

ASX/Media Release

For Immediate Release – 25 February 2015



Cleansing Statement

Lion Energy Limited (ASX: LIO – the “Company” or “Lion”) has today issued and allotted 795,769 shares to staff, consultants and director Stuart Smith as announced February 25 2015.

Below is the applicable Cleansing Notice.

Secondary Trading Exemption:

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under Section 708 or 708A. By the Company giving this notice, a sale of the Securities noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies the ASX under paragraph 708(A)(5)(e) of the Act that:

- a) The Company issued the Securities without disclosure to investors under Part 6D.2 of the Act;
- b) As at the date of this notice the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- c) As at the date of this notice there is no information:
 - i) that has been excluded from a continuous disclosure notice in accordance with the Listing Rules; and
 - ii) that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (1) The assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (2) The rights and liabilities attaching to the Securities.

For and on behalf of the board of

Lion Energy Limited

A handwritten signature in blue ink, appearing to read "Zane Lewis", written over a horizontal line.

Zane Lewis
Company Secretary

ENDS.

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About Lion

Lion Energy Ltd is an ASX listed oil & gas exploration & production company focused on Indonesia, where it has been operating for some 15 years. It has two existing conventional Production Sharing Contracts (PSC's) – Seram and South Block A - and an early mover position in the fledgling Indonesian unconventional industry via four Joint Study Applications.

Lion's leadership team has vast experience in the south-east Asian oil and gas industry, particularly Indonesia. In its recent recapitalisation, two Indonesian strategic investors, Risco Energy and Tower Energy, became substantial shareholders of the company.