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January 5, 2012

TSX-V: LMR

LOMIKO SIGNS AGREEMENT FOR PROPERTY IN QUEBEC TO EXPLORE FOR LITHIUM-ION BATTERY GRADE, HIGH PURITY, LARGE CRYSTALLITE FLAKE GRAPHITE

Lomiko Metals Inc. (TSX-V: LMR; OTC: LMRMF; FSE: DH8B, Europe: ISIN: CA54163Q1028, WKN: A0Q9W7) (the "Company" or "Lomiko") is pleased to announce that it has signed an agreement to acquire a 100-per-cent interest in the Quatre Milles Graphite Property located in southwestern Quebec.

[Click here to view an infographic overview of graphite](http://goo.gl/nd4d0), or visit: <http://goo.gl/nd4d0>

"Alternative energy will be the focus of significant growth in the years ahead in order to reduce our reliance on oil," stated A. Paul Gill, CEO of Lomiko Metals Inc. "Graphite is integral to this growth, with new and emerging demand from applications such as lithium-ion batteries, fuel cells, nuclear power and other green technologies as well as strong demand from traditional end use markets such as steel and automotive. We are pleased to have secured this advanced asset in this growth space."

Quatre Milles Graphite Property

The Quatre Milles Property is road accessible and is located approximately 175 km northwest of Montreal and 17 km due north of the village of Sainte-Veronique, Quebec. The property consists of 28 contiguous claims totaling approximately 1,600 hectares.

The property was originally staked and explored by Graphicor Resources Inc. ("Graphicor") in the summer of 1989 based on the results of a regional helicopter-borne EM survey. The underlying geology consists of intercalated biotite gneiss, biotite feldspar gneiss, marble, quartzite and calc-silicate lithologies of the Central Metasedimentary Belt of the Grenville Province.

Graphicor completed reconnaissance mapping and prospecting as well as ground geophysics and a 26 hole diamond drill program totalling 1,625 metres. The work identified several conductive trends in the central portion of the property and at least three, relatively flat lying graphitic beds. Three surface samples were collected and analyzed returning results of 14.16% Cgf, 18.06% Cgf and 20.35% Cgf. 23 of the initial 26 drill holes intersected graphite concentrations with a highlight of 8.07% Cgf over 28.60 metres in hole Q90-9. The highest individual assay was reported in hole Q90-10 reporting 15.48% Cgf over 0.50 metres.

The Company cautions that it has not had the chance to verify the quality and accuracy of the historic sampling and drilling results reported in this news release which predate the introduction of NI 43-101 and cautions readers not to rely upon them. The historic figures were generated from sources believed to be reliable, however, they have not been confirmed. Although the sampling and drilling results are relevant, they have not been verified.

Graphicor geologists commented that the results of the initial drill program were extremely encouraging and recommended additional detailed drilling to properly understand and evaluate the potential of the property.

Southwestern Quebec is host to some of the most favourable geological terrain for graphite exploration in Canada and is known for hosting graphite resources, including the Lac Des Iles mine operated by Timcal. Lac des Iles is the largest of two Canadian graphite producers. It has been in production for over twenty years and produces graphite products of various sizes and purities.

Graphite Market

Global consumption of natural graphite has increased from approximately 600,000 tonnes in 2000 to roughly 1.2 million tonnes in 2011. Demand for graphite has been increasing by approximately 5 per cent per year since 2000 due to the continuing modernization of China, India and other emerging economies, resulting in strong demand from traditional end uses such as the steel and automotive industries. Graphite also has many important new applications such as lithium-ion batteries, fuel cells, and nuclear and solar power that have the potential to create significant incremental demand growth. There is roughly 10-20 times more graphite in a lithium-ion battery than there is lithium. Demand for graphite is expected to rise as electric vehicles and lithium battery technology are adopted.

Natural graphite comes in several forms: flake, amorphous and lump. Of the 1.2 million tonnes of graphite produced annually, approximately 40 per cent is of the most desirable flake type. China, which produces about 70 per cent of the world's graphite, is seeing production and export growth leveling, and export taxes and a licensing system have been instituted. A recent European Commission study regarding the criticality of 41 different materials to the European economy included graphite among the 14 materials high in both economic importance and supply risk (Critical Raw Materials for the EU, July 2010).

Graphite prices have been increasing in recent months and over the last couple of years prices for large flake, high purity graphite (+80 mesh, 94-97%C) have more than doubled. Other public companies developing graphite projects in Canada include Northern Graphite Corp. with its Bissett Creek project in Ontario and Focus Metals Inc. with its Lac Knife project in Quebec. High-growth, high-value graphite applications require large-flake and high-purity graphite which is the prime exploration and development target at the Quatre Milles Property.

Terms

Lomiko has an option to earn a 100-per-cent interest in the Quatre Milles Property from Zimtu Capital Corp. and one of their prospecting partners by making the following payments and issuing the following common shares to the vendors: i) \$25,000 upon signing the letter agreement (paid), ii) 1,000,000 common shares on receipt of the TSX Venture Exchange ("TSX-V") acceptance of the definitive option agreement, iii) \$25,000 and 500,000 common shares six months from TSX-V acceptance, iv) 1,000,000 common shares 12 months from TSX-V acceptance, v) 1,500,000 common shares 24 months from TSX-V acceptance. During the period which is 12 months from the date of TSX-V acceptance, Lomiko will complete a minimum of C\$200,000 of exploration on the Property. The vendors will retain a 2-per-cent net smelter royalty on the property, of which 1 per cent can be purchased for \$1-million. The agreement remains subject to acceptance by the TSX-V.

Near-Term Strategy

Lomiko plans to mount an aggressive exploration campaign on the Quatre Milles Graphite Property commencing with a complete compilation of historic geologic work followed by surface mapping, prospecting and follow-up diamond drilling.

Mr. Michel Robert, B.A., B.A.Sc, M.A.Sc, P. Eng, a Qualified Person as defined by National Instrument 43-101, has read and approved the contents of this news release.

For more information, review the website at www.lomiko.com, or contact A. Paul Gill at 604-729-5312 or by email at: info@lomiko.com

On Behalf of the Board

"A. Paul Gill"

Chief Executive Officer

We seek safe harbor. Neither 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 release.