



Spudding of sixth well in Phase 3 development

Highlights

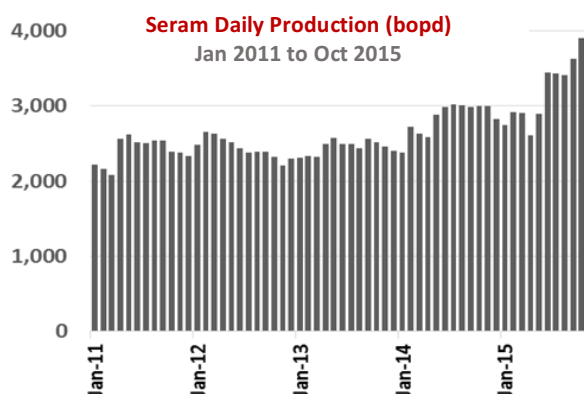
- Oseil-22 development well spudded on 18 November 2015
- Oseil production was in excess of 4000 bopd during November (~100bopd net to Lion)
- Revenue of US\$332,609 from September oil lifting received by Lion

Lion Energy Ltd (ASX Code: LIO) advises that the Oseil-22 development well has spudded and is drilling ahead in 26 inch hole at a current depth of 100m MD.

The Oseil-22 well is a development well, targeting the Manusela limestone reservoir and intended to drain the northeast flank of the 4-way dip closure of the Oseil-2 fault block with estimated recoverable oil reserves of 590,000 bbl.

The well will be the 24th drilled in the Oseil oilfield and the 12th in the Oseil-2 fault block. It will be the 6th well drilled in the phase 3 Plan of Further Development (POFD), formally approved by the Indonesian regulatory body, SKK Migas, on 5 May 2015.

The POFD has thus far been very successful, with 4 of 5 wells completed to date accounting for approximately 70% of the current daily production rate of approx. 4100 bopd. The most recent well Oseil-28 is currently producing at approx 830 bopd.



The Oseil-22 well is projected to add around 500 bopd of production. Following this well, the rig is planned to drill the Oseil-23 location targeting an undrilled fault compartment in the west of the overall Oseil-2 structure.

Lion has a 2.5% interest in the Seram (Non Bula) PSC, which is operated by CITIC Resources.

Commenting on the outcome of the POFD program to date and the prospect of the remaining 5 wells to be drilled in the program, including Oseil-22, Lion CEO Kim Morrison commented: "The Oseil oilfield production has been significantly enhanced by the POFD drilling to date and we look forward to continuing success during the remainder of the program. Oseil-22 will be the last well in 2015 calendar year, with the remaining 4 development wells scheduled for the first half 2016."

Lion at a glance

- ASX listed oil and gas E&P company focused on Indonesia, with two conventional PSC's.
- Net production of around 100 bopd 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

Lion Energy Limited

ABN 51 000 753 640

ASX Code: LIO

Unit 7, 295 Rokeby Road
Subiaco
WA 6008, 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

Directors & Officers

Russell Brimage	Executive Chairman
Kim Morrison	Chief Executive Officer
Stuart B Smith	Executive Director
Tom Soulsby	Non-Executive Director
Chris Newton	Non-Executive Director
Zane Lewis	Company Secretary

For more information contact

Kim Morrison
+61 404 490 964
kmorrison@lionenergy.com.au

Stuart Smith
+65 9820 3889
ssmith@lionenergy.com.au

Zane Lewis
+61 400 007 900
zlewis@lionenergy.com.au

ASX/Media Release

For Immediate Release – 24 November 2015



Crude oil lifting schedule

A crude oil lifting of 400,119 bbl was completed on 8 September 2015 (Lion share 10,003 bbl). Lion's share of revenue of US\$332,609 (before First Tranch Petroleum) was received on 30 October 2015.

A final lifting for the year in excess of 400,000bbl is expected to occur in December 2015, with receipt of funds net to Lion approximately 35 days thereafter.

The Seram (Non Bula) PSC, located Seram Island in eastern Indonesia, is operated by CITIC Seram Energy Ltd (51%) with other co-venturers being KUFPEC (Indonesia) Ltd (30%) and Gulf Petroleum Investment Company (16.5%). Lion has a 2.5% interest in the PSC.

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 28 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.

Glossary

bopd: barrels oil per day

MD: measured depth

mbbl: thousand barrels

mmscfd: million standard cubic feet of gas per day

PSC: Production Sharing Contract

TD: total depth

TVDKB: total vertical depth referenced to the drill floor

ssTVD: total vertical depth referenced to sea level

ENDS