

Lion appoints advisor to farmout East Seram for high impact exploration well

Key Highlights

- **Moyes & Co appointed to conduct a process to identify potential farm-in partners for 4457km² East Seram PSC (Lion 60% ownership & operator).**
- **Lion aims to farm down part of its interest in East Seram PSC in exchange for a high-impact exploration well.**
- **Farm-out process expected to conclude mid CY 2024.**
- **Lion previously worked with Moyes & Co to successfully farm out 40% of the East Seram PSC to OPIC of Taiwan.**
- **Seismic surveys have identified outstanding exploration targets in our East Seram PSC with the portfolio of opportunities having combined P50 prospective resources >1.5 billion boe including potential extensions to 2TCF Lofin Gas Field & 20 mmboe Bula Oil Field.**
- **High ranked fold belt structures (Kobi, Waru and Tanah Baru) targeted by the recent 2022 onshore seismic have combined P50 prospective resources of 828 mmboe with compelling similarities to productive fields in fold belt provinces in the Middle East & PNG.**
- **East Seram gas has potential for both local and LNG gas commercialisation and is well serviced by under-utilised oil infrastructure.**
- **Lion's Oil & Gas strategy to run parallel with the company's green hydrogen business.**

Lion Energy Limited ("Lion"; ASX:LIO) is pleased to announce the appointment of global energy advisor Moyes & Co to conduct a farm-out process for the East Seram PSC ("East Seram"; Lion 60%) on Seram Island, East Indonesia.

Moyes & Co are highly experienced oil and gas exploration farm-out advisors with offices in Dallas, Houston, Singapore and London and previously advised Lion on the successful farm-out of the East Seram PSC to OPIC, a wholly owned subsidiary of Taiwanese CPC Corporation (*see ASX announcement dated 26 September 2019*). OPIC currently hold 40% of the East Seram PSC and have funded 80% of the cost of seismic surveys over the project.



Tom Soulsby,
Lion's Executive
Chairman

“ We're very pleased to be working alongside the Moyes & Co team again after our previously successful partnership which resulted in the introduction of OPIC as JV partner in the East Seram PSC.

The interpretation of seismic surveys has generated some compelling prospects within a proven oil and gas corridor which we believe will attract widespread farm-out interest from major energy players seeking exposure to world class exploration opportunities.

With established infrastructure on Seram Island, strong local and regional gas markets, and good PSC fiscal terms, we are in a great jurisdiction to add value for our shareholders. ”

Lion is seeking to farm down part of its interest in East Seram in exchange for a funded exploration well to test highly ranked fold-thrust structures within a proven productive hydrocarbon province.

Lion's 2D seismic surveys, conducted in 2020 and 2022 in the East Seram PSC, totalling some 664km and 200 km respectively, have identified a world class portfolio of opportunities across a range of geological plays.

The most compelling exploration targets are the Kobi, Waru and Tanah Baru fold-belt structures which are analogous to the producing Oseil oil field and the 1.5 TCF Lofin gas field in the neighbouring Seram (Non-Bula) PSC (Lion 2.5% interest). These three high-ranked prospects have a combined P50 prospective resource¹ of 828 mmboe with upside (P10) potential for the Kobi prospect alone of over 1 billion boe (see ASX Announcement dated 11 October 2023). The East Seram PSC portfolio also hosts interpreted extensions to the 1.5 TCF Lofin Gas Field (Lion 2.5% interest) and the 20 mmboe Bula oil field.

¹Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery (geological chance of success or GCOS) and a chance of development (economic, regulatory, market and facility, corporate commitment, or political risks). The chance of commerciality is the product of these two risk components. There is no certainty that any portion of the prospective resources will be discovered and, if discovered, there is no certainty that it will be developed or, if it is developed, there is no certainty as to either the timing of such development or whether it will be commercially viable to produce any portion of the resources.

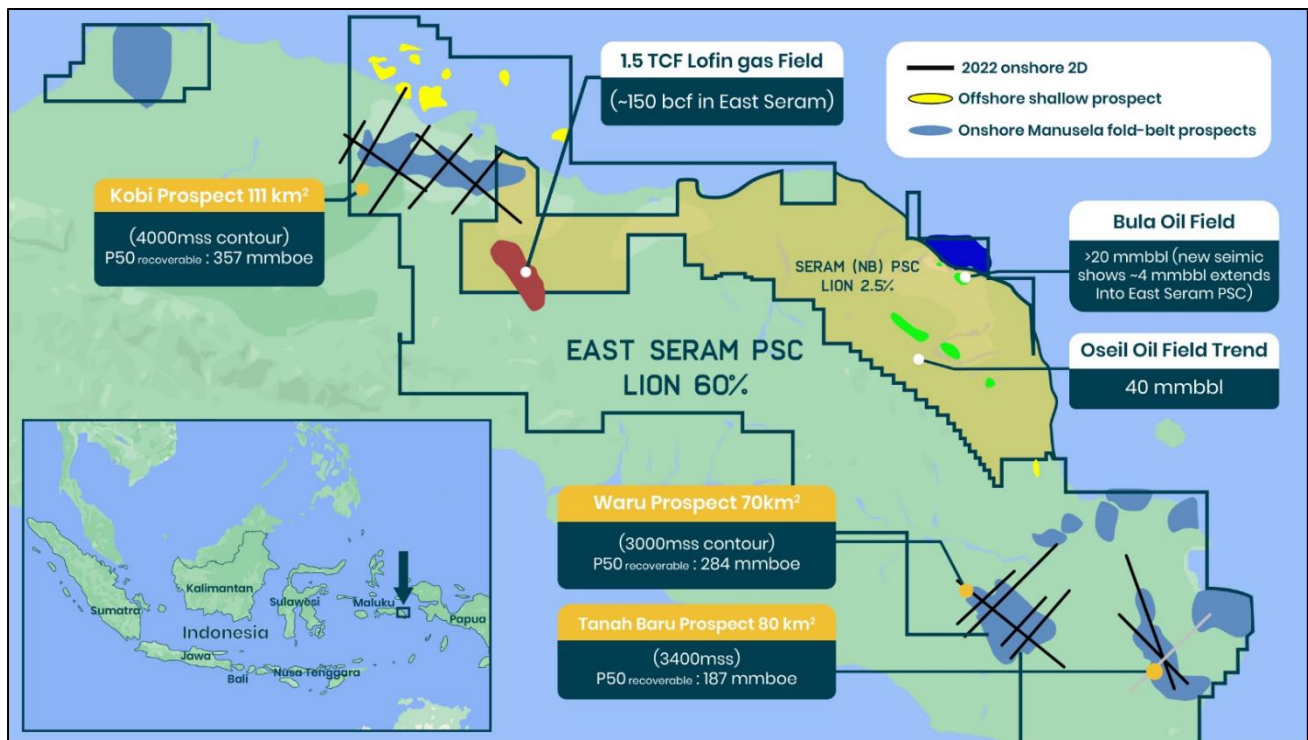


Figure 1 East Seram PSC showing onshore seismic survey with key fields & prospects

The East Seram PSC contains two main proven geological plays:

- The Early to Middle Jurassic Manusela limestone fold-belt play (which includes the Kobi, Waru and Tanah Baru prospects), is a proven yet under-explored play. Over 300 mmboe has been discovered to date in the Seram basin including the producing Oseil field and the Lofin gas field. Exploration statistics are impressive: only 9 explorations well have targeted this play to date resulting in 6 discoveries.
- A shallow Plio-Pleistocene oil play with sandstone and carbonate objectives in the Fufa Formation. The play includes the 20 mmbbl Bula oilfield. This play was targeted by Lion's 2020 marine seismic survey which delineated some highly attractive, expected oil-prone prospects and a combined P50 prospective resource¹ inventory of 209 mmboe (see ASX announcement dated 16 June 2021). Key prospects include the PP9 reef target just offshore from the Bula oil field, the large PP6 structure in the offshore Kobi area and the shallow, low cost onshore Solan prospect.

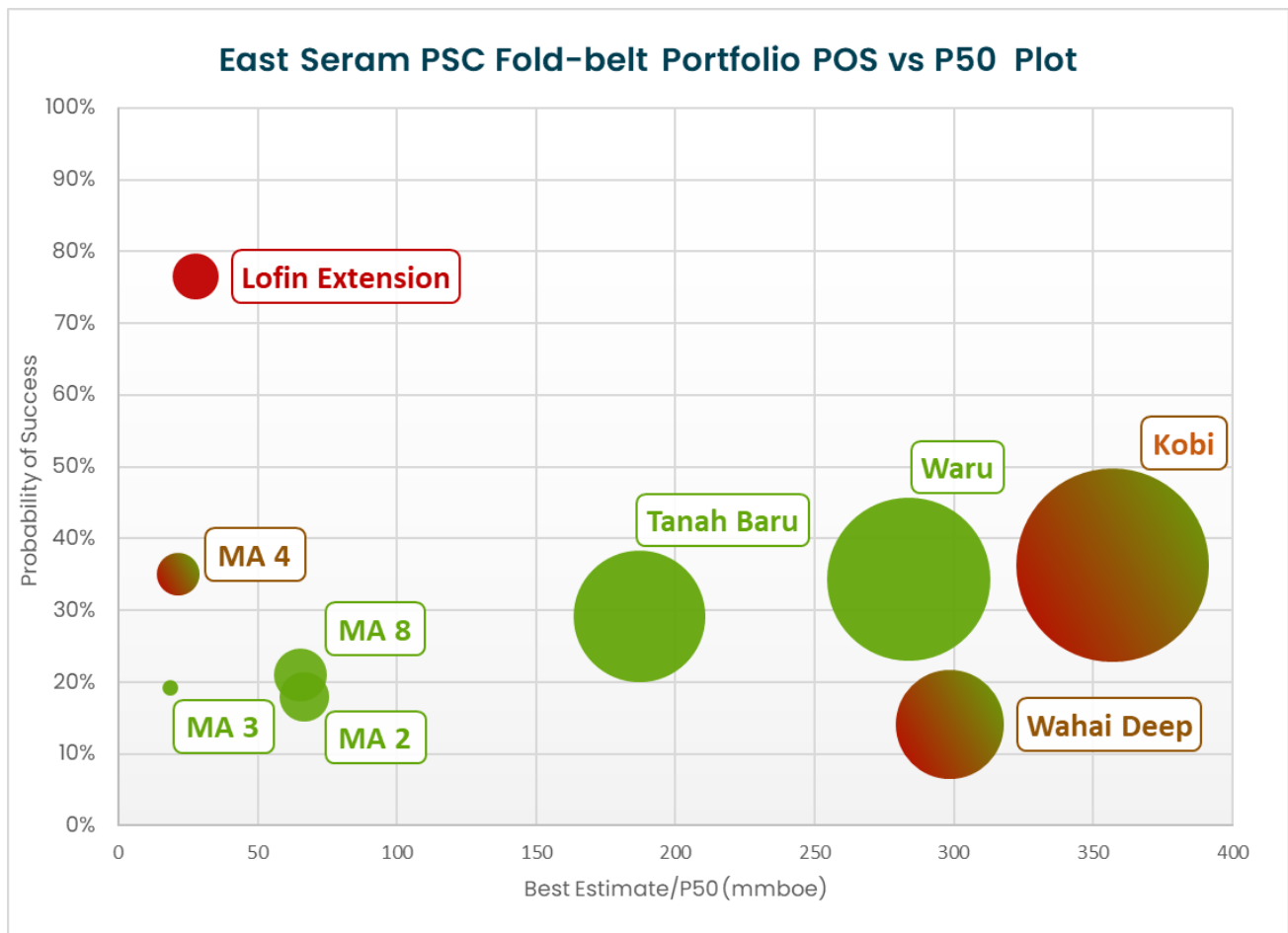


Figure 2 East Seram Fold-Belt Prospects and leads P50 Prospective Resource vs Probability of Success plot (Bubble size is comparative EMV)

The island of East Seram is well serviced by existing oil and gas processing and handling infrastructure and local industry supports gas commercialisation opportunities with LNG development potential for larger gas fields.

Lion aims to update shareholders on the progress of the farm-out process in 1H CY 2024 with the aim for securing a partner to advance a free-carried exploration well by H2 2024.

Glossary

bbbl: barrels	GIP: gas in place	PSC: Production Sharing Contract
Bcf: billion cubic feet	JV: joint venture	PSDM: Pre-stack depth migration
bpd: barrels per day	KB: Kelly bushing	psi: pounds per square inch
bcpd: barrels condensate per day	mmcfd: million cubic feet gas per day	ss: sub sea
bopd: barrels oil per day	mmbbl: million barrels	TCF: trillion cubic feet
bwpd: barrels water per day	mmboe: million barrels of oil equivalent	TVD: true vertical depth
CO₂: carbon dioxide	mss: metres subsea	Conversion factor: 6 mcf = 1 bbl oil equivalent (boe).

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

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