

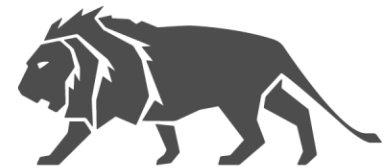


LSX

Lion Selection Group

**Annual General Meeting
November 2024**

www.lionselection.com.au



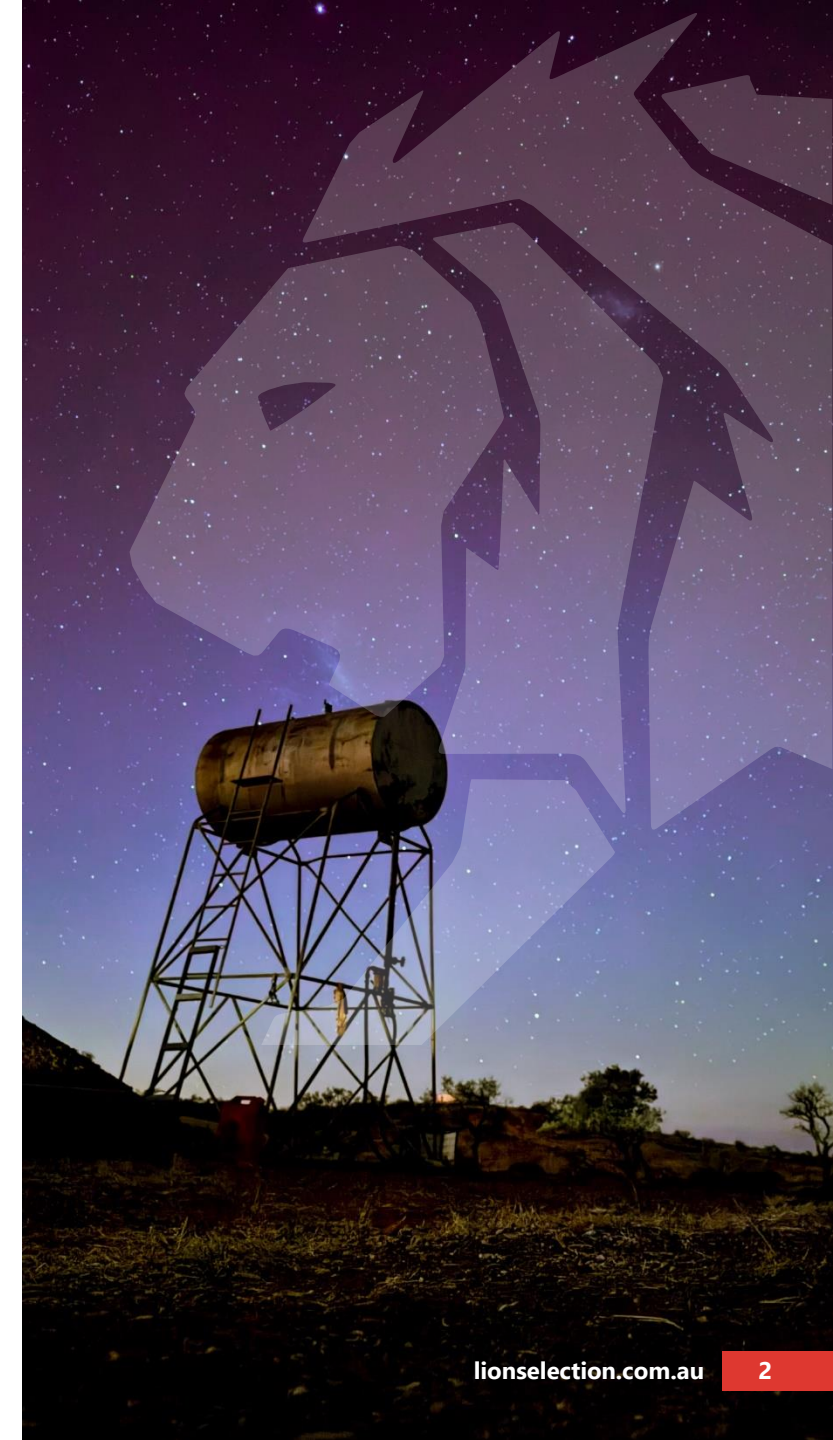
Lion Selection Group

Disclaimer

This presentation does not constitute investment advice. Neither this presentation nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. This presentation does not take into account any person's particular investment objectives, financial resources or other relevant circumstances and the opinions and recommendations in this presentation are not intended to represent recommendations of particular investments to particular persons. To the fullest extent permitted by law, each of Lion Selection Group Limited (Lion), Lion Manager Pty Ltd (Lion Manager), or any of its related bodies corporate, or any of its directors, officers, employees, agents, representatives and advisers do not make any representation or warranty, express or implied, as to the accuracy or completeness of any information, statements, opinions, estimates, forecasts or other representations contained in this presentation. No responsibility for any errors or omissions from this presentation arising out of negligence or otherwise is accepted.

This presentation may include forward looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are inherently speculative and outside the control of Lion and Lion Manager. These risks, uncertainties and assumptions include commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates. Accordingly, there can be no assurance that actual values, results or events will not vary significantly from those expressed or implied in this presentation. Lion and Lion Manager do not undertake any obligation to update or revise any information or any of the forward looking statements in this presentation for changes in events, conditions or circumstances on which any such forward looking statement is based following the date of this presentation.

This presentation may include figures illustrating past performance. Past performance is not and should not be relied upon as a guide to future performance. Future returns are not guaranteed, and a loss of original capital may occur.



there's
something
about
**micro-
cap
miners**



Highest Growth Sector of the Market

Value creation opportunity

- Discovery / project expansion
- De-risking
- Cyclical re-rating
- M&A



Micro-Capitalisation Resources

Lion's investing focus

Many investors are seriously disadvantaged by typical risks:

- Understanding technical information
- Ongoing funding
- Cyclical sensitivity
- People
- Only seeing a small portion of opportunities in a huge space

Lion has a natural advantage to overcome each of these risks:

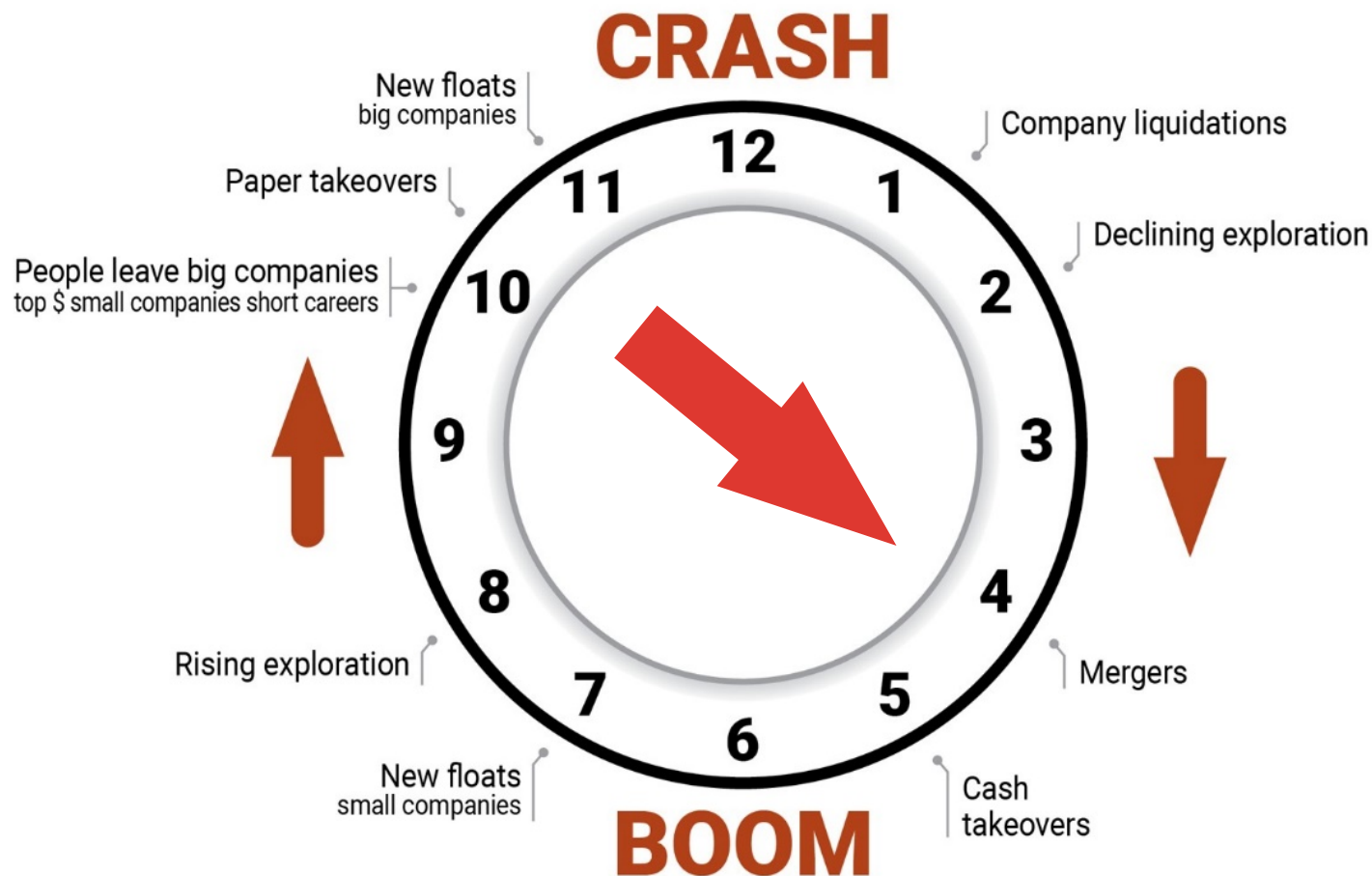
- Specialist team – mining knowledge
- Well funded
- Aligns investment and divestment to cycle
- Huge networks
- High volume deal flow

Lion is well funded, experiencing high volume deal flow, filters on people and undertakes detailed technical assessment



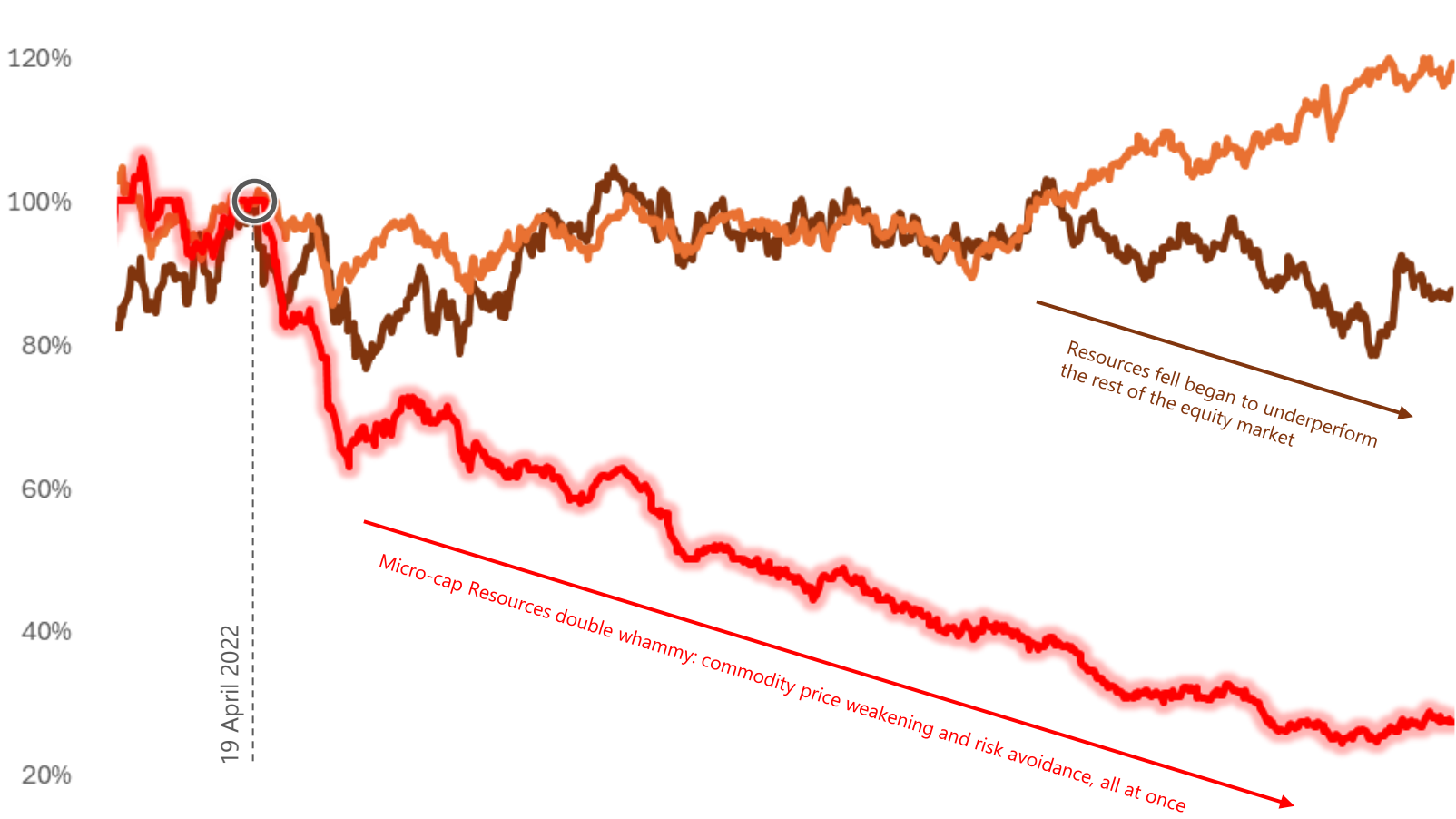
Cycle Timing: Crucial

Central to Lion investment strategy



- Characteristic market patterns define cycles for resources stocks
- Cyclic volatility is particularly pronounced for micro-capitalisation stocks
- Lion aligns investment behaviours to the cycle

Cyclical awareness – buy low / sell high



Jan 2022 – Present, rebased to 19 April 2022

* The proxy for price of Micro-capitalisation Resources companies is the Median Performance of a group of 608 ASX listed companies with GICS classification Metals & Mining, that were capitalised at less than A\$100M on 1 December 2023
Source: IRESS data, Lion Selection Group

Long Term Fundamentals

Commodities versus Equities

1. Expected rotation of the long-term Commodities / Equities ratio back to commodities

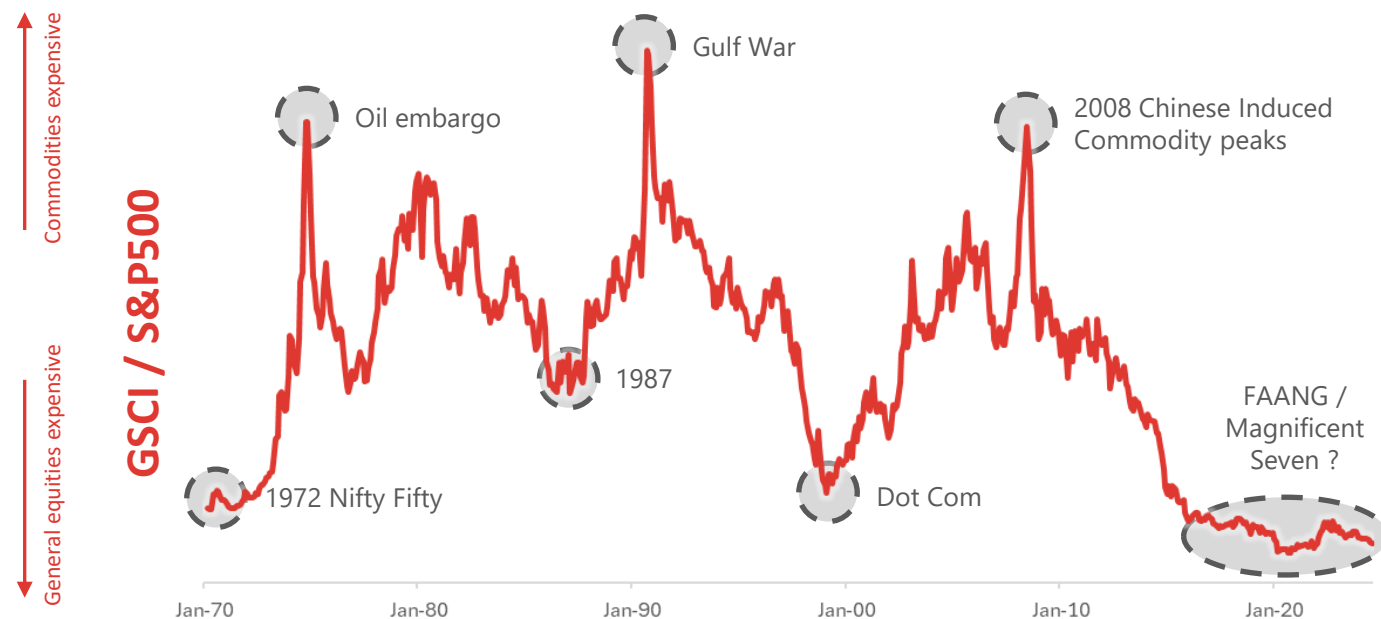
Historically, this has created the *most substantial* mining booms



Commodities VS Equities

How will history describe the present...?

Probably as “*under-prepared*”



1. Expected rotation of the long-term Commodities / Equities ratio back to commodities

Historically, this has created the *most substantial* mining booms

2. Coincidence of strong commodity fundamentals

The mining industry is *extremely under invested* in future supply

Strong **Chinese and BRIC nation gold appetite**

Future demand patterns will reflect greater intensity of use for many critical / strategic materials under the **Energy Transition**

3. Cyclical recovery: the next mining boom

4. Recovery of market appetite for risk and micro-caps

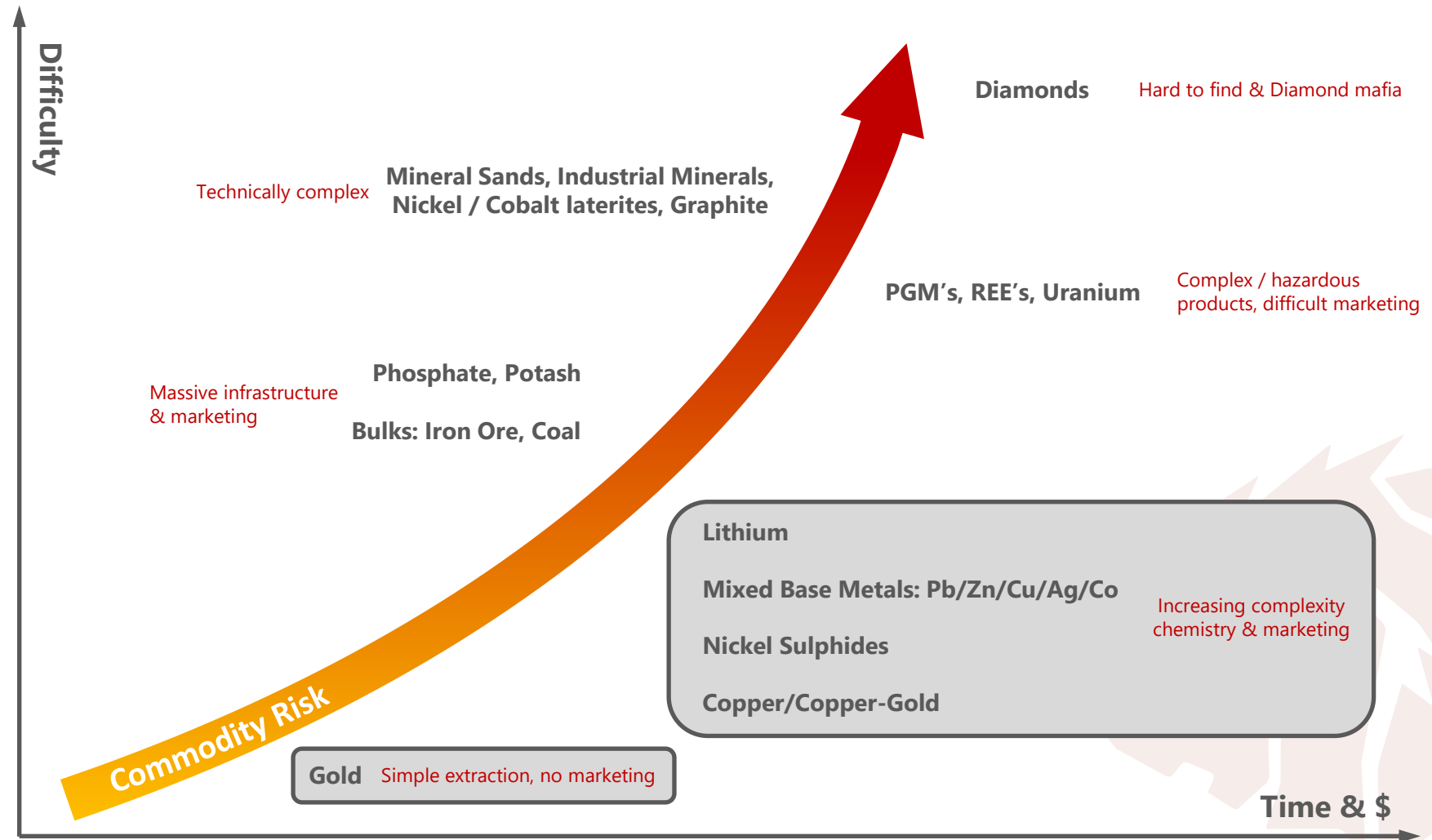
Risk appetite connected to interest rates

Commodities

Degrees of difficulty

- *Process risk*
- *Off-site capex requirements for transport infrastructure*
- *Transparency / liquidity of the commodity market*

Lion targets low risk commodities:
Precious and base metals, strategic materials



Commodities

When the sky is the limit, and when it isn't



Gold:

- One of the best performing assets over multi-decades
- Priced influenced more by buyer urgency than value in use

Copper:

- Bellwether of the global economy
- Price practically constrained by what users are prepared to pay / can pass on

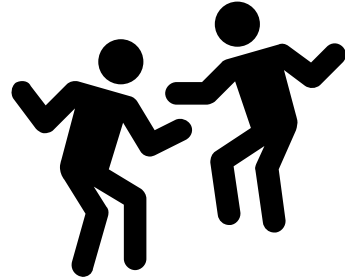
Lion Investing Process

Deal Flow



- Listed and unlisted companies
- 1,000+ to assess and filter

People



- Competence
- Integrity

Valuation



- Key assessment:
- Funding (dilution of per share value)
 - Geological upside

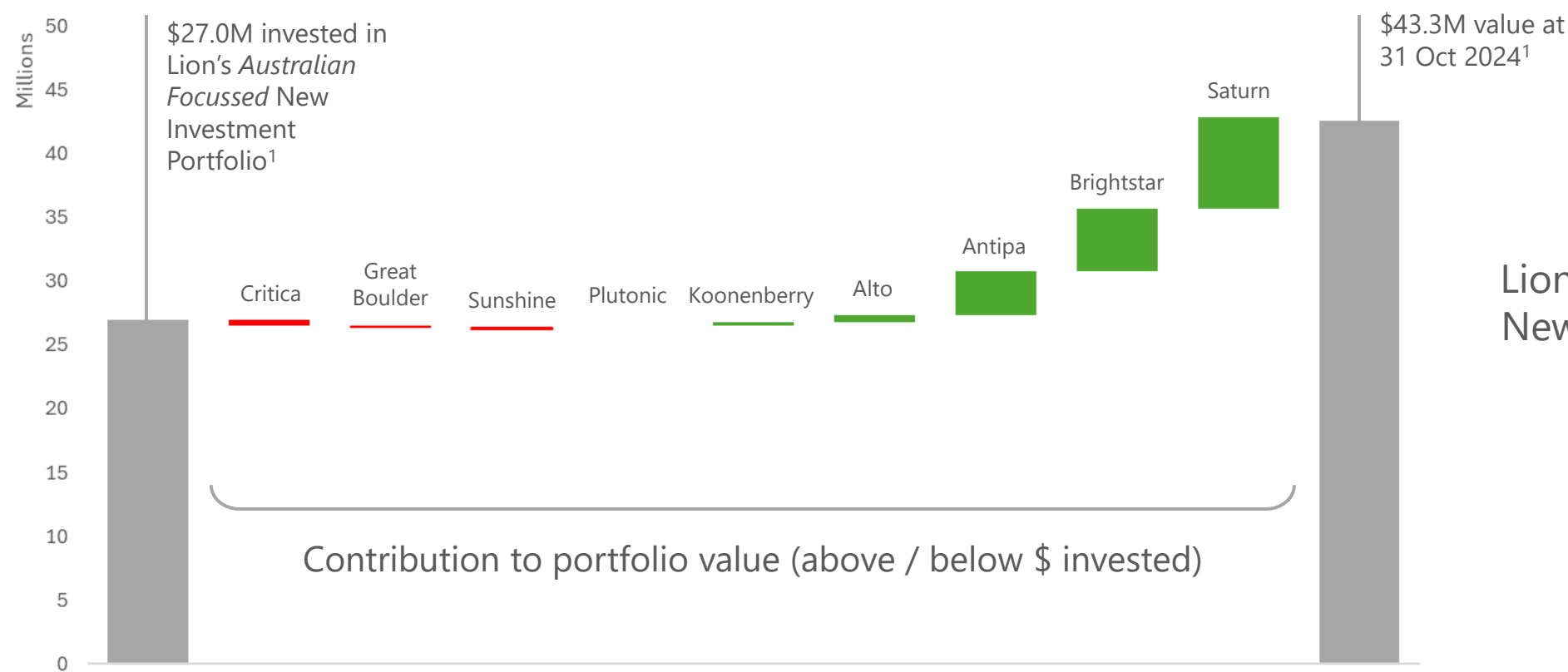
Risk assessment



- Identify and avoid existential risks

Lion investing strategy

How is it going...?



Lion's *Australian Focussed New Investment Portfolio* is up **61%¹** on funds invested

Investing at *cyclical low prices*

\$50.4M cash to invest ²

Australia focus

Precious, base and strategic materials

Pre-development stage

Underpins greatest value growth potential



| | | |
|------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------|
| Brightstar Resources [ASX:BTR] | Low capex, cash flow funds growth, strategically sized gold inventory | <div><div></div></div> |
| Saturn Metals [ASX:STN] | Low-cost heap leach economics x large gold inventory | <div><div></div></div> |
| Antipa Minerals [ASX:AZY] | Telfer region strategic resource | <div><div></div></div> |
| Sunshine Metals [ASX:SHN] | High grade Gold / Copper / Zinc VMS | <div><div></div><div></div></div> |
| Alto Metals [ASX:AME] | Strategic ground package, 0.8Moz in shallow drilling | <div><div></div></div> |
| Great Boulder [ASX:GBR] | Defining the Eastern limb of the Meekatharra Gold Field | <div><div></div></div> |
| Critica [ASX:CRI] | Large, shallow, high grade REE discovery close to proposed upgrade facilities | <div><div></div></div> |
| Koonenberry Gold [ASX:KNB] | Portfolio of exploration assets across NSW | <div><div></div><div></div></div> |
| Plutonic [unlisted] | Large, undrilled hydrothermal system with gold / copper pregnancy | <div><div></div><div></div></div> |

Commodity legend:

Precious metals

Base metals

Strategic materials

Legacy investments (Erdene, PhosCo, Atlantic Tin, Kin Gin) not shown

Valuation ²

Sum of the parts



ASX:LSX

31 October 2024

| | | |
|------------------------------|-----------------|----------------|
| Cash | \$50.4M | 35.7cps |
| Legacy Investments | \$13.3M | 39.7cps |
| New Investments * | \$42.8M | |
| Tax | -\$2.2M | |
| Total Value | \$104.2M | 73.8cps |
| Market Capitalisation | \$82.3M | 58.5cps |

The New Investment pool consists of investments made by Lion, with a focus on Australia, since the exit of two substantial Indonesian gold investments in 2021 and 2022

- **\$27.0M invested** in New Investments
- This pool of New Investments has **performed +61%**

* New investments are companies invested in by Lion for the first time after 1 January 2022

Valuation ²

Sum of the parts



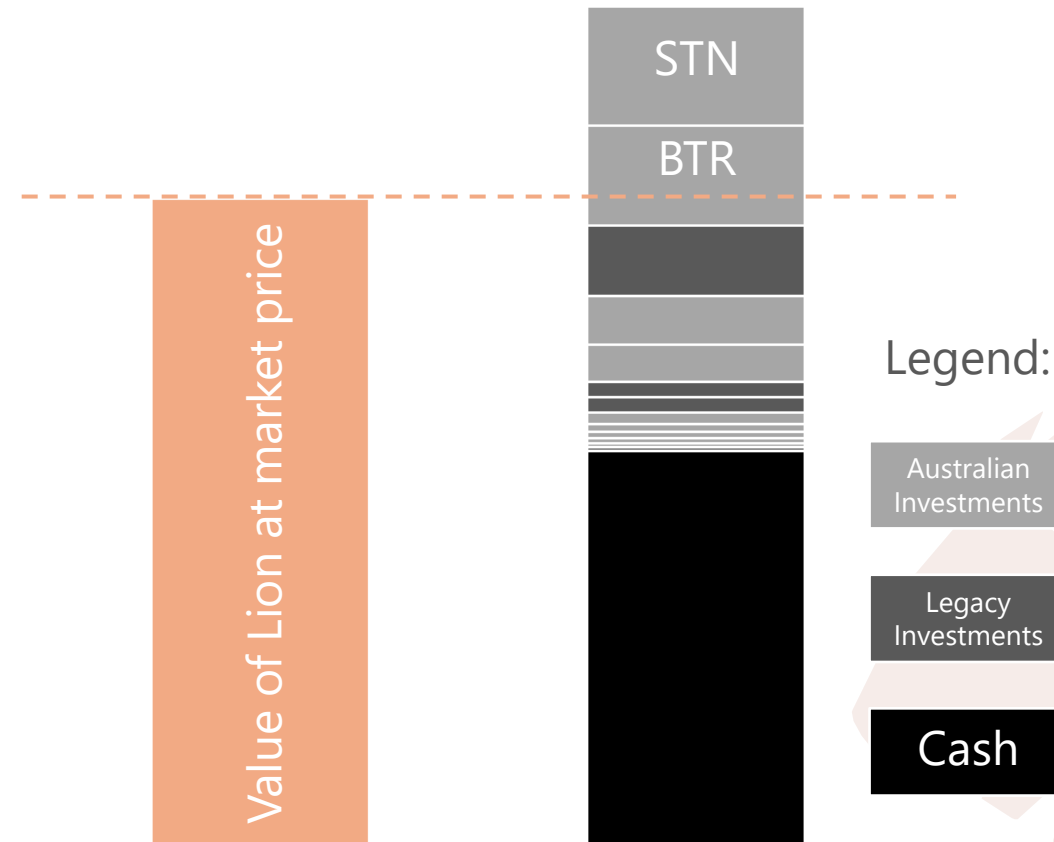
- ✓ Large exits at top of the market (2021/2022)
- ✓ Material reduction in jurisdiction risk

Valuation ²

Sum of the parts

But wait – there's more

Breaking down Lion's value per share



Investing in *high growth* Resources via Lion

- 1.** Investing in a deeply discounted market
Micro-capitalisation Resources *fell heavily* 2022-2024
- 2.** Targeting highest growth sector
Micro-capitalisation Resources: multiples upside
Targeted investments made from high volume deal flow
- 3.** Well-funded
\$50.4M² cash to establish high % holdings in target investments at cyclical low prices
- 4.** Entry price < asset backing
58.5cps VS 73.8cps². Deeply liquid asset backing
- 5.** Research driven process
In house due diligence, underpinned by deep experience and broad networks
- 6.** Broad opportunity access
High quality deal flow from start-up stage explorers and deal makers eg Plutonic (Lion \$4.8M invested)
High proportion of deal flow internally originated
- 7.** Lowest jurisdiction risk
Australia
- 8.** Portfolio approach to high growth sector
Multiple commodity and project exposures to minimise individual exposure risks
- 9.** Specialist Mining Investment Team
Established performance track record across multiple cycles, hands on approach, experienced across mining, finance and M&A plugged into the mining investment sector

LSX:ASX

Lion Selection Group | Well funded | Investing at cyclical low
Powerful contrarian play in a weakened market

**Subscribe for Lion
Announcements**

<http://www.lionselection.com.au>

**Level 2/175 Flinders Lane
Melbourne VIC 3000**

T +61 3 9614 8008

E info@lsg.com.au



Appendices

References

1. Refer to Lion Selection Group announcement to ASX on 25 November 2024
2. Refer to Lion Selection Group announcement to ASX on 7 November 2024
3. Total Shareholder Return (TSR) for Lion Selection Group as at 31 October 2024 since inception in July 1997 was **8.8%pa**, versus the ASX Small Resources Accumulation Index **4.6%pa**

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).

Methodology for calculating total shareholder return is based on MorningStar (2006), which assumes reinvestment of distributions.

Lion assume all distributions are reinvested, with all non-cash distributions sold and the proceeds reinvested on the distribution pay date.

Investment performance is pre-tax and ignores the potential value of franking credits on dividends that were partially or fully franked.

Past performance is not a guide to future performance.

Indices used for comparison are accumulation indices, which assume reinvestment of dividends.

Data source: IRESS, Lion Manager

The Lion Story

27 years

Veteran of three mining
cycles

EST.
1997

Melbourne • Australia

ASX:LSX

Founded in 1997 by Robin Widdup, Lion Selection Group has built a track record as a successful investor in mining assets and interpreter of the cycles of mining.

In a 27-year history, Lion has been an early shareholder and contributed to the success of a long list of successful mining companies. These include East African Gold Mines (The North Mara Mine which is now a substantial gold producer for Barrick in Tanzania), Consolidated Minerals, Independence Group (now known as IGO), Catalpa Resources (now known as Evolution Mining), MPI Mines, Redback Mining, Gallery Gold, EganStreet Resources, Indophil Resources and Platmin. Profitable exits have enabled Lion to make distributions to shareholders exceeding 341cps³ which underpin Total Shareholder Return since 1997 well exceeding the ASX Small Resources Index³.

In 2021 / 2022 Lion exited two substantial Indonesian gold investments which resulted in a cash return to Lion of over \$90M at the top of the mining cycle. \$16.7M of this cash was distributed via dividends and an on-market buy-back, the remainder is available for investing in a market that has more than halved. Lion is strongly re-capitalised for a new mining boom cycle.

Lion closely monitors the mining cycle via the Lion Mining Clock and aims to align investments and exits with mining busts and booms to take best advantage of weak markets to invest and strong markets to sell.

Lion has always backed people whose competency and integrity are high and aligned with our own.

Our sole focus is developing a commodity diverse portfolio of pre-production Australian mining assets that have strong investment cases. This positions Lion as a mid-tier sized mining house of the future, with high leverage to the long term strongly positive fundamentals for mineral commodities and the inevitable next mining boom, based on assets that have been accumulated through the current weak market.

Deal Flow

Extremely broad access to opportunities

Micro Capitalisation Resources

- Deep but inefficient target market
- 000's of companies, with high creation / turnover rate

Huge investment universe

- **LISTED:** Metals and Mining classified micro-caps largest group on ASX. >600 (of >1900 listed companies)*
- **UNLISTED:** Large community of startup, explorers and deal makers

Delivered by networks

- Extensive relationship network throughout the industry
- Results in high in-bound volume of enquiry from brokers, companies, etc

Internally originated

- Bottom-up investment approach: We know what we are *looking and watching* for
- And establish / maintain contact

Watchlist

- Deal flow is actively processed: watch / pursue, wait, or ignore
- Watchlist companies have detailed assessment in place

Process

- Highly selective conversion to investment

* Source: ASX

Investment Process

27 years of deployment

Micro Capitalisation Resources

- Highest growth stage in mining
- Requires strong technical approach and alignment to the mining cycle
- To capture high multiple growth

Highly selective

- High deal flow (1,000's per year)
- Highly selective conversion to investment (targeting 10-20 portfolio stocks)
- 100% in-house due diligence, specialist mining investment team

Portfolio objectives

- Growth target: ***Multiples***
- Long term holdings, with strong follow on
- Risk management via exposure to multiple commodities, projects, stage of project and people

Filter

- **Jurisdiction / People / Project**

Jurisdiction

- Australia only

People

- High capability, strong integrity
- Extension / part of the Lion Team

Project

- Valuation
- Risk assessment

Exit

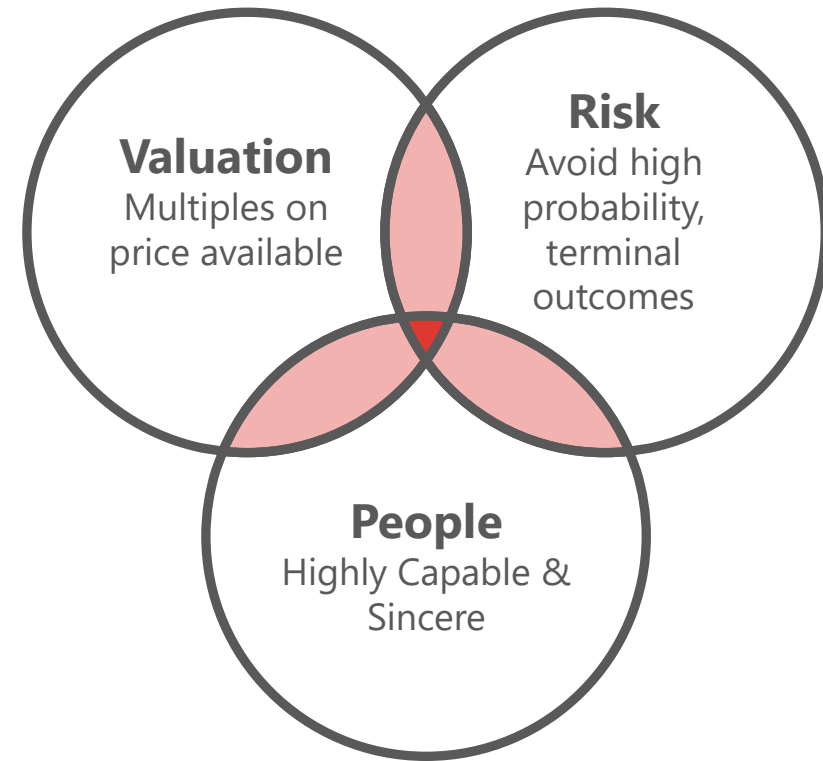
- Consolidate or sell

Investment Objective

Multiples

Micro Capitalisation Resources

- Target multiples that aren't threatened by a terminal risk
- And people that are as much on our team as we are on theirs



Leverage to most attractive commodities

Essential to be able to produce and sell a product

High capability, growth-oriented teams

Oriented toward long-term relationships

Cents in the dollar pricing

Developing portfolio at cyclical lows

Strategically located assets

Multiple pathways to development and exit

Targeting aggressive investment deployment during cyclical low periods

LSX

Assembling a portfolio of
high-quality resources
investments

At cyclical low pricing

Preparing for the next
mining boom

ASX:LSX

Opportunity

*(well-funded to acquire
multiple, high %
holdings)*

- Small and micro-cap resources companies have been depressed by small cap sentiment and commodity price weakness
- Lion has a strong cash position from top-of-market investment exits and is investing at deeply discounted cyclical lows

Asset portfolio development

- Highly selective investor in a huge investment universe where specialist mining investment approach is required
- Targeting the most attractive commodities: precious, base and strategic materials
- Strategically located assets, with multiple pathways to development and exit

Potential for outperformance

*(strong re-rating
expectation)*

- Investing aligned with the mining cycle, awaiting the next boom and cyclical uplift
- Exceptional long-term fundamentals for commodities
- Overdue reversal of equity market sentiment to micro- and small-cap companies

Board & Management

Strong Foundation

BOARD



Peter Maloney

Non-Executive Director

Peter has commercial background developed through various roles at WMC Resources, Santos and FH Faulding. Peter was Chairman at Catalpa Resources when it merged into Evolution Mining Limited.



Chris Melloy

Non-Executive Director

Chris is a mining engineer with 40+ years experience in mining operations, securities analysis and investment. He has worked with Lion since inception, and held directorships of several Lion investee companies.



Robin Widdup

Executive Chairman

Robin's mining experience spans Africa, UK and Australia. Robin led the mining analyst team at JB Were and was the founder of Lion Selection Group.



Hedley Widdup

Managing Director

24+ years mining and investment experience. Extensive mine and resource geology experience. Noted for mining commentary including the mining cycle. Director of Erdene Resources and Plutonic Limited



Craig Smyth

Chief Financial Officer

18 years mining investment experience. Craig is a member of the Institute of Chartered Accountants of Australia with experience working for Coopers & Lybrand, Credit Suisse First Boston (London) and ANZ Investment Bank.

MANAGEMENT TEAM

Exceptional Access to People



Plutonic Limited



Brightstar Resources



Alto Metals



Great Boulder



Saturn Metals



Critica Limited



Antipa Minerals



Sunshine Metals



Koonenberry Gold

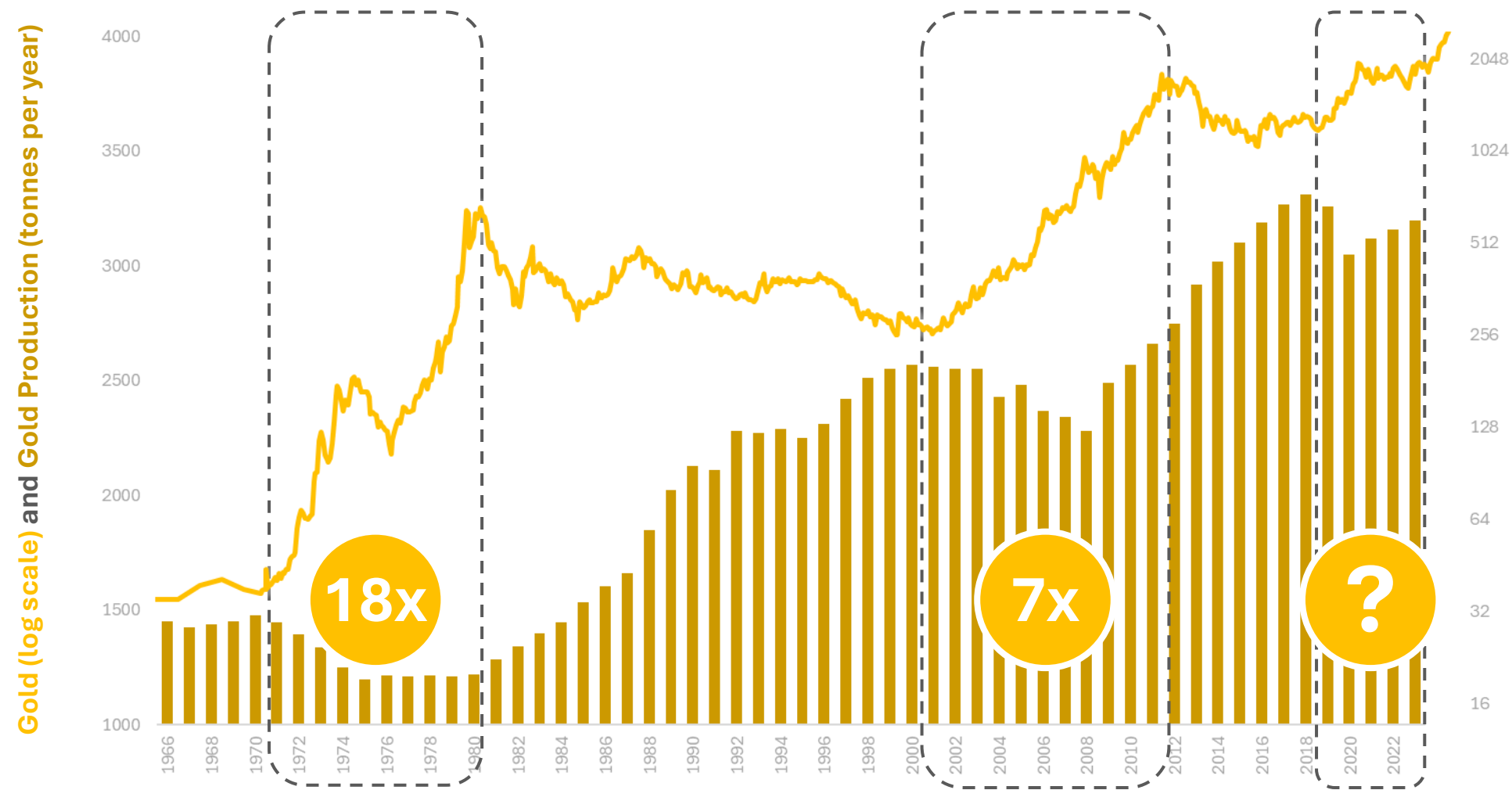


Vacancy...



Gold: Supply VS Demand

Bull markets start when annual production flattens



Mining Investor Landscape

ASX100 Resources Index

19 companies
Capitalisations > \$2.4B

ASX Small Resources Index

53 companies
Capitalisations \$150M-\$4B

Index Inclusion
Large Capitalisation
& Liquidity

ASX Listed Micro-Cap Resources
NO INDEX
00's companies
Capitalisations (typically) \$1M-\$500M

UNLISTED Resources Companies
(Mostly Start-ups)
00's companies
Capitalisations (typically) \$1M-\$50M

