

ASX RELEASE 6 June 2008

XSTRATA CONFIRMS ITS OFFER FOR INDOPHIL WILL LAPSE IF LION IS ACQUIRED BY INDOPHIL

ASX Codes

Ordinary shares: LST
Listed options: LSTO

Issued shares: 191.0m
Share price: \$1.85

Issued options: 5.8m
Option price: \$0.325
(151c April 09)

Net Tangible Assets:
(31/05/08) \$403m

Market cap: \$355m

NTA pre tax
(31/05/08): \$2.09

NTA post tax
(31/05/08): \$2.09

Further enquiries:

Luke Smith
Investor Relations Manager
E: lsmith@lsg.com.au

CONTACT DETAILS

Lion Selection Limited
Level 4, 15 Queen Street
Melbourne Vic 3000
T: +613 9614 8008
F: +613 9614 8009
E: info@lionselection.com.au
www.lionselection.com.au

Xstrata Queensland Limited ("Xstrata") yesterday confirmed to the ASX and ASIC that if Indophil is successful in acquiring 50.1% or more of Lion, Xstrata's offer for Indophil WILL LAPSE.

If the Xstrata offer lapses Lion shareholders WILL NOT be beneficiaries of its cash offer for Indophil.

The Xstrata statement confirms the Lion Directors' position on this matter and reinforces its view as to why it is misleading to use Indophil's current share price to calculate the value of the Indophil offers for Lion.

Lion agrees with Xstrata that, if the Xstrata offer for Indophil lapses, it is likely that the Indophil share price will fall substantially. The 30-day volume weighted price of Indophil prior to the announcement of Indophil's intention to bid for Lion was \$0.66 (40% lower than yesterday's closing price for Indophil shares).

IMPORTANT NOTICE TO LION'S SHAREHOLDERS:

LION DIRECTORS RECOMMEND THAT YOU DO NOT USE INDOPHIL'S
CURRENT SHARE PRICE TO VALUE INDOPHIL'S SCRIP BID FOR YOUR
LION SHARES

Detailed information on Lion Selection Limited can be found on the company's website www.lionselection.com.au. If you have any queries, please contact Lion's investor relations team (Luke Smith or Jane Rose) on +613 9614 8008.