



Lion One Metals (TSXV: LIO) Initiating with buy. High-grade underground producer in ramp-up with district-scale optionality

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Investment Highlights

- ◆ **Built, operating underground gold mine; re-rating is now execution-driven:** Lion One Metals Limited (TSXV: "LIO", OTCQX: LOMLF) or (the "Company") owns 100% of the Tuvatu Gold Mine in Fiji, with underground access, a processing plant, and filtered tailings infrastructure constructed and operating. Recent operating results demonstrate production of ~14.7 koz over FY25, an average throughput of 336 tpd, and recoveries of ~81%. With construction and commissioning complete, the investment debate has shifted from development risk to operational consistency across development metres, stopping, throughput, recoveries, and unit costs.
- ◆ **High-grade, multi-lode resource with evidence of near-mine growth beyond the current model:** The June 24, 2024, NI 43-101 Mineral Resource at a 3.0 g/t Au cut-off reports 175koz Indicated at 8.48g/t and 339koz Inferred at 7.62g/t across 69 modeled lodes/domains. Management has indicated that ~40% of mined high-grade material to date has been sourced from areas outside the current resource model, consistent with a resource lag relative to underground access and drilling density in narrow-vein systems and supportive of near-mine resource growth potential as drilling and modeling catch up.
- ◆ **Valuation and recommendation – We initiate coverage of LIO with a Buy rating and a \$0.55 price target.** Our target is based on a blended 0.6x multiple applied to our estimate of ~\$0.88/share NAV at a long-term gold price of US\$3,500/oz. Our NAV is driven primarily by Tuvatu (\$379M, after-tax NPV5%) plus a conceptual \$60M value for regional exploration and the broader Navilawa land package, net of corporate G&A and estimated net debt. At the current share price, LIO trades at a material discount to peers on both EV/oz and P/NAV metrics, trading at US\$222/oz and 0.4x, compared to peers at US\$292/oz and 0.6x, respectively.

Key financial data (FYE Jun. 30, C\$)	2024		2025	
Cash	\$	6,731,873	\$	5,102,192
Working capital	\$	20,501,089	\$	17,201,408
Mineral assets	\$	185,343,809	\$	204,323,852
Total assets	\$	215,888,042	\$	240,385,318
Net income (loss) for the FY	\$	(27,336,738)	\$	(2,715,062)
EPS for the FY	\$	(0.13)	\$	(0.01)

Current Price (C\$)*	\$0.36
Fair Value	\$0.55
Projected Upside	53%
Action Rating	BUY
Perceived Risk	VERY HIGH
Shares Outstanding	402,854,395
Market Cap. (C\$)	\$145,027,582
P/B	0.57
YoY Return	20%

* Note: all \$ amounts are C\$ unless otherwise stated

TSXV: LIO Price and Volume History





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Investment Highlights, continued

- ◆ **Alkaline gold system with credible analogues and district-scale optionality around an operating hub:** Tuvatu sits within the Navilawa caldera, an alkaline gold system comparable in style to Vatukoula, Porgera, and Lihir. More than 69 lodes have been modeled at Tuvatu, with reported high-grade drill intercepts both within and below the current resource shell. Regionally, LIO controls multiple under-drilled prospects (including Banana Creek, Jomaki, Mouta, and Batiri), supporting a hub-and-spoke upside case in which satellite discoveries could be evaluated at a lower capital hurdle by leveraging the existing mill.
- ◆ **Staged, funded recovery and throughput upside; near-term focus on flotation/regrind:** The company is advancing a flotation and regrind circuit, targeting a recovery uplift of 6% – 8%, with commissioning expected in Q1/26. A subsequent expansion to 600 – 700 tpd is described at approximately \$13M, providing a clear pathway to higher payable ounces and unit-cost dilution without assuming step-change mining rates.
- ◆ **Balance sheet remains the key risk, but runway and execution capacity are improving:** Recent financings totaling ~\$34M (LIFE and Sidecar) were directed to underground development, mobile equipment, working capital, and debt service. The principal balance sheet overhang remains the Nebari facility of ~\$44M maturing in H2/26. The strategic investment and Master Services Agreement with Arete are intended to strengthen operating execution and support financing and debt restructuring discussions as cash-flow visibility improves.
- ◆ **Key upcoming catalysts (2026-2027):** We see several events that could drive a re-rating: (1) Demonstrated ability to sustain 350 tpd mill throughput with >5 g/t feed grade, with stable recoveries and costs; (2) Updated mine plan and/or technical study incorporating the 2024 resource model and operating data, potentially extending mine life and tightening cost assumptions; (3) Incremental high-grade discoveries within the existing mining lease (e.g., at depth or along strike) and in the wider Navilawa tenements; and (4) balance sheet optimization with clarity on restructuring of Nebari debt coming due in H2/26, expected once the transaction with Arete closes.

INVESTMENT THESIS

We are initiating coverage of Lion One Metals with a BUY recommendation. Our thesis is based on a built, operating, high-grade underground gold asset that remains in ramp-up, where the market continues to discount execution and balance-sheet risk despite a growing operating dataset, a staged and funded recovery/throughput upgrade path, and credible avenues to convert near-mine and district-scale geological upside into mineable inventory. In our view, the re-rating path is primarily operational: consistent delivery on development metres, stope readiness, mill throughput, recovery, and unit costs. Each quarter of stable performance reduces the probability-weighted impact of dilution, grade reconciliation variability, and liquidity risk.

A built, operating mine — risk has shifted from development to execution

Tuvatu is no longer a development-stage project. The underground mine, processing plant, filtered tailings facility, and associated infrastructure are built and operating, and the company is generating revenue from gold sales. Over the twelve months ended June 30, 2025, LIO sold ~14.7 koz of gold for revenue of ~\$58M, with mill throughput averaging ~336 tpd and gold recoveries of ~81%. Over the same period, the plant processed ~122kt at an average head grade of 4.6 g/t Au, while during the most recent quarter reported (ending September 2025 – Q1/FY26), the processing rate was maintained ~324 tpd. These datapoints matter because they move the investment debate away from construction and commissioning uncertainty and toward operating execution, with an increasing base of evidence for forecasting sustainable throughput, recovery, and unit costs.

Resource quality and mine life optionality — high-grade core with near-mine growth potential

The June 24, 2024, NI 43-101 Mineral Resource Estimate supports a high-grade, multi-lode underground system with meaningful expansion potential and remains a conservative representation of the broader mineralized architecture given the pace of underground access and ongoing drilling. At a 3.0 g/t Au cut-off (net of existing underground development), the resource reports 175 koz Indicated at 8.48 g/t Au and 339 koz Inferred at 7.62 g/t Au, constrained across 69 modeled domains/lodes. Sensitivities show a high-grade core at higher cut-offs and expanded tonnage at lower cut-offs, which provides flexibility as the mine plan evolves. A key operating observation is that a material portion of mined high-grade tonnes to date has been sourced from areas not captured in the current resource model (management commentary indicates ~40%), reflecting the typical lag between underground development/drilling density and model updates in narrow-vein systems. We view this as supportive of near-mine resource growth potential as drilling and modeling catch up to access.

Strategic District Land Position and Infrastructure

Lion One holds a 100% interest in the Tuvatu mining lease (ML 62) and surrounding exploration licenses in the Navilawa caldera, effectively controlling the district. The project benefits from year-round road access, proximity to Nadi International Airport (~20 km), and a supportive local infrastructure base, including grid power, water, and a skilled workforce developed through decades of mining in the Vatukoula–Navilawa belt. On-site infrastructure includes a decline-access underground mine, process plant, tailings storage facilities, and camp facilities. This combination of district-scale tenure, established infrastructure, and supportive regulatory framework provides a platform for a hub-and-spoke model where additional deposits could be trucked to the central mill over time.

Ramp-up trajectory — measurable progress in development, stoping, and plant stability

Underground development rate and the resulting number of available working faces are the controlling variables in narrow-vein ramp-ups. Lion One has reported increasing development metres, with the most recent quarter achieving over 1,700m, which directly improves stope readiness and feed consistency by enabling more headings, more ore drives, and more flexibility in sequencing. The mine has also evolved toward methods better aligned with the deposit geometry, with increasing emphasis on shrinkage stoping and cut-and-fill to improve consistency and manage dilution while scaling output. The first shrinkage stope was reported at 5,704t at 10.6 g/t Au, and a second, larger shrinkage stope is under development, with production expected to be double compared to the first one. On the plant side, throughput and utilization have improved over time, with processing now averaging approximately 328 tpd and utilization at 91% in the most recent quarter, and recoveries stabilizing over 82% range. We view these as the core indicators that execution risk is being reduced: higher development metres increase degrees of freedom underground, and stable plant utilization indicates that bottlenecks are increasingly operational rather than mechanical.

Processing expansion and recovery upside — staged capital focused on the highest-return bottleneck

Tuvatu operates a conventional flowsheet (crushing, grinding, gravity recovery, CIL, and doré production) and has demonstrated the ability to operate above the initial nameplate through de-bottlenecking. The company is executing a staged upgrade path intended to increase both recoveries and throughput while limiting capital risk. The first phase is the addition of flotation and regrind ahead of CIL, with in-house metallurgical work indicating potential recovery uplift of 6% – 8%, and targeted commissioning in Q1/26. The broader 600 – 700 tpd upgrade is described at approximately \$13M, including expanded grinding capacity, expanded CIL, ADR upgrades, and additional filter presses aligned to higher tailings throughput. This sequencing is important because incremental recovery uplift can increase payable ounces without requiring proportional increases in mining rate, while higher utilization and recovery stability support per-ounce cost dilution and improved cash conversion.

Exploration upside and district-scale optionality — alkaline system with credible analogues and hub potential

Tuvatu sits within the broader Navilawa caldera, an alkaline gold system that shares geological characteristics with other well-known alkaline systems such as Vatukoula (Fiji), Porgera, and Lihir. Mineralization is structurally controlled, vertically extensive, and expressed as a vein-stockwork network of narrow, high-grade lodes within a broader lower-grade halo, which is consistent with deposit styles that can support long mine lives where drilling density and access development keep pace. Within the Tuvatu mining lease, more than 69 lodes have been modeled, and the company has reported high-grade drill intercepts both within and below the current resource shell. The near-mine growth thesis is supported by the presence of strong intercepts proximal to existing infrastructure and by continuity at depth, including Zone 500 as a key expansion driver. Beyond the mine, Lion One controls the wider Navilawa intrusion system, including multiple prospects (e.g., Banana Creek, Jomaki, Mouta, Batiri) that remain under-drilled but have returned meaningful surface and drill results. The strategic value of this land position is that it sits around an operating mill; satellite discoveries within practical haul distance can be evaluated under a lower capital hurdle than standalone builds, supporting a credible hub-and-spoke pathway over time.

Balance sheet and funding — the key risk, with improving runway and added execution capacity

Balance sheet risk remains the principal point of investor skepticism, and we treat it as a core underwriting variable. The company has taken steps to extend its runway and reduce near-term refinancing pressure through recent equity raises and strategic partnership arrangements. The LIFE offering and Sidecar financing raised ~\$34M, with proceeds directed to underground development, mobile equipment, working capital, and debt service. The company also faces the maturity of the Nebari facility of approximately \$44M in H2/26 (including covenant and repayment considerations as applicable), which management has identified as a priority for restructuring and repayment as operating performance improves. The strategic investment of \$15M and Master Services Agreement with Arete Capital Partners is intended to strengthen operational execution capacity and support financing and debt restructuring discussions, with the practical objective of reducing liquidity overhang and increasing the proportion of capital spend funded from operating cash flow rather than equity issuance.

Management and execution capability — operating depth reinforced by Arete partnership

We view management capability as a material underwriting variable at LIO's current stage, where value creation is driven by operating execution and capital allocation rather than permitting or construction milestones. Founder and Executive Chairman Walter Berukoff brings a long track record of building and monetizing mining companies (including Miramar Mining and Northern Orion), which we view as relevant to capital formation, strategic decision-making, and timing of financing actions during ramp-up.

Operationally, management has taken Tuvatu from build and commissioning into early commercial production, including establishing in-house underground mining capability, commissioning the process plant, and adapting the mine plan as the operating dataset has matured. While ramp-up has been uneven, the company has demonstrated an iterative approach to mining method selection, sequencing, and plant optimization that is consistent with what we would expect in a narrow-vein, high-grade underground start-up transitioning toward steady-state.

The December 2025 strategic investment and MSA with Arete adds incremental execution and capital markets capacity at a key inflection point. Arete as a specialist mining investment and operating group, and the partnership is structured to support operational performance, capital discipline, and financing discussions. We view Arete's involvement as additive on two fronts: (i) additional operational bandwidth and benchmarking as development cadence, stope readiness, throughput, and recoveries are stabilized; and (ii) improved positioning for balance sheet actions, including addressing the Nebari maturity, as cash flow visibility improves.

Operating outlook and cash flow — conservative ramp supports de-leveraging and reduced dilution risk

Our operating model assumes a conservative production ramp over the next three years, reflecting measured improvements in development rates, stope availability, throughput, and recoveries following flotation and regrind commissioning. In our base case, gold production increases from FY26E 17.3 koz to FY27E 26.3 koz and FY28E and beyond 43.6 koz, with head grade assumed at ~5.0 g/t Au (FY26E) trending to 6.5 g/t (FY29E) as stoping ore becomes a larger proportion of mill feed and sequencing improves. We model recovery improving from ~83% (FY26E) to ~88% (FY29E) following the planned circuit additions,

and we forecast AISC trending from US\$2,013/oz (FY26E) to US\$1,507/oz (FY29E) as fixed costs dilute and operating stability increases. On a remaining life-of-mine basis, we assume mineable inventory/reserve recovery of 80%, dilution of 25%, sustaining capital of ~\$60M, and conservative unit costs for mining and processing of US\$98.6/t milled and US\$82.8/t milled, respectively. Under these assumptions and at a long-term gold price of US\$3,500/oz, our model supports meaningful operating cash flow generation sufficient to (i) service and reduce debt, (ii) fund a portion of growth capital internally, and (iii) reduce reliance on equity issuance at depressed prices.

Valuation and target price — conservative inputs and multiple still support \$0.55

Our valuation is built to be conservative in both the operating case and the multiple applied. We derive a corporate NAV from a DCF of Tuvatu plus an explicit separate value for district-scale exploration optionality, net of corporate G&A and net debt. For Tuvatu, we estimate an after-tax NPV5% of approximately \$379M, based on conservative assumptions for mining costs, processing costs, recoveries, ramp-up timing, mineable inventory/reserve conversion, and sustaining capital. We assign a separate \$60M value to the Navilawa district and regional exploration potential (explicitly outside the base mine plan) and deduct corporate G&A of ~\$43M and net debt of approximately ~\$48M, resulting in an estimated corporate NAV of approximately \$398M or \$0.88/share on a fully diluted basis. We apply a conservative P/NAV multiple of 0.6x, reflecting early-stage production risk, PEA-level study maturity, and operating and jurisdictional considerations. This yields a \$0.55 price target, implying ~53% upside from the current share price of \$0.36. At the current share price and ~450M basic shares outstanding, LIO trades at 0.4x P/NAV and US\$222/oz EV/oz, a discount to peers trading at 0.6x, and US\$292/oz, respectively.

Catalysts and risk resolution — re-rating path

The re-rating path is built around measurable operational and technical milestones. Sustained demonstration of stable throughput at or above 350 tpd and feed grades >5 g/t Au with recoveries trending above ~85% following flotation/regrind commissioning would materially improve confidence in the steady-state operating model and accelerate the transition to self-funding. Continued progress in development metres and stope inventory, reflected by a rising number of active headings and a more diversified stope portfolio, should reduce production volatility and improve grade reconciliation. Publication of an updated technical study incorporating the 2024 resource estimate and operating data would provide tighter guidance on mine life, sequencing, and costs and establish a clearer framework for the 600 – 700 tpd expansion and a >50 koz/year production profile. Finally, balance sheet optimization with clarity on restructuring of Nebari debt coming due in H2/26, expected once the transaction with Arete closes.

LION ONE METALS — COMPANY BACKGROUND AND OVERVIEW

Lion One Metals Limited is a Canadian-based gold company focused on the development and operation of its 100%-owned Tuvatu Gold Mine and the surrounding Navilawa alkaline gold district on the island of Viti Levu, Fiji. The company is listed on the TSX Venture Exchange under the symbol LIO and trades on the OTCQX in the United States.

The Tuvatu project has evolved from a historical exploration property into a producing mine over the past decade. After acquiring the project in 2011, Lion One completed extensive drilling, underground development, and technical studies culminating in a series of NI 43-101 resource updates and economic assessments. A mining lease (ML 62) covering approximately 384.5 hectares was granted by the Fijian government, and surrounding exploration licenses expand the land package to several thousand hectares, capturing the broader Navilawa caldera and associated prospects.

Figure 1: Tuvatu Gold Project – Location within the Viti Levu Gold Belt



The company's asset base is highly focused: essentially all current value is tied to Tuvatu and the broader Navilawa district. This concentration is a double-edged sword – it increases project-specific risk but also offers significant upside if Tuvatu and nearby prospects ultimately support a long-life, multi-deposit mining camp. The company's corporate strategy is to (1) complete the ramp-up of Tuvatu into a stable, cash-generating underground mine, (2) reinvest operating cash flow into expansion and regional exploration, and (3) position the asset suite for potential strategic partnerships or corporate transactions over the medium term.

OWNERSHIP AND CAPITAL STRUCTURE

Table 1: LIO — Options and warrants summary, as of November 30, 2025

Number of options outstanding ['000]	Strike price [C\$]	ITM # ['000]	ITM [C\$M]	WARL	Expiry
333	C\$1.00	0	C\$0.00	0.08	31-Dec-25
2,745	C\$1.25	0	C\$0.00	0.51	2-Jun-26
2,812	C\$1.25	0	C\$0.00	1.76	3-Sep-27
4,830	C\$1.00	0	C\$0.00	3.04	13-Dec-28
10,720	C\$0.00	0	C\$0.00		

Number of warrants outstanding ['000]	Strike price [C\$]	ITM # ['000]	ITM [C\$M]	WARL	Expiry
1,449	C\$0.65	0	C\$0.00	1.21	14-Feb-27
1,997	C\$0.37	0	C\$0.00	0.65	26-Jul-26
2,000	C\$0.34	2,000	C\$0.68	2.21	14-Feb-28
1,173	C\$0.32	1,173	C\$0.38	1.82	23-Sep-27
2,133	C\$0.32	2,133	C\$0.68	1.82	24-Sep-27
1,202	C\$0.32	1,202	C\$0.38	1.88	17-Oct-27
1,987	C\$0.32	1,987	C\$0.64	1.90	23-Oct-27
15,333	C\$0.38	0	C\$0.00	1.20	9-Feb-27
24,150	C\$0.65	0	C\$0.00	1.21	14-Feb-27
31,485	C\$0.50	0	C\$0.00	1.65	26-Jul-27
25,368	C\$0.41	0	C\$0.00	2.21	14-Feb-28
6,431	C\$0.41	0	C\$0.00	2.21	14-Feb-28
16,759	C\$0.42	0	C\$0.00	2.82	23-Sep-28
42,710	C\$0.42	0	C\$0.00	2.82	24-Sep-28
18,656	C\$0.42	0	C\$0.00	2.88	17-Oct-28
26,975	C\$0.42	0	C\$0.00	2.90	23-Oct-28
219,809		8,496	C\$2.76	\$0.32	

Total	ITM # ['000]	
230,529	8,496	C\$2.76

Source: Couloir Capital, Capital IQ, Company Reports

As of November 2025, LIO had ~402M common shares outstanding, along with ~220M share purchase warrants and 11M share purchase options, resulting in a fully diluted share count of ~633M if all in-the-money securities are exercised. Recent financings included a LIFE Offering and an upsized Sidecar Private Placement, which together raised \$34M in gross proceeds to fund development, equipment purchases, repayment of the Nebari loan facility and working capital for Tuvatu's ramp-up and expansion plans.

Founder and Executive Chairman Walter H. Berukoff remains one of the largest shareholders of LIO and holds ~4.2% of the common equity, with additional indirect holdings likely attributable to affiliated entities such as Red Lion Management. Total insider ownership (including executive officers, directors, and founder affiliates) is ~5.8% of the outstanding common shares, which provides meaningful alignment between management and shareholders. The remainder of the register is primarily held by retail investors and small institutions, reflecting Lion One's profile as a junior producer transitioning into a more data-rich operating company.

Notably, in December 2025, the company announced a strategic investment by Arete Capital Advisors under a private placement agreement wherein Arete agreed to take a cornerstone equity position of up to 9.9% of the company alongside a Management Services Agreement (MSA) under which Arete will become the operator of the Tuvatu Gold Mine. This transaction positions Arete as both a key shareholder and an operational partner, aligning its incentives with those of long-term investors and adding external technical and financial capacity to support execution across the ramp-up and expansion phases.

WORK DONE SO FAR BY LIO AND PLANS GOING FORWARD

Table 2: Tuvatu Gold Project — Timeline of development and de-risking

Tuvatu Gold Project timeline since acquisition by LIO					
2011-2019	2020-2022	2023	2024	2025-2026	2026-2027
Acquisition and data consolidation	Decline development	Plant build and commissioning	Ramp-up and operational learning	Mining method transition and expansion	Updated study and mine plan
Project acquired in 2011	Decline and level development extended	Processing plant and key surface infrastructure commissioned	Throughput scaled from ~160tpd to >300tpd	Transition into shrinkage stoping in early production blocks	Updated technical study expected, incorporating the 2024 MRE and operating data
Historical database consolidated	Underground platforms established for drill density and mine definition	Filtered tailings and site services operational	Recoveries stabilized around ~82%	Development rates improved (record ~1,700m/quarter)	Mine plan and production profile reset based on actual development/stoping performance
Surface and underground drilling campaigns commenced	Mine fleet and owner-operator capability built	First gold pour in 2023 and transition from construction to operations	Early stoping and development sequencing refined	Additional headings opened to reduce reliance on single stopes	Potential mine life extension to and sustainable production to >50koz/yr (subject to execution)
Iterative NI 43-101 resource updates	Major surface infrastructure advanced toward commissioning		Grade reconciliation and dilution control became the operating focus	Flotation and regrind upgrade advanced (target recovery uplift to ~90%)	Longer-dated district integration case (Navilawa satellites feeding the hub) refined as drilling matures
Permitting pathway advanced and mining lease position established	Project economic framework updated via PEA (2022)		Operating track record began to form	Balance sheet actions focused on addressing Nebari ~\$44M due August 2026, supported by several rounds of equity financings including strategic investment by Arete (MSA/operator)	
Early underground access inherited/advanced					

Source: Company reports

WORK DONE SO FAR BY LIO

Since acquiring the Tuvatu Gold Project, LIO has advanced the asset from an advanced exploration-stage property with an exploration decline into an operating underground gold mine supported by a fully constructed processing facility and district-scale land position. At acquisition, the project included a substantial historical database comprising ~50,000m of core and RC drilling, underground drilling, and roughly ~600m of decline development extending to approximately ~240m below surface. This foundation materially reduced early geological and access risk and allowed the company to focus capital on systematic validation, infill, and expansion rather than greenfield discovery.

- ◆ **Underground development and owner-operator execution:** LIO since then has constructed and advanced a decline-access underground mine, driving multiple levels off the main ramp and developing ore drives into the principal lode corridors in preparation for sustained stoping operations. Unlike many junior underground developers, LIO operates under an owner-operator model, owning and operating its underground fleet, including jumbos, longhole drills, loaders, haul trucks, and associated support equipment. This approach provides direct control over development rates, sequencing, and cost structure, and has allowed management to dynamically rebalance development and production priorities as the ramp-up has progressed. Increasing development metres have expanded the number of available working faces and reduced reliance on any single stope or lode, an important de-risking step in narrow-vein underground systems.
- ◆ **Processing plant construction, commissioning, and ramp-up:** In 2023, LIO completed construction and commissioning of a 300 tpd processing plant incorporating crushing, grinding, gravity concentration, and carbon-in-leach (CIL) circuits, supported by a filtered tailings facility, on-site power generation, water management infrastructure, and camp and maintenance facilities. The plant achieved its first gold pour in late 2023 and has since progressed from commissioning into sustained operations. Through a combination of de-bottlenecking, incremental optimization, and improved maintenance practices, throughput has increased from early operating rates of ~150 – 200 tpd to consistently operating in the ~310 – 380 tpd range in recent quarters. Over the most recent 12-month period (reported), the plant processed more than ~120kt of mineralized material at average head grades of ~5 g/t Au, with recoveries stabilizing in the low-80% range. These results confirm that Tuvatu's process circuit has transitioned into a producing operation with repeatable gold sales rather than a commissioning-stage asset. Parallel upgrades to site infrastructure, including expanded power and water capacity, workshops, logistics arrangements, and the commissioning of a Fiji-based accredited laboratory, have shortened turnaround times for grade control and exploration, improving operational feedback loops between mining, processing, and geology.
- ◆ **Permitting, land access, and social license:** LIO holds the key mining lease and the environmental and water approvals required for underground mining and processing at Tuvatu. These approvals are supported by long-running environmental baseline programs and a rehabilitation and closure framework that is updated as the project evolves. The company has also built a predominantly local workforce across mining, processing, maintenance, and support functions and maintains active community engagement programs. This approach is intended to reduce workforce volatility and preserve social license as underground operations and regional exploration activities expand.

- ◆ **Alkaline gold system with clear analogues and exploration upside:** Tuvatu is hosted within the broader Navilawa volcanic caldera, an alkaline gold system sharing geological characteristics with other well-known deposits such as Vatukoula (Fiji), Porgera, and Lihir. Within the Tuvatu mining lease alone, LIO has modeled more than 70 lodes, and drilling to date has returned multiple high-grade intercepts exceeding 50 g/t-metre both within and below the current resource shell. Beyond Tuvatu, LIO controls the wider Navilawa intrusion system, which hosts multiple under-drilled prospects including Banana Creek, Jomaki, Mouta, Batiri, Wailoaloa, and others. Regional work to date has returned high-grade surface and drill results demonstrating that Tuvatu represents a part of a much larger mineralized system rather than an isolated deposit. Recent recognition of copper-gold anomalism at Wailoaloa, ~1 km northeast of Tuvatu, further supports the presence of a deeper alkalic system with potential polymetallic upside.

LIO'S PLAN IN THE NEAR TERM (EXECUTION FOCUS)

Over the next 18 – 24 months, LIO's operating plan is focused on completing the production ramp-up and executing a staged expansion of the processing facility. The company is installing a flotation and regrind circuit ahead of the CIL section with the objective of lifting overall recoveries into high-80% to low-90% range and supporting sustainable throughput of 600 – 700 tpd. This stage is accompanied by targeted upgrades to grinding capacity, CIL/detox, pumping, aeration, and filtered tailings handling.

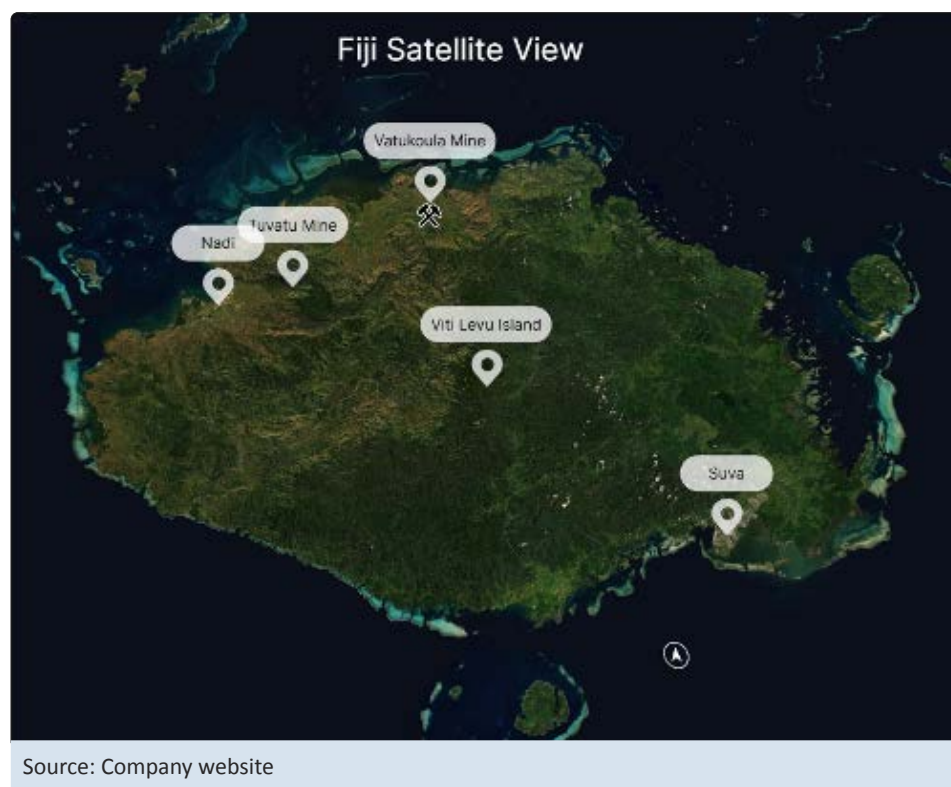
- ◆ Underground, continued development is aimed at opening additional mining fronts and reducing reliance on any single stope or lode. An intensive near-mine drilling program is targeting infill and step-out opportunities in the western lodes, Murau, UR lodes north of major structures, and deeper extensions of the main Tuvatu system. Operating data from the first full years of production, together with the 2024 Mineral Resource Estimate, are expected to be incorporated into an updated independent technical study (likely at the PEA or PFS level), articulating a refreshed life-of-mine plan and economic profile for the expanded operation.
- ◆ **What changed recently?** Over the past 12 – 18 months, several execution milestones have materially altered the risk profile of the project. The operation transitioned from initial selective mining into shrinkage stoping on key lodes, delivering the first shrinkage stope of ~5,700t grading at ~10.6 g/t Au and validating the mining method for the deposit geometry. Underground development rates increased materially, with recent quarters reporting step-changes in metres advanced, expanding available working faces. Installation of the flotation and regrind circuit is underway, targeting a meaningful recovery uplift and throughput expansion. In parallel, the strategic investment and Master Services Agreement with Arete is expected to add additional operational and financial capability, supporting ramp-up execution and providing flexibility in addressing near-term balance-sheet obligations, including the ~\$44M Nebari facility coming due in H2/26.
- ◆ **Near-mine and regional exploration plans:** Over the near term, Navilawa exploration is expected to focus on fully integrating all district-scale datasets into a unified 3D model and systematically ranking and following up the highest-priority targets. This includes modest-cost compilation, mapping, trenching and channel sampling to tighten up surface controls, followed by focused drilling along the main structural corridors to test for additional high-grade shoots or satellite deposits that could either supplement mill feed at Tuvatu or ultimately support standalone development. Follow-up work at Wailoaloa and

other copper-anomalous areas is geared toward determining the geometry and scale of any underlying copper-gold system through deeper and more targeted drilling. Practically, LIO is likely to structure its programs so that underground and near-mine drilling continues through the wet season, while regional surface programs and step-out drilling are weighted toward the drier months, to keep people and rigs working efficiently year-round.

TUVATU GOLD PROJECT — HIGH-GRADE UNDERGROUND MINE WITH DISTRICT-SCALE EXPLORATION OPTIONALITY (FIJI)

The Tuvatu Gold Project combines an operating, high-grade, decline-access underground mine with material exploration upside across the broader Navilawa Caldera on Fiji's main island of Viti Levu. The asset is differentiated by the extent of LIO's on-site operating control in the two variables that most directly drive value in narrow-vein, high-grade systems: the ability to advance underground development consistently and the ability to maintain high drilling density from underground platforms. In the most recent fiscal year, Tuvatu produced 14.7 koz of gold and mined ~122 kt of mineralized material, representing the strongest mining period to date and reflecting continued improvements in development rates and operating efficiency.

Figure 2: Tuvatu Gold Project — Satellite view of Fiji's Viti Levu Island showing Tuvatu's location



PROJECT LOCATION AND ACCESS

Tuvatu is located within the Navilawa caldera on Viti Levu, approximately 17 km by road from Nadi International Airport (about 24 km northeast of Nadi) and roughly 30 km from Port Lautoka. Access is via the Sabeto Road corridor following the Sabeto River Valley, which is paved for roughly half its length before transitioning to sealed and gravel road sections, supporting practical logistics for consumables and heavy equipment. The project lies within a long-established mining region that includes the multi-million-ounce Vatukoula mine approximately 40 km to the northeast, which is relevant both for regional mining precedent and for access to experienced labour and service capability.

The project area includes a granted Special Mining Lease (SML) covering the Tuvatu deposit and associated infrastructure, complemented by a broader package of Prospecting Licenses across the remainder of the Navilawa caldera. Terrain across the wider land package is moderately steep to rugged, with grass-covered ridges and dense vegetation along creeks, but access is maintained year-round under a tropical climate and established regional road, port, and hydro infrastructure.

Figure 3: Tuvatu Gold Project — Tuvatu's location relative to Fiji's key infrastructure



HISTORY

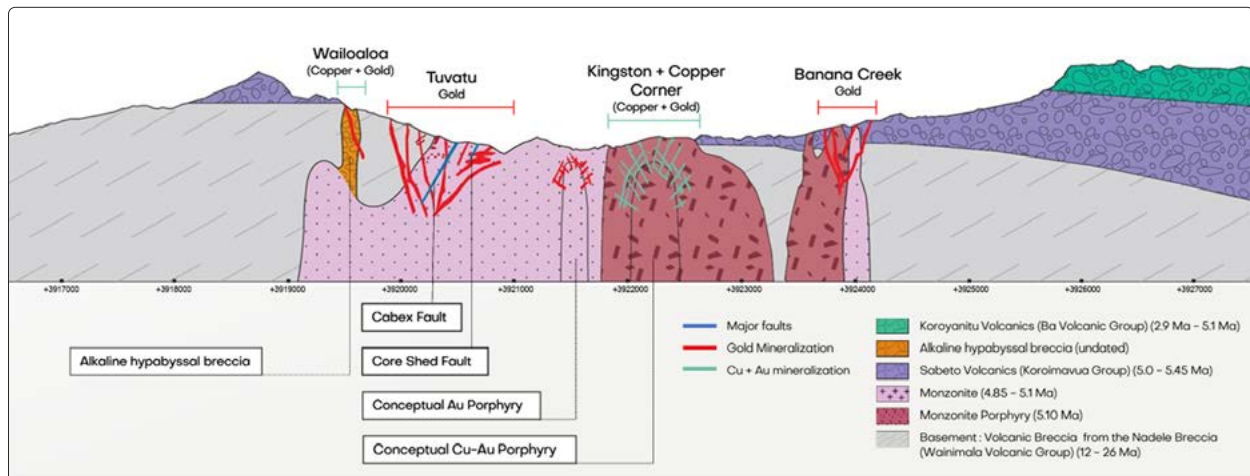
Gold was discovered in the Navilawa area in the early 20th century, with intermittent small-scale mining and prospecting occurring over subsequent decades. Modern exploration activity at Tuvatu accelerated during the 1990s and 2000s under previous operators, who completed substantial drilling, mapping, and

metallurgical test work and advanced the project through preliminary economic assessments and feasibility-level work. LIO consolidated the Tuvatu project and surrounding Navilawa tenements in the 2010s, initially focusing on validating historical drilling and metallurgical datasets, updating resource models, and advancing permitting for an underground mine and a small-footprint processing plant. The project subsequently transitioned from exploration-led work into construction and operations, with decline development, underground workings, and surface facilities culminating in commissioning of a 300 tpd plant and a first gold pour in late 2023.

GEOLOGY AND MINERALIZATION

Tuvatu is described as an alkaline epithermal gold system developed within the Navilawa volcanic caldera on Viti Levu. The broader geologic context is a Southwest Pacific plate boundary environment where long-lived arc volcanism, subduction reversal, and crustal extension are interpreted to have produced fertile alkaline magmatism and district-scale hydrothermal systems. In northwest Viti Levu, this evolution is represented by older volcanic breccias (Nadele Breccia) overlain by younger volcanic flows (Sabeto Volcanics) and intruded by the Navilawa Monzonite, which is interpreted as the intrusive phase providing heat and metal-bearing fluids that ultimately deposited gold into fractures and faults.

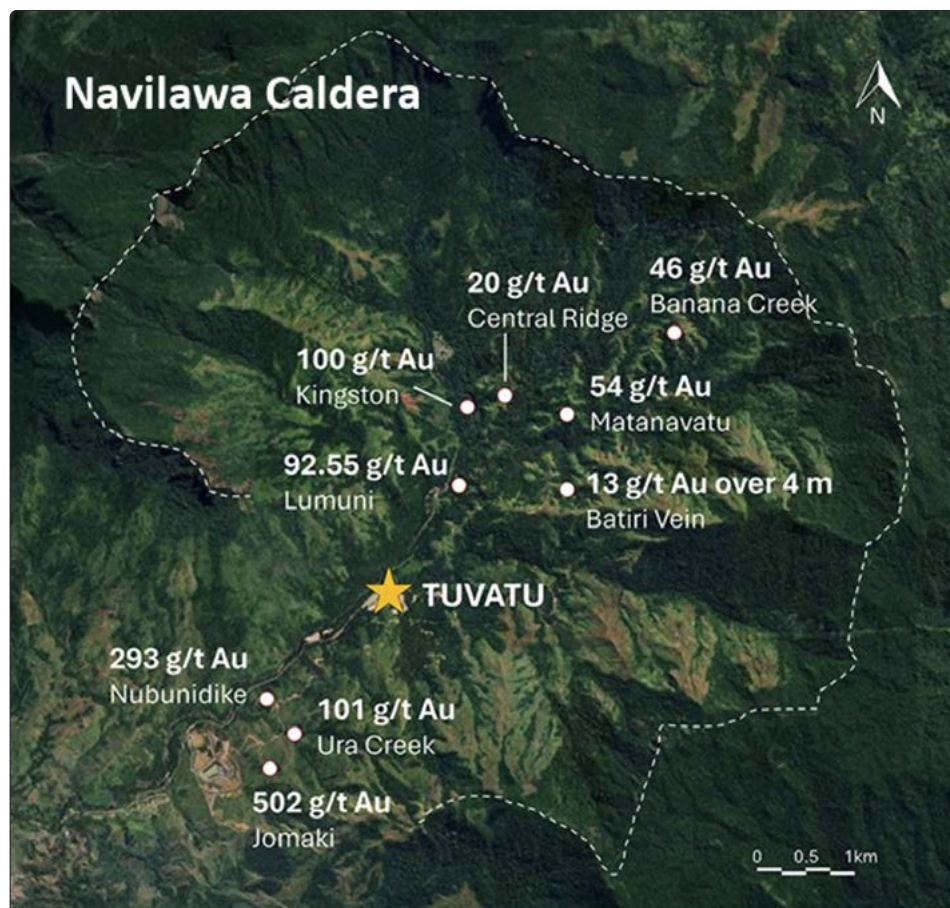
Figure 4: Navilawa Caldera — Conceptual illustration of different deposit targets in Caldera



Source: Company presentation

The caldera is characterized as an approximately 4 km-diameter Miocene to Pliocene volcanic complex whose collapse and subsequent reactivation generated the structural permeability controlling mineralization. Multiple gold and copper-gold occurrences, including Kingston, Wailoaloa, and Banana Creek, occur within the same caldera footprint and are associated with northwest- and northeast-trending fault sets described as primary fluid pathways, including major structures referenced as the Core Shed and Cabex faults.

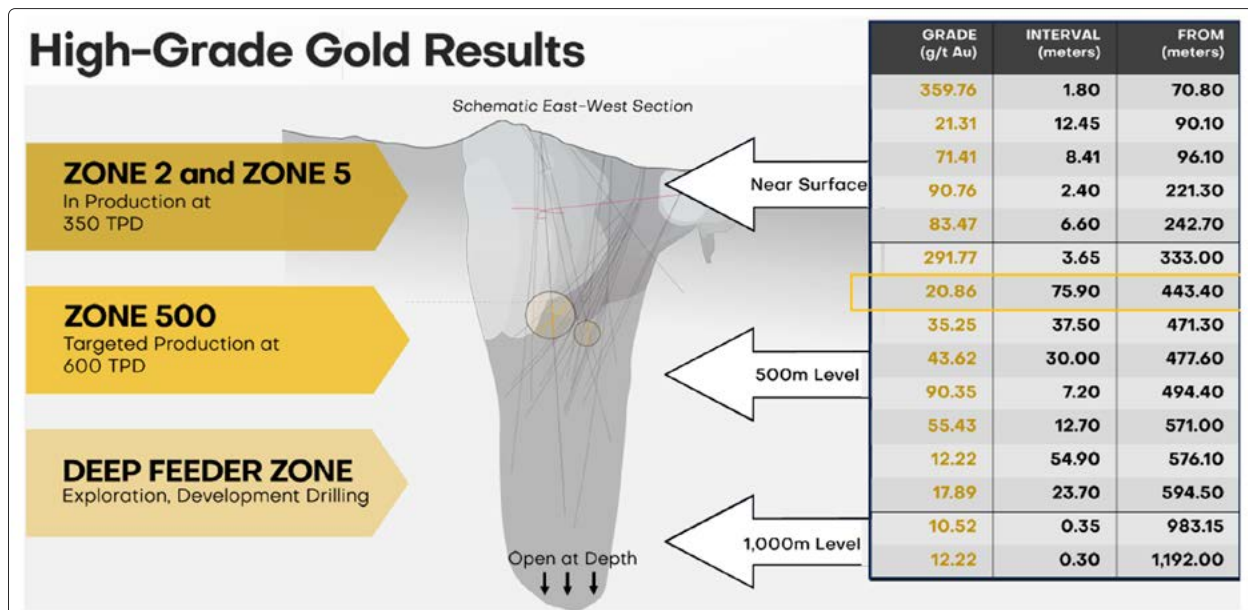
Figure 5: Navilawa Caldera — Key targets identified in 4 km-diameter Navilawa Caldera



Source: Company presentation

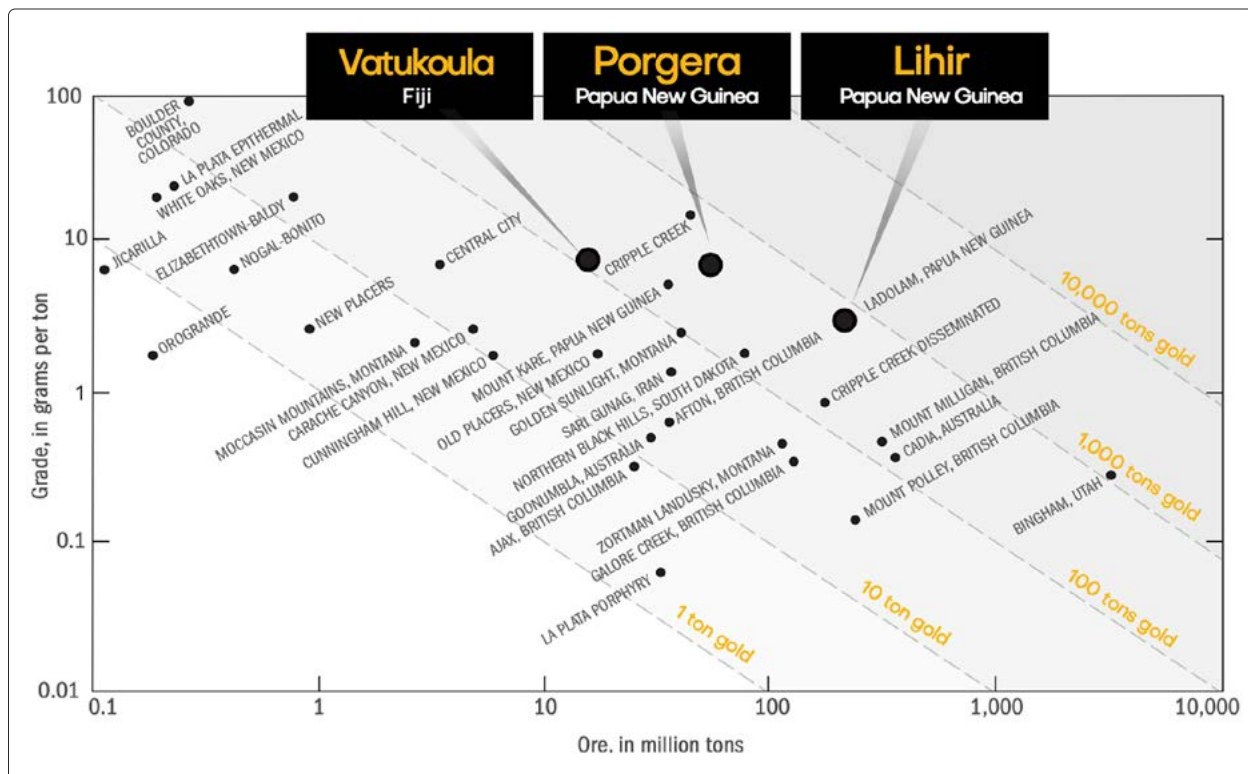
Within this framework, Tuvatu mineralization is hosted in steeply dipping, structurally controlled lodes and stockworks developed in monzonite, trachyandesite, and related intrusive and volcanic rocks. Mineralization is organized into several principal corridors, including UR, URW, Wurunti, and Murau, which persist for hundreds of metres along strike and several hundred metres vertically. Individual veins are typically narrow, ranging from millimetres to tens of centimetres, but occur in dense, closely spaced sets that collectively form mineable widths commonly on the order of ~2 – 5 m, with local “blow-outs” and hydrothermal breccia zones expanding to ~10 – 12m and carrying multiple high-grade vein and stockwork generations. Drilling is described as demonstrating continuity to and below the 500 Zone, several hundred metres beneath current mine infrastructure, with the system remaining open laterally and at depth and a reported vertical mineralized extent exceeding ~1 km.

Figure 6: Tuvatu Gold Project — Key gold zones at Tuvatu showcasing continuity at depth



Source: Company presentation

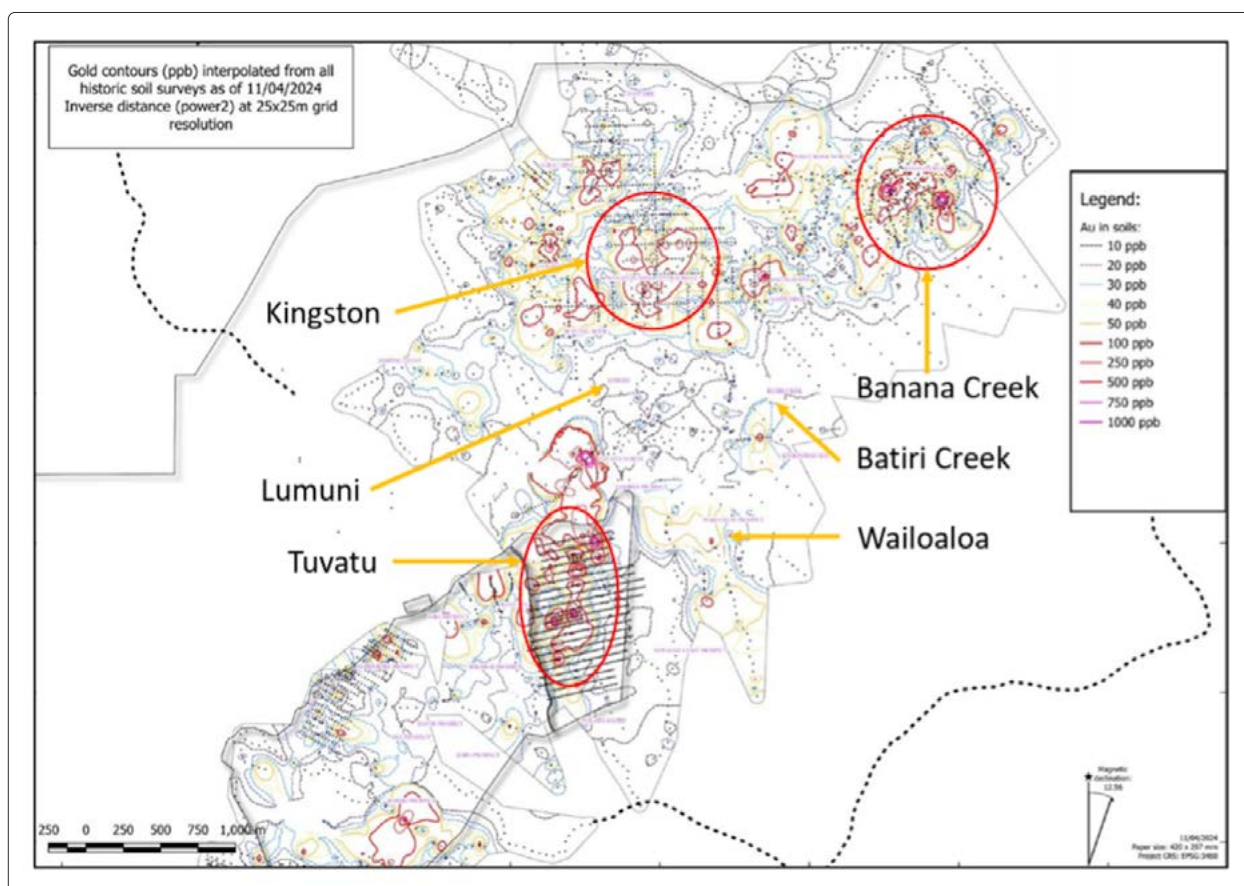
Figure 7: LIO — Major Alkaline Gold Systems Vatukoula (Near Tuvatu), Lihir and Porgera



Source: Company presentation

Gold is described as occurring as native gold and electrum within quartz–carbonate–sulfide veins and breccias. Pyrite and arsenopyrite are identified as dominant sulfides, with minor base-metal sulfides locally including sphalerite and galena, accompanied by carbonate, albite, and potassic alteration consistent with alkaline-related systems. Grades are noted to be highly variable at the sample scale due to coarse gold and strong structural control, but more predictable at the stope scale along well-defined lodes. A notable alteration feature is roscoelite, a vanadium-rich mica that is described as closely associated with high-grade zones, particularly in Zone 500 where visible gold is commonly reported with roscoelite; parallel to signatures reported in major alkaline gold systems such as Porgera and Lihir.

Figure 8: Navilawa Caldera — Historical gold in soil anomalies at surface highlight new discovery potential



Source: Company presentation

From an operating and growth perspective, near-surface mining is described as focused on Zones 2 and 5, which currently support production at approximately 350 tpd. At depth, Zone 500 is described as the principal driver of the next phase of mine expansion and the basis for a planned ramp to approximately 600 tpd. Continuity to and below Zone 500 is reported, and limited drilling below this level is described as confirming mineralization beyond the current development horizon, with the Deep Feeder Zone referenced

as supporting potential for further extensions at depth. High-grade soil anomalies at surface suggest that the system may extend a further 600m along strike in an area not yet drill tested; if confirmed, this would represent an increase in strike length of approximately 66%, and the system is presented as remaining open laterally and at depth.

MINERAL RESOURCE ESTIMATE

The June 24, 2024, NI 43-101 Mineral Resource Estimate provides the current resource framework for Tuvatu and is reported net of material mined or developed prior to the effective date. At a base-case cut-off grade of 3.0 g/t Au, the estimate reports 514 koz Au of gold, comprising 175 koz of Indicated Resources (642kt at 8.48 g/t Au) and 339 koz of Inferred Resources (1,384kt at 7.62 g/t Au). The estimate is constrained across 69 modeled high-grade vein and stockwork domains, plus a small “outside domains” component, which reflects both the narrow-vein nature of the deposit and the need to constrain tonnes and grade into shapes regarded as realistically mineable. For stope-shape and resource constraints, the model applied conservative economic and technical assumptions, including an approximately US\$1,973/oz gold price, underground mining costs of US\$56/t, processing costs of US\$56/t, G&A of US\$25/t, 80% metallurgical recovery, and a 3.5% NSR royalty.

Cut-off sensitivities underline the flexibility of the system across grade/tonnage trade-offs.

- ◆ At 4.0 g/t Au, the estimate reports ~159 koz Indicated (492kt at 10.05 g/t Au) and ~292 koz Inferred (956kt at 9.50 g/t Au);
- ◆ At 2.0 g/t Au, it expands to ~193 koz Indicated (861kt at 6.97 g/t Au) and ~389 koz Inferred (2,019kt at 5.99 g/t Au), with “outside domains” adding only minor ounces at each cut-off while the vast majority of contained gold remains within the defined lodes.

Most modeled mineralization is distributed across steeply dipping veins and stockwork zones concentrated in the Zone 2 area (including Ura and Murau) and Zone 5 (including Upper Ridges), where narrow high-grade veins show strong vertical continuity and are complemented by dense stockwork that contributes meaningful tonnage. The current MRE is a conservative snapshot taken during a period when underground access and drilling coverage were still ramping, and it is validated by the fact that ~40% of mined high-grade material in late 2024 was sourced from areas outside the current resource model.

This is consistent with a deposit where development and grade-control drilling are advancing faster than formal model updates, and it is supported by both depth and near-mine drill results. At depth, the 500 Zone feeder target returned 20.86 g/t Au over 75.9m, including 35.25 g/t Au over 37.5m, highlighting continuity and scale below the historic resource envelope. Closer to infrastructure, recent near-mine programs continue to generate short-cycle ounces, including Zone 2 drilling reporting 25.45 g/t Au over 6.7m positioned ~10m below an established level and scheduled for near-term mining, and West Zone drilling reporting 198.84 g/t Au over 1.4 m (including 896 g/t Au over 0.3m), which the company frames as a priority area for near-mine resource expansion.

Table 3: Tuvatu Gold Project — Mineral resource estimate, as of June 2024

Tuvatu MRE	Tonnes [t]	Grade [g/t Au]	Au ounces [oz]
Measured	0	0.00	0
Indicated	642,000	8.48	175,036
M&I	642,000	8.48	175,036
Inferred	1,384,000	7.62	339,059
Total (M&I + I)	2,026,000	7.89	514,095

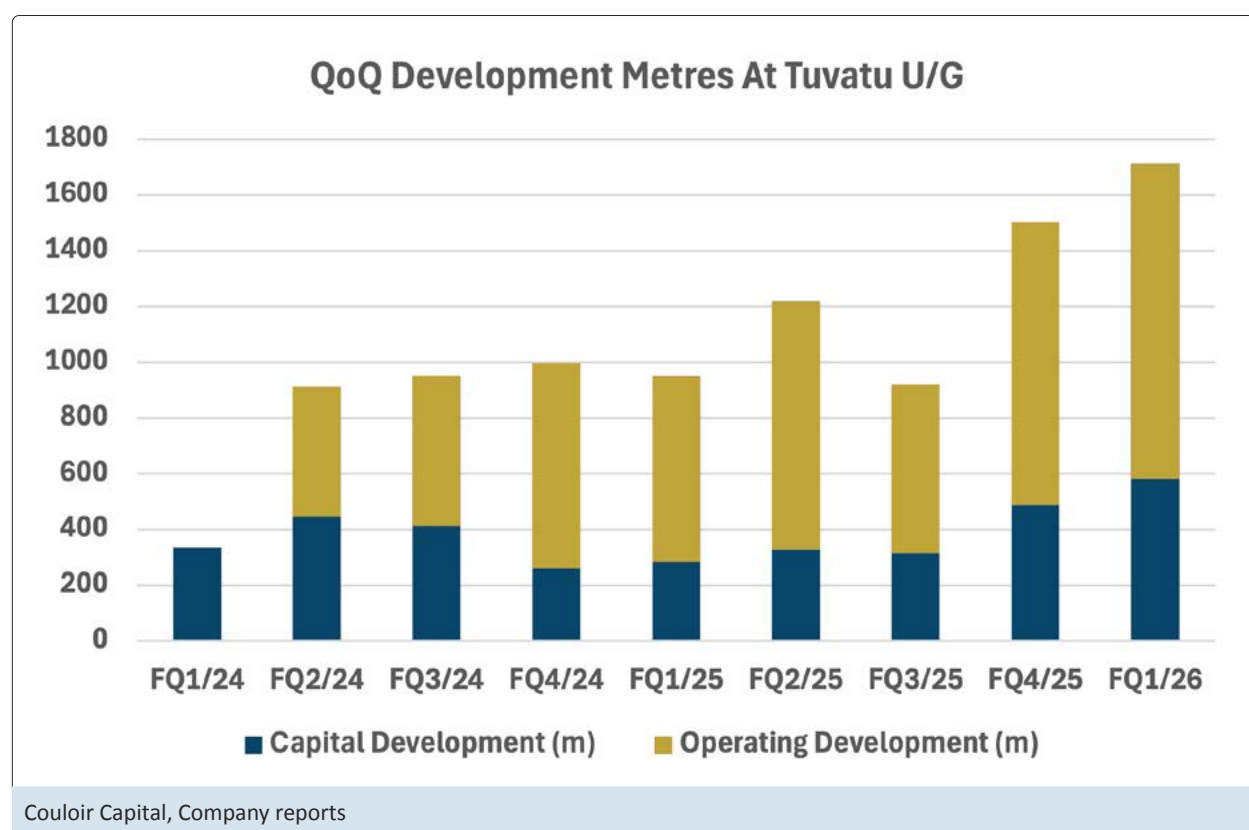
MINING METHODS AND UNDERGROUND DEVELOPMENT

Tuvatu is being developed as a decline-access underground operation with a main portal and decline from surface feeding multiple levels. From these levels, lateral development is advanced through footwall drives, cross-cuts, and ore drives to access steeply dipping lodes and create sufficient headings to support multiple stopes operating concurrently. Since first production in June 2023, the operational priority has been building development momentum, and development metres are described as the primary constraint on tonnage because heading availability limits the number of active faces. Development is stated to have risen steadily through 2024 and reached a record ~1,700 metres in the most recent quarter (FQ1/26). To manage narrow-vein geometry and variability, the operation employs both airleg and jumbo development, with airleg used for more selective headings in tight, high-grade areas and jumbo rigs used for faster advance in wider drives and key decline and infrastructure development.

Mining methods are evolving as LIO's operating experience improves, understanding of how best to control dilution and improve consistency in a high-grade, narrow-vein setting. Early mining focused on selective, narrow lodes from upper levels using airleg stoping, which captured high grade but constrained output due to slower manual advance rates and shorter stope lengths. After trialing more bulk-style approaches and encountering dilution issues, the operation shifted toward narrow-vein methods better suited to steep, tight structures, particularly shrinkage stoping and cut-and-fill, while introducing mechanization where vein width, continuity, and ground conditions support it. Shrinkage stoping is described as being applied on steep, relatively continuous lodes of moderate width, with broken ore temporarily left in place for support and later drawn from draw points. Long-hole and open stoping are also described as being trialed or deployed in areas where stope height and continuity support more efficient drilling, blasting, and mucking, and this approach is presented as increasingly feasible as deeper development, including the 500 Zone, opens longer, more continuous blocks. The first shrinkage stope is described as approximately 62m long by 24m high and approximately 1.5m wide, producing 5,704 tonnes at 10.60 g/t Au, and a second shrinkage stope is described as already in development and expected to be roughly twice the size, with production targeted across Q4/25 and Q1/26.

Table 4: Tuvatu Gold Project — Capital and operation development

Quarter	Capital development [m]	Operating development [m]	Ore mined [kt]
FQ1/24	335	0	5.77
FQ2/24	446	467	10.56
FQ3/24	412	540	19.331
FQ4/24	262	735	35.519
FQ1/25	283	666	21.852
FQ2/25	328	891	34.525
FQ3/25	315	605	26.837
FQ4/25	489	1014	25.321
FQ1/26	582	1131	28.423



Operational upgrades and enabling works are described as progressing in parallel to support ramp-up and deeper access. LIO, in Q1/25, also completed the raise-bore ventilation initiative while ongoing mine ventilation improvements are expected to further support deeper development. Going forward, the company's execution focus will revolve around continued development advance to increase heading availability, tighter ground support and dilution control where vein sets are complex or convergent, completion of ventilation capacity to unlock deeper mining, and improved stope sequencing to balance grade, tonnage, and geotechnical constraints while smoothing mill feed.

PROCESSING PLANT, RECOVERIES AND EXPANSION

The current Tuvatu plant is a 300 tpd “pilot” facility built around a conventional high-grade underground gold process flowsheet comprising primary crushing and secondary crushing as required, a ball-mill grinding circuit sized to handle ~300 tpd, gravity recovery (Knelson-style) to recover coarse gold into a small high-grade concentrate, cyanidation and a carbon-in-leach circuit treating gravity tails, and downstream gold recovery through elution, electrowinning, and smelting to doré. The plant poured first gold in October 2023, with commissioning and production ramping through H1/24. Throughput has risen steadily from ~160 tpd to ~360 tpd between January and June 2024, with continued de-bottlenecking pushing performance beyond nameplate, and in some of the recent months, processing throughput was reported to reach close to 400 tpd with record utilization metrics.

Figure 9: Tuvatu Gold Project — 350 TPD pilot plant

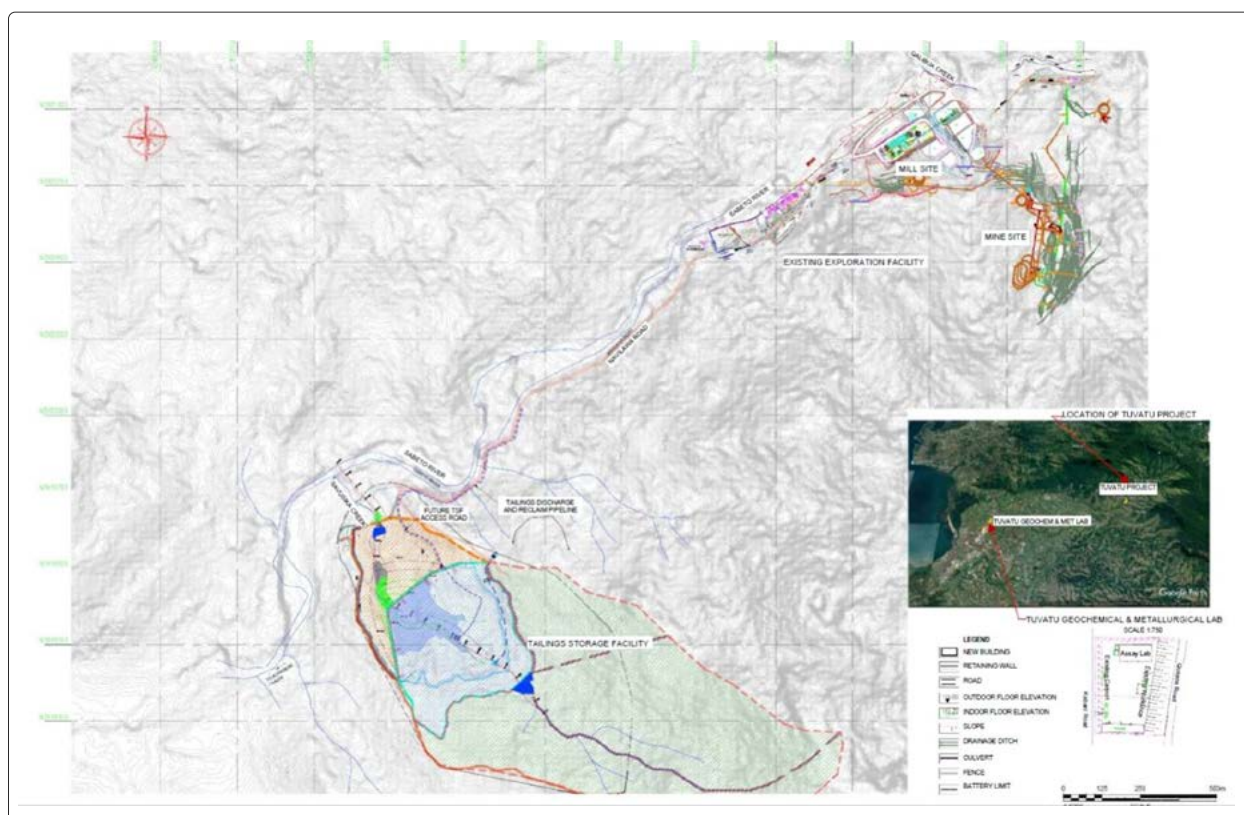


For the twelve months ended June 30, 2025, the operation processed 122,483 tonnes at an average head grade of 4.6 g/t Au, producing 14.7 koz at an average recovery of 80.6%. The June 2025 quarter is described as setting a new record, with 33,726 tonnes processed (371 tpd), an average head grade of 3.6 g/t Au, 96% mill utilization, and quarterly recovery of 81.6%, reflecting ongoing process optimization. As the feed mix shifts from development material toward higher-grade stoping ore, recoveries and operating stability have improved. By Q4/FY2026, the plant is described as consistently treating approximately 29,500t per quarter at ~5.5 g/t Au head grade with overall recovery of approximately 82.5%, with management guiding toward incremental gains as operating practices mature. Note that for FY2026, we model 27,500t of feed per quarter at ~4.9 g/t Au head grade with overall recovery of 82.5%, keeping our estimates on the conservative side.

To transition beyond the pilot phase, LIO has initiated a staged expansion targeting 600 – 700 tpd and higher recoveries. The first step is the addition of a flotation circuit, and a tower regrind mill grinding concentrate to roughly P80 ~20µm to improve capture of fines and sulfide-associated gold, enhance performance as

mining advances into more complex ore types at depth, and add optionality for potential future feed sources across the broader caldera. This flotation and regrind phase is budgeted at approximately \$2.5M, with in-house metallurgical work indicating a potential 6 – 8% recovery uplift to approximately 88 – 92%. Civil and foundation work is described as completed in October 2025, with structural steel and equipment scheduled for commissioning in Q1/26. Longer term, the full 600 – 700 tpd upgrade plan (LIO planned expansion by 2027, while we currently model early 2028) is estimated at approximately \$13M (we model \$20M currently) and includes a larger primary grinding mill, expanded CIL capacity, upgrades to pumps, blowers, and aeration systems, additional tailings handling through additional filter presses, and enhancements to ADR and cyanide destruction circuits, with the existing crushing plant expected to continue with minimal modification.

Figure 10: Tuvatu Gold Project — Site layout including process plant and tailings facility



Source: Company technical report

INFRASTRUCTURE, UTILITIES, PERMITTING, AND ON-SITE CAPABILITIES

Tuvatu benefits from a level of supporting infrastructure and site capability that is uncommon for an underground gold operation at its current scale. Site access is via Sabeto Road through the Sabeto River Valley from Queen's Road, with the first portion largely paved and in good condition, and a final section from Nagado Junction on a narrower gravel public road that historically suffered from limited

maintenance. To enable reliable heavy freight access, LIO negotiated a cost-sharing arrangement with the Fiji Roads Authority and completed reconstruction of the Nubuyagiyagi Bridge and two culvert crossings approximately three kilometres from site, with additional sections of road being upgraded by the FRA. Public access through the operational area was also addressed by rerouting the public road closer to the Sabeto River, supported by the construction of a new bridge over Tuvatu Creek, improving separation between mine activities and local traffic. Within the lease area, dedicated haul and service roads have been constructed to the main and exploration portals, diversion ditches have been built above the plant and portals, and access has been developed to the tailings facility embankment. From a logistics standpoint, the operation is supported by proximity to Nadi International Airport at roughly 17 km and practical access to established coastal ports.

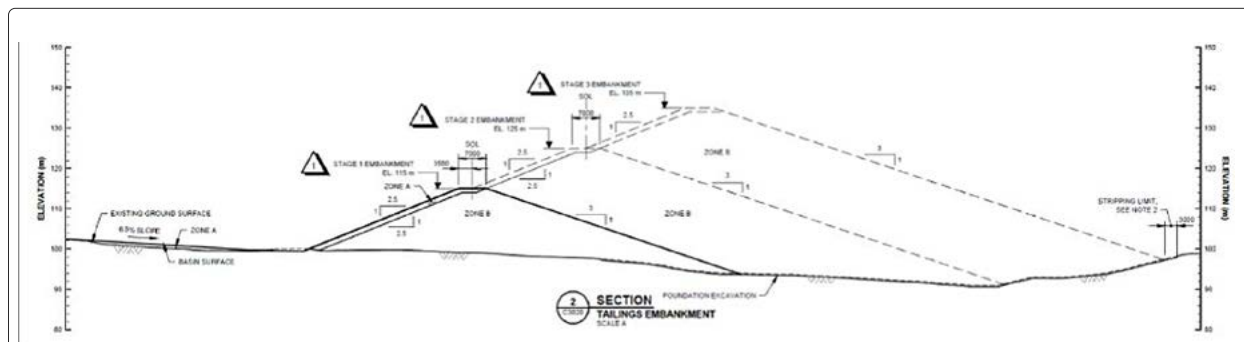
Water supply and management are described as designed for redundancy and high recycle. Water for processing and underground operations is sourced locally through reclaim and runoff, with supplemental supply available from the Sabeto River and wells. Freshwater is extracted from Qalibua Creek either through a gravity feed pipeline from an intake structure installed approximately 1.6 km upstream or via a submersible pump near the waterfall adjacent to the exploration portal, with freshwater filtered prior to entering two storage tanks located approximately 85m above the plant and with separate arrangements to preserve a dedicated firewater reserve. Mine de-watering is routed to settling ponds near the exploration portal prior to discharge. The processing plant is configured for high recycle, including reuse of filter press water and pre-leach thickener overflow as mill make-up water, with excess water managed through a retention pond and released only after settlement or filtration as required. Wastewater from change rooms and offices is treated through a packaged biological system prior to discharge, and stormwater from the plant and run-of-mine areas is captured in a sediment retention pond and either returned to the plant for make-up water and dust suppression or released once criteria are met.

Power supply is described as currently dominated by on-site diesel generation due to national grid constraints, with separate generator plants supporting the mine and the process plant, and each configured with standby capacity to maintain continuity. An 11kV transmission line crosses the site from a nearby hydro facility, and a grid connection from the EFL Nagado Substation intended to provide 500kVA to the mill area is under construction to energize critical equipment and the administration office. Land has been secured for a solar power plant intended to provide daytime power and improve the longer-term cost and emissions profile as throughput expands. Communications are described as upgraded through improvements by Vodafone, including installation of a new microwave tower and expanded mobile and internet capability across the operation, while underground communications are supported by a leaky feeder radiating cable network with digital very high frequency capability and surface linkage.

The site is described as functioning as a vertically integrated operation with strong internal support capacity, including a maintained drill fleet capable of year-round drilling, on-site maintenance shops and warehouses supporting exploration and plant activities, a mine dry sized for shift personnel, and facilities for fleet servicing, washdown, and waste oil management. Explosives are stored in secure purpose-configured magazines away from the main plant and public road, with separate storage for ANFO, detonators, and primers, and a vendor responsible for supply and handling into the magazines. Contractor and workforce accommodation is supported by proximity to Nadi, Lautoka, and nearby villages, with an emphasis on local

hiring supplemented by specialist personnel as required. Tailings are managed through a filtered tailings storage facility designed and staged to match production growth, with Stage 1 completed in 2023 and subsequent raises planned to support higher throughput, incorporating diversion structures, sediment control, lined impoundment components, access roads, spillways, and staged capacity additions aligned with recognized tailings governance guidance.

Figure 11: Tuvatu Gold Project — Tailings facility raising plan (Stage 1, 2 and 3)



Source: Company technical report

From a permitting and environmental standpoint, Tuvatu is described as holding the approvals required to operate the mine and plant, supported by an established environmental approval history and ongoing monitoring commitments. The project Environmental Impact Assessment was approved in September 2013, and a supplemental EIA related to diversion works and road rerouting was approved in May 2018. Construction and operational environmental management plans were approved in July 2014, together with the submission of a rehabilitation and closure plan, with the expectation that these plans will be updated as operations continue and expand. Environmental baseline and compliance monitoring is described as including quarterly water quality and macroinvertebrate surveys since 2014, supported by field measurements and laboratory analyses for a broad suite of parameters and metals, with oversight by the site environmental team and independent specialist support. Fiji is described as having a long history of hard-rock mining and an established regulatory framework, with predictable permitting pathways alongside standard expectations for community engagement, environmental monitoring, and regular reporting.

A notable operational differentiator at Tuvatu is LIO's accredited on-site assay and metallurgical laboratory, identified as the only mining-accredited facility in Fiji. The lab is described as handling the full workflow from sample preparation through fire assay and gravimetric checks, processing more than 12,000 samples per month across drill core, channel, and production material, with a typical turnaround of two to five days. This capability shortens the grade-control feedback loop, improves data consistency, and supports faster mine planning decisions relative to offshore laboratory turnaround times.

Figure 12: Tuvatu Gold Project — On-site accredited assay laboratory



Source: Company presentation

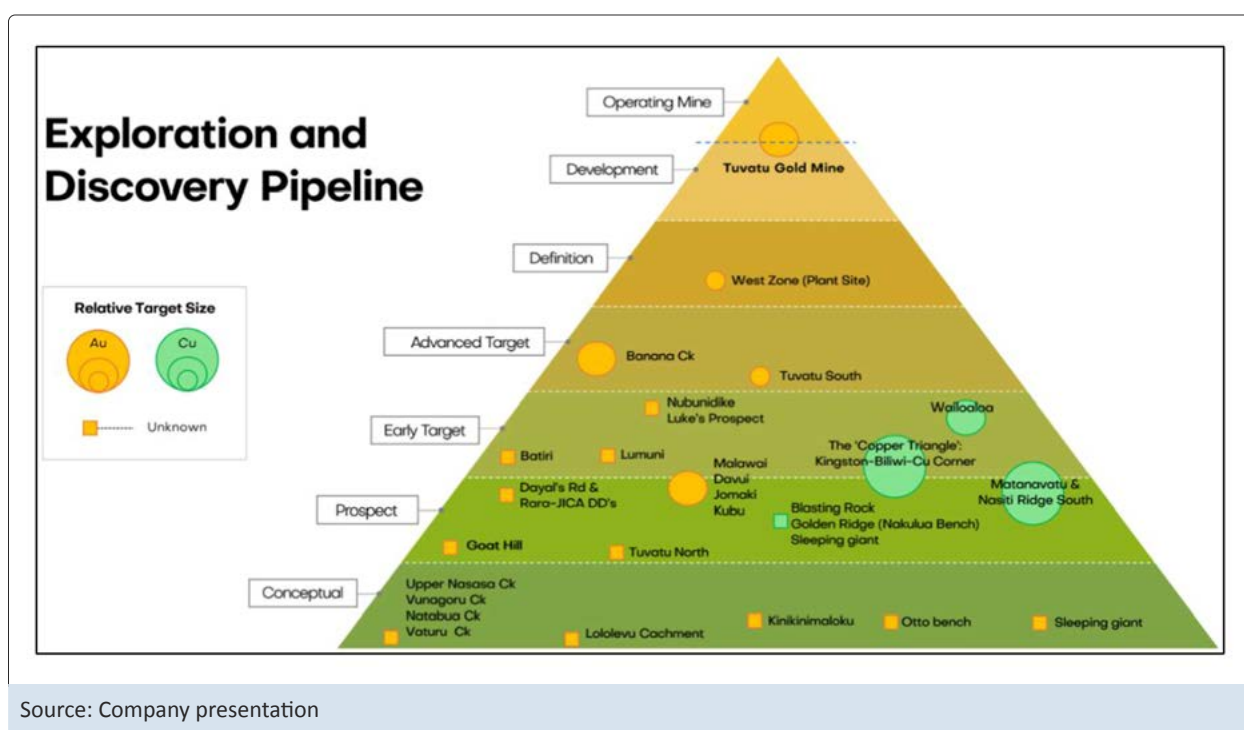
EXPLORATION UPSIDE: NEAR-MINE, DEPTH EXTENSIONS, AND CALDERA-SCALE TARGETS

The exploration thesis is framed around three horizons: near-mine additions that can convert quickly into mineable inventory, depth extensions anchored by the Zone 500 feeder interpretation, and district-scale discovery potential across the broader caldera tenure package. Near-mine underground drilling in Zone 5 is described as returning multiple high-grade intercepts on the UR2 lode down-dip of current development, including 236.00 g/t Au over 0.4m and 101.58 g/t Au over 0.5 m, with the majority of high-grade intersections described as occurring within ~50m of existing workings and therefore potentially suitable for near-term mine planning. Follow-on drilling below current mine levels is described as returning intervals such as 78.71 g/t Au over 2.0m, including 168.25 g/t Au over 0.9m, and 175.43 g/t Au over 0.9 m, with drilling completed on tight centres to infill a defined mining panel intended to support stope design

and model confidence. Additional drilling immediately below development is described as continuing to demonstrate similar tenor, including an intercept of 728.56 g/t Au over 0.7m reported ~25 m below current mine development.

The deeper growth case is anchored by Zone 500, described as the principal feeder zone into which multiple steep lode arrays converge at depth. Drill results, including TUG-141 at 20.86 g/t Au over 75.90m at depth, support a vertically extensive mineralized architecture, and it emphasizes that continuity of high-grade structures to and below the kilometre depth scale remains a credible possibility in this alkaline system, contingent on ongoing access development and drill density.

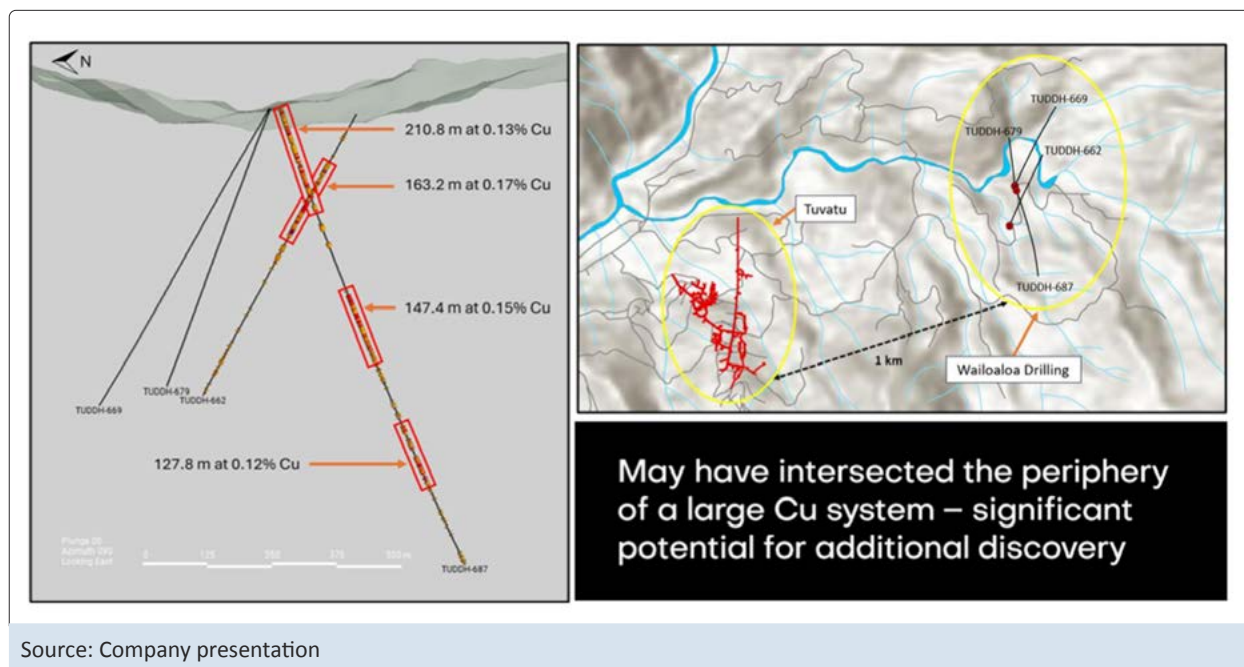
Figure 13: Navilawa Caldera — LIO's exploration and development pipeline



District-scale upside is framed around LIO's consolidated control of the Navilawa Caldera under contiguous exploration tenure, described as covering the entire roughly 7 km diameter complex across multiple exploration licenses totaling approximately 13,613 hectares. Work to date is described as including systematic geochemistry, mapping, geophysics, and reconnaissance drilling to build a pipeline of targets, with field access and remote programs managed around wet season constraints that typically interrupt regional drilling between November and March. The district thesis is presented as evolving toward a multi-metal system rather than a gold-only story. At Wailoaloa, located about 1 km northeast of Tuvatu, has porphyry-style copper mineralization with broad intercepts including 0.17% Cu over 163.2m and 0.13% Cu over 210.8m, with mineralization described as open in multiple directions. In parallel, the caldera is described as hosting multiple gold prospects with high-grade surface signatures, with assays cited up to 502 g/t Au at Jomaki and 293 g/t Au at Nubunidike from surface sampling. The strategic implication of the exploration

upside potential is straightforward. The continued near-mine drilling success supports short-cycle growth through conversion into mine planning inventory while Zone 500 underpins the longer-cycle expansion runway. If either deeper mine extensions or a second deposit within practical haul distance is defined, it would materially change the scale case for the operation and could justify plant expansions beyond the currently contemplated step-up, or a hub-and-spoke mining model across the caldera.

Figure 14: Navilawa Caldera — LIO's Wailoaloa discovery



TUVATU OPERATING PERFORMANCE AND FUTURE ASSUMPTIONS

The April 2022 PEA for the Tuvatu Project outlined an underground mining operation producing an average of 78koz Au per year over a five-year mine life at a 1,000 tpd throughput rate. The study guided an after-tax NPV5% of US\$121.7M and an IRR of 50.9% at a gold price of US\$1,400/oz, with initial capital costs of US\$66.8M, AISC of US\$713/oz, and a 1.7-year payback period. While the PEA confirmed the strong economics of a high-grade, small-footprint operation, its assumptions are now materially outdated, as the current mine design and production strategy have differed significantly from what was initially envisioned. The operation has since adopted a fully mechanized mining system and expanded underground development, driving greater efficiency and scale. With gold prices now holding steady around US\$4,000/oz, LIO is actively capitalizing on the favourable price as it ramps production.

LIO's transition from construction to production at Tuvatu began with the first gold pour in October 2023. While early production rates have been modest, the operation has demonstrated reliable plant performance and improved underground development, laying the foundation for meaningful growth in 2026 and beyond. Between January 2024 and June 2025, daily plant throughput has increased from 160 tpd to

350 tpd, surpassing the 300 tpd nameplate capacity through process optimization and improved maintenance efficiency in recent quarters (averaging closer to 350 tpd in 2025). With ~40% of the mined mineralized material to date from outside the current resource model, the current resource model has potential for future resource expansion once adequately drilled. Importantly, the underground development has continued to progress rapidly over and improving access to new headings will allow for more exploration from the underground and stope availability to mine. In parallel, LIO is advancing a fully funded plant expansion designed to double capacity to 600-700 tpd.

Based on the assumptions outlined in our operating and financial model, we have conservatively forecast Tuvatu's production and cost profile over a six-year mine life. Our model is anchored on a remaining mineable resource of approximately 1.2Mt grading ~6.2 g/t Au, translating to ~240 koz of contained gold, of which ~207 koz are recovered over the modeled life of mine. We assume a staged ramp-up in mill throughput, reaching a peak rate of ~650 tpd, with metallurgical recoveries improving to a steady-state level of ~88% following the completion of planned processing upgrades. No additional resource growth, mine life extension, or throughput expansion beyond this level is assumed in our base case.

On an annual basis, gold production is forecast to increase materially from recent levels as underground development advances and mining transitions toward more consistent stoping. Production is estimated to rise to approximately ~19 koz in FY26E, representing a meaningful increase relative to ~14.7 koz in FY25. As the mine approaches steady-state throughput of ~600 – 650 tpd, annual gold output is projected to exceed ~43 koz by FY29E, before tapering modestly toward the end of the modeled mine life. This production profile reflects only scheduled capacity increases and improved utilization; it explicitly excludes any contribution from additional mining fronts, satellite deposits, or district-scale feed sources. Grade assumptions in our model are deliberately conservative. We assume mined head grades trend upward through the ramp-up period as stoping inventory improves and dilution control tightens. Importantly, we do not assume a premium to the existing resource grade, despite the presence of higher-grade domains and recent high-grade drill intercepts, nor do we assume systematic grade uplift from mine sequencing optimization.

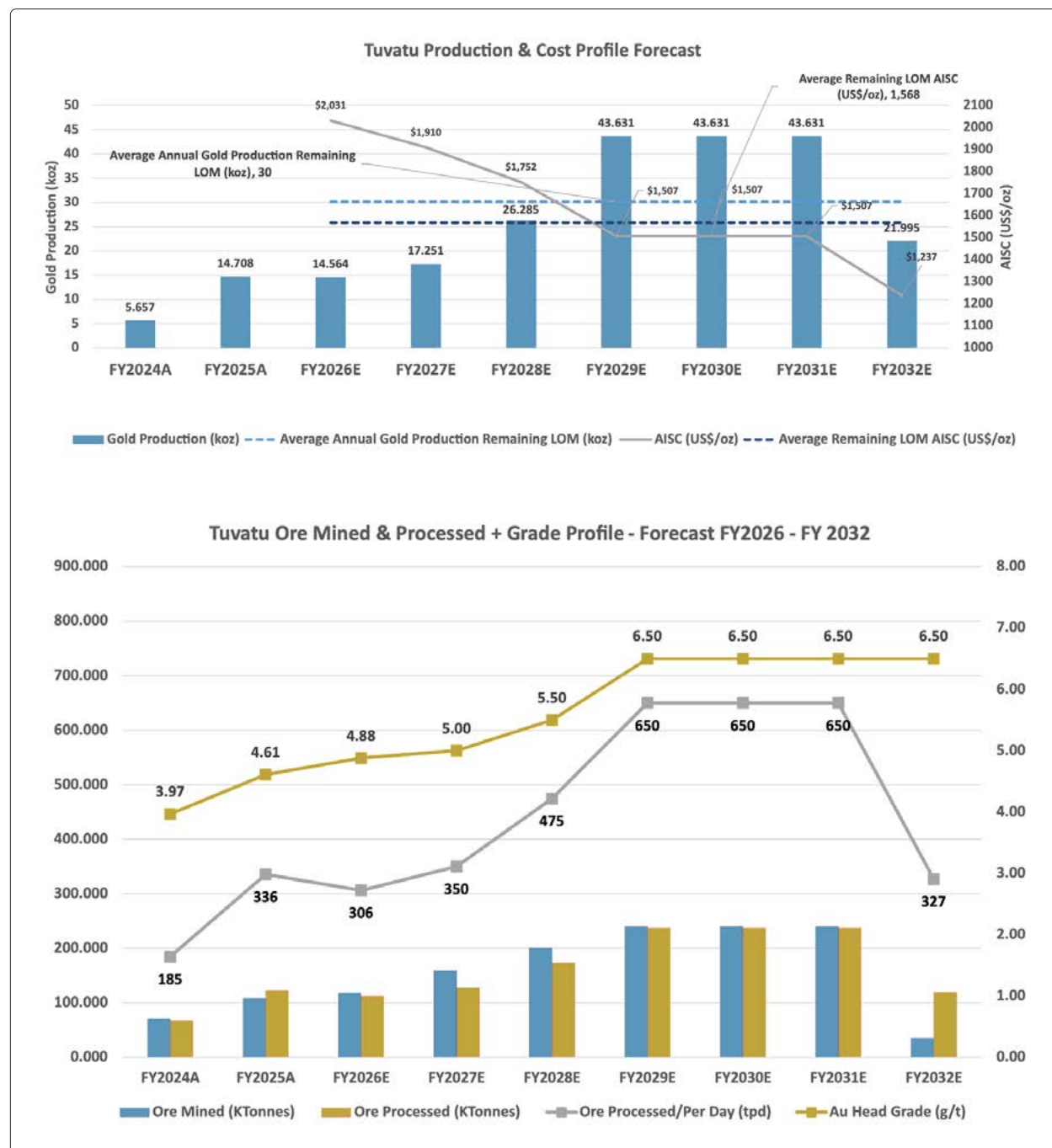
Cost assumptions are similarly conservative. We model average life-of-mine mining costs of approximately US\$99/t milled, processing costs of ~US\$83/t, and G&A and site services costs of ~US\$14/t, resulting in an average life-of-mine cash cost of ~US\$1,350/oz and AISC of ~US\$1,560/oz, inclusive of royalties, sustaining capital, and TC/RC charges. Royalties are applied on a sliding scale consistent with the applicable regime, increasing from ~1.5% in early years to ~6.5% in the later years of operation. Under these assumptions and a long-term gold price of US\$3,500/oz, the Tuvatu operation generates an after-tax NPV5% of approximately \$379M and an after-tax IRR of ~128%, reflecting the high-grade nature of the orebody, limited pre-production capital remaining, and strong margin leverage to gold prices. In our view, this positions the model as a conservative base case that captures the value of the existing operation while leaving meaningful upside to be unlocked through continued drilling success, mine plan optimization, and district-scale development.

Table 5: Tuvatu Gold Project — Project parameters in Couloir model

Tuvatu project parameters	Unit	Couloir Model		
Operational parameters				
Mineable resource	Kt	1,205		
Average grade	g/t	6.18		
Ounces contained	Koz	240		
Strip ratio	Waste:Ore	0.00		
Peak mill throughput rate	tpd	650		
Head grade	g/t	6.08		
Peak gold recovery	%	88%		
Annual gold production	koz	34.46		
LOM gold production	Koz	207		
Mine life	years	7.00		
Cost parameters			Royalty rates per year	
Mining cost	US\$/t milled	98.64		
Process cost	US\$/t milled	82.78	2023	1.50%
G&A + site services cost	US\$/t milled	15.28	2024	2.00%
TC/RC	US/oz	1.50	2025	2.60%
Royalty	%	Refer royalty rates per year	2026	3.50%
Average LOM cash cost	US\$/oz	1,352	2027	4.50%
Average LOM AISC	US\$/oz	1,568	2028 - Onwards	6.50%
Financial parameters				
LT gold price	US\$/oz	3,500		
Growth capital	\$M	20		
LOM sustaining capital	\$M	61		
Tax rate	%	20%		
After tax NPV5%	\$M	379		
After tax IRR	%	127.7%		

Source: Couloir Capital, Company technical reports

Figure 15: Tuvatu Gold Project — Production, cost, ore mined, ore processed, and feed grade profile (FY2024A to FY2032E)



Source: Couloir Capital

FINANCIAL ANALYSIS AND VALUATION

As of September 2025, LIO held approximately \$14.9M in cash following the completion of recent equity financings, including an aggregate ~\$34M bought deal/LIFE offering completed in September and October 2025 (in several tranches) at \$0.32/unit. Net proceeds have been directed toward underground development, mobile equipment, plant optimization, exploration drilling, working capital, and servicing near-term obligations. Based on current guidance and our internal estimates, we believe the Company is fully funded to execute its FY26 operating and exploration program, including the completion of the plant upgrade.

In December 2025, the Company also announced a strategic investment by Arete as part of a broader partnership. The transaction contemplated a non-brokered private placement of 44.3M units at \$0.34/unit for gross proceeds of ~\$15.1M, with each unit comprising one common share and one warrant exercisable at \$0.39 for three years. On a pro forma basis (pre-warrant exercise), the common shares represent ~9.9% of the outstanding equity, and the investor rights framework provides for a board nomination right (subject to maintaining a 9.9% equity interest) and customary participation/anti-dilution rights. Alongside the investment, LIO and Arete entered into a Master Services Agreement with an initial term of five years, under which Arete is to provide management services and become the operator of the Tuvatu Gold Mine, subject to board oversight. Importantly for the balance sheet narrative, LIO has stated that proceeds are expected to be used for general corporate purposes and to support debt restructuring, explicitly linking the Arete transaction to near-term capital structure work.

The principal balance sheet consideration remains the Nebari facility, with ~\$44M outstanding and a scheduled maturity in H2/26. We view the Arete partnership as relevant on two fronts: first, it is intended to strengthen operating execution (mine plan discipline, operational cadence, and capital allocation) through a formal operator role; second, it introduces a strategic counterparty with explicit participation rights and a stated mandate to support debt restructuring, which may improve the Company's set of options as the Nebari maturity approaches. Looking ahead, our base case assumes no immediate equity financing requirement beyond the current funding horizon, with incremental capital needs increasingly met through operating cash flow as throughput and recoveries improve.

In our base case, gold production increases from FY27E 17.3 koz to FY27E 26.3 koz and FY28E and beyond 43.6 koz, with head grade assumed at ~5.0 g/t Au (FY27E) trending to 6.5 g/t (FY29E) as stoping ore becomes a larger proportion of mill feed and sequencing improves. We model recovery improving from ~84% (FY27E) to ~88% (FY29E) following the planned circuit additions, and we forecast AISC trending from US\$1,910/oz (FY27E) to US\$1,507/oz (FY29E) as fixed costs dilute and operating stability increases. On a remaining life-of-mine basis, we assume mineable inventory/reserve recovery of 80%, dilution of 25%, sustaining capital of ~\$60M, and conservative unit costs for mining and processing of US\$98.6/t milled and US\$82.8/t milled, respectively. Under these assumptions and at a long-term gold price of US\$3,500/oz, our model supports meaningful operating cash flow generation sufficient to (i) service and reduce debt, (ii) fund a portion of growth capital internally, and (iii) reduce reliance on equity issuance at depressed prices.

Our valuation is built to be conservative in both the operating case and the multiple applied. We derive a corporate NAV from a DCF of Tuvatu plus an explicit separate value for district-scale exploration optionality, net of corporate G&A and net debt. For Tuvatu, we estimate an after-tax NPV5% of approximately

\$379M, based on conservative assumptions for mining costs, processing costs, recoveries, ramp-up timing, mineable inventory/reserve conversion, and sustaining capital. We assign a separate \$60M value to the Navilawa district and regional exploration potential (explicitly outside the base mine plan) and deduct corporate G&A of ~\$43M and net debt of approximately ~\$48M, resulting in an estimated corporate NAV of approximately \$398M or \$0.88/share on a fully diluted basis. We apply a conservative P/NAV multiple of 0.6x, reflecting early-stage production risk, PEA-level study maturity, and operating and jurisdictional considerations. **This yields a \$0.55 price target, implying ~54% upside from the current share price of \$0.36.**

Table 6: Tuvatu Gold Project — Discounted cashflow model

Price Assumptions	Units	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
		Actual	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Price assumptions										
Gold price	US\$/oz	2,111	2,819	4,153	4,250	3,500	3,500	3,500	3,500	3,500
Operating parameters										
Ore mined	KTonnes	71.180	108.535	118.423	160.000	200.000	240.000	240.000	240.000	35.062
Ore processed	KTonnes	67.229	122.483	111.750	127.750	173.700	237.250	237.250	237.250	119.600
Head grade	g/t	3.97	4.61	4.88	5.00	5.50	6.50	6.50	6.50	6.50
Contained gold	%	8.578	18.153	17.534	20.537	30.716	49.581	49.581	49.581	24.994
Recovery	%	66.0%	81.0%	83.1%	84.0%	85.6%	88.0%	88.0%	88.0%	88.0%
Gold produced	Koz	5.657	14.708	14.564	17.251	26.285	43.631	43.631	43.631	21.995
Gold sold	Koz	4.790	14.746	14.125	17.164	26.154	43.413	43.413	43.413	21.885
Cost parameters										
Mining cost	C\$M	5.22	8.76	13.08	17.26	23.47	32.06	32.06	32.06	8.08
Processing cost	C\$M	4.05	7.35	10.98	14.49	19.70	26.90	26.90	26.90	13.56
G&A	C\$M	0.65	1.18	1.77	2.33	3.17	4.33	4.33	4.33	2.18
Refining charge	C\$M	0.07	0.13	0.18	0.14	0.18	0.30	0.30	0.30	0.15
Royalty	C\$M	0.29	1.33	2.46	3.97	7.10	13.53	13.53	13.53	6.82
Income statement										
Revenue	C\$M	14.75	57.80	80.01	99.98	125.40	208.15	208.15	208.15	104.93
Operating cost	C\$M	28.91	35.97	31.26	34.42	46.80	63.93	63.93	63.93	24.15
TC/RC	C\$M	0.07	0.13	0.18	0.14	0.18	0.30	0.30	0.30	0.15
Royalty	C\$M	0.29	1.33	2.46	3.97	7.10	13.53	13.53	13.53	6.82
Minesite gross profit	C\$M	-14.46	20.54	46.23	61.46	71.32	130.39	130.39	130.39	73.81
Depreciation	C\$M	5.24	6.79	8.05	13.84	21.53	35.24	40.97	53.09	11.98
Minesite EBIT	C\$M	-19.70	13.75	38.18	47.62	49.79	95.15	89.42	77.31	61.83
Tax expense	C\$M	0.00	2.75	7.64	9.52	9.96	19.03	17.88	15.46	12.37
Minesite net income	C\$M	-19.70	11.00	30.54	38.09	39.83	76.12	71.54	61.84	49.46
Cash flow										
Growth capital	C\$M	0.00	0.00	5.00	15.00	0.00	0.00	0.00	0.00	0.00
Sustaining capital	C\$M	3.36	6.12	5.59	6.39	8.69	11.86	11.86	11.86	5.98
Undiscounted cashflow	C\$M	-17.82	11.67	28.01	30.54	52.68	99.50	100.64	103.07	55.47
NPV 5% (discounted to 2026)	C\$M	379.41								
IRR	%	127.7%								

Source: Couloir Capital

Table 7: LIO — Implied stock price valuation

Net asset value [C\$M]	NPV5% [C\$M]	NPV/sh [C\$]	Target NAV multiples		NPV5% [C\$M]	
Asset NAV			Tuvatu, Fiji	0.6x	C\$379	C\$228
Tuvatu, Fiji	\$379	\$0.83	Tuvatu upside, Fiji	1.0x	C\$60	C\$60
Tuvatu upside, Fiji	\$60	\$0.13	Total corporate adj.	1.0x	-\$40	-\$40
Corporate adj.			Overall NAV multiple	0.6x	C\$399	C\$247
Cash and cash eq.	\$35	\$0.08				
Cash from arete equity raise	\$14	\$0.03				
ITM options and warrants	\$3	\$0.01				
Corporate G&A	-\$43	-\$0.10				
Total NAV (C\$M)	\$447	\$0.98				
Shares outstanding (million)**	447					
Shares outstanding (million, FD: ITM)	456					
Shares outstanding (million, FD & FF: ITM)*	456					

Valuation	Multiple	NAVPS	
P/NAV5% valuation (100%)	0.6x	C\$0.88	C\$0.54
Implied stock price			C\$0.55

Source: Couloir Capital. *FD: ITM & FF - ITM fully diluted and fully funded **Includes arete equity raise

PEER ANALYSIS

Table 8: LIO — EV/oz and P/NAV valuation vs. peers

Name	Ticker	Key projects	Stage	Share price [\$/sh]	Market cap [US\$M]	EV [US\$M]	Au (Koz) [M&I + I]	NAV [\$/sh]	EV/oz [US\$]	P/NAV
K92 Mining Inc	KNT-TSX	Kainantu	Producer	27.78	\$4,956	\$4,780	11,083	29.27	\$431	0.9x
Lundin Gold	LUG-TSX	Fruta del Norte	Producer	115.53	\$21,265	\$19,707	9,420	54.20	\$2,092	2.1x
Luca Mining Corp	LUCA-TSXV	Campo Morado & Tahueheto	Producer	1.94	\$403	\$381	1,526	3.15	\$250	0.6x
Discovery Silver C	DSV-TSX	Porcupine	Producer	9.75	\$6,846	\$5,362	11,000	11.16	\$487	0.9x
West Red Lake Gold	WRLG-TSXV	Madsen	Ramp-Up	1.28	\$403	\$417	2,064	2.92	\$202	0.4x
Osisko Dev Corp	ODV-TSXV	Cariboo	Developer	4.99	\$977	\$732	6,979	10.56	\$105	0.5x
Amex Exploration	AMX-TSXV	Perron	Developer	4.97	\$534	\$490	2,314	11.31	\$212	0.4x
Newfound Gold	NFG-TSXV	Queensway	Developer	4.34	\$1,070	\$1,020	2,846	6.07	\$358	0.7x
Average*									\$292	0.6x
Lion One Metals	LIO-TSXV	Tuvatu	Ramp-Up	0.36	\$104	\$114	514	0.88	\$222	0.4x

Source: Couloir Capital, Capital IQ *Lundin Gold not included in average

We compare LIO to a peer group of high-grade underground gold producers and near-term producers with market capitalizations broadly ranging from US\$79M to \$21B. This group is characterized by relatively high average grades, modest mill throughputs, and operations that are either in early production or transitioning through ramp-up phases similar to Tuvatu.

On valuation metrics, the peer group trades at an average P/NAV of 0.6x, and EV/oz of US\$292/oz, compared to LIO at approximately 0.4x, and US\$222/oz, respectively. We view this discount as primarily driven by ramp-up and balance sheet concerns rather than asset quality. In our assessment, consistent delivery of higher throughput, improved recoveries, and clearer visibility on cash flow and debt resolution should support a re-rating toward peer averages over time, even without assuming further resource growth or expansion beyond the currently defined pathway.

RECOMMENDATION

We are initiating coverage of Lion One Metals with a Buy rating. The investment case is based on a combination of a high-grade underground resource, a now-operating mine with a growing performance track record, strong leverage to gold prices, and meaningful exploration and expansion optionality within a 100%-controlled alkaline gold district. Potential upcoming catalysts include:

- ◆ Sustained demonstration of >350 tpd throughput at high grades and improved recoveries at Tuvatu, with quarterly production trending upwards quarter over quarter.
- ◆ An updated technical report (PFS or PEA) incorporating the 2024 resource estimate and operating data, potentially extending mine life and refining economics.
- ◆ Continued high-grade drill results from both the Tuvatu mining lease and Navilawa regional prospects, supporting the case for a multi-deposit district.
- ◆ Balance sheet optimization with clarity on restructuring of Nebari debt coming due in August 2026.

APPENDIX 1: RISK FACTORS

Our price target and recommendation assume that Lion One is able to continue ramping up Tuvatu and operate broadly in line with PEA-level cost and production expectations over time. Mining investments are subject to numerous risks; key considerations include:

1. Commodity price risk: Project economics are highly sensitive to gold prices. Sustained weakness in gold or significant volatility could reduce cash flow, compress margins, and impact valuation. At materially lower gold prices than our long-term assumption, Tuvatu's returns would decline, and certain expansion or exploration activities could be deferred or canceled.

2. Resource and geologic risk: Tuvatu currently has no declared Mineral Reserves; all economic analysis is based on Mineral Resources, which are inherently uncertain and may not convert to reserves at the anticipated rates. Narrow-vein, high-grade deposits are particularly sensitive to vein continuity, grade variability, and dilution. Inconsistent reconciliation between model and mined grades could impact both production and economics.

3. Operational and ramp-up risk: Underground production ramp-up involves technical and logistical challenges, including development rates, stope performance, equipment reliability, and workforce experience. Delays or underperformance during ramp-up can raise unit costs and pressure liquidity. Early-stage operations may be more vulnerable to unplanned downtime and lower-than-expected recoveries.

4. Permitting and ESG risk: While Tuvatu is currently permitted for its existing scale, any major expansion or development of additional deposits will require new or amended approvals. Environmental incidents, permitting delays, or community opposition could affect timelines and valuations. LIO operates in a sensitive tropical environment where water management, tailings stewardship, and community relations are critical.

5. Liquidity and financing risk: As a junior producer, LIO remains reliant on capital markets and/or project financing to support ongoing development and exploration programs. Deterioration in market conditions, higher interest rates, or company-specific setbacks could limit access to capital or increase its cost.

6. Country and political risk: Fiji is generally considered a mining-supportive jurisdiction, but policy changes, regulatory adjustments, or shifts in government priorities could alter the operating environment. Changes in taxation, royalties, or foreign investment rules could impact returns. While we currently view Fiji's risk profile as moderate, investors should factor in country risk alongside more traditional technical and financial risks.

APPENDIX 2: BOARD OF DIRECTORS AND MANAGEMENT

Walter H. Berukoff — Founder and Executive Chairman

Mr. Berukoff founded Lion One and serves as Executive Chairman. He has a multi-decade track record of founding, financing, developing, and monetizing mining companies, including Miramar Mining and Northern Orion Resources, both of which were acquired by senior producers. His experience spans asset acquisition, capital markets execution, and strategic transactions, and he has been closely involved in the evolution of Lion One from early-stage exploration through construction and into production at Tuvatu.

Randy (“Randall”) Brown — Director

Mr. Brown brings capital markets and corporate finance experience to the board, with a background in investment banking and resource-focused financing. His experience supports oversight of financing strategy, balance sheet management, and capital allocation decisions as the company transitions through ramp-up and refinancing milestones.

Gerald Crawford — Director

Mr. Crawford is a professional engineer with experience in mining and heavy industrial project design and execution. His background provides technical oversight at the board level, particularly with respect to capital projects, infrastructure development, and execution risk management at Tuvatu.

Patrick Hickey — Director

Mr. Hickey has held senior operational roles in the global mining industry, including mine management and regional operations leadership. His operating experience provides practical input on underground mining performance, productivity initiatives, safety, and the operational aspects of Tuvatu’s ramp-up and mine plan evolution.

Stephen Mann — Non-Executive Technical Director

Mr. Mann is a geologist with extensive experience in exploration, resource evaluation, and technical oversight across a range of deposit styles, including alkaline gold systems. As Technical Director, he provides guidance on geological interpretation, resource modeling, and exploration strategy at both the Tuvatu mine and the broader Navilawa district.

Justin Reid — Director

Mr. Reid has a background spanning geology, equity research, and corporate leadership roles within the mining sector. His combined technical and capital markets experience supports strategic positioning, investor communications, and board-level evaluation of growth and financing initiatives.

Arete Capital Partners — Strategic Partner and Execution Support

As part of its strategic financing activities, Lion One Metals entered into a subscription agreement with Arete Capital Advisory Pty Ltd, a specialist mining investment and operating group focused on high-quality mid-tier gold and base metal assets. Arete is a global natural resources/mining private equity group established by senior mining industry professionals with extensive industry expertise and operational experience. Its investment mandate spans private equity investment, mine acquisition and management, turn-around and optimization of mining assets across multiple jurisdictions. Publicly available information on Arete's team highlights individuals with deep experience in mining investment, operational oversight, and asset management. For example, senior personnel such as Campbell Olsen have held investment management and general management roles in private equity and mining operations, with experience across underground and open-pit mining environments as well as resource investment across diverse geographies. In the context of LIO, Arete's strategic investment is coupled with a Master Services Agreement (MSA) under which Arete is positioned to provide operational services and advisory support aimed at enhancing production and resource expansion at Tuvatu, aligning capital deployment with execution outcomes.



APPENDIX 3: MINING LANDSCAPE IN THE REPUBLIC OF FIJI

Fiji's mining sector has a long operational history and a legal framework that supports private investment in mineral exploration and development. The country's modern mining regime is governed primarily by the Mining Act (Cap. 146), which provides for prospecting licenses, permits, and mining leases, and establishes the Mineral Resources Department (MRD) under the Ministry of Lands and Mineral Resources as the lead regulatory authority. The framework allows for exclusive rights to explore and mine, conditional on compliance with statutory requirements, and grants mining leases for terms that may extend up to twenty-one years or longer as prescribed. Land access and tenement administration are managed in accordance with statutory processes, although the Act itself dates back to earlier decades and has not always reflected contemporary environmental and safety standards, prompting industry discussion about the need for modernization.

Figure 16: LIO — Fiji's mining landscape



Fiji's gold mining heritage dates back over a century, with the Vatukoula Gold Mine serving as the cradle of the country's hard-rock gold industry. Operating for more than 90 years and producing millions of ounces of gold, Vatukoula illustrates both the geological potential and the long-term continuity of mining in the jurisdiction. Lion One's Tuvatu Gold Mine, commissioned in 2024, represents the second modern, fully permitted gold operation, and its mining lease was extended by the Government through 2035, underscoring regulatory predictability for established producers.

The government has articulated a supportive policy stance toward mineral development, recognizing the private sector as the principal developer of Fiji's mineral resources and positioning mining as a contributor to national growth, employment, and community benefits when aligned with environmental and social objectives. Fiscal incentives, including the potential for extended tax exemptions and customs concessions on imported equipment, are available under broader investment frameworks, subject to specific licensing and landowner equity conditions.

From an investment perception standpoint, Fiji's jurisdictional attractiveness is shaped by both its geological potential and aspects of its regulatory environment. Independent assessments such as the Fraser Institute Annual Survey of Mining Companies include Fiji in broader global rankings of mineral investment attractiveness, reflecting moderate interest from industry participants relative to more established mining regions, though it is not currently among the highest-ranked jurisdictions globally. These rankings take into account policy factors including permitting, land-use uncertainty, and regulatory clarity across jurisdictions surveyed.

Operationally, the presence of supportive local landowner relations and a skilled workforce with decades of mining experience in the Vatukoula–Navilawa belt contributes to lower friction in construction and early production activities, while ongoing exploration and infrastructure development projects (including significant joint ventures such as the Namosi copper-gold project) reflect broader investor engagement in Fiji's mineral sector beyond gold.

COULOIR CAPITAL is a research-driven investment dealer
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The above ratings are determined by the analyst at the time of publication. On occasion, total returns may fall outside of the ranges due to market price movements and/or short-term volatility.

OVERALL RISK RATINGS

Very High Risk: Venture-type companies or more established micro, small, mid or large-cap companies whose risk profile parameters and/or lack of liquidity warrant such a designation. These companies are only appropriate for investors who have a very high tolerance for risk and volatility and who can incur a temporary or permanent loss of a very significant portion of their investment capital.

High Risk: Typically, micro or small-cap companies which have an above-average investment risk relative to more established or mid to large-cap companies. These companies will generally not form part of the broad senior stock market indices and often will have less liquidity than more established mid and large-cap companies. These companies are only appropriate for investors who have a high tolerance for risk and volatility and who can incur a temporary or permanent loss of a significant portion of their investment capital.

Medium-High Risk: Typically, mid to large-cap companies have a medium to high investment risk. These companies will often form part of the broader senior stock market indices or sector-specific indices. These companies are only appropriate for investors who have a medium to high tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

Moderate Risk: Large to very large cap companies with established earnings who have a track record of lower volatility when compared against the broad senior stock market indices. These companies are only appropriate for investors who have a medium tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

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