

Appointment of New Directors and Completion of Offers

Transactions pursuant to the Prospectus lodged on 6 November 2013 and certain transactions referred to in Lion's notice of general meeting dated 12 November 2013

Lion Energy Limited ("Lion") is pleased to announce the appointment of new directors to lead the company as it builds on its strategy to be a first mover in the Indonesian unconventional oil and gas industry.

The new Directors (effective 10 January 2014) are Mr Kim Morrison, who has also been appointed Chief Executive Officer, as well as Mr Chris Newton and Mr Tom Soulsby, who will both be Non-executive Directors. They will join existing Chairman, Mr Russell Brimage. The new Board has an impressive mix of commercial, technical and operational expertise and all the members have long and successful track records in creating value in Indonesia.

Lion also advises that Mr Weidong Zhang and Mr Simon Reeve will be stepping down as Non-executive Directors effective 16 January 2014. Lion would like to thank Weidong and Simon for their contributions to the Company and in helping the Company embark on an exciting new course.

Lion is also pleased to announce it has completed all the offers pursuant to the prospectus lodged on 6 November 2013. On 16 January 2014, Lion has issued 10,000,000 fully paid ordinary shares at \$0.20 each, representing the public offer component, and 406,250 options exercisable at \$0.26 each and expiring on 16 January 2017 ("Class B Options"). The 406,250 options are restricted for 24 months from the date of Lion's reinstatement to official quotation on the ASX.

The company is finalising the steps required by ASX for the reinstatement of its securities in accordance with Chapters 1 and 2 of the ASX listing rules. The company expects to provide a further update to shareholders in the week commencing 20 January 2014. .

Jack Toby
Company Secretary

Lion at a glance

- Transforming from a small Indonesian conventional oil and gas player to an Indonesian unconventional oil and gas pioneer.
- Leveraging synergies in conventional assets and access to both infrastructure and markets.
- New executive team and strategic investors with impressive track records for value creation in Indonesia.
- Well funded to execute our 2014 business plan.

Contact

Lion Energy Limited

ABN 51 000 753 640

ASX Code: LIO

Ground Floor, 15 Rheola Street
West Perth
WA 6005, Australia
Post Box 512
West Perth Business Centre
WA 6872, Australia

Tel +61 8 9211 1500 | Fax +61 8 9211 1501

info@lionenergy.com.au

www.lionenergy.com.au

Company officers

Russell Brimage

Chairman

Kim Morrison

Chief Executive Officer

Tom Soulsby

Non-executive Director

Chris Newton

Non-executive Director

Jack Toby

Company Secretary

For more information contact

Jack Toby

Company Secretary

+61 8 9211 1500