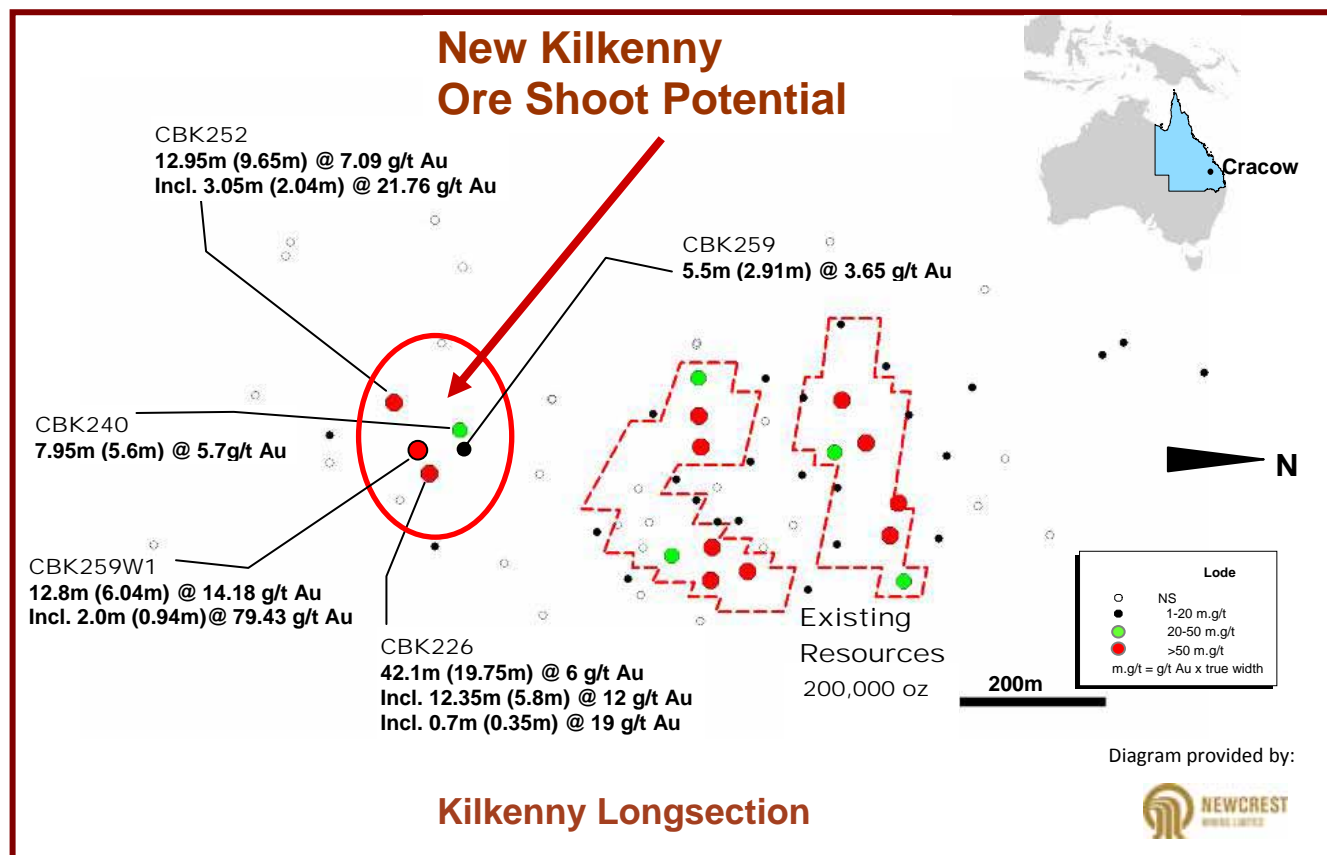


CRACOW – KILKENNY EXPLORATION SUCCESS

New Zone at Kilkenny

Recent exploration drilling at Cracow has been focused on the Kilkenny structure.

The latest drilling on Kilkenny has produced a series of significant intersections, including the most recent result in **CBK 259W1 of 12.8m (6.0m true width) at 14.18g/t Au**. Together with previous drilling, this result confirms the presence of economic mineralization over an area of 200m x 150m. This mineralization has similar geological character to the Kilkenny *Inferred Resource located 400m to the north. The joint venture has recently approved commencement of the Kilkenny exploration decline.



*Kilkenny Inferred Resource as reported in the 2008 Annual Report to Shareholders.

ABOUT CRACOW

Background

The Cracow Gold Mine is located in the Theodore region of southern Queensland. Lion Selection Limited (Lion) has a 30% joint venture interest in Cracow. Newcrest Mining Limited (Newcrest) holds the other 70% and is the manager of the Cracow Joint Venture.

The mine commenced operations in November 2004 and has consistently produced more than 100,000 ounces per annum for the last three years. Ore throughput capacity exceeded 400,000 tonnes per annum in 2008 with ore currently being sourced from the Royal, Sovereign and Crown mineralised zones.

Quarterly Production Summary (Lion 30% Share)						
3 months to		Jan 2008	Apr 2008	Jul 2008	Oct 2008	Jan 2009
Ore Mined	(tonnes)	32,279	31,154	36,017	34,237	32,366
Ore Processed	(tonnes)	32,628	30,642	31,250	31,190	33,779
Ore grade	(g/t Au)	7.3	7.7	10.2	7.7	6.7
Met Recovery	(%)	90	91	94	93	92
Gold Produced	(oz)	7,048	6,962	9,458	7,182	6,372