

17 January 2014

Computershare Investor Services Pty Limited ABN 48 078 279 277 Yarra Falls, 452 Johnston Street Abbotsford Victoria 3067 Australia GPO Box 2975 Melbourne Victoria 3001 Australia DX Box 30941 Telephone 61 3 9415 5000 Facsimile 61 3 9473 2500 www.computershare.com

Mr Jack Toby Company Secretary Lion Energy Limited Ground Floor, 15 Rheola Street, WEST PERTH, WA, AUSTRALIA, 6005

Dear Sir,

Escrow Securities

We confirm the issue of restricted securities as detailed below:

Escrowed for 24 months from date of quotation: Fully Paid Ordinary Shares Escrowed for 12 months commencing on 10 January 2014:	15,625,049
Fully Paid Ordinary Shares	5,812,523
Total Fully Paid Ordinary Shares Held in escrow:	21,437,572
Unrestricted Fully Paid Ordinary Shares:	63,591,805
Total Fully Paid Ordinary Shares:	85,029,377
Escrowed for 24 months from date of quotation:	
Unlisted Options expiring 10/07/15 at \$0.26	3,458,334
Unlisted Options expiring 16/01/17 at \$0.26	406,250
Escrowed for 12 months commencing on 10 January 2014:	
Unlisted options expiring 10/07/15 at \$0.26	208,333
Total Unlisted Options:	4,072,917

In accordance with Australian Securities Exchange Listing Rule 9.5 (b) we confirm that we have imposed a holding lock on the register which will prevent a transfer on those securities. We undertake to maintain the restriction until such time as a written consent is received from ASX.

Regards,

Nicole Lewis Relationship Manager