



Lion Selection Group



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Sale of Toro Gold holding to Resolute Mining

Lion Selection Group Limited (**Lion**) is pleased to announce the sale of African Lion 3 Ltd (**AFL3**) investee Toro Gold (**Toro**) to ASX and LSE listed gold producer Resolute Mining Ltd (**Resolute**). Lion has a 23.7% interest in AFL3, and AFL3 in turn holds 2.4% of Toro Gold, a private unlisted company that owns and operates the Mako Gold Mine in Senegal.

Details of the transaction are as follows:

- Resolute to pay US\$305M in consideration via 50% cash and 50% Resolute shares;
- Based on the transaction announced by Toro, Lion's indirect interest in Toro is valued at A\$2.3M

Effect on Lion's Net Tangible Assets (NTA):

- Lion's June 2019 NTA (refer to Lion announcement to ASX made on 8 July 2019) was 43cps and contained A\$1.6m for Lion's indirect holding in Toro.
- Based on the expected consideration of Resolute shares and cash that AFL3 would receive, Lion's indirect interest in Toro is valued at A\$2.3m representing a positive change to Lion's NTA of approximately 0.5cps.

About Toro Gold

Toro is a private company that holds a 90% interest in the Mako Gold Mine in Senegal. Toro has provided guidance that the Mako Gold Mine will produce 157koz in 2019. Mako has a current mine life of 6.5 years and is targeting production of 893koz at a cash cost of US\$754/oz. Toro also has a large and proactive exploration portfolio of over 2,000km² in West Africa.

About Resolute

Resolute is an Australian gold miner with the Syama Gold Mine in Mali, the Ravenswood Gold Mine in Australia and the Bibiani Gold mine in Ghana. Gold production for 12 months through to 30 June 2019 was 305koz. It is dual listed on the ASX and LSE with a market capitalization of A\$1.3bn.