Clarification on Mining Methods at the Tuvatu Gold Mine

Lion One Has Not Abandoned Shrinkage Stoping — Multiple Mining Methods Will Be Used as Dictated by Deposit Characteristics

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5,704	10.60 g/t	70%	$15M
Tonnes from First Shrinkage Stope	Average Gold Grade Achieved	Increase in Development Rates	Arete Capital Strategic Investment

Lion One Metals Limited (TSX-V: LIO) (OTCQX: LOMLF) ("Lion One" or the "Company") wishes to address recent commentary regarding mining methods at its 100%-owned Tuvatu Alkaline Gold Project in Fiji ("Tuvatu"). The Company is aware that certain claims have been made suggesting that Lion One has abandoned shrinkage stoping in favour of an alternative mining method. These claims are inaccurate.

Lion One has not moved away from shrinkage stoping. The Company's first shrinkage stope was completed successfully in 2025 producing 5,704 tonnes at an average gold grade of 10.60 g/t.[1] A second shrinkage stope projected to be twice the size of the first was subsequently developed in Zone 5 with a third shrinkage stope under development at the 1120 level.[2] Shrinkage stoping remains a core part of the Company's mining plan.

THE FACTS: SHRINKAGE STOPING AT TUVATU

Far from abandoning shrinkage stoping Lion One has actively developed and refined this technique throughout 2025 and into 2026. The publicly disclosed record is clear:

- First Shrinkage Stope Completed Successfully (Q3 2025): The Company's first shrinkage stope located near surface in Zone 2 targeted a section of the Ura1 lode approximately 62 m long, 24 m tall and 1.5 m wide. It produced 5,704 tonnes at 10.60 g/t gold.[1]

> *"The success of the Company's first shrinkage stope is a major achievement and milestone for the Company and confirms shrinkage mining as an optimal mining method for certain parts of the Tuvatu gold deposit. We anticipate utilising other mining methods for other parts of the deposit."*
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> — Lion One Metals, News Release, October 2, 2025

- Second Shrinkage Stope Developed (Q4 2025): A second significantly larger shrinkage stope was developed in Zone 5 focused on the UR2 lode. This stope was projected at approximately 60 m long, 50 m tall and 1.5 m wide with expected production of 11,520 tonnes — roughly double the first.[1]
- Third Shrinkage Stope — Design Underway (2026): Development of a third shrinkage stope between levels 1116 and 1156 is currently underway at the design stage. The Company has commenced additional surface drilling to tighten up the design and improve geological knowledge of this section of the deposit before mining commences. We acknowledge that the first shrinkage stope could have been more accurately designed with better geological data in hand, and this programme reflects the lesson learned from that experience. The final size

parameters for the third stope are yet to be determined and will be confirmed once the additional drilling results are received and assessed. Shareholders will be updated once a final design is established.[3]

WHY RESPONSIBLE OPERATORS USE MULTIPLE MINING METHODS

It is a fundamental principle of underground mine engineering that no single mining method is universally optimal. The appropriate technique for any given section of an underground mine is dictated by the physical characteristics of the deposit in that section — including its width, dip angle, continuity, grade distribution and the geotechnical properties of the surrounding rock mass.

At Tuvatu the gold mineralisation occurs in steeply dipping narrow veins within a complex alkaline geological setting. The deposit is characterised by multiple lode arrays with varying orientations, widths and structural characteristics.[4] This geological complexity — which is typical of high-grade narrow-vein gold systems worldwide — means that the optimal mining method will naturally vary from one section of the mine to another.

UNDERSTANDING MINING METHOD SELECTION

In narrow-vein underground gold mining operators typically employ a combination of techniques including shrinkage stoping, cut-and-fill stoping, longhole stoping and development mining. The selection of method for each section of the mine depends on:

- Deposit geometry — the width, length, height and dip angle of the vein in that section
- Geotechnical conditions — the strength and stability of the surrounding rock mass
- Grade distribution — where the highest-grade gold is concentrated within the vein
- Safety considerations — the method that provides the safest working environment for mine personnel
- Economic efficiency — maximising gold recovery while minimising dilution and operating costs

This is standard practice across the global mining industry and is not unique to Tuvatu or Lion One. Any suggestion that a responsible operator should commit exclusively to a single mining method, regardless of the geological conditions encountered, reflects a fundamental misunderstanding of underground mining.

SHRINKAGE STOPING IN CONTEXT

Shrinkage stoping is a well-established underground mining method that has been used successfully for decades in narrow-vein gold deposits around the world. It is particularly well-suited to steeply dipping veins where the ore body is narrow and high-grade, conditions that exist at Tuvatu.

However like all mining methods shrinkage stoping has practical limitations that experienced operators must manage responsibly:

- Cycle time: A single shrinkage stope can take several months from development to final drawdown. The Company's first stope was developed over several months with production occurring from July to September 2025.[1] We would reasonably allow 3 to 5 months from beginning of stoping to processing.
- Safety considerations: Shrinkage stoping requires personnel to work on top of broken ore which presents inherent safety risks that must be carefully managed. Modern mine management prioritises worker safety above production targets.

- Capital tied up in inventory: During active mining approximately 60% of the broken ore remains in the stope to provide a working platform. This ore is only recovered during the final drawdown phase meaning significant value is held in inventory throughout the mining cycle.
- Geological suitability: Shrinkage stoping works best in steeply dipping ore bodies with consistent geometry. Where the vein changes dip, width or orientation, which is common in complex geological settings, other methods may be more appropriate.

Management's position is straightforward: shrinkage stoping will continue to be used where the ore body characteristics make it the most appropriate method. Where geological conditions call for an alternative approach the Company will apply the safest and most economical technique available. This is exactly what any competent underground mining operation does.

THE GEOLOGICAL REALITY AT TUVATU

The Tuvatu gold deposit occurs within the Navilawa Caldera in Fiji which is a complex alkaline geological environment where gold mineralisation is hosted in multiple steeply dipping narrow veins (lodes) with varying orientations and characteristics.[4] The deposit includes multiple lode arrays across several zones (Zone 2, Zone 5 and others) each with distinct structural and mineralogical features.

The Company has publicly noted that high-grade "blow-out" zones are produced at the intersection of multiple structures with different orientations[5], a characteristic that underscores the geological variability of the deposit and the need for adaptive mining methods. Gold deposition in alkaline systems is inherently complex and variable and the precise geometry and grade distribution of each vein section can only be fully understood through detailed underground drilling and geological mapping as the mine develops.

This geological complexity is precisely why Lion One conducts extensive underground infill and grade control drilling to characterise each section of the deposit before mining commences. It would be irresponsible to predetermine a single mining method without first understanding the geological conditions in each area of the mine.

THE ARETE ADVANTAGE: EXPERIENCED MINING OPERATORS

The strategic transaction with Arete Capital Advisors announced on December 30, 2025 brings significant additional mining expertise to Lion One.[7] Arete is a specialist mining investment and operating group with a demonstrated track record in mine management, turnaround and optimisation.

Campbell Olsen appointed CEO on February 25, 2026 brings extensive experience in international resource investment and operational leadership within the mining sector including substantial experience in high-grade underground gold mining.[8] Under the Management Services Agreement Arete will provide specialist technical engagement to systematically advance Tuvatu and build long-term value for shareholders.

> *"Arete's specialist team brings deep operational, technical and financial experience in turning high-quality mid-tier gold assets into robust cash-generative businesses... [with a] clear pathway to unlock significant incremental value at Tuvatu through disciplined mine optimisation, targeted capital investment and an aggressive but data-driven exploration program."*
>
> — Campbell Olsen, CEO, December 30, 2025

Decisions about mining methods at Tuvatu are and will continue to be made by qualified mining engineers and geologists with direct knowledge of the underground conditions. These are complex technical decisions that require hands-on operational expertise not speculation from outside parties who do not have access to the detailed geological and geotechnical data that informs mine planning.

The Company advises that its current mine development plan is not based on a feasibility study of mineral reserves demonstrating economic and technical viability. As a result, there is increased uncertainty and a higher risk of economic and technical failure associated with the development of a commercially mineable deposit. There is no assurance that the Company will achieve anticipated levels of mineral recovery or production costs.

WHAT SHAREHOLDERS SHOULD KNOW

- Lion One has not abandoned shrinkage stoping. The Company successfully completed its first shrinkage stope in 2025 is developing additional shrinkage stopes and will continue to use this method where appropriate.
- Multiple mining methods are standard practice. Every competent underground mining operation adapts its methods to the geological conditions encountered. This is a strength not a weakness.
- The deposit dictates the method. Geology at Tuvatu is complex and variable. The Company will utilise the safest and most economical technique for each section of the mine as determined by the deposit characteristics encountered during development.
- Experienced operators are in charge. The Arete management team brings deep expertise in underground gold mining. Mining method decisions will be made by qualified professionals with direct knowledge of underground conditions.

Lion One remains focused on what matters: safely and efficiently developing Tuvatu into a robust long-life underground gold mine. The Company will continue to provide transparent updates on its operations, mining methods and production progress.

DEFINITIONS FOR SHAREHOLDERS

The following plain-language explanations are provided to assist shareholders in understanding the technical terms used in this release.

Shrinkage stoping	A mining method used in narrow steeply dipping ore bodies. Miners drill and blast ore from the bottom of a section upward. Around 60% of the blasted rock is left inside the stope (void) as a working platform. Miners stand on this broken rock to continue drilling upward. At the end of the mining cycle the retained ore is drawn out from below. The method is efficient for high-grade narrow veins but requires careful management of the working platform and ground conditions.
Cut-and-fill stoping	A mining method where ore is extracted in horizontal slices from the bottom upward. After each slice is removed the void is filled with waste material or engineered fill before the next slice is mined. This provides ground support and allows mining in areas where the rock mass is less stable. It is slower than shrinkage stoping but offers more control over ground conditions.
Longhole stoping	A method where long drill holes are drilled from a level above or below the ore body and the ore is blasted in large volumes. The broken ore falls to a lower level for collection. This is an efficient bulk mining method

	suited to larger ore bodies but less selective than shrinkage or cut-and-fill in narrow veins.
Development mining	The tunnelling and infrastructure work required to access ore bodies. This includes driving declines (ramps), cross-cuts (horizontal tunnels) and raises (vertical or inclined openings connecting levels). Development mining does not produce significant ore but is essential to creating access for production mining.
Lode	A vein or zone of rock containing economically significant gold mineralisation. At Tuvatu gold occurs in multiple lodes — narrow zones of high-grade mineralised rock within the broader ore body.
Multiple lode arrays	A series of individual lodes that occur in the same general area of the deposit, often with slightly different orientations or dip angles. At Tuvatu the gold system contains multiple lode arrays meaning the ore body is not a single continuous sheet but a network of mineralised veins with varying characteristics.
Ore body geometry	The three-dimensional shape of the ore body — including its length, width, height and the angle at which it dips into the ground. Mining method selection depends heavily on geometry: narrow steeply dipping veins suit different methods than wide shallow-dipping ore bodies.
Dip angle	The angle at which a vein or geological structure tilts from horizontal. A steeply dipping vein is nearly vertical. A shallowly dipping vein is nearly horizontal. Shrinkage stoping works best in steeply dipping ore bodies.
Geotechnical conditions	The physical properties of the rock mass surrounding the ore body including its strength, stability and tendency to fracture or collapse. Geotechnical conditions directly influence which mining methods can be used safely and what ground support is required.
Grade distribution	How gold is distributed within the ore body. In some sections grade may be highly concentrated in a narrow zone. In others it may be more evenly spread or variable. Understanding grade distribution through drilling helps miners optimise their method to maximise gold recovery and minimise dilution with waste rock.
Dilution	The mixing of waste rock with ore during mining which reduces the average grade of material sent to the processing plant. Minimising dilution is a key objective in narrow-vein mining. Poorly designed stopes or inaccurate geological knowledge can increase dilution and reduce the gold recovered per tonne processed.
Infill drilling	Diamond drilling conducted within a known mineralised zone to increase the density of geological data and improve the accuracy of the ore body model. Infill drilling reduces geological uncertainty and allows more accurate mine design. The Company conducts infill drilling prior to stope design specifically to reduce the risk of the kind of design inaccuracies acknowledged in this release.
Grade control drilling	Closely spaced drilling conducted in active mining areas to accurately define ore and waste boundaries before and during mining. Grade control data guides miners on exactly where to mine and where to stop to maximise ore recovery and minimise dilution.
Drawdown	The final phase of shrinkage stoping where the retained broken ore platform is extracted from below. During active shrinkage mining approximately 60% of blasted ore is held inside the stope. Drawdown recovers this retained material at the end of the mining cycle.
Alkaline geological setting	A geological environment associated with alkaline igneous rocks such as the monzonites and syenites of the Navilawa Caldera at Tuvatu. Alkaline

	gold systems are a specific class of epithermal gold deposit associated with this rock type. They are relatively rare globally but include some of the world's highest-grade and largest gold deposits including Porgera in Papua New Guinea and Emperor in Fiji.
Navilawa Caldera	The ancient volcanic collapse structure within which the Tuvatu gold deposit is located on the island of Viti Levu in Fiji. The caldera hosts the mineralised system that produced the gold veins now being mined. Lion One holds exploration rights over the broader caldera area providing significant potential for the discovery of additional gold and copper mineralisation.
Blow-out zone	A localised area within a vein system where the ore body expands in width and grade as a result of the intersection of multiple structures. Blow-out zones are typically high-value areas within the mine. At Tuvatu they occur where multiple lodes converge or intersect at different orientations.
Stope	The underground void created by the removal of ore during mining. A stope is the productive working space from which gold-bearing rock is extracted. Multiple stopes may be active simultaneously in different parts of the mine.

QUALIFIED PERSON

In accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), Stephen Jeffers, FAusIMM, an employee of the Company, is the Head of Mining Operations and Qualified Person for the Company and has approved the technical and scientific content of this news release.

On behalf of the Board of Directors,

Campbell Olsen
Chief Executive Officer

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Sources and Citations

All statements in this release are supported by publicly disclosed news releases issued by Lion One Metals Limited. No non-public or material information has been disclosed.

1. Lion One Metals Limited, "Lion One Produces 5,704 Tonnes at 10.60 g/t Gold from First Shrinkage Stope at Tuvatu and Increases Underground Development Rates by 70%," October 2, 2025.
2. Lion One Metals Limited, "Lion One Drills 728.56 g/t Gold over 0.7 m, 25 m Below Current Mine Development at Tuvatu Gold Mine in Fiji," November 18, 2025.
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4. Lion One Metals Limited, "Lion One Announces Mine Ventilation Upgrade, Reports Preliminary Gold Results," April 17, 2025.
5. Lion One Metals Limited, "Lion One Intensifies Roscoelite Focus and Enhances Fiji Gold Team with Addition of Two Ex-Newmont Geologists," November 19, 2024.
6. Lion One Metals Limited, "Lion One Drills 236.00 g/t Gold over 0.4 m Near Mine Underground at Tuvatu Gold Mine in Fiji," May 1, 2025.
7. Lion One Metals Limited, "Lion One Announces Strategic Investment by Arete Capital," December 30, 2025.
8. Lion One Metals Limited, "Lion One Announces CEO Appointment, Arete Transaction Update, and Credit Facility Update," February 25, 2026.