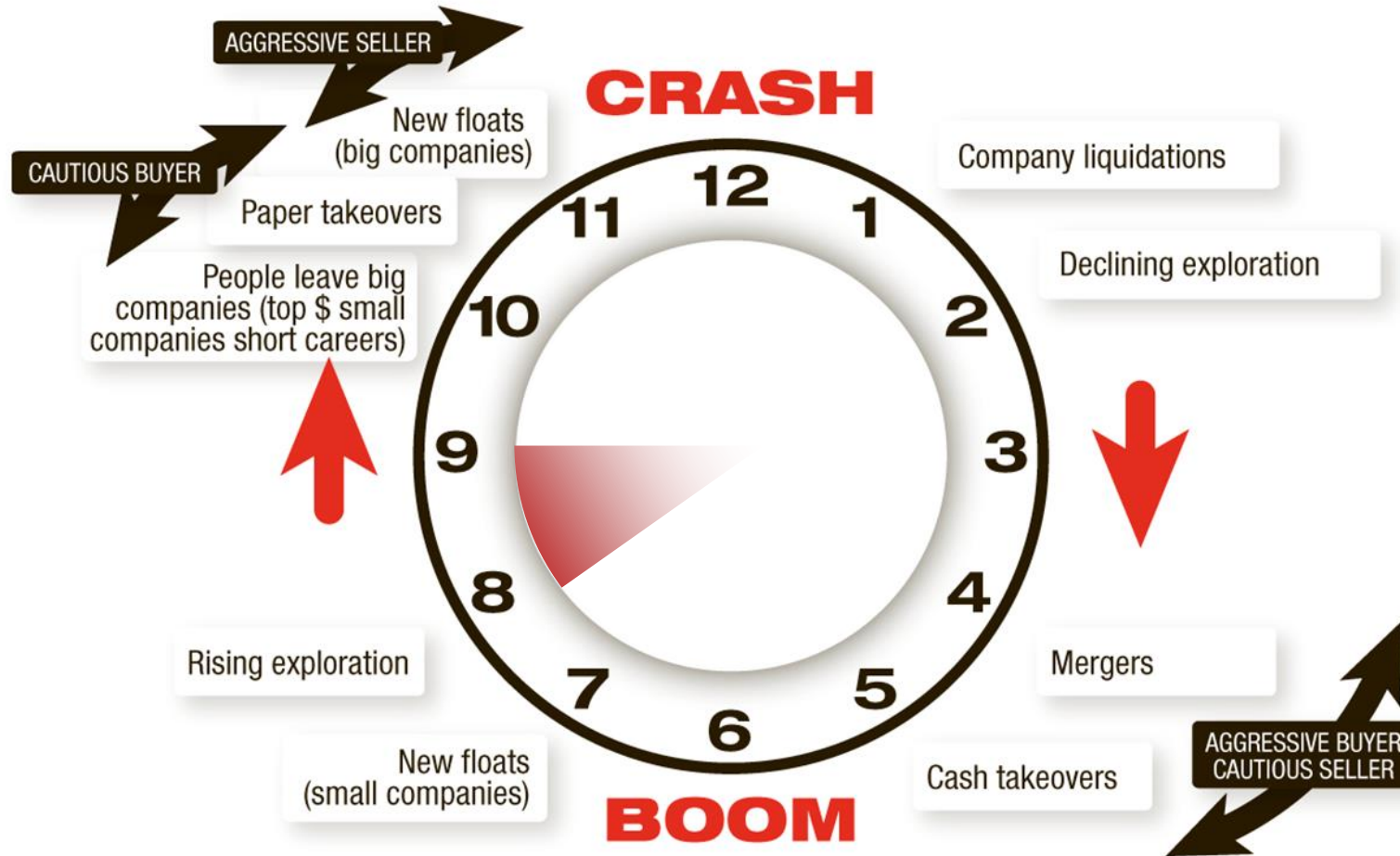
In both cases: driven by a desire for greater scale



ASX100 Resources Index – 2011 to 2019



Lion Mining Clock



- ✓ Exploration activity increasing
- ✓ Growth oriented thinking has re-emerged
- ✓ Large acquisitions (gold)
- ✗ Canadian market holding back global sentiment – distracted by cannabis



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. Refer to J Resources 31 December 2018 Annual Report, (<http://www.jresources.com/investors/article/final-resources-reserves-compilation-2017-to-2018>)

Contract of Work Resource (above a 0.4g/t cut off) ²			
Category	Tonnage (Mt)	Grade (g/t Au)	Contained Gold (Moz)
Measured	15.5	1.03	0.51
Indicated	41.3	0.98	1.31
Inferred	15.9	0.93	0.48
Total	72.7	0.98	2.30

- 3. Nusantara ASX Announcement, 4 October 2018, Definitive Feasibility Study Confirms Robust, Long-Life, Low Cost Project
- 4. Nusantara ASX Announcement, 13 September 2018, Ore Reserve increases by 11% to 1.1. Moz
- 5. Nusantara ASX Announcement, 9 October 2019, Exploration Update Step-out Drilling at Awak Mas

