East Seram GS PSC Opportunity

One of the most exciting new blocks in Southeast Asia

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East Seram Production Sharing Contract (PSC)

Exceptional 6504 sq km block with Lofin field extension, shallow oil & large LNG gas potential

- Lion has excellent knowledge of Seram Island’s hydrocarbon potential.
- We previously operated the Bula Field, we own 2.5% of Seram (Non-Bula) PSC & now we are securing 100% of the East Seram PSC.
- Seram Island is part of a prolific hydrocarbon region
- Seram (Non Bula) PSC contains the 2TCF Lofin discovery and the Lofin structure extends into East Seram
- East Seram’s minimum bid requirement is modest (US$500 K signature bonus and 500 km seismic)
- Acreage of interest to existing Seram PSC partners or major company
- PSC under new Gross Split (GS) terms providing attractive fiscal terms and improved flexibility to Operators

Manageable minimum work program (500km of seismic)
Lion overview - strong background in East Seram area

Team has impressive expertise in area, previously operator of Bula Oil Field (Seram), strong supportive major Indonesian shareholders

- New management focused on shareholder return

**Major shareholders:**
- Risco Energy Investments (46%) - supportive, well connected, Indonesian backed
- Tower Energy (5%) - highly respected, Indonesian based

**Lion experience in area:**
- Seram PSC (2.5% interest) since 2000
  - Production 2000bopd (50 bopd net to Lion)
  - Major gas upside with multi-tcf Lofin discovery
  - Lion active involvement in joint venture
- 1999-2005 Lion (previous name Kalrez) Operator the Seram Bula oil field
  - Lion Director, Russell Brimage, GM of Bula field operations (1999-2007)
  - Lion lead technical evaluation of East Seram Joint Study area

Lion has been in Seram since 1999, strong knowledge of area
Region contains prolific hydrocarbon provinces

Proven Seram Basin fold belt play (partly) analogous to Papuan Fold belt, exciting untapped potential. ~300km from BP's Bintuni Basin Tangguh LNG gas fields.

**Salawati Basin**
- 500 mmbbl oil
- 0.8 TCF gas
- 135 mmbbl condensate
- 220 exploration wells

**Seram Basin**
- 60 mmbbl oil
- 2 TCF gas
- 20 mmbbl condensate
- Only 9 exploration wells testing fold belt play (6 discoveries)
- ~30 exploration wells testing shallow oil play

**Bintuni Basin**
- 50 mmbbl oil
- 20 TCF gas
- ~100 mmbbl condensate
- 65 exploration wells

**Papuan/Aure Fold belt**
- 700 mmbbl oil
- 30 TCF gas
- 400 mmbbl condensate
- ~100 exploration wells

With 100% of 6500 km² East Seram PSC, Lion is now a major player in the Seram Basin. The block will be attractive to the majors and large mid-caps.
Seram Island is a proven oil and gas province with producing field and multiple oil and gas seeps
- Bula Oil Field (~20 mmbbl produced from shallow reservoirs)
- Oseil Oil Field (17 mmbbl to date from Triassic/Jurassic age Manusela Limestone)
- 2 TCF Lofin Field - ~1300m gas column in Manusela Limestone defined by 2015 well

East Seram PSC contains:
- Numerous large attractive leads related to the Seram Fold belt structures
- Shallow oil prospects and leads including offshore extension potential of Bula Oil Field

Shallow low cost oil targets (Bula field play) and large, deeper oil and gas targets (Oseil and Lofin analogues) present
East Seram PSC contains well-defined surface anticlines

Structures (confirmed on available seismic) similar & potentially larger than Lofin & Oseil fields

East Seram PSC contains major structural high trends on surface topography which are part of the Seram foldbelt
Highly attractive targets on seismic within East Seram PSC
Potential closures 10-90 km²+, Manusela limestone targets from 1500m to 5000m

PSC has analogue structures to the Oseil and Lofin fields
Thank you

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