



LION ONE METALS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED MARCH 31, 2026

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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 June 1, 2026. 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, 2026. 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, 2026 and the audited annual consolidated financial statements for the year ended June 30, 2025. 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, 2026 and the subsequent period up to June 1, 2026, 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 and on the OTCQX market under the symbol LOMLF.

Mr. Melvyn Levrel, M. Sc., who is the Company's Senior Geologist and is 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. Mark Horan, P.Eng., who is the Company's Chief Mining Engineer, is 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 ('oz') 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 achieved steady state mine and mill production at 350 to 400 tonnes per day in 2024 during the initial pilot plant phase of operations with plans to expand operations to 600 to 700 tonnes per day. 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 demonstrating that the Tuvatu property has the potential to become a multi-million ounce gold camp.

HIGHLIGHTS AND SIGNIFICANT SUBSEQUENT EVENTS**Financial Highlights****

	Three months ended Mar. 31, 2026	Nine months ended Mar. 31, 2026
Gold ounces (oz) sold	2,193	9,942
Average realized selling price gold (oz)	\$6,527	\$5,560
Cost of sales per gold (oz)* (net of silver revenue)	\$3,920	\$3,135
Revenue – gold	\$14,316,008	\$55,278,616
Cost of sales (net of silver revenue)*	(8,595,537)	(31,166,332)
Mine operating income	\$5,720,471	\$24,112,284

* Cost of sales per gold oz (net of silver revenue) is a non-IFRS measure with no standard definition under IFRS and is calculated using ounces sold. See the "Non-IFRS financial performance measures"

** The Company's financial results are presented in Canadian dollars.

During the three-month period ended March 31, 2026, the Company achieved the following:

- Mine operating income of \$5,720,471
- Gold revenue of \$14,316,008 from sale of 2,193 gold oz
- Average realized gold selling price of \$6,527 per oz
- Cost of sales per gold oz (net of silver revenue) of \$3,920

During the nine-month period ended March 31, 2026, the Company achieved the following:

- Mine operating income of \$24,112,284
- Gold revenue of \$55,278,616 from sale of 9,942 gold oz
- Average realized gold selling price of \$5,560 per oz
- Cost of sales per gold oz (net of silver revenue) of \$3,135

Health & Safety

Lion One is committed to providing a safe and healthy working environment for our employees and contractors:

- Total Recordable Injury Frequency Rate ("TRIFR") of 6.55 in the third quarter (*Frequency Rate is calculated as incidents per 200,000 hours worked*)
- Lost time injury frequency rate ("LTIFR") of 0.60
- The Company had 11 recordable injuries at the Tuvatu mine and 1 lost time injuries in the third quarter

Underground Mine Development

During the three-month period ended March 31, 2026, the Company achieved the following mining physicals:

- Total tonnes mined of 59,211, with 27,603 tonnes of waste and 31,608 tonnes of mineralized material at average grade of approximately 4.7 g/t Au
- Total capital development of 546 meters including decline advancement of 228 meters
- Total operating development of 758 meters

During the nine-month period ended March 31, 2026, the Company achieved the following mining physicals:

- Total tonnes mined of 215,212 with 118,237 tonnes of waste and 96,975 tonnes of mineralized material at average grade of approximately 4.7 g/t Au
- Total capital development of 1,768 meters including decline advancement of 848 meters
- Total operating development of 2,741 meters

The focus of mining activities for the three-month period ending on March 31, 2026, was the development of the underground mine, with the goal of advancing the main decline to the 500 Zone as quickly and as safely as 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. This included the commissioning of new Yantai boggers and ordering critical parts for multiple loaders to support higher stoping tonnes. The Company's second shrinkage stope was developed in Zone 5 focused on the UR2 lode and projected at approximately 60 m long, 50 m tall and 1.5 m wide with expected production of 11,520 tonnes and began production started in March 2026. During the quarter ended September 30, 2025, the Company's first shrinkage stope was developed and produced 5,704 tonnes at 10.60 g/t gold.

Pilot Plant Mill Operations

The Company's produced 2,726 oz of gold at an average head grade of 4.3 g/t Au for the quarter ended March 31, 2026. These results were lower than the two the previous quarters, with 4,383 oz of gold at an average head grade of 5.4 g/t during the December quarter and 4,086 oz of gold was produced at average head grade of 5.1 g/t Au for the September quarter. The average head grade from July to December 2025 was 5.22 g/t Au.

During the three-month period ended March 31, 2026, the Company achieved the following mill physicals:

- Processed 28,230 tonnes of mineralized materials at an average head grade of 4.2 g/t Au
- Quarterly production of 2,726 oz gold recovered
- Mill achieved overall recovery of 70.9% for the quarter

Compared to the three-month period ending on December 31, 2025, this quarter's 2,726 oz gold recovered represents a 38% decrease in production due primarily to lower gold grades, lower recoveries achieved of 55% in March due to the commissioning of the flotation circuit and 8 days lost due to adverse weather conditions. Construction of the flotation circuit was completed by end of March 2026, with gold recoveries anticipated to increase to over 90% gradually over the year.

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 either of the recovery of minerals or of the cost of such recovery, including increased risks associated with developing a commercially mineable deposit.

March 2026 Quarter Exploration Summary

During the three-month period ended March 31, 2026, the Company continued with its exploration program to confirm and expand the potential for a high-grade alkaline gold system. A total of five drill rigs were operating during this quarter, with the fifth rig being a rental unit that commenced operations in mid-March; five rigs were focused on infill and grade control drill programs drilling from underground and surface in areas earmarked for near-term mining.

During this period, the Company completed 6,798 meters of diamond drilling in 54 completed holes, with a further 5 drill holes still in progress.

March 2026 Quarter Exploration Summary	
Activity	Number
# of drill holes completed	54
# of drill holes in progress at end of Quarter	5
# of meters drilled	6,798
# of drill core samples submitted for analysis	9,008
# of channels excavated and sampled	75
# of samples from channel sampling	1,175
# of surface rock chip samples collected	16
# of samples analyzed in Lion One Laboratory	10,761

New Appointments and Changes in Management

On January 7, 2026, the Company announced that Tayfun Eldem has stepped down as an independent member of the Company's Board of Directors.

On January 21, 2026, the Company announced the appointment of Mr. David Anderson to the Company's Board of Directors.

On February 25, 2026, the Company announced the appointment Campbell Olsen as Chief Executive Officer ("CEO") and Director. Mr. Olsen was subsequently terminated as CEO on April 30, 2026 and resigned as a director.

On May 1, 2026, the Company also announced that Mr. Tony Young, the Company's current Chief Financial Officer ("CFO"), was appointed as Interim CEO, and Ms. Zamand Shokri, the Company's current Corporate Controller, was appointed as Interim CFO, both also effective immediately. Mr. Young has been the CFO of the Company for 8 years while Ms. Shokri has been the Corporate Controller for the Company for 6 years. Both Mr. Young and Ms. Shokri have deep knowledge of the Tuvalu operations and provide continuity for the Company during the transition to a new CEO.

On May 5, 2026, The Company appointed Mr. Eric Setchell as Director of Operations. Mr. Setchell is a highly accomplished mining executive with more than 40 years of experience across underground and open pit mining operations, with a strong focus on gold mining. He has held senior leadership roles including Mine General Manager, Operations Manager, and Mining Manager at several prominent gold mining companies, including Centerra Gold, Dundee Precious Metals, Goldcorp, and Kinross Gold. Mr. Setchell has extensive expertise in underground gold mining methods including longhole stoping, shrinkage stoping, cut-and-fill, and mechanized mining. He has successfully led large-scale operations both in Canada and internationally, including mine, mill, maintenance and technical operations. His career highlights include overseeing the safe underground gold production of 700,000 ounces annually at Red Lake Gold Mines, significantly increasing production rates and mill throughput at multiple underground gold operations including the Musselwhite Mine and the Rice Lake Mine, and implementing both conventional and mechanized mining techniques that improved productivity, reduced costs, and enhanced safety performance. He has a proven track record of increasing productivity and enhancing gold mining operations at underperforming assets, including the re-opening of the suspended Bissett Gold Mine in Manitoba, and the redevelopment and sale of the bankrupt Bateman Project in Ontario, which was successfully sold to Evolution Mining for C\$343 million. Mr. Setchell is widely recognized for his leadership in underground mining operations, operational optimization, safety improvements, and building high-performing teams. Mr. Setchell was previously the Director of Operations at Lion One Metals from January to December 2025, during which time he oversaw a steady improvement in gold production and mine development rates at the Tuvatu Gold Mine, culminating in the record gold production for the quarter ending in December 2025. Mr. Setchell departed Lion One once Arete Capital took control of Tuvatu operations in early January 2026.

Arete Transaction

On December 30, 2025, the Company announced that it entered into a subscription agreement with Arete Capital Advisory Pty Ltd (the "Subscriber"), a specialist mining investment syndicate advised and managed by Arete Capital Advisors ("Arete") pursuant to which the Subscriber agreed to acquire, on a non-brokered private placement basis, 44,264,800 units at a price of \$0.34 per unit (the "Issue Price") for gross proceeds to the Company of \$15,050,032 (the "Offering"), with each unit consisting of one common share (the "Common Shares") and one common share purchase warrant (the "Warrants"). Each Warrant will enable the Subscriber to acquire one Common Share at a price of \$0.39 for a period of three years following the closing of the Offering. The Common Shares being purchased were to represent 9.9% of the Company's outstanding shares on a pro forma basis, not giving effect to the exercise of the Warrants.

The Offering was part of a broader strategic partnership between the Company and Arete. Upon closing of the Offering, the Company and the Subscriber were to enter into an investor rights agreement (the "Investor Rights Agreement") and a master services agreement (the "MSA"). Pursuant to the MSA, Arete was to provide management services for the operation of the Tuvatu Gold Mine in Fiji and would become the operator of the project subject to the oversight of the board of directors of the Company.

On March 20, 2026, the Company announced the receipt of conditional approval from the TSX Venture Exchange (the "TSXV") for the Offering.

The Offering did not complete. While the Company continued to engage with Arete on the Offering, on May 1, 2026, the Company announced it is no longer pursuing its previously announced subscription agreement with Arete Capital Advisory Pty Ltd and that the Company will not proceed with a strategic partnership between Lion One and Arete Capital Advisors.

Credit Facility Update

On February 24, 2026, the Company announced that it has received a notice from Nebari Collateral Agent, LLC ("**Nebari**"), on behalf of the lenders under the Company's senior secured loan facility (the "**Facility**"), stating that an event of default has occurred and is continuing under the Facility effective as of January 31, 2026.

Nebari's notice states that the defaults arise from non-financial covenants and from what Nebari asserts to be a "Material Adverse Effect" under the Facility, in each case as set out in the Facility and related documents. The notice further states that, as a consequence, the margin component of the interest rate payable under the Facility has increased in accordance with the terms of the Facility, effective February 20, 2026, and will remain at the default rate until the events of default have been remedied or otherwise resolved to Nebari's satisfaction. Lion One is in active discussions with Nebari with a view to stabilizing its financing arrangements and addressing the issues raised in the notice.

Following the delivery of the monthly report for March 2026 to Nebari as required under the Facility, Nebari provided further notification that the Company is in breach of the working capital covenant in the Facility which requires the Company to maintain at least \$7,000,000 in working capital. The cure period for the covenant breach has expired. However, the Company has continued to engage with Nebari to discuss strategies to remedy the working capital

deficiency and cure ongoing defaults under the Facility. To date, Nebari has not commenced enforcement action in respect of the Facility but is in a position to do so under the terms of the Facility. The Company continues to pursue financing alternatives in order to bring the working capital into compliance with the covenant.

As at March 31, 2026, the Company has working capital of \$506,013 (Note 19), which is below the \$7,000,000 working capital covenant as required under the Facility which indicates material uncertainties. Please refer to Note 1 on the Company's unaudited condensed consolidated interim financial statements for the period ended March 31, 2026

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". 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 250,000 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.

The Company achieved steady state mine and mill production at 350 to 400 tonnes per day in 2024 during the initial pilot plant phase of operations with plans to expand operations to 600 to 700 tonnes per day. 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.

Operations Update

From July to December 2025, under the direction of Eric Setchell, Lion One achieved the strongest six-month period in the company's history in terms of gold production and grade, with the first ever consecutive quarters of over 4,000 oz of gold produced, and the first ever consecutive quarters with an average head grade of over 5 g/t gold achieved. For the quarter ending September 30, 2025, the company produced 4,086 oz of gold at an average head grade of 5.1 g/t gold. For the quarter ending December 31, 2025, the company achieved record quarterly gold production of 4,383 oz of gold, at an average head grade of 5.4 g/t gold. This included monthly gold production of 1,519 oz in November, at an average head grade of 5.6 g/t gold, and monthly gold production of 1,524 oz in December, at an average head grade of 5.8 g/t gold. The average gold recovery from July to December 2025 was 82.1%. During this time, the bulk of the construction of the Company's flotation circuit was completed. The addition of the flotation circuit is anticipated to increase gold recoveries to over 90%. Arete Capital Advisors ("Arete" or "Arete Capital") assumed operational control of the Tuvatu Gold Mine on January 10th, 2026, at which point Mr Setchell and his team departed the Company. Under the management of Arete Capital, gold production, gold grades, and gold recoveries decreased significantly quarter-over-quarter.

For the quarter ending March 31, 2026, preliminary gold production at Tuvatu was 2,726 oz, with an average head grade of 4.2 g/t gold, and an average gold recovery of 70.9%. This represents a 38% drop in production, a 22% drop in head grade and an 11% drop in recovery compared to the previous quarter and resulted in the lowest quarterly gold production at Tuvatu since March 31, 2024. Adverse weather conditions during the quarter contributed to approximately 8 days of lost production, and gold recoveries in March were impacted by significant carbon fouling as a result of the

flotation circuit commissioning combined with high rainfall. With Mr Setchell now back leading operations at Tuvatu, Lion One anticipates an increase in gold production, grades, and recoveries, similar to those achieved in the second half of 2025.

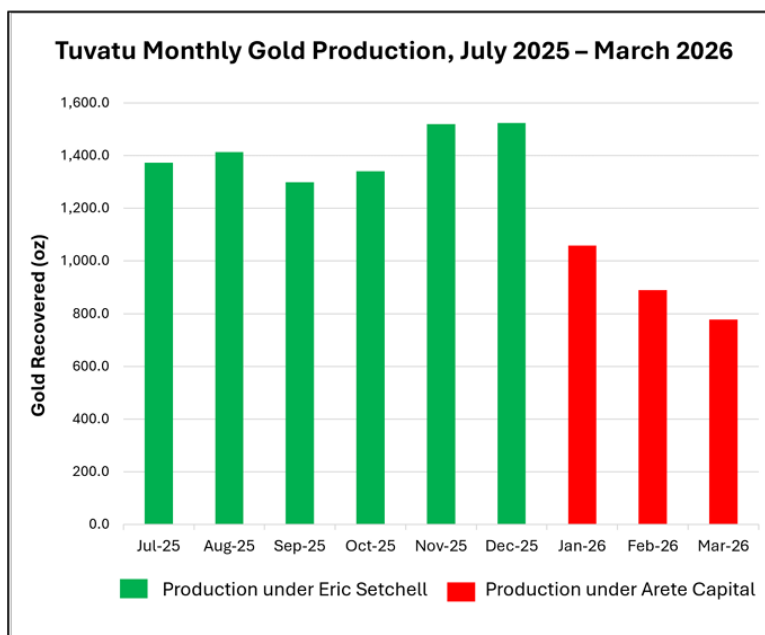


Figure 1. Tuvatu Monthly Gold Production, July 2025 to March 2026. Gold production under the direction of Eric Setchell is shown in green, with gold production under the direction of Arete Capital is shown in red.

On March 18, 2026, the Company announced that it has approved an investment of US\$1.14 million for the procurement and installation of an evaporator. The evaporator is a permanent solution for managing excess process water in the Tailings Storage Facility ("TSF"). The Company conducted a thorough evaluation of water management alternatives for the TSF, including reverse osmosis ("RO") and enhanced evaporation technologies. The evaporator system was selected as the optimal solution following detailed engineering and commercial assessment, based on the following key advantages including the permanent elimination of discharge of any process water into the Sabeto River system, delivering a robust environmental outcome and removing ongoing regulatory risk. The system is scheduled to be commissioned in June of 2026, which is significantly faster than alternative solutions which face regulatory and procurement delays with no defined resolution timeline.

On March 23, 2026, the Company announced the successful commissioning of a new flotation plant. Commissioning of the flotation plant is a milestone achievement for the Company. Engineering, design, and construction of the flotation circuit has been ongoing since early 2025. With commissioning complete, the Company anticipates a gradual increase in gold recoveries from around 80-82% to over 90%, which is a significant boost to the economics of the project.

Underground Mine Development

	Three months ended Mar. 31, 2026	Three months ended Mar. 31, 2025	Nine months ended Mar. 31, 2026	Nine months ended Mar. 31, 2025
Mineralized Material Mined (in tonnes)	31,608 tonnes at 4.7 g/t Au	26,837 tonnes at 4.8 g/t Au	96,975 tonnes at 4.7 g/t Au	94,339 tonnes at 5.0 g/t Au
Waste Material Mined (in tonnes)	27,603	28,609	118,237	76,410
Capital Development (in meters)	546	315	1,768	926
Decline Development (in meters)	228	180	848	460
Operating Development (in meters)	758	605	2,741	2,162

For the three-month period ending on March 31, 2026, the Company mined of 59,211 tonnes, with 27,603 tonnes of waste and 31,608 tonnes of mineralized material at average grade of approximately 4.7 g/t Au. The tonnes mined declined by 20% when compared to the three-month period ending on December, 31, 2025, due to adverse weather conditions and lower productivity due to management changes at mine site. However, on a year over year basis for three-month period ending in March, the total tonnes mined increased by 3,765 tonnes (6%) including 1,304 m of mine development, which is an increase of 384 m (42%) when compared to 920 m of mine development in prior year quarter, primarily due to improved mine development rates following the addition of mining equipment in mid-2025. Mine

development at Tuvatu has increased dramatically throughout 2025 as a result of the completion of the mine ventilation project, the addition of new mining equipment, and increasing the efficiency of mining methods and operations.

For the nine-month period ending on March 31, 2026, the Company mined of 215,212 tonnes, with 118,237 tonnes of waste and 96,975 tonnes of mineralized material at average grade of approximately 4.7 g/t Au. On a year over year comparative basis for nine-month period ending in March, the total tonnes mined increased by 44,463 tonnes (26%) including 4,509 m of mine development, which increased by 1,421 meter (46%) when compared to 3,088 m of mine development in prior year nine-month period ended March 31, 2025, primarily due to improved mine development rates with the addition of over \$5 million of mining equipment since mid-2025 and critical mine infrastructure projects such as the raise bore and mine ventilation project, which was completed in April 2025.

Pilot Plant Mill Operations

	Three months ended Mar. 31, 2026	Three months ended Mar. 31, 2025	Nine months ended Mar. 31, 2026	Nine months ended Mar. 31, 2025
Mineralized material processed (tonnes)	28,230	27,841	89,640	88,575
Gold head grade (g/t)	4.2	4.9	4.9	5.0
Recovery (%)	70.9	80.4	79.0	80.3
Gold recovered (oz)	2,726	3,555	11,194	11,494
Operating days	84	84	266	232

During the three-month period ended March 31, 2026, the Company milled 28,230 tonnes of mineralized material at an average head grade of 4.2 g/t Au, recovering 2,726 oz of gold. The 2,726 oz recovered represents a 1,657 oz decrease (38%) when compared to the three-month period ending on December, 31, 2025, due to adverse weather conditions and lower gold grades feed for the quarter, coupled with lower recoveries achieved in March at 55% due to significant carbon fouling as a result of the flotation circuit commissioning. On a year over year basis for three-month period ending in March, the gold recovered decreased by 829 oz (23%), primarily due lower grade ore feed and lower recoveries with the commissioning of the flotation circuit.

For the nine-month period ending on March 31, 2026, the Company milled 89,640 tonnes of mineralized material at an average head grade of 4.9 g/t Au, recovering 11,194 oz of gold. On a year over year comparative basis for nine-month period ending in March, the gold production dropped 3% from 11,494 to 11,194 oz due to the lower recoveries achieved in March at 55% due to significant carbon fouling as a result of the flotation circuit commissioning.

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 either of the recovery of minerals or of the cost of such recovery, including increased risks associated with developing a commercially mineable deposit.

NI 43-101 Technical Report

Lion One Metals has SEDAR-filed an updated NI 43-101 Technical Report for Tuvatu with an effective date of June 24, 2024. An independent Mineral Resource Estimate ('MRE') has been carried out for gold contained in the portion of the Tuvatu Property that is currently being developed and mined. The effective date of the MRE is March 25, 2024, and is based on a drillhole dataset in csv format, 69 wireframes representing mineralized veins and zones in the Tuvatu deposit, as well as underground development as of March 24, 2024.

The drillhole database, including pre-Lion One drilling, contained 7,592 collar locations and 240,002 assays for gold. Some samples fall outside the limits of the MRE, and their exclusion resulted in a useable data set of 233,703 assays. Assays for sludge (69) and face (channel) samples (6,205) were removed from the data set. The sludge samples were removed because the source location of their assay values cannot be established with sufficient accuracy for use in an MRE. The face samples were removed because attempts to reconcile estimated resources against mined resources within Zone Two resulted in an overestimation of gold present when face samples were included in the dataset. A further 30 samples were removed because they had anomalously long lengths and were either of unidentified source or had not been sampled. The resultant imported dataset included 1,288 collars and 233,703 gold assays. All sample data used for the MRE was obtained from drill core samples (85%) and reverse circulation cuttings (15%).

The estimated tonnes and ounces of gold represented by the Underground Development were subtracted from the estimated tonnes and ounces of gold estimated for the 69 Domains and the net (depleted) resource within the 69 Domains is reported as the current MRE. The resource within the Outside Domains is reported separately. Blocks were classified as Indicated or Inferred. For the 69 Domains, classification was carried out using all composites for all 69 domains. Classification of the Underground Development was carried out using composites for only that domain. In both cases, interpolation was by ID². The Outside Domains were classified as Inferred. The search ellipse for the

Indicated class is of the same dimensions as that used for the first interpolation pass for most domains. The Inferred classification was designed to capture all blocks in each domain that fall outside the Indicated category.

Table 1 summarizes the Tuvatu MRE for the 69 Domains by Class. The left-hand columns of the table show the gross tonnes and ounces within the 69 Domains, the central columns show the tonnes and ounces in the Underground Development, and the right-hand columns show the resources in the 69 Domains net of the tonnes and ounces in the Underground Development. The base case is taken as 3 g/t Au and is highlighted. Table 2 shows the resource in the Outside Domains. The 3 g/t Au base case is highlighted.

Table 1. Tuvatu 69 Domains Mineral Resource Estimate Summary Net of Underground Development

CutOff Au g/t	Classification	69 Domains Gross			Underground Development			69 Domains Net		
		Au g/t	Tonnes	Ounces	Au g/t	Tonnes	Ounces	Au g/t	Net Tonnes	Net Ounces
4	Indicated	9.95	500,000	160,000	5.00	8,000	1,300	10.05	492,000	159,000
4	Inferred	9.47	958,000	292,000	5.22	2,000	300	9.50	956,000	292,000
3	Indicated	8.41	655,000	177,000	4.44	14,000	2,000	8.48	642,000	175,000
3	Inferred	7.61	1,388,000	340,000	4.43	3,000	500	7.62	1,384,000	339,000
2	Indicated	6.89	880,000	195,000	3.84	19,000	2,300	6.97	861,000	193,000
2	Inferred	5.99	2,023,000	389,000	4.23	4,000	500	5.99	2,019,000	389,000

Table 2. Tuvatu Mineral Resource Summary for Outside Domains

CutOff Au g/t	Classification	Au g/t	Tonnes	Ounces Au
4	Inferred	11.72	8,000	3,000
3	Inferred	9.32	11,000	3,000
2	Inferred	7.47	15,000	4,000

- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.
- Mineral Resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.
- The base case is based on a 3 g/t Au cutoff and cost estimates for mining of US\$56/tonne, processing of US\$56/tonne and G&A of US\$25/tonne; gold recovery of 80%; and a three-year trailing gold price of US\$1,973/ounce.
- Mineral Resource tonnage and grades are reported as undiluted.
- The effective date of the mineral resource estimate is March 25, 2024

The MRE in the NI 43-101 Technical Report was prepared independently by Gregory Z. Mosher, P. Geo. with cooperation and information from Lion One geologists. Other portions of the Technical Report were prepared by Darren Holden, Ph.D., FAusIMM and William J. Witte, P.Eng. Messrs. The above summary was extracted from the June 26, 2024 news release announcing the MRE. Mosher, Holden and Witte read and approved the June 26, 2024 news release and consented to the inclusion in the news release of the matters based on form and context of the June 24, 2024, "NI 43-101 Technical Report and Mineral Estimate Tuvatu Gold Project."

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.

EXPLORATION PROGRAM

The Company continues to advance its deposit-scale diamond drilling and regional diamond exploration programs to demonstrate that the project has the potential to become a multi-million ounce gold camp, consistent with Tuvatu as an example of a world-class alkaline gold system. Alkaline gold systems typically have large gold endowments due to their high grade and deep vertical extents. Predominant vein minerals include quartz, biotite, potassium-rich feldspar, hydrothermal apatite, epidote, and late-stage carbonate minerals. Roscoelite, a vanadium-rich hydrothermal mica, is also a predominant vein mineral and is of particular importance as it is characteristic of alkaline gold mineralized systems and is directly associated with high-grade gold. Gold occurs as native free Au, as well as in association with pyrite, lesser chalcopyrite, sphalerite, galena, trace tetrahedrite, minor telluride minerals, and roscelite. The mineral textures observed reflect rapid deposition of gold from boiling of 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. These conditions are known to generate very high grades in epithermal gold systems. Tuvatu is a low-sulphur and low-silica system with sulphide minerals accounting for less than 5% overall, and include pyrite (2 generations), lesser marcasite, sphalerite, chalcopyrite, and lesser galena, traces of arsenopyrite, tetrahedrite, molybdenite and bornite

Lion One has been drilling at Tuvatu since 2008, and as of the effective date of the latest 43-101 compliant Technical Report issued on June 24, 2024, the company had completed a total of 588 drill holes totaling 135,373 m of diamond drilling on both the Tuvatu deposit and the regional targets combined. This includes a significant quantity of grade control and development drilling at Tuvatu since September 2022. The Company is currently undertaking two primary tiers of drilling for brownfields exploration, infill, grade-control and development purposes:

- 1) Near-mine exploration and resource expansion drilling from surface targeting areas for long-term development;
- 2) Resource infill and grade control drilling from underground targeting areas of planned near- and mid-term production.

In addition to these programs the company also engages in regional exploration, which typically requires access to remote parts of the Navilawa caldera (SPL1512). These regional exploration programs are interrupted during the wet season, which typically runs from November to March. During this period the regional exploration programs transition to near-mine exploration programs. During the quarter ending December 31, 2025, the focus for drilling has been to define and expand the Tuvatu deposit resource. As such, no regional exploration drilling was carried out during this period, though some near-mine exploration drilling programs were continued (West Zone, HT Zone, Tuvatu South Zone).

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.

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 5-year renewal of SPL1512 submitted in May 2024 was granted in December 2024. 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.

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, along with ongoing area-specific soil geochemical and structural surveys, 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	97,715	1,400,000	864,840
1296**	Aug. 24, 2020	Aug. 23, 2025	158,180	97,715	1,600,000	988,389
1465*	Mar. 5, 2022	Mar. 4, 2025	67,979	41,993	679,789	419,935
1512	Dec. 11, 2024	Dec. 11, 2029	633,223	391,169	1,200,000	741,292

* Renewal application has been submitted in March 2025 in accordance with statutory requirements and renewal is pending.

** Renewal applications have been submitted in September 2025 in accordance with statutory requirements and renewal is pending.

Expenditures incurred on the Fiji properties are as follows:

	June 30, 2024		June 30, 2025		March 31, 2026	
		Additions		Additions		
Acquisition costs	\$ 10,751,865	\$ -	\$ 10,751,865	\$ -	\$ 10,751,865	
Camp costs and field supplies	837,833	227,416	1,065,249	163,004	1,228,253	
Consulting fees	317,629	216,224	533,853	174,764	708,617	
Depreciation	3,196,170	(210,888)	2,985,282	148,591	3,133,873	
Development, dewatering, geology and environmental	2,977,111	38,250	3,015,361	34,286	3,049,647	
Drilling	1,033,252	-	1,033,252	-	1,033,252	
Office administration and professional fees	5,408,255	303,776	5,712,031	286,997	5,999,028	
Permitting and community consults	481,492	66,231	547,723	99,804	647,527	
Site works and road building	1,547,459	17,301	1,564,760	3,196	1,567,956	
Salaries and wages	3,794,915	741,566	4,536,481	523,767	5,060,248	
Sample preparation, assaying and analysis	1,071,178	47,783	1,118,961	29,315	1,148,276	
Technical reports	1,002,168	-	1,002,168	-	1,002,168	
Travel	950,150	150,970	1,101,120	113,734	1,214,854	
Vehicle and transportation	2,611,560	54,112	2,665,672	59,558	2,725,230	
Capitalized finance cost	-	-	-	-	-	
Write-off of exploration assets	(771,648)	-	(771,648)	-	(771,648)	
Cumulative foreign currency translation adjustment	(199,420)	(21,209)	(220,629)	431,877	211,248	
	<u>\$ 35,009,969</u>	<u>\$ 1,631,532</u>	<u>\$ 36,641,501</u>	<u>\$ 2,068,893</u>	<u>\$ 38,710,394</u>	

A full tenement listing is provided in Schedule A at the end of this MD&A. The Company's financial results are presented in Canadian dollars.

Selected Quarterly Results

	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
Total assets	\$ 281,932,041	\$ 274,599,762	\$ 266,871,789	\$ 240,385,318
Exploration and evaluation assets	38,710,394	37,434,306	37,381,498	36,641,501
Mineral property, plant and equipment	186,070,374	177,790,786	178,354,441	167,682,351
Working capital	506,013	7,425,129	(9,187,865)	17,201,408
Revenue	14,364,747	22,958,966	18,197,453	16,300,821
Interest income	99,837	110,976	34,698	72,557
Income for the period	658,843	8,415,444	633,004	397,596
Comprehensive income (loss) for the period	4,580,597	1,756,719	4,024,340	(2,546,912)
Basic and diluted income (loss) per share	0.00	0.02	0.00	0.00

	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Total assets	\$ 247,152,857	\$ 236,923,511	\$ 229,773,575	\$ 215,888,042
Exploration and evaluation assets	36,506,461	35,917,127	35,425,176	35,009,969
Mineral property, plant and equipment	168,595,502	162,510,082	156,591,872	150,333,840
Working capital	22,794,082	22,992,711	26,747,147	20,501,089
Revenue	13,173,024	18,025,876	10,468,452	9,358,359
Interest income	115,182	87,736	103,368	88,305
Income (loss) for the period	(1,761,452)	(362,832)	(988,374)	(12,078,260)
Comprehensive income (loss) for the period	(2,380,781)	(837,491)	2,595,133	(7,300,520)
Basic and diluted loss per share	(0.01)	(0.00)	(0.00)	(0.05)

The focus of the Company over the periods presented has been the mine development and achievement of steady state pilot plant mine production at 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. 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. The Company's financial results are presented in Canadian dollars.

Over the period from July 1, 2022 to March 31, 2026, the Company completed multiple equity and loan financings, which has increased the total assets and funds available to accelerate the development of Tuvatu project from exploration stage to mine development stage including commissioning of the 300TPD pilot plant in November 2023, resulting in increases in exploration and evaluations assets, mineral property, plant and equipment, offset by declines in working capital to fund sustain operating losses during ramp up stage.

For the period from July 1, 2022 to March 31, 2026, the Company raised total gross financing proceeds of \$156 million including: \$13 million equity financing in September 2022, \$33 million financing in February 2023 (comprised of \$30 million Tranche 1 loan facility and \$3 million private placement), \$27 million equity financing in May 2023, \$11 million Tranche 2 loan facility financing in January 2024, \$11 million equity financing in February 2024, \$11 million equity financing in July 2024, \$6 million Tranche 3 loan facility financing in December 2024, \$11 million equity financing in February 2025 and \$34 million in September 2025. From July 1, 2022 to March 31, 2026, the Company has used the proceeds from the equity financings and loan facility and incurred cash outflows of \$80 million on mineral properties, property and equipment (including deposits for equipment) and \$45 million on exploration and evaluation assets, to transform the Tuvatu project from exploration stage to mine development stage including commissioning of the 300TPD pilot plant in November 2023, including recent upgrades to achieve mill throughput of 350 to 400TPD and incurred outflows on working capital and to sustain operating activities.

During the quarters ended in December 2023 to June 2024, the pilot plant was commissioned resulting in gold revenues and mine operating losses due to ramp up and commissioning coupled with low gold grade feed of mineralized materials from mine development. The Company was able to access higher grade mineralized materials in mid-May 2024 and has achieved steady state operations for the pilot plant in June 2024, with mine operating income of \$38 million for the twenty one-month period ending March 2026.

Financial Highlights**

	Three months ended March 31, 2026	Three months ended March 31, 2025	Nine months ended March 31, 2026	Nine months ended March 31, 2025
Gold ounces (oz) sold	2,193	3,300	9,942	11,170
Average realized selling price gold (oz)	\$6,527	\$3,985	\$5,560	\$3,721
Cost of sales per gold (oz)*(net of silver revenue and inventory NRV adjustment)	\$3,920	\$3,076	\$3,135	\$2,751
Revenue – gold	\$14,316,008	\$ 13,148,931	\$ 55,278,616	\$ 41,562,371
Cost of sales (net of silver revenue and inventory NRV adjustment)*	(8,595,537)	(10,151,553)	(31,166,332)	(30,732,475)
Mine operating income	\$ 5,720,471	\$ 2,997,378	\$ 24,112,284	\$ 10,829,896

* Cost of sales per gold oz (net of silver revenue and net of inventory NRV adjustment) is a non-IFRS measure with no standard definition under IFRS and is calculated using ounces sold. See the "Non-IFRS financial performance measures"

**The Company's financial results are presented in Canadian dollars.

Results of Operations for the quarter ended March 31, 2026, compared to 2025

The comprehensive income for the period ended March 31, 2026, was \$10,361,656 (2025 – outflow \$623,139). Significant changes to the comprehensive income are explained as follows:

- Revenue recognized of \$55,521,166 (2025 - \$41,667,352) on sale of 9,942 (2025 – 11,170) gold ounces and 3,538 (2025 – 2,461) silver ounces, with average realized selling price of gold of \$5,560 (2025 – \$3,721) per ounce. Revenue increased by \$13,853,814 by 33%, due to \$1,839 higher average realized selling price per oz offset by decrease of 1,228 gold oz (34%) sold due to lower production during the current quarter. Please refer to Note 12 of the condensed interim consolidated financial statements for the period ended March 31, 2026.
- Cost of sales recognized of \$31,408,882 (2024 - \$30,837,456). Cost of sales are higher than prior year period due to higher production cost per ounce of gold, due to amortization of mineral properties as commercial production achieved at Tuvatu mine on December 31, 2025, higher royalty costs and increase repairs and maintenance for mining and mill equipment in current year period compared to prior year period.
- General and administrative expenses increased by \$1,550,468 to \$5,284,832 (2025 - \$3,734,364) primarily due to higher head count, legal fees and consulting fees associated with higher level of corporate activities compared to prior year period, please refer to Note 14 of the condensed interim consolidated financial statements for the period ended March 31, 2026.
- During the period ended March 31, 2026, the Company recognized a foreign exchange translation gain of \$654,365 on its net assets denominated in Fijian dollars reflecting a strengthening of the Fijian dollar against the Canadian dollar. A foreign exchange translation gain of \$2,489,519 was recognized in the comparative period.

Results of Operations for the quarter ended March 31, 2026, compared to 2025

The comprehensive income (loss) for the period ended March 31, 2026, was \$4,580,597 (2025 – loss \$2,380,781). Significant changes to the comprehensive income are explained as follows:

- Revenue recognized of \$14,364,747 (2025 - \$13,173,024) on sale of 2,193 (2025 – 3,300) gold ounces and 428 (2025 – 527) silver ounces, with average realized selling price of gold of \$6,527 (2025 – \$3,985) per oz. Revenue increased by \$1,191,723 by 9%, due to \$2,542 higher average realized selling price per gold oz offset by decrease of 1,107 gold oz (34%) sold due to lower production. Please refer to Note 12 of the condensed interim consolidated financial statements for the quarter ended March 31, 2026.
- Cost of sales recognized of \$8,644,276 (2025 - \$10,175,646). Cost of sales are lower than prior year period due to decrease of 1,107 gold oz (34%) due to lower production, offset by higher cost per ounce of gold, with the amortization of mineral properties as commercial production achieved at Tuvatu mine on December 31, 2025, higher royalty costs and increase repairs and maintenance for mining and mill equipment in current year period compared to prior year period.
- General and administrative expenses increased by \$503,333 to \$1,872,156 (2025 - \$1,368,823) primarily due to higher head count, legal fees and consulting fees associated with higher level of corporate activities

compared to prior year period, please refer to Note 14 of the condensed interim consolidated financial statements for the period ended March 31, 2026.

- During the period ended March 31, 2026, the Company recognized a foreign exchange translation gain of \$3,921,754 on its net assets denominated in Fijian dollars reflecting a strengthening of the Fijian dollar against the Canadian dollar. A foreign exchange translation loss of \$619,329 was recognized in the comparative period.

Cash flows for the period ended March 31, 2026, compared to 2025

Cash and cash equivalents have increased by \$3,050,569 to \$8,152,761 at March 31, 2026, from a balance of \$5,102,192 as at June 30, 2025, due primarily to \$33,632,005 September and October 2025 equity raise, offset by increase in VAT receivables and the build up of inventory including materials and supplies and work in process gold inventory.

Cash inflows from operating activities increased by \$4,459,921 to \$1,282,681 (2025 – outflow \$3,177,240). This is primarily due to the higher gold sales prices compared to prior year period.

Cash outflows from investing activities decreased by \$6,993,483 to \$22,642,897 (2025 - \$15,649,414) due primarily to timing of purchases of mining and process plant equipment and exploration expenditures.

Cash inflows from financing activities decreased by \$477,716 to \$24,288,275 (2025 - \$24,765,991) due primarily to Tranche 3 repayment and quarterly Tranche 2 repayment of debt facility. Partially offset by net cash proceeds from the September and October 2025 equity raises.

Financial Position

Cash and cash equivalents have increased by \$3,050,569 to \$8,152,761 as at March 31, 2026, from a balance of \$5,102,192 as at June 30, 2025, due primarily \$33,632,005 market public offering in September and October 2025, offset by expenditures on mineral property, plant and equipment and repayment of Tranche 3 and Tranche 2 debt facility.

Shareholders' equity increased by \$41,765,552 to \$225,419,918 (June 30, 2025 – \$183,654,366) primarily due to the Company closing a market public offering on September 24, 2025, October 17, 2025 and October 23, 2025, by offering 105,100,016 units at a price of \$0.32 per unit for gross proceeds of 33,632,005.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2026, the Company had a working capital of \$506,013, including cash of \$8,152,761 as compared to working capital of \$17,201,408 as at June 30, 2025.

As discussed above at the Credit Facility Update, on February 20, 2026, the Company's lender Nebari provided formal notice that an Event of Default has occurred and is continuing under the Facility Agreement, effective as of January 31, 2026. Following the delivery of the monthly report for March 2026 to Nebari as required under the Facility, Nebari provided further notification that the Company is in breach of the working capital covenant in the Facility which requires the Company to maintain at least \$7,000,000 in working capital. The cure period for the covenant breach has expired. However, the Company has continued to engage with Nebari to discuss strategies to remedy the working capital deficiency and cure ongoing defaults under the Facility. To date, Nebari has not commenced enforcement action in respect of the Facility but is in a position to do so under the terms of the Facility. The Company continues to pursue financing alternatives in order to bring the working capital into compliance with the covenant. The Company's strategy is to refinance, extend or restructure the Nebari facility and to access additional working capital through potential debt or equity financing transactions.

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, mine development and mill expansion 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 interim consolidated financial statements for the period ended March 31, 2026. The preparation of the condensed interim consolidated 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 condensed interim 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 condensed interim consolidated financial statements for the period ended March 31, 2026.

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.

Share-based payments

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. Where such valuations are applied, such as the time of a stock option grant or issuance of shares from trust, management provides detailed valuation assumptions.

Inventory

Stockpiled mineralized materials, work-in-process inventory, and finished goods are measured at the lower of weighted average cost or net realizable value ("NRV"). The assumptions used in the valuation of work-in process inventory include estimates of the amount of gold and silver in the mill circuits and assumptions of the gold and silver prices expected to be realized when the metals are recovered. If these estimates or assumptions prove to be inaccurate, the Company could be required to write-down the recorded value of its work-in-process inventory, which would reduce the Company's earnings. The Company allocates mining costs between capital mine development activities and operating activities on a monthly basis, by using capital and operating meters advanced and ore tonnes and waste tonnes mined ore as a basis to allocate.

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, 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 and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and cash equivalents with high-credit quality financial institutions. Receivables mainly consist of

Goods and Services Tax ("GST") receivable from the Government of Canada, 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, 2026, the Company had a working capital of \$506,013 (*please refer to Liquidity and Capital Resources Section above*). Subsequent to the year ended June 30, 2025, on maturity of Tranche 1 of the Financing Facility in August 2026, Tranche 1 was reclassified as a current liability.

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.

b) Foreign currency risk

The Company's revenue is generated in US dollars and has Fijian mine operations expenditures that are conducted in Fijian dollars, US dollars, Canadian dollars and Australian 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. The Company manages this risk by entering into short term forward exchange contracts with durations of one to two months on an intermittent basis to minimize foreign exchange 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.

OFF-BALANCE SHEET ARRANGEMENTS

At March 31, 2026, 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 interim consolidated 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, 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:

	2026	2025
Payments to key management personnel:		
Cash compensation expensed to management fees, professional fees, investor relations, directors' fees and consulting fees	\$ 1,193,314	\$ 655,083
Cash compensation capitalized to mineral property, plant and equipment and exploration and evaluation assets	268,077	332,149
Share-based payments	(7,759)	204,951

During the period ended March 31, 2026, the Company paid \$135,000 (2025 - \$135,000) in rent to Cabrera Capital Corp. ("Cabrera"), a company controlled by Walter Berukoff, a director of the Company. As at March 31, 2026, the Company had a lease liability of \$294,720 (June 30, 2025 - \$378,386) due to Cabrera equal to the present value of office space lease payments over the term of the lease. As at March 31, 2026, the Company has a payable of \$236,574 (June 30, 2025 - \$234,706).

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, 2026, the Company paid \$174,821 (2025 - \$156,884) in rent to Lions Den (Fiji) Pte Limited, a company controlled by Walter Berukoff, the director of the Company, for short-term and long-term accommodations including utilities in Fiji, and as of March 31, 2026, has a receivable of \$52,984 (June 30, 2025 - receivable \$37,382).

During the period ended March 31, 2026, the Company paid \$805,700 (2025 - \$604,859) in royalty to Laimes Global, Inc, a company controlled by Walter Berukoff, the director of the Company. As at March 31, 2026, the Company has a payable of \$214,647 (June 30, 2025 - \$249,961).

During the period ended March 31, 2026, the Company paid professional fees of \$8,310 (2025 - \$19,993) 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, 2026, the Company had a payable of \$4,220 (June 30, 2025 - \$984).

During the period ended March 31, 2026, the Company paid professional fees of \$180,000 (2025 - \$40,000) to Richard Meli, a director of the Company, for consulting services. As at March 31, 2026, the Company had a payable of \$Nil (June 30, 2025 - \$Nil).

During the period ended March 31, 2026, the Company recorded \$143,850 (2025 - \$Nil) in management fees to Arete Capital Advisory Pty a company controlled by Campbell Olsen, the CEO of the Company. As at March 31, 2026, the Company has a payable of \$143,850 (June 30, 2025 - \$Nil).

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.

New accounting standards issued

Amendments to IAS 1, Presentation of Financial Statements

In January 2020, the International Accounting Standards Board ("IASB") issued "*Classification of Liabilities as Current or Non-current (Amendments to IAS 1)*". The amendments clarify that the classification of liabilities as current or non-current should be based on rights that exist at the end of the reporting period. The amendments also clarify the definition of a settlement and provide situations that would be considered as a settlement of a liability. In October 2022, the IASB issued "*Non-current Liabilities with Covenants (Amendments to IAS 1)*". These further amendments clarify how to address the effects on classification and disclosure of covenants that an entity is required to comply with on or before the reporting date and covenants that an entity must comply with only after the reporting date. The amendments are effective for reporting periods beginning on or after January 1, 2024. The Company has determined that there is no material impact on the condensed interim consolidated financial statements.

New accounting standards issued but not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows.

IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company is in the process of assessing if the new accounting standards will have a significant effect on the Company's condensed interim consolidated financial statements. The Company will defer implementation until the effective date.

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 interim consolidated 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 June 30, 2025. 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. Please refer to Note 12 and 13 of the condensed interim consolidated financial statements for the period ended March 31, 2026. Below is our cost of sales (net of silver revenue) per gold oz sold non-IFRS reconciliation:

A summary of cost of sales for the period ended March 31:

Cost of sales (net of silver revenue)	2026	2025
Production costs	\$ 22,671,822	\$ 25,124,464
Depreciation	6,958,420	4,716,281
Refining and transportation costs	172,164	94,570
Royalties	1,606,476	902,141
Total cost of sales	\$ 31,408,882	\$ 30,837,456
Less: silver revenue	(242,550)	(104,981)
Total cost of sales (net silver revenue)	\$ 31,166,332	\$ 30,732,475
Gold oz sold	9,942	11,170
Total cost of sales per gold oz sold (net silver revenue)	\$ 3,135	\$ 2,751

"Cash operating cost per ounce produced" and "total cost of sales per gold 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. Total cash cost per ounce sold represents mining operations expenses plus depreciation cost, royalties and selling expenses divided by ounces sold.

OUTSTANDING SHARE DATA

As at March 31, 2026, and June 1, 2026, the balance of common shares, stock options, warrants and compensation units were issued and outstanding as follows:

	Balance	Balance
	March 31, 2026	June 1, 2026
Common Shares	402,854,395	402,854,395
Warrants	207,867,243	207,867,243
Stock Options	8,686,666	8,686,666
Compensation Options	11,941,956	11,941,956

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, 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%	In September 2025, renewal application was submitted
Yavuna	SPL 1296	100%	In September 2025, renewal application was submitted
Nagado	SPL 1465	100%	In March 2025, renewal application was submitted
Navilawa	SPL 1512	100%	

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