



## Net Tangible Asset Backing

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Lion Selection Group Limited (Lion) advises that the unaudited net tangible asset backing of Lion as at 30 November 2018 is \$0.42 per share (after tax).

	Commodity	October 2018 A\$M	November 2018 A\$M      ¢ps	
<b>Pani Joint Venture (33.3% Interest)</b>	Gold	39.3	<b>38.7</b>	<b>25.8</b>
<ul style="list-style-type: none"> <li>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. (See next page for more details.)</li> <li>Short term advance of \$0.6m repaid, increasing Lion's cash balance.</li> </ul>				
<b>Portfolio</b>				
Nusantara Resources	Gold	7.9	<b>6.7</b>	<b>4.5</b>
Roxgold	Gold	5.3	<b>4.9</b>	<b>3.3</b>
Egan Street Resources	Gold	4.1	<b>4.2</b>	<b>2.8</b>
Erdene Resources	Gold	2.1	<b>2.0</b>	<b>1.4</b>
Toro Gold	Gold	1.6	<b>1.5</b>	<b>1.0</b>
Other		3.2	<b>3.4</b>	<b>2.3</b>
<ul style="list-style-type: none"> <li>Portfolio holdings measured at fair value</li> <li>Includes investments held directly by Lion and the value to Lion of investments held by African Lion.</li> </ul>				
<b>Net Cash</b>		0.9	<b>1.4</b>	<b>0.9</b>
<b>Net Tangible Assets</b>		<b>A\$62.4m</b>	<b>A\$62.8m</b>	<b>42¢ps</b>

### Capital Structure

<b>Shares on Issue:</b>	150,134,879	
<b>Share Price:</b>	34¢ps	30 November 2018
<b>Options on Issue:</b>	15,720,958	\$0.50 expiry 12 April 2020

# Merdeka Transaction

On 5 November 2018 it was announced that PT Merdeka Copper Gold tbk (Merdeka) will become Lion's joint venture partner in the Pani Joint Venture (Pani JV) after agreeing to pay US\$55m cash to buy a 66.7% joint venture interest from Lion's existing joint venture partner. The purchase price paid by Merdeka imputes a look through value of A\$39m for Lion's 33.3% interest. Lion has adopted this valuation for its net tangible asset (NTA) disclosure.

Merdeka is a leading Indonesian gold mining company which developed and now operates the Tujuh Bukit oxide heap leach project, East Java. The technical, financial and Indonesian operations expertise possessed by Merdeka are welcomed by Lion as essential skills for developing the Pani Gold Project.