



ASX Announcement 27 March 2006

AuSelect Increases Ownership in African Lion

Acquisition of Comafin Stake

AuSelect is pleased to announce the purchase of an additional 4.1% in African Lion Limited (AFL) from Commonwealth Africa Investments (Comafin), taking its ownership from 18.7% to 22.8%.

The cost of this additional stake is US\$1.1 million compared with the asset backing, at current market prices for AFL's investment portfolio, of US\$1.9 million.

AuSelect's Net Tangible Asset backing will increase by 2.2 cents per share.

The table below summarises this investment.

	AuSelect Holding in AFL	Amount Invested	Market Value
28 February 2006	18.7%	A\$4.8 million	A\$14.4 million
24 March 2006	22.8%	A\$6.3 million	A\$17.1 million

Receipt of Performance Incentive from AFL – increased AuSelect holding in AFL

On 2 March, AuSelect announced that, following the payment of proceeds from the sale of AFL's stake in Gallery Gold Limited, AFL's original US\$33.75 million capital (plus compounded interest of 8% per annum) will be repaid. This triggers a performance incentive which will increase AuSelect's shareholding in AFL from 22.8% (following the acquisition above) to 29.8%. There is no change to AuSelect's Net Tangible Asset from this transaction, which is expected to be concluded shortly.

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