Lion One Announces Forbearance Agreement with Senior Lender Including Extension of Repayment Date

North Vancouver, British Columbia--(Newsfile Corp. - July 23, 2026) - **Lion One Metals Limited** (TSXV: LIO) (OTCQX: LOMLF) **("Lion One" or the "Company"**) is pleased to announce that it has entered into a forbearance agreement (the "**Forbearance Agreement**") with its senior secured lenders Nebari Gold Fund 1, LP, Nebari Natural Resources Credit Fund I, LP and Nebari Natural Resources Credit Fund II, LP (each as Lender and collectively, "**Nebari**") pursuant to which Nebari has agreed to extend the final repayment date for Tranche 1 of the Company's loan facility to December 31, 2026. The Company also announces that it has cured the financial and non-financial default events that occurred under the terms of the loan facility. Forbearance requires the Company to remain in compliance with its obligations under the loan facility going forward.

In January 2023, the Company entered into a senior secured loan facility agreement (the "**Facility**") with Nebari consisting of three separate Tranches, all three of which have been drawn. The principal amount outstanding on Tranche 1 is approximately US$25.8 million including capitalized interest, while the principal amount outstanding on Tranche 2 is approximately US$5.4 million. Tranche 3 has been fully repaid. The total amount of principal outstanding on the loan facility is approximately US$31.2 million.

Interest on Tranche 1 of the Facility was set at 8% plus three-month secured overnight financing rate ("**SOFR**"), as administered by the Federal Reserve Bank of New York, and amortization is on the Maturity Date 42 months from the original closing date, and no closing fees were payable. Interest on Tranche 2 was subject to an 8% original issue discount with interest set at 10% plus SOFR, progressive amortization over 42 months from the Tranche 2 funding date (December 29, 2023) and closing fees equal to 2% of the amount funded.

On January 31, 2026, the Company received a notice from Nebari stating that an event of default had arisen from non-financial covenants and therefore the margin component of the interest rate payable under the Facility was increased in accordance with the terms of the Facility, effective February 20, 2026. A second subsequent financial default event occurred on March 31, 2026 as the Company was in breach of the $7,000,000 working capital covenant. The interest on the loan facility would remain at the default rate until the events of default had been remedied or otherwise resolved to Nebari's satisfaction. Both the financial and non-financial events of default have been cured, and the interest rate has returned to the original level stated above. A portion of the net proceeds from the recent $17.5 million non-brokered private placement offering of convertible debenture units and equity units of the Company were used to satisfy payment obligations under the Facility and to cure the working capital covenant default under the Facility.

As consideration for the extension of the repayment date for Tranche 1 of the Facility, the Company has agreed to pay a restructuring fee to Nebari of US$2,000,000, which may be reduced to US$1,000,000 if the Company fully repays and satisfies all obligations owing under the Facility on or before September 30, 2026.

As part of the Company's strategic planning in connection with its capital structure and the Forbearance Agreement, it has launched a re-financing strategy targeting various financing initiatives to repay the Facility. This may be comprised of a new refinanced senior debt facility or a combination of financing initiatives, including debt facilities, equity offerings and deployment of cash from operations to fund debt reduction. The Company plans to target completion of this strategy by the end of 2026.

About Lion One Metals Limited

Lion One Metals is an emerging Canadian gold producer headquartered in North Vancouver BC, with new operations established in late 2023 at its 100% owned Tuvatu Alkaline Gold Project in Fiji. The Tuvatu project comprises the high-grade Tuvatu Alkaline Gold Deposit, the Underground Gold Mine, the Pilot Plant, and the Assay Lab. The Company also has an extensive exploration license covering the entire Navilawa Caldera, which is host to multiple mineralized zones and highly prospective exploration targets.

On behalf of the Board of Directors,

Ian Berzins, Chief Executive Officer, President, and Board Member

Contact Information

Email: info@liononemetals.com
Phone: 1-855-805-1250 (toll free North America)
Website: www.liononemetals.com

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