Lion Selection Group

Ready & Running in a New Cycle

Annual General Meeting

1 December 2010

Lion Selection Group

LION

Shares: 88.1m
Price: 70¢
Mkt Cap: $62m

Cash $45m

23%

63%

African Lion
$11m

Asian Lion
$12m

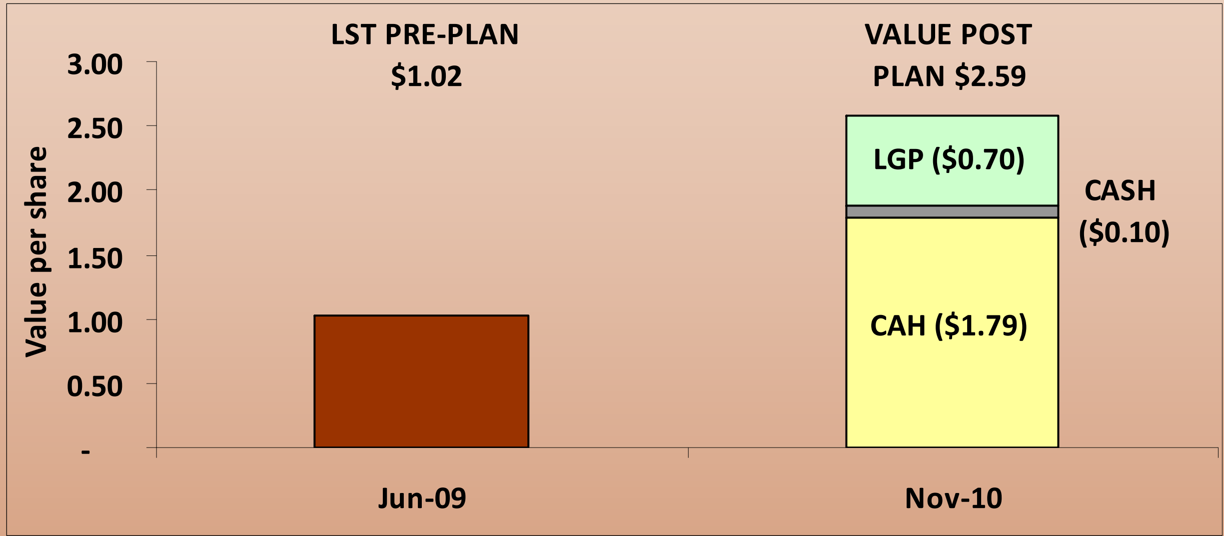
Lion Direct Investments
$26m

NTA 106* cps / $94m

* as at 29 November 2010

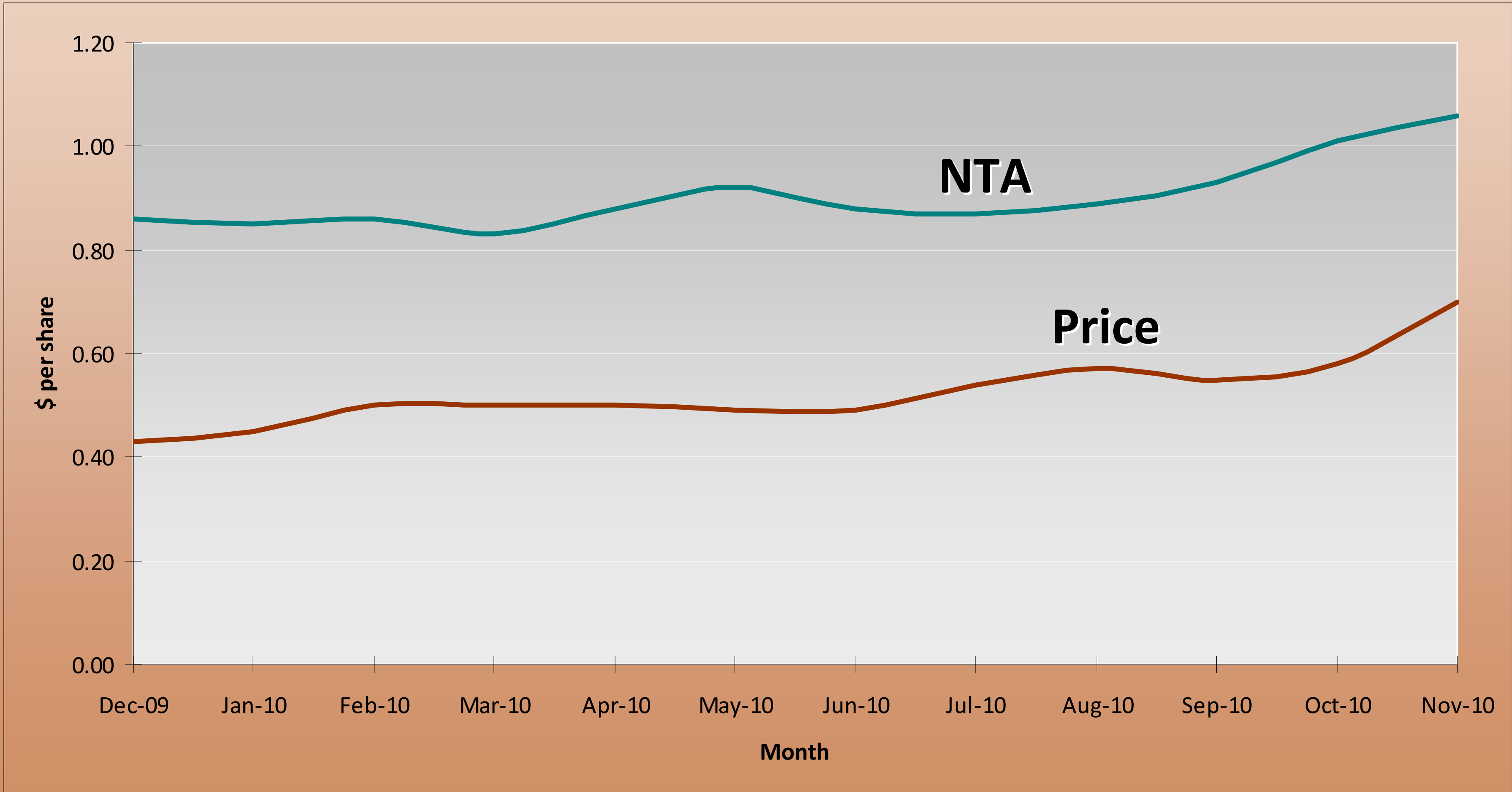
Key Developments

- December 2009 – demerged from LST

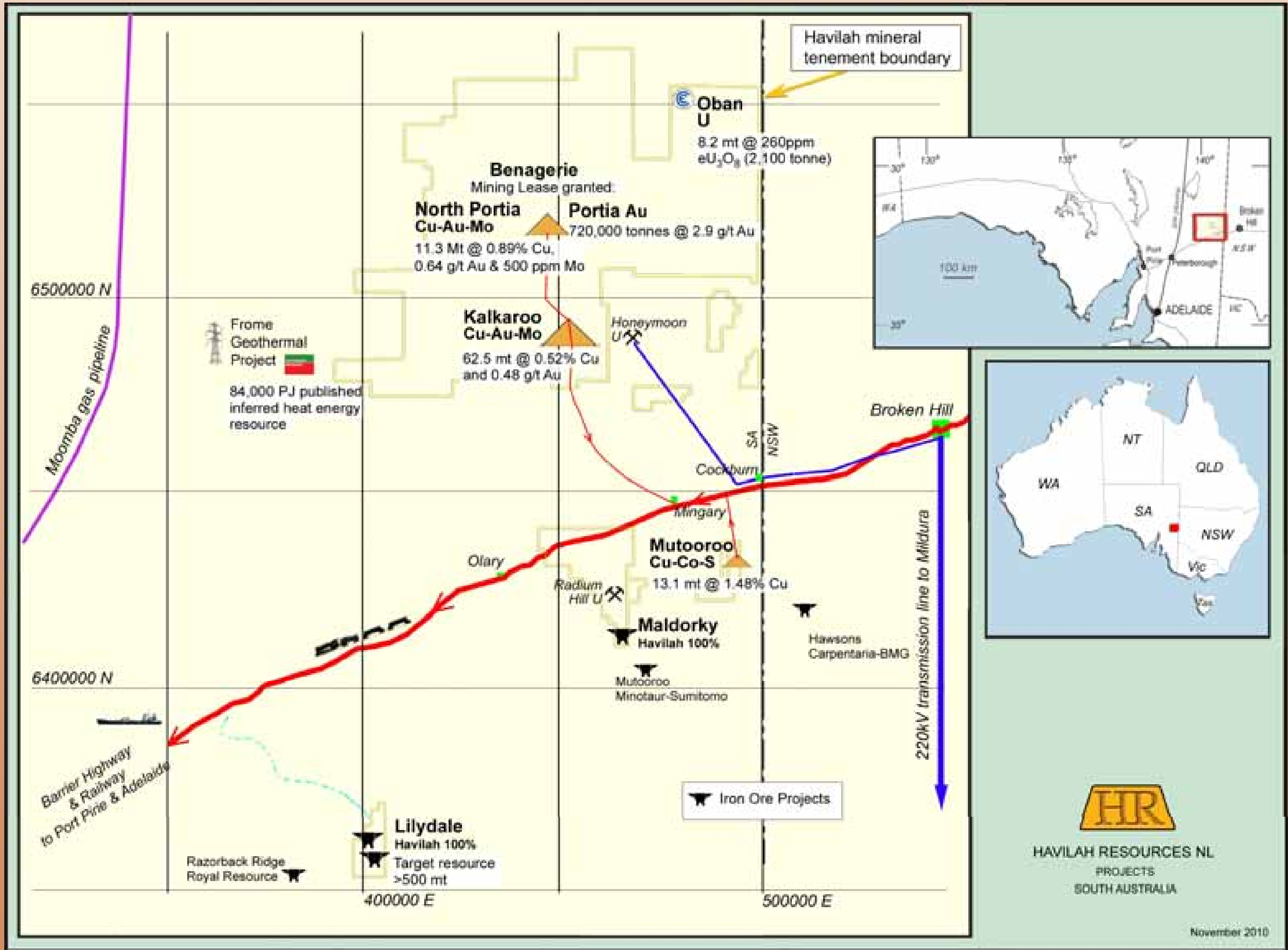


- Purchase of further holding in Asian Lion
- Sale of legacy assets – Indophil, Exco, Intrepid
- USD hedging – commitments largely covered
- Recommencement of Australian investments

Lion Share Price and NTA



Havilah Resources NL



Strategy

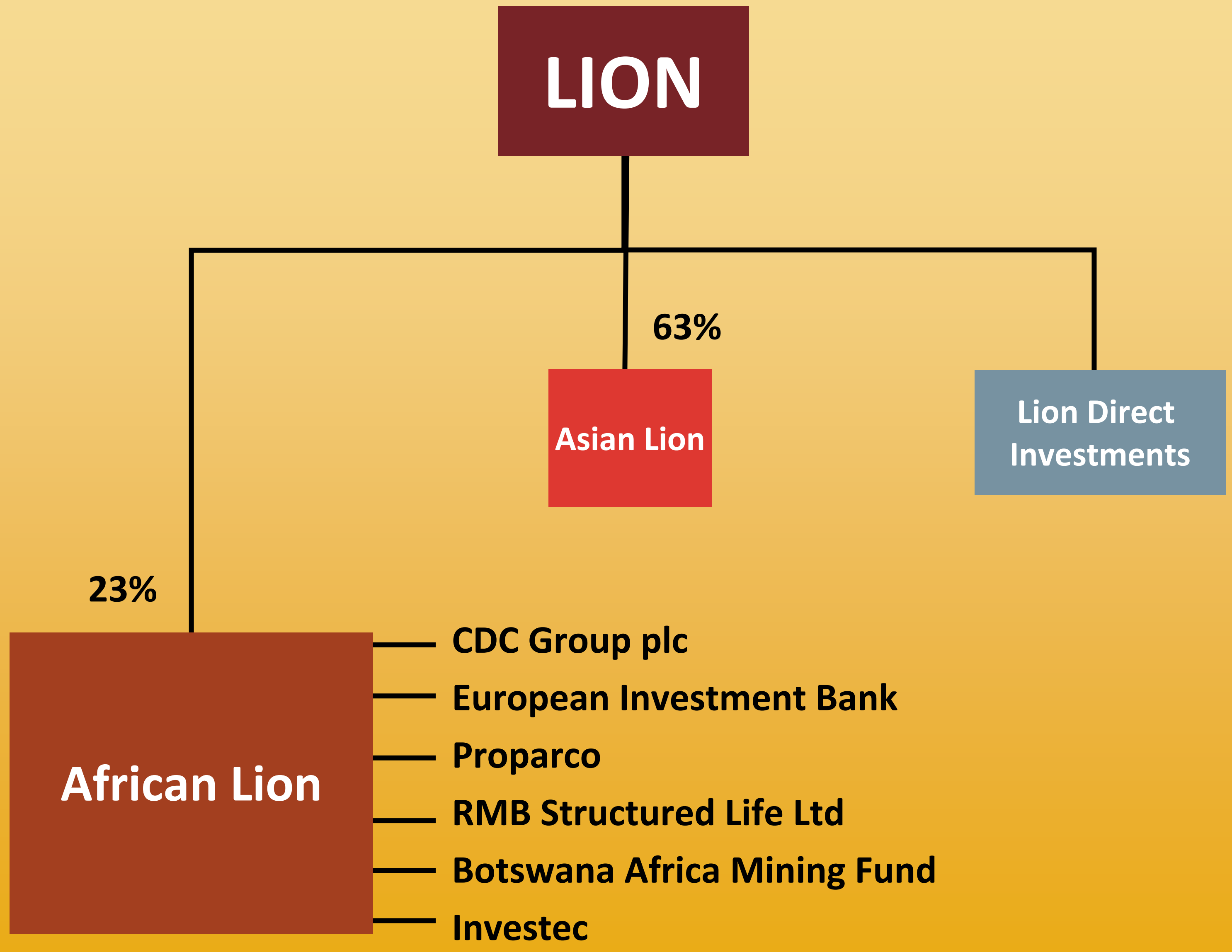
Lion Selection Group

- Investment philosophy remains unchanged
- Invest in junior resource companies at base of cycle
- Long term view
- Timed to resources cycle
- Sell aggressively at top of cycle
- Return cash to shareholders

African Lion

December 2010

African Lion



African Lion 3 Investments

African Lion

Investments	Country of Activity	African Lion Holding	Amount Invested US$m	Market Value US$m
Celamin Holdings NL	Tunisia – Phosphate	11.9%	2.0	2.0
Copperbelt Minerals	DRC - Copper	2.9%	5.0	6.0
Gulf Industrials	Uganda - Vermiculite	17.3%	1.0	1.5
Hummingbird Resources	Liberia - Gold	3.4%	1.0	1.0
Kasbah Resources	Morocco - Tin	8.4%	4.2	10.7
Sama Resources	Cote d'Ivoire - Nickel	4.6%	1.0	0.9
Xtra-Gold Resources	Ghana – Gold	3.1%	1.8	2.7
Total			**16.0**	**24.8**
Net Cash				0.9
Returns to Shareholders			5.9	5.9
Total Net Assets after tax			**21.8**	**31.6**

African Lion 2 Investments

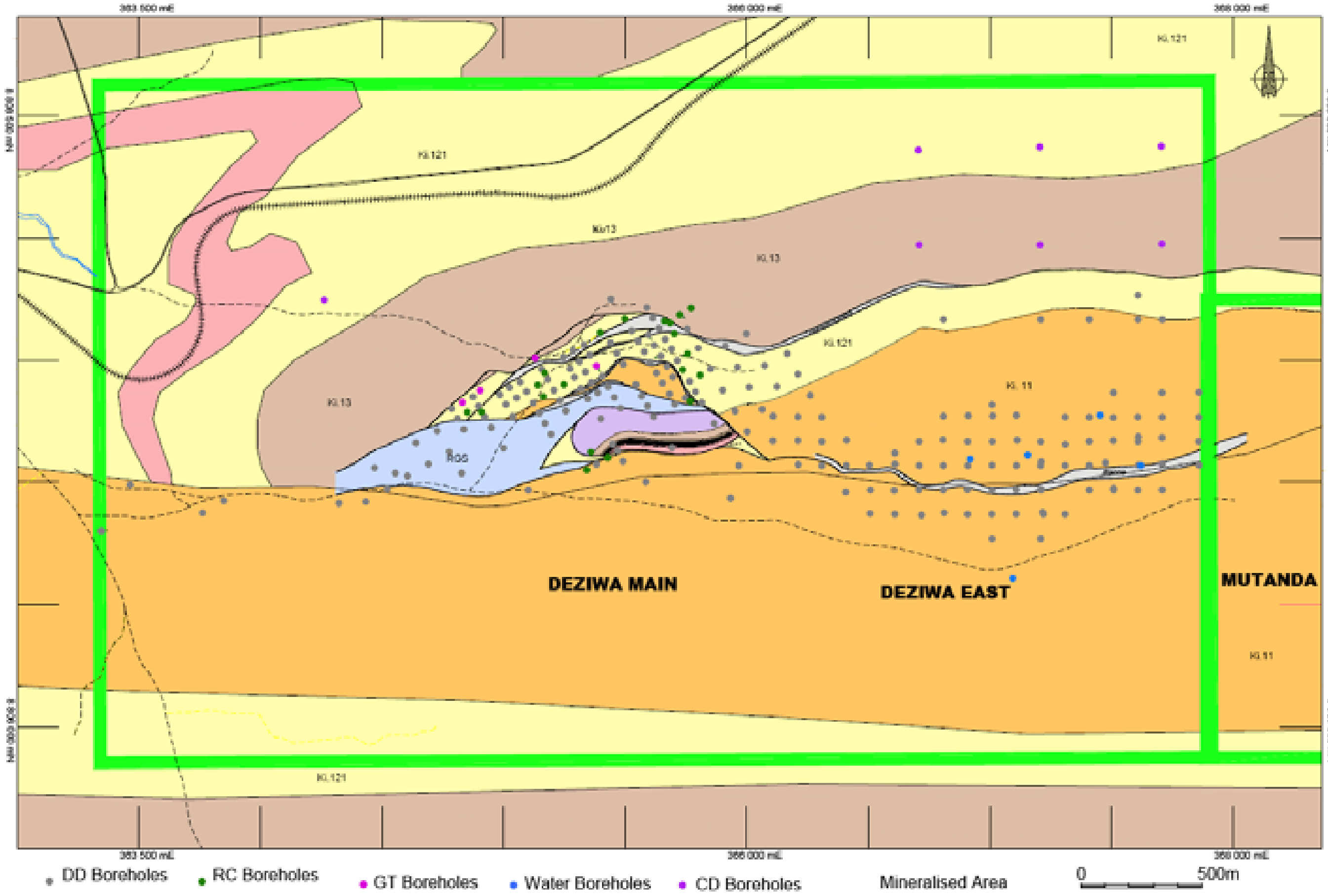
African Lion

Investments	Country of Activity	African Lion Holding	Amount Invested US$m	Market Value US$m
Albidon	Zambia - Nickel	2.4%	5.9	0.8
Copperbelt Minerals	DRC - Copper	4.1%	3.5	8.4
Kasbah Resources	Morocco - Tin	5.3%	1.1	6.3
Gryphon Minerals	Burkina Faso - Gold	0.2%	0.3	0.9
Sphere Petroleum	Mali – Oil & Gas	3.0%	0	0
Total			**10.8**	**16.4**
Net Cash				0.8
Returns to Shareholders			32.2	48.6
Total Net Assets after tax			**34.6**	**65.8**

Copperbelt Minerals

African Lion

COPPERBELT MINERALS



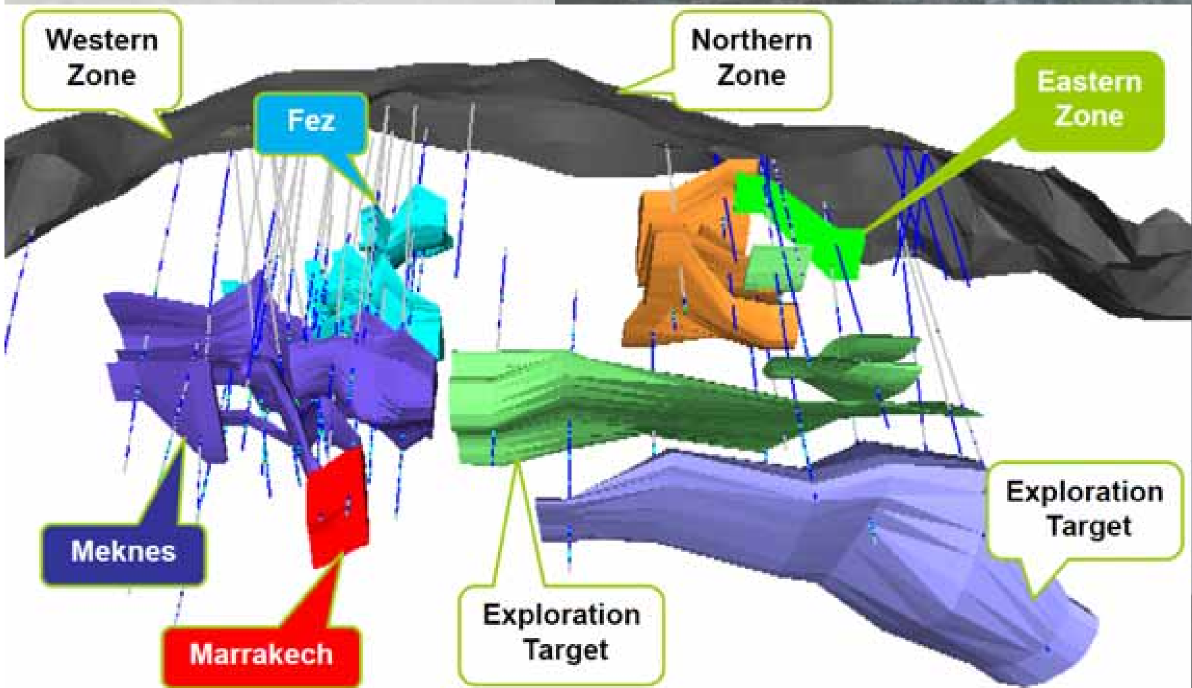
DRC – copper developer

Sale process to CAD Fund ongoing, awaiting approvals

Kasbah Resources

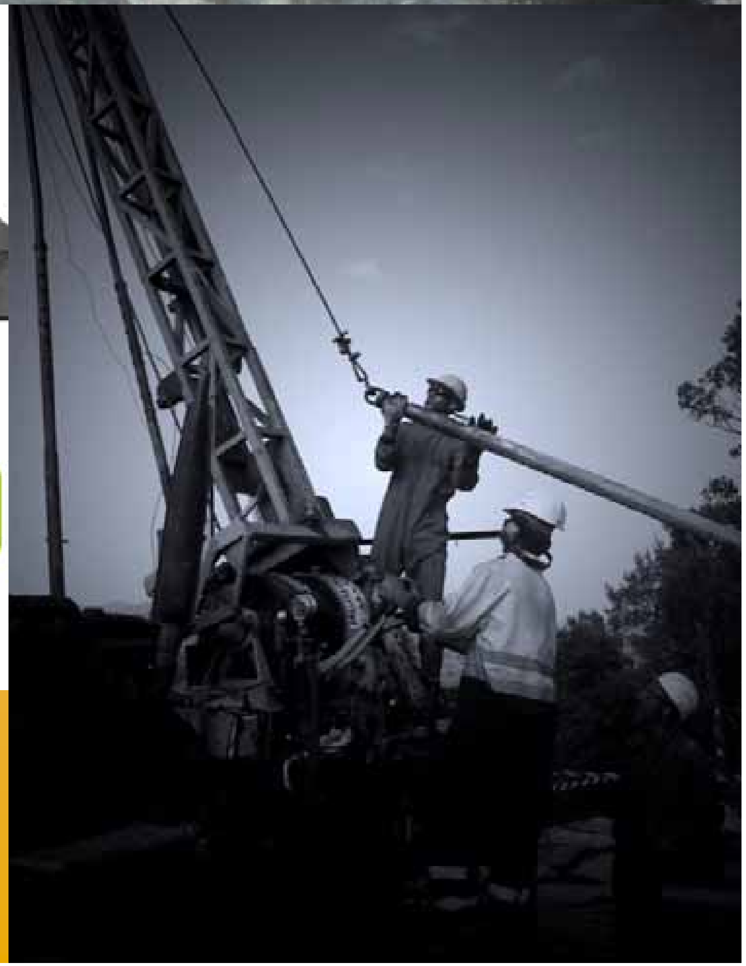
African Lion

KASBAH RESOURCES

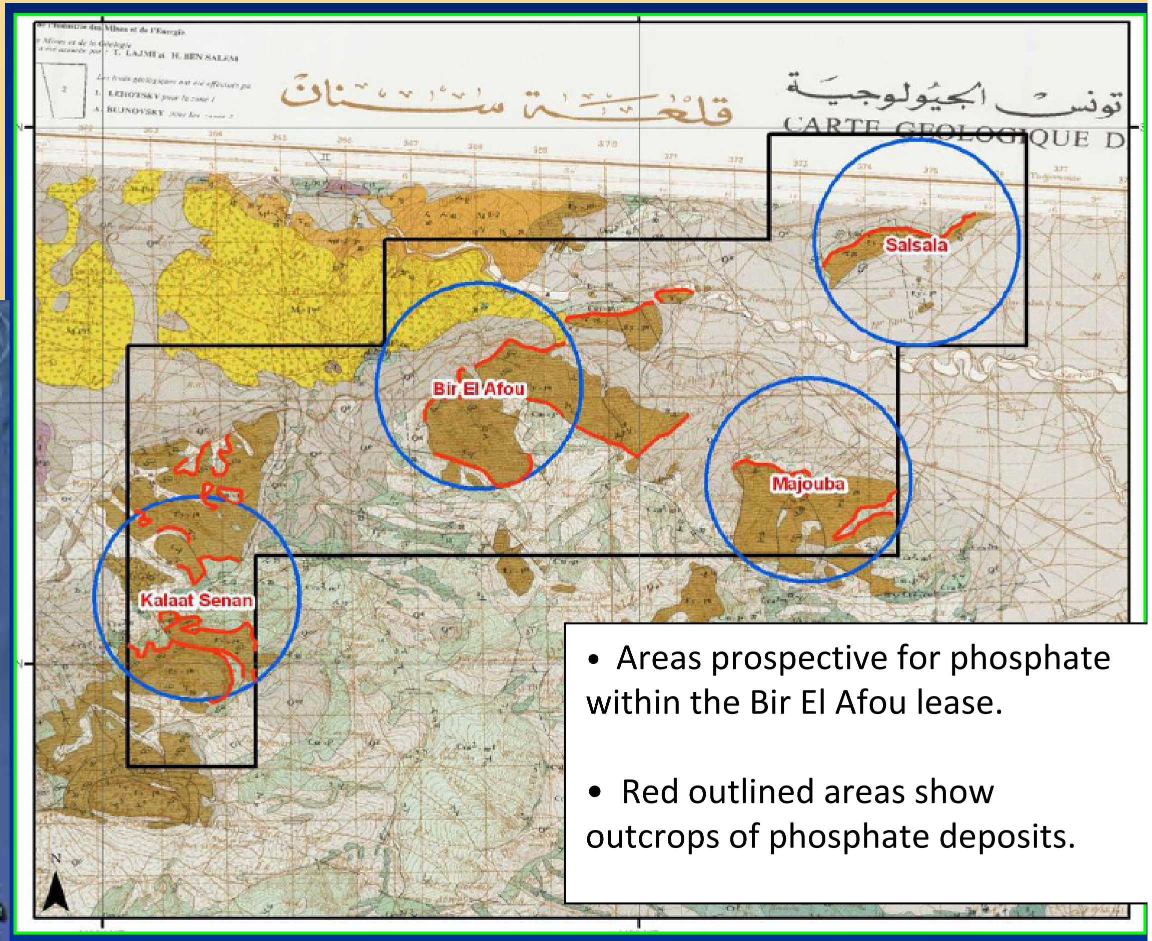


Morocco - tin explorer

Raised $24m, drilling about to recommence at Achmmach



Celamin Holdings NL

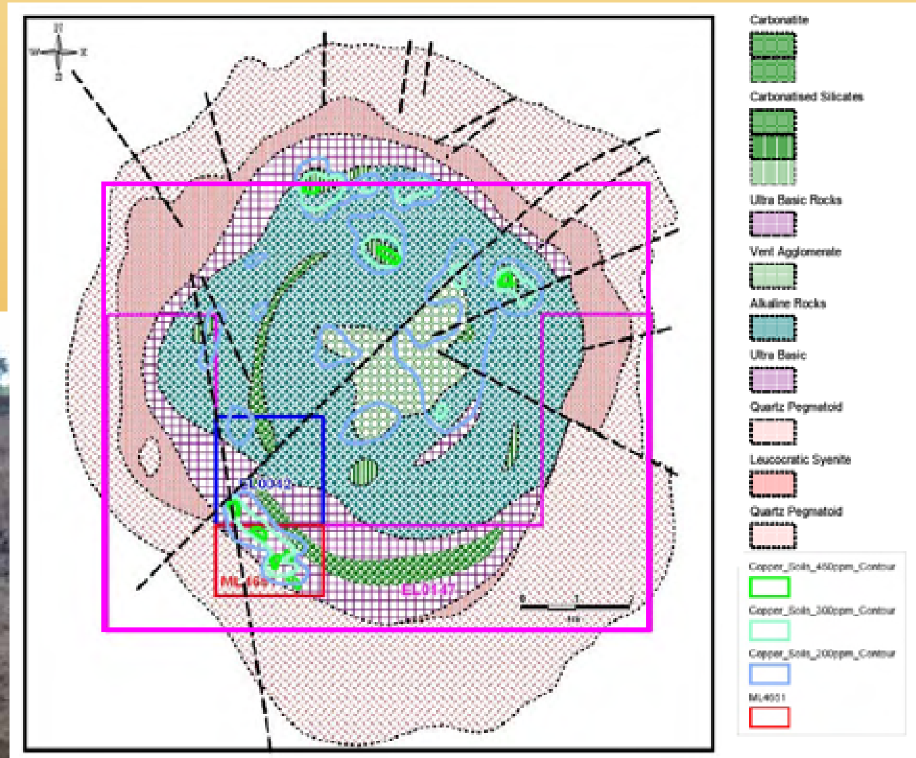


- Areas prospective for phosphate within the Bir El Afou lease.
- Red outlined areas show outcrops of phosphate deposits.

Tunisia – only foreign company with a phosphate project in North Africa

Raised $5.8m, drilling about to recommence at Bir el Afou

Gulf Industrials



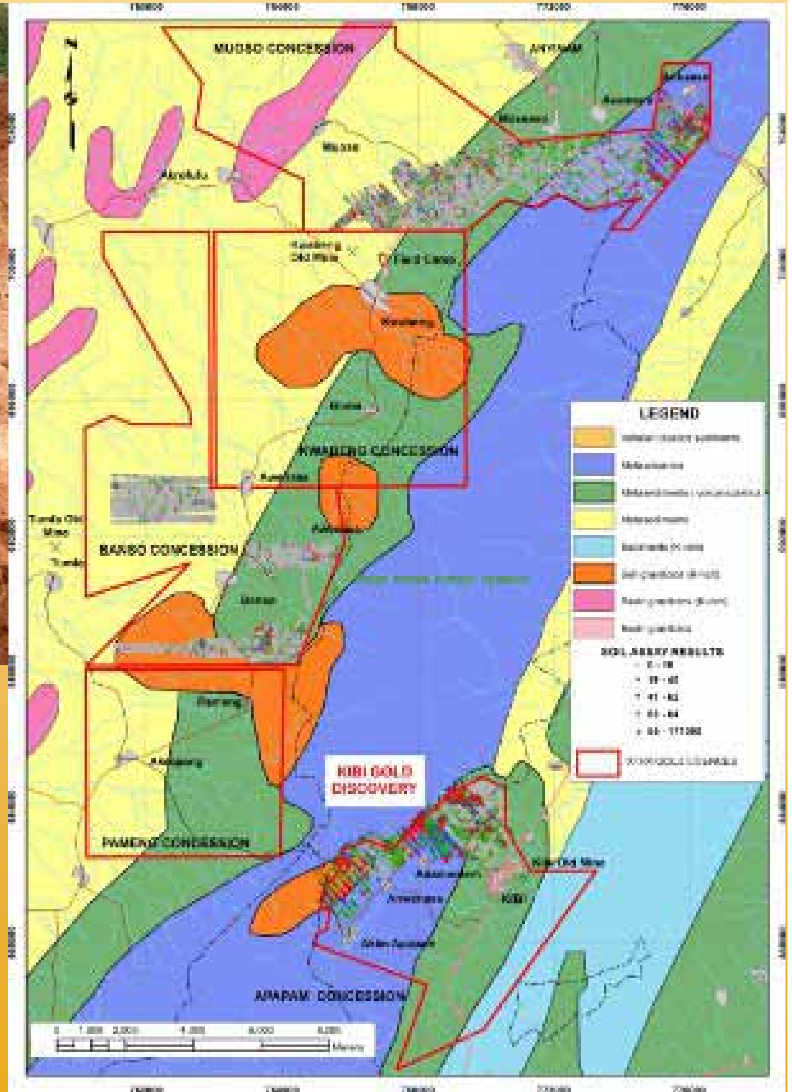
Uganda – vermiculite producer

Vermiculite market extremely tight, Gulf only new supplier that can fill demand

Xtra-Gold Resources Corp

African Lion

Xtra-Gold



Ghana – gold explorer

Newly listed on TSX, drilling recommencing

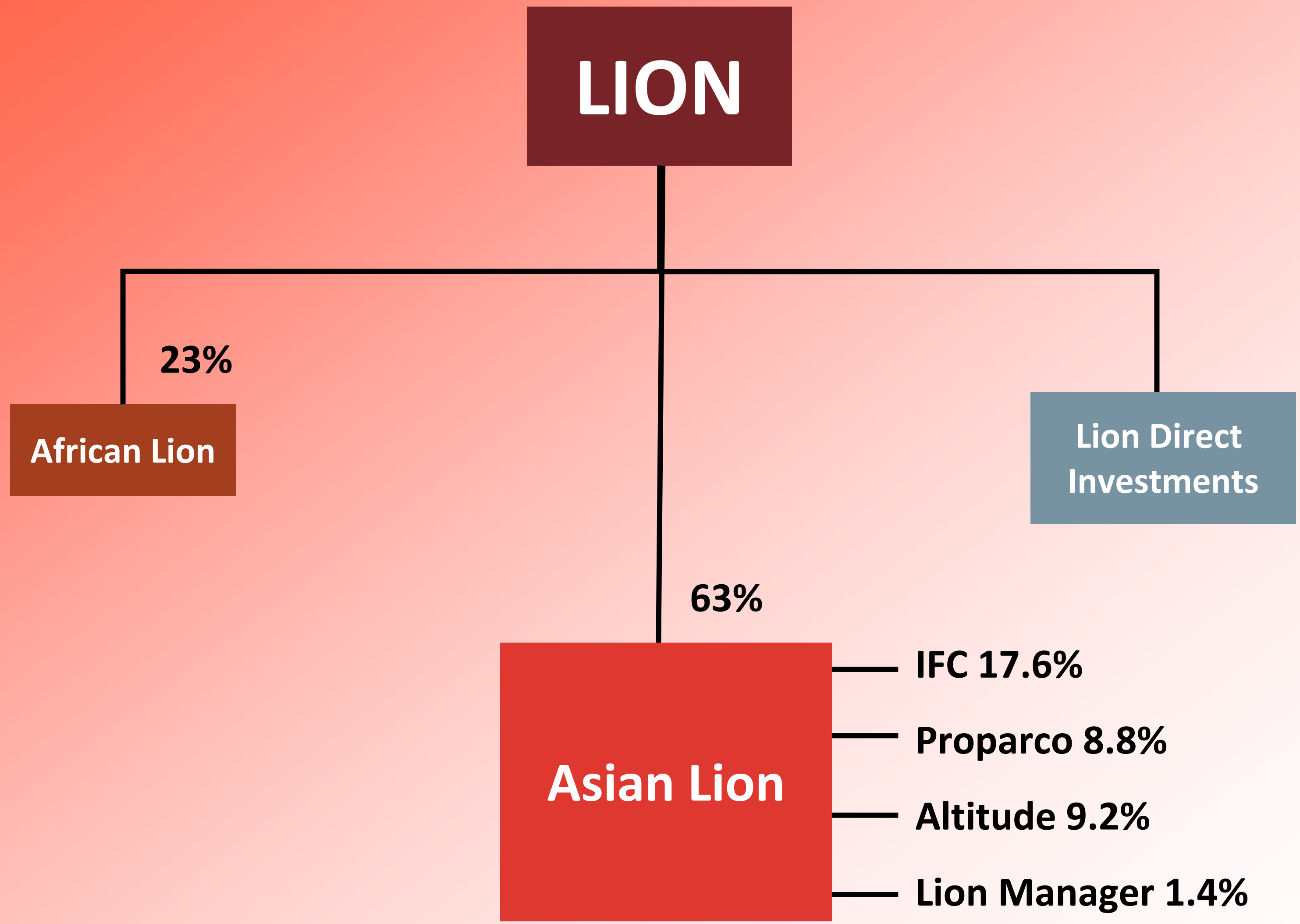
Summary

- AFL3 distribution of $5.9m paid
- >$50m more to invest
- Over $7m invested in last month
- More to come…

Asian Lion

December 2010

Asian Lion



LION
23%
African Lion
Lion Direct Investments
63%
Asian Lion
IFC 17.6%
Proparco 8.8%
Altitude 9.2%
Lion Manager 1.4%

Asian Lion Investments

Investments	Country of Activity	Asian Lion Holding	Amount Invested US$m	Market Value US$m
Asian Mineral Resources	Vietnam – nickel	13.6%	4.2	4.7
Erdene Resource Development	Mongolia – coal, moly/copper	3.7%	1.0	2.3
Golden Phoenix Resources	China – gold	5.0%	0.4	0.1
Kentor Gold Limited	Kyrgyzstan – gold/copper	2.5%	2.7	4.3
Mindoro Resources	Philippines – nickel, gold/copper	7.8%	4.4	4.8
Pan Asia Resources	Indonesia – gold	22.6%	2.5	2.5
Sihayo Gold Limited	Indonesia – gold	2.0%	1.7	2.7
Total			**16.9**	**21.3**
Net Cash				2.0
Total Net Assets after tax			**23.0**	**23.3**

Assumes investments committed in 2010 for Pan Asia Resources, Kentor and Mindoro are made.

Asian Lion

asian
MINERAL RESOURCES

Ban Phuc Nickel Project - Vietnam

Erdene Resource Development

Mongolia – coal, moly/copper

Northern edge of the Zarman Basin, looking south with prospective trenching in the foreground.

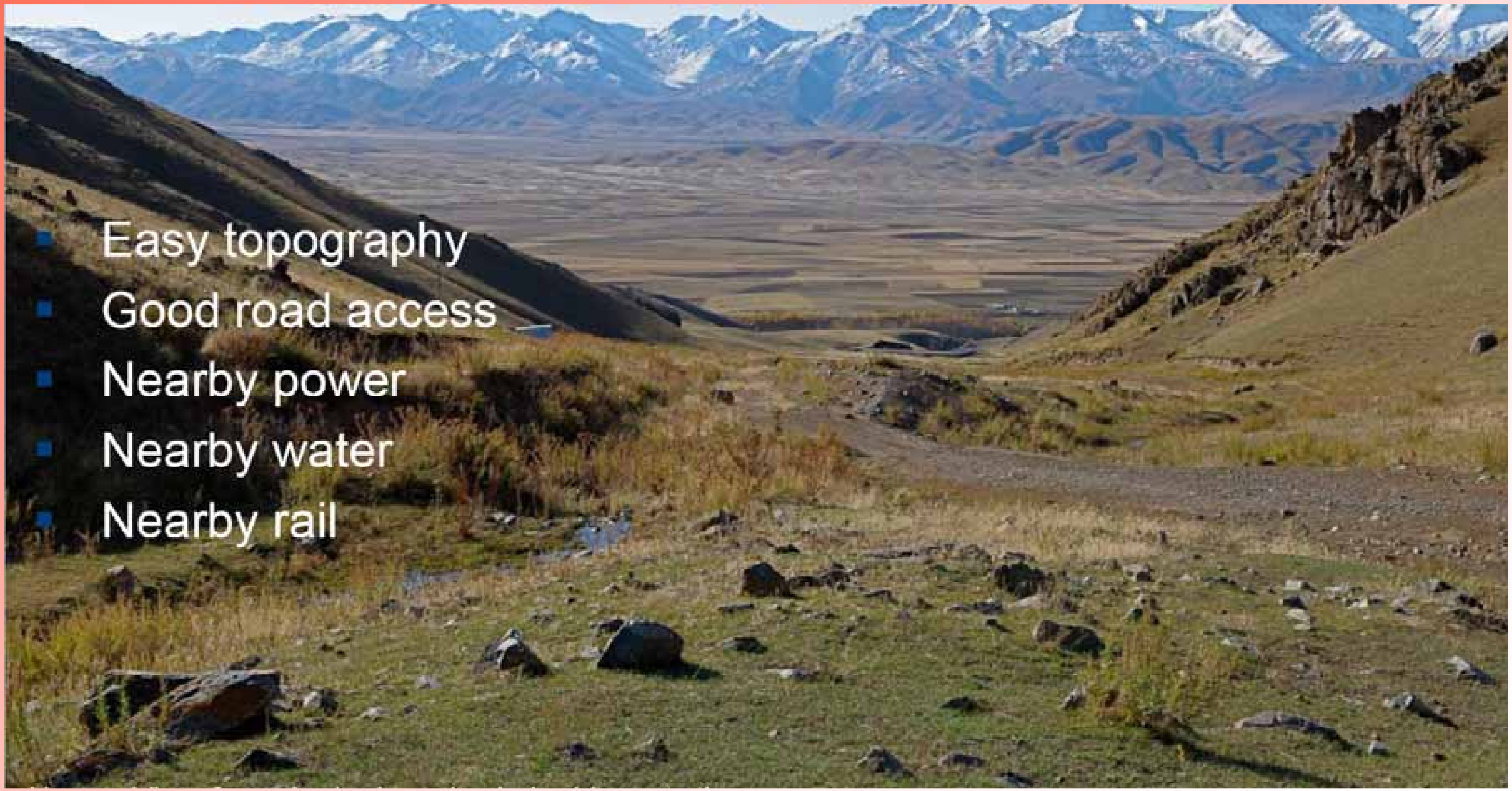
Asian Lion

KENTOR GOLD

Asian Lion

Kyrgyzstan – gold/copper

View from Andash orebody looking south

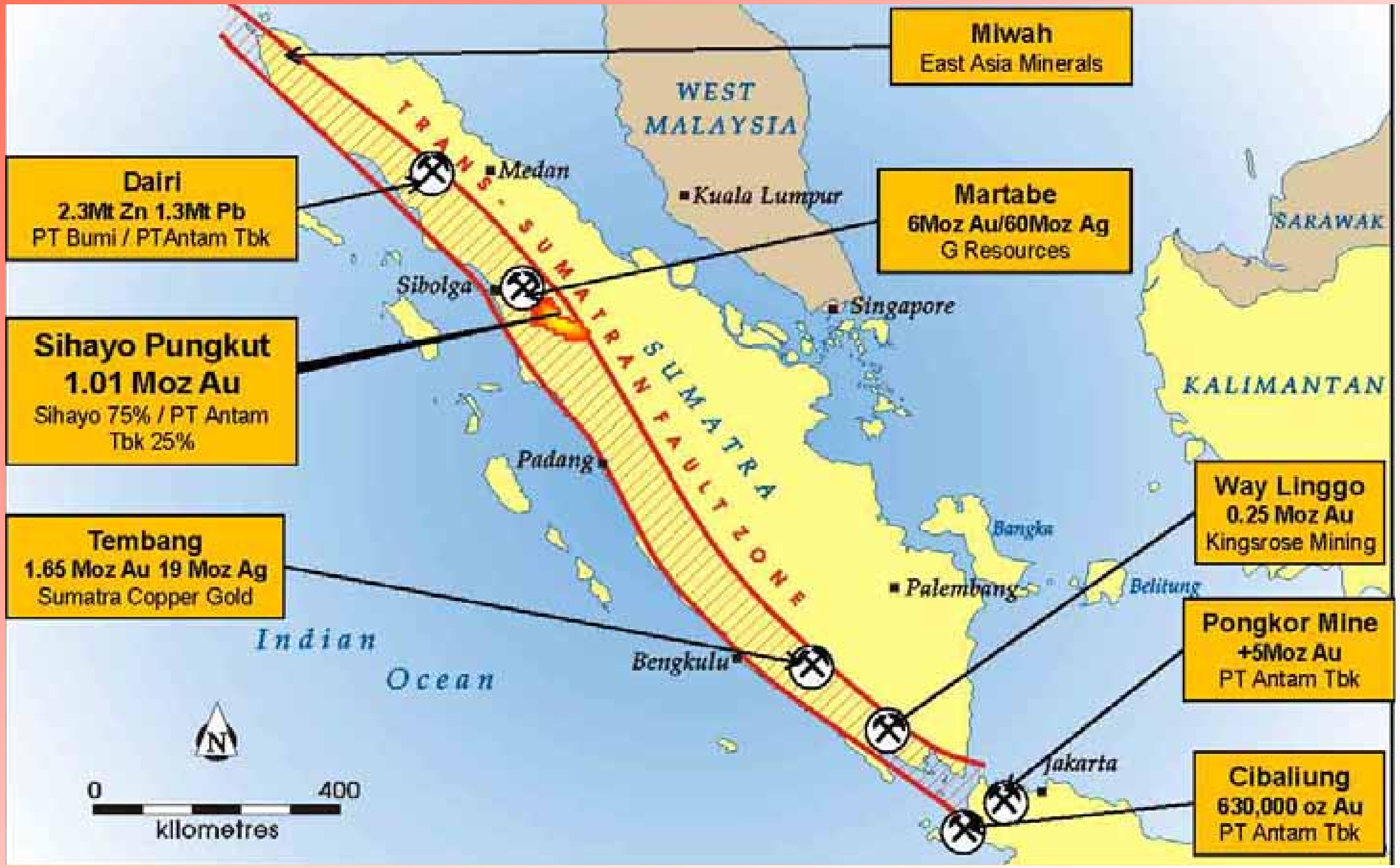


MINDORO
RESOURCES LTD

Asian Lion

Philippines – nickel, gold/copper

Sihayo Pungkut Project - Indonesia



Pan Asia Resources Corp

Indonesia – Gold

2010 – A Busy Year

Asian Lion

	Investments	People	Lion Ownership
Jan		Robin Widdup & Chris Melloy join	Atlas Sold
Feb		Jon Dugdale resigned	
Mar		Luke Smith resigned	
Apr	Erdene		
May			
Jun			
Jul			RBS sold
Aug	Kentor & Sihayo		
Sep			
Oct			
Nov	Kentor & Mindoro		
Dec	Pan Asia		

Lion Ownership

Asian Lion

2010	Funds Drawn US$m	Value (NAV) US$m	Comment
January	13.0	5.1	8.7% purchase from Atlas 30% discount to NAV
July	15.0	8.3	19.9% purchase from RBS 30% discount to NAV
Mid December – post Kentor placement	23.0	23.3	$2.5m Pan Asia and $2.0m estimated Kentor purchase

2010 Big Turnaround Year

Asian Lion

	Spent US$m	Value US$m	Commitment
January	4.3	**1.8**	11.7
Estimate mid December*	13.4	**14.6**	7.0

* Post Kentor at market and Pan Asia at cost

Lion Manager

December 2010

Lion Manager

WHO

Ownership	%
Old owners – R Widdup, C Melloy, M Brook	97
Young owners – T Markwell, H Widdup, D Rhodes	3

Retired – P Maloney *was 20*

WHAT

Responsible for all investment activity for Lion

WHERE

20% shareholder of Lion

— 7% early 2010

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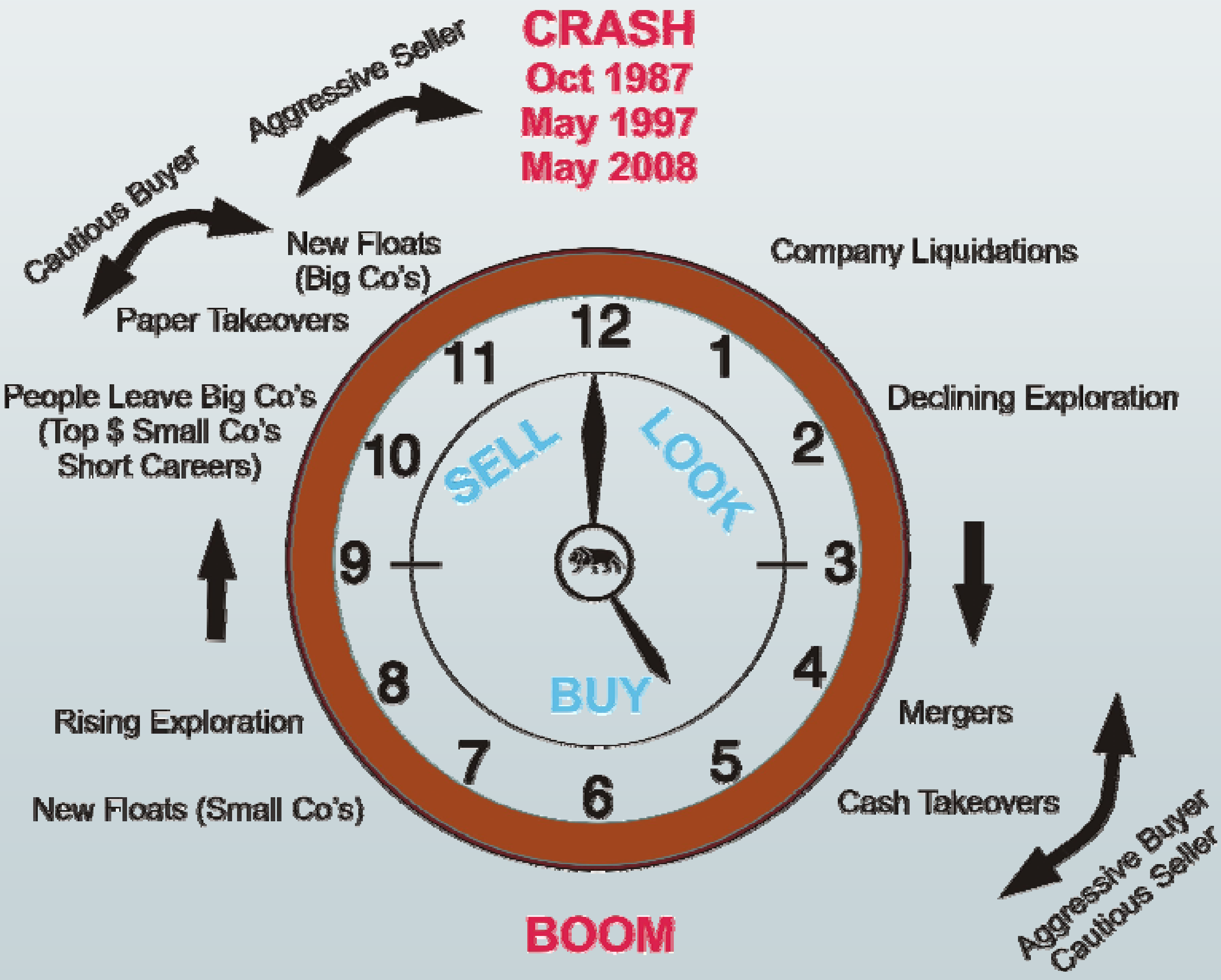
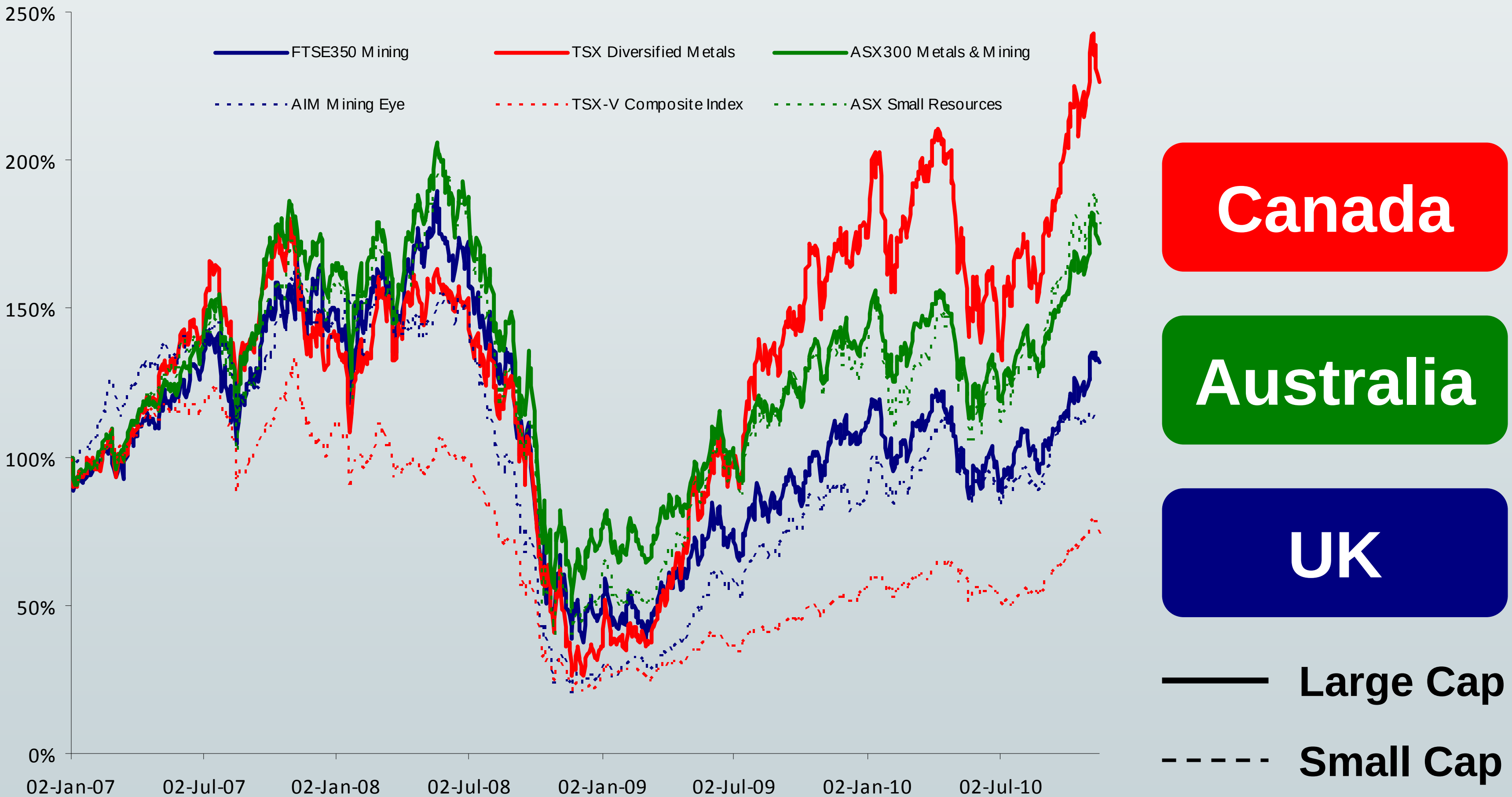
OUTLOOK


CRASH
Oct 1987
May 1997
May 2008
Aggressive Seller
Cautious Buyer
New Floats
(Big Co's)
Paper Takeovers
Company Liquidations
Declining Exploration
People Leave Big Co's
(Top $ Small Co's
Short Careers)
12
1
2
3
4
5
6
7
8
9
10
11
SELL
LOOK
BUY
Rising Exploration
New Floats (Small Co's)
Mergers
Cash Takeovers
Aggressive Buyer
Cautious Seller
BOOM

Global Mining Indices



FACTORS

• China growth	& India etc
• Fewer discoveries	Explorers going offshore
• Longer lead times	Increased safety, bureaucracy and anti-mining green movement
• Volatility	Investors still nervous

Time to Buy