LION ROCK RESOURCES INC.

200 Burrard Street, Suite 1615, Vancouver, BC, V6C 3L6

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Dear Fellow Shareholders,

I am pleased to update you on an important phase of technical work now underway at Lion Rock's critical minerals and gold project at Volney, South Dakota.

With all results from our successful Phase 1 drill program now in hand, we have already commenced metallurgical and mineralogical testing on bulk samples collected from across the property. These samples include lithium, tin, and tantalum. All three of these are high-import-reliance metals that sit on the US critical minerals list.

Mineralogical and metallurgical testing is relatively fast and low-cost. For us, the process has been further accelerated because Volney's mineralized system begins at surface, and we have large, exposed pegmatites available to us. This means larger, higher-quality test samples.

Normally, this type of testing would be undertaken a little further down the road. However, Volney is a past producing asset and is remarkably well-positioned for future production. Here are some facts to consider:

- Volney has historically produced spodumene concentrate of up to **6.3% Li_2O**, tin concentrate of up to **62.5% Sn**, and tantalite concentrate of up to **57% Ta_2O_5**.
- Significant **infrastructure is already in place**, including an all-season road, on-site power, and a previously used concentrator facility.
- The project sits on **private land less than one hour from the rail network** in a pro-mining US state.
- The type and depth of mineralization at Volney support a **bulk mining approach to production**.
- Bulk mining **minimizes CAPEX and time to production** compared to conventional underground mining. In essence, it quickly becomes a trucking operation.
- The Lion Rock team includes **experts in every stage of the mining lifecycle**.
- Management has established a **strong working relationship with local and state government officials** in South Dakota's Black Hills mining district.
- Management is well-connected with US-based refinery operations, which may further **reduce time to market**. Crucially, this will allow the company to deliver on a full, US-based business strategy.
- The US Federal government is moving aggressively to **reestablish domestic critical mineral production**. Permitting and financial incentives are being provided to select companies with the potential to enter production by 2028.

Laying the Groundwork for a Path Towards Production

We are not limiting testing to the pegmatite cluster that we drilled in Phase 1. Numerous such pegmatite clusters exist across Volney's 142 hectares. By sampling and analyzing material in bulk, we can rapidly build a picture that tells us which minerals are present, how they vary from zone to zone, and where the strongest concentrations occur. This gives us a far more detailed picture of the property than drill core alone and **directly shapes where and how we drill in Phase 2**.

The metallurgical testing answers a practical question: how efficiently can these minerals be separated and recovered? We know from Volney's documented history that there is a rich mineralized system here, but we need details such as the potential grade of concentrate we can achieve, and what percentage we can expect to recover during any future production.

That information is essential to evaluating potential processing pathways, whether that means on-site concentration, where material is processed at the project, off-site concentration at an existing facility, or, in certain cases, direct shipping of mineralized material to an end user without concentration at all. Each pathway carries different costs, infrastructure, and timeline implications, and the data from this program is designed to allow the Company to evaluate all of them.

As I've mentioned, this work is taking place on a property with distinct structural advantages, and for which **Lion Rock holds both surface and mineral rights**. Also, in contrast to projects on US federal ground that face multi-year permitting processes, Volney's private land position enables a materially shorter path from exploration through to development-stage permitting. The property also has a demonstrated production history, most recently under Fansteel Mining Corp. during the Second World War, which has established the precedent for mining activity on this ground.

Domestic Critical Minerals in Context

Lithium, tin, and tantalum are each designated as critical minerals by the US government. Particularly in the case of tin and tantalum, these three reflect near-total import dependence. Federal and state-level efforts to build domestic mineral supply chains continue to accelerate, creating a structural tailwind for confirmed domestic projects. There is no assurance that any government program, incentive, or policy will apply to or benefit the Company or the Volney Project, but Volney is well positioned for potential future production. The Company's technical work is focused on advancing the project on its own commercial merits.

Phase 1 in Review

We completed a 15-hole, 3,600-metre diamond drill program in Q1, 2026. The program, which saw a 100% hit rate, confirmed the presence of a major lithium-tin-tantalum system that starts from surface. The program also made a new gold discovery on the property. Results have shown that the near-surface geometry is consistent with bulk-tonnage mining methods.

The metallurgical and mineralogical program now underway is designed to increase the pace of exploration and development at Volney on the path towards production. When this work is complete, Lion Rock will hold important technical data required to begin evaluating a range of development pathways. We moved from acquisition to discovery in thirteen months. By carefully targeting our efforts, we continue at the same, rapid pace.

On behalf of the Board of Directors,

Nav Dhaliwal, Executive Chair & Director
Lion Rock Resources Inc.
O: 604-678-5308
E: nav@lionrockresourecs.ocm