Lion Selection Group

QUARTERLY REPORT FOR THE 3 MONTHS ENDED 30 APRIL 2020

Two Multi-Million Ounce Gold Projects

INVESTMENT HIGHLIGHTS

Pani Joint Venture (Lion 33.3%, Merdeka 66.7%)

- Agreement with J Resources due for completion mid-2020, pending regulatory and lender approval.
- Win-win deal combines the two adjacent gold resources to create world-class gold deposit.

Pani JV (66.6% Merdeka, 33.3% Lion) 2.37 moz[1] + Pani Contract of Work (100% J Resources) 2.30 moz[2]

- Drilling on area between the two resources continues, with assay results pending.

Nusantara Resources

- Revised Awak Mas Resource increases 18% to 2.35Moz gold, reflecting successful 2019 drilling program and higher gold prices.
- Indonesian partner Indika Energy agreements finalized and stage 1 investment advanced:
  - USD40M equity for 40% Project interest;
  - Plus, USD40M deferred payments for Engineering, Design and Construction.
- Noah's Rule appointed to arrange USD100-120M debt and appropriate hedging.

Erdene Resource Development

- Subject to full impact of COVID-19, Erdene remains largely on track for the delivery of its Bankable Feasibility Study by mid-2020.
- Permitting and exploration continues, subject to public health restrictions.

COVID-19 and LION'S INVESTMENTS

- While the burden of COVID-19 is having a dramatic impact globally, Indonesian projects Awak Mas and Pani are both located in remote areas with low population and have been largely untouched by the virus. Accordingly, while implementing procedures in line with public health recommendations, work at these projects has maintained continuity.
- At Erdene's Khundii Gold Project in Mongolia, in January 2020 the company adopted protective measures consistent with Mongolian requirements which included travel restrictions and remote working, as well as measures of its own such as extended health care support for its Mongolian and international teams to minimise the impact of COVID-19 on staff, stakeholders and its operations. While there is potential for delays, Erdene remains largely on track for delivery of the Bankable Feasibility Study.

SECTOR THEMES

- Coming off record highs in February, March was the worst month for stock markets since 1987 with global equity markets down 40%, in the fastest fall of that magnitude in history. And then April was the best month ever, recovering more than half of these losses.
- Whilst equity markets collapsed, liquidity has flowed strongly which is not expected in a crash. Gold and gold focused companies in particular have performed well through the market volatility, with attractive fundamentals owing to massive and accelerating monetary expansion by central banks and extremely low interest rates.
- The outlook for the mining cycle is tied to the equity market, which is yet to digest the anticipated reporting of COVID-19 affected earnings and economic measures, against the backdrop of enormous stimulus.

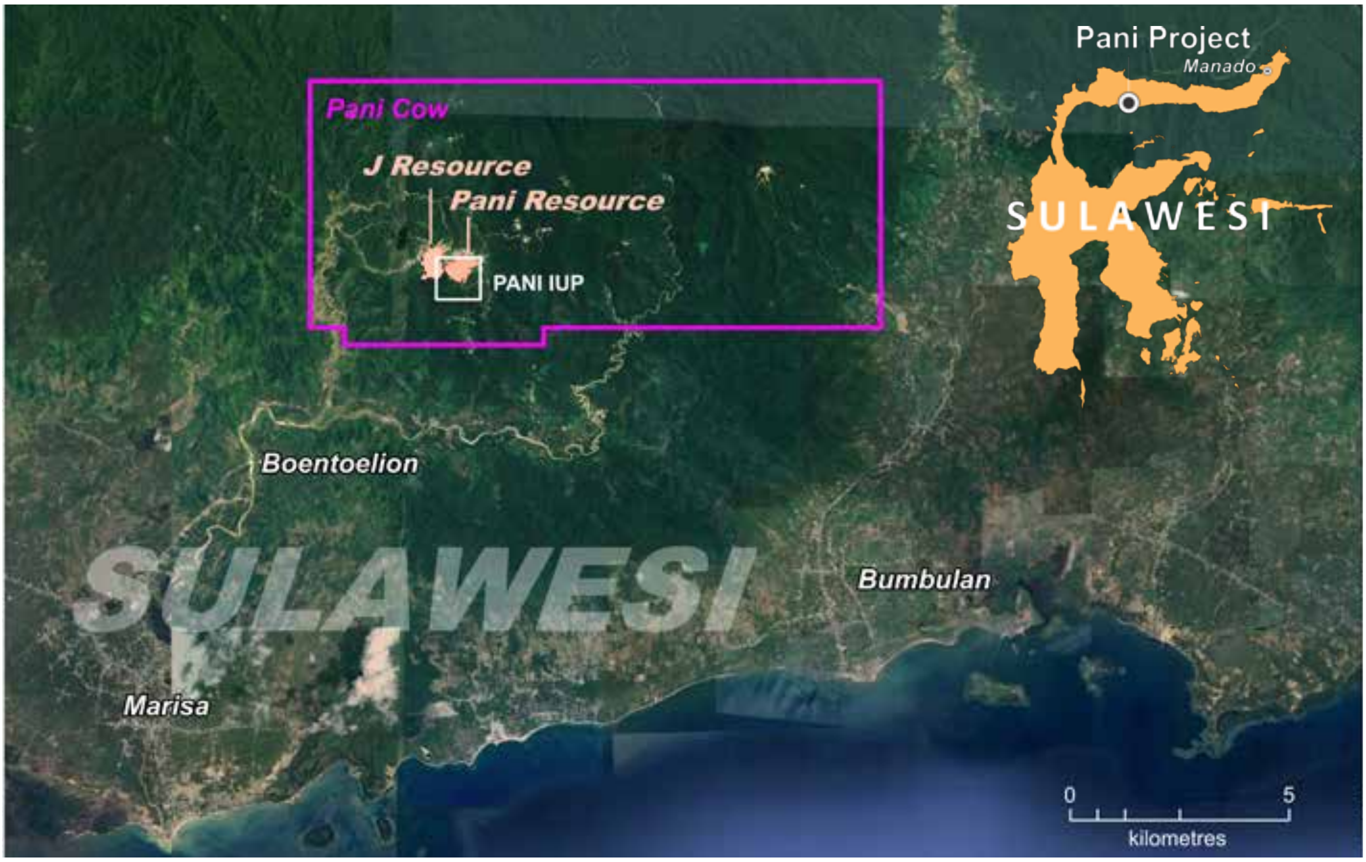
INVESTMENT HIGHLIGHTS

Pani Joint Venture

J Resources Deal

In December 2019 Lion announced that its Pani Joint Venture had reached conditional agreement with J Resources to combine the two Pani tenements into one ownership group. The agreement is subject to regulatory approvals and approval from J Resources' secured lenders, with deal closure now anticipated mid-2020.

The combination of resources within the joint project has the potential to be a world class gold deposit. During the quarter, drilling continued testing the area between resources, and there are numerous extension opportunities for consideration.



The conditional deal combines two adjacent gold resources in Gorontalo, Sulawesi to form a single gold deposit with an approximate current footprint of 1.5km x 0.6km:

- Pani IUP JV (66.6% Merdeka, 33.3% Lion) 2.37 moz[1]
- Pani Contract of Work (100% J Resources) 2.30 moz[2]

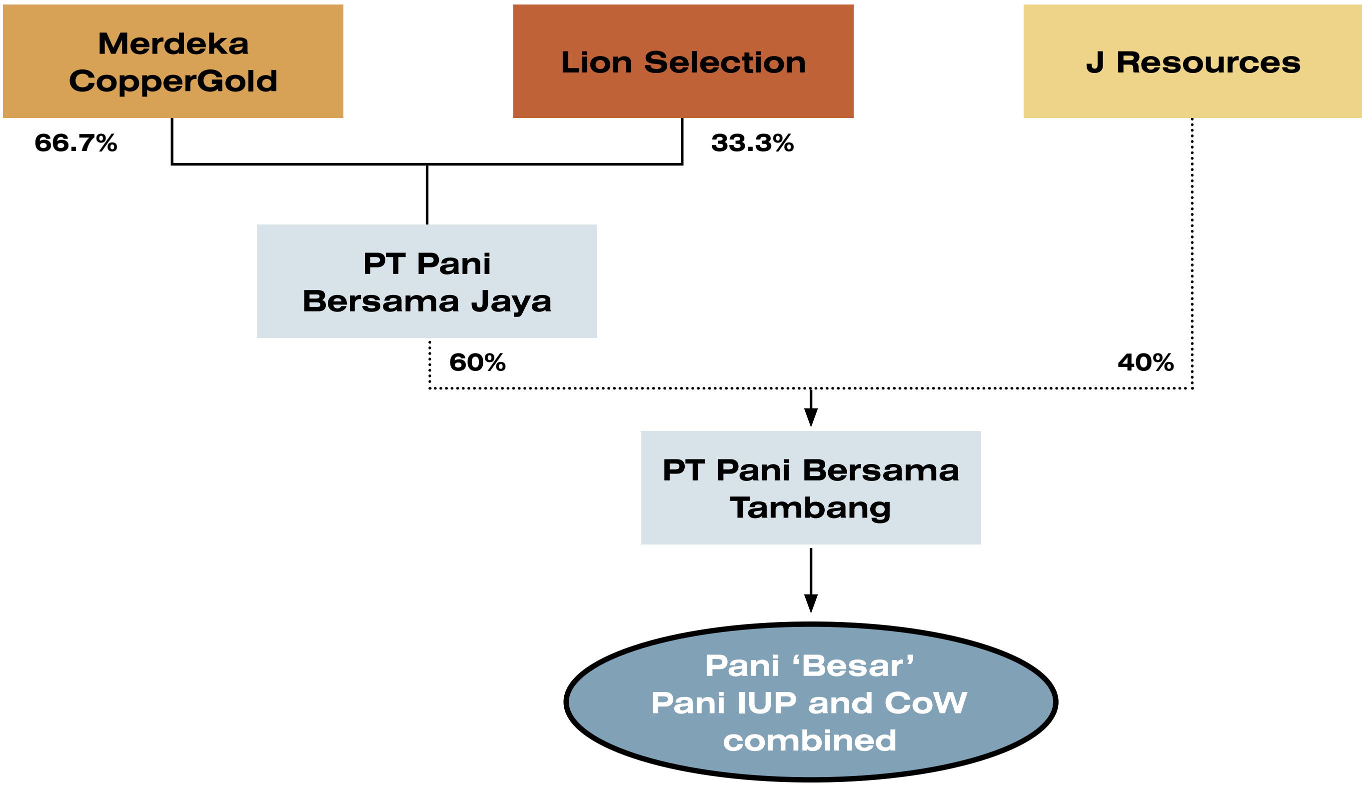
This deal is seen as a win-win for all parties:

- The common tenement boundary restricted individual open pit mine development.
- The larger resource offers scope for large scale open pit mining, improved logistics, and can consider a range of treatment methods.
- Exploration opportunities and extensional drilling potential including between the two existing resources.

The resultant structure will see J Resources transfer its interests in PT Gorontalo Sejahtera Mining (**GSM**) into the Pani Joint Venture in exchange for a 40% ownership interest in the combined entity.

INVESTMENT HIGHLIGHTS

Pani Joint Venture continued



Once completed, the combination of the two tenements is anticipated to materially improve the valuation of Lion's investment in the Pani Joint Venture.

Lion's accounting policy is to apply an arms-length transaction in determining the fair value of investments where one is available. The most recent relevant arms-length transaction valuation was in November 2018 when Merdeka acquired its project interest in the Pani Joint Venture. This valuation needs to be reviewed in light of the J Resources transaction, increases in the long-term outlook for gold prices and other project milestones. Accordingly, Lion will update its carrying value for Pani as soon as the J Resources transaction completes for inclusion in its net tangible asset calculation.

Pani IUP (Lion 33.3%/Merdeka 66.7%) 0.2g/t cut off[1]

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	**89.5**	**0.82**	**2.37**

Contract of Work (J Resources 100%) 0.4g/t cut off[2]

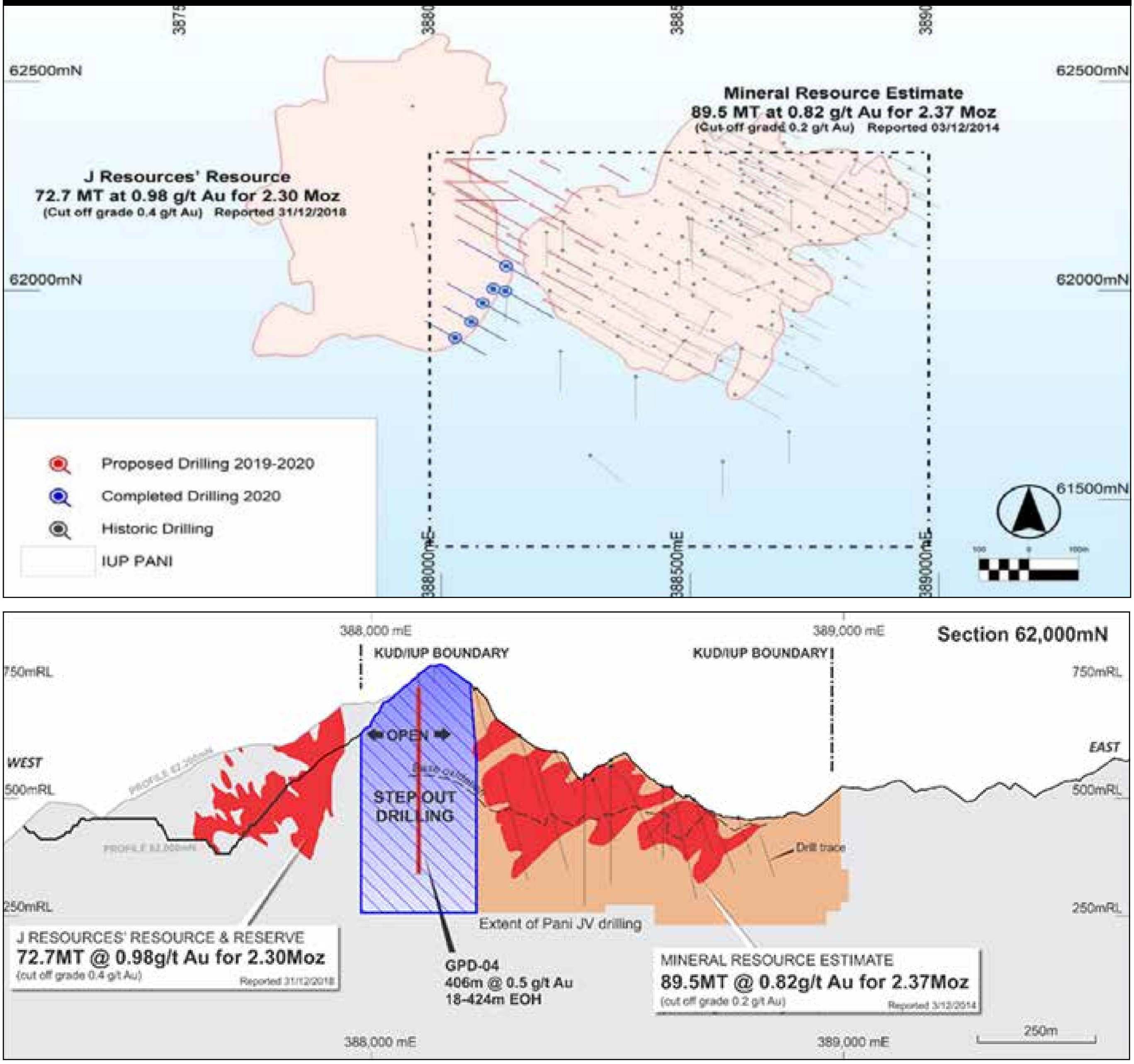
Category	Tonne (Mt)	Grade (g/t Au)	Contained Gold (Moz)
Measured	15.5	1.03	0.51
Indicated	41.3	0.98	1.31
Inferred	15.9	0.93	0.48
Total	**72.7**	**0.98**	**2.30**

Pani Joint Venture continued

Step-Out Drilling

Diamond drilling continued throughout the quarter using a single man portable drill rig. The planned program comprises 40 drill holes located on 29 drill pads for a total of approximately 10,500m as shown in the figure below. Assays are awaited on the holes completed to date.

Schematic Showing Pani Proposed and Completed Drill Holes



Pani IUP Tenement Renewal

In April 2020 the Pani Joint Venture received a 10-year extension for the Pani IUP licence, with the licence now due to expire in 2032. The Pani IUP licence was issued by the Government of Indonesia in November 2009 for a period of 13 years and, subject to government approval, is extendable for two 10-year periods.

The Pani IUP is subject to the Mining Law 4 of 2009, including applicable royalty rates and levels of local ownership and input. The Pani Joint Venture meets the required level of local ownership, and accordingly no divestment will be required.

INVESTMENT HIGHLIGHTS

Nusantara Resources Limited

Awak Mas Gold Project in Sulawesi, Indonesia

Project Financing

Nusantara and project partner PT Indika Energy TBK (Indika) advanced project funding, with Indika able to invest USD40M into the Project vehicle in two stages to secure a 40% interest. Indika has provided the first stage of its funding, being a USD15M investment which, following regulatory approvals, gives Indika a 25% project interest.

A further USD40M in deferred payments has been secured from PT Petrosea TBK (Petrosea), a company listed on the Indonesian stock exchange, and 70% owned by Indika Group.

Project debt will be sought for the balance of funding the USD146M capex plus USD16M pre-production mining estimated in the 2018 DFS[3]. Noah's Rule has been appointed as specialist debt and hedge adviser to the Project vehicle and has commenced formal engagement of a debt financing syndicate.

Reserves/ Resources

- Resource updated to 2.35Moz April 2020[4]
- 1.1Moz Reserve announced April 2018[5] is in process of being updated.

DFS

Definitive Feasibility Study released October 2018[3] based on US$1,250/oz gold price:

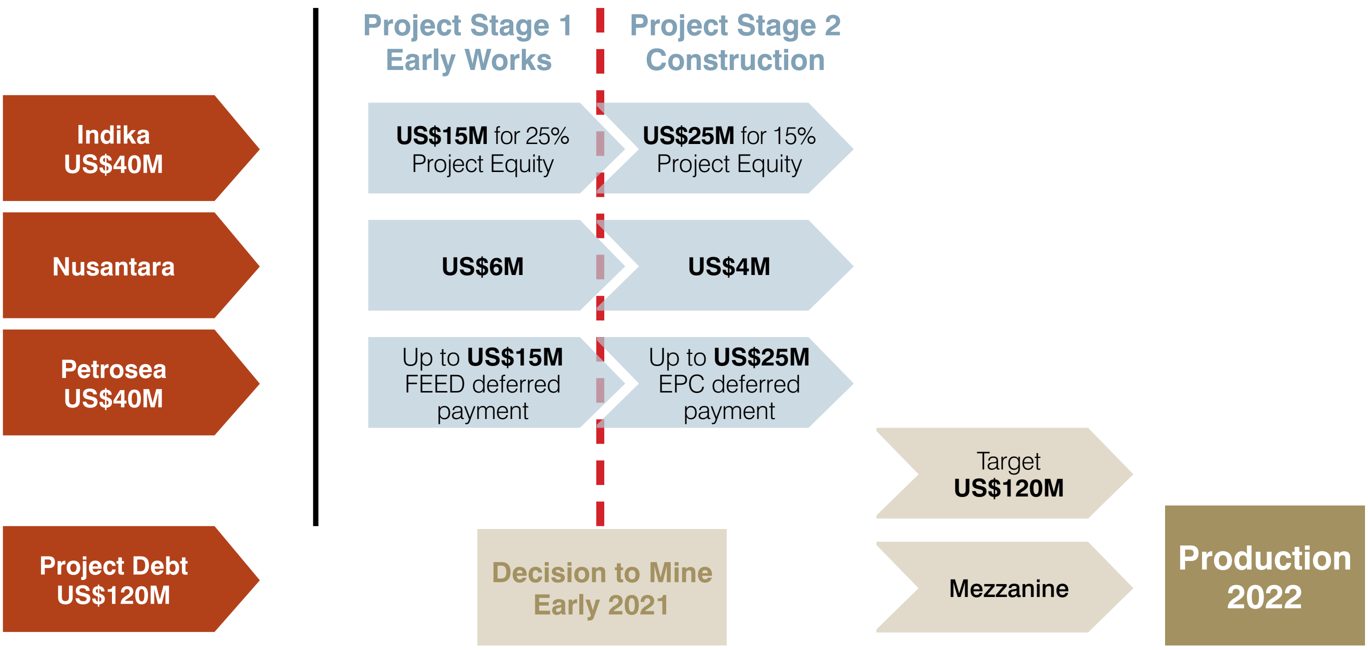
- 11 years x 100,000 oz gold pa.
- Capex US$146m, NPV_5 US$152m.
- At US$1,500/oz gold price NPV_5 US$282m based on DFS sensitivity analysis.
- All in sustaining costs US$758/oz.
- 91% recovery, 3.5/1 strip ratio.
- 2.5mtpa x 1.3g/t CIL.

DFS figures being updated for new Reserve at gold price of $1,400.

April 2020 MRE reported inside US$1600/oz constraining shell above 0.5g/t cut-off

Deposit	Tonnes (Mt)	Gold (g/t)	Gold (Moz)
Awak Mas	47.3	1.34	2.03
Salu Bulo	4.1	1.44	0.19
Tarra	3.3	1.21	0.13
TOTAL	**54.8**	**1.34**	**2.35**

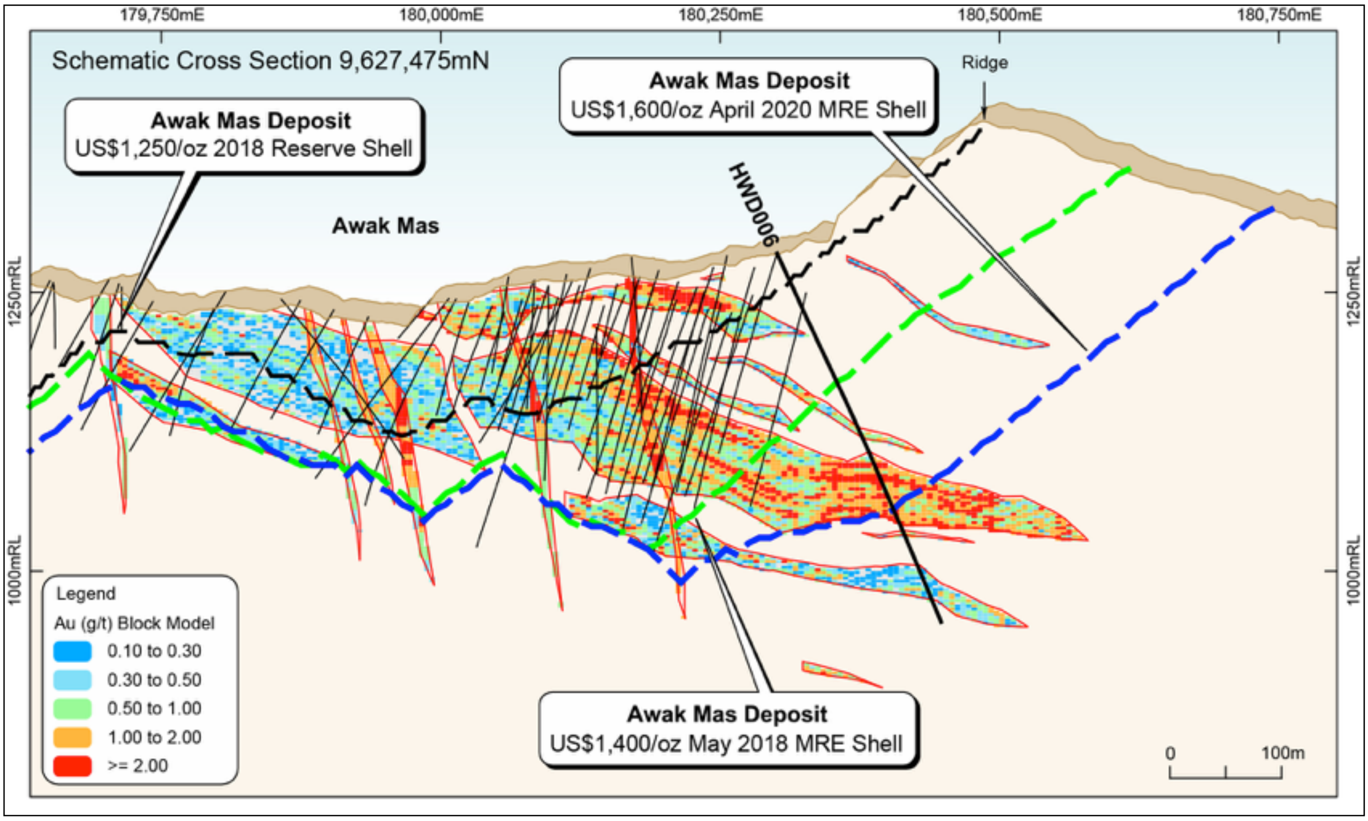
Development Funding Strategy



INVESTMENT HIGHLIGHTS

Nusantara Resources Limited continued

Cross Section 9,627,475mN through the Awak Mas deposit demonstrating the significant increase in MRE between previous May 2018 and April 2020 Pit Shells and the location of the HWD006 drill intersection (refer ASX Release *Exploration Update, Step-out Drilling at Awak Mas intersects 63.7m at 2.12g/t Au, dated 10 October 2019*).



INVESTMENT HIGHLIGHTS

Erdene Resource Development Corp

Khundii Gold District, Mongolia

Bankable Feasibility Study

In January 2020 Erdene initiated measures consistent with Mongolian requirements, including travel restrictions and remote work, as well as measures of its own such as supplemental health care for its Ulaanbaatar based and international staff in response to the reported spread of the COVID-19 virus. These measures were expanded in March to include its Canadian head office staff following Canadian federal and provincial Government advice. Since mid-January, the Mongolian government has restricted the movement of people and goods within the country, as well as internationally in an effort to protect its citizens from the virus. Although the full impact of the COVID-19 virus will not be known for some time, the Company remains largely on track for the delivery of its BFS by mid-2020.

Permitting

The Ulaanbaatar based team continues to make significant progress on permitting, as evidenced by the recent receipt of the Altan Nar mining license. Restrictions around public gatherings are delaying a public meeting required for the development approval of the DEIA; however, Erdene has received the preliminary signoff from the Ministry. Assuming no further restrictions are enacted, permitting is expected to remain on track.

Exploration

Following Erdene's successful exploration results announced in January 2020, work since then has been desktop focused. Mapping, geochemical and geophysical surveys are planned for Q2 at the Dark Horse (Khar Mori) project, which is located 4.5km north of Bayan Khundii, assuming no new travel restrictions are enacted. Surveying work is also expected to commence in support of permitting.

Corporate

With the receipt of the proceeds from the US$5 million EBRD convertible loan financing in November 2019, Erdene is fully funded through the delivery of the BFS. Erdene intends to secure project finance in 2020 but recognises the potential for delays given current market condition. Erdene has implemented cost saving measures and is developing contingencies to maintain momentum and protect its key assets.

MINING MARKET REVIEW

It goes without saying that the last few months have produced unprecedented market volatility. Aside from wars, COVID-19 is the most monumental disruption to the global economy during the modern industrial era. So far, in 2020 we have experienced several new extremes:

- Latest employment figures are the worst for multiple decades, possibly since the Great Depression.
- Governments and Central Banks have announced the largest ever stimulus and quantitative easing measures, with interest rates now virtually zero.
- Coming off record highs in February, March was the worst month for stock markets since 1987 with global equity markets down 40%, in the fastest fall of that magnitude in history...
- And then April was the best month ever, recovering more than half of those losses.

A LITTLE OR A LOT – EXTENT OF MARKET COLLAPSE

There have been very few winners from the COVID-19 correction, and many losers. The table below compares the main ASX sectors and indices, key mineral commodities and the 'big 4' US-based technology firms.

Company / Index / Sector / Commodity		% Fall	% Recovery	% Overall
US Tech	Amazon	-23%	45%	12%
	Apple	-31%	40%	-4%
	Facebook	-35%	46%	-4%
	NASDAQ	-30%	35%	-6%
	Alphabet	-31%	31%	-9%
ASX Indices and Sectors	ASX Gold	-33%	63%	9%
	Utilities	-24%	21%	-8%
	Health Care	-24%	16%	-12%
	Materials	-34%	34%	-12%
	Info Tech	-47%	64%	-13%
	Consumer Staples	-17%	4%	-13%
	ASX100 Resources	-39%	35%	-18%
	Telecoms	-27%	11%	-19%
	Consumer Discretionary	-45%	39%	-24%
	Industrials	-41%	28%	-25%
	ASX100 Industrials	-37%	18%	-25%
	REIT	-49%	34%	-32%
	Financials	-44%	14%	-36%
	Financials Ex REIT	-44%	14%	-36%
	Energy	-59%	49%	-38%
Commodities	Gold	-12%	19%	4%
	Iron Ore	-16%	17%	-2%
	Copper	-27%	14%	-17%
	Oil	-100%	351522% *	-50%

* Not a typo: West Texas Intermediate fell to a low closing price of 0.9c a barrel on 20 April. The recovery since, whilst still to an anomalously low price, is an enormous percentage gain from almost nothing.

MINING MARKET REVIEW continued

GOLD – "MORE INTEREST THAN PRODUCT"

The strongest area of the ASX by a wide margin has been the gold sector, with similar movements evident on other exchanges. Gold took on a renewed shine in mid-2019 when the global outlook for interest rates weakened. Investor interest in gold has surged since the emergence of COVID-19 under the combined effects of massively expanded quantitative easing (which encompasses official interest rates settings being lowered to almost zero) and COVID-19 related uncertainty.

This renewed interest is manifest in increasing M&A activity in the sector and fund raisings across the spectrum of gold companies, including pre-development or small producers looking to raise funds for growth. Capital raisings have been very well subscribed, and there is an apparent increase in small companies reporting unsolicited offerings of capital from investors or brokers, a phenomenon that was all but absent from the junior mining market since circa 2011. It appears that there is a wall of money trying to find a home in the relatively small gold space, with one Canadian gold exploration CEO reporting that in the gold sector there is presently "more interest than product".

LIQUIDITY: CRASH OR CORRECTION?

Media headlines from late February through mid-March described a crash in equities markets. Substantial falls in percentage terms are the most synonymous aspect of stock market crashes, so 'crashing' is entirely consistent with overall falls of circa 40%, and trading days like 16 March when the All Ordinaries index fell 9.5%. However, after a 37% fall in the All Ordinaries Index, there has been a 24% rebound leaving that index down only 22%. A very similar pattern is reflected by other major stock markets and the US market has recovered even more ground. Language in commentary has subsequently adjusted to describe a 'correction' rather than a crash.

An equally important aspect of equity market crashes is an extreme contraction of liquidity – an overwhelming move to cash which is driven by fear and lasts until fear exhausts itself in capitulation. There has been a brief episode when liquidity dropped during mid-March (when investors were selling out of just about everything except for toilet paper), but that was over almost as soon as it began and liquidity quickly returned to the market. The price recovery may be due to bargain hunting behaviour or the effectiveness of government monetary policy with negative interest rates for cash.

Typical indicators of liquidity for the mining sector are reflecting a surge in liquidity:

- Exploration – activity measures and anecdotal indications show a decrease, but mostly related to COVID-19 safety measures, and not a lack of funding. A number of notable discovery stories have been able to raise funds with ease, over a range of commodities.
- Merger and acquisition activity was taking on a healthy acceleration in 2019 and 2020. There is nothing to indicate this has abated, with several sizeable deals announced that strongly support the continuance of the trend.
- Capital raisings – especially for small producers or explorers, appear to be proceeding with an abundance of investor interest.

These indications are contrary to the availability of investor funds during a typical market crash. Fear was fleeting and was quickly replaced by greed. As events unfolded in March it certainly felt appropriate to describe the event as a crash, but the robust rebound raises questions defining the current COVID-19 crisis as a 'correction'. Notably it is possible that the recent rebound is merely a 'dead cat bounce', super-charged by extraordinary government intervention. Ultimately, the future market reaction to reports of actual economic impact of COVID-19 and company earnings will only be revealed as events unfold.

MINING MARKET REVIEW continued

HISTORICAL COMPARISONS

The magnitude of negative performance of mining equities through February / March is on a par with historic mining busts. Previous mining busts have been brought about either by conditions intrinsic to the mining sector or when mining equities have been caught up in a broader equity market crash.

A quick review of mining downturns through the last 40 years:

1987

Very rapid equity market collapse

Liquidity for miners recovered in a short period and the consequent bust was short lived.

1997

Mining industry induced collapse

Mining equities fell by 41% over almost 18 months commencing mid-1997. In the same period the rest of the market trended positively.

Sentiment toward explorers had been mortally wounded by the Bre-X scandal which broke several months before the ultimate peak for mining equities, and whilst ultimately the collapse was linked to the currency crisis in South East Asia, investors were more than happy to go looking for other forms of speculative investment.

Funding of exploration suffered for 3-4 years, while traditional exploration supporters were distracted by dot-com wonders.

2008

Very strong equity market collapse resulting from the Global Financial Crisis

Mining equities fell by 57%, in line with the rest of the market.

The aftermath of the GFC saw the deployment of stimulus and quantitative easing, and the world learned the new expression ‘too big to fail’.

Consequent return of liquidity was rapid.

2011

Mining industry induced collapse

Longest and deepest mining bust in living memory, where mining equities lost 67% in just under five years, whilst the rest of the market put on 32% in the same time.

Sentiment toward miners tipped in May 2011, in an overflow of investor frustration toward irresponsible investment in growth (both M&A and expansion).

2020

Fastest ever equity market collapse

Largest ever stimulus.

The historical experience gleaned from these episodes tells us:

- Mining downturns induced by broader equity market collapse (1987, 2008) are shorter in duration in comparison to downturns brought about by conditions within the industry (1997, 2011).
- This is because liquidity returns to mining (and exploration especially) very slowly when investors have fallen out of love with the sector, but can reappear quickly (right after the crash concludes) if the event was a broader market crash.
- The return of liquidity can be even more aggressive where stimulus is being deployed (2008).

Note: percentage movements of mining equities or the rest of the market are based on movements of the ASX100 Resources and Industrials Indices during the respective time frames.

MINING MARKET REVIEW continued

MINING BUST OR BACK TO BUSINESS?

The 2020 mining equities collapse has been a broader equity market event, and so whatever happens next in the equity market we expect will directly impinge mining equities' performance. In the lead up to COVID-19, a very healthy level of investor interest was being observed toward the sector manifest in a re-emergence of investor interest in Canada and globally investors taking greater interest in earlier stage companies. M&A activity was indicating companies were interested in growth. Much of the activity was within the gold sector, but the cycle works on liquidity irrespective of whether it is focussed or spread out. Risk appetite was increasing, and the Lion clock was at 9 o'clock.

In the midst of the COVID-19 equity market collapse, there were clear signs that a crash was taking place, indicative that the Lion clock should be set to 12 o'clock:

- The enormous economic impact that COVID-19 is likely to have, and an expectation that such a significant collapse in equities would lead to a decrease in liquidity – felt most keenly by companies that rely on liquidity to fund their activities.
- As it has turned out so far, the opposite has been the case – equity markets generally have recovered more than half of their losses, gold indices are above their February peaks and it appears that liquidity has surged, rather than fallen away within the gold space.
- Further, many aspects of the stimulus are focussed on infrastructure, supporting increased demand for metals.

The equity market is sensitive to earnings of companies and liquidity, but in the current environment it is challenging to determine which will have the ascendancy. There is a large proportion of investors who cannot accept a zero return on cash, these investors remain invested in the equity market, waiting to judge earnings and economic reports as they are delivered over the coming months reflecting the possible supportive impact of stimulus measures.

There are two relevant scenarios that could play out:

1. 'Whatever it takes' stimulus provides enough of a back stop that whilst economic measures and earnings are severely damaged, the equity market looks through those to an expected recovery. This would see the market trade on an historically high price / earnings ratio for the period until we recover 'normality'.
2. Economic news and earnings reports cause further equity market decline, including miners.

Under either scenario the mining sector moves into the next phase of the market both in reasonable health and with growing investor support (led by gold). If stimulus is victorious and supports the market, then the Lion clock will likely be just past 9 o'clock, reflecting the jump in liquidity we have seen, with conditions most similar to circa 2009 after the GFC. If we experience further equity market weakness, the effect on liquidity is expected to end the mining cycle, so the clock would be at 12 o'clock midnight – a mining bust. The present collective balance sheet of mining companies is in relatively good health having avoided over-leverage, and recovery from this crash could be expected to be far more rapid for the industry as a whole than the last mining bust (2011).

WHY GOLD, WHY LION?

Since ancient times, gold has been sought after for its beauty, but its dominant purpose as a global currency and safe-haven investment is a prominent feature of modern markets. Massive and accelerating monetary expansion by central banks and extremely low interest rates will continue to focus more attention on hard assets like gold.

Whilst there are plenty of uncertainties including the potential for further equity market weakness, from a Lion perspective we feel confident about the outlook for our most significant investments:

- Growing investor appetite for gold, and gold producer appetite for new projects.
- Nusantara's partnership with Indika positions the company strongly to complete funding required for development.
- Pani is emerging as a world class gold project, of which there are very few in the pre-development space.
- Following several asset sales during 2019, Lion is well funded for its expected commitments to these positions.

COVID-19 and the 2020 Equity market collapse

Equities

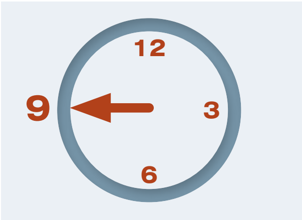
- Collapse corresponds with COVID-19 taking hold outside of China.
- Resources equities began to reflect soften in commodities earlier than the broader market.

Commodities

- Outlook for gold improved mid-2019, and has been enhanced by COVID-19 related stimulus.
- Copper and Oil prices probably reflect slowed demand out of China where COVID-19 took hold first.

January 2020

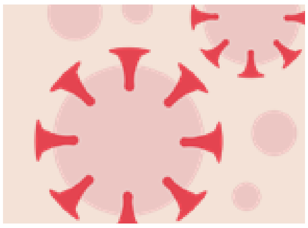
- Lion clock at 9 o'clock
- Investor interest moving strongly into juniors
- For miners: sentiment led by gold



February 2020

COVID-19 strikes markets

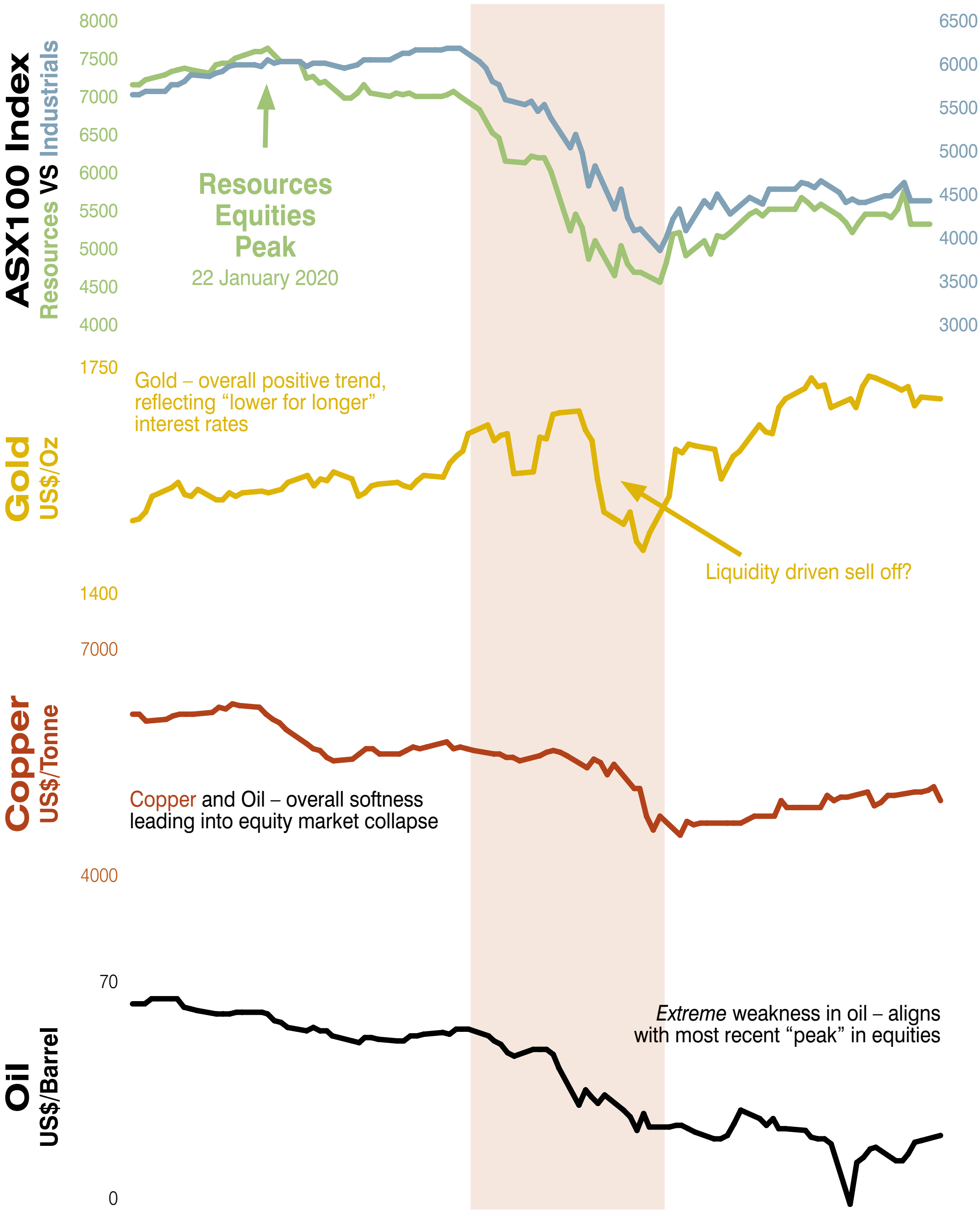
- Global isolation
- 315k+ fatalities globally (reported)
- Highest unemployment since Great Depression



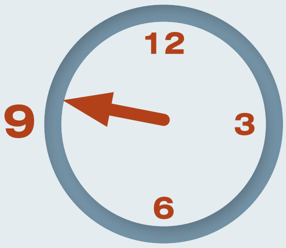
May 2020

- Strong buyer led funding interest, especially for gold companies
- 'More money than product'

Equity Market Collapse
20 February – 23 March 2020



Later in 2020:
Alternative realities



Stimulus wins:

- **Equities market supported at current levels by stimulus measures:** ‘2009-2011’ scenario.
- **Mining cycle resumes Jan 2020 trajectory:**
  time is moving past 9 o’clock
- **Mining outlook:**
  growing M&A, exploration, funding for juniors.

OR

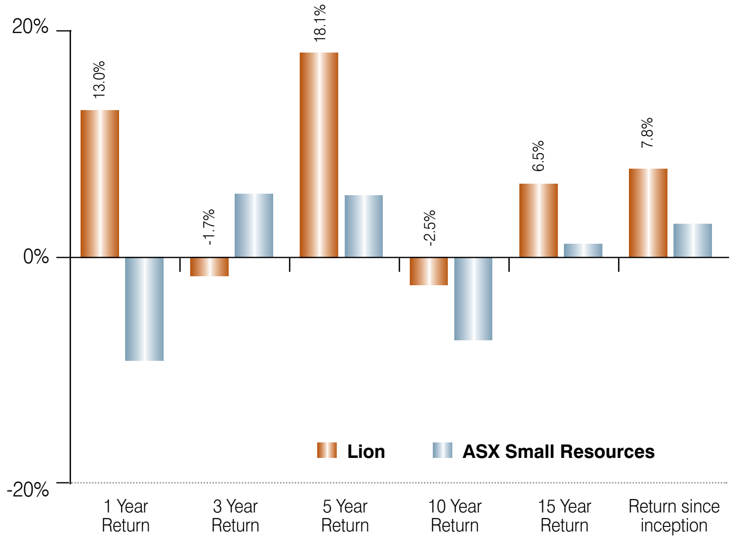
Reality bites:

- **Further period of equities weakness / collapse, brought about by reporting of COVID-19 impacted economic measures and earnings:**
  ‘1987’ scenario
- **Liquidity drops in mining sector, owing to equity market collapse:**
  12 o’clock midnight
- **Mining outlook:**
  given healthy recovery of the sector since 2016, and collapse connected to global markets / economy rather than mining practices – only expect a short mining downturn.

LION PERFORMANCE

Annualised Total Shareholder Return [6-11]

Annualised TSR to 30 April 2020	Lion	ASX Small Resources
1 Year	13.0%	-9.1%
3 Years	-1.7%	5.6%
5 Years	18.1%	5.4%
10 Years	-2.5%	-7.3%
15 Years	6.5%	1.2%
Inception (22 yrs)	7.8%	2.9%



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)
3. Refer to Nusantara ASX Announcement, 4 October 2018, Definitive Feasibility Study Confirms Robust, Long-Life, Low Cost Project
4. Refer to Nusantara ASX Announcement, 28 April 2020, Mineral Resource Increases 18% to 2.35M ounces
5. Refer to Nusantara ASX Announcement, 13 September 2018, Ore Reserve increases by 11% to 1.1. Moz
6. Investment performance figures reflect the historic performance of Lion Selection Group Limited (ASX:LSG, 1997 – 2007), Lion Selection Limited (ASX:LST, 2007-2009), Lion Selection Group Limited (NSX:LGP, 2009-2013) and Lion Selection Group Limited (ASX:LSX, 2013-present)
7. Methodology for calculating total shareholder return is based on MorningStar (2006), which assumes reinvestment of distributions
8. Distributions made include cash dividends, shares distributed in specie as a dividend, proceeds from an off market buyback conducted in December 2008, and the distribution of shares in Catalpa Resources via the demerger of Lion Selection Limited in December 2009. Lion assume all distributions are reinvested, with all non-cash distributions sold and the proceeds reinvested on the distribution pay date.
9. Investment performance is pre-tax and ignores the potential value of franking credits on dividends that were partially or fully franked.
10. Past performance is not a guide to future performance.
11. Source: IRESS, Lion Manager

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ABOUT LION

Lion Selection Group is a mining investment company, focused on a portfolio of carefully selected and closely managed investments in listed and unlisted junior developing mining companies. Lion aims to offer diversity and a portfolio approach to the micro-cap end of mining investment, providing exposure to companies in various stages of development. Lion's investment model involves focusing investment towards the best opportunities in the portfolio, which from time to time results in concentration of Lion's portfolio towards specific investments and commodities. Lion is currently weighted towards several producing or developing gold projects, across a range of jurisdictions but in particular to the Pani gold project in Indonesia.

Lion is listed on ASX, under the ticker code LSX.

SUMMARY OF INVESTMENTS AS AT 30 APRIL 2020

Net Tangible Asset Backing

Lion Selection Group Limited (Lion) advises that the unaudited net tangible asset backing of Lion as at 30 April 2020 is $0.46 per share (after tax).

SUMMARY OF INVESTMENTS AS AT 30 APRIL 2020

	Commodity	March 2020 A$M	April 2020 A$M	April 2020 ¢ps
Pani Joint Venture (33.3% Interest)	Gold	39.7	**40.3**	**26.7**
• Fair value for Pani based on Merdeka's acquisition of 66.7% interest in the Pani JV from Lion's existing JV partner in November 2018. • Conditional agreement reached with J Resources to combine Pani projects with adjacent tenement subject to approval by J Resources secured lenders and regulatory approval.* Valuation is under positive review once deal is completed.				
Portfolio				
Nusantara Resources	Gold	10.6	**10.2**	**6.6**
Erdene Resources	Gold	1.7	**2.3**	**1.6**
Sihayo Gold	Gold	0.4	**1.2**	**0.8**
Celamin Holdings	Phosphate	1.1	**1.0**	**0.7**
Other		0.7	**0.7**	**0.3**
• 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		15.0	**13.9**	**9.3**
Net Tangible Assets		**A$69.2m**	**A$69.6m**	**46¢ps**

Capital Structure

Shares on Issue:	150,141,271	
Share Price:	39¢ps	30 April 2020

* Lion Selection Group ASX Announcement 9 December 2019, Pani Gold Projects Combined

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