



LION ONE ANNOUNCES US\$40 MILLION DEBT FINANCING FOR CONSTRUCTION OF THE TUVATU GOLD PROJECT IN FIJI

North Vancouver, B.C., June 4, 2018. Lion One Metals Limited (TSX-V: LIO) (ASX: LLO) (OTCQX: LOMLF) (FSX: LY1) is pleased to announce it has entered into an indicative term sheet with Sinosteel Equipment & Engineering Co., Ltd. ("**Sinosteel**") of China and Baiyin International Investment Ltd. ("**Baiyin**"). The term sheet incorporates an EPC and gold doré off-take financing facility totalling US\$40 million (the "**Facility**") for mine development and construction of the processing plant for the Company's 100% owned and fully permitted Tuvatu Gold Project, located near the Nadi International Airport in the Republic of Fiji.

Lion One intends to engage Sinosteel as the project EPC Contractor and Baiyin as the doré off-taker, and be provided with a US\$40 million Facility. Closing of the Facility is subject to satisfactory due diligence, board approvals, and final documentation, with closing expected to close in the third quarter of 2018.

Highlights of the Facility include the following key terms:

- Term of 5 years at annual interest rate of 7.5%
- Principal holiday and capitalized interest for the earlier of 2 years from first draw, or 3 months after achieving commercial production, followed by 12 equal quarterly repayments
- Net Smelter Return (NSR) royalty of 2.25% on the first 350,000 ounces of gold produced

Lion One will have the option, subject to mutual agreement, of increasing the principal of the Facility by an additional \$10 million with the same interest rate, repayment schedule, security, and pro-rata royalty as the Facility. Lion One will also have the right to obtain a new facility of up to \$10 million freely, provided it is not secured against the security under the Facility.

Walter H. Berukoff, Chairman and CEO of Lion One commented "We are pleased to cooperate with Baiyin and Sinosteel for the long-term financing, which will provide low-cost capital and maximum flexibility in the development of Fiji's next high grade gold project at Tuvatu."

About Baiyin

Baiyin International Investment Ltd., is a subsidiary of the Baiyin Nonferrous Group Co. Ltd. ("BNMC"), a Shanghai Stock Exchange listed company based in Gansu Province, China. Established in 1954, BNMC is a large scale mining and smelting group that has operations and investments in nonferrous and precious metals assets worldwide.

About Sinosteel

Founded in 1972 and incorporated into the Sinosteel Group in 1999, Sinosteel Equipment & Engineering Co., Ltd. is a Beijing-based industrial engineering and investment company focused on mine



development, mineral processing, trading and logistics of metallurgical raw materials and products, and related technical services and equipment manufacture for the global mining and steel industries.

Qualified Person

Ian Chang, M.A.Sc., P. Eng., Lion One's Chief Development Officer, is the Qualified Person ("QP") responsible for Tuvatu Mine development and has prepared, reviewed, and approved the technical content of this news release.

About Lion One

Lion One Metals Limited is a mineral exploration and development company based in North Vancouver, BC, focused on advancing to production at its 100% owned and fully permitted high grade underground Tuvatu Gold Project located on the island of Viti Levu in the Republic of Fiji.

Lion One's CEO Walter Berukoff is leading an experienced team of mine builders, and has owned or operated over 20 mines in 7 countries. As the founder and former CEO of Miramar Mines, Northern Orion, and La Mancha Resources, Walter is credited with building over \$3 billion of value for shareholders.

About Tuvatu

Tuvatu is a fully permitted high grade underground gold project located in the South Pacific island Republic of Fiji, 17 km NE of the Nadi International Airport on Fiji's main island of Viti Levu. Tuvatu is a low sulphidation epithermal gold deposit hosted in the eroded remnants of the Navilawa caldera, one of Fiji's largest mineralized volcanic intrusive complexes.

The independent Tuvatu NI 43-101 PEA technical report by Mr. Ian Taylor, BSc (Hons) MAusIMM (QP) dated June 1, 2015 envisages a low cost underground gold mining operation producing 352,931 ounces of gold over 7 years at head grades of 11.30 g/t Au, and cash costs of US\$567 per ounce with all-in sustaining cost of US\$779 per ounce. The Company has not based a production decision on a feasibility study of mineral reserves demonstrating economic and technical viability and as a result there is increased uncertainty and economic and technical risks associated. The preliminary economic assessment is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized. Tuvatu has been fully permitted by the Government of Fiji for operations start-up and is advancing as a near-term production opportunity with district-scale exploration upside modelled after regional giants in the low sulphidation family of high grade epithermal gold deposits such as Porgera and Lihir in Papua New Guinea, and Vatukoula in Fiji, which boast production of over 35 million ounces of gold in similar alkaline volcanic settings in the southwest Pacific Ring of Fire.

Additional information including NI 43-101 Technical Reports for the Tuvatu Gold Project is available on the Company website at www.liononemetals.com and the SEDAR website at www.sedar.com.



On behalf of Lion One Metals Limited

"Walter H. Berukoff"

Chief Executive Officer

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