



ASX Release
12 October 2006

African Lion 2 Limited
Further Investment of US\$2.5 million in Albidon Limited

AuSelect is pleased to announce a further investment by African Lion 2 Limited (AFL2) in Albidon Limited (Albidon).

Key Points:

- AFL2 has taken up 2.8 million shares at A\$1.20/share, investing approximately US\$2.5 million.
- This increases AuSelect's total indirect investment in Albidon (through the AFL funds) to A\$3.3 million with a market value of A\$11.1 million.
- Albidon is now approximately 8% of the AuSelect portfolio.

About Albidon

Albidon is dual listed on the ASX and London (AIM) market.

Albidon has completed a positive Bankable Feasibility Study of the Munali nickel-platinum group metal project located near Lusaka, in Zambia.

Site works at the 900,000 tonnes per annum underground mine and concentrator has now commenced. The Munali project, based on the Enterprise Deposit, has an initial 10 year mine life producing up to 9,000 tonnes per annum of contained nickel with potential to grow project life through exploration success.

The Munali project has excellent infrastructure and will use low cost underground mining techniques and a simple metallurgical flow sheet. This supports a competitive cost structure with direct cash operating costs estimated at US\$2.00 per pound of nickel in concentrate (before by product credits, smelting and refining charges).

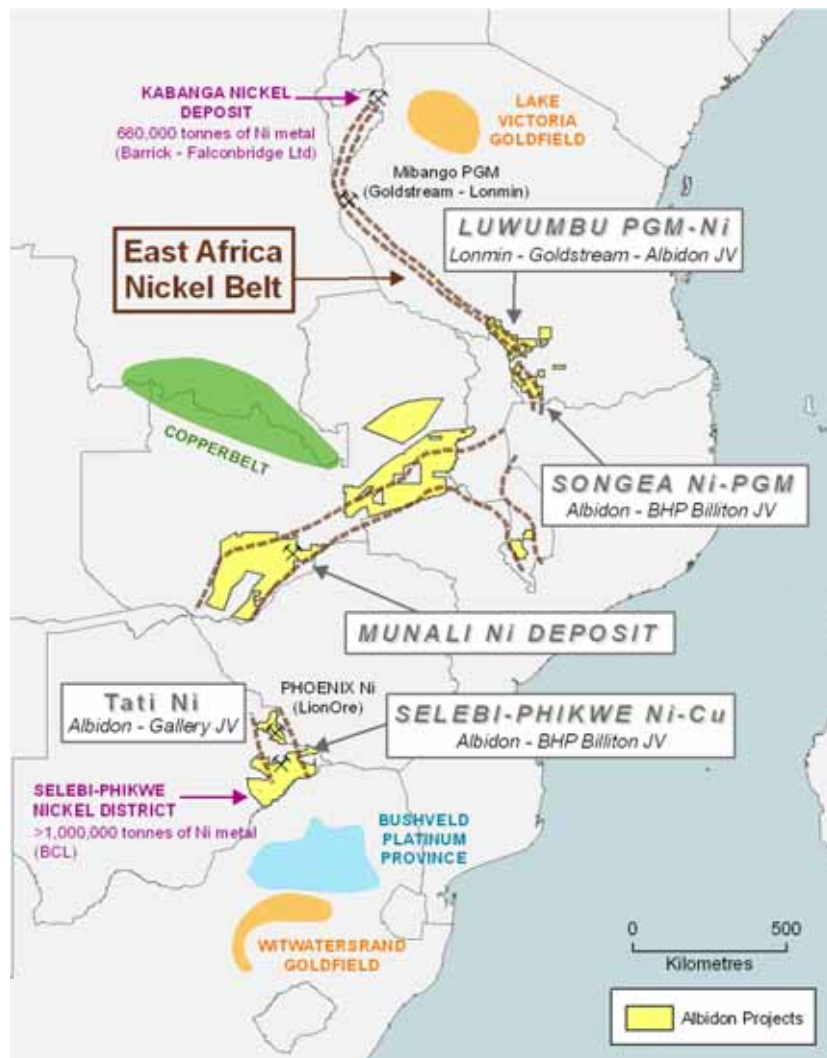
Albidon has concluded a US\$35 million capital raising as part of the funding package for Munali. AFL2 has invested US\$2.5 million as part of this capital raising. The balance of the project funding is anticipated to be debt.

AuSelect's Investments in Albidon

AUS owns	Fund	Interest in Albidon	Invested US\$	Market Value US\$
29.8%	of AFL	15.2%	3.4	20.1
18.6%	of AFL2	7.7%	7.3	10.1
Total African Lion		22.9%	10.7	30.2
AUS share		6.0%	A\$3.3m	A\$11.1m

Based on closing prices 11 October 2006.

ALBIDON LIMITED – EAST AFRICAN PROJECT AREAS



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