



21 April 2010

**THIS LETTER CONTAINS IMPORTANT INFORMATION ABOUT YOUR LION SELECTION GROUP SHAREHOLDING
AND REQUIRES YOUR IMMEDIATE ATTENTION**

Dear Shareholder,

Voluntary Share Sale Facility

I am writing to offer all shareholders who hold 5,000 or less (but at least A\$500 worth of) Lion Selection Group shares the opportunity to participate in a sale facility (the "Voluntary Share Sale Facility"). Our records indicate that you are the holder of 5,000 or less shares as at 12 April 2010 (the value of which being at least A\$500), therefore you are eligible to participate in the Voluntary Share Sale Facility.

Sales Price

Lion Selection Group will bear all brokerage and handling fees related to sales under this facility. The price that will be paid to shareholders for each share sold through the Voluntary Share Sale Facility will be the volume weighted average price received by the broker for the sale of all shares sold through the Voluntary Share Sale Facility and the Lion Selection Group Unmarketable Parcels Sale Facility being conducted at the same time. That price will be calculated by the broker. The market price of Lion Selection Group shares is subject to change from time to time, and the proceeds remitted to a shareholder for the sale of their shares under the Voluntary Share Sale Facility may be more or less than the actual price that is received by the broker for those shares.

What do I need to do?

Please choose from either of the two options below:

- A. If you wish to retain your Lion Selection Group shares you do not need to take any action.

OR

- B. **ISSUER SPONSORED HOLDINGS:** If you wish to elect to have your entire holding of shares sold at no cost, please complete and return the enclosed GREEN Sale Instruction Form and return it to the Lion Selection Group Share Registry in the envelope provided (reply paid for Australia) by 4 June 2010.

CHES/BROKER SPONSORED HOLDINGS: If you wish to elect to have your entire holding of shares sold at no cost, please complete and return the enclosed GREEN Sale Instruction Form and the envelope provided to your Broker who will stamp the form and will then need to return it to the Lion Selection Group Share Registry in the envelope provided (reply paid for Australia) by 4 June 2010.

Please note that you may only participate in the Voluntary Share Sale Facility for your **entire holding** and that your shares will be sold as soon as practicable following the end of the offer period ("Offer Period"), which ends on 4 June 2010.

Why is Lion Selection Group implementing a Voluntary Share Sale Facility?

The Company welcomes the support of all shareholders, however, Lion Selection Group incurs administrative costs in producing and distributing shareholding statements, annual reports, notices of meeting and other communication, irrespective of the size of the shareholding. The cost of maintaining shareholder accounts can be disproportionately high when compared with the dollar value of relatively small shareholdings.

Brokerage Costs and Payment Details

The Company will bear the brokerage and handling costs in respect of the sales. Lion Selection Group has arranged for E.L. & C. Baillieu Stockbroking to act as broker to effect these sales. These sales will take place following the end of the Offer Period, which ends on 4 June 2010. It is expected that the proceeds (in Australian dollars - the calculation of which is set out above) will be remitted to you by 30 June 2010. The proceeds of the share sale will be deposited in your bank account if you have previously provided banking instructions to the Lion Selection Group Share Registry or alternatively will be sent to you by cheque at the address last recorded in the Lion Selection Group's register of members.

Lion Selection Group Share Price Performance

A summary of the share price and trading history of Lion Selection Group Limited since listing on 16 December 2009 is set out below:

Month ended	Share Price A\$			Volume	Number of Transactions
	High	Low	Close		
December 2009	0.50	0.40	0.43	1,040,574	33
January 2010	0.45	0.42	0.45	917,575	52
February 2010	0.52	0.44	0.50	1,332,112	63
March 2010	0.51	0.49	0.50	881,713	46

The market price of Lion Selection Group shares is subject to change from time to time. If you chose to participate in the Voluntary Share Sale Facility the price you receive for your shares may differ from previous share price performance of Lion Selection Group.

Important Notes

Please read the attached terms and conditions carefully as they contain important information. None of Lion Selection Group, Computershare Investor Services Pty Limited or E.L. & C. Baillieu Stockbroking make any recommendation or give any advice to you regarding whether to sell your shares under the Voluntary Share Sale Facility. If you are in any doubt about whether to retain your shares, please consult your financial adviser.

Up-to-date information on the market price of Lion Selection Group shares is available from the NSX website (www.nsx.com.au) under the code "LGP". A copy of the Financial Services Guide provided by the Broker in relation to the Voluntary Share Sale Facility is available from Lion Selection Group website (www.lsg.com.au).

If you have any questions regarding how the Voluntary Share Sale Facility works, or you have a number of holdings that you wish to consolidate, please contact the Lion Selection Group Share Registry Call Centre on 1300 085 149 (within Australia) or on +61 3 9415 4808 (outside Australia).

Yours sincerely,



JANE ROSE
Company Secretary