

RIGHT COMPANY RIGHT TIME RIGHT PLACE



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Good Oil Conference
2 September 2015

A **New** Approach to Asian Energy

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| Reserves & Resources, 1 Jan 2015 (Recoverable, net to Lion) ¹ | Gas/Associated Gas (bcf) | | | Oil/Condensate (mmbbl) | | | Method |
|---|--------------------------|-------------|-------------|------------------------|-------------|-------------|---------------|
| | 1P | 2P | 3P | 1P | 2P | 3P | |
| Reserves | | | | | | | |
| Total Reserves (Seram) | | | | 0.119 | 0.173 | 0.241 | Deterministic |
| Contingent Resources | 1C | 2C | 3C | 1C | 2C | 3C | |
| Total Contingent Resources (Seram) ² | 0.357 | 0.678 | 1.399 | 0.040 | 0.084 | 0.990 | Deterministic |
| Prospective Resources³ | Low | Best | High | Low | Best | High | |
| Prospective Resources-South Block A ⁴ | 69.8 | 150.3 | 315.2 | 6.5 | 16.4 | 41.3 | Probabilistic |
| Total Prospective Resources ⁴ | 70.0 | 150.9 | 317.3 | 6.6 | 16.9 | 42.8 | Probabilistic |

Reserves & Resources estimates

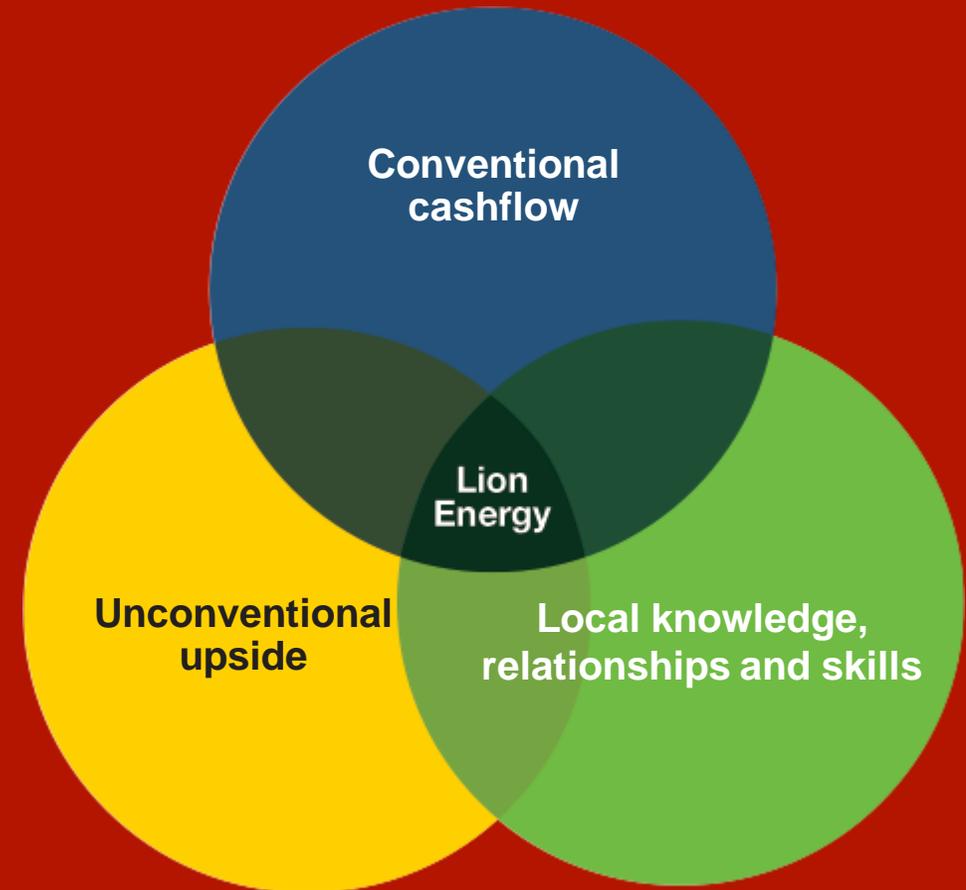
- Hydrocarbon reserves and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, reserves and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional drilling and analysis, the estimates are likely to change. This may result in alterations to development and production plans which may in turn, adversely affect the Company's operations.
- Seram Contingent resources estimate has not been updated for recent appraisal drilling on Lofin gas field. Work ongoing on quantifying resource,
- Prospective resources: the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.
- Aggregated by arithmetic summation The aggregate Low estimate may be a very conservative estimate and the aggregate High estimate may be a very optimistic estimate due to the portfolio effects of arithmetic summation

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 Limited. Mr Morrison holds a B.Sc. (Hons) in Geology and Geophysics from the University of Sydney and has over 28 years' experience in exploration, appraisal and development of oil and gas resources - including evaluating petroleum reserves and resources. Mr Morrison has reviewed the results, procedures and data contained in this presentation. Mr Morrison consents to the release of this report and to the inclusion of the matters based on the information in the form and context in which it appears. Mr Morrison is a member of AAPG.

Lion's positioning in Indonesia

Skills, strategy and unique ability
to execute in energy hungry,
dynamic country



Key Guiding Principles

We seek

1. Heartland positions in world-class basins of Indonesia
2. Low risk conventional assets with near term production potential
3. Large upside unconventional acreage in proven areas
4. Close proximity to infrastructure and robust markets with accessible terrain
5. High working interest, operatorship

What we are now

Prudent growth strategy

Capital structure

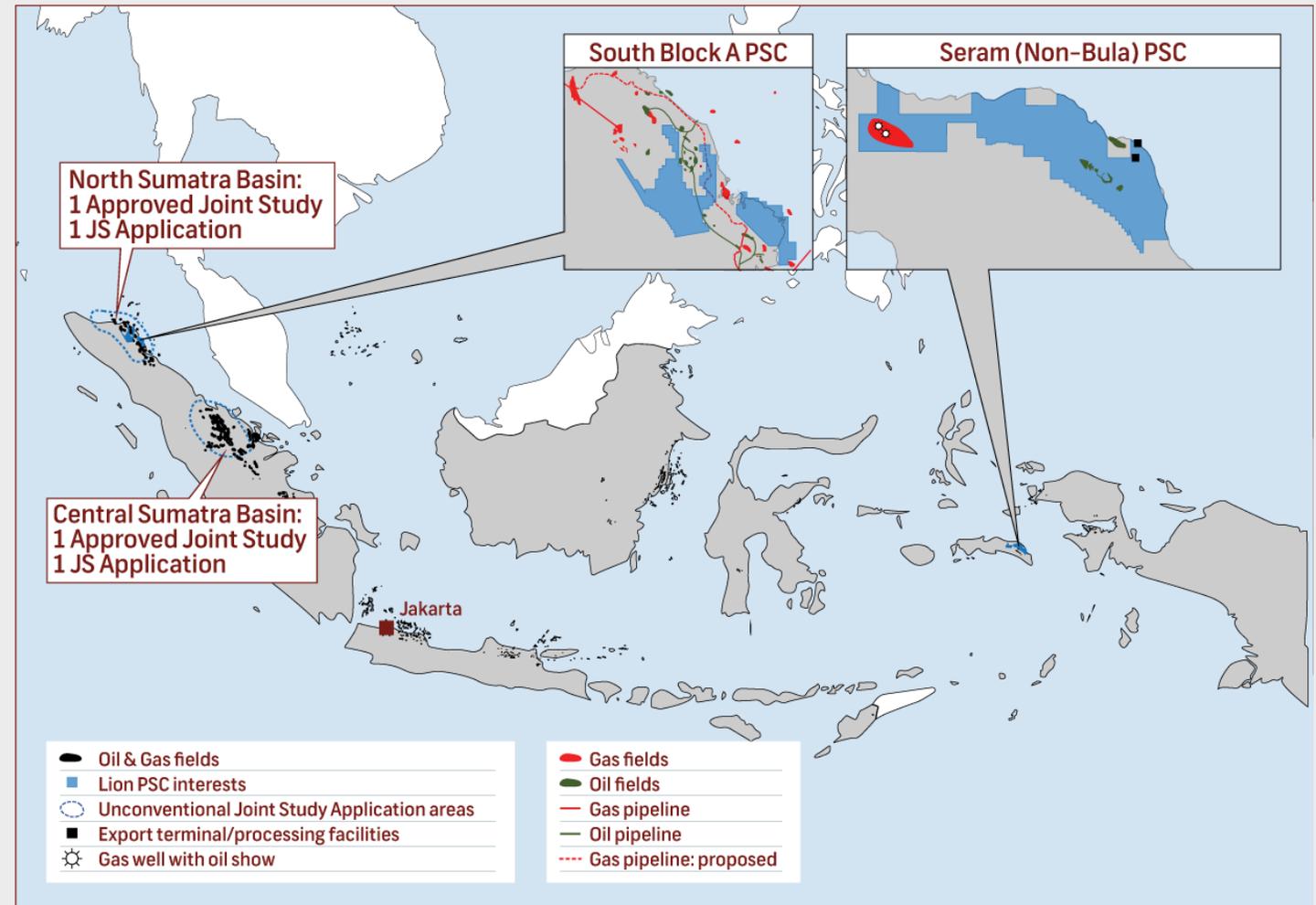
- Shares on issue: 96m
- Market cap @ 14c: A\$13.4 million
- Cash: US\$3.5mil (30/6/2015)

Major shareholders:

- Risco Energy Investments (54.7%)
- Tower Energy (6.6%)
- Management (13.5%)

Assets:

- Seram PSC (2.5%) - production
- South Block A (35%) - exploration
- Two unconventional joint studies
- Two unconventional JS applications



Delivering on our promises

Major discovery, Seram production boost, unconventional joint studies



- Lofin-2 success, material gas discovery for Lion
- Strong production from Oseil field
 - 3400 bopd (85 bopd net) vs 3000 bopd last year
- Progress on unconventional strategy
 - Two joint studies approved (7,200 km²), others being progressed
- South Block A PSC extension received, high impact gas-condensate prospect firmed up
- Active new business program
- Prudent cash management: June 30, 2014 cash balance A\$5.8mm, June 30 2015 A\$4.6mm

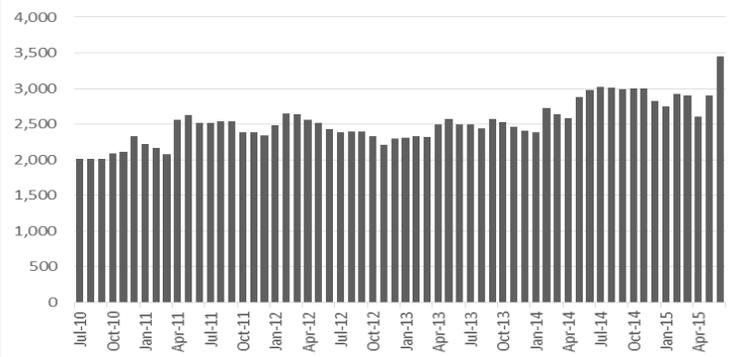


Seram (Non-Bula) PSC Overview

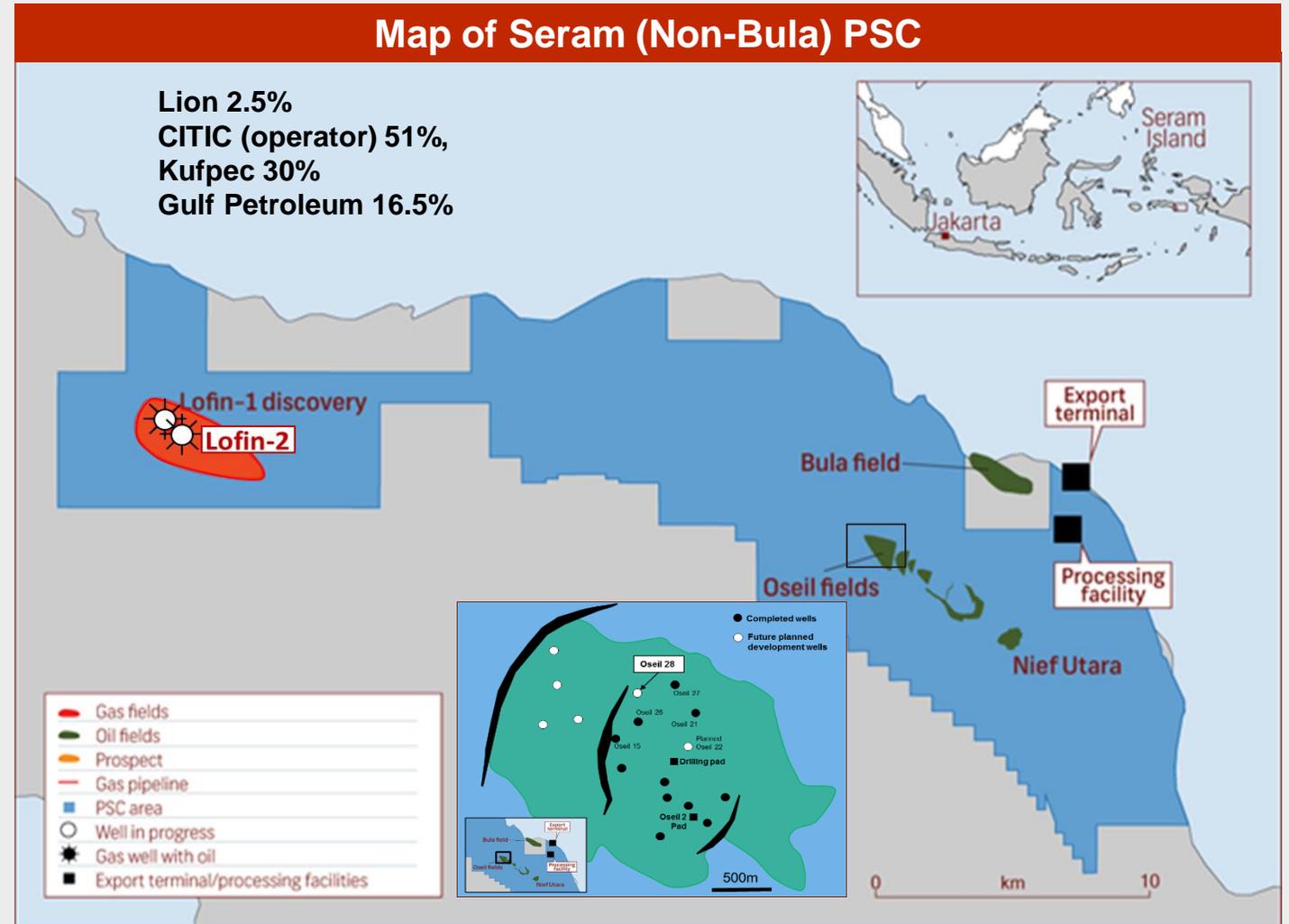
Block continues to exceed expectations

- Production ~3400 bopd (85 bopd net), Increase to >4000 bopd planned
- Last well Oseil-27 (completed May 2015) producing ~740 bopd, Oseil-28 progressing well. Up to 5 further wells.
- Lofin appraisal success
- PSC expiry 2019, JV working on renewal

Oseil Field production since 2010



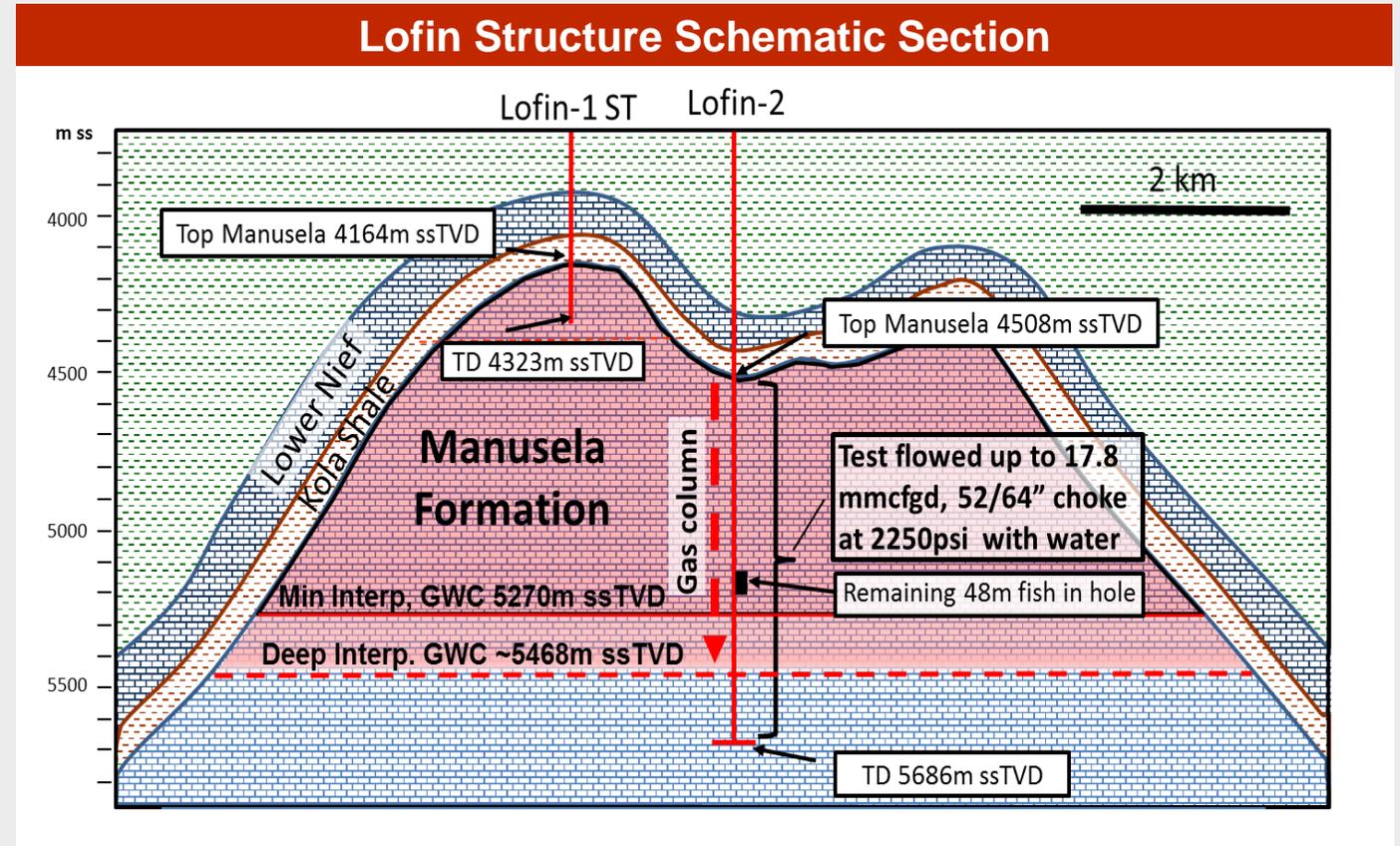
Map of Seram (Non-Bula) PSC



Lofin-2 Success

Material gas discovery for Lion

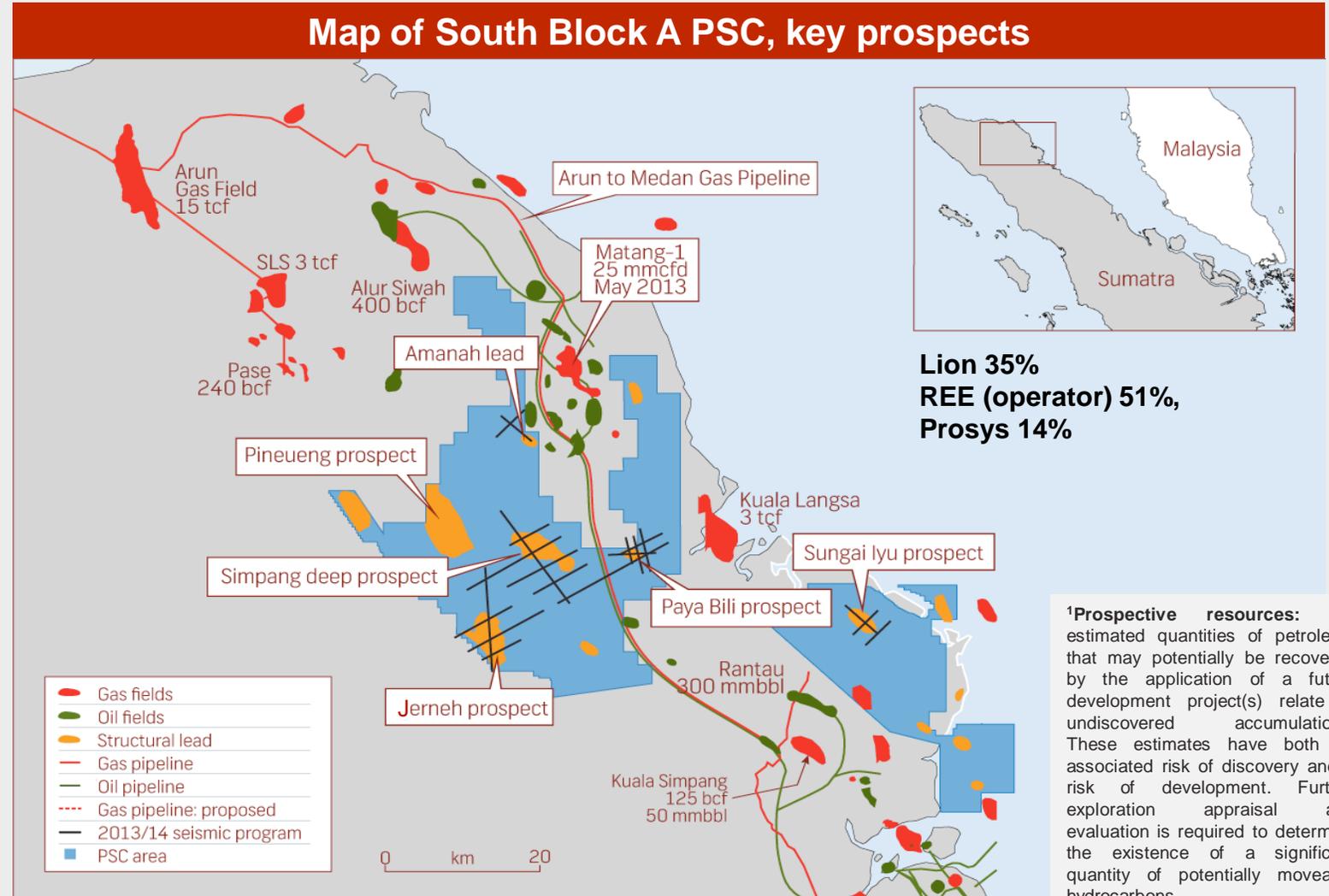
- Appraisal of 2012 Lofin discovery, test HC column extent in fractured Manusela Fm limestone
- Reached total depth of 5861m MD
- Gas test at up to 17.8 mmcfd on 52/64" choke (2250 psi flowing pressure), some water interpreted from lower part of well
- Wireline pressures, tests and samples indicates 1106-1300m continuous gas column
- Good data set acquired and evaluation ongoing



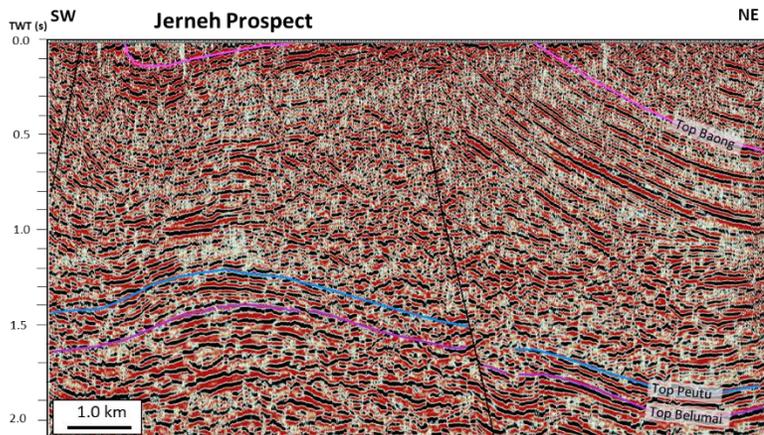
South Block A PSC (35%)

Exciting block (1894km²) in prolific basin with strong gas demand, new pipeline through block

- High ranked prospects firmed by 2014 seismic program
 - Jerneh: company maker gas/condensate prospect (P90 64 P50 223 P10 750 bcf prospective resource¹)
 - Paya Bili: low risk, low cost oil
- Term extended to end 2016
- Priority rights for unconventional



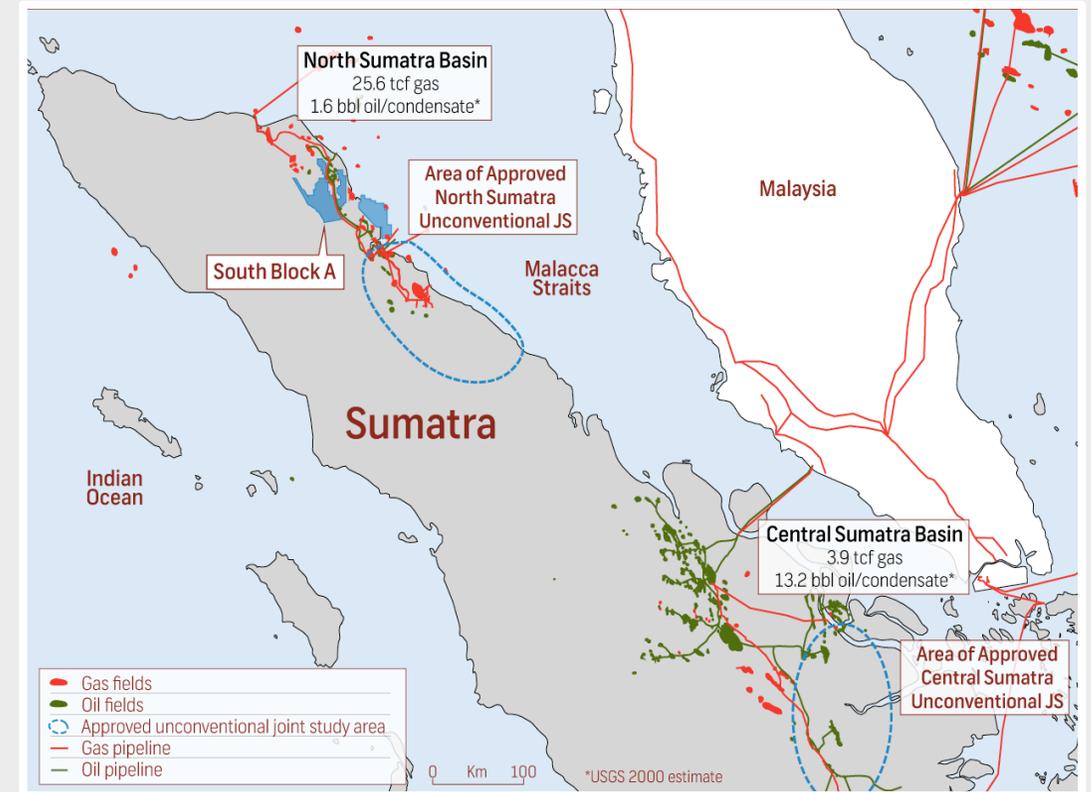
Jerneh Prospect



Lion Unconventional Update

Unconventional (shale/tight HC's) joint studies being conducted in North & Central Sumatra

- Government improving unconventional terms
- **North Sumatra** (Lion 55%) Joint study with Padjadjaran University in Bandung
- Field trip complete, over 300 surface cores obtained, initial analysis positive
- Prospective source rocks at a suitable maturity and depositional setting to be attractive unconventional targets
- **Central Sumatra** (Lion 75%) Joint Study with ITB in Bandung
- Bengkalis Graben located in the east of the prolific Central Sumatra Basin, hosts major discoveries
- Two joint studies applications being progressed

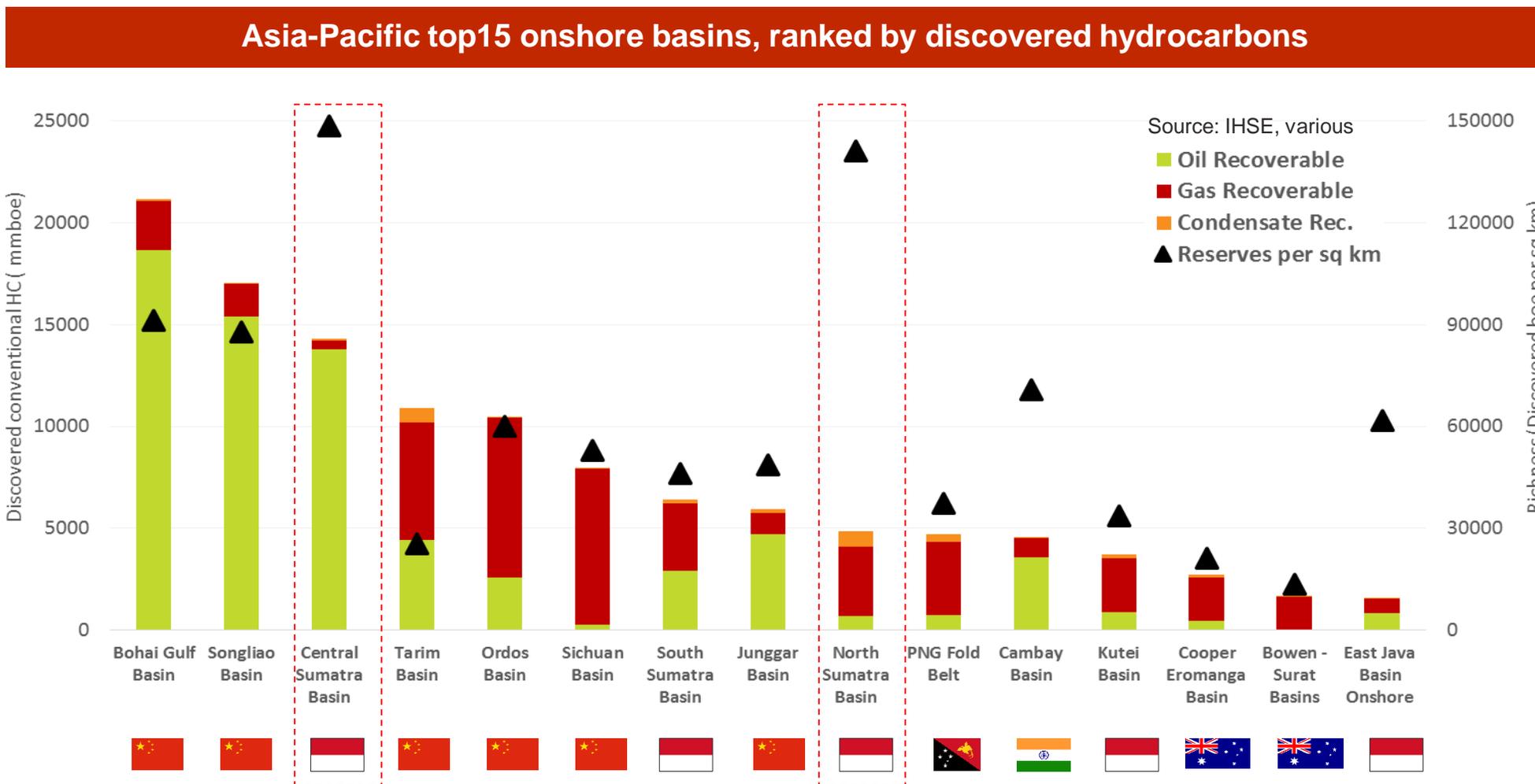


Current unconventional PSC's 40-50% Contractor profit. Government anticipated to release new unconventional contracts with improve flexibility/better terms. Cooperation/alignment encouraged between conventional and unconventional licences.

Indonesia's Prolific Onshore Basin

5 basins in top 15 in region by discovered onshore conventional HC's

North & Central Sumatra highest hydrocarbon density (disc. HC's per km²)



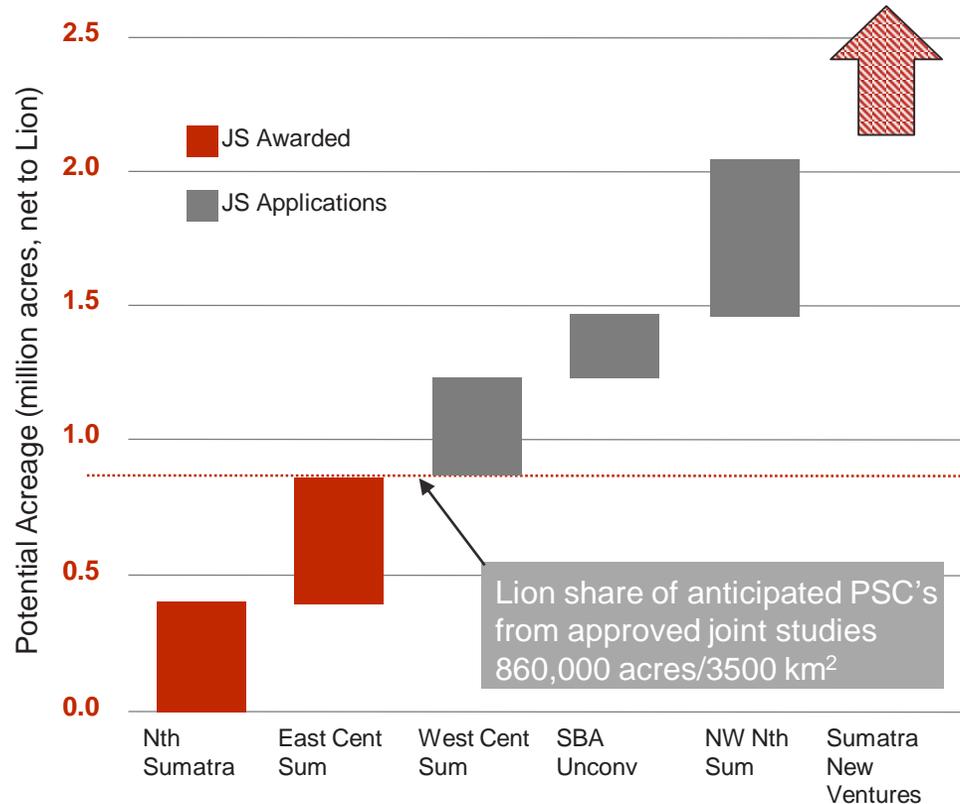
In the US major unconventional plays are in basins that have significant conventional reserves

The unconventional acreage build

Targeting 2 million plus net acres in prolific Sumatran basins

Early days but assessments point to multi-tcf gas/multi-100's mmbbl oil upside

Lion's unconventional acreage growth staircase



US unconventional company examples

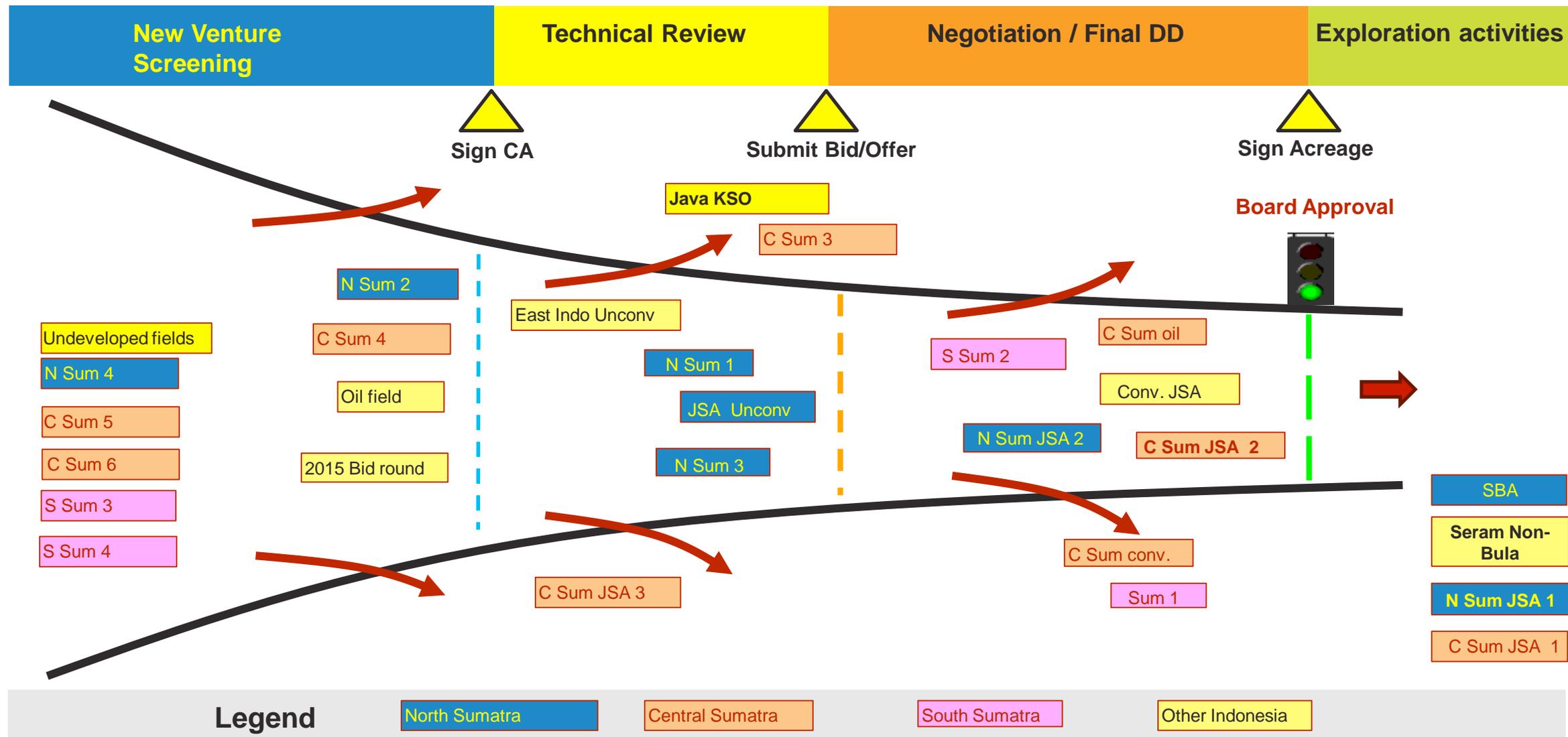
| | Net acres | Proved reserves (boe) | Net production (boe/d) |
|-------------------------------------|-----------|-----------------------|------------------------|
| Chesapeake ENERGY | 2,660,000 | 2.47 billion | 640,000 |
| Continental RESOURCES | 1,650,000 | 1.35 billion | 200,000 |
| Marathon Oil Corporation | 780,000 | ~1.0 billion | 206,000 |
| MAGNUM HUNTER RESOURCES CORPORATION | 570,000 | 83 million | 32,000 |

Source: Company websites

Joint studies - cost effective process to secure large areas with material upside
(cost approx. US\$2-3 per acre including study and signature bonus)

Lion Opportunity Funnel – New Business

Opportunity rich environment, Lion actively pursuing new opportunities



Lion's unique value proposition

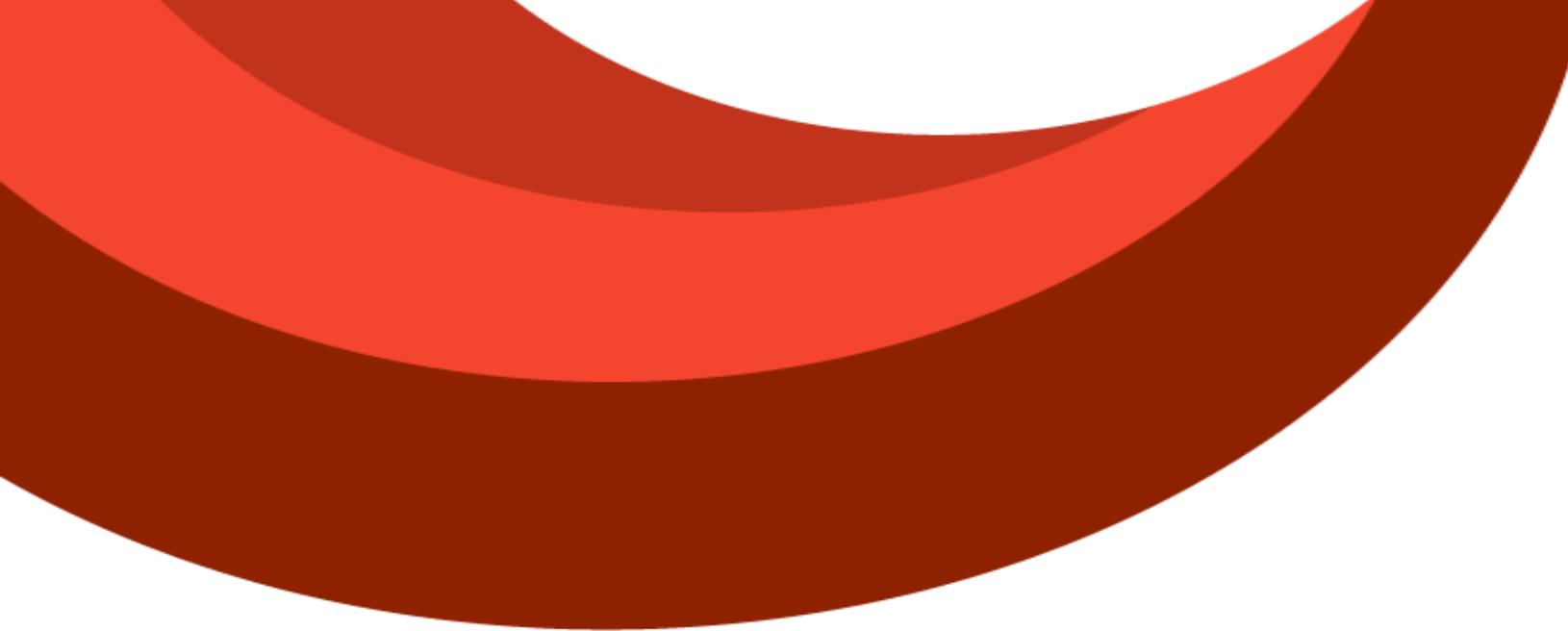
Linked conventional and unconventional growth model in energy hungry economy

Strong growth driven management team

Superior local knowledge and contacts

Existing production, recent exciting discovery and world class prospects

Strategy for success in untapped Indonesian shales and tight sands



Thank you

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