



Lion Selection Group



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Lion to raise up to A\$5 million via an Institutional Placement and Share Purchase Plan

Lion Selection Group Limited (**Lion**) is pleased to announce that it is conducting a capital raising to raise up to \$5 million (before issue costs). The capital raising is being conducted at a price of 35 cents per share, representing a 9% discount to the 5-day volume weighted average price of 38.5 cents per share (for the period ending 13 September 2017) and a discount of 12.5% to Lion's most recently announced Net Tangible Asset Backing of 40cps as at 31 August 2017.

The capital raising comprises a placement to sophisticated and professional investors of \$2.7 million, and a Share Purchase Plan (**SPP**) to raise up to \$2.3 million. The SPP will be open to shareholders registered in Australia and New Zealand, and is not underwritten.

The proceeds from the capital raising will strengthen Lion's cash position which will enable opportunistic participation in deal flow in junior miners including further investment in EganStreet Resources Limited. Lion participated in the recently announced EganStreet placement and holds 7.7m 25c options exercisable prior to March 2018.

Placement

Lion has completed a placement of \$2.7 million to sophisticated and professional investors. Subject to shareholder approval, Lion Directors have committed to invest an aggregate of \$736k in the placement and intend to take up their entitlements in the SPP. The placement of 7,771,428 fully paid ordinary shares has been conducted at a price of 35 cents per share, representing a 9% discount to the 5-day volume weighted average price of 38.5 cents per share for the period ending 13 September 2017.

The placement was made to investors qualifying under Section 708 of the Corporations Act and the Company has used its existing issue capacity under Listing Rule 7.1 to complete the issue.

Share Purchase Plan

Lion is also pleased to offer existing shareholders the opportunity to acquire shares at the same price as the Placement.

Under the SPP, shareholders on the company's register as at 7:00pm (Melbourne time) on Friday, 15 September 2017 (the 'Record Date') will be able to purchase up to a maximum of \$15,000 worth of shares (subject to any pro-rata scale back) without paying brokerage costs. The key terms of the SPP are:

- Shareholders will be able to acquire shares in five parcel sizes ranging from \$1,500 up to \$15,000 (subject to any pro-rata scale back).
- The SPP price is 35 cents per share, representing a 9% discount to the 5-day volume weighted average price of 38.5 cents per share for the period ending 13 September 2017.
- The SPP will close at 5:00pm on Wednesday, 12 October 2017.
- The right to participate in the SPP is optional and is non-renounceable (ie it cannot be transferred to another person).
- The SPP is open to shareholders registered in Australia and New Zealand.
- The SPP is not underwritten.

Robin Widdup, Director of Lion said "Lion is experiencing increasing deal flow in the junior mining sector which is presenting some attractive opportunities. A key example is EganStreet Resources, where Lion holds an option position of 7.7m options that are exercisable prior to March 2018. EganStreet has made wonderful progress in a very short period of time on both the project development assessment and exploration potential. Lion's view of the mining cycle is that now is early in the boom phase, and the best time to be selectively investing in well-managed junior miners with promising projects."