

ASX/Media Release

For Immediate Release – 17 May 2017



Lion acquires rights to exciting new area

Highlights

- Lion moves from 50% to 100% of a highly-prospective conventional study area in Eastern Indonesia
- 4.8 million ordinary shares to be issued as consideration, subject to shareholder approval
- Deal follows completion of joint study which gives preferential rights to area of over 6500 km²

Lion Energy Limited (“Lion” or “Company”; ASX: LIO) is pleased to report that it has reached agreement with Transform Exploration Pty Ltd (“Transform Exploration”) to acquire its joint study rights to an area of over 6500 km² in Eastern Indonesia in exchange for issuing 4.8 million Lion ordinary shares. The share issue is subject to shareholder approval at Lion’s upcoming AGM on 30 May 2017.

Lion and Transform Exploration have recently completed a joint study over a highly prospective area in Eastern Indonesia. By completing the joint study the participants have gained certain rights, including the right to match the highest bid when the area is gazetted by the Indonesian Government.

Subsequent to the study’s completion, Lion’s management reached an agreement whereby Lion will acquire 100% of the rights in return for issuing a minimum of 4.8 million Lion shares to Transform Exploration or its nominee. The number of shares payable may increase to a maximum of 8 million shares should Lion raise additional capital within the next twelve months at a price below 5 cents per share, on a pro rata basis with a floor of three cents per share.

Lion CEO, Kim Morrison commented “Lion is pleased to acquire 100% of the rights to this exciting area which has significant oil and gas potential in proven play types. The deal is part of our growth strategy in becoming a significant participant in Indonesia’s oil and gas sector”.

ENDS

Lion at a glance

- ASX listed oil and gas E&P company focused on Indonesia; two conventional PSC’s.
- Net production of around 80bopd from the Seram PSC which also contains the Lofin gas/condensate discovery.
- An early mover in Indonesia’s fledgling unconventional oil & gas industry.
- Leveraging synergies in conventional assets and access to both infrastructure and markets.
- Executive team and strategic investors with impressive track records for value creation in Indonesia.

Contact

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