

Quarterly Report

1 April to 30 June 2025



Lion updates EPC/marketing activity at Port of Brisbane project & gets closer to securing funding for an East Seram PSC well

Lion Energy Limited ("Lion" or "the Company") reports the following activity for 2Q 2025:

Highlights

- **Port of Brisbane Green Hydrogen Project**
 - Received initial EPC (Engineering, Procurement & Construction) cost estimates and continues to develop a strategy to optimise project costs.
 - Hydrogen offtake discussions remain contingent on short-listing an EPC contractor and finalising development-cost assumptions.
- **Drilling Preparations**
 - Advanced plans for Q2 2026 drilling of the Bula Karang (formerly PP9) reefal carbonate prospect, holding technical and regulatory meetings with partners, contractors and government agencies.
- **PSC Farm-In**
 - Continued engagement on a further East Seram PSC farm-in to secure funding for drilling Bula Karang.
- **Seram (Non-Bula) PSC Production (Lion 2.5%)**
 - Gross production of 70,883 bbls of crude oil (Lion share: 1,772 bbls) during the quarter.
 - Average daily production of 779 bopd (Lion share: 19 bopd).
 - Crude oil available for lifting as at 30 June 2025: 142,299 bbls.

Mr Tom Soulsby, Lion's Chairman, commented: "Progress in our hydrogen business was moderated this quarter as we refine our joint development strategy; however, our oil and gas operations delivered clear advances. In the East Seram PSC, we continued to progress the high-graded Bula Karang prospect, which we view as a significant play opener. We expect to announce our drilling plans and funding arrangements for East Seram shortly. Across the hydrogen joint venture, our focus remains squarely on optimizing development costs through rigorous EPC cost and risk management."

Lion at a glance

- ASX listed oil and gas E&P company with a new green hydrogen business and two conventional PSCs in Seram Island, Indonesia.
- Expected to build Southeast Queensland's first commercial scale green hydrogen production and distribution hub
- Net production of around 19bopd from the Seram PSC which also contains the Lofin gas/condensate discovery.

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Hydrogen update

Lion Energy turned up the momentum on hydrogen marketing for the Port of Brisbane (PoB) Green Hydrogen Project, our flagship blueprint for a network of hydrogen supply hubs across eastern Australia.

In Q1, Lion hosted a vibrant Hydrogen Information Day at PoB alongside our partners—and we are already following up on promising offtake leads. We have locked in commercial terms for our first offtake agreement, with cost certainty on project development as a key milestone toward signing the contract.

Meanwhile, Lion and its JDA partners kicked off the EPC contractor selection process to build the facility. The joint venture is crafting a risk-sharing contracting strategy designed to optimize development costs and performance. This approach aims to ensure we meet the exacting needs of our hydrogen vehicle refuelling and bulk-offtake customers—while driving down costs and accelerating project delivery.

Table 1: Lion’s provisional green hydrogen roadmap vs response (as at end June, 2025)

Stated objective	Response
Stage 1	
Publish broad green hydrogen strategy	Completed
Register business name	Completed
Stage 2	
Establish team of hydrogen experts	Completed
Appoint experts to systematically analyse optimal electrolyser locations in Australia	Completed
Review the best value and fit for purpose solar, wind and electrolyser technologies	Completed
The review of opportunities in which Lion may be able to combine its expertise and resources with a suitable market and partner to progress a green hydrogen development using identified electrolyser locations and appropriate technologies	Joint venture secured
Expand the scope of the Advisory Board to review opportunities in H2 distribution and hydrogen fuel cells for heavy equipment and vehicles	Lion has developed inhouse and consulting expertise in this area. Hydrogen Advisory Board disbanded
Stage 3	
Appoint consultants to undertake a feasibility study to ascertain the economic viability of a short listed opportunity and the anticipated cost	Wasco FEED announced
Secure any required land rights conditional upon Lion proceeding with an opportunity	Completed and announced
Investigate investing in a pilot or demonstration plant including H2 distribution and hydrogen fuel cell heavy equipment and vehicles	Completed and announced
Stage 4	
Subject to a positive feasibility study, progress the opportunity by participating in the development of a smaller or larger solar/wind farm and relevant energy storage facilities to produce green hydrogen at low cost for domestic or export markets	Exploring opportunities at first site
Form a joint venture with a suitably experienced and funded partner	Secured and announced

Oil and Gas Operations update

East Seram PSC

Lion holds a 60% interest and is Operator of the 1,300 km² East Seram PSC. A four-year extension to the PSC has been approved effective 17 July 2024 to 16 July 2028.

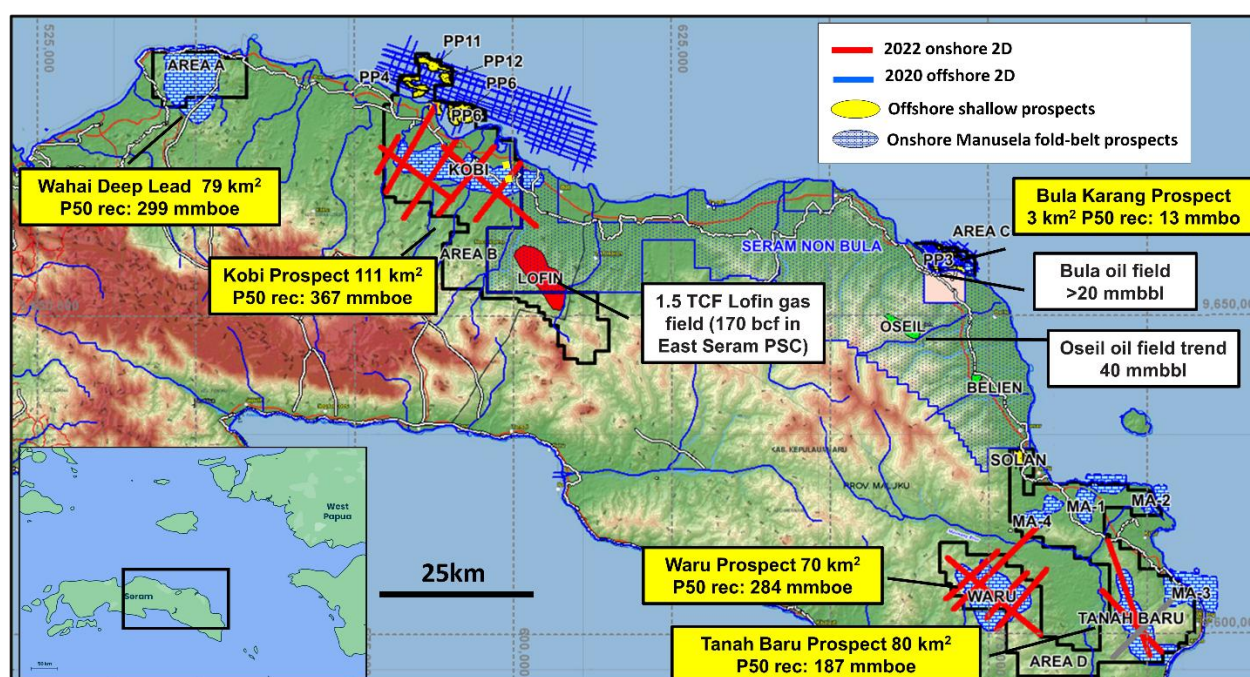


Figure 1: East Seram PSC with key prospects highlighted

Since acquiring the PSC in 2018, Lion has conducted an active exploration program. A 664 km offshore 2D survey targeting the Plio-Pleistocene foreland basin play in 2020 delineated an attractive shallow oil portfolio. Of significance, a well-defined reefal carbonate build-up, the Bula Karang Prospect (previously named PP9), emerged from this seismic data. Work continues on planning for a Q2 2026 test of this highly attractive prospect which has a P50 (unrisked) prospective resource¹ of 13 mmmbbl with significant follow up in event of success. The current plan consists of drilling a deviated well from an onshore location targeting the offshore crest of the Bula Karang structure. This will allow rapid commercialization in the event of success leveraging existing oil infrastructure on Seram Island.

Carbonate reef potential also exists with the nearby PP3 and PP10 prospects and combined P50 Prospective Resource¹ of approximately 40 mmmbbl recoverable (unrisked) is calculated for the play.

Lion is in advanced discussions to reach a funding arrangement for the Bula Karang well and expect to execute a binding agreement in Q3 2025.

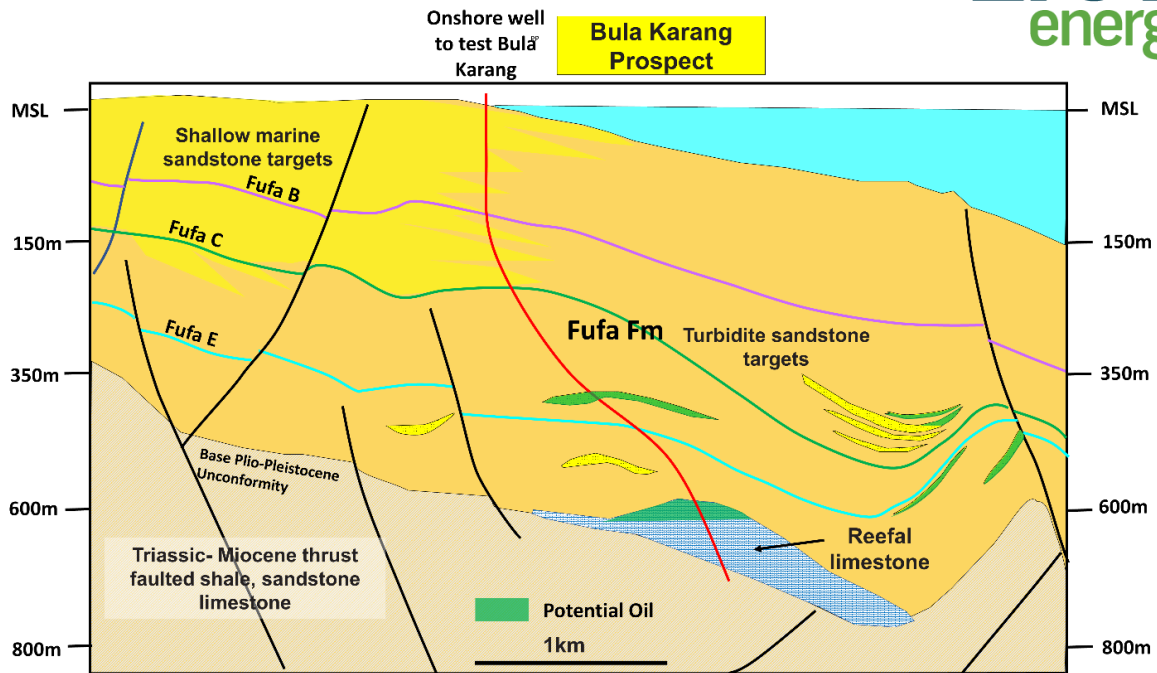


Figure 2: Section showing well plan to drill attractive Bula Karang Reef Prospect with onshore well deviated to test the offshore target

Seram (Non-Bula) PSC

Lion, via its wholly owned subsidiary Lion International Investment Ltd, holds a 2.5% participating interest in the Seram (Non-Bula) PSC (“SNB PSC”), located onshore Seram Island in eastern Indonesia.

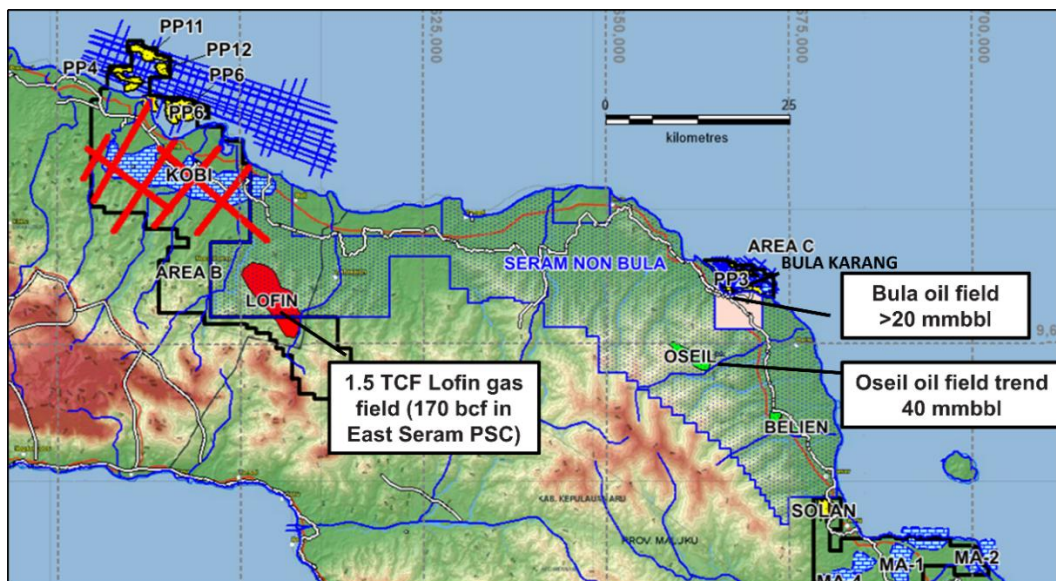


Figure 3: Map showing the location of the Seram (Non-Bula) PSC

Lion's regulatory required divestment of 0.25% interest in Seram (Non-Bula) PSC has still not been finalised with negotiations still in progress. At completion, Lion's participating interest in the Seram (Non-Bula) PSC will reduce to 2.25% from 2.5% currently. Lion is currently reviewing its interest in the Seram (Non-Bula) PSC as part of its project portfolio assessment.

Production

During the quarter, gross crude oil production from Oseil and surrounding oilfields was 70,883 bbls (Lion's gross share 1,772 bbls). Daily field production averaged 779 bopd (Lion's gross interest being 19 bopd). Following Lion's receipt of lifting proceeds of US\$167,548 in Jan 2025, this being Lion's 70% entitlement from the December 2024 crude oil lifting, the Company received the 30% balance of proceeds being US\$58,127 during the Quarter, which is retained for 3 months under government legislation. Two well services were completed during the Quarter on Oseil 2ST2 and Oseil T1.

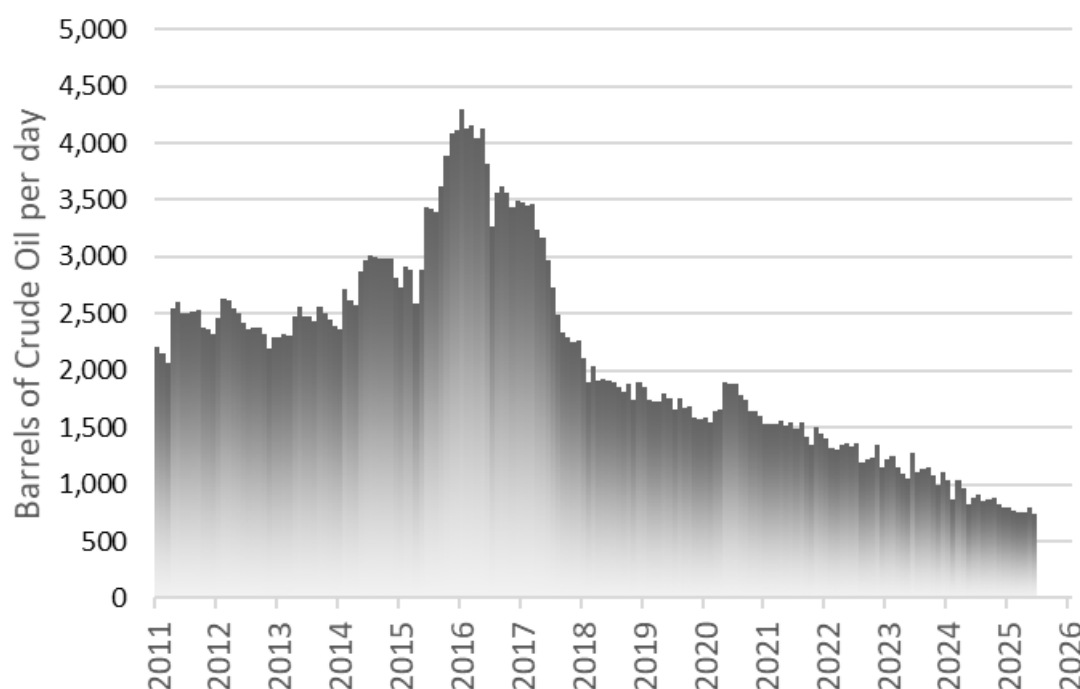


Chart 1 Seram (NB) Block – daily production per calendar month (bopd)

Related Party Payments

During the quarter, the Company made payments of A\$376,000 to related parties and their associates. These payments relate to the existing remuneration agreements for the Executive and Non-Executive Directors.

Summary of petroleum tenements held as of 30 June 2025

	% interest	Tenement	Location
Held at end of quarter	60%	East Seram PSC	Seram Island, Indonesia
	2.5%	Seram Non-Bula PSC	Seram Island, Indonesia

ENDS

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

Qualified petroleum reserves and resources evaluator requirements

In accordance with ASX Listing Rule 5.43 the Company confirms that references to petroleum reserves, contingent resources and prospective resources have previously been announced (7/9/2018, 10/9/2018, 04/03/2019, 13/04/2021 and 16/06/2021). The Company confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all the material assumptions and technical parameters underpinning the estimates in this announcement continue to apply and have not materially changed.

Glossary

bbl: barrels	JV: joint venture	PSC: Production Sharing Contract
bcf: billion cubic feet	KB: Kelly bushing	psi: pounds per square inch
bopd: barrels oil per day	mmscfd: million standard cubic feet of gas / day	tcf: trillion cubic feet
BOP: blow out preventer	mmbbl: million barrels	Sq.km: square kilometres
ESP: Electric submersible pump	mmboe: million barrels oil equivalent	ss TVD: sub-sea true vertical depth
FTP: first tranche petroleum	mss: metres subsea	TD: total depth

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.