

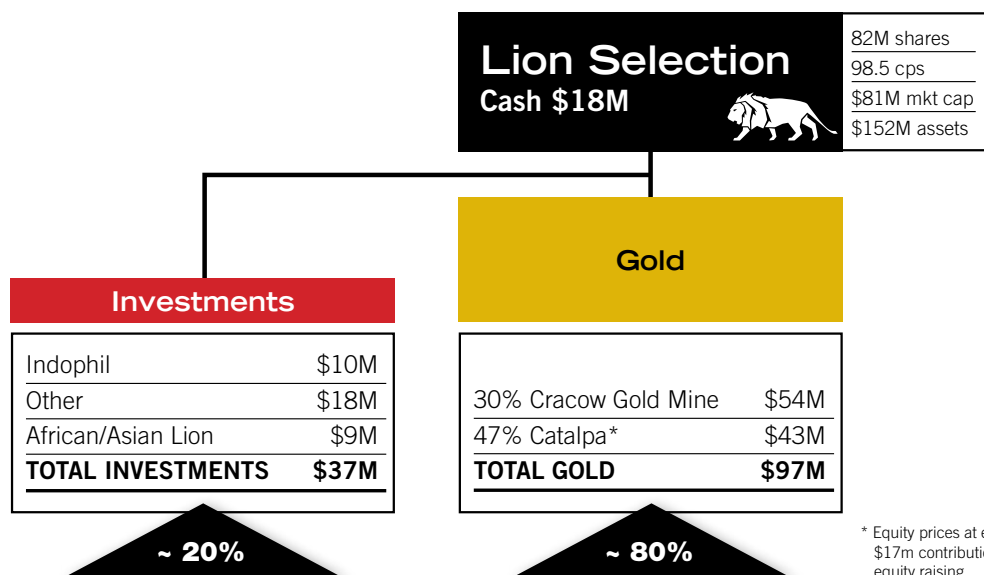
KEY POINTS

Cracow (30%)

- 6,597 oz gold sold at \$1,337/oz. \$4.9m operating cashflow.

Catalpa (47%)

- completion of equity placement and share purchase plan raising \$39m;
- Edna May Gold Project now fully funded and moving towards production in Q2 2010.



Gold Strategy

Multiple gold mine exposure:

- Targeting over 200,000oz pa equity share.

Growth:

- Cracow exploration and pre-emptive (70%).
- Catalpa forecast 100,000 oz pa starting mid 2010.

Strong cash generation:

- Cracow low cost/unhedged.
- Catalpa A\$1,544/oz flat forward price.

Market Outlook

Lion's expectations are:

- 3 to 5 years tough times for junior miners.
- Weak metals and bulks.
- But strong gold!

ASX Code: LST
As at 30 April 2009

Market Cap	\$81m
Issued shares	82.1m
Share price	\$0.985

Further Enquiries

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Cracow Gold Mine (Lion – 30%)

- Increased gold production due to improved grade.
- 6,597 oz sold at \$1,337/oz.
- \$4.9m operating cashflow.
- Successful drilling on Kilkenny confirms the presence of further economic mineralization.
- Total cash cost \$549/oz.

Production / Costs

QUARTERLY PRODUCTION SUMMARY (LION 30% SHARE)						
3 months to		Apr 2008	Jul 2008	Oct 2008	Jan 2009	Apr 2009
Ore Mined	(tonnes)	31,154	36,017	34,237	32,366	35,062
Ore Processed	(tonnes)	30,642	31,250	31,190	33,779	32,720
Ore grade	(g/t Au)	7.7	10.2	7.7	6.7	7.1
Met Recovery	(%)	91	94	93	92	91
Gold Produced	(oz)	6,962	9,458	7,182	6,372	7,109

QUARTERLY PRODUCTION SUMMARY (LION 30% SHARE)						
3 months to		Apr 2008	Jul 2008	Oct 2008	Jan 2009	Apr 2009
Gold Sold	(oz)	6,157	10,261	7,605	6,520	6,597
Gold Price Received	(A\$/oz)	1,020	949	1,051	1,212	1,337
Cash Operating Cost	(A\$/oz)	541	351	488	597	515
Royalties	(A\$/oz)	28	26	28	33	34
Total Cash cost	(A\$/oz)	569	377	516	630	549
Operating cashflow	(A\$M)	2.3	6.2	4.3	3.9	4.9
Capital costs	(A\$M)	0.5	1.4	1.0	0.7	0.9
Exploration	(A\$M)	0.8	0.4	0.8	0.6	0.5

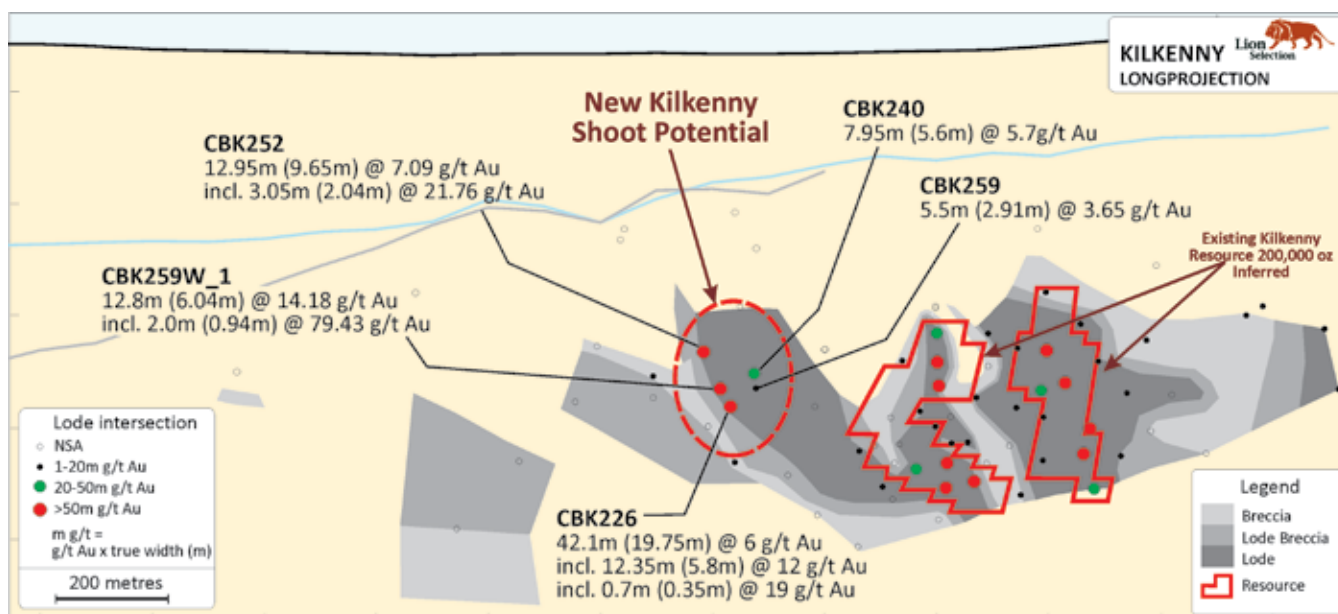
Exploration – New Gold Shoot Discovered at Kilkenny

Drilling continues to focus on the highly prospective Kilkenny structure. Seven holes were completed during the Quarter confirming discovery of a new shoot over an area of approximately 200 x 150m. Two of these holes returned significant results:

CBK259W1	12.8m	(6.04m true width)	@ 14.18 g/t Au	from 716.2m
	including 2.0m	(0.94m true width)	@ 79.43 g/t Au	from 727m
CBK259	5.5m	(2.91m true width)	@ 3.65 g/t Au	from 752 m
	including 1.9m	(1.0m true width)	@ 7.78 g/t Au	from 753.6m

The joint venture recently approved commencement of the Kilkenny exploration decline, which will allow infill drilling of the 200,000 oz Inferred resource and further exploration of other potential ore shoots.

Regional exploration is focused on testing all other 'fertile' gold structures in the field. Fifteen targets have been defined within the goldfield in proximity to the mine.



Catalpa Resources Limited (Lion – 46.86%)

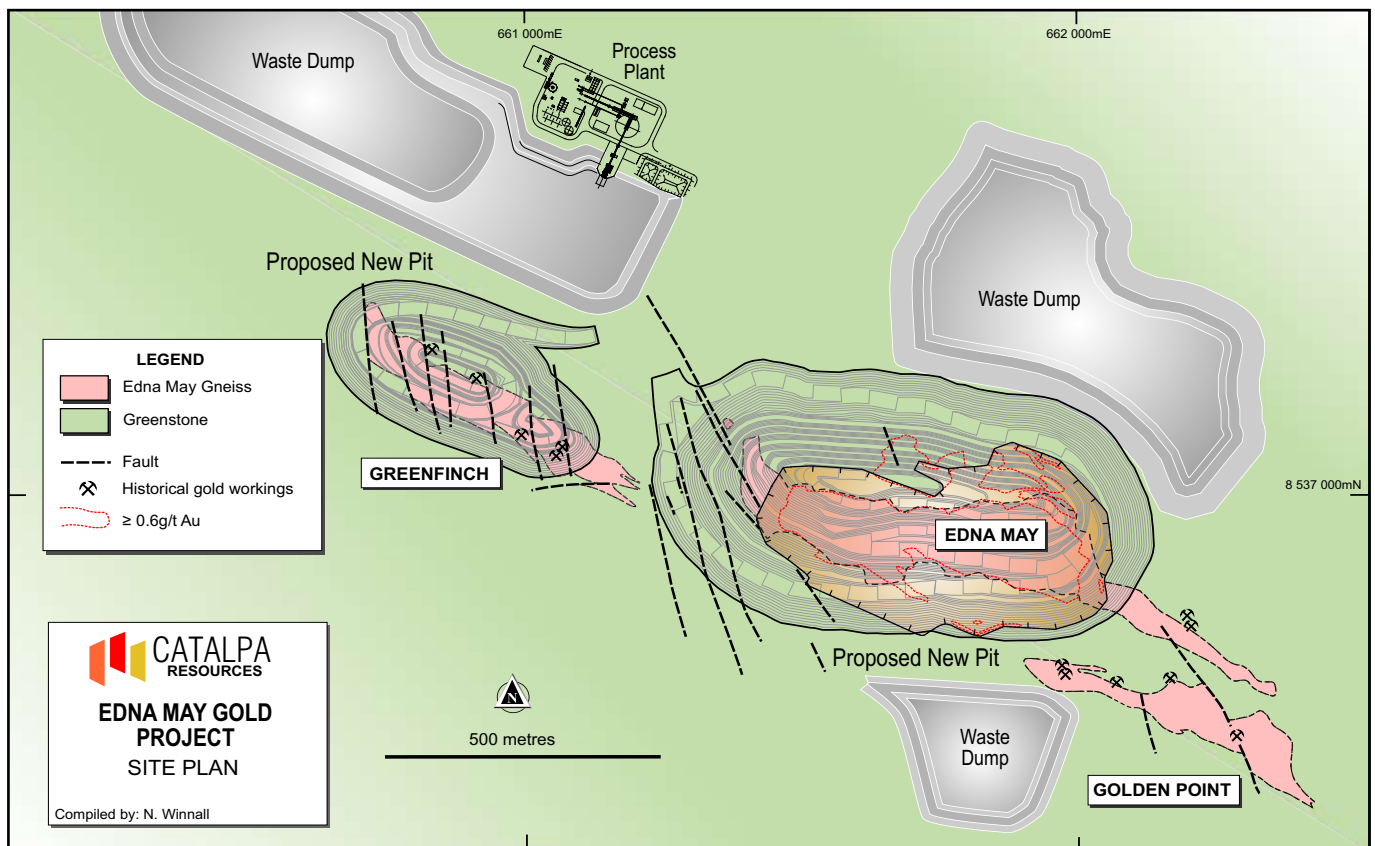
Significant progress has been made in advancing Catalpa's Edna May Gold Project towards production. Following the completion of the Bankable Feasibility Study, Catalpa has:

- secured a \$67.5 million project finance facility including a gold hedging facility at the attractive gold price of A\$1,544 per ounce for 352,316 ounces of gold;
- successfully completed a \$31.4 million share placement to institutional and sophisticated shareholders; and
- raised a further \$7.5 million by way of share purchase plan.

Lion invested \$15m as part of Catalpa's \$31.4m equity raising and committed a further \$2m support via Catalpa's share purchase plan.

During the Quarter, Catalpa reported an initial Greenfinch Ore Reserve of 79,000 oz of gold, lifting total Ore Reserves to 817,000 oz, extending the potential mine life and further increasing cash operating margins for the Edna May Project.

With the Project now fully funded, Catalpa is rapidly moving towards production at Edna May in the second quarter of 2010.



Plan view of Proposed Greenfinch pit in relation to Edna May Project

Project Timeline



OTHER INVESTMENTS

Exco Resources Limited (LION – 10.4%)

AUSTRALIA – COPPER / GOLD / URANIUM

Exco and Polymetals Group have agreed the final structure of the White Dam Joint Venture Agreement. Polymetals will acquire a 25% interest in the project for a consideration of \$2.8m, comprising \$1m of expenditure by Polymetals on the project since the date of the Heads of Agreement, and a payment of \$1.8m in cash upon the signing of the Joint Venture Agreement. Exco and Polymetals will also enter into a management agreement, appointing Polymetals as project manager. Polymetals' prior ownership and involvement in the White Dam Gold Project provides it with a significant advantage as project manager.

Mining and Rehabilitation Plan approval has been received from the Department of Primary Industry and Resources South Australia. Receiving this approval clears the way for Exco and Polymetals to mine at White Dam, subject to final permitting and licencing approvals.

Exco and Polymetals are currently reviewing indicative offers for project finance and are targeting first gold production in late 2009 or early 2010.

At the Cloncurry Copper Project in North Western Queensland, recent drilling programs have successfully increased the total resources, which now comprise 51Mt, containing 430,000 tonnes of copper and 376,000 ounces of gold:

- Resources for E1 Camp (Indicated and Inferred) have increased by 17% and now comprise 44.9Mt @ 0.76% Cu and 0.22 g/t Au (@ 0.3% Cu cut-off).
- The Monakoff and Monakoff East Deposits have been incorporated into a single resource which contains 4.0Mt @ 1.32% Cu and 0.42 g/t Au, of which 50% is classified as Indicated.

LST Shareholder Information

	Shares
Securities on Issue at quarter end:	82.1 million
Price at quarter end:	\$0.985
Quarter High:	\$105.5
Quarter Low:	\$0.64
Volume traded:	5.6 million

Indophil Resources Limited (LION – 6.8%)

PHILIPPINES - COPPER / GOLD

Indophil has received the Extended Pre-Feasibility Study of the Tampakan project completed by the project manager, Xstrata. Key findings of the study are:

- An annual average copper production of 340,000 tpa and 350,000 oz pa of gold, based on a 20 year operation.
- Open pit mining with land-based waste rock and tailings storage.
- Mill recovery rates of 83-90% for copper and 60-80% for gold, with a copper concentrate grade of 37-34%.
- An initial stage one capital outlay of US\$5.2 billion, including provision for associated infrastructure and a contingency of more than US\$800 million.
- C1 cash cost estimate of US\$46c/lb (including gold credits @ US\$800 an ounce).
- Based on the latest study, but still subject to the Final Feasibility Study, the NPV calculated using recent copper prices of US\$2.20/lb and US\$800/oz gold, is (at a post-tax 10% discount rate) US\$1.2 billion and (at an 8% discount rate) US\$2.2 billion.
- Start up 2016.

African and Asian Lion Funds

Near ideal investment conditions exist for putting in place the balance of AFL3 and Asian Lion's funds to invest (US\$70m and US\$22m respectively). If we are correct that conditions for junior miners will be weak for 3 to 5 years, the two funds are extremely well placed and are both seeing strong deal flow.

African Lion Funds (LION – 25%)

The African Lion 3 Fund was established mid 2008 and has a committed capital of US\$79.2m. The Fund made an initial investment of US\$5m in unlisted Copperbelt Minerals in 2008 and has subsequently been reviewing a significantly increased opportunity flow, reflecting the lack of broader funding alternatives for junior resource companies in Africa. ALF3 is now well positioned to patiently consider new investment.

The predecessor funds ALF and AFL2 continue to review their existing portfolios but are not actively seeking new investments.

Asian Lion Fund (LION – 32%)

Asian Lion has had a significant increase in deal flow since the start of the year. With only 25% of the US\$34m fund invested, the cyclic conditions are ideal for Lion style investing. The Asian Lion team is actively and patiently pursuing a number of opportunities whilst maintaining its current portfolio.