



NOTICE OF 2010 ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Lion Selection Group Limited will be held at **RACV Club, Bourke Room 2, Level 2, 501 Bourke Street, Melbourne** on **Wednesday 1 December 2010 at 10.00am** (Melbourne time).

ORDINARY BUSINESS

Discussion of Financial Statements and Reports

To discuss the Company's financial statements and the reports of Directors and the auditor in respect of the year ended 31 July 2010.

RESOLUTION 1 – Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That the Remuneration Report of the Company for the year ended 31 July 2010, as set out in the Directors' Report of the Annual Report, be adopted.

Please note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

RESOLUTION 2 – Re-election of Director

Mr Ewen Tyler retires in accordance with the Constitution and, being eligible, offers himself for re-election as a Director.

Information on Mr Tyler and his experience and qualifications is set out below:

Ewen Tyler completed his degree in Geology at the University of Western Australia in 1949 and was involved in exploration and mining in Africa during the 1950s. In the following decade he worked in mining finance and exploration in London and on returning to Australia in 1969 initiated the exploration which led to the discovery of the Argyle Diamond Mine.

Ewen was a founding director of Ashton Mining Limited and remained an executive director until his retirement in 1990. Ewen has been chairman of Lion Selection Group Limited, and its predecessors, since inception in 1997.

RESOLUTION 3 – Modification of the Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

That the Constitution be modified in relation to the payment of dividends, by making the amendments specified in the document tabled by the chairman at the annual general meeting.

Explanatory note - Modification of the Constitution

Resolution 3 provides members with the opportunity to consider and, if thought fit, to approve the proposed modification of the Constitution. These changes are intended to mirror recent changes to the Corporations Act and ensure that the Company is not unduly restricted in its ability to pay dividends to members.

There have recently been changes to the *Corporations Act 2001 (Cth)* (Corporations Act) with respect to the payment of dividends by companies. A company is no longer required to pay dividends only out of its profits, however a company must satisfy the following conditions in order to pay a dividend:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The proposed modification of the Constitution will:

- (a) replace the prohibition of the payment of dividends except from the profits, with a prohibition on the payment of dividends unless conditions (a), (b) and (c) above are satisfied; and
- (b) replace references to the profits of the Company with appropriate references to the Company's financial position and the source of funds from which dividends may be paid.

The Board unanimously recommends that members approve the proposed modification of the Constitution.

A copy of the Constitution incorporating the amendments outlined above is available for consideration by members at the Company's registered office.

WITHDRAWAL OF BUSINESS

Please note that the Company will not be putting an Incentive Scheme Arrangement for key management personnel to shareholders as foreshadowed in the Directors' Report. The determination of an appropriate Incentive Scheme Arrangement and a review of compensation arrangements will be held over pending review by the Chairman.



By Order of the Board
Jane Rose
Company Secretary
26 October 2010

NOTES

These Notes form part of the Notice of Meeting.

Right to vote

The Directors have determined that, for the purpose of voting at the meeting, members are those persons who are the registered holders of shares at 7.00pm (Melbourne Time) on 29 November 2010.

Each member entitled to attend and vote at the meeting may vote by:

- (a) attending the meeting in person; or
- (b) appointing a proxy to attend and vote at the meeting on their behalf.

Appointment of proxies

A proxy need not be a member of the Company and can be an individual or a body corporate.

A body corporate appointed as a member's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the general meeting. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

A member entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

Lodgment of proxy documents

For an appointment of a proxy for the meeting to be effective:

- the proxy's appointment; and
 - if the appointment is signed by the appointor's attorney – the authority under which the appointment was signed (eg a power of attorney) or a certified copy of it,
- must be received by the Company at least 48 hours before the meeting.

The following addresses are specified for the purposes of receipt of proxies:

By mail:

Computershare Investor Services Pty Limited
GPO Box 242, Melbourne Vic 3001

By fax:

1800 783 447 (within Australia) or
+61 3 9473 2555 (from outside Australia)

In Person:

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street, Abbotsford Vic 3067

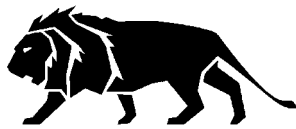
Intermediary Online Subscribers (such as custodians and nominees):

Visit www.intermediaryonline.com to submit your voting intentions.

Bodies corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's members. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.



Lion Selection Group

ABN 26 077 729 572

000001 000 LGP
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 10.00am (Melbourne time) Monday 29 November 2010

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- ☒ Review your securityholding
- ☒ Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Lion Selection Group Limited hereby appoint

☐ the Chairman of the meeting

 OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Lion Selection Group Limited to be held at RACV Club, Bourke Room 2, 501 Bourke Street, Melbourne on Wednesday, 1 December 2010 at 10.00am (Melbourne time) and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Ordinary Resolution

		For	Against	Abstain
Resolution 1	Adoption of the Remuneration Report (This item is advisory only and does not bind the Company or its Directors)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Ewen Tyler as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special Resolution

Resolution 3	Modification of the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------	----------------------------------	--------------------------	--------------------------	--------------------------

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____ Date ____/____/____