



LION ONE ANNOUNCES DRILLING AND DEVELOPMENT UPDATE FOR THE TUVATU GOLD PROJECT IN FIJI

North Vancouver, B.C., May 9, 2017. Lion One Metals Limited (TSX-V: LIO) (ASX: LLO) (OTCQX: LOMLF) (FSX: LY1) (the “Company”) is pleased to announce the following drilling and development update for its 100% owned and fully permitted high grade underground Tuvatu Gold Project located near Nadi on the island of Viti Levu in the Republic of Fiji.

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.

Drilling and Development

Mine engineering and underground development is progressing alongside final detailed engineering for the Tuvatu processing plant and site infrastructure. The 2016-2017 drilling program continues with one diamond drill rig operating at surface, and one underground. Drilling has successfully intersected high grade zones of mineralization proximal to, and outside the current resource. Consequently the Company has appointed an independent third party engineering firm to model the incoming results. The Company believes the drilling currently underway has the potential to materially increase the tonnage and grade of the mineralized zones targeted for extraction in the initial years of the Tuvatu mine plan.



Drilling Results

The Company commenced drilling at Tuvatu in October 2016 with one surface rig, followed by the addition of an underground rig in March 2017. A total of 6,493 meters of diamond drilling has been completed to date consisting of 5,744m from 28 surface drill holes, and 739m from 7 underground drill holes. An additional 520m of drilling has been completed for geotechnical purposes in the areas of the proposed processing plant, and to confirm stability of the monzonite host rock underground. High grade highlights include the following drilling results (see Table 1 below for a summary of 2016-2017 results):

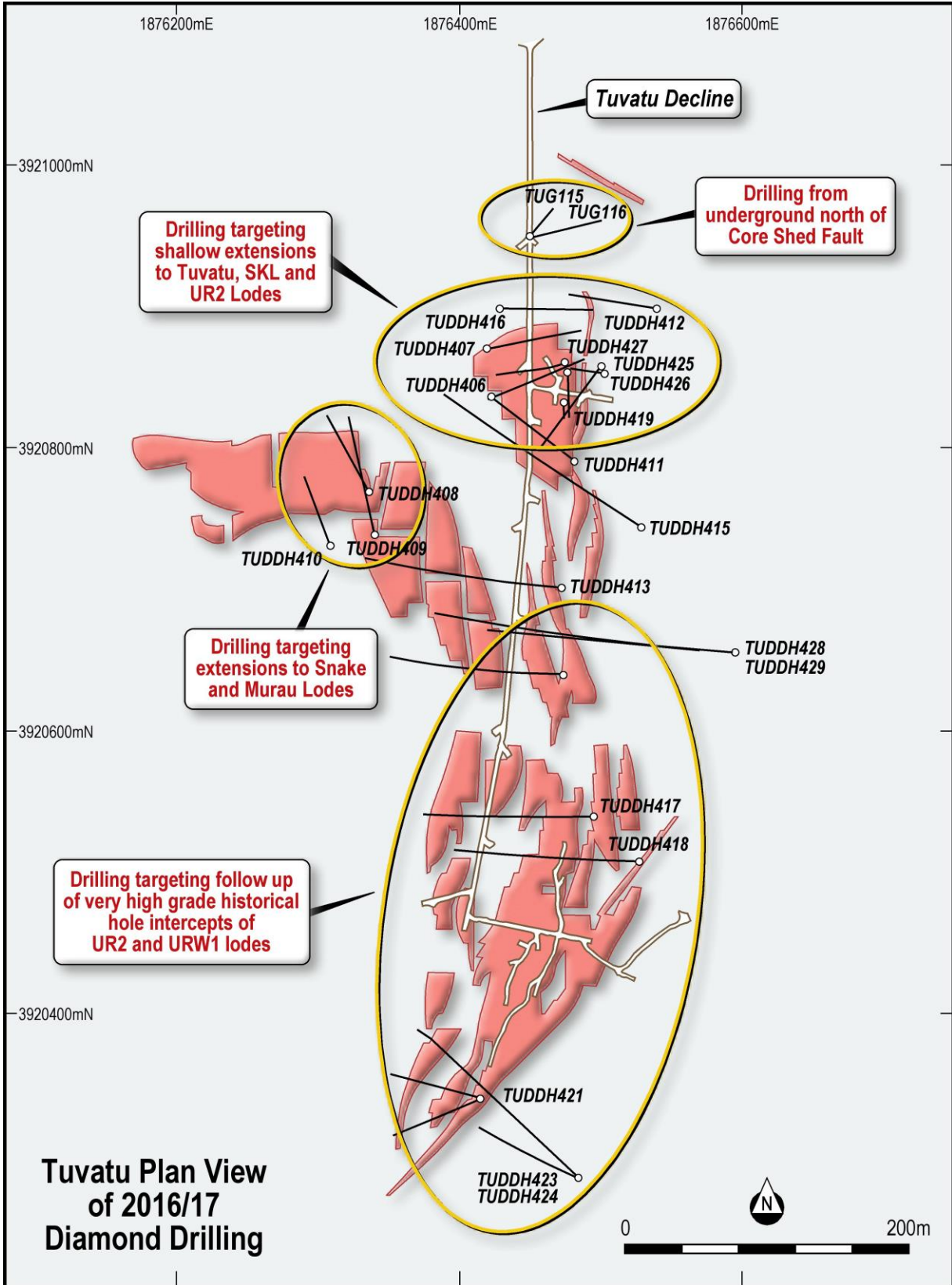
- TUDDH 406 (**8.41m @ 71.41 g/t Au** from 96.10m, inc. **4.56m @ 126.67 g/t Au**);
- TUDDH 407 (**4.05m @ 12.32 g/t Au** from 53.57m);
- TUDDH 409 (**3.92m @ 12.54 g/t Au** from 80.78m),
- TUDDH 410 (**2.42m @ 24.07 g/t Au** from 86.94m),
- TUDDH 419 (**9.07m @ 14.89 g/t Au** from 32.83m, inc. **5.57m @ 21.04 g/t Au** from 36.33m).

Current drilling is following up on several very high grade intercepts and potential extensions of zones identified in previous campaigns:

- 1) TUDDH 160 (**4.22m @ 252.64 g/t Au** from 332m; **4.12m @ 19.61g/t Au** from 403.20m)
- 2) TUDDH 207 (**8.85m @ 14.09g/t Au** from 418.90m; **1.45m @ 19.78g/t Au** from 418.90m)
- 3) Drilling targeting the northern, shallow extensions on the Tuvatu, SKL 3-8, and UR2 lodes. Minimal diamond drilling has been undertaken on these lodes in the northern part of the deposit and as such, there remains a high probability of extending mineralized lodes into these areas. This area includes three reverse circulation drill holes which had previously not been followed up including TURC 142 (**5m @ 22.5g/t Au**), TURC 156, (**2m @ 11g/t Au**) and TURC 171, (**6m @ 6.3 g/t Au**)
- 4) Follow up of extensions of the east-west oriented Snake and Murau lodes to the west of the exploration decline.

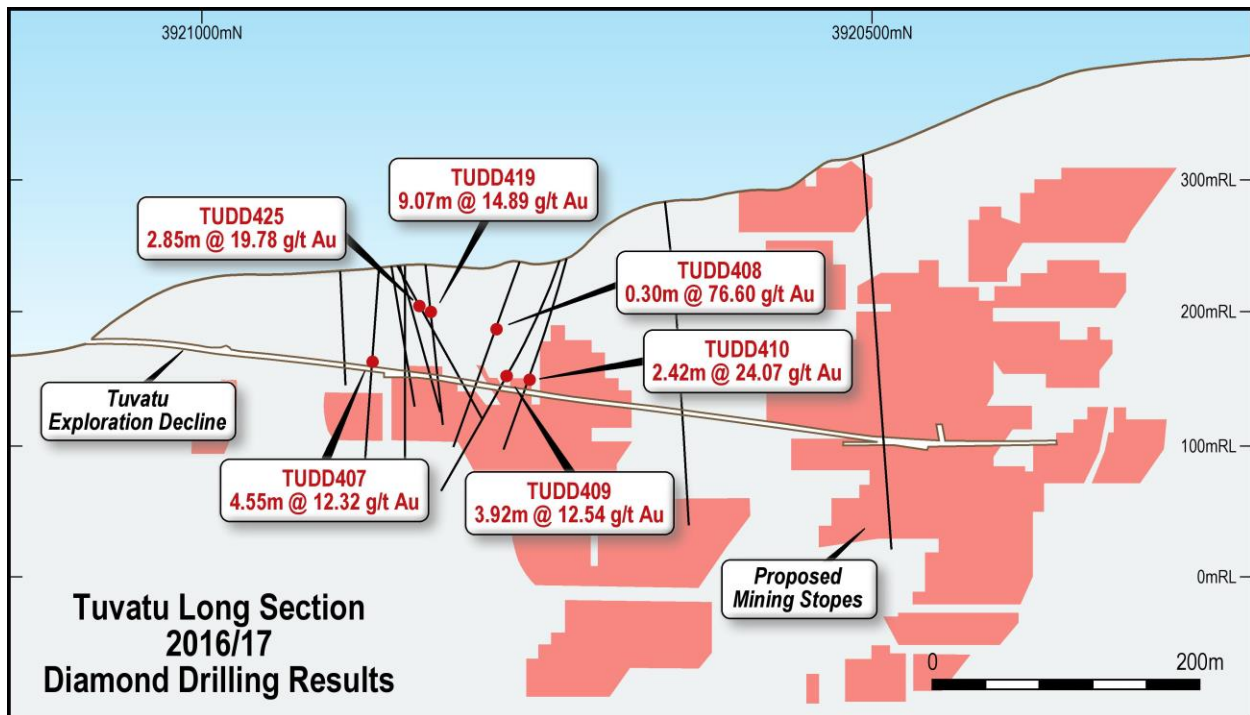
Plan and section views of the reported drilling areas are shown in Figs. 1 and 2.

Figure 1: Plan View of Tuvatu Gold Deposit



**Tuvatu Plan View
of 2016/17
Diamond Drilling**

Figure 2: Section View of Tuvatu Gold Deposit



The underground diamond drill rig has targeted the area north of the Core Shed Fault, where very little previous drilling has been undertaken. Surface mapping and sampling has highlighted continuation of those mineralized lodes to the north, in addition to a number of other zones of mineralization previously untested. The main known lodes being tested include the UR2, Tuvatu and H lodes.

The current drilling program has identified a number of very high grade intercepts from outside the proposed ore stopes planned in the 2015 Preliminary Economic Assessment. In particular, the intercepts in TUDDH 408, 419 and 425 fall well outside existing stopes, whilst TUDDH407, 409, 410 and others, returned intersection on the margins of existing planned stopes. Other diamond drill holes have confirmed the existing mineralization in many of the other proposed stopes.

The most significant results received from all drilling to date have previously been reported (see news releases dated November 28, 2016, December 21, 2016, February 14 2017, and in the Management Discussion and Analysis for Period Ending March 31st 2017. Below is a summary of select results from the drilling undertaken in the 2016-2017 drill programs (Table 1):

Table 1: Select Tuvatu Drilling Results, May 2017

Drill Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Zone
TUDDH 406	48.42	51.30	2.88	5.30	GRF/ SKL 2
	70.93	71.23	0.30	23.30	SKL 4
	72.30	73.55	1.25	10.16	SKL 4
	96.10	104.51	8.41	71.41	UR 2
<i>including</i>	96.10	100.66	4.56	126.67	UR 2
<i>and</i>	102.71	104.51	1.80	12.58	UR 2
	116.55	117.27	0.72	36.20	SKL 8?
TUDDH 407	53.57	61.60	8.03	4.68	SKL 3/4
<i>including</i>	55.76	61.60	5.84	6.26	SKL 3/4
	71.43	75.48	4.05	12.32	SKL 6
TUDDH 408	41.60	41.90	0.30	76.60	SKL 4/ Snake
	63.49	63.80	0.31	6.69	Nasivi
	88.04	91.07	3.03	3.35	Murau 2
TUDDH 409	78.93	85.70	6.77	7.83	Murau 1
<i>including</i>	80.78	84.70	3.92	12.54	Murau 1
	91.40	94.80	3.40	4.59	Murau 1 split
TUDDH410	86.94	89.36	2.42	24.07	Murau 1 HW
	124.20	125.70	1.50	9.16	Murau 1 FW2
TUDDH 412	48.46	49.85	1.39	8.46	Tuvatu 2
TUDDH 418	201.30	202.60	1.30	13.02	Murau 3
	171.20	171.49	0.29	16.60	URW 3
TUDDH 419	32.83	41.90	9.07	14.89	UR 2
<i>including</i>	36.33	41.90	5.57	21.04	UR 2
	71.36	72.80	1.44	19.65	SKL 3
	83.66	85.78	2.12	14.28	SKL 5
	103.18	103.64	0.46	14.00	SKL 7
TUDDH 420	75.19	76.50	1.31	11.57	SKL 3
TUDDH 421	115.23	117.15	1.92	16.89	UR 4
TUDDH 425	46.35	49.20	2.85	19.78	UR 2
TUDDH 427	64.67	65.11	0.44	48.00	SKL 4
TUDDH 428	191.96	195.64	3.68	5.86	UR 2



Quality Control (QAQC)

Drill core for this drilling program is marked, logged, and cut with a diamond saw onsite, placed in sealed bags and sent to the Company's Nadi office. Following inspection by the regulators in Fiji and receipt of an export license, samples are then shipped to Brisbane, Queensland for customs clearance, and then couriered to Townsville, also in Queensland, for sample preparation and gold analysis by fire assay and multi-element ICP analysis. A Quality Control/Quality Assurance program, including the insertion of standards, blanks and duplicates is ongoing.

Development Update

The Company continues to work alongside its EPC partner Ansteel to complete the design and financing of the Tuvatu Gold Project (see "Ansteel MOU" news release dated August 24, 2016). Under mutual agreement with Ansteel, The Company has contracted Yantai Jinpeng Mining Machinery Co Ltd, based in Shandong Province, PRC, to complete the final detailed engineering design plans for the Tuvatu processing plant, tailings dam, and surface infrastructure. The detailed design plans include the laboratory, office complex, dry area, workshop for light vehicles and heavy underground machinery, warehouse, conference facilities and mine site offices. The detailed engineering design is nearing completion with site plans scheduled for delivery to Lion One in June 2017.

The Company has also contracted Canenco, a Vancouver based process engineering company, to manage equipment specifications, engineering plans, and design documentation for the processing plant to be constructed in the PRC to North American standards. The procurement of mining equipment and processing plant components is progressing with all equipment and long term lead items having been identified and priced.

The Company has now dewatered the existing Tuvatu exploration decline past the 375m mark from the portal down the decline. The decline was completed in the year 2000 by Emperor Gold Mines, comprising 1,430 meters of underground development including drives, cross cuts and raises. In conjunction with the dewatering, ventilation fans and lighting have been installed and are running 24 hours per day. Minor slippage inside the Core Shed Fault area 140m inside the decline has now been cleared and reinforced to ensure permanent and safe access past that area to areas further down the decline for future drilling programs. The rehabilitation of this area has been approved by Mine Inspectors from Fiji's Mineral Resource Department.

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 .

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