

Quarterly Report

1 July to 30 September 2025



Lion updates Port of Brisbane project, progress on exciting East Seram PSC drilling and strategic sale of oil and gas interest

Lion Energy Limited (“Lion” or “the Company”) reports the following activity for Q3 2025:

Highlights

- **Port of Brisbane (PoB) Green Hydrogen Project**
 - Application to be made for grant funding from ARENA to assist with taking project forward
 - Lion has resolved to limit spending on the project until ARENA funding is secured
- **East Seram PSC**
 - Good progress on East Seram PSC farm-in to secure funding for drilling Bula Karang-1 with commercial terms now finalised.
 - Key drilling personnel hired
 - Successful scouting trip to East Seram for Bula Karang-1 planning.
- **Seram (Non-Bula) PSC**
 - Strategic sale of 2.5% interest for US\$1.2 mm announced on 4th September 2025.
 - Removes Lion exposure/liability to a significant exploration and development commitment program with oil production declining.
 - Lion retains exposure to the 1.5 TCF Lofin Gas Field through interpreted extension into Lion’s operated East Seram PSC.

Mr Tom Soulsby, Lion’s Chairman, commented: “Progress in our hydrogen business was moderated this quarter as we seek to obtain government grants necessary to advance project development. During the quarter significant progress was made with planning for drilling the exciting Bula Karang prospect in the East Seram PSC and we expect to announce the funding arrangements shortly. We were also pleased to report the strategic sale of our 2.5% interest in the Seram (Non-Bula) PSC for circa US\$1.2m. “

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.
- Working to build Southeast Queensland’s first commercial scale green hydrogen production and distribution hub
- Operator of East Seram PSC containing attractive shallow oil and world-class oil and gas fold-belt prospects.

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Hydrogen update

Lion continues to progress the development of the Port of Brisbane (PoB) Green Hydrogen Project, the Company's flagship initiative and blueprint for a network of scalable hydrogen supply hubs across eastern Australia. The PoB Hydrogen Hub is designed as a credible, demand-led first-mover project, focused on supplying hydrogen to heavy transport fleets, bus operators, logistics providers and industrial users. The project has achieved several key milestones including development permitting, a long-term site lease within the Port of Brisbane, and procurement of critical equipment, providing a strong foundation for delivery. Lion's Joint Development Partners, Samsung C&T Corporation and DGA Energy Solutions Australia Pty Ltd, continue to support project advancement and commercial readiness.

The current cost environment, driven by construction inflation, regulatory compliance, and technology adaptation requirements, – makes public co-funding now essential for competitive project delivery. Accordingly, Lion and partners are preparing an application to the Australian Renewable Energy Agency (ARENA) under its Advancing Renewables Program (ARP).

The Board has resolved that ARENA support is a prerequisite for Final Investment Decision (FID), and the Company will limit spending significant further capital until funding is secured. Lion Energy remains disciplined in execution and focused on small, replicable, customer-oriented hydrogen hubs that can be scaled across the eastern seaboard, positioning the PoB facility as the cornerstone of Queensland's emerging hydrogen economy.

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

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

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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.

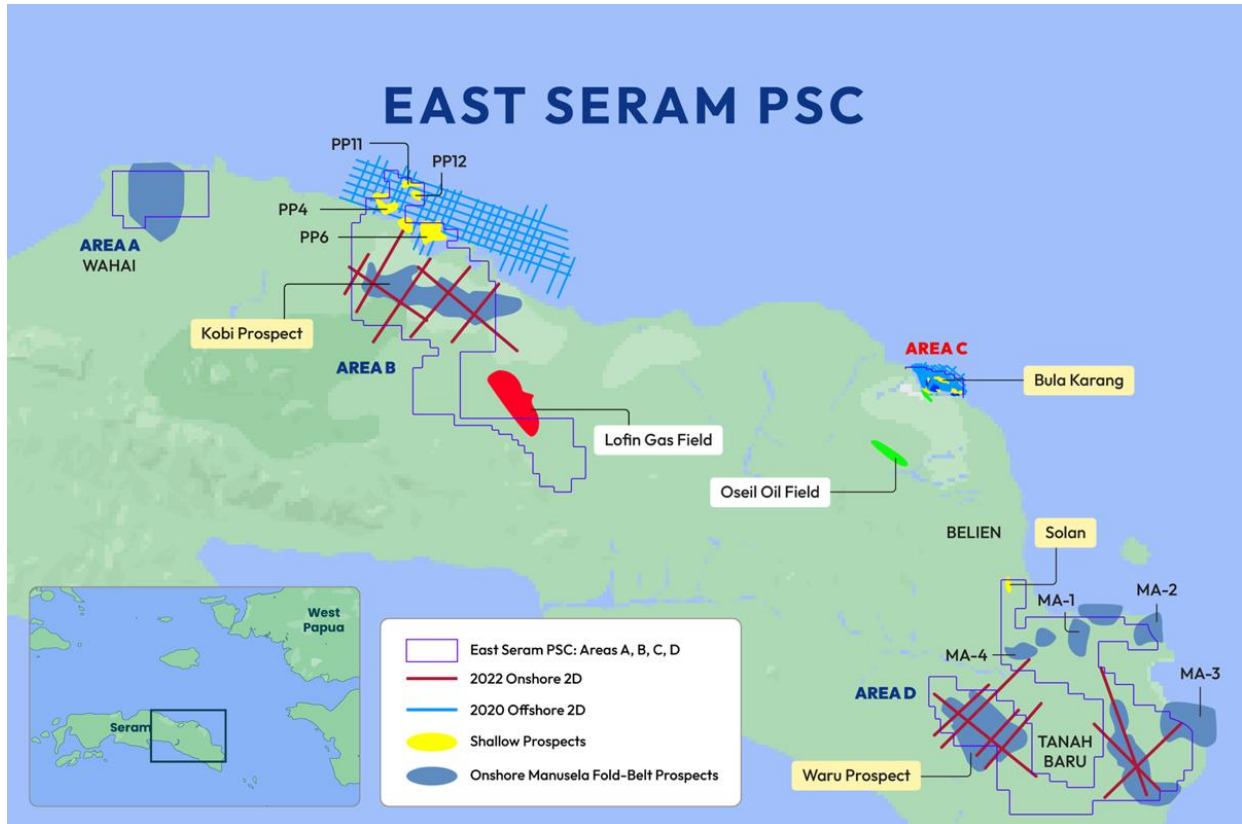


Figure 1: East Seram PSC with key prospects highlighted

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 with the carbonate reef primary target having a P50 (unrisked) prospective resource¹ of 12 mmbbl with significant follow-up potential in the event of success. The planned well will test additional secondary potential with overlying sandstone reservoirs in fault and stratigraphic closures. Carbonate reef potential also exists with the nearby PP3 and PP10 prospects and combined P50 Prospective Resource¹ of approximately 30 mmbbl recoverable (unrisked) calculated for the Bula Bay carbonate play.

The Bula Karang- well plan consists of drilling a deviated well from an onshore location targeting the offshore crest of the Bula Karang structure (Figure 2). This will allow rapid commercialisation in the event of success leveraging existing oil infrastructure on Seram Island.

BULA KARANG PROSPECT

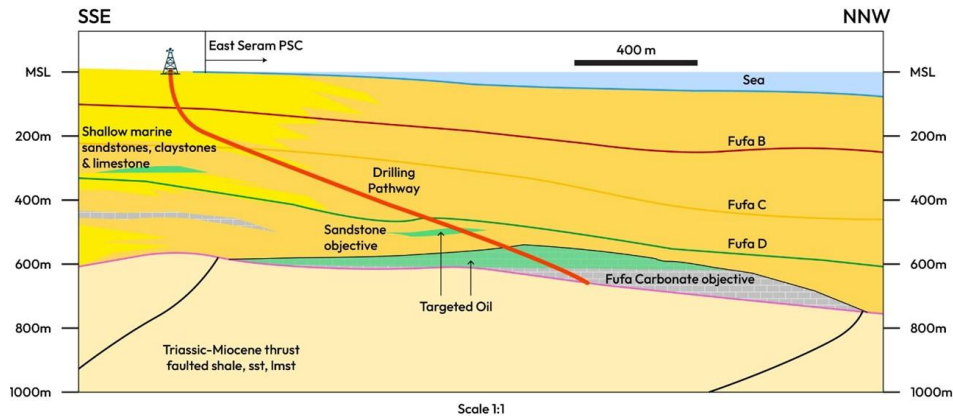


Figure 2: Section showing well plan to drill the attractive Bula Karang Reef Prospect with the well spudding onshore and deviated to test the offshore target

Well planning activities ramped up during the Quarter including hiring of key drilling personnel. A field trip undertaken in August 2025 helped finalise the surface location and allowed logistical issues relative to well operations to be reviewed. Successful meetings were also held with other oil and gas operating companies in East Seram to explore potential areas of cooperation on well operations. A number of meetings were held with the Indonesian regulator, SKK Migas, during the Quarter who are supportive of the drilling plan.

Lion is in advanced discussions to reach a funding arrangement for the Bula Karang well and expect to execute a binding agreement in Q4 2025.

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, located onshore Seram Island in eastern Indonesia.

During the period, Lion signed a definitive Sale and Purchase Agreement (“SPA”) to divest its 2.5% indirect interest in the Seram Non-Bula PSC for approximately US\$1.2 million. The transaction, which is subject only to Indonesian government consent, included an upfront deposit of US\$600,000 which has been received. The transaction is expected to complete in 4Q 2025. The Company announced the divestment to the market via an ASX announcement on 4 September 2025.

The sale removes Lion’s exposure to significant expenditure obligations related to commitment exploration and development work programs at a time when existing oil production from the Oseil field is declining. Lion retains significant upside exposure to the 1.5 TCF Lofin Gas Field as the Lofin structure is interpreted to extend into the Company’s operated East Seram PSC. Key exploration plays also extend into the East Seram PSC with the funding from the sale earmarked to allow drilling of the highly attractive Bula Kerang-1 exploration well in this PSC.

Since acquiring the equity in the Bula Field and the Seram (Non-Bula) PSC in 1999 from Santos International Holdings Pty Ltd, the company has generated revenue of approximately A\$86 million from oil sales.

Related Party Payments

During the quarter, the Company made payments of A\$206,000 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 September 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

*Divestment announced pending Government approval, expected 4Q 2025

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.