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25 July 2008

Company Announcements  
ASX Limited

### **PAPUA PETROLEUM LIMITED**

On 5 June 2008, Lion Energy Limited ("LIO") announced that Lion International Investments Limited ("LII"), a wholly owned subsidiary of LIO, had entered into a share purchase agreement to acquire 20,775,000 fully paid ordinary shares ("Shares") in Papua Petroleum Limited ("PPU"). This represents 19.49% of PPU's issued capital. The transaction was settled on 9 June 2008. LIO also announced that LII also has the potential to acquire a 10% or 50% interest in the PPU's licences in certain circumstances involving a capital raising by PPU.

The potential to acquire an interest in the PPU licences arose pursuant to a Share Subscription Agreement dated 20 March 2007 ("SSA") between PPL and Gas Link Global Limited ("GLG"), as amended by letter of variation dated 26 May 2008 from GLG to PPU. Pursuant to a Deed of Assignment and Assumption dated 5 June 2008 between PPU, GLG and LII, GLG assigned its remaining rights, interests and obligations under the SSA to LII.

PPU has now advised LII that it has complied with certain of the capital raising conditions of the SSA. As a consequence, LII no longer has the potential to acquire a 10% or 50% interest in PPU's licences.

Jack Toby  
Company Secretary

#### ***ENQUIRIES:***

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