

Net Tangible Asset Backing (NTA)

Lion Selection Group Limited (LSG) advises that the unaudited net tangible asset backing of LSG as at 15 December 2009 is \$0.85, the details of which are as follows:

	15 December 09
Direct Investments	\$21m
Investment in African and Asian Lion	\$9m
Committed Cash (AFL3/Asian Lion)	\$26m ¹
Net Cash (@ 15/12/09)	\$19m
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	\$75m
Shares on issue	88,029,353
NTA (A\$/ share) – Before Tax	\$0.85²

¹ Committed cash of US\$24m to AFL3 and Asian Lion. LSG holds US\$14 million cash as part of its hedging policy.

² The NTA from a theoretical disposal of LSG's investment portfolio at market prices based on accounting carrying value was \$0.85 per share prior to estimated tax on gains, and \$0.85 per share after estimated tax on gains from such disposal.

Sale of Indophil Resources NL

LSG has sold on-market its remaining holding in Indophil at an average price of \$1.21 per share. This sale, together with the sale of a 17.83% stake in Indophil at \$1.17 per share in 2008 by LSG's predecessor Lion Selection Limited, has returned a multiple on investment in excess of 5 times:

	2008	2009	Total
Number of shares sold	70m	27m	97m
Proceeds of sale	\$82m	\$31m	\$113m
Cost of investment	\$12m	\$10m	\$22m
Gross Profit	\$70m	\$21m	\$91m

LSG is now fully funded to meet its commitments to African Lion 3 and Asian Lion and therefore in a position to consider new investment opportunities that will be generated by the Lion Manager in the future.