



22 May 2025

Lion invests \$1.0M in Koonenberry

Lion Selection Group Limited (ASX:LSX, Lion) is pleased to announce it has committed to invest \$1.0M as part of a \$5.0M placement announced by Koonenberry Gold (ASX:KNB, Koonenberry).

Koonenberry has had success in 2025, validating Lion's investment thesis and being the strongest performer in Lion's portfolio this calendar year. Market success has stemmed from drilling results at Enmore in Northern New South Wales, where long and high tenor gold intersections (such as 172.9m at 2.07g/t gold from 171m, including 25m at 5.23g/t gold from 195m¹) have been reported. Koonenberry is testing a new target at Enmore, where gold anomalism around a sediment / granite contact had been drilled before, but with a focus on the sediments. What Koonenberry has hit in the granite is materially better mineralised than any of the results from the sediments in results so far. This new search space is wide open, and the sheared contact is known to be anomalous for over 500m of strike. So, whilst the holes drilled so far by Koonenberry are within a relatively small footprint, step outs have demonstrated a thick zone of mineralisation that could become a large target.

Lion became a shareholder of Koonenberry as a pure play explorer during 2024. Whilst exploration is by its nature highly speculative, exploration exposure is highly desirable in a resource portfolio for the significant value creation that can flow from new mineral discoveries. Lion only rarely invests at the pure exploration stage and requires three factors to be present:

1. Board and management need to be highly capable, with a key focus on technical skills required to be successful as explorers and well-developed social license credentials.
2. Numerous opportunities to make a discovery, either via access to a whole or large portion of a prospective belt, or numerous well considered targets.
3. Ability to invest at a low valuation, reducing the risk of speculative outcomes being already priced and providing the best opportunity for value uplift in the event a discovery takes place.

Koonenberry strongly met these requirements for Lion to invest initially in March 2024 and the Gilmore / Enmore acquisitions in November 2024 that resulted in a suite of new exploration projects and board and management additions were highly complementary.

The placement is being conducted at 6cps, and Lion's investment of \$1M will take its interest in Koonenberry to approximately 6.8%.

Lion Managing Director Hedley Widdup said: "Koonenberry took a brave step to re-interpret the geology at Enmore and develop a new target concept, which the first few holes have shown to be well founded. The discovery of a new zone of mineralisation at Enmore is an exciting time for Koonenberry and this funding positions them strongly to put some shape around a highly compelling target."

¹ Refer to Koonenberry's announcement to ASX on 14 April 2025, 'KNB returns 172.9m @ 2.07g/t gold incl. 25m at 5.23g/t gold from second drillhole at Enmore'

