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Company Announcements
ASX Limited

TULLOCH LODGE CLAIM

On 6 July 2011, Lion Energy Ltd announced that it had been served with a proceeding commenced by Tulloch Lodge Limited (In Liquidation) (“Tulloch”) demanding payment of an amount of \$1,082,388.35 plus interest alleged to be due under a loan agreement entered into in January 2003.

The company has taken legal advice and filed its defence against the claim.

However, the inherent risks in a protracted litigation carried a potential of significant cost to the Company for the claim plus interest plus costs in the event of an adverse outcome. Consequently, the directors of Lion Energy Limited have agreed with Tulloch to settle this action by payment to Tulloch of \$737,500. These funds will be paid forthwith.

Jack Toby
Company Secretary