

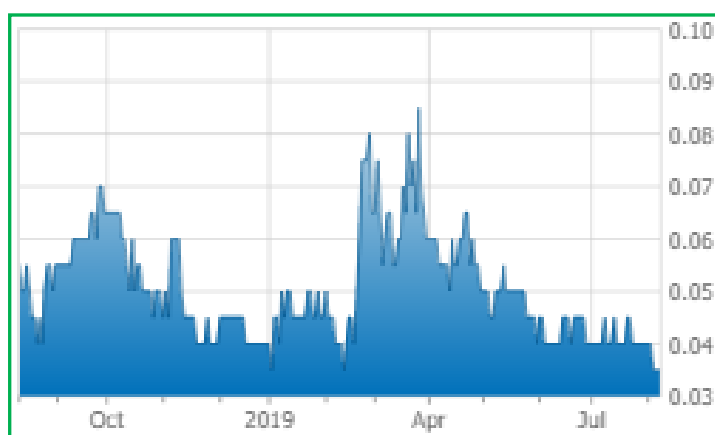
Strategic Metals & Rare Earths Letter

INTERNATIONAL

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INVESTMENT ALERT – August 12, 2019

www.lomikomaterials.com



Lomiko Metals (C\$ 0.035)

TSX.V	: LMR
H + L prices (12 months)	: C\$ 0.30 – 0.085
Net shares issued	: 75.0 million
Fully diluted shares	: 114.1 million
Market Capitalization	: C\$ 2.6 million

2020 price target: C\$ 0.15

INVESTMENT ALERT

Lomiko Metals sells Lomiko Technologies to Promethius Technologies

On August 8, 2019, **Lomiko Metals** confirmed that it had entered into an agreement to sell its 100% interest in **Lomiko Technologies** to **Promethius Technologies (Canada)** for C\$ 1,236,625.

Lomiko Metals currently owns and will retain 20% of **Promethius Technologies (Canada)**. Further **Lomiko Metals** will be reimbursed C\$ 163,614 in expenses paid by **Lomiko Metals** on behalf of **Promethius Technologies (Canada)**.

Lomiko Technologies is the owner of 18.15% of **SHD Smart Hone Devices** and 40% of **Graphene Energy Storage**.

Lomiko Metals will transfer approximately 1.85 million shares of **Lomiko Technologies** representing 100% of the shares of the Company.

The transaction is subject to a combination agreement between **Promethius Technologies (Canada)** and **Promethius Technologies (UK)**, a minimum Promethius Technologies (UK), financing of C\$ 3.67 million, the approval of non-interested shareholders during a special Annual General Meeting of shareholders **Lomiko Metals** and the approval of the Toronto Stock Exchange.


Company profile

Lomiko Metals (“Lomiko”) is engaged in the exploration and evaluation stage of resource properties and the investment in power supply products with a specific focus on **graphite properties**.

The Company’s most advanced property is its 80%-owned (20% Quebec Precious Metals) **La Loutre Flake Graphite Project** located in **Quebec**, which contains **18.4 million Indicated tonnes grading 3.19% graphite with 16.7 million Inferred tonnes grading 3.75% graphite at a 1.5% cut-off rate**. **Lomiko** expects to complete a new NI-43-101 after completing a 21 drill hole, 2985 metre program in Q4 2019 and a **Preliminary Economic Assessment (“PEA”)** for **La Loutre** in **Q2, 2020**.

QUEBEC LA LOUTRE FLAKE GRAPHITE EXCELLENT INFRASTRUCTURE

- 2,867.29 Ha Property
- 21 drill holes completed March 2019
- Road to the Property built
- 192 km Highway to Port of Montreal
- 53 km to 20 year **IMERYS Mine** which has **5.2MT open pit at 7.42% Cg**
- Near Surface Mineralization
- Open Pit, Large Scale Target
- 80% owned, 100% earn-in started



LOMIKO METALS.

The **La Loutre Project** consists of contiguous claim blocks approximately 53 km east of Imerys Carbon & Graphite, formerly known as the Timcal Graphite Mine, North America’s only operating graphite mine and located 117 km northwest of Montreal. The mine has reported grades of 7.46% Cg over its 22-year life.

Although the current focus is on the Refractory Zone, the Project was also subject of an independent technical report in accordance with NI 43-101 - *Standards of Disclosure for Mineral Projects*, prepared by B. Turcotte and G. Servelle of InnovExplo Inc. from Val-d’Or, Québec, and O. Peters, of AGP Mining Inc., dated March 24, 2016, filed for the Project’s Graphene-Battery Zone. The report presented a mineral resource estimate of 18.4 M Tonnes at a grade of 3.19% carbon flake graphite (“Cg”) in the Indicated category and 16.7 M Tonnes at 3.75% Cg in the Inferred category using a cut-off of 1.5% Cg.

The current results and the 2016 mineral resource **does not** include high grade intercepts from the Refractory Zone in 2016 below:

- LL-16-01 - **7.74% Cg** over **135.60 m**, including **16.81% Cg** over **44.10 m**
- LL-16-02 - **17.08% Cg** over **22.30 m** and **14.80% Cg** over **15.10 m**
- LL-16-03 - **14.56% Cg** over **110.80 m**

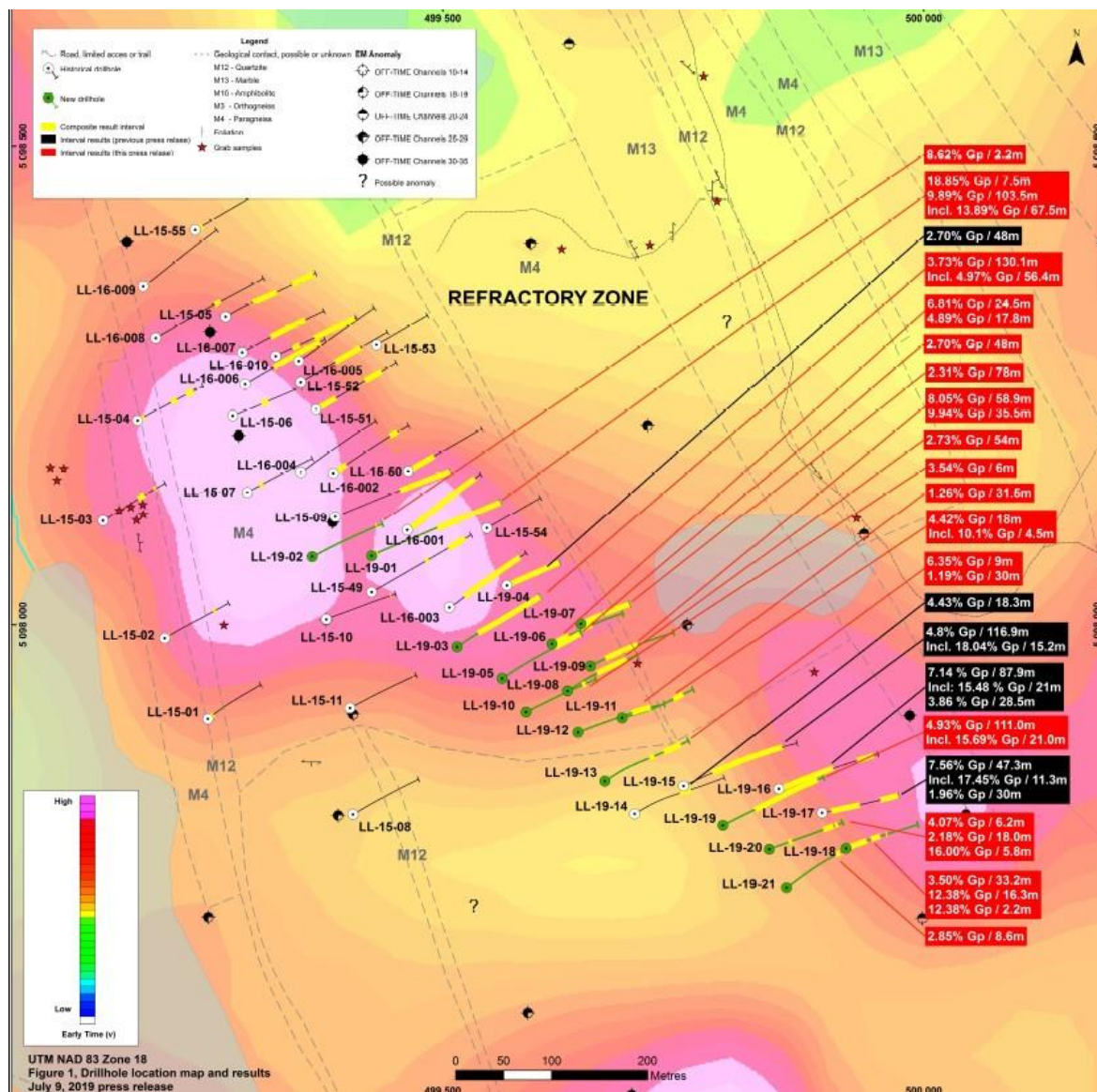
The next task is to complete a new resource estimate in compliance with NI 43-101 for the entire Project including the 36 new drill holes completed since the above-mentioned 2016 resource estimate.

Highlights of the 21 drill holes of the 2019 drill program include:

- LL-19-01 **18.85% Gp over 7.50 m, including 13.89 Gp over 67.50 m**
- LL-19-09 **8.05% Gp over 58.50 m, including 9.94% Gp over 35.50 m**
- LL-19-15 * **4.80% Gp over 116.90 m, including 18.04% Gp over 15.20 m**
- LL-19-16 * **7.14% Gp over 87.90 m, including 15.48% Gp over 21.00 m**
- LL-19-17 * **7.56% Gp over 47.30 m, including 17.45% Gp over 11.30 m**
- LL-19-18 **12.38% Gp over 16.30 m**
- LL-19-19 **4.93% Gp over 111.00 m, including 7.47% Gp over 56.10 m and 15.69% over 21.00 m**
- LL-19-20 **4.07% Gp over 6.20 m and 16.00% Gp over 5.80 m**

* results announced in May 2019, press release

On the basis of the available geophysical and 2016 drilling data, the strike length of the mineralization is estimated at 900 m in the NW-SE direction and is open in both directions. A detailed interpretation of the results will be carried out to better estimate the thickness and strike length of the mineralized zone.



Investment comments:

With a specific focus on graphite properties, **Lomiko's** most advanced property is its 80%-owned (20% Quebec Precious Metals) **La Loutre Flake Graphite Project** located in Quebec, which contains 18.4 million Indicated tonnes grading 31.9% graphite with 16.7 million Inferred tonnes grading 3.75% graphite at a 1.5% cut-off rate (not NI 43-101 compliant).

Lomiko expects to complete a PEA for the **La Loutre Graphite Flake Property** in Q1 2020 after having carried out a 2,985 metre, 21 drill hole program on the Property which, if successful, could result in a significant upgrade of the Company's depressed market valuation of just C\$ 3.8 million, thereby offering a high investment leverage potential.

I maintain my 2020 price target of C\$ 0.15..