

FOR IMMEDIATE RELEASE

CONTACTS: Dave Stedman
CEO and President
LION, Inc.
800-546-6463

Steve Thomson
Chief Financial Officer
LION, Inc.
800-546-6463

LION NAMES DAVID STEDMAN AS NEW CHIEF EXECUTIVE OFFICER

Seattle, WA – August 7, 2002—LION, Inc. (OTC Bulletin Board: LINN), a leader in online services for connecting mortgage brokers with consumers and lenders, today announced that David Stedman has been named the new Chief Executive Officer.

Mr. Stedman, who has been President of LION since October of 2000, will also serve as a member of the Company's Board of Directors. As CEO and President, he replaces Jack McMillan, who remains Chairman of the Board.

“Over the last two years, Dave has demonstrated his strong leadership skills in managing day-to-day operations and executing on our long-term growth strategy,” said Mr. McMillan. “Dave and his team have restructured LION's operations and reduced corporate overhead. Furthermore, they have continued to build critical new strategic and customer relationships, and develop new technologies and revenue streams critical to the growth of the Company. We are very pleased with the Company's overall progress and excited about our future under Dave's leadership.”

About LION, Inc.

LION, Inc. is a leader in online services that connect mortgage brokers with lenders and consumers more efficiently. The Company serves over 6,600 originators with online broker loan productivity tools and websites powered by a database of over 38,000 loan programs nationwide. LION also provides the foundational architecture and database for co-branded and private label web sites that connect consumers to leading companies in the over \$2 trillion mortgage industry. LION, Inc. has offices in two locations: Seattle, at 4700-42nd Ave. SW, Seattle, WA 98116, and Denver, at 2000 S Colorado Blvd, Denver, CO, 80222. For more information, please visit www.lioninc.com.

###

This press release contains forward-looking statements that involve risks and uncertainties concerning our expected performance (as described without limitation in the quotations from current management in this release). Actual results may differ materially from the results predicted and reported results should not be considered as an indication of our future performance. We believe that these potential risks and uncertainties include, without limitation: our substantial dependence on mortgage brokers and the mortgage broker industry; mortgage market trends; interest rate changes; housing and consumer trends effecting home purchases; the management of our potential growth; risks of new business areas and new Internet technology; joint-marketing and sales agreements; our need for additional financing; our ability to attract and retain high quality employees; changes in the overall economy and in technology; and the number and size of our Internet competitors. Statements in this release should be evaluated in light of these important factors. All information set forth in this release is as of August 6, 2002, and LION undertakes no duty to update this information. More information about these and other important factors that could affect our business and financial results is included in our Annual Report on Form 10-KSB for the fiscal year ended December 31, 2001, including (without limitation) under the captions, "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", which is on file with the Securities and Exchange Commission. Additional information may also be set forth in those sections in our quarterly reports on Form 10-QSB previously filed with the Securities and Exchange Commission.