



ONE ASIA RESOURCES

ACN 150 653 982



NOTICE OF EXTRAORDINARY GENERAL MEETING

An Extraordinary General Meeting of One Asia Resources Limited will be held at Level 2, 175 Flinders Lane, Melbourne on **Thursday 12 April 2018** at 11am (AEST)

This notice of extraordinary general meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting. Please contact the Company Secretary on +61 3 9620 0718 or email to arollke@oneasiareources.com if you wish to discuss any matter concerning the meeting.

NOTICE OF GENERAL MEETING

Notice is hereby given that an extraordinary general meeting of One Asia Resources Limited will be held at **Level 2, 175 Flinders Lane, Melbourne** on **Thursday 12 April 2018** at **11am** (Melbourne time).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 11am (Melbourne time) on Tuesday 10 April 2018.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

AGENDA

RESOLUTION - REDUCTION OF CAPITAL

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

That for the purposes of Sections 256B and 256C of the Corporations Act and for all other purposes, the issued share capital of the Company be reduced by the Company making a pro rata distribution in-specie of Lion Selection Group Limited shares and options to all holders of ordinary shares in the Company at the Record Date and on the terms and conditions set out in the Explanatory Memorandum.

VOTING INTENTIONS OF CHAIRMAN

The Chairman intends to vote all undirected proxies in favour of the Resolution.

By order of the One Asia Board of Directors



Craig Smyth

Company Secretary
One Asia Resources Limited
13 March 2018

NOTES

These Notes form part of the Notice of Meeting.

Right to vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations that, for the purpose of voting at the Meeting, the shareholders are those persons who are the registered Shareholders at 7pm (Melbourne time), on Tuesday 10 April 2018.

Each Shareholder entitled to attend and vote at the Meeting may vote by:

- (a) attending the Meeting in person; or
- (b) appointing a proxy to attend and vote at the Meeting on their behalf.

APPOINTMENT OF PROXIES

A Proxy Form accompanies this Notice of Meeting. A Shareholder who is entitled to attend and vote at the Meeting is entitled to appoint no more than two proxies to attend and vote in their place. A proxy may be either an individual or a corporation, and need not be a Shareholder.

A single proxy exercises all voting rights. Where a Shareholder wishes to appoint two proxies, the Shareholder should follow the instructions on the proxy form, or the Shareholder may copy the **enclosed** Proxy Form. A Shareholder appointing two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and does not specify each proxy's voting rights, the rights are deemed to be 50% each. Fractions of votes are to be disregarded. Where two proxies are appointed, neither may vote on a show of hands.

A proxy need not vote in that capacity on a show of hands on any resolution nor (unless the proxy is the Chairman of the Meeting) on a poll. However, if the proxy's appointment specifies the way to vote on a resolution, and the proxy decides to vote in that capacity on that resolution, the proxy must vote the way specified (subject to the other provisions of these notes).

If a proxy does not attend the Meeting, then the Chairman of the Meeting will be taken to have been appointed as the proxy of the relevant Shareholder in respect of the Meeting. If the Chairman of the Meeting is appointed, or taken to be appointed, as a proxy, but the appointment does not specify the way to vote on a resolution, then the Chairman intends to exercise the relevant Shareholder's votes in favour of the relevant resolution (subject to the other provisions of these notes).

A proxy need not be a Shareholder and can be an individual or a body corporate.

A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

A Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

BODIES CORPORATE

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's members. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

LODGMET OF PROXY DOCUMENTS

For an appointment of a proxy for the meeting to be effective:

- ▶ the proxy's appointment; and
- ▶ if the appointment is signed by the appointor's attorney – the authority under which the appointment was signed (eg a power of attorney) or a certified copy of it, must be received by the Company at least 48 hours before the meeting.

The following addresses are specified for the purposes of receipt of proxies:

Online

Visit www.investorvote.com.au

By Mail

Computershare Investor Services Pty Limited,
GPO Box 242, Melbourne Vic 3001

In person

Computershare Investor Services Pty Limited,
Yarra Falls, 452 Johnston Street, Abbotsford Vic 3067

By Fax

1800 783 447 (within Australia) or
+61 3 9473 2555 (from outside Australia)

Intermediary Online Subscribers (such as custodians and nominees)

Visit www.intermediaryonline.com to submit your voting intentions.

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 2, 175 Flinders Lane, Melbourne on Thursday 12 April 2018 at 11am (Melbourne time). The purpose of this Explanatory Memorandum is to provide information to Shareholders with all information known to the Company that is material to the decision on how to vote on the Resolution.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice of Meeting, and includes the Proxy Form located at the end of the Explanatory Memorandum.

1.1 Defined terms

Capitalised terms in this Notice of Meeting and Explanatory Memorandum are defined either in the glossary (**Schedule 1**) or where the relevant term is first used, unless the context requires otherwise.

1.2 Regulatory Matters

Under applicable ASIC guidelines, the invitation to Shareholders to vote on the Resolution constitutes an 'offer' to transfer In-Specie Securities to Shareholders pursuant to the Capital Return under Chapter 6D of the Corporations Act and a prospectus is required unless an exemption applies or ASIC provides relief. As no exemptions apply and no relief was sought, the Company has prepared the Prospectus that contains relevant information in relation to the In-Specie Securities.

The Prospectus accompanies this Notice of Meeting and has been lodged with ASIC at the same time as this Notice of Meeting. The Company recommends that all Shareholders read the Prospectus carefully and in conjunction with this Notice of Meeting. The Prospectus also allows Shareholders to sell their In-Specie Securities within the first 12 months after receiving them without further disclosure.

1.3 No material information

There is no information known to the Company that is material to the decision by a Shareholder on how to vote on the Resolution other than as disclosed in this Notice of Meeting and Explanatory Memorandum, the accompanying Prospectus and information that the Company has previously disclosed to Shareholders.

1.4 Purpose of this Notice of Meeting

The main purpose of this Notice of Meeting is to:

- (a) explain the terms of the proposed Capital Return, and the manner in which the Capital Return (or parts of it) will be implemented (if approved); and

- (b) provide such information as is prescribed or otherwise material to the decision of Shareholders whether or not to approve the Resolution to give effect to the Capital Return.

1.5 ASIC

A final copy of this Notice of Meeting and Explanatory Memorandum has been lodged with ASIC together with a copy of the Prospectus that accompanies this Notice of Meeting. Neither ASIC nor any of its officers takes any responsibility for the contents of this document.

1.6 Forward looking statements

This document contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'likely', 'should', 'plan', 'consider', 'foresee', 'aim', 'will', 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events and are subject to inherent risks and uncertainties many of which are outside the Company's control. For more information on the risk factors facing Lion, please refer to **section 5**.

These events, as at the date of this document, are expected to take place, but there is no guarantee that such will occur as anticipated or at all given that many of the events are outside the Company's control.

Accordingly, neither the Company, Lion, any of their respective officers nor any person named in this document or involved in the preparation of this document make any representation, warranty or assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this document will actually occur. Further, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statements.

1.7 No financial product advice

This document does not constitute financial product, taxation or investment advice nor a recommendation in respect of the In-Specie Securities. It has been prepared without taking into account the objectives, financial situation or needs of Shareholders or other persons. Before deciding how to vote or act, Shareholders should consider the appropriateness of the information, having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances.

Neither the Company nor Lion is licensed to provide financial product advice. No cooling-off regime applies in respect of the acquisition of Lion Shares or Lion Options under the Capital Return (whether the regime is provided for by law or otherwise).

1.8 No internet site is part of this document

No internet site is part of this Notice of Meeting and Explanatory Memorandum. The Company maintains an internet site (www.oneasiareources.com) and Lion maintains an internet site (www.lionselection.com.au). Any reference in this document to any of these internet sites is a textual reference only and does not form part of this document.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolution.

A Shareholder that is an individual may attend and vote in person at the Meeting. If you wish to attend the Meeting, please bring a copy of the enclosed Proxy Form to the Meeting. A Shareholder entitled to attend and vote at a Meeting is entitled to appoint a proxy to attend and vote on behalf of that Shareholder.

A duly appointed proxy need not be a Shareholder. This form should be signed by the Shareholder. If a joint holding, either Shareholder may sign. If signed by the Shareholder's attorney, the power of attorney must have been previously noted by the Company or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act.

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section

127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

To vote by proxy, please complete, sign and send the enclosed Proxy Form by:

- post to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Vic 3001; or
- facsimile to 1800 783 447 (within Australia) or +61 3 9473 2555 (from outside Australia),

so that it is received not later than 11am (Melbourne time) on Tuesday 10 April 2018. Proxy forms received later than this time will be invalid.

Chapter 2C of the Corporations Act requires information about you as a shareholder (including your name, address and details of the Shares you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your Shareholding and if some or all of the information is not collected then it might not be possible to administer your Shareholding. You can access your personal information by contacting the Company at the email address or telephone number shown on page 1.

Voting and required majority

For the purposes of Regulation 7.11.37 of the Corporations Regulations, the Directors have set 7pm (Melbourne time) on Tuesday 10 April 2018 as the time and date to determine the Shareholders for the purposes of the Meeting.

Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

In accordance with the Corporations Act and the Constitution, for the Resolution to be effective:

Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

In accordance with the Corporations Act, for the resolutions to be effective:

- (i) the Resolution must be passed at the Meeting of which not less than 21 days written notice specifying the intention to propose the Resolution has been given (satisfied by this Notice); and
- (ii) the Resolution, being an ordinary resolution, must be passed by more than 50% of all the votes cast by Shareholders present and entitled to vote on the Resolution (whether in person, by proxy, attorney or representative).

On a show of hands every Shareholder has one vote, and on a poll, every Shareholder has one vote for each Share held.

3. BACKGROUND

3.1 Introduction and Rationale for the Transaction and Capital Return

On 2 February 2018, the Company and Lion announced that they had entered into a conditional Asset Purchase Deed (the **Asset Purchase Deed**) on 1 February 2018 with Pani Holdings pursuant to which Lion agreed to purchase the Company's 33.3% interest in the Pani Joint Venture (the **Transaction**) which holds all of the economic interest associated with exclusive supply of gold ore mined at the Pani Gold Project. See **section 3.3** for a summary of the key terms of the Transaction.

The Transaction contemplates the purchase by Lion of the Company's interest in the Pani Joint Venture in consideration for the issue of 35,750,000 Lion Shares and 23,833,333 Lion Options to the Company (**Consideration Securities**). The Transaction requires One Asia to distribute, subject to approval by the Shareholders (being the purpose of the Resolution), at least 34,750,000 Lion Shares and 23,166,666 Lion Options of the Consideration Securities (**In-Specie Securities**) promptly after their issue by way of an *in specie* equal capital return to the Shareholders in proportion to their respective interests in the Company (**Capital Return**).

Lion currently holds approximately 35% of the issued share capital of the Company.

The purpose of the Transaction and Capital Return is to sell the Company's interest in the Pani Joint Venture to Lion with a view to Lion progressing the Pani Gold Project through feasibility and into production, enabling the Shareholders to benefit as holders of the In-Specie Securities.

While all Directors intend to vote their Shares in favour of the Resolution, due to Mr Robin Widdup being a director of both the Company and Lion, in considering and negotiating the Transaction, the Company established an independent committee of Directors excluding Mr Widdup to represent the interests of the Company (the **Independent Directors**). Mr Widdup has

a beneficial interest in Lion Manager Pty Ltd, which holds Shares. See **section 3.15** for more details.

3.2 Background of the Pani Joint Venture

One Asia's interest in the Pani gold project tenement in Indonesia (the **Pani Gold Project**) is derived from contractual arrangements with respect to an Izin Usaha Pertambangan licence (**Pani IUP**) issued to the KUD Dharma Tani Marisa (**KUD**). The Pani IUP was issued by the Government of Indonesia in November 2009 for a period of 13 years, and, subject to government approval, is extendable for two 10-year periods. The Pani IUP is subject to the Mining Law 4 of 2009, including applicable royalty rates and levels of local ownership and input.

In December 2013, One Asia received reports that the KUD had signed a co-operation agreement with PT Puncak Emas Gorontalo (**PT PEG**), being a subsidiary of PT J Resources Asia Pasifik Tbk (a publicly listed Indonesian company) (**J Resources**) over the Pani IUP, which conflicted with the KUD's contractual arrangements with One Asia (the **Pani IUP Dispute**).

In May 2015, One Asia signed a memorandum of understanding (**Provident MOU**) with Provident Capital Partners Pte Limited (**Provident**), for the establishment of an incorporated joint venture in the Pani Gold Project (**Pani Joint Venture**). The purpose of the arrangement was to resolve the Pani IUP Dispute, with the objective of working in co-operation with the KUD and the local community to develop the Pani Gold Project. The ultimate ownership of the joint venture arrangement between Provident and One Asia is intended to be 66.6% Provident and 33.3% One Asia, with One Asia and Provident each initially funding US\$4 million cash.

On 19 December 2017, Provident notified One Asia that an agreement had been reached with J Resources to settle the Pani IUP Dispute. The settlement involved the Pani Joint Venture acquiring PT PEG, a subsidiary of J Resources, that had entered a co-operation agreement with the KUD securing 100% of the economic interest associated with exclusive supply of gold ore mined at the Pani Gold Project. PT PEG had also established a joint venture entity with the KUD, being PT Puncak Emas Tani Sejahtera (**PT PETS**) with PT PEG holding 49% and the KUD holding 51% of PT PETS respectively. The KUD has transferred the Pani IUP to PT PETS, providing increased certainty around the tenure of the Pani Gold Project. Arrangements will be established under an Ore Sale and Purchase Agreement for PT PETS to sell all the project ore to the Pani Joint Venture for processing. One Asia's 33.3% interest in the Pani Joint Venture is currently an economic interest, which would become an equity interest by exercising a convertible loan in the Pani Joint Venture, subject to regulatory approval to be sought and obtained by

the Pani Joint Venture to allow for foreign investors to hold equity directly. The regulatory approval has not been obtained and the convertible loan has not been exercised as at the date of this Notice. These are not Condition Precedents to the Transaction, but even if these do not occur, the Provident MOU allows for the transfer of One Asia's interest to a nominated entity that is able to hold such equity.

PT PETS is the relevant entity holding the Pani IUP for the purposes of Indonesian local ownership requirements, with the KUD's local ownership of 51% sufficient to satisfy the local ownership requirements. The KUD's interest in the Pani Gold Project will be the right to a royalty payable by PT PETS and dividends from PT PETS with respect to the profits under the Ore Sale and Purchase Agreement.

When the Pani IUP Dispute arose, One Asia took all actions necessary to protect and enforce its 90% interest in the Pani Gold Project under its agreements with the KUD (**Legacy Agreements**). However, due to J Resources entering arrangements with the KUD contrary to One Asia's Legacy Agreements and the KUD advancing the transfer of the Pani IUP into PETS, it became apparent that seeking to enforce the Legacy Agreements was unlikely to be successful. These Legacy Agreements are not part of the Transaction, however Lion is being granted an option to acquire all of One Asia's securities in Pani Holdings, a 100% owned subsidiary of One Asia that is party to the Legacy Agreements, at a total exercise price of A\$1.00, which is exercisable at any time from completion of the Transaction until 5.00pm on the second anniversary of such completion (**Pani Holdings Option**).

One Asia Group has received correspondence from PT Prima Mineralindo Nusantara (**PT Prima**), holder of a 10% interest in One Asia's legacy arrangements with the KUD, alleging that a right of first refusal over One Asia's Legacy Agreements in the Pani Gold Project has been triggered. One Asia Group has denied this allegation. As noted above, the Legacy Agreements are not part of the Transaction. One Asia Directors note that the risk remains that PT Prima seeks to enforce some of the Legacy Agreements against the One Asia Group or the KUD, or other legal challenge to prevent the Transaction and Capital Return. PT Prima is a company associated with the wife of Mr Stephen Walters (former managing director and chief executive officer of the Company).

The Provident MOU paves the way for taking the Pani Gold Project forward, including terms providing access necessary to develop the Pani Gold Project and satisfying the local ownership requirements for the life of the project. Following the settlement of the Pani IUP Dispute, detailed arrangements contemplated in the Provident MOU are now being established with

respect to the operation and management of the Pani Joint Venture. A detailed co-operation agreement is being drafted based on principles set out in the Provident MOU (**Co-operation Agreement**) including representation on the Pani Joint Venture board by One Asia and pro rata funding rights. In addition, Indonesian regulatory approval is to be sought for One Asia to convert its interest in the Pani Joint Venture into a direct equity interest.

Both One Asia and Provident have provided their US\$4 million commitments under the Provident MOU, and One Asia needs to fund its pro rata share of the Pani Joint Venture for future drawdowns. A budget of US\$3 million has been estimated for the first half of 2018, with One Asia's share being US\$1 million (US\$0.5 million of which is expected to be required in late February or early March 2018). Lion has committed to meet up to US\$1 million of One Asia's funding as part of the Transaction. Funding requirements are expected to escalate as the project progresses, including future exploration, evaluation and possibly development costs. If the Transaction proceeds, Lion will become responsible for all of One Asia's funding obligations in respect of the Pani Joint Venture.

Following the resolution of the Pani IUP Dispute, One Asia conducted a strategic review considering a range of alternatives for the Company and the Pani Gold Project, including equity funding, corporate scrip-based transaction, and outright cash sale. Shareholder feedback was invited throughout this process. One Asia surmised that Shareholders were broadly supportive of retaining exposure to the Pani Gold Project. Further, Shareholders have consistently requested One Asia as an unlisted company provide liquidity for its Shares. However, One Asia considered it was unlikely that sufficient equity funds could be raised to fund One Asia's pro rata funding requirements for the Pani Joint Venture, including the escalating project financing funding.

After considering all the relevant factors (including the advantages, disadvantages and risks as set out in this Explanatory Memorandum), the Independent Directors unanimously determined that the Transaction is in the best interests of One Asia Shareholders as a whole and resolved that One Asia enter into the Asset Purchase Deed.

3.3 Key Terms of the Transaction

The key terms of the Transaction are as follows:

(a) Consideration

The consideration to be provided by Lion to One Asia is the Consideration Securities to be issued by Lion. Lion has also provided an advance of A\$200,000 contributed towards One Asia's transaction costs (**Contribution**) and has

Event	Melbourne Time	Date
Announcement of Transaction		2 February 2018
Notice of Meeting and Prospectus lodged with ASIC and dispatched to Shareholders		Tuesday 13 March 2018
Application by Lion to ASX for quotation of Consideration Securities		By Tuesday 20 March 2018
Last time and date to lodge Proxy Forms	11am	Tuesday 10 April 2018
Time and date to determine voting eligibility at the Meeting	7pm	Tuesday 10 April 2018
Meeting to consider the Resolution to approve the Capital Return	11am	Thursday 12 April 2018
Satisfaction/waiver of all conditions of Asset Purchase Deed		Thursday 12 April 2018
Completion of Transaction including issue by Lion of the Consideration Securities to the Company		Friday 13 April 2018
Time and date to determine entitlements under the Capital Return (Record Date)	3pm	Friday 13 April 2018
Capital Return to Shareholders of the In-Specie Securities		Monday 16 April 2018
Quotation of the Consideration Securities (subject to ASX approval)		As determined by ASX

The above dates are indicative and may change.

committed to advance up to US\$1,000,000 to fund One Asia's contributions to the Pani Joint Venture (**Pani Funding Debt**).

(b) Capital Return

The Transaction involves One Asia distributing, subject to Shareholder approval, the In-Specie Securities promptly after their issue by way of the Capital Return. The Consideration Securities other than the In-Specie Securities will be retained by One Asia for working capital purposes.

(c) Conditions Precedent

Completion of the Transaction is subject to and conditional on (amongst other conditions) the following being satisfied (or waived, to the extent they can be waived) by 15 May 2018 or such later date as extended under the Asset Purchase Deed, unless agreed otherwise:

- (i) Lion obtaining all shareholder approvals necessary under the Listing Rules and the Corporations Act in relation to the Transaction, including approval of the issue of the Consideration Securities;
- (ii) One Asia obtaining all shareholder approvals necessary under the Corporations Act in relation to the Capital Return;
- (iii) Provident approval of the Transaction, including consent to the assignment to Lion of One Asia's rights under the Pani Joint Venture and associated documents (including the Provident MOU, the Co-operation Agreement and the convertible loan in the Pani Joint Venture); and
- (iv) execution of a Co-operation Agreement between One Asia and Provident, as contemplated by the Provident MOU.

The other Conditions Precedent are customary conditions for asset sales, being that each warranty provided remains true and correct, there is no circumstance that has or is reasonably expected to have a materially adverse effect, and Lion is satisfied (acting reasonably) that One Asia has not breached the Asset Purchase Deed.

(d) Completion

Completion will occur after the Conditions Precedent have been satisfied or waived and all required documents have been delivered by the relevant parties, or any other time agreed between Lion and One Asia.

(e) Pani Joint Venture Interim Arrangements

For the period from 1 February 2018, until the Asset Purchase Deed is terminated or completed, Lion agreed to fund the Pani Funding Debt. If the Asset Purchase Deed is terminated, One Asia will be required to reimburse Lion for the Pani Funding Debt provided by Lion, which will be by way of the issue of One Asia shares at a price of \$0.08 per share.

3.4 Indicative Timetable

Subject to the requirements of the Corporations Act and the Listing Rules, the Company and Lion anticipate that completion of the Transaction and the Capital Return will be in accordance with the above timetable approved by ASX.

3.5 Effect of the Transaction and Capital Return on the Company

The Transaction will result in the Company disposing all of its interest in the Pani Joint Venture to Lion. These assets have a nil book value in One Asia's

unaudited financial statements for the year ending 31 December 2017.

The impact of the Transaction and Capital Return on the Company's financial position is set out in the pro forma unaudited Consolidated Statement of Financial Position set out in **Schedule 2**.

Following the Transaction and Capital Return, the Company anticipates materially reduced outgoings.

3.6 Effect of the Capital Return on Shareholders

Shareholders will hold the same number of Shares they held prior to the Transaction.

Shareholders on the Record Date will receive In-Specie Securities on a pro-rata basis based on the number of Shares held as at the Record Date (unless the Shareholder is an Ineligible Shareholder), even if the Shareholder voted against the Resolution or did not vote at all. See **section 3.11** for details on the treatment of Ineligible Shareholders.

Eligible Shareholders may be exposed to tax consequences as a result of the Capital Return. See **section 3.13** for details.

3.7 Reasons for and advantages and disadvantages of the Transaction and Capital Return

The Independent Directors recognise that the Company's 33.3% interest in the Pani Joint Venture is a strategic asset, however they also recognise that the Pani Joint Venture is not currently an income producing asset and will require a significant amount of capital expenditure in order to commence production. The Company is an unlisted company and minority participant in the Pani Joint Venture and may not be able to raise sufficient funds for its share of the Pani Joint Venture to complete the works required to complete exploration, feasibility studies, construction and commence production.

(a) Advantages

The Independent Directors believe that the Transaction and Capital Return have the following advantages that may be relevant to a Shareholder's decision on how to vote on the Resolution:

- (i) The Transaction allows the Company to realise its investment in the Pani Joint Venture. The Transaction values the Company's 33.3% interest in the Pani Joint Venture at approximately A\$16 million (assuming the closing price of A\$0.37 per Lion Share on the day before the announcement of the Transaction, a Black & Scholes Value of A\$0.075 per Lion Option and full drawdown of the Pani Funding Debt for the Pani Joint Venture).

- (ii) An in specie distribution by way of an equal capital reduction is an equitable way for the Company to distribute the bulk of the realised value from the Transaction to Shareholders.
- (iii) Although the Company will no longer directly own an interest in the Pani Joint Venture, Shareholders will still be able to participate (indirectly through their shareholding in Lion) in any upside in the Pani Joint Venture, for as long as they retain their Lion Shares and/or Lion Options.
- (iv) If the Company retains its 33.3% interest in the Pani Joint Venture, the Company will need to undertake an equity raising in order to meet its commitments. This could result in a significant dilution for all Shareholders depending on the amount to be raised and the price at which it could be raised. Further, there is no surety that the Company would be able to successfully raise sufficient funds in an equity raising, risking material dilution or loss of its interest in the Pani Joint Venture.
- (v) The Capital Return provides Shareholders with a liquid investment in an established Australian public resource investment company listed on the ASX with further diversified exposure to Lion's other investments. The Capital Return allows each Shareholder to manage its exposure in the Pani Gold Project by buying and selling Lion Shares and/or Lion Options rather than through the unlisted shares of the Company.
- (vi) Following the Capital Return, Shareholders who retain Lion Shares and/or Lion Options will be able to participate in any future offers by Lion to its shareholders.
- (vii) The Company will have the ability to evaluate and pursue other opportunities considered in the best interests of Shareholders, subject to funding.

(b) Disadvantages

The Independent Directors believe that the Transaction and Capital Return have the following disadvantages that may be relevant to a Shareholder's decision on how to vote on the Resolution:

- (i) The Company will not be able to directly participate in or derive any future production or profits from the Pani Joint Venture since it will relinquish those rights on completion of the Transaction.
- (ii) The Transaction involves the Company selling its principal strategic asset. The Board will investigate other opportunities. However, with limited funds there is a risk the Company may

not be able to locate and acquire other suitable investment opportunities in a timely manner.

- (iii) The Transaction and Capital Return will change the scale of the Company's activities by a significant extent, which may not be consistent with the investment objectives of all Shareholders.
- (iv) There is no guarantee that the Consideration Securities will retain their value or increase in value.
- (v) Shareholders who receive the In-Specie Securities are exposed to risks in holding them. See **section 5** for details.
- (vi) There are costs associated with the Transaction and Capital Return which will be incurred by the Company. Lion has advanced the Contribution. Up to 1,000,000 Lion Shares and 666,667 Lion Options of the Consideration Securities will be retained by the Company for working capital purposes.
- (vii) The Company cannot, and does not, make any representation or prediction as to what the value or price of Lion Shares or Lion Options will be at the time of or after the Capital Return.

3.8 Future activities and directors of the Company post Transaction and Capital Return

After completion of the Transaction and Capital Return, the Company will consider and possibly pursue other appropriate opportunities which have the potential to create shareholder wealth. If the Company is unable to find or fund other appropriate opportunities, the Company may consider an orderly wind up.

There are no changes proposed to the Company's Board or senior management as a consequence of the Transaction and Capital Return, however the remuneration of the Board and management is expected to reduce commensurate with the diminished workload.

3.9 Impact on the Company if the Capital Return is not approved

If Shareholder approval for the Resolution is not obtained, completion of the Transaction will not be able to occur and the Company will retain its 33.3% interest in the Pani Joint Venture and all costs and benefits associated with its ownership interest and its funding arrangements with the Pani Joint Venture. In addition, the Company will be required to repay Lion the Contribution and Pani Funding Debt paid by Lion and may have to pay a termination fee of A\$200,000 (**Termination Fee**), which will all likely be met by the issue of shares in the Company at \$0.08/share to Lion. If this occurs, Lion's shareholding of approximately 35% in the Company will increase, risking material dilution of the other Shareholders' shareholdings in the Company.

If the Company retains its 33.3% interest in the Pani Joint Venture, the Company will need to conduct a capital raising immediately in order to cover its share of the expected funding for the Pani Joint Venture. The quantum and pricing of such a capital raising cannot be determined at this time, nor is there any surety that such a capital raising could be successfully undertaken. In the event that the Company is unable to fund its share of the Pani Joint Venture the Company risks material dilution or loss of its interest in the Pani Joint Venture.

3.10 Independent Directors' recommendation

After considering all the relevant factors (including the advantages, disadvantages and risks as set out in this Explanatory Memorandum), the Independent Directors unanimously determined that the Transaction and Capital Return are in the best interests of Shareholders as a whole and recommend that Shareholders approve the Resolution.

The Independent Directors have confirmed that they will be voting their Shares in favour of the Resolution.

3.11 Ineligible Shareholders

(a) Legal impediments

Whilst the Capital Return will apply to all Shareholders, In-Specie Securities will not be transferred to those Shareholders as at the Record Date who are restricted from receiving the In-Specie Securities (**Ineligible Shareholders**). In particular:

- (i) certain foreign Shareholders (if any) may be restricted from acquiring the In-Specie Securities under the laws of their country; and
- (ii) as an existing Shareholder, Lion is likely to be restricted under the self-acquisition rules in the Corporations Act from acquiring the In-Specie Securities.

(b) Participation and Nominee

Ineligible Shareholders will be entitled to participate in the Capital Return, however will not be entitled to receive the In-Specie Securities. Instead, the Company will distribute the In-Specie Securities to which the Ineligible Shareholders would otherwise have been entitled to a nominee appointed by the Company (Nominee).

This approach is consistent with the mechanism contemplated in Section 615 of the Corporations Act in relation to the treatment of foreign shareholders under an equal access rights issue. This will also mean that Lion does not directly acquire a legal interest in securities in itself in accordance with the exception in Section 259A(b) of the Corporations Act.

The Company will appoint the Nominee in relation to the Capital Return on the following terms:

(i) **Transfer of Nominee Securities to the Nominee**

On the date on which the In-Specie Securities are distributed to Shareholders under the Capital Return, such number of In-Specie Securities which represent the full entitlement of Ineligible Shareholders (**Nominee Securities**) will be distributed by the Company to the Nominee.

(ii) **Exercise of rights in connection with the Nominee Securities**

Ineligible Shareholders will only be able to exercise their rights in connection with the Nominee Securities by giving the Nominee instructions. Such instructions will be binding on the Nominee provided they comply with all applicable laws. If the Nominee is not instructed by an Ineligible Shareholder on how to vote in respect of the Nominee Securities held on its behalf, the Nominee will not exercise those votes.

(iii) **Transfer of Nominee Securities to the Ineligible Shareholders**

Subject always to the instructions complying with all applicable laws, an Ineligible Shareholder may instruct the Nominee at any time to register the Nominee Securities to which it is entitled in the name of the Ineligible Shareholder (if such shareholder becomes eligible to hold those securities) or in the name of any eligible person to whom it wishes to transfer those Nominee Securities.

(iv) **Sale of remaining Nominee Securities**

If the Nominee still holds Nominee Securities on behalf of Ineligible Shareholders after 12 months, the Nominee will (without any further instruction) promptly sell those securities on the Ineligible Shareholders' behalf and distribute the net sale proceeds pro rata to the Ineligible Shareholders after deducting any applicable brokerage, stamp duty and other taxes and charges (including the Selling Fee payable to the Nominee referred to under paragraph (v) below).

The Nominee will provide the Company with a contract note documenting the sale of any Nominee Securities.

The Company acknowledges that the Nominee may not be able to sell the remaining Nominee Securities if market conditions, liquidity and other such factors do not allow for this to occur. The Company acknowledges that the Nominee does not make any commitments as to the pricing that may be achieved or that

the entire number of the remaining Nominee Securities may be sold. This will be subject to prevailing market conditions.

(v) **Fees payable to the Nominee**

The Nominee will deduct from the sale proceeds of the Nominee Securities the proceeds from the sale of the Sale Securities to the Registrar net of an amount equal to 1.0% (plus GST) (or other amount as agreed by the Company and the Nominee) of the aggregate sale price received for the Nominee Securities (Selling Fee) in consideration for the performance of the Nominee's obligations as set out above.

Further details concerning the Nominee and the relevant arrangements will be provided to Ineligible Shareholders following the Record Date.

3.12 Foreign Shareholders

The distribution of this Notice of Meeting in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Notice of Meeting should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. This document does not constitute an offer of In-Specie Securities in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the In-Specie Securities may not be offered or sold, in any country outside Australia except with respect to the Capital Return and to the extent permitted below.

Canada

This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document, the merits of the In-Specie Securities and any representation to the contrary is an offence. No prospectus has been, or will be, filed in any province in Canada with respect to the In-Specie Securities or the resale of such securities. Any resale of the In-Specie Securities in Canada must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements.

Hong Kong

WARNING: The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Indonesia

A registration statement with respect to the In-Specie Securities has not been, and will not be, filed with the Capital Market and Financial Institutions Supervisory Agency (Bapepam-LK) of the Republic of Indonesia. Therefore, the In-Specie Securities may not be offered or sold or be the subject of an invitation for subscription or purchase. Neither this document nor any other document relating to the offer or sale, or invitation for subscription or purchase, of the In-Specie Securities may be circulated or distributed, whether directly or indirectly, in the Republic of Indonesia or to Indonesian citizens, corporations or residents, except in a manner that will not be considered as a "public offer" under the law and regulations in the Republic of Indonesia.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the In-Specie Securities may be made to the public in Mauritius without the prior approval of the Mauritius Financial Services Commission. Accordingly any distribution of In-Specie Securities is being made on a private placement basis only and does not constitute a public offering. As such, this document has not been approved or registered by the Mauritius Financial Services Commission and is for the exclusive use of the person to whom it is addressed. The document is confidential and should not be disclosed or distributed in any way without the express written permission of the Company.

Philippines

THE SECURITIES BEING OFFERED OR SOLD HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES REGULATION CODE. ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The In-Specie Securities have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Singapore

This document and any other materials relating to the In-Specie Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of In-Specie Securities,

may not be issued, circulated or distributed, nor may the In-Specie Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document is being made available to less than 50 persons in Singapore. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the In-Specie Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire In-Specie Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The In-Specie Securities may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the In-Specie Securities may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the In-Specie Securities have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of In-Specie Securities will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document is personal to the recipient only and not for general circulation in Switzerland.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of Section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the In-Specie Securities.

This document is issued on a confidential basis to fewer than 150 persons (other than “qualified investors” (within the meaning of Section 86(7) of FSMA)) in the United Kingdom, and the In-Specie Securities may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to Section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of Section 21 FSMA) received in connection with the issue or sale of the In-Specie Securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which Section 21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended, or (ii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investment to which this document relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

3.13 Taxation Consequences

(a) Taxation implications for Australian tax resident Shareholders

The following information set out below is general in nature and should not be relied upon as advice. The income tax implications for individual shareholders will depend on the circumstances of the particular Shareholder. All Shareholders should therefore seek their own professional advice in relation to their tax position. Neither One Asia nor any of its officers, employees or advisers assumes any liability or responsibility for advising Shareholders about the tax consequences of the return of capital to Shareholders.

Unless the Commissioner of Taxation makes a determination that all or part of the capital reduction amount should be treated as an unfranked dividend, it is expected that Shareholders who hold their In-Specie Securities on capital account and who continue to hold their Shares on the payment date are likely to be treated as follows:

- For Shareholders who are tax residents of Australia and who hold their In-Specie Securities on capital account for tax purposes:
 - a) the return of capital to shareholders should not be an assessable dividend on receipt;
 - b) Shareholders will only make a capital gain if the Capital Return associated with the distribution of the In-Specie Securities (capital reduction amount) exceeds the cost base of their Shares;
 - c) the cost base and reduced cost base of the Shares will be reduced by the capital reduction amount;
 - d) the cost base and reduced cost base of the In-Specie Securities will be equal to their market value on the Effective Date;
 - e) for CGT purposes, Shareholders will be taken to have acquired their In-Specie Securities on the Effective Date; and
- Shareholders who are not tax residents of Australia and who hold their In-Specie Securities on capital account for tax purposes should have no immediate Australian income tax liability from the return of capital to shareholders.

If the Commissioner of Taxation so determines, the capital reduction amount may be treated (in whole or in part) as an unfranked dividend for Australian tax purposes. In that case, Australian tax resident Shareholders will be required to include the part of the capital reduction amount determined to be an unfranked dividend in their assessable income, and non-resident Shareholders will be required to pay withholding tax on that part of the capital reduction amount.

The Company is not seeking a tax ruling in relation to these matters and it is possible that the Commissioner of Taxation may adopt an alternative view.

(b) Tax implications for the Company

The Company has received tax advice confirming that the Capital Return will constitute a disposal of a capital gains tax asset by One Asia. A capital gain or loss will arise by reference to the market value of the In-Specie Securities compared to the calculated cost base or reduced cost base. The Company has undertaken analysis indicating that it has sufficient tax and/or capital losses to offset any capital gain, therefore no income tax should be payable by the Company in relation to the Capital Return.

The Company is not seeking a tax ruling in relation to these matters and it is possible that the Commissioner of Taxation may adopt an alternative view.

3.14 Information concerning Shares

The Company is an unlisted company with 178,222,117 Shares and 4,500,000 Options as at the date of this Explanatory Memorandum. As at 12 February 2018, the top 20 Shareholders collectively held 147,816,949 Shares, representing 82.94% of the total issued Shares. The top 20 Shareholders at 12 February 2018 are set out below:

Rank	Name of Shareholder	No. of Shares	% of Shares
1.	LION SELECTION GROUP LTD	61,994,020	34.78
2.	MACQUARIE BANK LIMITED	14,973,168	8.40
3.	JIM NOMINEES LIMITED	12,258,754	6.88
4.	MR STEPHEN WALTERS	9,083,805	5.10
5.	KESTREL HOLDINGS LTD	6,779,663	3.80
6.	AURORA MINERALS LIMITED	5,555,556	3.12
7.	MR GAVIN BRADLEY	5,362,525	3.01
8.	LION MANAGER PTY LTD	4,510,640	2.53
9.	JARVIS INVESTMENT MANAGEMENT LTD	4,357,898	2.45
10.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,387,500	1.90
11.	ADRIAN REINHART DAVID ROLLKE	2,993,045	1.68
12.	OPTIVA SECURITIES LTD	2,800,000	1.57
13.	BNP PARIBAS NOMINEES PTY LIMITED <SELECT ASSET MGMT LTD A/C>	2,318,720	1.30
14.	DOMAIN INVESTMENT HOLDINGS PTY LTD <PETER LOS FAMILY A/C>	2,299,501	1.29
15.	VISTA GOLD CORP	2,000,000	1.12
16.	RAYNESFORD INVESTMENTS PTY LTD	1,724,597	0.97
17.	RETZOS EXECUTIVE PTY LTD <RETZOS EXECUTIVE S/FUND A/C>	1,500,000	0.84
18.	BNP PARIBAS NOMINEES PTY LTD <LDI CONNECT 7 A/C>	1,449,158	0.81
19.	BNP PARIBAS NOMINEES PTY LIMITED	1,299,168	0.73
20.	MR JOHN CHARLES QUINN + MRS YVELINE ANNIE QUINN <QUINN SUPER FUND A/C>	1,169,231	0.66
Total top 20 Shareholders		147,816,949	82.94

The Company's recent capital transactions are as follows:

Date	Transaction	Price per share	Amount
May 2015	Renounceable Rights Issue	A\$0.18	A\$2.6m
December 2016	Equity raising – placement	A\$0.18	A\$5.0m
July 2017	Capital Reduction – Nusantara	(A\$0.14)	(A\$22.1m)

3.15 Directors' Interests

The table below sets out the number of securities in the Company held by Directors as at 12 February 2018 and also the number of Lion Shares and Lion Options they are likely to have an interest in pursuant to the Capital Return if the Resolution is passed and the Transaction completes assuming that:

- the number of Shares that the Directors hold stay the same; and
- the Company retains 1,000,000 Lion Shares and 666,667 Lion Options of the Consideration Securities, so that the In-Specie Securities will be comprised of 34,750,000 Lion Shares and 23,166,666 Lion Options.

Director	Shares	Entitlement to Lion Shares	Entitlement to Lion Options
Adrian Rollke	2,993,045	583,588	389,059
Robin Widdup*	4,510,640	879,491	586,327
Rob Thomson^	1,333,001	259,910	173,274

* shares held by Lion Manager Pty Ltd, a company in which Mr Widdup holds a beneficial interest.

^ shares held by Mr Thomson personally and Monterey Consolidated Services Pty Ltd as trustee for the Lorodaca Super fund (in which Mr Thomson has a beneficial interest).

3.16 Options

In accordance with the terms of the 4,500,000 Options on issue, the exercise price of each Option on issue will be reduced by the same amount as the capital of the Company is reduced under the Capital Return. Therefore, the exercise price of all Options will be reduced from A\$0.31 per Share to approximately A\$0.23 per Share depending on the value attributed to the Capital Return.

4. INFORMATION ON LION

4.1 Overview of Lion

Lion is an Australian public company listed on the ASX. Lion is a growth oriented investment company with exposure to new investments made through funds managed by the Lion Manager. Lion's objective is to invest in junior resource companies at a point in time which is a low point of the resource cycle.

4.2 Lion Capital Structure

Lion has 126,553,441 Lion Shares on issue at the date of this Notice.

As at 31 December 2017, the top 20 Lion Shareholders collectively held 74,195,803 Lion Shares, representing 58.6% of the total issued Lion Shares. The top 20 Lion Shareholders at 31 December 2017 are set out below:

Rank	Name of Lion Shareholder	No. of Lion Shares	% of Lion Shares
1.	BNP PARIBAS NOMS PTY LTD <DRP>	12,225,353	9.66
2.	NATIONAL NOMINEES LIMITED	11,307,616	8.94
3.	MR ROBIN ANTHONY WIDDUP + MRS JANET WIDDUP <WIDDUP SUPER FUND A/C>	6,281,869	4.96
4.	ROJANA HERO PTY LTD	6,262,831	4.95
5.	J P MORGAN NOMINEES AUSTRALIA LIMITED	4,550,139	3.60
6.	MR MARK GARETH CREASY	4,448,976	3.52
7.	MIRRABOOKA INVESTMENTS LIMITED	4,360,378	3.45
8.	MR MICHAEL DAVID BROOK + MRS JENNY LEE BROOK <MD & JL BROOK SUPER FUND A/C>	3,791,841	3.00
9.	INCONSULTARE PTY LTD <MORRISON FAMILY S/F A/C>	3,042,858	2.40
10.	CPAC MELLOY SUPER PTY LTD <MELLOY SUPER FUND A/C>	3,005,336	2.37
11.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,763,409	2.18
12.	MR DOMINIC PAUL MCCORMICK	1,762,576	1.39
13.	MRS PAMELA JULIAN SARGOOD	1,542,858	1.22
14.	MELCOR INVESTMENTS PTY LTD	1,487,943	1.18
15.	PEJALI PTY LTD	1,393,073	1.10
16.	WWW MANAGEMENT PTY LTD <WIDDUP FAMILY A/C>	1,256,742	0.99
17.	WAL ASSETS PTY LTD <THE L A WILSON PROPERTY A/C>	1,207,802	0.95
18.	MAJOLI PTY LTD	1,195,651	0.94
19.	BRANJEE FARM PTY LTD	1,181,642	0.93
20.	AVANTEOS INVESTMENTS LIMITED <CLEARVIEW S/P A/C>	1,126,910	0.89
Total top 20 Lion Shareholders		74,195,803	58.63

4.3 Substantial Lion Shareholders

The substantial Lion Shareholders (based on the most recent substantial shareholdings in Lion notified before the date of this Explanatory Memorandum) are shown below:

Name	No. of Lion Shares
Robin Anthony Widdup	12,954,819
OneVue RE Services Limited (formerly Select Asset Management Limited)	12,276,632
Cooper Investors Pty Limited	11,320,282

4.4 Impact on capital structure of Lion following completion of the Transaction, Capital Return, Share Buy-back and Option Cancellation

In addition to the Transaction and Capital Return, on 7 March 2018 Lion announced its intention to:

- enter into a Share Buy-back Agreement with the Nominee pursuant to which Lion would agree to purchase and cancel, by way of a selective buy-back, the 12,168,562 Lion Shares forming part of the In-Specie Securities (being approximately 7.50% of the Lion Shares) that will be held by the Nominee on behalf of Lion subject to and upon completion of the Transaction and Capital Return (**Share Buy-back**), subject to approval by the Lion Shareholders; and
- enter into an Option Cancellation Agreement with the Nominee pursuant to which Lion would agree to cancel the 8,112,375 Lion Options forming part of the In-Specie Securities (being approximately 34.04% of the Lion Options) that will be held by the Nominee on behalf of Lion subject to and upon completion of the Transaction and Capital Return (**Option Cancellation**), subject to approval by the Lion Shareholders.

The Share Buy-back and the Option Cancellation are not Conditions Precedent to the Transaction, but the Shareholders should have regard to Lion's disclosure about the impact that the Share Buy-back and the Option Cancellation will have.

If the Transaction, Capital Return, Share Buy-back and Option Cancellation are completed the capital structure of Lion will be as follows.

Indicative Pro Forma Capital Structure - Shares

Lion Shareholders	Current	Lion Shares held following issue under the Transaction	Lion Shares held following the Capital Return	Lion Shares held following Share Buy-back
Existing Shareholders	126,553,441 (100.0%)	126,553,441 (78.0%)	126,553,441 (78.0%)	126,553,441 (84.3%)
One Asia	Nil (0.0%)	35,750,000 (22.0%)	1,000,000 (0.6%)	1,000,000 (0.7%)
One Asia Shareholders (other than the Company)	Nil (0.0%)	Nil (0.0%)	22,581,438 (13.9%)	22,581,438 (15.0%)
Nominee on behalf of the Company	Nil (0.0%)	Nil (0.0%)	12,168,562 (7.5%)	Nil (0.0%)
Total	126,553,441 (100.0%)	162,303,441 (100.0%)	162,303,441 (100.0%)	150,134,879 (100.0%)

Indicative Pro Forma Capital Structure - Options

Lion Option Holders	Current	Lion Options held following issue under the Transaction	Lion Options held following the Capital Return	Lion Options held following Option Cancellation
Existing Option Holders	Nil	Nil (0.0%)	Nil (0.0%)	Nil (0.0%)
One Asia	Nil	23,833,333 (100.0%)	666,667 (3.0%)	666,667 (4.2%)
One Asia Shareholders (other than Lion)	Nil	Nil (0.0%)	15,054,291 (63.0%)	15,054,291 (95.8%)
Nominee on behalf of the Lion	Nil	Nil (0.0%)	8,112,375 (34.0%)	Nil (0.0%)
Total	Nil	23,833,333 (100.0%)	23,833,333 (100.0%)	15,720,958 (100.0%)

4.5 Rights and Liabilities attaching to Lion Options

The Lion Options are proposed to be issued on the following terms and conditions:

- Each Lion Option entitles the Lion Option Holder to be issued one Lion Share when exercised.
- The Lion Options are exercisable at any time on or before 24 months from their issue date.
- The exercise price of each Lion Option is A\$0.50 each.
- Lion will apply to the ASX for quotation of all Lion Options to be issued and they will be quoted on the ASX if such application is successful.
- Lion will provide to each Lion Option Holder a notice that is to be completed when exercising the Lion Options (**Notice of Exercise**). Lion Options may be exercised by the Lion Option Holder in whole or in part by completing the Notice of Exercise and forwarding to Lion's Share Registry to be received prior to their expiry date. The Notice of Exercise must state the number of Lion Options exercised, the consequent number of Lion Shares to be allotted and the identity of

the proposed allottee. The Notice of Exercise by a Lion Option Holder must be accompanied by payment in full for the relevant number of Lion Shares being subscribed, being an amount of the exercise price per Lion Share.

- (f) All Lion Shares issued upon the exercise of the Lion Options will rank equally in all respects with Lion's then issued Lion Shares. Lion will apply to the ASX for quotation of all Lion Shares issued upon exercise of Lion Options.
- (g) There are no participating rights or entitlements inherent in the Lion Options and the Lion Option Holders will not be entitled to participate in new issues or pro-rata issues of capital to Lion Shareholders during the term of the Lion Options. Thereby, the Lion Option Holder has no rights to a change in the exercise price of the Lion Option or a change to the number of underlying securities over which the Lion Option can be exercised except in the event of a bonus issue of securities to Lion Shareholders (**Bonus Issue**). Lion will ensure, for the purposes of determining entitlements to any issue, that Lion Option Holders will be notified of a proposed issue after the issue is announced. This will give Lion Option Holders the opportunity to exercise their Lion Options prior to the date for determining entitlements to participate in such issues.
- (h) If from time to time on or prior to the expiry of the Lion Options, Lion makes a Bonus Issue, then upon exercise of Lion Options a Lion Option Holder will be entitled to have issued (in addition to the Lion Shares which are otherwise entitled to have issued upon such exercise) the number of securities which would have been issued under that Bonus Issue if the Lion Options had been exercised before the record date for the Lion Issue.
- (i) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of Lion, all rights of the Lion Option Holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

4.6 Rights and liabilities attaching to Lion Shares

The full details of the rights and liabilities attaching to the Lion Shares (including those issued upon exercise of Lion Options) are:

- (a) detailed in the Lion Constitution, a copy of which can be inspected, free of charge, at the registered office of Lion during normal business hours; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Lion Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Lion Shareholders. To obtain such a statement, persons should seek independent legal advice.

The following is a summary of the principal rights which attach to Lion Shares:

(a) Voting rights

Subject to any right or restrictions for the time being attached to any class or classes of Lion Shares (at present there are none), at a general meeting, every holder of Lion Shares present in person or by proxy, attorney or corporate representative has one vote on a show of hands and one vote per Lion Share on a poll. A person who holds a Lion Share which is not fully paid is entitled to a fraction of a vote equal to the amount paid up (but not credited as paid up) on the Lion Share divided by the total amount paid and payable on the Lion Share (excluding amounts credited).

(b) Dividend rights

The Lion Board may declare or pay dividends as it sees fit and determine that a dividend is payable and fix the amount, the time for payment and the method of payment. Subject to the rights of holders of Lion Shares issued with any special or preferential rights (at present there are none), holders of fully paid Lion Shares on which any dividend is declared or paid are entitled to participate in that dividend equally.

Each Lion Share which is not fully paid is entitled to a fraction of the dividend declared or paid on a fully paid Lion Share equivalent to the proportion which the amount paid (not credited) on the Lion Share bears to the total amounts paid and payable (excluding amounts credited) on the Lion Share.

(c) Rights on winding-up

Subject to the rights of holders of Lion Shares issued upon special terms and conditions (at present there are none), a liquidator may with a sanction of a special resolution of Lion, divide among the holders of Lion Shares any surplus assets on a winding-up of Lion in proportion to the number of Lion Shares held by them respectively (irrespective of the amounts paid or credited as paid on the Lion Shares) or vest all of Lion's assets in a trustee on trusts determined by the liquidator for the benefit of the Lion Shareholders.

(d) Transfer of Lion Shares

Subject to the Lion Constitution, the Corporations Act and any other applicable laws of Australia and rules of the ASX, Lion Shares are freely transferable. The Lion Board may refuse to

register a transfer of Lion Shares if permitted by the Corporations Act or the ASX Rules. The ASX Rules also require the Lion Board to refuse to register a transfer if it relates to Lion Shares which are subject to escrow requirements.

(e) Future increases in capital

The allotment and issue by Lion of any Lion Shares or other securities is under the control of the Lion Directors. Subject to the Lion Constitution and the Corporations Act, the Lion Directors may, on behalf of Lion, allot or otherwise dispose of Lion Shares or other securities on such terms and conditions as they think fit.

(f) Variation of rights

The rights attaching to the Lion Shares and other securities issued by Lion may be varied by the written consent of holders of such Lion Shares or other securities with at least 75% of the votes in the class or with the sanction of a special resolution passed at a meeting of the class of holders holding Lion Shares or other securities in the relevant class.

(g) Meetings and notice

A Lion Director may call a meeting of Lion's shareholders. Annual meetings and meetings requested by Lion Shareholders are called and arranged in accordance with the Corporations Act (including requirements as to notice).

(h) Listing Rules

Whilst Lion is admitted to the Official List of ASX, then despite anything in the Lion Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Lion Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Lion Constitution to contain a provision or not to contain a provision the Lion Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the Lion Constitution is or becomes inconsistent with the Listing Rules, the Lion Constitution is deemed not to contain that provision to the extent of the inconsistency.

4.7 Lion Board

The names of the Lion Directors in office and their experiences as the date of this Notice are set out below.

Barry Sullivan BSc (Min), ARSM, FAusIMM, MAICD (Chairman)

Barry Sullivan is an experienced and successful mining engineer, with a career spanning 40 years

in the mining industry. His initial mining experience was gained in the South African gold mining industry, followed by more than 20 years with Mount Isa Mines. In the final five years of his tenure with MIM, Barry was Executive General Manager responsible for the extensive Mount Isa and Hilton operations.

Barry was previously a non-executive Director and Chairman of Exco Resources and a non-executive Director of Catalpa Resources, Sedimentary Holdings, Bass Metals and Allegiance Mining. He was also a non-executive director of Lion's predecessor company, Lion Selection Limited.

Barry has been a non-executive director of Lion since December 2011, becoming Chairman from 25 February 2016.

Peter Maloney BComm, MBA (Roch) (Non-Executive Director)

Peter Maloney has broad commercial, financial and management expertise and experience. He has been Chief Financial Officer of Lion and an executive director of Lion Manager. Prior to that he held senior executive positions with WMC Resources and a number of other companies.

Peter holds a Bachelor of Commerce from the University of Melbourne and an MBA from University of Rochester. He has also completed the Advanced Management Program at Harvard Business School.

Peter has been a non-executive director of Lion since December 2010, including serving as Chairman between 1 January 2012 and 24 February 2016.

Chris Melloy BE (Mining) (Hons), MEngSc, MAusIMM, F Fin (Non-Executive Director)

Chris Melloy is a mining engineer with some 40 years' experience in the mining industry in operations, securities analysis and investment. He held senior positions in MIM and JB Were & Son prior to joining Lion.

Chris was an Executive Director of Lion Manager from its inception in 1997 through to 2011, becoming a non-executive director of Lion on 1 November 2012.

Robin Widdup BSc (Hons), MAusIMM (Director)

Robin has over 38 years of industry experience. He graduated from Leeds University in 1975 with an Honours Degree in Geology. From 1986 to 1997 Robin worked as an Analyst and Manager for J B Were & Sons – Resource Research team. Robin founded Lion Selection Group and Lion Manager in 1997.

Robin is Managing Director of Lion Manager Pty Ltd and a non-executive director of Lion investees One Asia and Asian Mineral Resources Ltd.

4.8 Lion Investments

Lion has a portfolio of companies with management and projects that it expects to hold to maximise value, with the aim of providing a balanced exposure to the high risk/high reward junior resource sector. Lion's investments are managed by the Lion Manager. Lion provides capital at an early stage to assist investees along the development curve and exit following considerations of value after project development, and the timing of the investment cycle.

The following is a brief summary of Lion's key investments as at the date of this Notice. The values in this section are measured as at 31 December 2017 based on shares on issue at that time. The value of Lion's interest in the Company has been adjusted reflecting the value of the Shares implicit in the Transaction. The value at the time of completion of the Transaction and Capital Return will vary.

A brief summary of Lion's major investments is as follows:

EganStreet Resources Limited (Lion 19%)

EganStreet Resources Limited (EganStreet, ASX: EGA) listed on ASX in September 2016, to complete an assessment for mining and processing gold at its 100% owned Rothsay project in the Southern Murchison region of Western Australia.

The Rothsay project currently hosts high-grade Mineral Resources of 307koz at an average grade of 10.9g/t Au (Indicated 460kt @ 11.5g/t Au and Inferred 420kt @ 10.2g/t Au) and a production target (Pre-Feasibility Study published 16 May 2017) of 936kt @ 7.0 g/t for 200koz of gold produced.

EganStreet is focused on increasing the geological confidence of the Mineral Resource, expanding the known mineralisation and carrying out the necessary evaluation, modelling and feasibility studies to progress a potential near-term, low capital intensity opportunity to commence mine development and gold production operations. A Definitive Feasibility Study is now targeted for completion in the 2nd quarter of 2018.

Adjusted Net Tangible Asset Backing			
	Commodity	December 2017 A\$M	Portfolio %
Australia			
Egan Street Resources	Gold	3.9	
Other Australia		0.5	10%
African			
Roxgold	Gold	8.5	
Other Africa		1.9	
Cash dedicated to Africa ¹		0.5	24%
Asia			
Nusantara Resources	Gold	8.9	
One Asia Resources ²	Gold	5.4	
Erdene Resources	Gold	5.1	
Other Asia		2.7	48%
Americas			
	Coal	0.8	2%
Uncommitted Net Cash		7.6	16%
Net Tangible Assets		\$45.8m	36¢/ share

1. Includes committed cash of US\$0.3 million to AFL3.

2. One Asia at a value of A\$0.09/share based on the Transaction Consideration.

Note: The above table includes investments held directly by Lion and the value to Lion of investments which are held by African and Asian Lion Funds.

Lion participated in a placement conducted by EganStreet in September 2017 to progress the Rothsay Gold project to a decision to mine.

Roxgold (Lion 2%)

Lion holds an indirect investment in Roxgold Inc (Roxgold, TSX: ROXG) through its African Lion 3 fund. Roxgold is a gold mining company with its key asset, the high grade Yaramoko Gold Mine, located in the Houndé greenstone region of Burkina Faso, West Africa. Yaramoko's 55 Zone has evolved into one of the highest grade new gold mines globally with Resource grade of 16.8g/t gold, and exploration upside remaining to be tested.

Roxgold successfully commissioned Yaramoko with first gold poured in May 2016 and the declaration of commercial production in October 2016. By 30 September 2017 Yaramoko had produced 169koz of gold at a head grade of 14.9g/t at an average recovery of 98.7%.

Upcoming catalysts for Roxgold include the results of a deep drilling program at the 55 Zone testing for high-grade extensions to the mine, as well as infill drilling at the nearby Bagassi South deposit. Roxgold has already defined a high-grade Resource of 257koz @ 16.6g/t at Bagassi South and expects to release a feasibility study on a plant expansion to increase production to 130koz per year or more. Regional exploration has also been stepped up with a comprehensive program underway to systematically explore both the second order Yaramoko Shear that hosts the 55 Zone and Bagassi South, as well as the regional Boni Shear that hosts several other gold mines in the area including Semafo's Siou deposit and Endeavour's Hounde project.

Nusantara Resources (Lion 32%)

Nusantara Resources Limited (Nusantara, ASX: NUS) owns a 100% interest in the Awak Mas gold project in Sulawesi, Indonesia. The Awak Mas gold project currently hosts an open pit Indicated and Inferred Resource of 38.4 Mt at 1.41 g/t Au for 1.74 Moz (May 2017).

Nusantara's highly experienced Board and Management Team is working to increase shareholder value through advancing the Awak Mas gold project towards development in the near-term. The Company plans to undertake further drilling, which has the potential to significantly increase the resource inventory, and complete a definitive feasibility study by mid-2018 in advance of a final investment decision expected for late 2018.

Nusantara was demerged from One Asia Resources and listed on ASX on 2 August 2017, raising \$16.2 million at \$0.42/share including \$4.5 million invested from Lion (ownership: 32%).

One Asia Resources (Lion 35%)

Refer to section 3 for a profile of the Company.

As noted above, the value of Lion's 35% interest in the Company in the table above has been adjusted in the NTA, reflecting the value of the Shares implicit in the Transaction. The value at the time of completion of the Transaction and Capital Return will vary.

Erdene Resource Development Corp (Lion 4%)

Erdene Resource Development Corp. (Erdene, TSX: ERD) is a Canada-based resource company focused on the exploration and development of base and precious metals in underexplored and highly prospective Mongolia. Erdene has interests in five exploration licenses and a mining license in southwest Mongolia.

In 2015, Erdene conducted an initial exploration program on the southern portion of the Company's 100%-owned Khundii exploration license in southwest Mongolia, including an initial rock-chip sampling program which revealed multiple very high-grade surface quartz veins that returned up to 4,380 g/t gold. Since that time, drilling has revealed the presence of very high gold grades, with up to 2,200 g/t gold over 1-metre intervals, within broad mineralized zones, with up to 131 metres of 3.9 g/t gold, including 80 metres of 6.0 g/t gold. Since the first drill hole in 2015, Erdene has completed 234 diamond drill holes, totaling 38,072 metres.

In addition to the Bayan Khundii project, other deposits and prospects within these licenses include:

- Altan Nar: an extensive, high-grade, near-surface, gold-polymetallic project located 16 kilometres northwest of Bayan Khundii that Erdene is actively advancing;
- Altan Arrow: an early-stage gold-silver project 3.5 kilometres north of Bayan Khundii;
- Ulaan: a recently acquired copper-gold porphyry prospect adjacent to Bayan Khundii;
- Khuvyn Khar: an early-stage, copper-silver porphyry project with multiple drill targets and significant copper intersections;
- Nomin Tal: a narrow, high-grade copper-gold discovery; and Zuun Mod, a large molybdenum-copper porphyry deposit.

In addition to the above properties, Erdene has an Alliance with Teck Resources Limited on regional copper-gold exploration in the prospective Trans Altai region of southwest Mongolia.

4.9 Further information about Lion

As an ASX listed entity, Lion is required to comply with the periodic and continuous disclosure obligations of the ASX Listing Rules and the Corporations Act.

Shareholders should have regard to the broad range of public information available in relation to Lion through Lion's periodic and continuous disclosures.

Copies of Lion's periodic and continuous disclosures can be access on the ASX website at www.asx.com.au.

5. RISKS ASSOCIATED WITH AN INVESTMENT IN LION

As with any listed entity, there are certain risks associated with an investment in Lion. The risks associated with an investment in Lion differ from the risks associated with an investment in the Company.

Lion is an experienced mining investment company with resources dedicated to managing its investments.

The activities of Lion are subject to risks that can adversely impact its business and financial condition. While this section aims to highlight some of the key risk factors associated with an investment in Lion, it is not exhaustive. There may be additional risks unknown to Lion and other risks, currently believed to be immaterial, which could turn out to become material.

Shareholders should consider the risks described here together with all the other information in this document and other Lion periodic and continuous disclosure announcements, and consult their financial adviser before determining how to vote on the Resolution.

5.1 Risks specific to investment in resource companies

Lion has investments in a range of resource companies whose exploration, development and mining activities are at varying stages. Lion's investees are subject to operating risks that are inherent to mining and exploration activities, and may influence the financial performance and share price of the investees. The value of Lion's investments in these companies, and in turn the financial performance of Lion itself, will continue to be influenced by a variety of factors including:

- general investment, economic and market conditions as outlined above, which can affect the investee's performance and share price;
- exploration is a speculative endeavour which may not result in investees finding economic deposits capable of being successfully exploited;
- mining operations may be affected by a variety of factors which may or may not be within the control of the investee;
- depending on the location of its exploration and/or mining activities, an investee may be subject to political and other uncertainties, including risk of civil rebellion, expropriation, nationalisation, and renegotiation or nullification of existing contracts, mining licences and permits or other agreements;
- reliance on the performance of key management of Lion, investees and Lion Manager; investees may enter into hedging transactions to fix the commodity price for a portion of production and there is a risk that the investee may not be able to deliver into these hedges if, for example, there is a production shortage

at their mining operations, which could adversely affect the investee's operating performance if the commodity price moves unfavourably;

- investees that borrow money are potentially exposed to adverse interest rate movements that may affect their cost of borrowing, which in turn would impact on their earnings and increase the financial risk inherent in their businesses. In this situation there is also risk that an investee may not be able to repay its debts and may be at risk of bankruptcy;
- resource nationalisation, political unrest, war or terrorist attacks anywhere in the world could result in a decline in economic conditions worldwide or in a particular region, which could impact adversely on the business, financial condition and financial performance of the investee;
- there is a risk that investees may lose title to mining tenements if conditions attached to licences are changed or not complied with. Further, it is possible that tenements in which Lion's investees have an interest may be subject to misappropriation or legal challenge in jurisdictions without well-established legal systems;
- a form of native title reflecting the rights and entitlements of indigenous inhabitants to traditional lands may exist on investee's tenements, such that exploration and/or mining restrictions may be imposed or claims for compensation forthcoming; and
- the high initial funding requirements of emerging exploration and mining companies can result in delays in developing projects and a lack of liquidity, which may affect Lion's ability to invest or divest.

5.2 Risk with respect to market movement

The performance of Lion and the prices at which the Lion Securities may trade on ASX can be expected to fluctuate depending on a range of factors including movements in inflation, interest rates, exchange rates, general economic conditions and outlooks, changes in government, fiscal, monetary and regulatory policies, prices of commodities, global geo-political events and hostilities and acts of terrorism. Certain of these factors could affect the trading price of the Lion Securities, regardless of operating performance. Lion attempts to mitigate these factors by implementing appropriate safeguards and commercial actions but these factors are largely beyond Lion's control. The underlying value of Lion's investments in its investees also may not be fully reflected in the price of the Lion Securities.

5.3 Reliance on key personnel

A number of key management and personnel is important to attaining the respective business goals of Lion. One or more of Lion's or Lion Manager's respective key employees could leave their employment, and this may adversely affect the ability of Lion to conduct its business and, accordingly,

affect the financial performance and price of the Lion Securities. Further, the success of Lion in part depends on the ability of Lion and Lion Manager to attract and retain additional highly qualified management and personnel.

5.4 Growth

Lion continues to seek to grow both organically and through new investment opportunities. There are always risks that the benefits, synergies or efficiencies expected from such investments or growth may take longer than expected to be achieved or may not be achieved at all. Growth also brings substantial demands on management. The Lion Board and the Lion Manager apply their experience to the evaluation and financing of new opportunities to determine whether the expected risks and rewards of those opportunities meet Lion's requirements and its strategies for diversification of risk and for capital and income growth. The operating results of Lion will largely depend on the ability of the Lion Board to make sound investment decisions.

6. RESOLUTION – REDUCTION OF CAPITAL

6.1. Constitution and Corporations Act requirements

Rule 24.17 of the Constitution allows the Company to, subject to the Corporations Act and Listing Rules, reduce its share capital in any manner including distributing securities of any other body corporate to Shareholders, in which case:

- (a) the Shareholders are deemed to have agreed to become members of that corporation and are bound by the constitution of that body corporate; and
- (b) each of the Shareholders appoints the Company or any of the Directors as its agent to execute any transfer of share or other securities, or other document required to give effect to the distribution of shares or other securities to that Shareholder.

Under Section 256B of the Corporations Act, a company may only reduce its capital if it:

- (a) is fair and reasonable to the company's shareholders as a whole;
- (b) does not materially prejudice the company's ability to pay its creditors; and
- (c) is approved by shareholders in accordance with Section 256C of the Corporations Act.

6.2. Independent Directors' determination and recommendation

After considering all the relevant factors (including the advantages, disadvantages and risks as set out in this Explanatory Memorandum), the Independent Directors unanimously determined that the Transaction and Capital Return are fair and reasonable to Shareholders as a whole and do not materially prejudice the Company's ability to pay its creditors.

Under the proposed Capital Return, the reduction of capital relates only to the Shares (being ordinary shares) and each Shareholder is treated equally and in the same manner since the terms of the reduction of capital are the same for each Shareholder. The Capital Return is on a pro rata basis, and the proportionate ownership interest of each Shareholder remains the same before and after the Capital Return. Accordingly, in accordance with the Corporations Act:

- (a) the proposed reduction of capital by way of the Capital Return constitutes an equal reduction under Section 256B(2) of the Corporations Act and requires approval by an ordinary resolution passed at a general meeting of the Shareholders in accordance with Section 256C(1) of the Corporations Act;
- (b) this Explanatory Memorandum and accompanying Prospectus set out all information known to the Company that is material to the decision on how to vote on the Resolution in accordance with Section 256C(4) of the Corporations Act; and
- (c) the Company has lodged with ASIC a copy of this Notice of Meeting and accompanying Prospectus.

The Independent Directors unanimously recommend that Shareholders vote in favour of the Resolution, and confirm that they will be voting their Shares in favour of the Resolution.

SCHEDULE 1 – GLOSSARY

In this Notice of Meeting and Explanatory Memorandum:

Definitions	
A\$	an Australian dollar.
ASIC	the Australian Securities & Investments Commission.
Asset Purchase Deed	has the meaning given in section 3.1 and includes any variation of the Asset Purchase Deed.
ASX	ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange operated by ASX Limited (as the context requires).
Board	the board of Directors of the Company as constituted from time to time.
Bonus Issue	has the meaning given in section 4.5 .
Capital Return	has the meaning given in section 3.1 .
Co-operation Agreement	has the meaning given in section 3.2 .
Conditions Precedent	the conditions precedent to the completion of the Transaction as set out in the Asset Purchase Deed.
Consideration Securities	has the meaning given in section 3.1 .
Constitution	means the constitution of the Company.
Contribution	has the meaning given in section 3.3 .
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	the <i>Corporations Regulations 2001</i> (Cth).
Director	a director of the Company and, where the context requires, any proposed director.
Eligible Shareholders	the Shareholders as at the Record Date other than the Ineligible Shareholders.
Effective Date	the date the distribution of the In-specie Securities to Eligible Shareholders is effected.
Explanatory Memorandum	this explanatory memorandum.
Independent Directors	the special committee of the board of One Asia comprising Mr Robert Thomson and Mr Adrian Rollke.
Ineligible Shareholders	has the meaning given in section 3.11 .
In-Specie Securities	has the meaning given in section 3.1 .
J Resources	has the meaning given in section 3.2 .
KUD	has the meaning given in section 3.2 .
Legacy Agreements	has the meaning given in section 3.2 .
Lion	Lion Selection Group Limited (ABN 26 077 729 572).
Lion Board	the board of Lion Directors as constituted from time to time.
Lion Constitution	the constitution of Lion.
Lion Director	a director of Lion and, where the context requires, any proposed director.
Lion Manager	Lion Manager Pty Ltd (ACN 078 018 934).
Lion Options	the options which Lion intends to issue to the Company to acquire Lion Shares on the terms and conditions set out in section 4.5 .
Lion Option Holder	a registered holder of a Lion Option.
Lion Securities	the Lion Shares and Lion Options.
Lion Shareholder	a registered holder of a Lion Share.
Lion Shares	fully paid ordinary shares in the capital of Lion.
Listing Rules	the official listing rules of ASX.

SCHEDULE 1 – GLOSSARY continued

Definitions	
Meeting	the meeting convened by this Notice (as adjourned from time to time).
Nominee	has the meaning given in section 3.11 .
Nominee Securities	has the meaning given in section 3.11 .
Notice	this notice of meeting.
Notice of Exercise	has the meaning given in section 4.5 .
Official List	the official list of ASX.
One Asia or Company	One Asia Resources Limited.
One Asia Board	the board of Directors of One Asia.
One Asia Group	the group of companies comprising One Asia and its subsidiaries and includes any company which is controlled by One Asia so as to require the assets, liabilities, equity, income and expenses of that company to be consolidated into One Asia's consolidated financial statements.
One Asia Share	a fully paid ordinary share in the capital of the Company.
Option	an option to acquire an unissued Share at an exercise price of A\$0.31 as at the date of this Notice.
Pani Funding Debt	has the meaning given in section 3.3 .
Pani Gold Project	has the meaning given in section 3.2 .
Pani Holdings	means Pani Holdings Pty Ltd (ACN 150 790 971).
Pani Holdings Option	has the meaning given in section 3.2 .
Pani IUP	has the meaning given in section 3.2 .
Pani IUP Dispute	has the meaning given in section 3.2 .
Pani Joint Venture	has the meaning given in section 3.2 .
Provident	has the meaning given in section 3.2 .
Provident MOU	has the meaning given in section 3.2 .
Prospectus	the prospectus prepared by the Company for the purposes of complying with ASIC Regulatory Guide RG 188, and which accompanies this Notice.
Proxy Form	the proxy form accompanying this Notice.
PT PEG	has the meaning given in section 3.2 .
PT PETS	has the meaning given in section 3.2 .
PT Prima	has the meaning given in section 3.2 .
Record Date	has the meaning given in section 3.4 .
Resolution	the resolution to be put to Shareholders at the Meeting as set out in the Notice.
Section	a section of this Explanatory Memorandum.
Schedule	a schedule of this Explanatory Memorandum.
Selling Fee	has the meaning given in section 3.11 .
Shareholder	a registered holder of a Share.
Share	a fully paid ordinary share in the capital of the Company.
Termination Fee	has the meaning given in section 3.9 .
Transaction	has the meaning given in section 3.1 .
US\$	a United States dollar.

SCHEDULE 2 - UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR ONE ASIA AS AT 31 DECEMBER 2017

This section contains the unaudited historical and pro forma historical financial information for One Asia, including:

- the unaudited historical statement of financial position as at 31 December 2017 as set out below; and
- the pro forma historical statement of financial position as at 31 December 2017 on the basis of a pro forma adjustments as set out below,

collectively referred to as the 'Financial Information'.

The Financial Information is expressed in United States Dollars unless otherwise stated.

The Financial Information is presented in an abbreviated form, insofar as it does not include all of the presentation, statements, comparative information and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. The Financial Information has been prepared in connection with the proposed Transaction.

The Financial Information set out in this section should be read in conjunction with the accounting policies and notes included within the historical financial statements of One Asia for the period ended 31 December 2016 including One Asia's 2016 Annual Report.

ALL FIGURES ARE IN US\$	Unaudited Historical as at 31 December 2017	Pro Forma Adjustments	Unaudited Pro forma Historical as at 31 December 2017
ASSETS			
CURRENT ASSETS			
Cash	452,067	-	452,067
Financial Assets	-	336,000	336,000
Trade and other receivables	14,106	-	14,106
Total current assets	466,173	336,000	802,173
NON CURRENT ASSETS			
Total non-current assets	-	-	-
TOTAL ASSETS	466,173	336,000	802,173
CURRENT LIABILITIES			
Trade and other payables	173,688	-	173,688
Total current liabilities	173,688	-	173,688
TOTAL LIABILITIES	173,688	-	173,688
NET ASSETS	292,485	336,000	628,485
EQUITY			
Issued capital	39,207,466	(11,676,000)	27,531,466
Reserves	3,519,346	-	3,519,346
Accumulated losses	(41,125,571)	12,012,000	(29,113,571)
Parent interests	1,601,241	336,000	1,937,241
Minority Interest	(1,308,756)	-	(1,308,756)
TOTAL EQUITY	292,485	336,000	628,485

Pro-forma Adjustments

The issue of the Consideration Securities (being 35,750,000 Lion Shares and 23,833,333 Lion Options) by Lion to the Company in exchange for the Company's 33.3% interest in the Pani Joint Venture.

Note that the Company previously wrote down its Exploration and Evaluation Expenditure at the Pani Gold Project to nil. A total impairment of US\$11 million has been recognised in the financial statements for the year ended 31 December 2016. The Company has also provided for the loans advanced under its commitments to the Pani Joint Venture with Provident in accordance with accounting standards requirements where JV expenditures cannot be capitalised unless there is certainty of tenure.

Completion of the Capital Return of the In-Specie Securities as if these were effective on 31 December 2017, and assuming that the Company retains 1,000,000 Lion Shares and 666,667 Lion Options of the Consideration Securities, so that the In-Specie Securities will be comprised of 34,750,000 Lion Shares and 23,166,666 Lion Options.

The fair value of the Lion Shares and Lion Options issued is determined with reference to the consideration price of A\$0.37 (US\$0.30) per Lion Share and A\$0.075 (US\$0.06) per Lion Option.

Note that the above pro forma figures assume that the Contribution paid by Lion will be offset by the transaction costs incurred by the Company. In addition, it is assumed that the Pani Funding Debt paid by Lion will offset drawdowns made by the Company in respect of the Pani Joint Venture prior to the completion of the Transaction.

The Company's capital structure (including number of Shares on issue) will not change as a result of the proposed Transaction.

Basis of Preparation

The unaudited Pro Forma Historical Statements of Financial Position as at 31 December 2017 have been included for illustrative purposes to reflect the consolidated financial position of One Asia and its controlled entities (the Group) on the basis that One Asia completed the Transaction and Capital Return outlined in this Notice of Meeting as at 31 December 2017.

The presentation currency for the Group is US dollars.

The directors of the Company are responsible for the preparation and presentation of the Financial Information.

The unaudited Historical Financial Information has been extracted from the management accounts of One Asia for the year ended 31 December 2017 and have not been audited or reviewed.

The unaudited Historical Financial Information has been prepared in accordance with the recognition and measurement principles contained in Australian Accounting Standards (AAS) issued by the Australian Accounting Standards Board (AASB).

The unaudited Pro Forma Historical Financial Information has been derived from the unaudited Historical Financial Information of One Asia, and adjusted for the effects of pro forma transactions described above. For the purposes of the pro forma transactions a US\$/A\$ exchange rate of 0.80 has been assumed.

The unaudited Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles contained in AAS other than it includes adjustments prepared in a manner consistent with AAS that reflect the impact of certain transactions as if they had occurred as at 31 December 2017.

Due to its nature, the unaudited Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

Going concern

The Financial Information has been prepared on a going concern basis, which assumes continuity of the Group's normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group has made losses for the last two years and experienced net cash outflows from operating activities. Net current assets as at 31 December 2017 were US\$292,485. The Company is currently without an operating cash inflow and the net cash position of the Group will continue to decrease until such time as the Group has an operating cash inflow or further equity raisings are completed. There is material uncertainty in relation to going concern as the Group will need to raise additional capital to advance its objectives, meet its payment obligations and its ongoing working capital requirements.

The directors expect that these funds will be sufficient to allow for the necessary working capital for its current plans, noting that the Company anticipates materially reduced outgoings:

- Pani Joint Venture costs being funded by Lion; and
- other corporate costs are anticipated to be lower reflecting the reduced workload required for the Company.

The Group may also look to complete future equity offerings in order to raise additional capital as the business progresses.

Should the Group be unable to raise sufficient capital, there is a material uncertainty whether the Group will be able to continue as a going concern and therefore, whether it will be able to pay its debts as and when they become due and payable and to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the unaudited Historical and unaudited Pro Forma Historical Statements of Financial Position. The unaudited Historical and unaudited Pro Forma Historical Statements of Financial Position do not include adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.



ONE ASIA RESOURCES

ACN 150 653 982



PROSPECTUS

For an offer to transfer Lion Shares and Lion Options to Shareholders of One Asia Resources Limited pursuant to a capital reduction by way of Capital Return contained in the Resolution in the Notice of Extraordinary General Meeting dated 13 March 2018 for a Meeting scheduled for Thursday 12 April 2018 at 11am (Melbourne time) and to facilitate secondary trading of those shares and options.

This Prospectus provides important information about the Company. This Prospectus is a transaction specific prospectus for the offer, and the issue, of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with Section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been given to the fact that Lion is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. This Prospectus is also a short form prospectus issued in accordance with Section 712 of the Corporations Act. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type but refers to other documents the information in which is deemed to be incorporated in this Prospectus. You should read the entire document. If you have any questions about the Lion Shares and Lion Options being offered under this Prospectus, or any other matter relating to an investment in Lion, you should consult your professional adviser. An investment in Lion Shares and Lion Options offered under this Prospectus is highly speculative.

Important Notice

This Prospectus is dated 13 March 2018 and was lodged with ASIC on that date. Application will be made to ASX for quotation of the Lion Shares and Lion Options offered under this Prospectus within 7 days of this date.

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No securities will be transferred on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Nature of this Prospectus

The Company has lodged the Notice of Meeting with ASIC. By reason of section 712 of the Corporations Act, certain information included in the Notice of Meeting is taken to be included in this Prospectus. This Prospectus identifies the part of the Notice of Meeting that contains, and describes, that information.

The Notice of Meeting is available from the Company's website (www.oneasiaresources.com) or by contacting the Company.

Foreign Jurisdictions

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer except to the extent set out in **Section 3.12** of the Notice of Meeting which is deemed to be incorporated in this Prospectus (see **section 2.2**).

Disclaimer of representations

No person is authorised to provide any information or make any representation in connection with the Capital Return which is not contained in this Prospectus.

Forward looking statements

This document contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'likely', 'should', 'plan', 'consider', 'foresee', 'aim', 'will', 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events and are subject to inherent risks and uncertainties many of which are outside the Company's control. For more information on the risk factors facing Lion, please refer to **section 5** of the Explanatory Memorandum.

These events, as at the date of this document, are expected to take place, but there is no guarantee that such will occur as anticipated or at all given that many of the events are outside the Company's control.

Accordingly, neither the Company, Lion, any of their respective officers nor any person named in this document or involved in the preparation of this document make any representation, warranty or assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this document will actually occur. Further, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statements.

Definitions

Certain terms and abbreviations used in the Prospectus have defined meanings which are explained in the Notice of Meeting.

Enquiries

If you have any questions please call the Company Secretary on +613 9620 0718 at any time between 8.00am and 5.00pm (Melbourne time) Monday to Friday prior to the Meeting. Alternatively, consult your broker, accountant or other professional adviser.

1. CAPITAL RETURN

1.1 Terms and Conditions of the Capital Return

The terms and conditions of the Capital Return are set out in the Notice accompanying this Prospectus. Please refer to **section 3.1** of the Notice of Meeting.

The Resolution set out in the Notice is as follows:

That for the purposes of Sections 256B and 256C of the Corporations Act and for all other purposes, the issued share capital of the Company be reduced by the Company making a pro rata distribution in-specie of Lion Selection Group Limited shares and options to all holders of ordinary shares in the Company at the Record Date and on the terms and conditions set out in the Explanatory Memorandum.

Pursuant to the Resolution, the Company is inviting Shareholders to vote on a reduction of capital by way of a Capital Return of at least 34,750,000 Lion Shares and at least 23,166,666 Lion Options of the Consideration Securities (being the In-Specie Securities) to Shareholders on a pro rata basis based on Shares held on the Record Date (rounded to the nearest whole Lion Share and Lion Option) assuming that the Company retains up to 1,000,000 Lion Shares and up to 666,667 Lion Options.

Completion of the Transaction and Capital Return is subject to and conditional on (amongst other conditions) the matters set out in Section 3.3 of the Notice of Meeting being satisfied (or waived, to the extent they can be waived). There is no certainty that such conditions will be satisfied (or waived).

Based on ASIC Regulatory Guide RG 188, the invitation to vote on the Resolution constitutes an offer to transfer the In-Specie Securities to Shareholders for the purposes of Section 707(3) of the Corporations Act and for which a prospectus is required. Accordingly, the Company has prepared this Prospectus.

Ineligible Shareholders (who will include Lion if it is a Shareholder at the Record Date) will be entitled to participate in the Capital Return, however will not be entitled to receive the In-Specie Securities. Instead, the Company will distribute the In-Specie Securities to which the Ineligible Shareholder would otherwise have been entitled to the Nominee. Please refer to Section 3.11 of the Notice of Meeting for more details on how Ineligible Shareholders will participate in the Capital Return.

1.2 Effect of the Transaction and Capital Return on the Company

The effects of the Transaction and Capital Return on the Company are set out in Section 3.5 of the Notice of Meeting. In summary, the effects include the following:

- (a) the Company will cease to hold at least 34,750,000 Lion Shares and 23,166,666 Lion Options;
- (b) the Company's share capital and total and net assets will be reduced by approximately US\$11.7 million; and
- (c) Shareholders that are registered as at the Record Date will receive Lion Shares and Lion Options on a pro-rata basis based on the number of Shares held as at the Record Date (unless the Shareholder is an Ineligible Shareholder), even if the Shareholder voted against the Resolution or did not vote at all.

1.3 Action required by Shareholders

No action is required by Shareholders under this Prospectus. Should the Resolution be approved and completion of the Transaction occur, the In-Specie Securities will be transferred to Shareholders in accordance with the terms set out in the Notice of Meeting. In accordance with ASIC Class Order 07/10, no application form is required to be completed or returned to participate in the proposed distribution and transfer of the In-Specie Securities under the Capital Return, and no application form is included in or accompanies this Prospectus.

If you have any queries regarding this Prospectus, please contact the Company Secretary on +61 3 9620 0718.

2. NOTICE OF MEETING INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

2.1 Transaction specific prospectus

This Prospectus is a transaction specific prospectus for an offer, and the issue, of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been given to the fact that Lion is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.2 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type, however it incorporates by reference information contained in documents that have been lodged with ASIC.

The Notice of Meeting contains all the information that Shareholders require in relation to the Resolution and the Notice of Meeting in its entirety is deemed to be incorporated in this Prospectus.

The material provisions of the Notice of Meeting are summarised below in **section 2.3** of this Prospectus and will primarily be of interest to Shareholders and their professional advisers.

A copy of the Notice of Meeting has been sent to Shareholders with this Prospectus.

2.3 Summary of material provisions of Notice of Meeting

The material provisions of the Notice of Meeting are summarised below. The sections referred to below are a reference to sections in the Explanatory Memorandum to the Notice of Meeting:

Section 3.1	Introduction and Rationale for the Transaction and Capital Return
Section 3.2	Background of the Pani Joint Venture
Section 3.3	Key terms of the Transaction
Section 3.4	Indicative Timetable
Section 3.5	Effect of the Transaction and Capital Return on the Company
Section 3.6	Effect of the Capital Return on Shareholders
Section 3.7	Reasons for and advantages and disadvantages of the Transaction and Capital Return
Section 3.8	Future activities and directors of the Company post Transaction and Capital Return
Section 3.9	Impact on the Company if the Capital Return is not approved
Section 3.10	Independent Directors' recommendation
Section 3.11	Ineligible Shareholders
Section 3.12	Foreign Shareholders
Section 3.13	Taxation Consequences
Section 3.14	Information concerning Shares
Section 3.15	Directors' Interests
Section 3.16	Options
Section 4	Information on Lion
Section 5	Risks associated with an investment in Lion
Section 6	Resolution – Reduction of Capital
SCHEDULE 1	GLOSSARY
SCHEDULE 2	UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR ONE ASIA AS AT 31 DECEMBER 2017

2.4 Continuous Disclosure and Documents available for inspection

This is a Prospectus for the offer to acquire continuously quoted securities and options to acquire continuously quoted securities (within the meaning of the Corporations Act) and is issued pursuant to section 713 of the Corporations Act as a transaction

specific prospectus. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus.

Lion is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, Lion is subject to the Listing Rules which require it to immediately notify ASX of any information concerning the company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Lion Securities, subject to certain exceptions.

Copies of documents lodged with ASIC in relation to Lion may be obtained, or inspected at, an office of ASIC. Lion will provide to any person, on request and free of charge, a copy of each of the following documents:

- the annual financial report of Lion for the financial year ended 31 July 2017, being the annual report of Lion most recently lodged with ASIC before the issue of this Prospectus;
- any quarterly report of Lion lodged with ASIC after the annual report referred to above and before the issue of this Prospectus; and
- any documents used to notify ASX of information relating to Lion in the period from lodgement of the annual financial report referred to above until lodgement of the Prospectus with ASIC, in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporation Act.

Lion has lodged the following announcements with ASX since the lodgement of the annual financial report for the financial year ended 31 July 2017:

Date	Description of Announcement
07/03/2018	Announcement of Proposed Share Buy-back and Option Cancellation
02/03/2018	Change in substantial holding for EGA
02/02/2018	Lion agrees to buy 33.3% Pani JV
22/01/2018	One Asia Update
12/01/2018	Net Tangible Asset Backing as at 31 December 2017
19/12/2017	Resolution of Pani IUP Dispute with J Resources
07/12/2017	Results of Annual General Meeting
04/12/2017	Net Tangible Asset Backing as at 30 November 2017
04/12/2017	Quarterly Report for 3 months ended 31 October 2017
13/11/2017	Net Tangible Asset Backing
06/11/2017	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. Lion's file is available for inspection at ASX during normal office hours, or is available on the ASX website www.asx.com.au, using Lion's code LSX.

2.5 Information excluded from continuous disclosure notices

As at the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the ASX Listing Rules because the ASX Listing Rules expressly or impliedly exclude the information from disclosure, and which, in the Board's opinion, you or your professional advisers would reasonably require in order to assess Lion's assets and liabilities, financial position and prospects and the rights and liabilities attaching to the In-Specie Securities.

3. ADDITIONAL INFORMATION

3.1 Interests of promoters and named persons

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of Lion; or
- (b) property acquired or proposed to be acquired by Lion in connection with its formation or promotion or the Capital Return; or
- (c) the Capital Return,
 - and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:
- (d) to a Lion Director or proposed Lion Director to induce him or her to become, or to qualify as, a Lion Director; or
- (e) for services provided by a Lion Director or proposed Lion Director in connection with the formation or promotion of Lion or the Capital Return.

3.2 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
 - (i) to be named in the Prospectus in the form and context which it is named; and
 - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;

- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any apart of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role
Computershare Investor Services Pty Ltd	Share Registry
Lion Selection Group Limited	Issuer

3.3 Company's Expenses of the Transaction and Capital Return

The Company's total expenses of the Transaction and Capital Return are estimated to be A\$200,000 consisting of the following:

Cost	A\$
Legal fees	\$140,000
Tax Advisory	\$40,000
ASIC and other expenses	\$20,000
Total	\$200,000

These expenses have been or will be paid by the Company. Lion advanced the Contribution of A\$200,000 to the Company cover these costs as part of the Transaction consideration. The Company must repay the Contribution to Lion if the Resolution is not approved. Please see **sections 3.3** and **3.9** of the Notice of Meeting for more details.

3.4 Litigation

As at the date of this Prospectus, Lion is not involved in any legal proceedings of a material nature and the Lion Directors are not aware of any legal proceedings pending or threatened against Lion.

3.5 Dividend Policy

As Lion will have limited cash reserves, it does not expect to declare any dividends in the near future.

Subject to the Lion Constitution and the Corporations Act, the Lion Board may from time to time resolve to pay any dividends it thinks appropriate and may fix the amount, time and method for payment of any such dividend. Subject to the terms of the shares, Lion may pay a dividend on one class of shares to the exclusion of another class.

Each share of a class on which the Lion Board resolves to pay a dividend carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share (excluding an amount paid in advance of calls) bears to the total price of the share.

The Lion Board may resolve to pay a dividend in cash or satisfy it by the distribution of specific assets (including shares or securities of any other corporation), the issue of shares or the grant of options. Where Lion satisfies a dividend by way of distribution of specific assets, being shares or other securities in another corporation, each shareholder of Lion is taken to have agreed to become a member of that corporation and to have agreed to be bound by the constitution of that corporation.

4. DIRECTORS' RESPONSIBILITY AND CONSENT

Each Director and Lion Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.



Signed for and on behalf of
One Asia Resources Limited
by Rob Thomson

13 March 2018

