

17 January 2014

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 15,625,049

**Escrowed for 12 months commencing on 10 January 2014:**

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