

Lion Obtains 4-Year Extension for East Seram PSC

Lion Energy Limited (“Lion” or the “Company”; ASX: LIO) advises that Government of Indonesia (GOI) has granted a four-year extension to the East Seram PSC (Lion 60%).

The extension means Lion has additional time to continue progressing the exploration of the East Seram PSC in accordance with a discretionary Production Sharing Contract (“PSC”) work program. As part of the extension approval, Lion has submitted a required relinquishment of parts of the PSC with the new PSC area, effective from 17 July 2024, of 1,300 km² (previously 4,557 km²). The retained area contains all the key prospects and leads identified by Lion. This includes the world-class prospects delineated by a 2022 seismic survey (Kobi, Waru and Tanah Baru) as well as the extensions of the Lofin Gas field and Bula Oil field into the PSC. The Permit now has a maximum period to 16 July 2028 before any further partial relinquishment or extension is required.



Tom Soulsby,
Lion's Executive
Chairman

“*Lion is extremely pleased with the extension of the East Seram PSC. Not only does the extension provide additional time for the Company to complete exploration activities, but it provides clarity and certainty of contractual rights for potential farminees under our farmout program.*”

Lion is pleased to report that Indonesia’s regulator for the management of oil and gas business activities, SKK Migas has indicated that approval of the extension by the GOI factored in the following;

- The effort and performance demonstrated by Lion to find hydrocarbons by undertaking G&G studies and seismic acquisition in the frontier area;
- The fulfilment of financial obligations, all firm commitments and obligations to return part of the East Seram working area; and
- Further exploration strategies in the indicated work program submitted by Lion and the potential for discovering world class hydrocarbon resources in the East Seram working area.

As previously advised, Lion has appointed experienced global oil and gas advisors Moyes and Co to conduct a farm-out process for the East Seram PSC with the view to introducing potential farm-in partners to assist with the funding of a high-impact exploration well (see ASX announcement dated 5 December 2023). Moyes and Co were involved in the successful farm-down of 40% of the East Seram PSC to OPIC of Taiwan.

Lion believes that the 4-year extension of the East Seram PSC will provide a greater degree of certainty of tenure to potential farm-in partners. The Company expects to be in a position to provide an update regarding the farm-out process during 2H CY 2024.

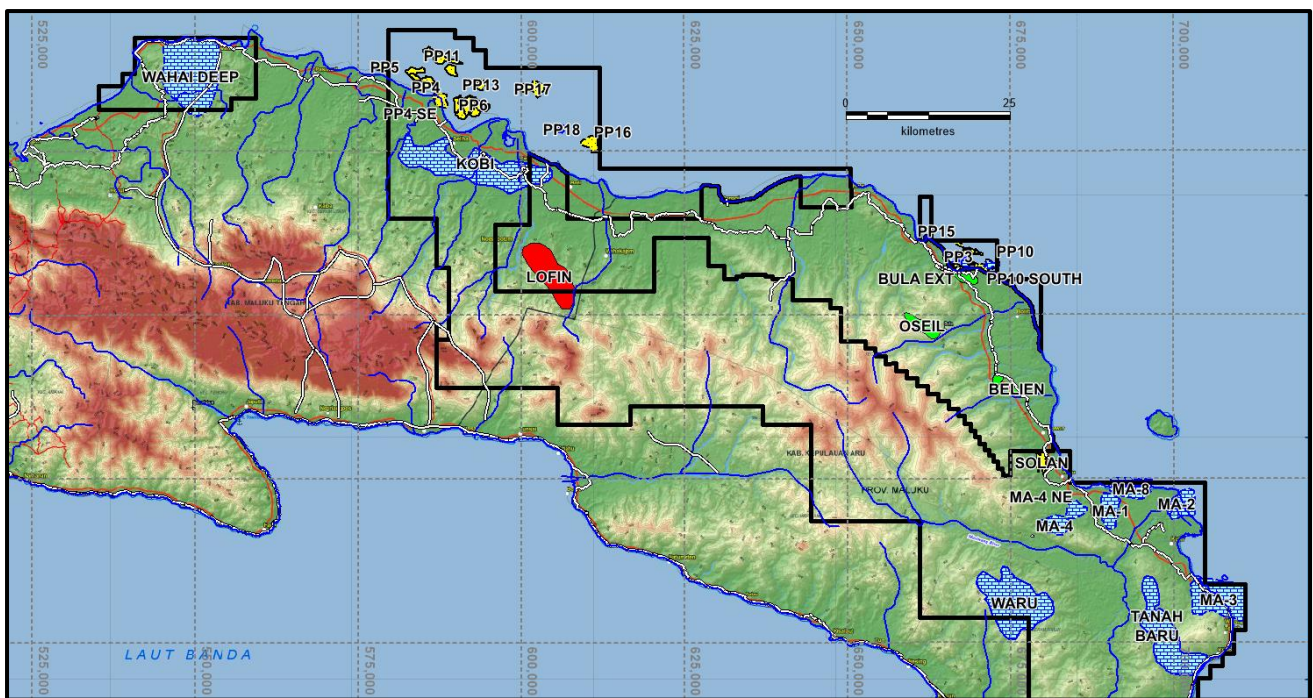


Figure 1: Map showing current PSC area of 4,557km²

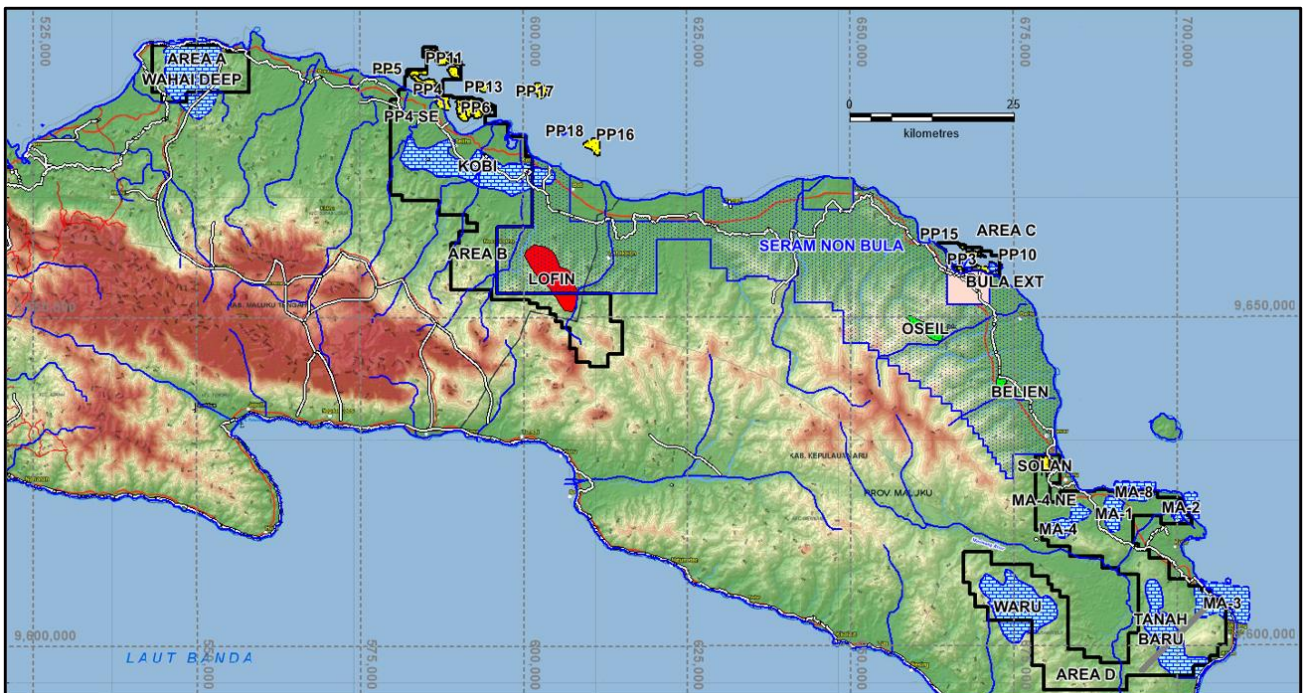


Figure 2: Map showing submitted retained areas (Area A, B, C, D) post the mandatory relinquishment required at the end of Permit Year 6 (17 July 2024). Only some minor, sub-economic offshore leads have been relinquished with all the key prospects and leads retained in the renewed area.

This ASX announcement was approved and authorised for release by the Board of Directors.

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