



NEWS RELEASE

January 26, 2011

TSX: V.LMR

LOMIKO METALS INC. SIGNS ON WITH DUTCHESS OPPORTUNITY FUND FOR \$5 MILLION EQUITY LINE FINANCING

Vancouver, BC. - LOMIKO METALS INC. (TSX-V:LMR, OTC: LMRMF, Europe: ISIN: CA54163Q1028, WKN: A0Q9W7,) ("Lomiko" or "the Company") is pleased to announce that it has signed an agreement providing for an Equity Line Facility ("ELF") with Dutchess Opportunity Cayman Fund Ltd., a fund managed by Dutchess Capital Management, II LLC ("Dutchess"). Under the terms of the ELF, Dutchess has committed to provide up to \$ 5 million of capital during the next three years, at the Company's discretion, through the subscription of newly issued common shares.

"This significant financing arrangement gives Lomiko the ability to compete for larger projects and access capital for development of those projects quickly after any discovery" commented A. Paul Gill, Chief Executive Officer. "The ELF is a well-designed tool for growth oriented companies with liquidity."

According to the agreement, the company may draw on the commitment by providing draw down notices to Dutchess. Each draw down notice is subject to a maximum amount, as well as a minimum price, below which the company will not issue shares to Dutchess. Subject to the applicable minimum price, the common shares will be issued at a predetermined discount of 5% to the prevailing 5 day average share price.

In connection with the ELF, the company will file a preliminary short form base shelf prospectus with the securities authorities in each of the applicable provinces of Canada. This filing will allow the Company to qualify the shares issued under the ELF and make offerings of common shares for an amount of up to \$5 million during the next 36 month term period.

During the 36-month term of the Agreement, the Company may sell shares of its common stock to Dutchess up to the total commitment amount of \$5 million issued under the equity line, priced in accordance with an agreed-upon formula. The Company is permitted to draw on the equity line once an effective registration statement covering the resale of the shares is filed. Subject to the effectiveness of a registration statement covering the shares and the satisfaction of other customary conditions, the Company may, at its option when it determines it is appropriate, draw on the equity line from time to time in accordance with the timing and volume provisions set forth in the Agreement.

Notre Dame Capital will act as the Company's Agents in regard to the ELF (announced November 9, 2010). All the above is subject to Exchange approval.

Dutchess Capital is an investment manager which provides creative financing for public companies, Founded in 2000, for almost a decade, Dutchess has been a global leader in Equity Line Facilities (ELFs) and has transacted in excess of \$1.8 billion in such financings worldwide. The ELF is a flexible financing structure by which publicly traded companies can raise capital quickly, efficiently and with less dilution than most traditional offerings. For more information, please visit www.dutchesscapital.com or contact Jessica Geran, Director of Corporate Finance at 617-301-4703.

For more information, please contact Paul Gill at 604-729-5312
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On behalf of Lomiko Metals Inc.
Paul Gill
President & CEO

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