



LION ONE ANNOUNCES ISSUANCE OF TENDER FOR TUVATU MINING CONTRACT AND RECEIPT OF COMPETING BIDS FOR EPC CONTRACT

North Vancouver, B.C., June 26, 2017. Lion One Metals Limited (TSX-V: LIO) (ASX: LLO) (OTCQX: LOMLF) (FSE: LY1) **(the “Company”)** is pleased to announce important news on the continued progress of the development of its 100% owned and fully permitted Tuvatu Gold Project in Fiji. The Company has issued a tender for underground mining services and has received competing bids for the EPC contract and fabrication of the Tuvatu processing plant and construction of the supporting infrastructure.

The Company expects to award the Underground Mining Contract following agreement of final terms and conditions. The Mining Contract will be for an initial period of 18 months to perform the following activities:

- Enlarge the exploration portal and construct a new production portal
- Slash the existing exploration decline
- Complete the majority of the decline and level development including ventilation raises
- Stope production in available levels

The Company also announces that in addition to the ongoing detailed engineering design by Yantai Jinpeng Engineering (see news release dated May 9, 2017), it has received three competing bids for final engineering, procurement, and construction (EPC) services for the Tuvatu processing plant and supporting infrastructure. The bids are for the construction of a new 210,000 tonne per annum carbon-in-leach (CIL) gold ore processing facility to be fabricated in China to western standards and Fijian Building Code. In addition to the processing plant, the EPC contract is expected to include the following supporting infrastructure:

- The dry stack tailings storage
- Primary diesel power generation system
- Assay lab
- Water supply and water treatment infrastructure
- Truck shop, warehouse, dry, and other operations infrastructure
- Central administration complex

It is envisaged that the EPC contract will be signed as soon as agreement is achieved on final terms and conditions to allow work to proceed quickly. The Company is currently completing the final bulk earthworks design as it intends to start excavation on the mill site to be followed by commencement of mining.

“These developments have run concurrently with our efforts to conclude funding arrangements for the project and will enable full-scale mining, stockpiling, and underground development to begin in tandem with critical path components of the EPC contract”, said Lion One CEO Walter Berukoff. “We look forward to providing further guidance with respect to scheduling in due course”.

Exploration and infill drilling continues with two drills on site. Assay results are pending in the next few weeks.



About Tuvatu

The Tuvatu Gold Project is located 17 km from the Nadi International Airport on the main island of Viti Levu in Fiji. Discovered in 1987, Tuvatu is a high grade, low sulphidation, epithermal gold deposit hosted inside a South Pacific style volcanic caldera. The deposit occurs along the Viti Levu lineament, Fiji's own corridor of high grade gold deposits. Tuvatu is situated upon a 5 hectare footprint inside a larger 384 hectare mining lease. The project contains numerous high grade prospects proximal to Tuvatu, at depth, and up to 1.50 km along strike from the resource area, giving near-term production potential and further discovery upside inside of one of Fiji's underexplored volcanic goldfields.

Tuvatu was advanced by previous owners through underground exploration and development from 1997 through to the completion of a feasibility study in 2000. Acquired by Lion One in 2011, the project has over 100,000 meters of drilling completed to date in addition to 1,600 meters of underground development.

In January 2016 the Hon. Prime Minister of Fiji, Mr. V. Bainimarama, formally presented the previously granted Tuvatu Mining Lease to Lion One. This concluded the permitting process for the development of an underground gold mine and processing plant at Tuvatu, demonstrating strong government support for Fiji's 85 year-old gold mining industry.

As per its independent June 1, 2015 NI 43-101 PEA Technical Report on the Tuvatu Gold Project, the Company envisages a low cost underground gold mining operation producing 352,931 ounces of gold at head grades of 11.30 g/t Au over an initial 7 year mine life. This includes production of 262,000 ounces at 15.30 g/t through to the end of year three. Estimated cash cost is US\$567 per ounce with all-in sustaining cost of US\$779 per ounce. Total capex of US\$48.6 million includes a contingency of US\$6.1 million with an 18 month preproduction schedule and 18 month payback on capital. At a US\$1,200 gold price, the project generates net cash flow of US\$112.66 million and an IRR of 52% (after tax). The Company is not basing its production decision on a feasibility study of mineral reserves demonstrating economic and technical viability; as a result there is increased uncertainty and economic and technical risks associated with its production decision.

Ian Chang, M.A.Sc., P.Eng., Chief Development Officer, is the Qualified Person ("QP") responsible for Tuvatu Mine development. Stephen Mann, Managing Director, member of The Australasian Institute of Mining and Metallurgy, is the Qualified Person ("QP") responsible for the Tuvatu Mine exploration program.

For more information on Lion One including technical reports please visit the Company's website at www.liononemetals.com or the SEDAR website at www.sedar.com.

On behalf of Lion One Metals Limited
"Walter H. Berukoff"
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