



Gold Rush

& Modern Times

Vision – mid cap mining company

The Scene

World Geog.
changed

China – only just
started
industrialisation/
urbanisation

USA – no longer
driver

Japan – not price
setter

Miners – used to be
explorers & price
takers

Wave of political
risk flowing over
Africa/Sth America

New World, Everything Changed

But
still
cyclic



But....

The Scene

Many players still using old rules

Psychology Wrong



The Scene: Background



Miners and Investors ...

40 year mining bear market
since late 60's

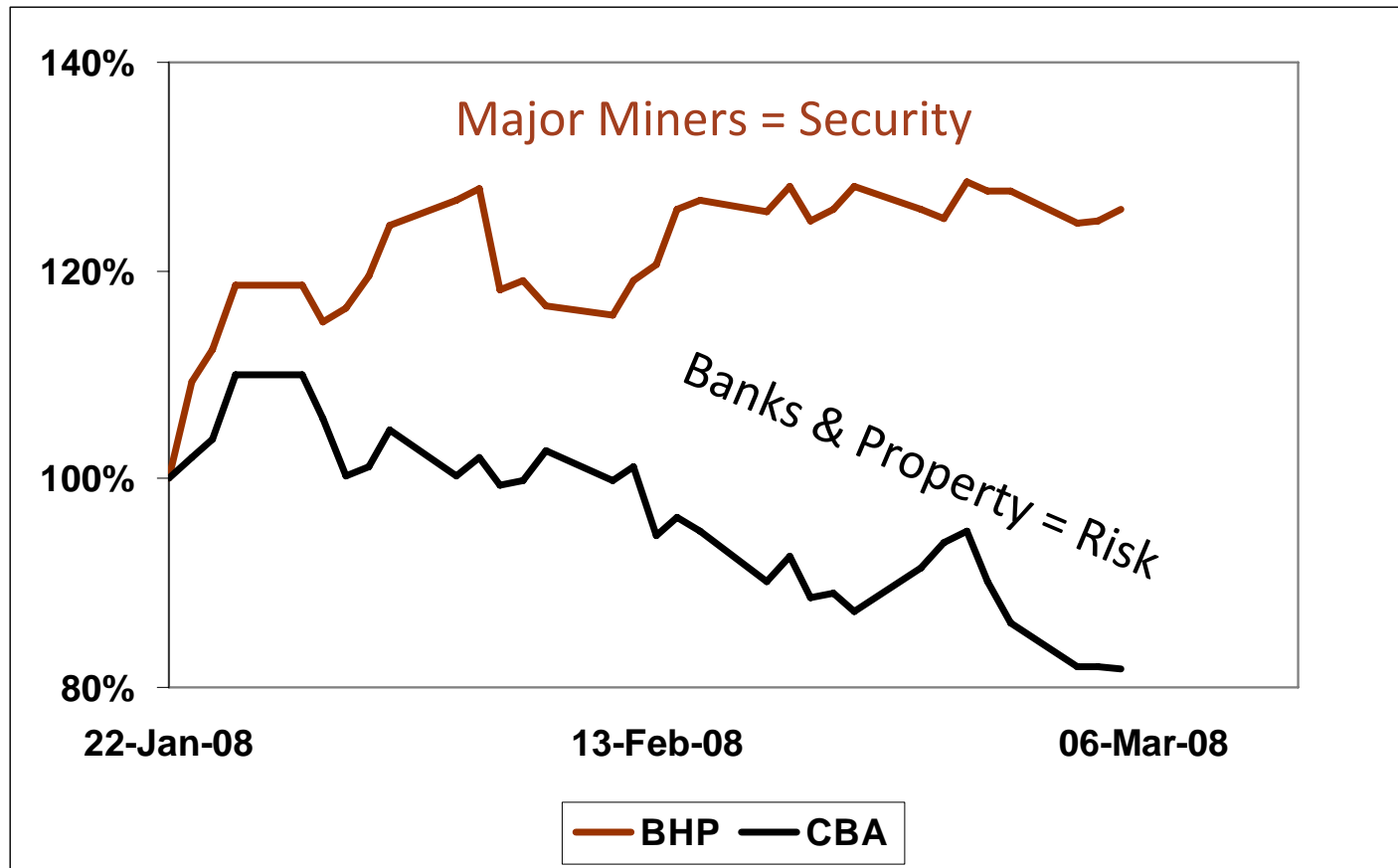


We grew up expecting
tough times

- Lifetime of tough times
 - Expectation of doom

Fortune has favoured the brave:
Xstrata, Vale, Oxiana ...

The Scene: Role Reversal



2007 Market awash with cash and liquidity – 2008 plug pulled

The Scene: Factors



China – Extraordinary demand

Barriers – Capex, people, environment etc
Infrastructure and equipment supply bottlenecks

Exploration – Project scarcity
Metres drilled barely ½ '97 peak
Gold production falling

M & A – Cash driven majors
Consolidating what was fragmented sector

Oil price – Cost link
Cost base lifted



The Scene: Commodity Prices



	Old World	Today	Consensus Brave New World
Copper US¢/lb	80-125	385	170
Gold US\$/oz	350	960	650
Nickel US\$/lb	2.50	14.80	6.50

40's, 50's, 60's

Hard work
hiding cash



Good chance
of this again



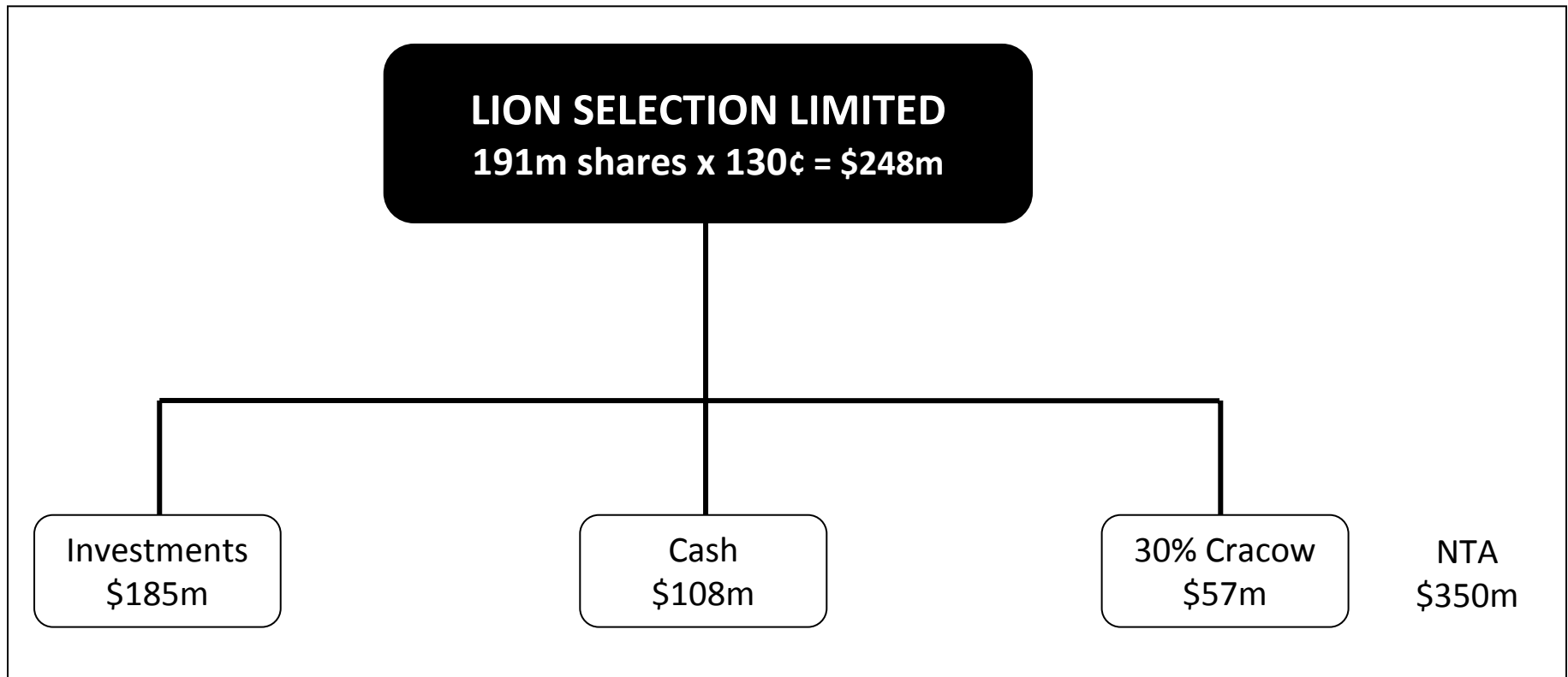
Could be
double

No one has any idea

– least of all industry experts

Forecasters driven by inertia – rooted in 40 year bear market doom

Lion Today

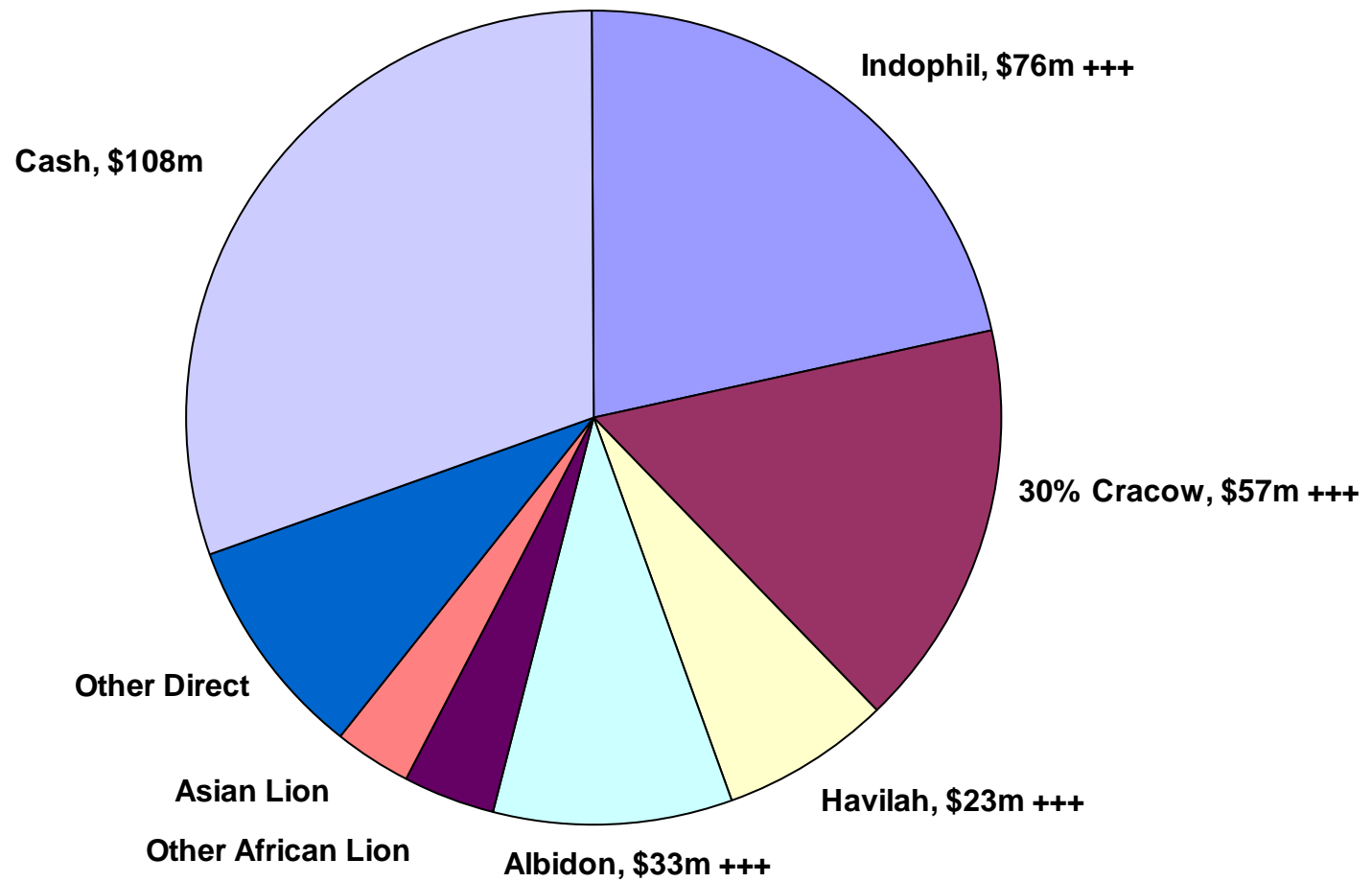


LIC Discount: \$100m, 50¢/share – near 30%

Breakup Value > NTA > Price



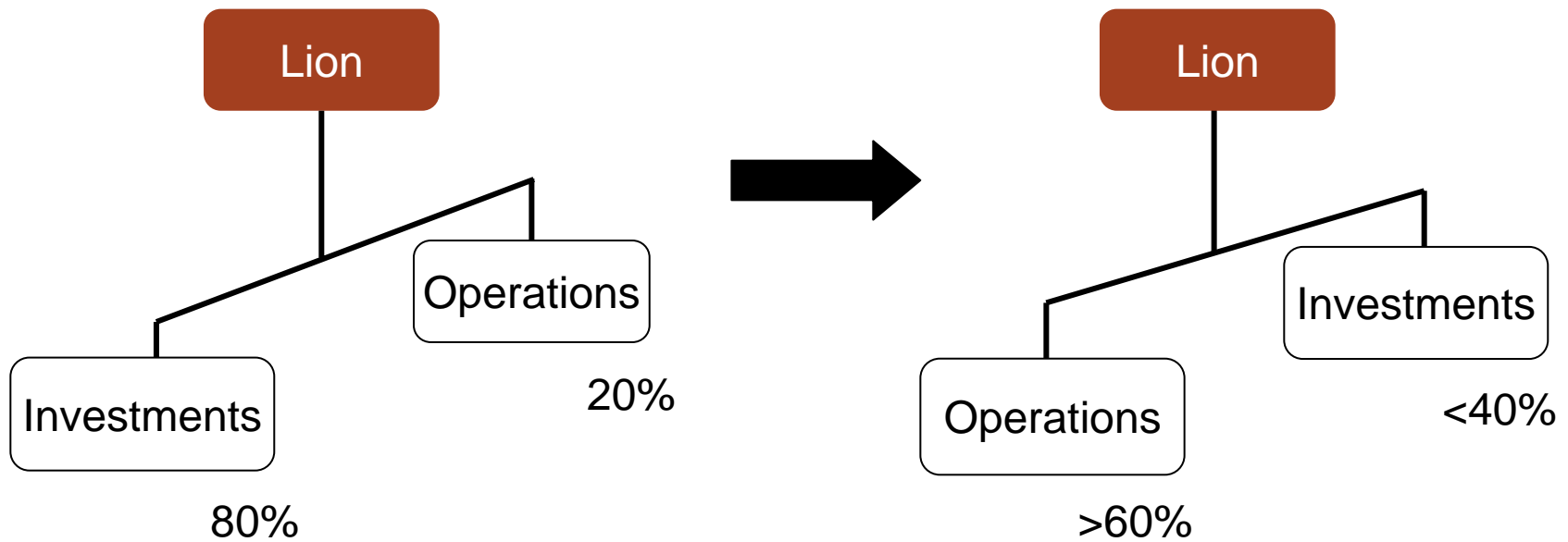
NTA: \$350 million



Lion Vision

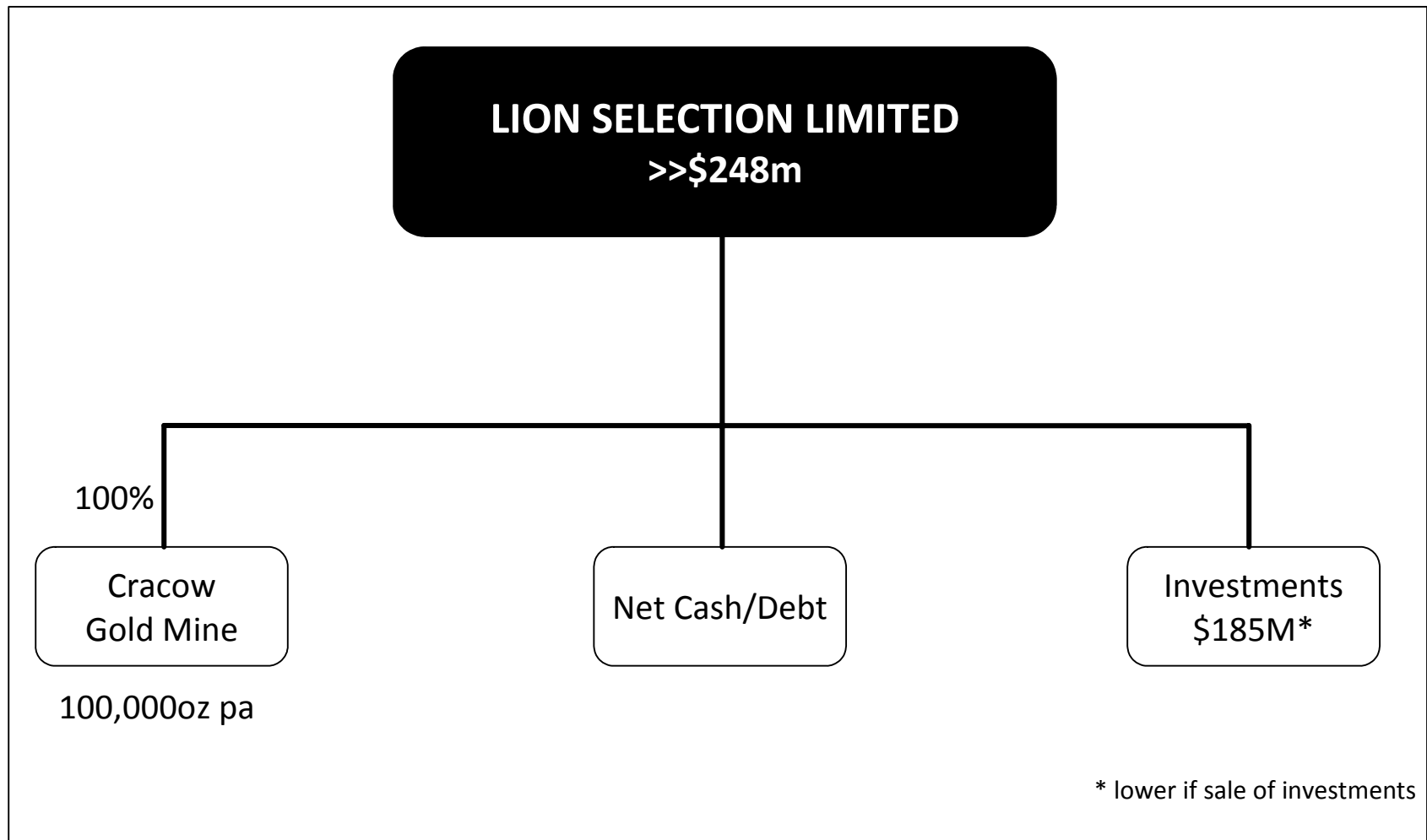


Transform from *mining investment company* to *mining company*

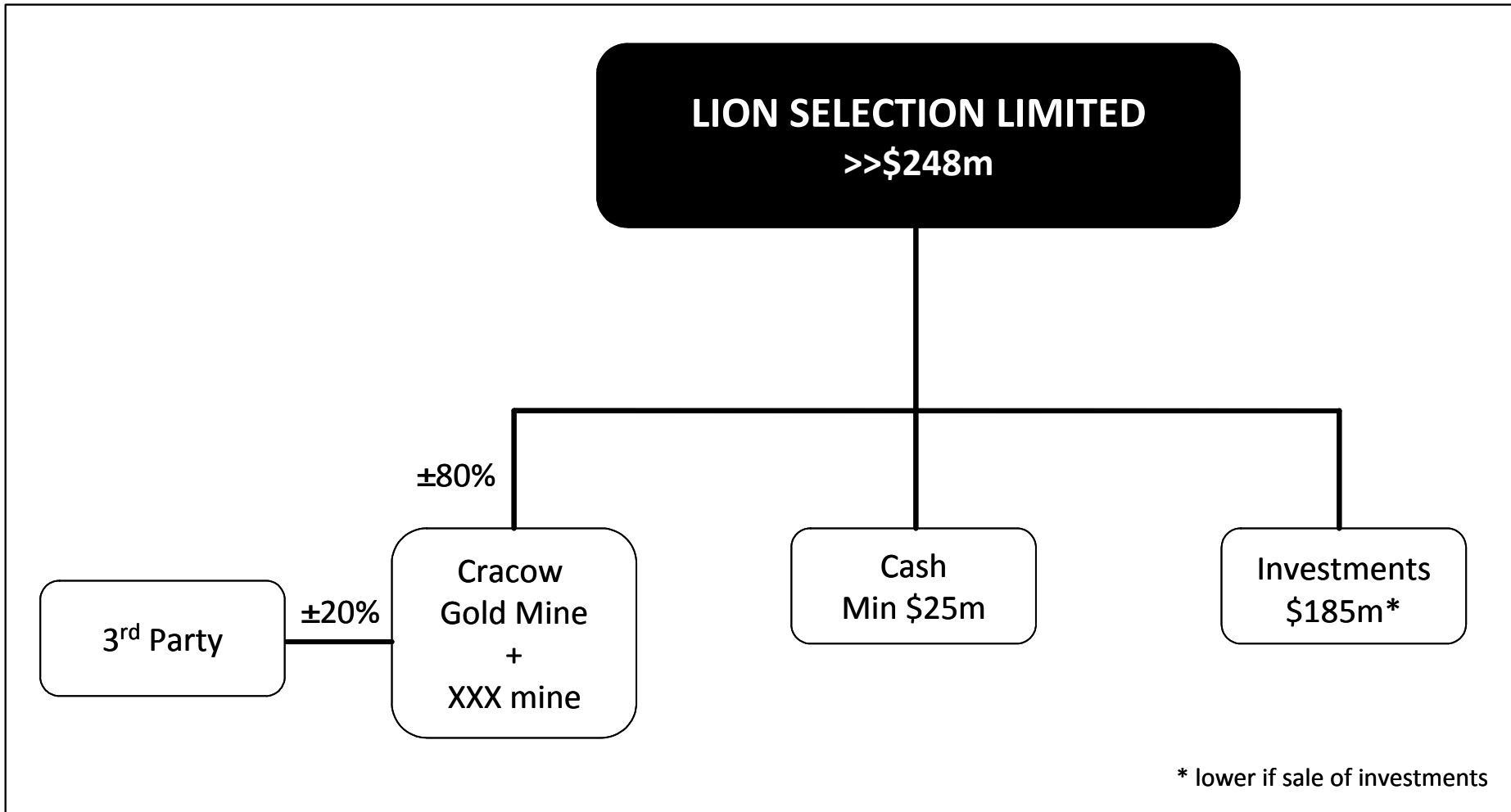


Target: 3 or more mines

1st Prize



= 1st Prize



Growth – Internally Funded

Funding Options for Purchasing 70% Cracow

Existing Cash	✓
Sale of Investments	✓
Debt	Possible
3 rd Party Finance	Possible
New Equity Issue	NO



Cracow Gold Mine

NCM 70% / Lion 30% Pre-emptive Right



- 100,000 oz pa

- 850,000 Resource

- A\$350-450/oz cash cost

- \$50M – \$60M EBITDA

Cracow Pre-Emptive Right

Extremely Valuable

Sale process started early October 2007

- Shortlisted bidders January/February 2008

Anticipate something March 2008

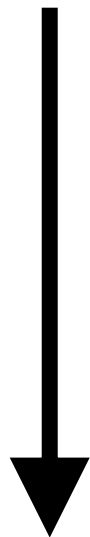
- Then long pre-emptive period



Dividend



Historically **Lumpy on sales**



2003	2004	2005	2006	2007	2008
3¢	21¢	10¢	10¢	38¢	3¢

Future: **Regular** From Cashflow

+
Growing +
New Mines

Shareholders



31 January 2008		Shares (Million)	%
1	Select Asset Mgt	16	8.5%
2	Mr Mark Creasy	10	5.4%
3	Laxey Partners	10	5.4%
4	Credit Suisse	9	4.9%
Instos 50% & Private Investors 50%			

A recent search of Lion's share registry has indicated a holding of approximately 5% of which Lion has concerns regarding the beneficial owner and correct disclosure. This has been noted to the ASX and ASIC in early January.

Management



Change Planned:

Lion Manager → *Conventional Structure*



Summary: Assets, Cash & Project Rich



Price: 130¢

Value > 200¢



My Job to fix in 2008