NEWS RELEASE

DESERT LION ENERGY CLOSES SECOND TRANCHE OF EQUITY PRIVATE PLACEMENT

TORONTO, Canada, December 13, 2018 – Desert Lion Energy Inc. (TSXV: DLI) (OTCQB: DSLEF) ("**Desert Lion**" or the "**Company**") is pleased to announce it has successfully closed the second tranche of its previously announced non-brokered private placement of 9,856,258 units ("**Units**") at a price of $0.07 per Unit for gross proceeds to the Company of $689,938.06 (the "**Private Placement**"). This follows the announcement on December 10, 2018 of the closing of an initial tranche of Units for gross proceeds of approximately $2,000,000 and secured convertible promissory notes for gross proceeds of $5,000,000 with AIP Asset Management.

Each Unit issued in the Private Placement is comprised of one common share of the Company and one-half of one common share purchase warrant (a "**Warrant**"). Each whole Warrant will entitle the holder thereof to acquire one additional common share of the Company at a price of $0.20 until December 13, 2020.

"AIP's investment of $5,000,000, with an additional $5,000,000 available for potential acquisitions and an aggregate of $2,689,938 from equity investors reiterates management's belief in the potential for the Desert Lion Energy project," commented Tim Johnston, CEO of Desert Lion Energy Inc. "The financing will allow us to continue to build upon the excellent results recently published in the PEA and support initiatives for strategic growth as we develop a world class lithium company."

Paul Bozoki, Chief Executive Officer of the Company, and Peter McCague, Director of the Company, participated in the Private Placement as subscribers for 616,500 and 1,500,000 Units respectively. Although pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"), this subscription for Units constitutes a "related party transaction" the Company is relying on an exemption from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to exemptions contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 on the basis that the value of the subscription is less than 25% of the Company's market capitalization.

All securities issued by the Company in the Private Placement are subject to a statutory hold period that expires on April 14, 2019.

About Desert Lion Energy

Desert Lion Energy is an emerging lithium development company focused on building Namibia's first large-scale lithium mine to be located approximately 210 km from the nation's capital of Windhoek and 220 km from the Port of Walvis Bay. The Company's Rubicon and Helikon mines are located within a 301 km^2 prospective land package. The project site is accessible year-round by road and has access to power, water, rail, port, airport and communication infrastructure.

Cautionary Note Regarding Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws. Generally, any statements that are not historical facts may contain forward-looking information, and forward-looking information can be identified by the use of forward-looking terminology 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 indicates that certain actions, events or results "may", "could", "would", "might" or "will be" taken, "occur" or "be achieved." Forward-looking information includes, but is not limited to, statements and expectations regarding the closing of the Offering and the timing thereof. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.

Although the Company has attempted to identify important factors that cause results not to be as anticipated, estimated or intended, there can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is made as of the date of this presentation and the Company does not undertake to update or revise any forward-looking information this is included herein, except in accordance with applicable securities laws.

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