



**Lion Selection Group**



**NSX RELEASE : LGP**

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## **Copperbelt Minerals Update**

Lion has received correspondence confirming that its investee Copperbelt Minerals Limited (Copperbelt) has successfully completed its rights issue, raising US\$7.1 million at US\$8/share with attaching warrants. No change is proposed to Lion's valuation of Copperbelt being US\$12/share as previously announced in Lion's 30 September 2011 Net Tangible Asset backing released on 13 October, subject to further developments.

The rights issue included the participation of Solway Industries Limited, part of the Solway Group, having underwritten the rights issue under a memorandum of understanding to make a series of investments in Copperbelt subject to certain conditions:

- US\$2.5 million underwriting of the rights issue;
- US\$5.0 million placement at US\$21.50/share following confirmation that Copperbelt's joint venture agreement is in good standing;
- US\$30 million placement at US\$30/share upon decision of Copperbelt to develop the Deziwa project;
- A commitment to finance the acquisition of all or part of Gécamines share of the joint venture if offered as part of the joint venture discussions.

There have been no recent developments with respect to Copperbelt's ongoing discussions with Gécamines surrounding the joint venture agreement.

Given the on-going nature of this transaction Lion will be keeping its valuation of Copperbelt under review.