

ASX/Media Release

For Immediate Release – 12 December 2018



Cleansing Statement

Lion Energy Limited (ASX: LIO – the “Company” or “Lion”) issued and allotted 64,028,572 fully paid ordinary shares (“Shares”) on 6 December 2018. The Shares were issued in accordance with shareholder approval obtained on 7 November 2018 and comprise of the following:

- J 37,714,286 Shares issued to Risco Unconventional Energy Pte Ltd for the conversion of convertible notes valued at \$1,320,000; and
- J 26,314,286 Shares issued to KL Trio Pte Ltd for the conversion of convertible notes valued at \$921,000.

The Shares were issued at a deemed price of \$0.035 per share.

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.

Arron Canicais

Company Secretary

ENDS