

Financial Report Half Year 2025



For the period 1 January to
30 June 2025



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**LION ENERGY LIMITED
CORPORATE DIRECTORY**

DIRECTORS: Thomas Soulsby (Executive Chairman)
Damien Servant (Executive Director)
Russell Brimage (Non-executive Director)
Christopher Newton (Non-executive Director)
Zane Lewis (Non-executive Director)

**COMPANY
SECRETARY:** Rowan Harland

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DIRECTORS' REPORT

The directors of Lion Energy Limited A.C.N. 000 753 640 ("Parent Entity" or "Company") present their report including the consolidated financial report of the Company and its controlled entities ("Consolidated Entity or Group") for the period ended 30 June 2025. The Company is a listed public company limited by shares, incorporated and domiciled in Australia.

DIRECTORS

The names of the directors of the Company who held office during or since the end of the period are:

Thomas Soulsby
Russell Brimage
Christopher Newton
Damien Servant
Zane Lewis

OPERATING RESULTS

The operating and comprehensive loss for the Consolidated Entity, after income tax for the 6 months to 30 June 2025 amounted to AUD \$1,358,485 (30 June 2024: loss of AUD \$1,004,326).

SIGNIFICANT CHANGES AND REVIEW OF OPERATIONS

- In East Seram, Lion advanced preparations for drilling the Bula Karang reefal carbonate prospect (P50 13 mmbbl), with spudding targeted for Q2 2026. Planning progressed for an onshore deviated well to test the offshore crest.
- Farm-in discussions continued through the half year, with a funding agreement expected in Q3 2025.
- At the Port of Brisbane Hydrogen Project, Lion hosted a Hydrogen Information Day in February 2025 with strong industry and government attendance.
- EPC contractor selection commenced with initial cost estimates received, and a risk-sharing contracting approach is being developed to optimise costs.
- Hydrogen offtake negotiations remain contingent on EPC finalisation.
- Subsequent to 30 June 2025, the Group signed a definitive Sale and Purchase Agreement to divest its 2.5% indirect interest in the Seram Non-Bula PSC in Indonesia for approximately US \$1.2 million.
- The Group had a cash balance of AUD \$2.17 million as at 30 June 2025.

EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to 30 June 2025, the Group announced that it had entered into a definitive Sale and Purchase agreement to dispose of its minority interest (2.5% to Lion Energy Limited) in Seram (Non-Bula) PSC to Vista Energy Pte Ltd for US \$1,212,125 subject to working capital and other customary adjustments. As at the date of this report, a deposit of US \$600,000 has been received. Completion of the transaction is expected to take place in 4Q 2025.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial periods.



DIRECTORS' REPORT

AUDITORS INDEPENDENCE DECLARATION

In accordance with the Corporations Act 2001 section 307C the auditors of the Company, Hall Chadwick, have provided a signed auditors independence declaration to the directors in relation to the six months ended 30 June 2025. This declaration has been attached to the independent review report to the members of the Company.

Signed in accordance with a resolution of the directors.

A handwritten signature in blue ink, appearing to read "T. Soulsby", written over a horizontal line.

Thomas Soulsby
Executive Chairman

12th September 2025
Perth, Western Australia

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DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Lion Energy Limited, I state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the Company set out on page 4 to 17 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 30 June 2025 and of its performance for the half-year ended on that date of the consolidated entity; and
 - (ii) complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*;
- (b) Subject to Note 2 of the financial report there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

A handwritten signature in blue ink, appearing to read "T. Soulsby", written over a horizontal line.

Thomas Soulsby
Executive Chairman

12th September 2025
Perth, Western Australia

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2025**

	Note	6 months to 30 June 2025 \$ AUD	6 months to 30 June 2024 \$ AUD
REVENUE		47,221	113,878
Other Income		8,436	1,281
Administration expenses	3	(424,167)	(504,734)
Employee benefit expenses		(660,058)	(395,012)
Finance expenses		(99,660)	(10,462)
Foreign exchange loss		(60,568)	(103,637)
Share based payments		(46,914)	(78,797)
LOSS BEFORE INCOME TAX FROM CONTINUING OPERATIONS		(1,235,710)	(977,483)
Income tax expense		-	-
LOSS AFTER INCOME TAX FROM CONTINUING OPERATIONS		(1,235,710)	(977,483)
LOSS AFTER TAX FROM DISCONTINUED OPERATIONS	4	(122,775)	(26,843)
LOSS FOR THE PERIOD		(1,358,485)	(1,004,326)
OTHER COMPREHENSIVE INCOME			
<i>Items that have been or may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(357,790)	(7,987)
TOTAL OTHER COMPREHENSIVE INCOME		(357,790)	(7,987)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(1,716,275)	(1,012,413)
BASIC AND DILUTED LOSS PER SHARE (CENTS PER SHARE) – FROM CONTINUING OPERATIONS		(0.273)	(0.228)
BASIC AND DILUTED LOSS PER SHARE (CENTS PER SHARE) – FROM DISCONTINUED OPERATIONS		(0.027)	(0.006)

The accompanying notes form part of this financial report



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

	Note	30 June 2025 \$ AUD	31 December 2024 \$ AUD
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,172,024	3,158,779
Trade and other receivables	6	1,076,003	1,731,399
Inventories		-	15,178
Assets classified as held for sale	4	342,415	-
TOTAL CURRENT ASSETS		3,590,442	4,905,356
NON-CURRENT ASSETS			
Plant and equipment	7	3,498,314	3,313,040
Receivables	6	91,603	294,772
Capitalised exploration and evaluation expenditure	8	3,839,537	4,038,150
Right of use asset		594,957	627,103
TOTAL NON-CURRENT ASSETS		8,024,411	8,273,065
TOTAL ASSETS		11,614,853	13,178,421
CURRENT LIABILITIES			
Trade and other payables	9	240,792	361,190
Lease liability	10	82,127	82,143
Convertible notes	11	1,508,739	1,409,078
Liabilities classified as held for sale	4	473,469	-
TOTAL CURRENT LIABILITIES		2,305,127	1,852,411
NON-CURRENT LIABILITIES			
Lease liability	10	547,247	558,934
Provision for restoration		-	335,236
TOTAL NON-CURRENT LIABILITIES		547,247	894,170
TOTAL LIABILITIES		2,852,374	2,746,581
NET ASSETS		8,762,479	10,431,840
EQUITY			
Issued capital	12	96,201,852	80,913,659
Reserves		4,534,423	6,109,459
Accumulated losses		(91,973,796)	(76,591,278)
TOTAL EQUITY		8,762,479	10,431,840

The accompanying notes form part of this financial report



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2025**

	6 months to 30 June 2025 \$ AUD	6 months to 30 June 2024 \$ AUD
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	476,964	584,973
Payments to suppliers & employees	(1,453,302)	(1,275,844)
Interest received	1,936	1,282
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(974,402)	(689,589)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(314,766)	(1,819,962)
Exploration and evaluation expenditure	(27,802)	(38,890)
Oil and gas properties expenditure	-	(36,174)
Receipts from joint operation partners	303,412	-
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(39,156)	(1,895,026)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings	(88,876)	-
Proceeds from convertible notes	-	1,616,523
NET CASH FROM FINANCING ACTIVITIES	(88,876)	1,616,523
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,102,434)	(968,092)
Net foreign exchange differences	115,679	(65,272)
Cash and cash equivalents at beginning of period	3,158,779	3,013,958
CASH AND CASH EQUIVALENTS AT END OF PERIOD	2,172,024	1,980,594

The accompanying notes form part of this financial report



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2025**

	Issued Capital \$ AUD	Currency Translation Reserve \$ AUD	Share Based Payment Reserve \$ AUD	Convertible note reserve \$ AUD	Accumulated Losses \$ AUD	Total Equity \$ AUD
At 31 December 2024	80,913,659	5,784,790	11,923	312,746	(76,591,278)	10,431,840
Effect of functional currency change	15,288,193	(1,364,983)	79,616	21,207	(14,024,033)	-
At 1 January 2025	96,201,852	4,419,807	91,539	333,953	(90,615,311)	10,431,840
Loss for the period	-	-	-	-	(1,358,485)	(1,358,485)
Other comprehensive income	-	(357,790)	-	-	-	(357,790)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	(357,790)	-	-	(1,358,485)	(1,716,275)
Vesting of share based payments	-	-	46,914	-	-	46,914
At 30 JUNE 2025	96,201,852	4,062,017	138,453	333,953	(91,973,796)	8,762,479

	Issued Capital \$ AUD	Currency Translation Reserve \$ AUD	Share Based Payment Reserve \$ AUD	Convertible note reserve \$ AUD	Accumulated Losses \$ AUD	Total Equity \$ AUD
At 1 JANUARY 2024	80,609,859	4,919,946	-	-	(75,221,317)	10,308,488
Loss for the period	-	-	-	-	(1,004,326)	(1,004,326)
Other comprehensive income	-	(7,987)	-	-	-	(7,987)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	(7,987)	-	-	(1,004,326)	(1,012,313)
Transactions with owners in their capacity as owners						
Securities issued	303,800	-	-	-	-	303,800
Issue of convertible notes		-	-	312,746	-	312,746
At 30 JUNE 2024	80,913,659	4,911,959	-	312,746	(76,225,643)	9,912,721

The accompanying notes form part of this financial report



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025

NOTE 1. BASIS OF PREPARATION OF THE PERIOD FINANCIAL REPORT

These general purpose interim financial statements for the interim 6-month reporting period ended 30 June 2025 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Lion Energy Limited ("Company") and its controlled entities ("Group" or "Consolidated Entity"). As such, it does not contain information that represents relatively insignificant changes occurring during the period within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024, together with any public announcements made during the period.

Statement of compliance

The interim financial report complies with the *Corporations Act 2001* and AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

Significant Accounting Policies

These consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 31 December 2024, except for the impact of all new or amended standards and interpretations. The adoption of the new or amended standards and interpretations did not result in any significant changes to the Group's accounting policies.

Change of functional and presentation currency

The Company advises that the functional currency of Lion Energy Limited has changed to Australian Dollars (AUD) from US Dollars (USD), effective 1 January 2025. Consistent with this change, the presentational currency of the Group has also changed to AUD. This change means that the financial information in the Group's interim Consolidated financial statements, has been presented in AUD.

With recent developments in relation to the Group's green hydrogen project and because capital raisings are typically denominated in AUD, management have determined that AUD is the most significant component of the Group's currency mix.

Comparative information for prior periods has been retranslated in AUD and is set out in these interim Consolidated financial statements as at, and for half-year ended 30 June 2025.

The change in functional currency was determined based on a change in circumstances and has been accounted for prospectively from the date of the change. The change in presentational currency of the Company and the Group is a voluntary change that has been accounted for retrospectively.

The comparative financial information included in these interim Consolidated financial statements, previously reported in USD, has been retranslated to AUD using the procedures outlined below:

1. Consolidated statement of profit or loss and other comprehensive income and Consolidated statement of cash flows have been retranslated into AUD using average foreign currency rates prevailing for the relevant period.
2. Assets and liabilities in the Consolidated statement of financial position have been retranslated into AUD at the closing foreign currency rates on the relevant balance sheet reporting dates.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025

3. The equity section of the Consolidated statement of financial position, including foreign currency translation reserve, retained earnings, share capital and the other reserves have been retranslated into AUD using historical rates at the various transaction dates the underlying balances were recorded. As of 1 January 2025, the Company changed its functional currency from USD to AUD, and consequently all equity balances have been retranslated at the 31 December 2024 closing rate.
4. Earnings per share have also been retranslated to AUD to reflect the change in reporting currency, using average foreign currency rates prevailing for the relevant period.
5. Cumulative effects from retranslation have been recognized in the currency translation reserve, alongside the effects from changing the functional currency of the Company and other subsidiary entities in the Group.

NOTE 2. GOING CONCERN BASIS

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity, realisation of assets and the settlement of liabilities in the normal course of business. The Consolidated Entity incurred a net loss before income tax of \$1,358,485 (30 June 2024: loss of \$1,044,326) and net operating cash outflow of \$974,402 (30 June 2024: \$689,589) for the 6 months to 30 June 2025. As described in Note 10, the Group has convertible notes totalling \$1,600,000 that mature on 31 December 2025.

These conditions indicate there is a material uncertainty that may cast a significant doubt in relation to the entity's ability to continue as a going concern. The directors have prepared a cash flow forecast for the 12-month period from the date of this report to determine if the Group will require additional funding during the period.

As described in Note 4, subsequent to 30 June 2025 the Group announced that it had entered into an agreement to dispose of its minority interest (2.5% to Lion Energy Limited) in Seram (Non-Bula) PSC to Vista Energy Pte Ltd for US \$1,212,125 subject to working capital and other customary adjustments. As at the date of this report, a deposit of US \$600,000 has been received. Completion of the transaction is expected to take place in 4Q 2025.

Based on the cash flow forecast, the Directors are satisfied that there are reasonable grounds to believe that the Group will be able to operate as a going concern based on the basis that the Group expects that the disposal of the Seram (Non-Bula) PSC to complete. Should it not be successful, the Group may be required to raise further capital via an equity raising.

Should the Company be unsuccessful in the above, there is a material uncertainty as to whether the consolidated entity will be able to continue as a going concern and therefore, whether it will be able to realise its assets and discharge its liabilities in the normal course of business.

The financial statements do not include any adjustments relating to the recoverability and classification of assets and liabilities that might be necessary should the Group not be able to continue as a going concern.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025

NOTE 3. REVENUE AND EXPENSES

The loss before income tax expense includes the following revenues and expenses where disclosure is relevant in explaining the performance of the Group:

	6 months to 30 June 2025 \$ AUD	6 months to 30 June 2024 \$ AUD
Administrative expenses		
Consultancy expenses	68,410	74,942
Legal expenses	3,318	25,884
Professional fees	122,063	175,328
Rental costs	3,000	2,487
Travel expenses	57,027	61,116
Other administrative expenses	170,349	164,977
	424,167	504,734

NOTE 4. DISCONTINUED OPERATIONS

30 June 2025

\$ AUD

Assets classified as held for sale

Share of joint venture cash and cash equivalents	519
Trade and other receivables	9,999
Inventory	144,215
Property, plant and equipment	1,041
Receivables (non-current)	186,641
Total Assets classified as held for sale	342,415

Liabilities classified as held for sale

Trade and other payables	154,306
Provision for restoration	319,163
Total Liabilities classified as held for sale	473,469

Seram (Non-Bula) PSC

Subsequent to 30 June 2025, the Group announced that it had entered into an agreement to dispose of its minority interest (2.5% to Lion Energy Limited) in Seram (Non-Bula) PSC to Vista Energy Pte Ltd for US \$1,212,125 subject to working capital and other customary adjustments. As at the date of this report, a deposit of US \$600,000 has been received. Completion of the transaction is expected to take place in 4Q 2025.

Management have determined that as at 30 June 2025, the assets and liabilities associated with the Seram (Non-Bula) PSC are held for sale.

	6 months to 30 June 2025 \$ AUD	6 months to 30 June 2024 \$ AUD
Loss for the year from discontinued operations		
Sales	-	300,823
Cost of sales	-	(267,894)
Gross Profit	-	32,929
Other expenses	(122,775)	(59,772)
Loss for discontinued operations	(122,775)	(26,843)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025

NOTE 5. CASH AND CASH EQUIVALENTS

	30 June 2025 \$ AUD	31 December 2024 \$ AUD
Cash at bank	2,128,048	3,090,740
Share of joint venture cash	43,976	68,039
	2,172,024	3,158,779

NOTE 6. TRADE AND OTHER RECEIVABLES

	30 June 2025 \$ AUD	31 December 2024 \$ AUD
Current		
Trade debtors	220,018	450,103
Deposits - Equipment	766,657	827,056
Receivables from joint venture partners	89,328	454,240
	1,076,003	1,731,399
Non-Current		
Performance bonds collateral	-	197,728
Deposit with SKK Migas	91,603	97,044
	91,603	294,772

Deposit with SKK Migas:

Under the East Seram PSC, Lion provided a USD \$100,000 deposit to SKK Migas for administrative and technical purposes.

As a result of the farmout of East Seram PSC dated 25 September 2019, Lion received USD \$40,000 from the Farm-in partner for its share of the deposit.

NOTE 7. PROPERTY, PLANT & EQUIPMENT

	30 June 2025 \$ AUD	31 December 2024 \$ AUD
Assets under construction	3,498,314	3,311,725
Plant and equipment	-	1,315
	3,498,314	3,313,040

Assets under construction:

Assets under construction represents the directly attributable costs of constructing the Group's Hydrogen Generation and Refuelling Hub at the Port of Brisbane during the construction phase for the asset. Depreciation on the asset will begin when the asset is available for use.



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2025**

NOTE 8. CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

	30 June 2025 \$ AUD	31 December 2024 \$ AUD
Capitalised exploration and evaluation expenditure	3,859,357	4,038,150
TOTAL	<u>3,859,357</u>	<u>4,038,150</u>

MOVEMENTS IN THE CARRYING AMOUNT OF CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE	6 months to 30 June 2025	12 months to 31 December 2024
At the beginning of the financial period	4,038,150	3,543,934
Expenditure during the period	27,802	117,482
Impact of foreign exchange	(226,415)	376,734
AT THE END OF THE FINANCIAL PERIOD	<u>3,839,537</u>	<u>4,038,150</u>

Capitalised exploration and evaluation expenditure above includes all exploration and evaluation costs relating to the East Seram PSC (and the prior joint studies), which continues to be carried forward at its full cost. This East Seram PSC has an initial term of six years and has been extended to 16 July 2028 as announced on 1 July 2025.

NOTE 9. TRADE AND OTHER PAYABLES

	30 June 2025 \$ AUD	31 December 2024 \$ AUD
Trade and other payables	240,792	361,190
	<u>240,792</u>	<u>361,190</u>



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025

NOTE 10. LEASES

	30 June 2025 \$ AUD	31 December 2024 \$ AUD
Lease liability (current)	82,127	82,143
Lease liability (non-current)	547,247	558,934
	629,374	641,077

The Company is party to a lease agreement for office space at the Port of Brisbane to further the Lion H2 Energy Joint Development (Green Hydrogen Project), which presently the group owns 50%:

- Commencement date 1 September 2024
- Expiry date: 1 September 2034
- Fixed Rent Increase on anniversary: 5.00%
- Monthly rent: \$13,466

Incremental borrowing rate: 9.02%

NOTE 11. CONVERTIBLE NOTES

	30 June 2025 \$ AUD	31 December 2024 \$ AUD
Convertible Notes	1,508,739	1,409,078
	1,508,739	1,409,078

MOVEMENTS IN THE CARRYING AMOUNT OF CONVERTIBLE NOTES

	Number	\$
At the beginning of the financial period	1,600,000	1,409,078
Finance expense accretion	-	99,661
AT THE END OF THE FINANCIAL PERIOD	1,600,000	1,508,739

During the 2024 year, the Company issued 1,600,000 convertible notes with a face value of AUD \$1,600,000 to investors (announced 28 May 2024). Each note was issued with the following terms:

- Face value of AUD \$1 per note
- Maturity date: 31 December 2025
- Security: Unsecured
- Conversion: At the option of the holders, subject to applicable laws including the ASX listing rules
- Conversion price of AUD \$0.027 per share
- Interest: Nil



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2025**

NOTE 12. ISSUED CAPITAL

	30 June 2025 \$ AUD	31 December 2024 \$ AUD
ORDINARY SHARES		
452,176,733 (31 December 2024: 452,176,733) fully paid ordinary shares	96,201,852	80,913,659
	<u>96,201,852</u>	<u>80,913,659</u>
	Number of shares	\$ AUD
MOVEMENTS IN ORDINARY SHARES		
At the beginning of the period	452,176,733	80,913,659
Effect of functional currency change	-	15,288,193
	<u>452,176,733</u>	<u>96,201,852</u>
AT THE END OF THE FINANCIAL PERIOD		

NOTE 13. SEGMENT INFORMATION

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Board of Directors review its green hydrogen (Australia) and oil & gas (Indonesia) segments separately.

Unless stated otherwise, all amounts reported to the Board, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Unallocated items are included in Other - which includes corporate assets, liabilities, revenue (including interest) and costs.



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2025**

Segment Financial Performance

		6-month period to 30 June 2025				
		Oil & Gas \$ AUD	Green Hydrogen \$ AUD	Total Reportable Segments \$ AUD	Other \$ AUD	Total \$ AUD
REVENUE						
External revenue		47,221	-	47,221	8,436	55,657
Inter-segment revenue		-	-	-	-	-
		47,221	-	47,221	8,436	55,657
RESULT		(191,502)	(60,750)	(252,252)	-	(252,252)
Unallocated corporate costs		-	-	-	(983,458)	(983,458)
LOSS BEFORE INCOME TAX		(191,502)	(60,750)	(252,252)	(983,458)	(1,235,710)
		6-month period to 30 June 2024				
		Oil & Gas \$ AUD	Green Hydrogen \$ AUD	Total Reportable Segments \$ AUD	Other \$ AUD	Total \$ AUD
REVENUE						
External revenue		113,878	-	113,878	1,281	115,159
Inter-segment revenue		-	-	-	-	-
		113,878	-	113,878	1,281	115,159
RESULT		(200,322)	(129,749)	(330,071)	-	(330,071)
Unallocated corporate costs		-	-	-	(647,412)	(647,412)
LOSS BEFORE INCOME TAX FROM CONTINUING OPERATIONS		(200,322)	(129,749)	(330,071)	(647,412)	(977,483)

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2025**

	As at 30 June 2025				
	Oil & Gas \$ AUD	Green Hydrogen \$ AUD	Total Reportable Segments \$ AUD	Other \$ AUD	Total \$ AUD
Segment Assets and Liabilities					
SEGMENT ASSETS	3,931,284	6,068,998	10,000,282	1,614,571	11,614,853
SEGMENT LIABILITIES	(29,011)	(709,065)	(738,076)	(2,114,298)	(2,852,374)
	As at 31 December 2024				
SEGMENT ASSETS	4,867,557	6,291,283	11,158,840	2,019,581	13,178,421
SEGMENT LIABILITIES	(613,323)	(664,885)	(1,278,208)	(1,468,373)	(2,746,581)

NOTE 14. EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to 30 June 2025, the Group announced that it had entered into a definitive Sale and Purchase agreement to dispose of its minority interest (2.5% to Lion Energy Limited) in Seram (Non-Bula) PSC to Vista Energy Pte Ltd for US \$1,212,125 subject to working capital and other customary adjustments. As at the date of this report, a deposit of US \$600,000 has been received. Completion of the transaction is expected to take place in 4Q 2025.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial periods.

NOTE 15. FINANCIAL INSTRUMENTS

Due to their short-term nature, the carrying amounts of the Group's financial assets and liabilities as at 30 June 2025 were considered to approximate their fair value.



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2025**

NOTE 16. JOINT ARRANGEMENTS

The Group has interests in the following joint operations. The consolidated financial statements reflect the Group's share of all jointly held assets, liabilities, revenues and expenses of these joint operations.

Name of the Joint Arrangement	Principal Place of Business	Principal Activity	Proportion of Ownership Interests Held by the Group	
			30 June 2025	31 December 2024
Seram (Non-Bula) Joint Operation ¹	Indonesia	Production, exploration and development	2.5%	2.5%
East Seram Joint Operation	Indonesia	Exploration and development	60%	60%
Lion H2 Energy Joint Development (Green Hydrogen project) ²	Australia	Hydrogen development	50%	50%

¹ As described in Note 4, subsequent to period end the Group has entered into a Sale and Purchase Agreement to divest its 2.5% interest.

NOTE 17. RELATED PARTY TRANSACTIONS

There has been no changes to the nature of related party transactions since the last annual reporting period.

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF LION ENERGY LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Lion Energy Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 30 June 2025, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Lion Energy Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$1,358,485 during the half year ended 30 June 2025. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK WA AUDIT PTY LTD



MARK DELAURENTIS CA
Director

Dated 12th day of September 2025
Perth, Western Australia

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Lion Energy Limited and the entities it controlled for the half year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated 12th day of September 2025
Perth, Western Australia

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