



LION ONE METALS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED MARCH 31, 2024

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INTRODUCTION

The Management Discussion & Analysis ("MD&A") has been prepared by management and reviewed and approved by the Board of Directors on May 14, 2024. Set out below is a review of the activities, results of operations and financial condition of Lion One Metals Limited ("LIO", "Lion One", or the "Company") and its subsidiaries for the period ended March 31, 2024. The following discussion of performance, financial condition and future prospects should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the period ended March 31, 2024 and the audited annual consolidated financial statements for the year ended June 30, 2023. Those financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. This discussion covers the three-month period ended March 31, 2024 and the subsequent period up to May 14, 2024, the date of preparation of this MD&A. Monetary amounts in the following discussion are in Canadian dollars unless otherwise noted. The Company is listed on the TSX Venture Exchange ("TSX-V") under the symbol LIO, on the Australian Securities Exchange ("ASX") under the symbol LLO, and on the OTCQX market under the symbol LOMLF.

Mr. Alex Nichol, B. Sc., who is an officer of the Company and a Member of the Australian Institute of Geoscientists is the Qualified Person under the meaning of Canadian National Instrument 43-101, and responsible for the exploration and geology technical content of this Management's Discussion and Analysis.

Mr. Patrick Hickey, P. Eng., MBA, who is an officer of the Company and a Qualified Person under the meaning of Canadian National Instrument 43-101, is responsible for the development and engineering content of this Management's Discussion and Analysis.

OBJECTIVES

Lion One is focused on advancing premium quality gold assets in Fiji that have: high grades, scope, district scale, and depth potential, with access to infrastructure in a mining-friendly jurisdiction. The Company's 100% owned Tuvatu Gold Project ("Tuvatu") has received all the mandatory regulatory approvals, including a 10-year renewable mining lease Special Mining Lease (SML 62) and a 21-year surface lease, for the complete development of mining and processing operations. In August 2022, SML 62 was extended for an additional 10-year renewable term to February 28, 2035. The 384.5 hectare Tuvatu mining lease is located near its epicenter and hosts the high grade, permitted for production, Tuvatu gold resource. In May 2019, SPL 1512 was issued for the Navilawa tenement and Lion One became the first company in modern times to consolidate and carry out systematic exploration over the entire 7km diameter Navilawa Caldera. The Project area consists of four contiguous exploration licenses covering approximately 13,613 hectares.

Mineralization of the Tuvatu deposit is associated with the emplacement of an alkalic volcanic intrusive complex, with Navilawa Caldera being one of several volcanic calderas to host large mineralized alkaline gold systems, aligned along the Viti Levu Lineament, referred to as Fiji's gold corridor. The geologic setting of Tuvatu shares affinities with the Vatukoula deposit in the neighboring Tavua Caldera, where over seven million ounces of gold have been recovered since mining commenced at Vatukoula in 1933. The Fijian Islands are located along the Pacific Island Arc, which hosts several other well-known major mineralized alkaline gold systems. This variety of gold system is not prolific in number globally but are among the largest producers of gold in the world, with notable examples in the Pacific Island Arc including the Porgera (>25 million ounces gold) and Lihir (>40 million ounces gold) gold mines in Papua New Guinea, and Vatukoula in Fiji (>11 million ounces gold), only 40km from Tuvatu. A North American example is the Cripple Creek gold mine, which is the largest gold mine in the Colorado mineral belt. These deposits, like other alkaline hosted gold deposits, are associated with deep crustal magmas, characteristic alteration mineral assemblages, and are valued for their high grades and deep vertical profiles, resulting in large gold endowments.

In 2019, the Company commenced a deep diamond drilling program targeting feeder structures at depth below the known Tuvatu mineralization and discovered the Deep Feeder 500 Zone ("500 Zone"), which supports the alkaline gold model and the concept that Tuvatu has high-grade gold mineralization extending and evolving to great depths. The deep drilling program reached depths of over 1,000m below the surface and was designed to gain a better understanding of the underlying plumbing system which served as a conduit for the gold-rich fluids from the base of the crust in that area. The Company also owns and operates a fleet of seven diamond drilling rigs capable of operating year-round through the rainy season, and a fully operational, quick-response metallurgical and geochemical laboratory at its Fiji head office close to the mine site.

The Company's objective is to achieve steady state mine and mill production at 300 tonnes per day during the initial pilot plant phase of operations in 2024 before expanding operations to 500 tonnes per day in early 2025. Resource infill drilling and underground grade control drilling targeting areas of planned early production at Tuvatu will be conducted in support of mining operations. In terms of exploration, Lion One will continue to test regional targets and discoveries identified as new high-grade occurrences within the current exploration tenements. During the dry seasons, the Company will also carry out a regional exploration program aimed at identifying deep high-grade and bonanza-grade resources for the eventual development of a larger and richer resource base, thereby proving the concept that the Tuvatu property has the potential to become a multi-million ounce gold camp.

HIGHLIGHTS AND SIGNIFICANT SUBSEQUENT EVENTS***Underground Mine Development***

During the three-month period ended March 31, 2024, the Company achieved the following mining physicals:

- Total tonnes mined of 52,863, with 33,532 tonnes of waste and 19,331 tonnes of mineralized material primarily from development materials at average grade of approximately 3.0 g/t Au
- Total capital development of 412 meters
- Total operating development of 540 meters
- Decline advancement of 58 meters to 719 meters, and vertical development of 110 meters to 319 meters

Mining operations are advancing in Zone 2 and in Zone 5. A total of 2,630 m of sludge hole drilling has been completed in advance of longhole mining in Zone 2. In Zone 5, airleg stoping on the UR2 lode is ongoing, with two leadings stopes underway and sublevels being driven for a gallery stope. Airleg mining of the UR2 leading stopes is ongoing in Zone 5.

Subsequent to the quarter ended on March 31, 2024, highlights of operations include:

- For the month of April, 4,180 tonnes of waste, 6,578 tonnes of mineralized materials and 3,212 tonnes of resample material were hauled to surface, 91 meters of capital development and 135.6 meters of operating development was achieved, and 3 underground drill rigs continued to conduct grade control drilling on the Zone 5 lodes.
- Two remote capable loaders commissioned in May to support long hole production.
- Long hole production scheduled to start both in Zone 2 and in Zone 5 in the second half of May with the first ever long hole firing at Tuvatu scheduled to take place the week of May 13th.

Pilot Plant Mill Operations

During the three-month period ended March 31, 2024, the Company achieved the following mill physicals:

- Processed 20,751 tonnes of mineralized materials at an average head grade of 2.9 g/t Au
- Poured 1,526 oz of gold doré of which 1,516 oz of gold was refined
- At March 31, 2024, approximately 624 oz of mineralized material (primarily gold) was retained within the mill circuit as in process store of metal and 128 oz of gold doré and refined gold was in inventory.
- Mill achieved overall recovery of 71.3%, with recoveries impacted by a combination of low grades and various start-up issues affecting gold recovery in the leach tanks
- The mill operated for 77 days and had 14 days of downtime which included 10 days of downtime due to low mill feed in January during which time the Company tied in and commissioned the Sepro Leach Reactor, 2 days of down time in February related to process equipment repairs and improvements, and 2 days of down time due to multiple heavy rainfall events in March.

Subsequent to the quarter ended on March 31, 2024, the Company's mining and milling operations have improved significantly. For the month of April, the Company milled 9,406 tonnes, 314TPD at 3.4 g/t Au with 75% recovery rate to produce 765 Au oz. The gold production for the first 10 days of May is approximately 450 oz, at an average run rate of 400 TPD and grade of 4.8 g/t Au. The installation of two new blowers at the end of April and in early May is expected to improve recoveries in the CIL circuit with recoveries of over 80% achieved in early May. Record gold production is expected at Tuvatu for the month of May as a result of higher grade mineralized materials, higher mill throughput, improved recoveries, and the start of long hole production at the mine.

Sustained throughput of over 400 TPD is now possible at the mill due to operational improvements and debottlenecking projects completed by the mill operations team. These debottlenecking projects include upgraded process water recycle system, upgraded thickener pumps and piping, and reduced tailings filter press cycle times. With the mill performing above name plate capacity of 300 TPD, the mill expansion to 500 TPD has been pushed back from late 2024 to early 2025 to conserve capital during the ramp-up period of production.

The Company advises that it has not based its current mine development plan on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit.

March Quarter 2024 Exploration Summary:

During the three-month period ended March 31, 2024, the Company completed 10,857.9 meters of diamond drilling in 77 completed holes, while a further 5 drill holes were still in progress. The Company is currently undertaking two tiers of drilling for exploration and development purposes:

- 1) shallow resource grade infill drilling from surface and underground targeting areas of planned mid-term production and development;
- 2) shallow resource grade control drilling from surface and underground targeting areas of planned near-term production;

March 2024 Quarter Exploration Summary	
Activity	Number
# of drill holes completed	77
# of drill holes in progress at end of Quarter	5
# of meters drilled	10,857.9
# of drill core samples submitted for analysis	4,711
# of bulk density analyses from drill core	666
# of channels excavated and sampled	116
# of samples from channel sampling	537
# of surface rock chip samples collected	0
# of soil samples collected	450
# of samples analyzed in Lion One Laboratory	5,268

During the three-month period ended March 31, 2024, the Company continued with its exploration program to confirm and expand the potential for a significant high-grade alkaline gold system. A total of five drill rigs are currently operating: three rigs are focused on infill and grade control drill programs from surface and two rigs on grade control drilling from underground in areas earmarked for near-term mining.

Discovery of a new zone of porphyry copper style mineralization

On March 4, 2024, the Company announced the discovery of a new zone of porphyry copper style mineralization at the Wailoaloa prospect located approximately 1 km northeast of the Tuvatu alkaline gold deposit. This discovery was made as part of the Company's regional exploration program. Bench sampling in the area revealed a wide stockwork area of anomalous copper, gold and tellurium mineralization at surface and surface drilling intersected multiple zones of extensive copper mineralization up to 210.8 m in downhole length..

An initial drillhole (TUDDH662) was designed to follow up the surface results at Wailoaloa. The Lion One geological team identified porphyry style mineralization and alteration in this hole, including 163.2 m of anomalous copper mineralization, and three subsequent drillholes were drilled to follow up this discovery. The last of these drillholes, TUDDH-687, intersected three separate zones of anomalous copper mineralization, ranging from over 120 m to over 200 m in downhole length. Copper mineralization is strongly correlated with anomalous but variable gold mineralization downhole. Pervasive propylitic and potassic alteration was observed in TUDDH-687 with the intensity of potassic alteration increasing with depth down the hole. Copper mineralization occurs as chalcopyrite, bornite, and native copper. Mineralization remains open in all directions.

The Navilawa Caldera is known to host high-grade alkaline gold mineralization yet it has also been explored historically for copper. A large copper-gold system has long been hypothesized at depth. The drill holes included in this news release represent the first drill holes ever drilled to test for such a porphyry target. To have intersected multiple zones of extended copper mineralization at this stage of the Wailoaloa exploration program is very encouraging and indicates the potential for a much larger system nearby.

Highlights of exploration drilling at Wailoaloa:

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)
TUDDH-662	110.8	274.0	163.2	0.17
TUDDH-687	0.0	210.8	210.8	0.13
TUDDH-687	377.8	525.2	147.4	0.15
TUDDH-687	658.1	785.9	127.8	0.12

On April 25, 2024, the Company reported significant new high-grade gold results from ongoing infill and grade control drilling in Zone 2. Highlights of Zone 2 drill results (3.0 g/t cutoff, downhole lengths):

- 226.55 g/t Au over 0.6 m (including 448.98 g/t Au over 0.3 m) (TGC-0113, from 84.6 m depth)
- 18.35 g/t Au over 4.8 m (including 40.99 g/t Au over 0.6 m) (TUDDH-686A, from 128.9 m depth)
- 9.99 g/t Au over 8.1 m (including 30.34 g/t Au over 0.3 m) (TGC-0121, from 65.0 m depth)
- 82.35 g/t Au over 0.9 m (including 82.35 g/t Au over 0.9 m) (TGC-0110, from 65.1 m depth)
- 7.48 g/t Au over 9 m (including 20.78 g/t Au over 0.9 m) (TGC-0118, from 86.3 m depth)
- 14.9 g/t Au over 4.2 m (including 21.44 g/t Au over 2.4 m) (TUDDH-698, from 146.3 m depth)
- 8.27 g/t Au over 7.2 m (including 25.58 g/t Au over 0.3 m) (TGC-0127, from 66.0 m depth)
- 11.08 g/t Au over 4.5 m (including 46.77 g/t Au over 0.6 m) (TGC-0102, from 41.4 m depth)

These drill intercepts are all located in the near surface portion of Tuvatu and are scheduled for mining in the short term. The results included in this news release are from drill holes that targeted the URW1 and Murau lode systems proximal to underground development.

On May 8, 2024, the Company reported significant new high-grade gold results from near-mine expansion drilling in the Murau down-dip extension and SKL areas of Tuvatu. Both areas are outside the current mine plan yet are close to current underground workings and are being brought into the mine plan for late 2024 and 2025. The Murau down-dip extension drilling represents an expansion of the Murau lode system in Zone 2, which will be entering production in CY Q3 2024. The SKL area is in Zone 5 near the entrance to the historical exploration adit and is one of Lion One's priority resource expansion targets. High-grade results have been returned from both the Murau down-dip extension and the SKL target areas.

Highlights of near-mine drill results (3.0 g/t cutoff, downhole lengths):

- 64.46 g/t Au over 8.1 m (including 268.36 g/t Au over 1.2 m) (TGC-0150, from 16.5 m depth)
- 30.48 g/t Au over 4.8 m (including 104.55 g/t Au over 0.6 m) (TUDDH-732, from 36.1 m depth)
- 39.05 g/t Au over 3.3 m (including 223.05 g/t Au over 0.3 m) (TUDDH-729, from 98.8 m depth)
- 76.49 g/t Au over 1.2 m (TUDDH-715, from 174.8 m depth)
- 28.44 g/t Au over 2.1 m (including 45.96 g/t Au over 1.2 m) (TGC-0150, from 43.8 m depth)
- 20.89 g/t Au over 2.4 m (including 38.76 g/t Au over 0.6 m) (TUDDH-710, from 75.2 m depth)
- 8.51 g/t Au over 5.0 m (including 54.34 g/t Au over 0.3 m) (TUDDH-727, from 184.4 m depth)

New Appointments

On January 3, 2024, the Company announced the appointments of Mr. Alex Nichol as Vice President Geology and Exploration and the hiring of Mr. Melvyn Levrel as Senior Exploration Geologist in Fiji. The Company also announced the retirement of Mr. Sergio Cattalani as Senior Vice President Exploration. Mr Cattalani has remained with Lion One as a Senior Geology Advisor.

Mr. Alex Nichol has extensive senior operational experience in underground geology, production, and exploration, specializing in mine start-ups and geology systems development and implementation. Prior to joining Lion One, Mr. Nichol was the Geology Superintendent at the Mt. Colin copper-gold mine in Queensland, and before that he was a Senior Underground Mine Geologist at Barrick Gold's Porgera Joint Venture in Papua New Guinea – an analogue deposit for Tuvatu. He has also held Senior Underground Mine Geologist positions at the Dugald River Mine and the Fossey Mine, as well as a Senior Mine Geologist position at Glencore's George Fisher Mine near Mount Isa, Queensland. Mr Nichol will oversee all aspects of the underground development, production, and exploration at Tuvatu, including regional exploration throughout the Navilawa Caldera. Mr. Nichol holds a Bachelor of Science in Geology from the University of Otago and is a Member of the Australian Institute of Geoscientists (MAIG).

Mr. Melvyn Levrel, MAIG is an accomplished exploration geologist with 15 years of experience in mineral exploration and mining. He is an expert in Fijian geology and in exploration management in the South Pacific, having spent three years as the Fiji Country Director and Exploration Manager for Alice Queen Limited, and an additional four years managing mineral exploration and geophysics projects throughout Fiji as a Consulting Geologist. He also has six years of experience in exploration and mining in New Caledonia. Mr. Levrel has a wide range of experience in field geology, geophysics, and resource modelling, as well as a unique knowledge of the exploration techniques, history, and regulations in Fiji. As a Senior Exploration Geologist with Lion One, Mr. Levrel will be focused on the advancement of Lion One's regional exploration targets and prospects throughout the Navilawa Caldera. Mr. Levrel holds a Masters Degree in Georesources from the Polytechnic Institute of Bordeaux (Bordeaux INP) and a Bachelors Degree in Geology from the University of Brest. He is also a Member of the Australian Institute of Geoscientists (MAIG).

BACKGROUND AND CORE BUSINESS

Lion One Metals Limited was incorporated on November 12, 1996, under the name X-Tal Minerals Corp. and under the laws of the Province of British Columbia, Canada. On January 28, 2011, the Company executed a reverse takeover of X-Tal by American Eagle Resources Inc. and changed its name to Lion One Metals Limited. Lion One is a reporting issuer in British Columbia and Alberta, with its common shares listed on the TSX Venture Exchange under the symbol "LIO", and a secondary listing of Chess Depository Interests "CDI's" on the Australian Stock Exchange "ASX" under the symbol "LLO". The Company's head office and principal address is 306 – 267 West Esplanade, North Vancouver, BC, V7M 1A5.

The Company's primary asset is the 100% held Tuvatu Gold Project, 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 underground gold project situated along the Viti Levu lineament, Fiji's corridor of high-grade alkaline gold deposits. The Tuvatu resource covers a 5-hectare footprint within the 384-hectare mining lease. The project contains numerous high-grade prospects proximal to Tuvatu, at depth, and along strike from the resource area, giving near-term production and further discovery upside on one of Fiji's largest and underexplored alkaline gold systems. The Tuvatu Project was acquired by Lion One in 2011 and has over 200,000 meters of drilling completed to date.

The Tuvatu Gold Project has been fully permitted for development, construction, and mining by the Government of Fiji with the grant of a Special Mining Lease (SML 62) in 2015. In June 2022, the Ministry of Environment of Fiji approved the Environmental Impact Assessment (EIA) update. The Company has also submitted its Rehabilitation and Closure Plan for the operation. The Company signed a 21-year Surface Lease agreement with local landowners and the iTaukei Land Trust in 2014 and the SML has been granted for a term of ten years provided the Company complies with the terms of the lease. In August 2022, the SML 62 was extended for an additional 10 years ending February 28, 2035. Extensions to the term can be applied subject to the terms of the lease and the Mining Act.

Concomitant with the mine development plan being undertaken, Lion One continues to pursue aggressive exploration drilling of newly defined feeder targets in proximity to the Tuvatu resource, including the prolific 500 Zone, as well as regional targets within the 7 km wide Navilawa caldera. Lion One believes the Tuvatu region can host multiple deep, high-grade alkaline gold systems associated with the interpreted magma chamber underlying the Navilawa Caldera.

The Company's objective is to achieve steady state mine and mill production at 300 tonnes per day during the initial pilot plant phase of operations in 2024 before expanding operations to 500 tonnes per day in early 2025. Resource infill drilling and underground grade control drilling targeting areas of planned early production at Tuvatu will be conducted in support of mining operations. In terms of exploration, Lion One will continue to test regional targets and discoveries identified as new high-grade occurrences within the current exploration tenements. During the dry seasons, the Company will also carry out a regional exploration program aimed at identifying deep high-grade and bonanza-grade resources for the eventual development of a larger and richer resource base, thereby proving the concept that the Tuvatu property has the potential to become a multi-million ounce gold camp.

Underground Mine Development

	Quarter October to December 2023	Quarter January to March 2024	Year to Date July 2023 to March 2024
Mineralized Material Mined (in tonnes)	10,560 tonnes at 4.0 g/t Au	19,331 tonnes at 3.0 g/t Au	33,936 tonnes at 3.4 g/t Au
Waste Material Mined (in tonnes)	32,041	33,532	91,741
Capital Development (in meters)	399	412	1,203
Decline Development (in meters)	136	58	320
Operating Development (in meters)	514	540	1,311

The focus of mining activities during the 300 TPD pilot plant phase of operations is the development of the underground mine with over 1,203 capital meters developed including 346 m for the decline, with the goal of advancing the main decline to the 500 Zone as quickly as is safely possible. A secondary goal during this phase of operations is the development of as many stope access points as feasible in advance of the plant expansion to 500 TPD.

There were multiple heavy rainfall events in the month of March that affected overall productivity at both the mine and the mill during the month, as access to the mine was restricted due to flooding in Nadi and washouts along the mine access road. As such, overall mine and mill performance was significantly impacted. A significant portion of the material mined during the 300 TPD pilot plant phase of operations has been lower grade 3 to 4 g/t Au development material, with 33,936 tonnes mined during the nine-month period ending on March 31, 2024. The Company also mined 33,532 tonnes of waste material for the three-month period ending March 31, 2024 and 91,741 tonnes for the nine-month

period ending on March 31, 2024. At March 31, 2024, there was 2,829 tonnes of mineralized materials in inventory at an average grade of 2.7 g/t Au.

As mine development has progressed at Tuvatu, additional mineralization has been discovered in areas that were not previously expected to be mineralized. This includes mineralization associated with stockwork veining as well as entirely new mineralized lodes. Many of the development headings at Tuvatu have been found to contain low-grade gold mineralization. This low-grade development material is ideal for use as feed stock to test the different gold recovery circuits during the initial stages of plant operation. Processing the development material also serves to offset costs during mine development as this material needs to be removed regardless of whether it is mineralized. Most of the mill feed during the start-up of the 300 TPD pilot plant has therefore consisted of low-grade development material.

The URW1 lodes will be the first at Tuvatu to undergo mechanized production mining. Development has been ongoing across the 1101, 1121, 1141, and 1161 levels in advance of production. A leading airleg stope has been completed on the 1141 level, and the 1141 A and B vein drives have undergone stripping to facilitate larger equipment, in preparation for bulk stoping. An access drive has been completed on the 1161 level and will provide access for the longhole drills and larger loaders. The URW1 lodes consist of primary subvertical veins with a halo of stockwork mineralization. Sludge drilling is being conducted in advance of mining to confirm the extent of stockwork mineralization beyond the primary vein as well as to inform the final stope design. A total of 1,930 m of sludge hole drilling has been completed in the URW1 lode system. Sludge hole drilling on the 1101 level is complete (1,200 m) and is ongoing on the 1121 and 1141 levels (730 m complete to date). Longhole drilling commenced in the URW1 lode system in late April with production mining of the 1101 level starting in May. Sludge drilling has also commenced on the Murau lode system with 700 m complete to date.

In Zone 5, airleg stoping on the UR2 lode is underway on the 1130 North level and on the 1120 South level. Airleg development is ongoing on the URW3 lode with airleg rises planned above the 1126 Sublevel. Mineralization in the UR2 and URW3 lodes is predominantly subvertical high-grade narrow-vein gold with minimal stockwork veining. Longhole mining is scheduled to take place in Zone 5 on the 1120 North UR2 drive, beginning in mid-May.

Subsequent to the quarter ended on March 31, 2024, for the month of April, 4,180 tonnes of waste, 6,578 tonnes of mineralized materials and 3,212 tonnes of resample material were hauled to surface, 91 meters of capital development and 135.6 meters of operating development was achieved, and 3 underground drill rigs continued to conduct grade control drilling on the Zone 5 lodes. Two remote-capable loaders required to facilitate the extraction of material from longhole stopes have been acquired. A CAT 1700 loader fitted with remote technology was commissioned in May for bogging of the 1101 bulk stope at the URW1 lodes, and a CAT 1300 remote loader from Australia was also commissioned in early May. These loaders are required for long hole stoping operations and will enable increased production from the mine.

Pilot Plant Mill Operations

	Quarter October to December 2023	Quarter January to March 2024	Year to Date July 2023 to March 2024
Mineralized material processed (tonnes)	14,379	20,751	35,238
Gold head grade (g/t)	4.1	2.9	3.4
Recovery (%)	75.7	71.3	73.1
Gold doré poured (oz)	580	1,526	2,106
Gold production (oz)	479	1,516	1,995
Gold doré and refined gold at quarter end (oz)	102	128	128
Gold in mill circuit at quarter end (oz)	735	698	698

During the three-month period ended March 31, 2024, the Company milled 20,751 tonnes of mineralized material at average head grade of 2.9 g/t Au to produce 1,516 oz of gold. At March 31, 2024, 74 oz of gold doré and 54 oz of refined gold was in inventory. The overall recovery rate for the quarter was 71.3%. The recovery rates were impacted by a combination of low grades and various start-up issues affecting gold recovery in the leach tanks.

During the three-month period ended March 31, 2024, the mill operated for 77 days and was down for 14 days including: 10 days due to low mill feed in January, 2 days related to process equipment repairs and improvements in February, and 2 days due to multiple heavy rainfall events in March related to Tropical Depression 11F. The heavy rainfall in March resulted in 6 days of reduced mill operations due to crusher downtime and damage to pumping infrastructure caused by the rain. A total of 988.6 mm of rain fell at Nadi Airport during the month of March, including 220 mm of rain within 24 hours on March 16th, 2024. This is the highest monthly rainfall ever recorded at the airport since records began in 1942. The heavy rainfall led to flooding in lowland areas and along major rivers and caused washouts

throughout the country including along the mine access road. Access to the mine was restricted during this time and mill and mine operations were impacted.

Gold recovery rates during mill start-up has been in line with expectations. Commissioning activities continued during the quarter ended March 31, 2024. Both the continuous gravity concentrator and the intensive leach circuit were commissioned at the end of January following delays due to late shipment of component parts. Air spargers were installed in the CIL tanks from February to April, and two new blowers needed to properly aerate the CIL tanks and cyanide detoxification circuit were installed in late April and early May after the quarter end. The installation of air spargers resulted in improved aeration and gold recovery in the CIL circuit and the installation of new blowers is anticipated to further improve these recoveries. Recoveries of over 80% have been achieved on certain days in April and May following these upgrades.

Operational improvements and debottlenecking projects at the processing plant have resulted in sustained throughput of over 400 TPD by May 2024. These debottlenecking projects include upgraded process water recycle system, upgraded thickener pumps and piping, and reduced tailings filter press cycle times.

Surface Development for 300TPD Pilot Plant

The Tuvatu project is currently in the pilot plant stage of operations. The construction and commissioning of the 300 TPD pilot processing plant was completed and handed over to the operations team in November of 2023. The tailings storage pond and TSF tailings dam (stage 1) was also handed over for disposal of filtered tailings since November 2023.

During the quarter ended March 31, 2024 and up to the end of April 30, 2024, the following miscellaneous works were completed at the mine:

- Relocated stormwater ditches approaching south diversion crossing culverts to protect the footings of the wingwalls from erosion.
- Completed construction of mill workshop with waste oil storage.
- Completed construction of mill welding workshop.
- Fabricated 4 new security booths installed 2 at the east and west gates.
- Prepared new mill laydown yard.
- Completed water transfer pipeline installation from mill detention pond to TSF sediment control pond.
- Constructed and installed new laundry room at Waimalika office yard.
- Repaired and improved damaged access road to site.
- Constructed new transformer plinth for the proposed new EFL transformer for the 500Kva power from the national grid.
- In late April, replaced the roots blowers with a high efficiency and higher-pressure magnetic blower. The roots blowers will be relocated to the cyanide detox tank area and dedicated to providing air to the detox tanks for cyanide destruction. Concrete foundations for the roots blowers have been poured. These changes will improve gold recovery.

TSF Construction:

- Conducted de-silting of drains at the TSF periodically based on site conditions.
- A submersible pump was installed in the tailings pond and started transferring the water in the pond to Sediment Control Pond.
- Installed and commissioned a generator and 10,000 liter fuel tank to power the pump on the berm of the stage 1 tailings pond.

The Company advises that it has not based its current mine development plan on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit.

Surface Development for Flotation and 500TPD Plant Upgrade

The plant expansion to 500 TPD consists of three main components: a tower mill, a flotation circuit, and a third ball mill. The purpose of the tower mill is to produce a finer grind of concentrates from the continuous gravity concentrator, thereby increasing recoveries. The flotation circuit is also being added to maximize recoveries, while the third ball mill is required to increase the milling capacity of the plant. Construction is pending for the flotation circuit and the third ball mill. Additional in-house metallurgical test work to improve processing is on going at the Lion One laboratory in Fiji.

Preliminary engineering of the flotation circuit and the 500 TPD plant upgrade has been carried out. A regrinding mill and flotation system will be added to the current process to improve recovery. A new primary ball mill will be added to the 300 TPD pilot plant to upgrade mill throughput to 500 TPD. The flowsheet of the 500 TPD plant, including the addition of the regrinding mill and flotation systems, has been developed. Sizing of the major equipment has been completed. The long lead time regrinding tower mill has arrived in Fiji. With the mill now capable of maintaining sustained production of over 400 TPD, which is above name plate capacity of 300 TPD, the mill expansion to 500 TPD has been pushed back from late 2024 to early 2025 to conserve capital during the ramp-up period of production.

EXPLORATION PROGRAM

During the quarter ended March 31, 2024, the Company completed 10,857.9 meters of diamond drilling in 77 completed holes, while a further 5 drill holes were still in progress. The Company is currently undertaking two tiers of drilling for exploration and development purposes:

- 1) shallow resource grade control drilling from surface and underground targeting areas of planned near-term production and development;
- 2) shallow resource infill drilling from surface targeting areas of planned mid-term production and development planning;

Regional exploration drill programs typically require access to remote parts of the Navilawa caldera (SPL1512) and as such were interrupted during the wet season which typically runs from November to March. The current focus for drilling is to define and expand the Tuvatu deposit resource.

Diamond Drilling

Lion One has been drilling at Tuvatu since 2008, and since then has completed a total of 655 drill holes totaling 135,750m of diamond drilling on the Tuvatu deposit and on regional targets combined. The Company continues to advance its deposit-scale and regional diamond drilling program to demonstrate that the project has the potential to become a multi-million ounces gold camp, consistent with Tuvatu as an example of an alkaline gold mineralizing system. Alkaline gold systems typically have large gold endowments due to their high grade and deep vertical extents. Initially, Lion One intersected high grade gold mineralization in TUDDH493 late in 2019, and then once again returned very high-grade intersections in hole TUDDH500 and its two wedges in mid-2020 thereby discovering the 500 Feeder Zone. On June 6, 2022, the Company announced the discovery of a new major portion of the 500 Zone gold feeder including 20.86 g/t Au over 75.9m, from 443.4 to 519.3m from Hole TUG-141. TUG-141 was the longest high-grade intercept yet recorded at Tuvatu and the Company followed it up with holes TUDDH-601, with 12.22 g/t Au over 54.90m from 576.1-631.0m, and TUDDH608, with 17.52 g/t Au over 23.7m at from 594.5-618.2m.

Predominant vein minerals included a combination of quartz, biotite, potassium-rich feldspar, hydrothermal apatite, epidote, a vanadium-rich hydrothermal mica called roscoelite, characteristic of alkaline gold mineralized systems, as well as late-stage carbonate minerals. Gold occurs as native free Au, as well as in association with pyrite, lesser chalcopyrite, sphalerite, galena, trace tetrahedrite, and minor telluride minerals. The mineral textures observed reflect rapid deposition of gold from a metal-saturated ore-forming colloid or fluid; a process referred to as "flashing". Such rapid gold-deposition can result from sudden pressure drops or a sudden change in physico-chemical conditions which destabilizes the fluid triggering the rapid precipitation of metals and are known to generate very high grades in epithermal gold systems. Tuvatu is a low-sulphur system with sulphide minerals accounting for less than 5% overall, and include pyrite (2 generations), lesser marcasite, sphalerite, chalcopyrite, and traces of galena, arsenopyrite, tetrahedrite, and bornite.

Mineralization in hole TUDDH500 and the subsequent holes drilled as follow up to that hole display many diagnostic characteristics of feeder style mineralization from an alkaline gold system. Notably, remarkable vertical extent to the high-grade mineralization, and mineral textures that suggest rapid deposition (skeletal, dendritic crystals) from what was a mineral-saturated to supersaturated fluid. This is encouraging, as it suggests the mineralized system was preserved over an extensive vertical dimension, and that the Company has targeted the right part of the system to find additional mineralization.

Infill/Definition/Grade Control Drilling

Two phases of infill drilling have been carried out at Tuvatu with the aim of infilling areas within the current resource and thus augmenting the data density, to further improve the resolution of the geological model in portions of the deposit scheduled for earliest production. Phase 1 infill drilling began in June 2021 and was completed over Zone 2 in mid-February 2022, adding over 8,400m of new data from drill core, including 7,475m of new drilling and 955m of sampling of previously unsampled historic drill core. Multiple bonanza-grade intercepts have been returned from this program, which is aimed at a thorough re-appraisal of the database in portions of the resource earmarked for earliest production (news release dated February 23, 2022). Following the success of the Phase 1 Program, the Company started the

Phase 2 Infill Drill Program in February 2022, which was planned for a total of 8,200m of diamond drilling from both surface and underground.

On May 31, 2022, the Company announced the first 11 holes for the Phase 2 infill program on Zone 5, representing 2,375m of diamond drilling, which include significant new intercepts of high- to bonanza-grade Au mineralization that was not known to occur as part of the existing resource model. The Phase 2 infill drill program, as per Phase 1, was designed to confirm the location, size, and continuity of the known mineralized lodes, in portions of the orebody slated for early production (news release dated May 31, 2022). On September 8, 2022, the Company announced the results from 20 additional drill holes, as part of ongoing Phase 2 infill drilling, including 3,900m of diamond drilling in Zone 5. The additional data outlines high-grade to bonanza-grade mineralized lode swarms less than 100m from surface.

The mineralization intersected from the infill drilling programs completed represents a highly significant substantive addition of Au mineralization at grades well in excess of the average resource grade, intersected at relatively shallow levels in the orebody.

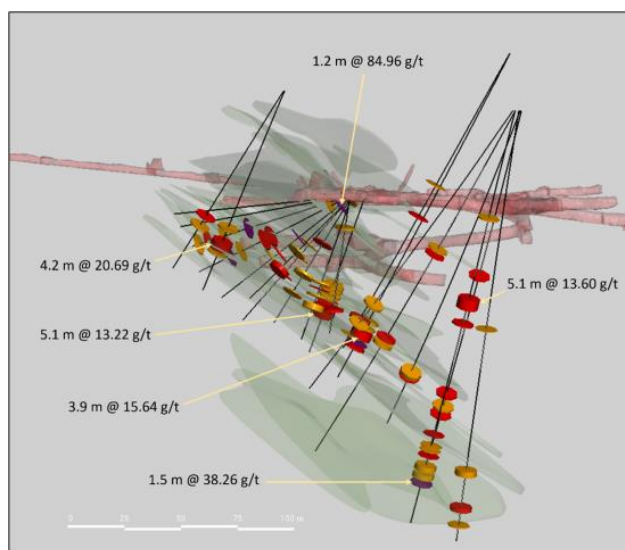
In addition to the ongoing infill drilling program, the Company commenced a grade control program from underground in September 2022 targeting areas of planned early production from Zones 2 and 5, and from the start of October 2022 to the end of March 2024 had completed a total of 10,476.1m in 192 diamond drill holes for grade control.

Zone 2 Grade Control Drilling

The Murau lodes are located within the Zone 2 area of Tuvatu, along the upper portion of the western decline in the northwest part of the deposit. The Zone 2 area encompasses a number of distinct lode systems, including the URW1, URA1, and Murau lode systems. The Zone 2 area was the first to commence mining at Tuvatu and mining has occurred in all three of these lode systems. The Murau lode system is modelled as a series of stacked relatively flat lying lodes that strike approximately east-west and dip moderately to the SSW. The portion of the Murau lode system that is currently targeted for mining consists of a vertical extent of 55m, an east-west strike length of 110m, and a down-dip extension of 100m.

The Murau infill drill program was conducted from surface and was designed to target the up-dip and down-dip extension of the Murau lodes on approximately 20m centers. The goal of the program is to provide an increased understanding of the system's mineralization and geometry in these areas. The grade control drill program was conducted from underground on 5-10m centers and was designed to provide much higher resolution of the Murau lode system in advance of mine development and extraction. The location of high-grade intercepts is shown in Figure 1. The Zone 2 infill and grade control drill programs are ongoing. Previous drill results from the Zone 2 area are in news releases dated September 14, 2023, June 14, 2023, and April 25, 2023.

Figure 1. Location of High-Grade Intercepts from Zone 2 Infill and Grade Control Drilling, 3.0 g/t Au cutoff. Oblique section view of the Murau lode system highlighting the high-grade intercepts from the Zone 2 infill and grade control drill program in the Murau system. View is to the ESE and slightly down dip along the Murau lodes. Downhole composite intervals with grades between 3 and 10 g/t Au are shown in orange, intervals with grades between 10 and 30 g/t Au are shown in red, and intervals over 30 g/t Au are shown in purple. Select high-grade intervals are identified. Grades shown are gold grades in g/t.



Exploration - Subsequent events to quarter ended March 31, 2024

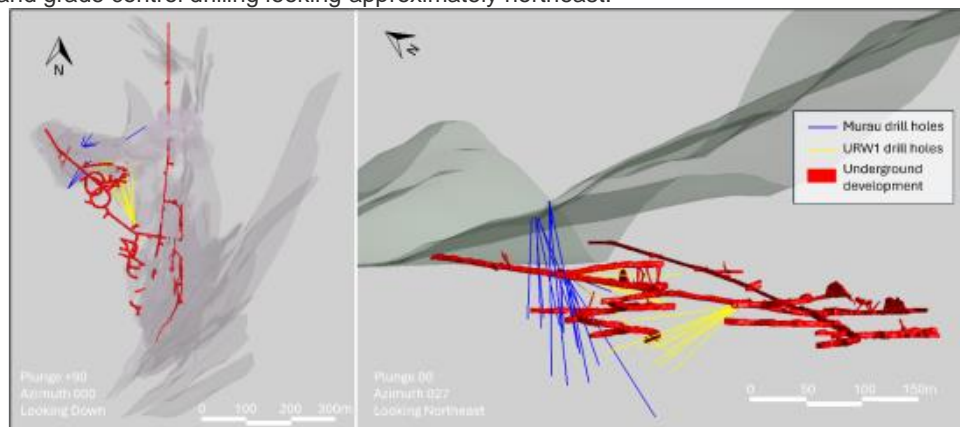
On April 25, 2024, the Company reported significant new high-grade gold results from ongoing infill and grade control drilling in Zone 2 (Figure 2), as well as providing an update on the ongoing operations at Tuvatu.

Highlights of Zone 2 drill results (3.0 g/t cutoff, downhole lengths):

- 226.55 g/t Au over 0.6 m (including 448.98 g/t Au over 0.3 m) (TGC-0113, from 84.6 m depth)
- 18.35 g/t Au over 4.8 m (including 40.99 g/t Au over 0.6 m) (TUDDH-686A, from 128.9 m depth)
- 9.99 g/t Au over 8.1 m (including 30.34 g/t Au over 0.3 m) (TGC-0121, from 65.0 m depth)
- 82.35 g/t Au over 0.9 m (including 82.35 g/t Au over 0.9 m) (TGC-0110, from 65.1 m depth)
- 7.48 g/t Au over 9 m (including 20.78 g/t Au over 0.9 m) (TGC-0118, from 86.3 m depth)
- 14.9 g/t Au over 4.2 m (including 21.44 g/t Au over 2.4 m) (TUDDH-698, from 146.3 m depth)
- 8.27 g/t Au over 7.2 m (including 25.58 g/t Au over 0.3 m) (TGC-0127, from 66.0 m depth)
- 33.92 g/t Au over 1.5 m (including 92.89 g/t Au over 0.3 m) (TGC-0134, from 113.8 m depth)
- 11.08 g/t Au over 4.5 m (including 46.77 g/t Au over 0.6 m) (TGC-0102, from 41.4 m depth)
- 13.18 g/t Au over 3.3 m (including 22.4 g/t Au over 0.9 m) (TGC-0125, from 100.2 m depth)

Assay results for infill and grade control drilling completed in Zone 2 of Tuvatu include multiple bonanza grade gold results such as 448.98 g/t, 202.34 g/t, 108.5 g/t, 92.89 g/t, and 82.35 g/t. These drill intercepts are all located in the near surface portion of Tuvatu and are scheduled for mining in the short term. The results included in the April 25, 2024 news release are from drill holes that targeted the URW1 and Murau lode systems proximal to underground development (Figure 2).

Figure 2. Location of Zone 2 infill and grade control drillholes Left image: Plan view of Tuvatu showing Zone 2 infill and grade control drillholes in relation to the mineralized lodes at Tuvatu, shown in grey. Right image: Oblique view of Zone 2 infill and grade control drilling looking approximately northeast.



Near-mine expansion drilling

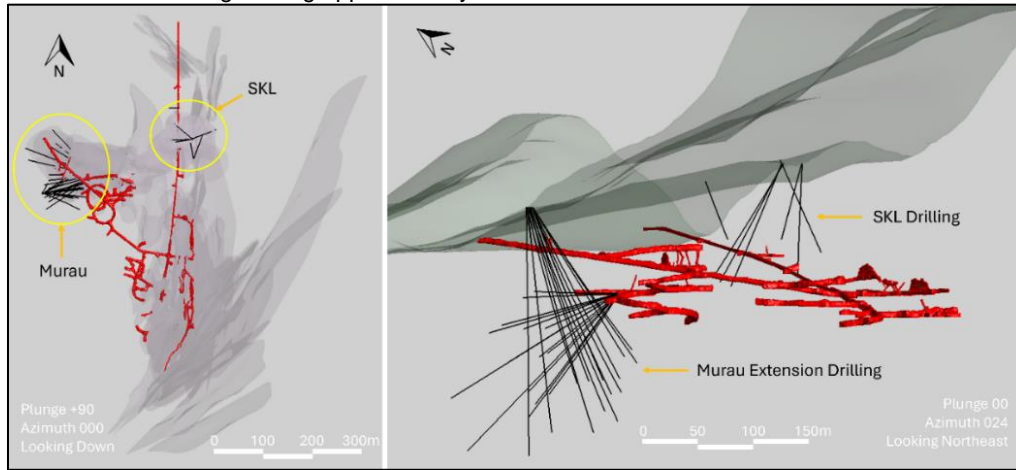
On May 8, 2024, the Company reported significant new high-grade gold results from near-mine expansion drilling in the Murau down-dip extension and SKL areas of Tuvatu (Figure 3). Both areas are outside the current mine plan yet are close to current underground workings and are being brought into the mine plan for late 2024 and 2025. The Murau down-dip extension drilling represents an expansion of the Murau lode system in Zone 2, which will be entering production in CY Q3 2024. The SKL area is in Zone 5 near the entrance to the historical exploration adit and is one of Lion One's priority resource expansion targets.

Highlights of near-mine drill results (3.0 g/t cutoff, downhole lengths):

- 64.46 g/t Au over 8.1 m (including 268.36 g/t Au over 1.2 m) (TGC-0150, from 16.5 m depth)
- 30.48 g/t Au over 4.8 m (including 104.55 g/t Au over 0.6 m) (TUDDH-732, from 36.1 m depth)
- 39.05 g/t Au over 3.3 m (including 223.05 g/t Au over 0.3 m) (TUDDH-729, from 98.8 m depth)
- 76.49 g/t Au over 1.2 m (TUDDH-715, from 174.8 m depth)
- 71.46 g/t Au over 0.9 m (TUDDH-704, from 84.9 m depth)
- 28.44 g/t Au over 2.1 m (including 45.96 g/t Au over 1.2 m) (TGC-0150, from 43.8 m depth)
- 26.28 g/t Au over 2.1 m (including 66.32 g/t Au over 0.3 m) (TUDDH-728, from 51.4 m depth)
- 20.89 g/t Au over 2.4 m (including 38.76 g/t Au over 0.6 m) (TUDDH-710, from 75.2 m depth)
- 26.56 g/t Au over 1.8 m (including 52.34 g/t Au over 0.6 m) (TUDDH-710, from 101.3 m depth)
- 8.51 g/t Au over 5.0 m (including 54.34 g/t Au over 0.3 m) (TUDDH-727, from 184.4 m depth)

These exceptional drill intercepts are all located in the near surface portion of Tuvatu and are scheduled for mining in 2024 and 2025.

Figure 3. Location of Murau extension and SKL near-mine expansion drillholes. Left image: Plan view of Tuvatu showing Murau and SKL drillholes in relation to the mineralized lodes at Tuvatu, shown in grey. Right image: Oblique view of Murau and SKL drilling looking approximately northeast.



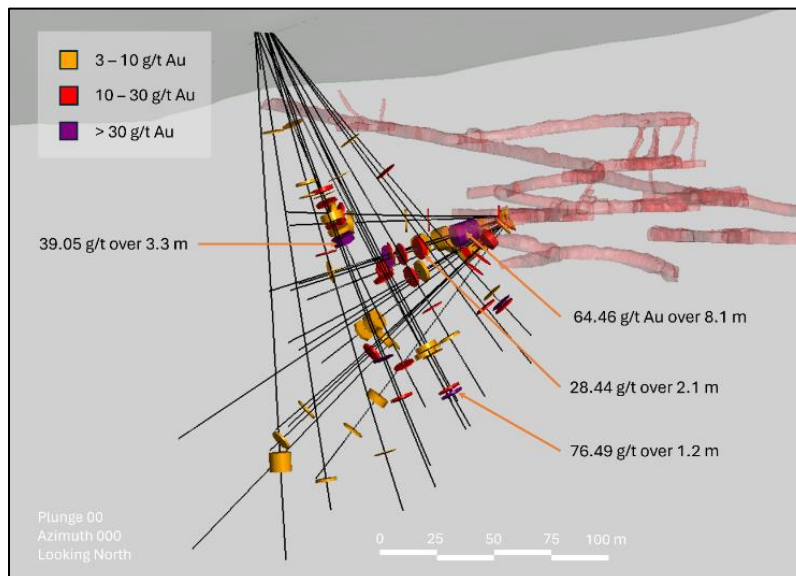
Murau Extension Drilling

The Murau lode system is located in the Zone 2 area of Tuvatu, in the northwest part of the deposit. It has historically been modelled as a series of relatively flat-lying lodes that strike approximately east-west and dip moderately to the south. The system is now understood to consist of a stockwork zone of mineralization dipping moderately to the SSW. Underground development has reached the upper portion of the Murau system and additional development is underway ahead of the start of production from the Murau system.

The Murau drilling included in the May 8, 2024 news release targeted the down-dip extension of the Murau system (Figure 4). A total of 34 Murau drillholes were included in this release, including 18 holes drilled from underground and 16 drilled from surface. The drilling targeted a down-dip area of the Murau system over a strike length of 50 m and a dip length of 115 m, with a drill density of 20 m. This area is outside the current mine plan and is being brought into the mine plan for late 2024 and 2025. The Murau system remains open at depth and along strike.

These exceptional drill intercepts are all located in the near surface portion of Tuvatu and are scheduled for mining in 2024 and 2025.

Figure 4. Murau down-dip extension drilling with high-grade intercepts highlighted, 3.0 g/t gold cutoff.

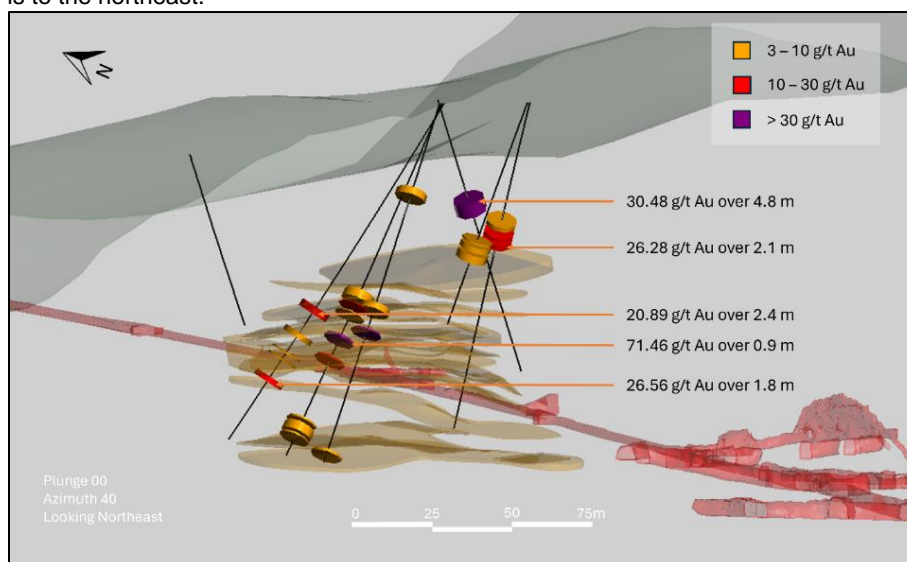


SKL Drilling

The SKL lodes are located in the Zone 5 area of Tuvatu, in the northeast part of the deposit proximal to the historical exploration adit (Figure 5). They are north of the steeply dipping UR lodes, which are the primary lodes in Zone 5. Minor underground development and trial mining was conducted on the SKL lodes in the late 1990s, and some confirmatory infill drilling was completed in 2019. No significant drilling has been completed on the SKL lodes since 2019 and the SKL drilling reported here represents the start of the first modern systematic drill program targeting the area.

The SKL lodes have historically been modelled as a series of stacked flat-lying mineralized lodes, known as flatmakes. They typically have limited lateral extent, approximately 50 m to 100 m, but with very high bonanza grades (>30 g/t gold). These lodes are associated with stockwork veining, similar to the URW1 and Murau lodes in Zone 2. A total of 27 SKL lodes have been modelled at Tuvatu, including 11 SKLW lodes which are located west of the historical exploration adit, and 16 SKL lodes which are located proximal to and east of the exploration adit. The SKL drilling reported in the May 8, 2024 news release targeted 11 of those lodes; SKL1 to SKL7, as well as SKL1A, SKL1B, SKL2A, and SKL7A. The SKL lodes are not included in the current mine plan at Tuvatu. The purpose of this drilling was to confirm the orientation of the mineralization so that a follow-up infill drill program can be designed. The goal of the infill drill program will be to bring the SKL mineralization into the mine plan for 2025. The current SKL drill program is ongoing.

Figure 5. SKL exploration drilling with high-grade intersects highlighted, 3.0 g/t gold cutoff. The SKL lode system has historically been modelled as a series of stacked flat-lying mineralized lodes (light brown). The drillholes reported here are the first modern drillholes designed to target the SKL lodes and represent near-mine expansion of the Tuvatu resource. View is to the northeast.



Navilawa Tenement and Exploration Program

In May 2019, SPL 1512 was issued for the Navilawa tenement for a 5-year term renewable in 2024. An application for a 5-year renewal has been submitted. The tenement area directly adjoins the northern boundary of Lion One's tenements at Tuvatu, which consolidates ownership of the entire Navilawa mineral complex under a contiguous 13,613 hectare tenement package with Tuvatu's 384.5 hectare Mining Lease (SML 62) and mining and processing site, at its center. This is the first time that modern, systematic exploration has been undertaken over the entire area. The Navilawa area has over 10 well defined prospects including the Kingston, Banana Creek, Matanavatu, and Tuvatu North. Some of the most significant historic results returned were surface rock chip samples of 46.30 g/t Au from Banana Creek; 176.27 g/t Au from the Kingston, and 8.50 g/t Au from Tuvatu North. Although little systematic historical exploration has previously been undertaken in the area, a number of prospects have historic workings with short shafts or adits up to 15 meters depth, or have manual workings on copper- and gold-bearing rocks, as is the case at the Central Ridge prospect. Previous efforts have been primarily focused at Banana Creek, where the Company's team has completed two drill holes totaling 1,458.7m.

In June 2022, the Company initiated a major benching program following up on positive results from 2021 along Qualibua creek, by extending a new bench in the Batiri creek area towards Banana creek. On August 29, 2022, the Company announced a new regional high grade gold discovery, the Batiri Creek Vein, located in the Navilawa Caldera 1.8 km northeast of the Tuvatu Alkaline Gold Project. This new regional discovery was made as a result of this benching program, referred to as the Batiri Creek occurrence returning 13.3 g/t Au over 4.0m at surface. The Batiri Vein discovery

is credited to the Lion One exploration team's regional benching and surface sampling program targeting new gold bearing systems in under-explored regions peripheral to Tuvatu in the surrounding Navilawa Caldera.

The new structure is characterized by an intense zone of veining on a lithological contact between monzonite and andesite, with two significant N-S and NE-SW oriented structural intersections. The lithological contact and structural intersections observed in the Batiri Vein are comparable to the lithological contact and structural intersections observed from deep extensional drilling in the 500 Zone below the Tuvatu resource where Lion One reported the longest and highest-grade intercepts yet recovered at Tuvatu, including 20.86 g/t Au over 75.90m from TUG 141 and 12.22 g/t Au over 54.90m including 20.10m @ 23.03 g/t Au from TUDDH 601. In August 2022, the Company mobilized a drill rig to this occurrence to test the Batiri Creek discovery. A three-hole program was planned with only two holes completed (TUDDH-611 and 614), with a third hole (TUDDH-615) abandoned due to extreme wet conditions. The highlights include 5.04 g/t Au over 0.3m in hole TUDDH-614.

Following the wet season which typically ends in late March-early April, a dedicated mapping/sampling program occurs, aiming to identify additional areas for follow-up by diamond drilling. For 2023, the regional mapping/sampling program commenced late April, and to the end of September, a total of 3,955 regional samples had been added to the database.

In August 24, 2023, the Company announced the discovery of a new mineralized structure carrying bonanza grade gold 1 km to the north of the company's Tuvatu Alkaline Gold Project and has been named the Lumuni occurrence. The structure is located 1 km north of Tuvatu, approximately along strike from the NS-trending lodes (UR1, UR2, and UR3). Highlights of Lumuni channel sampling:

- 66.83 g/t Au over 0.7m (CH3850)
- 48.45 g/t Au over 0.7m (including 92.55 g/t Au over 0.3m) (CH3851)
- 15.18 g/t Au over 1.1m (including 31.25 g/t Au over 0.3m) (CH3849)
- 14.66 g/t Au over 1.1m (including 16.78 g/t Au over 0.7m) (CH3855)
- 17.04 g/t Au over 0.6m (including 30.59 g/t Au over 0.3m) (CH3853)
- 10.30 g/t Au over 0.9m (including 13.89 g/t Au over 0.6m) (CH3852)

The continuity of the high-grade material is notable including the fact that a traceable lode of high to very-high grade material can be followed along at surface. Moreover, the high-grade samples coincide with a steeply dipping resistivity low which is compelling as it provides the Company with immediate drill targets to pursue. The Company has added Lumuni to the growing list of high-priority regional exploration targets.

On March 4, 2024, the Company announced the discovery of a new porphyry copper style mineralization at Wailoalooa, located approximately 1 km northeast of the Tuvatu deposit (Figure 6).

Surface sampling in the Wailoalooa area in 2019 and again in 2023 led to the discovery of a widespread zone of weakly to moderately anomalous gold associated with a strong copper anomaly. Sampling consisted primarily of bench sampling along newly excavated access trails. Results from a total of 443 samples were included in the March 4, 2024 news release, focused on the Wailoalooa drill area. Of these samples, 72 (16%) returned copper grades in excess of 2000 ppm, and 141 (32%) returned copper grades in excess of 1000 ppm. Copper grades above 500 ppm are considered anomalous. The Wailoalooa area is therefore strongly anomalous in copper. The surface copper anomaly outlined by the Wailoalooa sampling is 150 m by 100 m in size and may be expanded further with additional sampling.

Mineralization is controlled by a large stockwork system with a minimum proven surface extent of 150 m N-S by 100 m E-W. The stockwork system dips steeply to the south. Numerous copper showings have been identified in a wide halo around the Wailoalooa prospect, including strong malachite staining after chalcopyrite in the historic Qalibua adit 250 m to the northwest of Wailoalooa. This suggests a system of potentially considerable size. Additional copper showings have also been identified throughout the Navilawa Caldera, such as the historic Kingston adit as well as the Matanavatu showings, 1800 m northwest and 1500 m north of Wailoalooa respectively. TUDDH-662 was the first drill hole designed to test the surface copper anomaly at Wailoalooa. The lithology down hole consists dominantly of alternating unsorted to poorly sorted polymictic volcanic breccia with lesser massive monzonite. The volcanic breccia includes alkaline monzonite, porphyry, and re-worked breccia clasts, with gradational zones of finer grain material. It is cross-cut locally by monomictic clast-supported hydrothermal breccias with strongly bleached angular to sub-rounded clasts, as well as monzonite intrusives and late-stage unaltered pyroxene porphyry dykes.

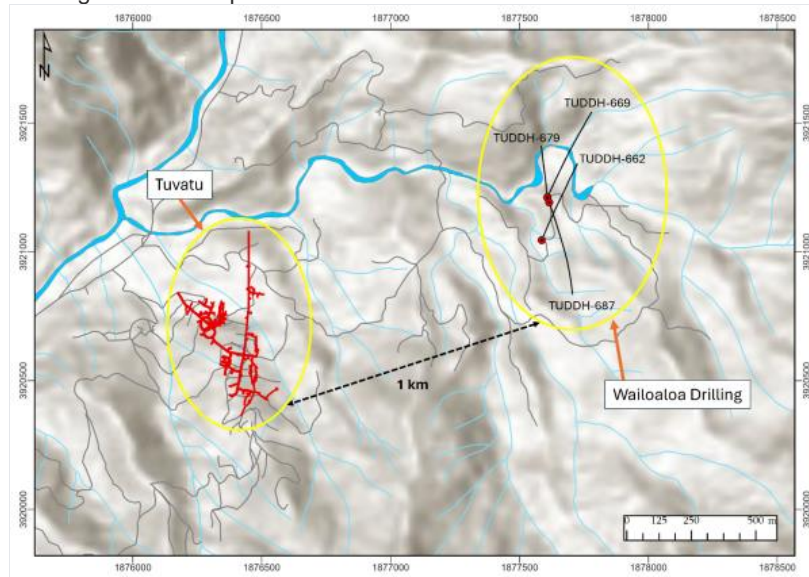
Drill hole TUDDH-662 intersected one major zone of elevated copper mineralization, averaging 0.17% Cu over 163.2 m from 110.8 m to 274.0 m depth with a peak copper value of 1.0%. This zone coincides both with an abundance of secondary cross-cutting stockwork veinlets and with intense bleaching that overprints the background propylitic alteration. Chalcopyrite mineralization occurs within the stockwork veinlets as well as finely disseminated throughout the zone.

TUDDH-687 was the fourth and final drillhole drilled at the Wailoalooa prospect before the onset of the wet season in Fiji. It was drilled in a south-southeast direction based on surface structural measurements and oriented drill core measurements from TUDDH-662. The lithology in TUDDH-687 consists primarily of unsorted to poorly sorted,

polymictic, matrix-supported volcanic breccia with an overall clast to matrix ratio of 70:30, with rare intervals of hydrothermal cement up to several meters in width. The volcanic breccia is locally intersected by monzonite dykes and late pyroxene porphyry dykes, similar to that observed in TUDDH-662.

Alteration throughout the hole progresses from outer propylitic in the upper part of the hole to potassic in the bottom part of the hole, with patches of intense bleaching. The outer propylitic alteration in the upper part of the hole occurs as widespread patchy to pervasive epidote-chlorite alteration with intervals of intense silica-sericite bleaching. Copper mineralization in this part of the hole occurs as cryptic hairline veinlets of chalcopyrite. This corresponds to the first major zone of copper mineralization in TUDDH-687, with the top 210.8 m of the hole returning a composite grade of 0.13% Cu. The second major zone of copper mineralization occurs from 377.8 m to 525.2 m downhole and returned a composite grade of 0.15% Cu. This interval corresponds to an increase in alteration from pervasive bleaching (propylitic) to an assemblage of potassic feldspar, magnetite, and possibly tremolite (inner propylitic to potassic and calc-potassic alteration). Here, thin but distinct B-type veins of quartz-bornite and quartz-chalcopyrite-bornite are observed. The presence of blebby disseminated bornite and (rare) patchy native copper is a distinctive feature of TUDDH-687. The third major zone of copper mineralization, grading 0.12% Cu from 658.1 m to 785.9 m, is dominated by intense texturally-destructive K-feldspar-magnetite alteration with coarse crystalline secondary anhedral "shreddy" biotite. Late, discrete sericite-silica-pyrite veinlets which overprint potassic alteration assemblages throughout the sequence suggest evidence of multiple overprinting alteration events.

Figure 6. Plan View of Wailoaloo Drillholes in Relation to Tuvatu. The Wailoaloo discovery is approximately 1 km northeast of Tuvatu. Underground development at Tuvatu are shown in red.



EXPLORATION AND EVALUATION ASSETS

The Company's primary asset is the Tuvatu Gold Project located near Nadi on the island of Viti Levu, Fiji. The Tuvatu Gold Project has been fully permitted for development, construction, and mining by the Government of Fiji with the grant of a Special Mining Lease (SML 62) in 2015. In June 2022, the Ministry of Environment of Fiji approved the Environmental Impact Assessment (EIA) update. The Company has also submitted its Rehabilitation and Closure Plan for the operation. The Company signed a 21-year Surface Lease agreement with local landowners and the iTaukei Land Trust in 2014 and the SML has been granted for a term of ten years provided the Company complies with the terms of the lease. In August 2022, the SML 62 was extended for an additional 10 years ending February 28, 2035. Extensions to the term can be applied subject to the terms of the lease and the Mining Act.

SML 62 is a designated area within the original boundaries of the Company's SPLs 1283 and 1296. SML 62 provides exclusive rights for the potential development, construction, and operation of mining, processing, and waste management infrastructure at Tuvatu. The Mining Lease area covers 384.5 hectares and contains all the current NI 43-101 resource and multiple high-grade prospects in the Navilawa Caldera. The Tuvatu camp is located 16 km by road from the Lion One Fiji head office adjacent to the International Airport in Nadi, and 35 km from the Port of Lautoka.

In 2019, the Company purchased drilling equipment from Geodrill, a Fijian drilling company, and employed several experienced drillers and offsidiers from Geodrill. This strategic acquisition ensured the Company has readily available, cost-effective diamond drilling capabilities by operating these drills "in-house". In 2020-2021, the Company purchased three additional deep capacity diamond drill rigs. In March 2022, the Company purchased two additional deep capacity rigs which were delivered to Fiji in September 2022.

The Company has encountered multiple high-grade intercepts from its high-grade feeder diamond drill program since 2020, which supports the alkaline gold model and the concept that Tuvatu has high-grade gold mineralization extending and evolving at great depths. The Company has drilled to depths in excess and 1,000m below surface, with the aim to gain a better understanding of the underlying plumbing system that provided a conduit for the gold-rich fluids to rise from the base of the crust to surface in the Tuvatu area. Alkaline-hosted gold deposits are known to extend to great depths, so there are many areas to explore. The Company is actively engaging in infill and grade control drilling from surface and underground targeting areas of planned early production. Additional sampling, resampling and relogging of earlier diamond drill holes is also ongoing, as is trenching, mapping, and sampling within the Company's tenement holding.

In May 2019, SPL 1512 was issued for the Navilawa tenement for a 5-year term ending in 2024, which for the first time consolidated the ownership of the entire Navilawa mineral complex under a tenement package with the Tuvatu 384.5 hectare SML 62 Mining Lease at its center. A number of access tracks into the Navilawa tenement were completed and sampling of prospective zones continues with numerous additional targets identified to date. The Company has a large pipeline of drilling targets across the Navilawa Caldera and this program will include deep drilling, further geophysics, mapping and sampling, and targeted exploration of other prospects generated. The SPL1512 renewal application was submitted to the MRD in May 2024 in accordance with statutory requirements, and renewal is pending.

In 2019, the Company completed a specialized stream sediment sampling program using the BLEG ("Bulk Leach Extractable Gold") technique over the entire project area. The results from that BLEG sampling program indicate an extensive anomalous area within the northern part of the Navilawa caldera. Furthermore, to better define the underlying structural controls that host the high-grade vein network in the Navilawa Caldera, an initial controlled source audio-magnetotelluric ("CSAMT") geophysical program was also completed late in 2019. Following the interpretation of this CSAMT program, the deep drilling program was expanded to include targets identified from that survey. The Company also implemented a regional drill program aimed at drill-testing some of the anomalies derived from previous geophysical and geochemical survey results. In 2022-23, the Company carried out a second CSAMT geophysical survey designed to infill and add detail and resolution to the existing CSAMT results. The new CSAMT data will help the Company to identify and refine drill targets underlying those prospects to drill test select targets in the future.

The Company holds four exploration licenses (SPL's) for the Tuvatu properties. Under the terms of the SPL's, the Company is required to spend a minimum threshold of expenditures on each of the licenses.

SPL	Issued	Expiry Date	Bond (Fijian \$)	Bond (Canadian \$)	Expenditure Requirement (Fijian \$)	Expenditure Requirement (Canadian \$)
1283	Aug. 24, 2020	Aug. 23, 2025	158,180	93,510	1,400,000	827,625
1296	Aug. 24, 2020	Aug. 23, 2025	158,180	93,510	1,600,000	945,858
1465	Mar. 5, 2022	Mar. 4, 2025	67,979	40,186	679,789	401,865
1512	May 14, 2019	May 13, 2024*	633,223	374,223	15,333,305	9,064,452

* Renewal application has been submitted in accordance with statutory requirements, and renewal is pending.

Expenditures incurred on the Fiji properties are as follows:

	June 30, 2022	Additions	June 30, 2023	Transfer to Mineral Property	Additions	March 31, 2024
Acquisition costs	\$ 21,915,063	\$ -	\$ 21,915,063	\$(21,915,063)	\$ -	\$ -
Camp costs and field supplies	2,074,471	3,861,858	5,936,329	(5,832,859)	545,448	648,918
Consulting fees	5,047,075	4,017,388	9,064,463	(9,090,900)	255,613	229,176
Depreciation	3,026,073	2,171,249	5,197,322	(2,757,005)	555,848	2,996,165
Development, dewatering, geology and environmental	5,871,955	20,328,082	26,200,037	(23,420,402)	152,256	2,931,891
Drilling	6,858,433	1,717,199	8,575,632	(7,840,356)	210,912	946,188
Office administration and professional fees	7,894,808	5,052,195	12,947,003	(8,909,065)	1,080,403	5,118,341
Permitting and community consults	2,072,895	715,145	2,788,040	(2,532,156)	155,948	411,832
Site works and road building	4,715,593	184,249	4,899,842	(3,388,991)	36,608	1,547,459
Salaries and wages	11,268,271	4,666,404	15,934,675	(13,585,525)	1,019,495	3,368,645
Sample preparation, assaying and analysis	3,693,858	1,586,419	5,280,277	(4,499,721)	187,753	968,309
Technical reports	1,556,022	335,774	1,891,796	(889,628)	-	1,002,168
Travel	1,516,502	837,843	2,354,345	(1,587,328)	155,262	922,279
Vehicle and transportation	2,401,674	634,424	3,036,098	(894,612)	343,186	2,484,672
Capitalized finance cost	-	1,412,422	1,412,422	(1,412,422)	-	-
Write-off of exploration assets	(771,648)	-	(771,648)	-	-	(771,648)
Cumulative foreign currency translation adjustment	(3,733,082)	351,170	(3,381,912)	2,863,446	(13,449)	(531,915)
	<u>\$ 75,407,963</u>	<u>\$ 47,871,821</u>	<u>\$ 123,279,784</u>	<u>\$(105,692,587)</u>	<u>\$ 4,685,283</u>	<u>\$ 22,272,480</u>

A full tenement listing is provided in Schedule A at the end of this MD&A

Mineral Resources

The Mineral Resource models and estimates, and the site visit were conducted by Mr. Ian Taylor, B.Sc. (Hons), G.Cert. Geostats, M.AusIMM (CP) (Qualified Person [QP]) of Mining Associates Pty Ltd. ("MA"). The Mineral Resource estimate was completed in January 2018 following the completion of the 2016-2017 diamond drilling program and field exploration. This Mineral Resource estimate does not include the 2019-2023 diamond drilling programs. The Mineral Resource has been estimated for each vein individually using Ordinary Kriging (OK) of width and grade, the latter using accumulations, into a three-dimensional (3D) block model. The Mineral Resource has been estimated for each vein individually based on the current drill hole database, historic block models, and geological wireframes. The effective date for the Mineral Resource estimate is January 8, 2018 (See sensitivity of Mineral Resource to cut-off grade in table below).

Cut off (g/t Au)	Indicated Resource			Inferred Resource		
	Tonnes	g/t Au	oz Au	Tonnes	g/t Au	oz Au
2.0	1,283,000	7.2	296,400	1,822,000	7.2	423,300
3.0	1,007,000	8.5	274,600	1,325,000	9.0	384,000
5.0	687,000	10.60	234,300	788,000	12.5	317,500

On April 29, 2022, the Company published a National Instrument ("NI") 43-101 Preliminary Economic Assessment Update (the "Report" or the "PEA") for the Tuvatu Gold Project ("Tuvatu") as prepared by independent consultants. The reader is cautioned that the Report includes the use of Inferred Mineral Resources, which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and as such, there is no certainty the economic results presented in the Report will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The Report is based on low accuracy level technical and economic assessments and is insufficient to support estimation of mineral reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Preliminary Economic Assessment will be realized. The PEA is filed on the Company's profile at www.sedar.com.

Selected Quarterly Results

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Total assets	\$ 221,295,724	\$ 216,484,066	\$ 209,570,987	\$ 208,116,895
Exploration and evaluation assets	22,272,480	21,194,872	19,136,657	123,279,784
Mineral property, plant and equipment	167,742,025	166,097,457	150,201,436	30,998,185
Working capital	21,892,371	18,984,800	31,105,048	45,424,078
Revenue	4,087,037	1,306,090	-	-
Interest income	243,169	178,885	389,757	757,612
Net gain (loss) for the period	(7,637,653)	(6,359,344)	(1,261,480)	339,941
Comprehensive income (loss) for the period	(10,333,130)	(3,489,138)	(1,996,884)	(3,162,743)
Basic and diluted loss per share	(0.03)	(0.03)	(0.01)	0.00

	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Total assets	\$ 182,661,161	\$ 147,640,714	\$ 147,162,124	\$ 131,275,674
Exploration and evaluation assets	107,873,845	95,845,120	84,781,639	75,407,963
Property and equipment	14,493,079	14,420,998	11,782,254	10,294,938
Working capital	37,135,946	20,861,205	32,337,138	36,645,040
Interest income	259,126	219,863	169,649	119,254
Net loss for the period	(968,786)	(782,767)	(1,238,814)	(545,663)
Comprehensive income (loss) for the period	(1,050,924)	1,249,957	612,072	(2,465,557)
Basic and diluted loss per share	(0.01)	0.00	(0.01)	(0.01)

The focus of the Company over the periods presented has been the exploration and development of its Tuvatu Project. On September 30, 2023, the Company reclassified capitalized costs from exploration and evaluation assets to mineral property, plant and equipment and as the Company moved into mineral property development stage. Over the past two years, the Company completed multiple financings (\$13 million private placement in September 2022, a \$33 million financing in February 2023 (comprised of \$30 million Tranche 1 loan facility and completion of \$3 million private placement) and \$27 million financing in May 2023), and (\$10 million Tranche 2 loan facility and \$12 million financing in February 2024) which has increased the total assets and funds available to accelerate the development of Tuvatu project resulting in increases in exploration and evaluations assets, mineral property, plant and equipment, offset by declines in working capital. Interest income has risen since March 2022 to June 2023, due to rising interest rates coupled with higher cash and cash equivalents balances from equity raises and loan facility proceeds. During the quarters ended in December 2023 and March 2024, the 300TPD pilot plant was commissioned resulting in gold revenues and mine operating losses due to ramp up and commissioning coupled with low grade feed of mineralized material from mine development. The differential between net and comprehensive loss in each period reflects the translation adjustment of the assets and liabilities of the Company's subsidiary, Lion One PTE Limited, which is denominated in Fijian dollars.

Financial Highlights

	Quarter October to December 2023	Quarter January to March 2024	Year to Date July 2023 to March 2024
Gold (oz) sold	479	1,462	1,941
Average realized selling price Gold (oz)	\$ 2,723	\$ 2,791	\$2,774
Cash Cost per oz (produced)*	\$ 7,194	\$5,368	\$5,802
Revenue – Gold and Silver Sales	\$1,306,090	\$4,087,037	\$5,393,127
Production Costs incl. royalties/refining and transport	(2,499,152)	(8,784,124)	(11,283,276)
Inventory NRV Adjustment**	(3,138,676)	1,033,442	(2,105,234)
Mine Operating Loss	(4,331,738)	(3,663,644)	(7,995,383)

*Cash operating cost is a non-IFRS measure with no standard definition under IFRS and is calculated using ounces produced. See the "Non-IFRS financial performance measures"

** The Company provided an inventory net realizable value adjustment for \$2,105,234 to reduce the work-in-process inventory by \$1,463,123, finished goods by \$423,277 and mineralized materials by \$218,834.

Results of Operations for the nine months ended March 31, 2024 compared to 2023

The comprehensive loss for the nine months ended March 31, 2024 was \$15,819,153 (2023 – gain of \$811,105). Significant changes to the comprehensive loss are explained as follows:

- Revenue recognized of \$5,393,127 (2023 - \$Nil), the Company had its first metal sales in December 2023. For further revenue please refer to Note 12 of the unaudited condensed consolidated interim financial statements for the nine months ended March 31, 2024.
- Cost of sales recognized of \$13,388,510 (2023 - \$Nil), of which \$11,283,276 relates to the Company's first gold sales during the last two quarters and recorded the related costs of producing this gold as cost of sales and \$2,105,234 relates to net realizable value adjustment for work in process, finished goods and mineralized materials. Cost of production during the ramp-up phase are not necessarily indicative of costs to be expected after reaching sustained production at 300TPD. For further revenue please refer to Note 13 of the unaudited condensed consolidated interim financial statements for the nine months ended March 31, 2024.
- General and administrative expenses increased by \$572,046 to \$2,915,183 (2023 - \$2,343,137) primarily due to higher head count, legal fees and consulting fees with higher level of corporate activities compared to prior year period.
- Interest and finance expense increased by \$3,022,330 to \$3,026,722 (2023 - \$4,392) primarily due to the recognition of accretion and interest expense for the financing facility to the statement of loss and comprehensive loss as the 300 TPD mine and mill was commissioned in November 2023 and accretion and interest expenses are no longer being capitalized and prior period debt facility interest costs were capitalized.
- Share-based payments expense increased to \$1,523,552 (2023 - \$1,264,985) due to the timing of employee stock options granted in December 2023 and January 2024.
- During the period ended March 31, 2024, the Company recognized a foreign exchange translation loss of \$560,675 on its net assets denominated in Fijian dollars reflecting a weakening of the Fijian dollar against the Canadian dollar since June 30, 2023. A foreign exchange translation gain of \$3,801,472 was recognized in the comparative period.

Results of Operations for the three months ended March 31, 2024 compared to 2023

The comprehensive loss for the three months ended March 31, 2024 was \$10,333,130 (2023 – \$1,050,924). Significant changes to the comprehensive loss are explained as follows:

- Revenue recognized of \$4,087,037 (2023 - \$Nil), the Company had its first metal sales in December 2023. For further revenue please refer to Note 12 of the unaudited condensed consolidated interim financial statements for the nine months ended March 31, 2024.
- Cost of sales recognized of \$7,750,681 (2023 - \$Nil), of which \$8,784,124 relates to the Company's first gold sales during the last two quarters and recorded the related costs of producing this gold as cost of sales and \$1,033,443 relates to net realizable value adjustment for work in process, finished goods and mineralized materials. Cost of production during the ramp-up phase are not necessarily indicative of costs to be expected after reaching sustained production at 300TPD. For further revenue please refer to Note 13 of the unaudited condensed consolidated interim financial statements for the nine months ended March 31, 2024.
- General and administrative expenses increased by \$91,976 to \$964,315 (2023 - \$872,339) primarily due to higher head count, legal fees and consulting fees with higher level of corporate activities compared to prior year period.
- Interest and finance expense increased by \$1,964,370 to \$1,964,963 (2023 - \$593) primarily due to the recognition of accretion and interest expense for the financing facility to the statement of loss and comprehensive loss as the 300 TPD mine and mill was commissioned in November 2023 and accretion and interest expenses are no longer being capitalized and prior period debt facility interest costs were capitalized.
- Share-based payments expense increased to \$422,898 (2023 - \$240,957) due to the timing of employee stock options granted in December 2023 and January 2024.
- During the period ended March 31, 2024, the Company recognized a foreign exchange translation loss of \$2,695,477 on its net assets denominated in Fijian dollars reflecting a weakening of the Fijian dollar against

the Canadian dollar since June 30, 2023. A foreign exchange translation loss of \$82,138 was recognized in the comparative period.

Cash flows for the nine months ended March 31, 2024 compared to 2023

Cash, cash equivalent and short-term investments have decreased by \$32,828,706 to \$12,565,664 at March 31, 2024 from a balance of \$45,394,370 as at June 30, 2023.

Cash outflows from operating activities increased by \$17,860,362 to \$22,153,570 (2023 – \$4,293,208). This is primarily due to a build up in inventory as 300TPD pilot plant was commissioned and an increase in VAT receivables as the Fijian Government increased the Valued Added Taxes ("VAT") rate for all supplies from 9% to 15% on August 1, 2023.

Cash outflows from investing activities decreased by \$20,698,846 to \$16,935,194 (2023 - \$37,634,040) due primarily to increase in purchases of mining and process plant equipment and offset by decrease in purchases of exploration expenditures and increase of short-term investment redemptions in the current year period.

Cash inflows from financing activities decreased by \$24,056,779 to \$20,927,025 (2023 - \$44,983,804) due to net cash proceeds from the September 28, 2022 bought deal and net cash proceeds in February 2023 Tranche 1 – loan facility, offset by net cash proceeds in January 2024 Tranche 2 – loan facility and February 14, 2023 bought deal.

Financial Position

Cash, cash equivalents and short-term investments have decreased by \$32,828,706 to \$12,565,664 as at March 31, 2024 from a balance of \$45,394,370 as at June 30, 2023, due primarily to expenditures on exploration and evaluation assets and mineral property, plant and equipment and a build up of inventory and VAT receivables during the current period.

Shareholders' equity decreased by \$2,911,777 to \$172,139,484 (June 30, 2023 – \$175,051,261) primarily due to mine operating loss and higher interest and accretion expenses, which were previously capitalized during the 300TPD construction stage.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2024, the Company had a working capital of \$21,892,371 including cash and cash equivalents of \$12,565,664 as compared to working capital of \$45,424,078 including cash, cash equivalents and short-term investments of \$45,394,370 as at June 30, 2023.

Management cautions that the Company's ability to raise further funding is not certain. Additional funds will be required in order to pursue the Company's current exploration and mine development plans. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control.

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in Notes 2 and 3 of its condensed consolidated financial statements for the period ended March 31, 2024. The preparation of the condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates. Management considers the following estimates to be the most critical in understanding the judgments and estimates that are involved in the preparation of the Company's consolidated financial statements and the uncertainties that could impact the results of operations, financial condition and cash flows:

Functional currency

The functional currency of each of the subsidiaries and the Company were assessed to determine the economic substance of the currency in which each entity performed its operations. The functional currency of the Company is the Canadian dollar. The functional currencies of the Company's subsidiaries have been assessed and incorporate the Canadian dollar, Fijian dollar and Australian dollar as detailed in Note 2 of the condensed consolidated interim financial statements for the period ended March 31, 2024.

Impairment of non-current assets

The carrying value and recoverability of exploration and evaluation assets, mineral properties and property and equipment requires management to make certain estimates, judgments and assumptions about its project. Management considers the economics of the project, including the latest resource prices and the long-term forecasts, and the overall economic viability of the project.

Income taxes

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in the Company's provision for income taxes.

Equity measurements

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected share price volatility.

PROPOSED TRANSACTIONS

Other than as disclosed elsewhere in this document, the Company does not have any proposed transactions.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Financial instruments of the Company comprise of cash, cash equivalents, short term investments, receivables, deposits, accounts payable and accrued liabilities, lease liability, loan facility and accrued interest. The carrying values of these financial instruments do not materially differ from their fair values due to their ability for prompt liquidation or their short terms to maturity. The fair value of long-term liabilities are initially recorded at fair value and subsequently carried at amortized cost using rates comparable to market interest rates.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, cash equivalents, short-term investments and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash, cash equivalents, short-term investments with high-credit quality financial institutions. Receivables mainly consist of Goods and Services Tax ("GST") receivable from the Government of Canada, GST receivable from the Government of Australia, and Value Added Tax ("VAT") receivable from the Government of Fiji. The Company has not had issues with respect to collectability of these amounts and believes that the credit risk concentration with respect to receivables is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company will raise funds for future use from equity financings and other methods as contemplated by management to satisfy its capital requirements and will continue to depend heavily upon these financing activities. All of the Company's current financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. As at March 31, 2024, the Company had a working capital of \$21,892,371.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company has cash balances, investment-grade short-term deposit certificates issued by its banking institution and long-term debt under the loan facility. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Advances under the loan facility will bear interest at the 3 month SOFR +8% for Tranche 1 and +10% for Tranche 2/3. The Company manages this risk by monitoring fluctuations in SOFR and in the event 3-month SOFR is in excess of 5%, the Company has the option to pay that portion of the interest attributable to Term SOFR that exceeds 5% by issuing shares of the Company subject to the approval of the TSXV.

b) Foreign currency risk

The Company's property exploration work occurs in Fiji and is conducted in Canadian dollars and Fijian dollars. A portion of the Company's financial assets (liabilities) and other assets are denominated in US dollars and Australian dollars. As such, the Company is exposed to foreign currency risk in fluctuations.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. The Company closely monitors commodity prices to determine the appropriate strategic action to be taken by the Company.

BALANCE SHEET ARRANGEMENTS

At March 31, 2024, the Company had no material off balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

RELATED PARTY TRANSACTIONS

The condensed consolidated interim financial statements include the financial statements of Lion One Metals Limited and its 100% owned subsidiaries American Eagle Resources Inc. (Canada), Laimes International Inc. (BVI), Auksas Inc. (BVI), Lion One Limited (Fiji), Lion One Australia Pty Ltd. (Australia) and Piche Resources Pty Ltd. (Australia).

Key management personnel comprise of the: Chief Executive Officer, Managing Director, Chief Financial Officer, Chief Operating Officer, Senior Vice President Exploration and Vice President, Corporate Secretary of the Company, members of the Board of Directors and related companies. The remuneration of the key management personnel is as follows for the period ended March 31:

	2024	2023
Payments to key management personnel:		
Cash compensation expensed to management fees, professional fees, investor relations, directors' fees and consulting fees	\$ 780,216	\$ 747,828
Cash compensation capitalized to mineral property, plant and equipment and exploration and evaluation assets	447,885	390,000
Share-based payments	746,971	1,431,931

During the period ended March 31, 2024, the Company paid \$135,000 (2023 - \$135,000) in rent to Cabrera Capital Corp. ("Cabrera"), a company controlled by Walter Berukoff, the CEO and director of the Company. As at March 31, 2024, the Company had a lease liability of \$492,929 (June 30, 2023 - \$549,197) due to Cabrera equal to the present value of office space lease payments over the term of the lease. The Company has a payable of \$125,432 (June 30, 2023 - Nil)

The Company had a management and corporate services agreement with Cabrera pursuant to which Cabrera provides a fully furnished and equipped business premises as well as management and administration services to the Company. With the exception of rent expense, Cabrera charges the Company on a cost-recovery basis. On April 1, 2023, the Cabrera management and corporate services agreement was renewed for an additional 5-year term.

During the period ended March 31, 2024, the Company paid \$139,218 (2023 - \$174,405) in rent to Lions Den (Fiji) Pte Limited, a company controlled by Walter Berukoff, the CEO and director of the Company, for short-term and long-term accommodations including utilities in Fiji, and has a receivable of \$11,980 (June 30, 2023 - receivable \$6,590).

During the period ended March 31, 2024, the Company has a payable of \$79,446 (2023 - \$Nil) in royalty to Laimes Global, Inc, a company controlled by Walter Berukoff, the CEO and director of the Company. The Company has a payable of \$21,112 (June 30, 2023 - Nil).

During the period ended March 31, 2024, the Company paid professional fees of \$31,811 (2023 - \$24,378) to a management services company owned by David McArthur, a director of the Company's subsidiary, Lion One Australia Pty Ltd. As at March 31, 2024, the Company had a payable of \$7,853 (June 30, 2023 - \$7,756).

During the period ended March 31, 2024, the Company paid professional fees of \$180,000 (2023 - \$20,000) to Richard Meli, a director of the Company, for consulting services. During the period ended March 31, 2024, the Company paid

professional fees of Nil (2023 - \$171,463) to Adera LLC, a company owned by Kevin Puil, a director of the Company, for consulting services.

RISK FACTORS

Prior to making an investment decision, investors should consider the investment risks set out in the Annual Information Form ("AIF"), located on SEDAR at www.sedar.com, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out in the AIF to be the most significant to potential investors in the Company, but are not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Directors are currently unaware, or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure Controls and Procedures ("DC&P")

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related condensed consolidated interim financial statements was properly recorded, processed, summarized and reported to the Company's Board and Audit Committee. The Company's certifying officers conducted or caused to be conducted under their supervision an evaluation of the disclosure controls and procedures as required under Canadian Securities Administration regulations, as at March 31, 2024. Based on the evaluation, the Company's certifying officers concluded that the disclosure controls and procedures were effective to provide a reasonable level of assurance that information required to be disclosed by the Company in its annual filings and other reports that it files or submits under Canadian securities legislation is recorded, processed, summarized and reported within the time period specified and that such information is accumulated and communicated to the Company's management, including the certifying officers, as appropriate to allow for timely decisions regarding required disclosure.

It should be noted that while the Company's certifying officers believe that the Company's disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Control over Financial Reporting ("ICFR")

The Company's certifying officers acknowledge that they are responsible for designing internal controls over financial reporting, or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

NON-IFRS PERFORMANCE MEASURES

The Company provides some non-IFRS measures as supplementary information that management believes may be useful to investors to explain the Company's financial results.

Cash operating cost

“Cash operating cost per ounce produced” and “total cash cost per ounce sold” are common financial performance measures in the gold mining industry but with no standard meaning under IFRS. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure, along with sales, is considered to be a key indicator of a Company's ability to generate earnings and cash flow from its mining operations.

Cash cost figures are calculated in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is the accepted standard of reporting cash cost of production in North-America. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. Other companies may calculate these measures differently. Cash operating cost per ounce produced and tonne processed are derived from mining operating costs such as mining, processing, mine site general and administrative expenses. Total cash cost per ounce sold represents mining operations expenses plus royalties and selling expenses divided by ounces sold.

OUTSTANDING SHARE DATA

As at March 31, 2024 and May 14, 2024, the balance of common shares, stock options, warrants and compensation units were issued and outstanding as follows:

	Balance	Balance
	March 31, 2024	May 14, 2024
Common Shares	230,550,241	230,550,241
Warrants	62,832,087	62,832,087
Stock Options	14,673,332	14,539,999
Compensation Options	4,244,880	4,244,880

INFORMATION REGARDING FORWARD LOOKING STATEMENTS

This Management's Discussion and Analysis of Financial Condition and Results of Operations contain certain forward-looking statements. Forward-looking statements include but are not limited to the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of current exploration activities, conclusions or economic evaluations, changes in project parameters as plans continue to be refined, possible variations in grade and or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes, impact of the COVID-19 pandemic on operations or other risks of the mining industry, delays in obtaining government approvals or financing or incompleteness of development or construction activities, risks relating to the integration of acquisitions, to international operations, and to the prices of gold and other metals.

While the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by law.

ADDITIONAL INFORMATION

Additional information regarding the Company can be found at www.sedar.com and the Company's website www.liononemetals.com.

SCHEDULE "A"**LION ONE METALS LIMITED
TENEMENT LISTING**

TENEMENT DESCRIPTION	TENEMENT NUMBERS ⁽¹⁾	PERCENTAGE INTEREST	CHANGES IN THE PERIOD
FIJI			
TUVATU GOLD PROJECT, VITI LEVU			
Tuvatu	SML 62	100%	
Tuvatu	SPL 1283	100%	
Yavuna	SPL 1296	100%	
Nagado	SPL 1465	100%	
Navilawa	SPL 1512	100%	In May 2024, renewal application has been submitted in accordance with statutory requirements, and renewal is pending.

(1) Tenured ground held in Fiji is held under Special Prospecting Licenses (SPL's) and a Special Mining License (SML).