



LIONS GATE METALS

Lions Gate Metals Inc. Cancels Option Agreement and Announces Management Changes

Vancouver, BC Canada, January 2nd, 2013 – Lions Gate Metals Inc. (TSX-V: LGM) (“Lions Gate” or the “Company”) announces that it is returning the ROK Coyote project (the “Project”) to Firesteel Resources Inc. (“Firesteel”).

The Company has made a number of offers to Firesteel to acquire a 100% interest in the Project; however, these offers have been rejected. It is therefore with regret that the Company has chosen to return the Project to Firesteel, in good standing, ahead of the next payment due under the January 2011 option agreement (the “Option Agreement”).

A final proposal and release notice was delivered to the Firesteel board of directors on December 20th, 2012 and expired December 31, 2012 at 5:00pm (PST). Lions Gate was informed by Firesteel that the offer - composed of shares and cash - was not in the best interest of their shareholders. As a result of this decision, Lions Gate will be cancelling its Option Agreement for the Project.

Commenting on the return of the Project, Mr. Arni Johannson stated, “The Board of Lions Gate felt that the ability to earn only a 70% interest in the project for significant multi-year work payments in addition to cash and share payments to the Vendor did not make fiscal sense with the current market conditions in the junior resource sector. As such we tried to modify our Option Agreement to better reflect the prevailing economic realities and were unable to secure new terms.”

The Company today also announces the appointment of Sharon Muzzin, CA, as Chief Financial Officer, replacing David McAdam who has resigned from the position. Ms. Muzzin is a CA with over 25 years of experience providing management services to both private and public entities including several public companies in the mining industry.

Sincerely on behalf of the Board of Directors,
“Arni Johannson”

Arni Johannson
CEO & Chair
Lions Gate Metals Inc.

For further information on the Company contact:

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