



# LION ENERGY CORP.

1810-999 West Hastings St., Vancouver, BC V6C 2W2  
Tel: 604 688 6410 Fax: 604 688 6402

January 26, 2010  
10/01-6

TSX.V - LEO

## LION ENERGY EXERCISES POTASH OPTION

*January 26, 2010, Vancouver, BC* – The Company is pleased to announce that, effective December 31, 2009, the Company exercised its rights under a July 24, 2009 option agreement with Encanto Potash Corp. ("Encanto"), a junior potash exploration company, and acquired a 51% interest in and to all properties held by Encanto. To earn this interest, the Company incurred \$6.5 million in property expenditures advancing Encanto's potash properties through both seismic and drilling programs. Assay results from two drill holes are expected sometime in February 2010.

Under the terms of the option agreement, Encanto has the right to repurchase the 51% interest from the Company in exchange for the issuance of 26 million Encanto shares to the Company. Notice of its intention to repurchase the 51% interest must be received by the Company from Encanto by not later than March 14, 2010, failing which the Company and Encanto will proceed to enter into a joint venture arrangement with respect to the properties.

### **About the Company:**

The Company is a well-financed, Canadian exploration company with a vision to develop a significant presence in the developing oil and gas industry. The Company signed an agreement with Africa Oil Corp. that grants the Company the right to earn an interest in five petroleum blocks located in the Republic of Kenya and in Puntland, Somalia. The Company further holds 14.76% interest in Encanto Potash Corp., a junior potash exploration company and a 20% interest in Sulphur Solutions Inc., an emerging fertilizer company developing state-of-the-art patented technology for the production of micronized sulphur fertilizer.

To find out more about the Company, please visit our website at [www.lionenergycorp.com](http://www.lionenergycorp.com).

On behalf of the Board,

### **LION ENERGY CORP.**

"Brian Thurston"  
President and CEO

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS NEWS RELEASE

*This release includes certain statements that may be deemed “forward-looking statements”. All statements in this release, other than statements of historical facts, that address exploration drilling, exploration activities and events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements in this news release include statements regarding the Company’s intentions or plans, whether of a corporate or exploratory nature. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploration and exploration successes, and continued availability of capital and financing and general economic, political, market or business conditions. These statements are based on a number of assumptions, including, among others, assumptions regarding general business and economic conditions, the timing and receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Company and other parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for the Company’s proposed transactions and programs on reasonable terms, and the ability of third-party service providers to deliver services in a timely manner. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected on the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law or regulatory policies.*