



Lion Selection Group

28 June 2021

The Manager
Market Announcements Office
Australian Securities Exchange

Dear Manager

**Lion Selection Group Limited
Revised Securities Trading Policy**

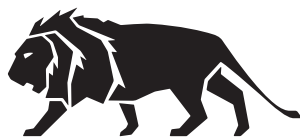
Attached is a copy of the revised Securities Trading Policy lodged with the ASX in accordance with ASX Listing Rule 12.10. A copy of the Securities Trading Policy is available on the company's website at www.lionselection.com.au.

Yours faithfully

Jane Rose
Company Secretary

Lion Selection Group Limited ABN 26 077 729 572
Level 2, 175 Flinders Lane, Melbourne 3000 Vic Australia

T +61 3 9614 8008
F +61 3 9614 8009
E info@lsg.com.au
W www.lsg.com.au



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ACN 077 729 572



SECURITIES TRADING POLICY

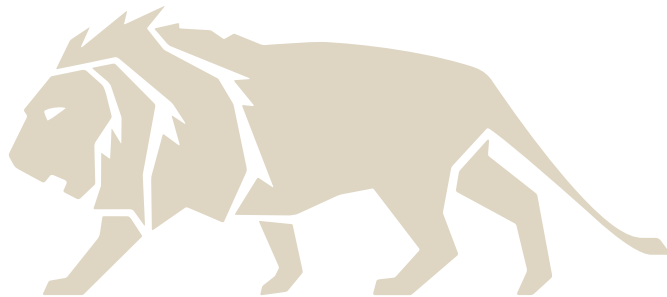
JUNE 2021

INTRODUCTION

As a result of the nature of the business of Lion Selection Group Limited (Lion) and Lion Manager Pty Ltd (the Manager), directors, officers and other employees of Lion and the Manager will be in possession of information regarding a wide range of small and medium sized exploration and mineral production companies.

From time to time some of this information may be classified as 'inside' information. Lion and the Manager may also be aware of potential transactions between small and medium sized exploration companies and other companies.

- ▶ **The Manager has a management contract with Lion.**
- ▶ **Lion and the Manager will continue to be in possession of information on a variety of small companies which at times may be insider information.**
- ▶ **The Manager maintains a parallel Securities Trading Policy which applies to all employees and directors of the Manager.**
- ▶ **Office space is shared by Lion and the Manager.**



1. This Securities Trading Policy is designed to prevent the possibility of any actual or perceived:

- conflict of interest between the Manager and Lion; and
- insider trading by the directors and employees (and related parties) of Lion. The policy extends to include investments for, or on behalf of the relevant director or employee, spouse, an associated company or trust, or any other related person, company or entity (related parties).

2. Summary of the insider trading prohibitions in the Corporations Act

Meaning of insider and inside information

For the purposes of the insider trading provisions of the Corporations Act, a person is an 'insider' if the person possesses information that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities ('inside information') and the person knows, or ought reasonably to know that the information is inside information.

Information is taken to be generally available if it:

- consists of readily observable matter; or
- has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in securities of a kind whose prices might be affected by the information and since it was so made known, a reasonable period for it to be disseminated among such persons has elapsed; or
- consists of deductions, conclusions or inferences made or drawn from such information.

A reasonable person is taken to expect information to have a material effect in the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the relevant securities.

What activities are prohibited under the Corporations Act?

The Corporations Act prohibits an insider from 'trading' or 'procuring' another person to trade in relevant securities and from 'tipping' another person in relation to the relevant securities, whether as principal or agent.

- (a) **Trading** means to subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell any such relevant securities;
- (b) **Procuring** includes to incite, induce or encourage another person to trade in the relevant securities; and
- (c) **Tipping** means to communicate directly or indirectly inside information (or to cause the inside information to be communicated) to another person where the insider knows, or ought reasonably to know, that the other person would or would be likely to trade or procure a third person to trade in the relevant securities .

3. Supervisory Procedures

To assist in the adherence to this policy, the Lion Board will:

- ensure all directors, officers and employees of Lion are familiar with these policies and procedures;
- review on a regular basis and update as necessary, these policies and procedures;
- seek declarations of interests at each regular Board meeting; and
- review the trading activity of each director and employee from time to time, including trading for or on behalf of the relevant director or employee, a family member (spouse or minors only), company or trust, or any other person, company or entity, and whether directly, or through a stockbroker or other intermediary.

Each director, officer and employee of Lion will annually provide the Company Secretary with a statement that they are aware of this policy (or update), and have adhered to it for the prior 12 month period.

4 Compliance Procedures

The compliance procedures are as follows:

- (a) Directors and employees of Lion (and their related parties) are not to invest in or otherwise trade in the securities of:
 - small and medium sized exploration and mining companies, (other than Lion);
 - any company in which Lion may have a material business transaction or association with or where such a transaction or association is being contemplated;
 - any Investee Company of Lion.

For the purposes of this policy:

- a small and medium company is defined as one with a market capitalisation of less than A\$250 million at the time of investment;
 - material transaction or association means one which may be reasonably expected to have a material financial effect;
 - Investee Company means any company in which Lion has, or is, contemplating an interest;
 - additionally, all employees of Lion, prior to making a transaction in the resource sector, must make reasonable enquiries to ensure they are in compliance with this policy.
- (b) Directors and employees of Lion must submit to the Lion Board a list of the names of resource companies with a market capitalisation below A\$250 million (at time of purchase or have subsequently become) which were existing investments of that individual or a related party before the Compliance Procedures were enacted or in which the individual or related party held shares prior to becoming an employee of Lion.
- (c) The sale of investments which apply to 4(b) above must be approved in advance by the other Lion Directors.
- (d) In special circumstances:
- (i) following approval by the other Lion Directors, directors or employees of Lion may acquire new shares in Investee Companies (e.g. floats, rights issues and placements) but not existing shares;
 - (ii) following approval by the other Lion Directors, directors or employees of Lion may acquire shares through rights issues or placements on a pro-rata basis, in small and medium sized exploration and mining companies (normally only if that individual has a pre existing interest);
- and
- (iii) in the case of 4(d) above, individuals can sell following approval of the other Lion Directors.

If there is a Lion employee or director on the Board of the Investee Company each sale must follow the approval of that Board member.

- (e) (i) With respect to the purchase and sale of shares in Lion by Lion employees or directors, transactions must not be undertaken during the following black-out periods:

- (A) one week prior to the release of Lion's half yearly results;
 - (B) one week prior to the release of Lion's full year results;
 - (C) one week prior to the release of Lion's quarterly report;
 - (D) for a period of 24 hours following the release to the ASX of any announcement deemed by the ASX to be price sensitive;
- provided always that the person is not in receipt of inside information. Approval for Lion employees or directors to buy or sell shares in Lion is to be given by one of the Directors of Lion.
- (ii) With respect to the purchase and sale of shares in Lion by Lion directors or employees during the black-out periods referred to in 4(e)(i) above, prior approval is to be given by the Lion Board.

5. Notification Requirements

All details of transactions above must be immediately submitted to the Lion Board and recorded in the register. The register is to be updated by the Lion Company Secretary.

6. Securities Trading Policy – Voluntary 3 Month Rule

The following proposal is an addition to the existing Policy but is a voluntary section not requiring notification or record keeping with the Lion Company Secretary.

3 Month Rule

- All listed investments must be held for a minimum of 3 months.

Philosophy

- Lion has an investment culture not a trading culture and should look to buy and hold for a medium to long term.
- Individuals should not be active in non-Lion trading activities, during work time.

Approved and adopted

This policy was approved and adopted by the Board.

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