

1 July 2024

## **LION MANAGEMENT ARRANGEMENTS CONFIRMED**

- **Hedley Widdup appointed Chief Executive Officer**
- **Craig Smyth retains Chief Financial Officer role**

Further to the announcement on 30 April 2024, Lion Selection Group Limited (**Lion or the Company**) is pleased to announce all conditions associated with the new Lion management arrangements have been met and that Lion's investment team are now directly employed by Lion.

Accordingly, Hedley Widdup has been appointed Chief Executive Officer of Lion, with Craig Smyth retaining the Chief Financial Officer role. Details of their employment arrangements are set out in Appendices 1 and 2 of this announcement.

Hedley Widdup joined Lion Manager in 2007 from a background in mine and resource geology at some of Australia's largest mines with WMC, Xstrata and Goldfields. In 17 years he has worked across the Lion portfolio in Australia, Africa and Asia as well as managing the investor relations function. He has become a noted mining industry commentator, he is Chairman of Lion's unlisted investment Plutonic Limited, Non-Executive Director of Canadian listed Erdene Resource Development Corp, and Volunteer Member of the Melbourne Mining Club Steering Committee.

Craig Smyth has 19 years resources experience since joining Lion in 2005 as Financial Controller, before becoming Chief Financial Officer in 2010. Craig is a Chartered Accountant with a commercial background out of Coopers & Lybrand, Credit Suisse First Boston, ANZ and Telstra. Craig is the interim Chief Financial Officer of Lion investee PhosCo Ltd and has represented Lion on the Pani Joint Venture and within Nusantara Resources Limited.

Lion Chairman Robin Widdup said: *"Lion has operated with an external manager since its inception in 1997. Having Hedley and Craig join Lion as employees simplifies the corporate structure, provides the best alignment between Lion and key management, and takes Lion one more big step toward the company we want it to be. They have been instrumental in refining the investment strategy that Lion is employing with a focus on Australia, precious metals, base metals and strategic minerals. Whilst neither of them is new to Lion, they have both just become employees and Lion welcomes them warmly."*



## Appendix 1

A summary of the key terms of Hedley Widdup's appointment is set out below:

Position	Chief Executive Officer	
Commencement Date	1 July 2024. Prior service with Lion Manager prior to commencing employment is recognised including unpaid leave entitlements.	
Term	Ongoing	
Fixed Annual Remuneration (FAR)	\$350,000 (inclusive of guaranteed superannuation contributions)	
Short-Term Incentive (STI)	<p>Hedley will be eligible to participate annually in a STI Plan. The 2024 STI bonus pool will reflect three key elements:</p> <ul style="list-style-type: none"> <li>• The extent by which Lion's discount to Net Tangible Asset backing reduces;</li> <li>• Remuneration realised (including incentive benefits) from Lion investee company directorships and executive roles; and</li> <li>• In exceptional circumstances at the sole discretion of the board, investment outperformance.</li> </ul>	
Long-Term Incentive (LTI)	<p>Hedley is eligible to participate annually in a LTI Plan.</p> <p>The 2024 LTI Award will comprise a mix of performance rights that only vest upon meeting specified criteria for shareholder returns (500,000 rights) and investment portfolio performance (500,000 rights). There will be a one-off award of 238,000 retention rights that vest subject to meeting continuous service conditions.</p> <p>All vested shares will remain subject to an exercise restriction of 2 years following vesting.</p> <p>The Performance Rights will commence on the date of grant and expire on 31 July 2027 with performance assessed annually.</p> <p>The vesting conditions are below.</p>	
	Share Price Performance	Portfolio Value
	VWAP Less than 56c: No Rights vest	Portfolio value less than 71c: No Rights Vest
	VWAP equals 56c: 250,000 Rights vest	Portfolio value equals 71c: 250,000 Rights vest

	VWAP between 56c & 76c: Pro Rata between 250,000 and 500,000 Rights	Portfolio value between 71c & 83c: Pro Rata between 250,000 and 500,000 Rights
	VWAP equals or exceeds 76c: 500,000 Rights vest	Portfolio value equals or exceeds 83c: 500,000 Rights vest
<b>Retention rights</b>	A one-off package of 238,000 retention rights will vest: <ul style="list-style-type: none"> <li>• 20% on the first anniversary of the agreement date</li> <li>• 20% on the second anniversary of the agreement date</li> <li>• 60% on the third anniversary of the agreement date</li> </ul>	
<b>Notice Period and Termination provisions</b>	Hedley may resign at any time by giving 3 months' notice.	
	<p>Lion may terminate Hedley's employment by giving 12 months' notice, or in some circumstances, such as serious misconduct, without notice.</p> <p>If Lion terminates Hedley's employment, Lion may, at its discretion, elect to pay him an amount in lieu of notice for any portion of the relevant notice period not worked.</p>	

## Appendix 2

A summary of the key terms of Craig Smyth's appointment is set out below:

Position	Chief Financial Officer	
Commencement Date	1 July 2024. Prior service with Lion Manager prior to commencing employment is recognised including unpaid leave entitlements.	
Term	Ongoing	
Fixed Annual Remuneration (FAR)	\$350,000 (inclusive of guaranteed superannuation contributions).	
Short-Term Incentive (STI)	<p>Craig will be eligible to participate annually in a STI Plan. The 2024 STI bonus pool will reflect three key elements:</p> <ul style="list-style-type: none"> <li>• The extent by which Lion's discount to Net Tangible Asset backing reduces;</li> <li>• Remuneration realised (including incentive benefits) from Lion investee company directorships and executive roles; and</li> <li>• In exceptional circumstances at the sole discretion of the board, investment outperformance.</li> </ul>	
Long-Term Incentive (LTI)	<p>Craig will be eligible to participate annually in a LTI Plan.</p> <p>The 2024 LTI Award will comprise a mix of performance rights that only vest upon meeting specified criteria for shareholder returns (500,000 rights) and investment portfolio performance (500,000 rights). There will be a one-off award of 238,000 retention rights that vest subject to meeting continuous service conditions.</p> <p>All vested shares will remain subject to an exercise restriction of 2 years following vesting.</p> <p>The Performance Rights will commence on the date of grant and expire on 31 July 2027 with performance assessed annually.</p> <p>The vesting conditions are below, with further details to be provided in the Notice of General Meeting.</p>	
	<b>Share Price Performance</b>	<b>Portfolio Value</b>
	VWAP Less than 56c: No Rights vest	Portfolio value less than 71c: No Rights Vest

	VWAP equals 56c: 250,000 Rights vest	Portfolio value equals 71c: 250,000 Rights vest
	VWAP between 56c & 76c: Pro Rata between 250,000 and 500,000 Rights	Portfolio value between 71c & 83c: Pro Rata between 250,000 and 500,000 Rights
	VWAP equals or exceeds 76c: 500,000 Rights vest	Portfolio value equals or exceeds 83c: 500,000 Rights vest
<b>Retention rights</b>	A one-off package of 238,000 retention rights will vest: <ul style="list-style-type: none"> <li>• 20% on the first anniversary of the agreement date</li> <li>• 20% on the second anniversary of the agreement date</li> <li>• 60% on the third anniversary of the agreement date</li> </ul>	
<b>Notice Period and Termination provisions</b>	Craig may resign at any time by giving 3 months' notice.	
	<p>Lion may terminate Craig's employment by giving 12 months' notice, or in some circumstances, such as serious misconduct, without notice.</p> <p>If Lion terminates Craig's employment, Lion may, at its discretion, elect to pay him an amount in lieu of notice for any portion of the relevant notice period not worked.</p>	