



## Amanah Timur-2 appraisal well set for Q1 2018

### Highlights

- Amanah Timur-2 (AMT-2) appraisal well formally approved by the joint venture with the rig contract signed by the Operator
- Drill timing is now January-February 2018 to avoid the wet season
- Exciting test of interpreted oil and gas zones in the AMT-1 well and deeper, undrilled objectives

Lion Energy Limited (“Lion” or “Company”; ASX: LIO) reports the South Block A PSC joint venture (Lion equity share: 40.7%) has formally approved drilling of the AMT-2 well to appraise the 2017 Amanah Timur-1 (AMT-1) discovery. The Operator, Renco Elang Energy (REE), has signed the rig contract with Pertamina Drilling Services (PDSI) and negotiated a forecast January-to February 2018 start date which follows the main wet season in the North Sumatra area.

AMT-2 will be located approximately 40m from AMT-1. Extensive well planning has resulted in a new well plan which takes into account the AMT-1 results and will enable effective testing of the hydrocarbon zones of interest. The dry hole costs is approximately US\$850,000 (Lion share US\$345,000) while the completed and tested well cost is estimated at US\$1,200,000. (Lion share US\$490,000).

Lion’s CEO, Kim Morrison commented “Lion is pleased that agreement with the rig contractor PDSI has been reached which provides the joint venture a favourable slot in the rig schedule to drill this exciting appraisal well. Importantly the timing enables us to avoid the complication of drilling in the wet season. Positive results from the well will allow a fast track development with the location close to oil and gas infrastructure and within a high price gas market.”

### Lion at a glance

- ASX listed oil and gas E&P company focused on Indonesia; two conventional PSC’s.
- Net production of around 65bopd from the Seram PSC which also contains the Lofin gas/condensate field.
- 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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### Directors & Officers

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| <b>Kim Morrison</b>    | Chief Executive Officer |
| <b>Stuart B. Smith</b> | Executive Director      |
| <b>Tom Soulsby</b>     | Non-Executive Director  |
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# ASX/Media Release

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## **Competent Persons Statement: Qualified Petroleum Reserves and Resources Evaluator**

Pursuant to the requirements of the ASX Listing Rules Chapter 5, the technical information, reserve and resource reporting provided in this document are based on and fairly represent information and supporting documentation that has been prepared and/or compiled by Mr Kim Morrison, Chief Executive Officer of Lion Energy Ltd. Mr Morrison holds a B.Sc. (Hons) in Geology and Geophysics from the University of Sydney and has more than 30 years of experience in exploration, appraisal and development of oil and gas resources – including evaluating petroleum reserves and resources. Mr Morrison is a member of the American Association of Petroleum Geologists (AAPG). Mr Morrison consents to the release of this announcement and to the inclusion of the matters based on the information in the form and context in which it appears.

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