

6 February 2023

Monthly net tangible asset (NTA) backing per share as at 31 January 2023

31 January 2023

Before Tax	64.6 cps
After Tax*	64.3 cps
Share Price	50.0 cps

*The after-tax number relates to the provision for deferred tax on the unrealised gains in the Company's investment portfolio. The Company is a long-term investor and does not intend disposing of its total long term investment portfolio. Under current Accounting Standards, the Company is required to provide for tax on any gains that may arise on such a theoretical disposal, after the utilisation of brought forward losses.

Lion Selection Group

A simple way to invest in high growth mineral companies.

Investment Objectives: Lion Selection Group provides a patient, portfolio-oriented approach to investing in the high growth early-stage mining development space where specialist knowledge is essential.

Well funded to invest: Net cash \$56.9M at 31 January 2023.

History of dividends: Over Lion's 25+ years, it has made distributions in excess of 338cps.³

5cps dividends were paid in 2022.

Lion aims to pay sustainable dividends from surplus investment proceeds, whilst balancing the investment requirements of the Company with market conditions and capital growth.

Size of Portfolio: \$91.3M as at 31 January 2023.

Investment style: Lion carefully selects a small number of opportunities that have excellent prospects for development and offer deep value.

Lion investment horizon: 3-5 years.

Net asset backing: released every month and weekly during buyback period.

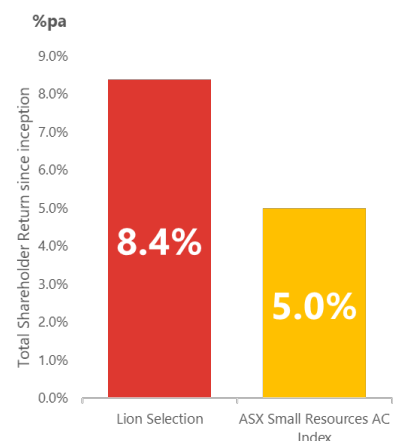
Listed on ASX: code LSX.

Key benefits

Specialist mining investment provides Lion shareholders with exposure to the early stage resources sector, with a portfolio that balances risks and is managed by a professional mining investment team.

Market beating historic performance since 1997

Total Shareholder
Return (TSR) as at 31
January 2023 since
inception (July 1997)¹⁻⁷



**Net Tangible Asset Backing**

Lion advises that the unaudited net tangible asset backing of Lion as 31 January 2023 is 64.6 cents per share (before tax) and 64.3 cents per share (after tax). This excludes \$2.2M in contingent liabilities relating to Lion's acquisition of investments from African Lion 3 (see Note 2).

	Unaudited NTA A\$M
Net Cash	56.9
Merdeka Copper Gold	23.2
Sub Total	80.1
Portfolio	11.6
Less Tax	<u>(0.4)</u>
NTA Post Tax	<u>\$91.3M</u>
NTA per share (post tax)	<u>64.3cps</u>

Note 1. Pani Deferred Consideration

On 1 February 2023 Lion announced that it had received the deferred consideration for the sale of its interest in the Pani Joint Venture¹. This deferred consideration is included in the 'Net Cash' figure above. The full consideration for the sale of Pani has now been received and Lion is in the process of selling its holding in Merdeka.

Under the deal, Lion was entitled to total consideration of US\$52M comprising:

- US\$22M cash **RECEIVED MARCH 2022** (less Indonesian tax of US\$2.6M)
- US\$20M of Merdeka shares **RECEIVED MARCH 2022, SALE OF SHARES UNDERWAY**
- US\$10M deferred cash **RECEIVED FEBRUARY 2023**

Lion has commenced the process of selling its Merdeka shares, with sales of US\$6.7M to 31 January 2023 and a residual holding worth US\$16.4M at the close of trade on 31 January 2023.

Note 2. Contingent Consideration

Lion's NTA excludes potential contingent consideration that may be payable if Lion sells its investment in either PhosCo or Kasbah.

This obligation arises following Lion agreeing to purchase the shares it did not own in African Lion 3 Ltd (AFL3) to consolidate ownership (with the exception of Lion Manager Pty Ltd who opted to hold its investment). The transaction involved Lion agreeing to pay contingent consideration in certain circumstances for up to 5 years ending 3 March 2026. The value of the contingent consideration depends on the ultimate exit price for PhosCo and/or Kasbah, how long Lion holds the investments, and how much additional investment is made.

1. 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).
2. Methodology for calculating total shareholder return is based on MorningStar (2006), which assumes reinvestment of distributions.
3. Distributions made include cash dividends, shares distributed in specie as a dividend, proceeds from an off-market buyback conducted in December 2008, and the distribution of shares in Catalpa Resources via the demerger of Lion Selection Limited in December 2009. Lion assume all distributions are reinvested, with all non-cash distributions sold and the proceeds reinvested on the distribution pay date.
4. Investment performance is pre-tax and ignores the potential value of franking credits on dividends that were partially or fully franked.
5. Past performance is not a guide to future performance.
6. Indices used for comparison are accumulation indices, which assume reinvestment of dividends.
7. Source: IRESS, Lion Manager

¹ Refer to ASX release by Lion 1 February 2023