



## NEWS RELEASE

### Northern Lion Enters into Loan Agreement

January 21, 2009

TSX-V Symbol: NL  
Frankfurt Symbol: N3E

**Vancouver, British Columbia: Northern Lion Gold Corp.** (the "Company") announces that it has entered into a loan agreement (the "Agreement") with New World Resource Corp. ("New World"), pursuant to which it will advance up to Cdn\$500,000 to New World.

Under the terms of the Agreement, the Company will advance Cdn\$300,000 to New World upon TSX Venture Exchange acceptance. One additional draw of Cdn\$200,000 will be available to New World at New World's discretion. The loan, together with the interest accrued thereon, will be payable on or before September 30, 2009. The loan will bear interest at a rate of 10% per annum, accruing daily.

The loan will be secured by a pledge (the "Pledge") of all of the shares of New World's subsidiary, New World Resource Bolivia S.A., which has an option to acquire a 75% interest in a joint venture project on the Lipeña mining concession in Bolivia from Empresa Minera Marte S.R.L. The Company will have the opportunity to take over the Lipeña option agreement if New World is unable to repay the loan. On October 15, 2008, New World announced an initial resources estimate for the Lipeña copper-gold project, which is supported by an independent technical report titled "Resource Estimate Lipeña Project South Lipez Province Bolivia" dated November 25, 2008 by Ronald G. Simpson, P.Geol and Jim Chapman, BSc.P.Geol. The technical report is available on SEDAR under "New World Resource Corp."

New World is a reporting issuer listed on the TSX Venture Exchange. John Lando and Lyle Brown are directors of both the Company and New World and Mr. Lando is the President of both companies. The terms of the Agreement and Pledge were negotiated by the independent directors of the Company, and both Mr. Lando and Mr. Brown declared their interests in the transaction and abstained from voting on it.

#### **About Northern Lion**

Northern Lion Gold Corp. is a Canadian mineral exploration company, listed on the TSX Venture Exchange and the Frankfurt Exchange. The Company is committed to building

a strong portfolio of projects within mining-friendly and infrastructure-rich areas of Europe.

**NORTHERN LION GOLD CORP.**

**John Lando, President**

For information with respect to Northern Lion or the contents of this news release, please contact John Lando or Don Flahiff at (604) 669-2701, toll free at 1-800-663-0510, or email to [info@northernliongold.com](mailto:info@northernliongold.com).

*This news release includes "forward-looking information", as such term is defined in applicable securities laws. The forward-looking information includes, without limitation, statements regarding future opportunities to take over the Lipeña option agreement and other similar statements concerning anticipated future events, conditions or results that are not historical facts. These statements reflect management's current estimates, beliefs, intentions and expectations; they are not guarantees of future performance. The Company cautions that all forward-looking information is inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company's control. Such factors include, among others, risks and uncertainties relating to the future value or desirability of the Lipeña project including, without limitation, unfavorable exploration results, potential defects in title, fluctuations in currency exchange rates, fluctuating prices of commodities, operating hazards and risks, and environmental and governmental regulations; whether the Lipeña option agreement remains in good standing and in full force and effect; whether the Company has sufficient finances or is able to obtain sufficient finances to take over the Lipeña option agreement; and other risks and uncertainties. Accordingly, actual future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. All statements are made as of the date of this news release and, except as required by law, the Company is under no obligation to update or alter any forward-looking information.*

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this news release.*