



One Asia Update

Lion wishes to advise that it has agreed to partly underwrite an upcoming rights issue for its investee One Asia Limited (One Asia). One Asia is an unlisted exploration company focused on the exploration for gold resources and development of gold mines in Sulawesi, Indonesia.

The rights issue is raising approximately \$10 million at \$0.40/share. Lion and another shareholder in Asian Lion have committed to take up their share of rights (\$2.4 million) and underwrite for a further \$3.3 million.

For the purposes of its Net Tangible Asset (NTA) backing as at 30 June 2012 Lion had valued One Asia at \$0.80/share being the price of the previous equity raising. Applying the reduced price of \$0.40 per One Asia share to Lion's existing One Asia investment reduces Lion's NTA value by approximately \$4 million (4.5 cents per Lion Share). Despite the reduction in NTA, Lion remains optimistic about the prospects for the company given the on-going exploration success.

Subject to market conditions, One Asia is seeking a listing on the ASX this year.

One Asia is in the process of earning an 80% interest in the Awak Mas Joint Venture. One Asia continues its exploration drill program at the Salu Bulu prospect 2.5km east of Awak Mas. Recent results include:

- Biwa vein - 26m @ 3.69 g/t Au (including 16.5m@ 5.12 g/t Au)
- Biwa vein - 26m @ 3.20 g/t Au. (including 15.2m@ 4.92 g/t Au)
- Lelating vein - 35m @ 2.51 g/t

At One Asia's Pani Gold Project (One Asia 90%), the company has two rigs on site with promising visual results (assays pending) potentially extending the known mineralisation down dip and along strike.