

18 October 2023

Lion to pay 1.5cps dividend in November

With the completion of its year end accounts, Lion Selection Group Ltd (**Lion or the Company**) is pleased to announce the Board has determined to pay an unfranked dividend of 1.5cps.

Record Date	26 October 2023
Payment Date	10 November 2023

Payment of the 1.5cps dividend in November will take the total value of returns made to Lion shareholders since the Pani sale to \$16.7M, comprising dividends of 8.5cps and \$3.5M in the on-market buyback.

Investment opportunities – pricing attractive

When Lion began exiting its Indonesian investments in 2021 the mining cycle was assessed to be close to its peak, implying that attractively priced investment opportunities would become available after a cyclical market weakening. Lion closely monitors the micro-capitalisation resources sector and fundamentals of the mining cycle, and in the last two years has amassed assessments of a large and growing number of investment opportunities in both projects and companies.

Prices of investment opportunities in the micro-capitalisation resources sector have indeed weakened, in many cases substantially, and continue to do so as the broader equity market and commodity markets react to economic uncertainty and volatility. This has substantially enhanced the purchasing power of the cash liberated from the sale of Pani and positioned Lion strongly for investing in the micro-capitalisation resources sector.

Mining Investment Accelerating

Lion is beginning to put its strong balance sheet to work investing in a weakening junior resources market:

- Lion has begun to take selective advantage of once-in-a-cycle opportunities with investments made into Saturn Metals (ASX:STN), Plutonic Limited (unlisted), Alto Metals (ASX: AME), Sunshine Metals (ASX:SHN) and Great Boulder Resources (ASX: GBR) during 2022 and 2023.
- The price of Lion's target investment universe has halved since 2021. These price falls have accelerated in 2023 as equity market funding for the sector dries up.
- Lion's cash is earning a strong return of interest whilst its purchasing power (for investing in micro-cap resources companies) is increasing.
- Actively seeking and assessing company and project investments – Australian focus / precious and base metals, battery materials.



Future use of capital

Lion aims to pay sustainable dividends from surplus investment proceeds, whilst balancing the investment requirements of the Company with market conditions and capital growth. Under current market conditions use of capital for highly discounted new investments is favourable over dividend payments.

Lion's main asset is currently cash positioning Lion strongly to take advantage of discounted opportunities, making Lion a simple way to invest in high growth mineral companies, with a track record of value creation and dividends.

Robin Widdup, Lion Founder and Director said: *"Lion is very pleased to be in an extremely strong cash position and able to confidently consider new investments. Lion is in an excellent position to capitalise on existing and ongoing market weakness."*