

FOR IMMEDIATE RELEASE

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**LION APPOINTS RANDALL D. MILES AND GRIFFITH J. STRAW
TO STRENGTHEN BOARD OF DIRECTORS**
New Members Bring Wealth of Investment and Mortgage Banking Experience

Seattle, WA – October 14, 2002—LION, Inc. (OTC Bulletin Board: LINN), a leader in online services for connecting mortgage brokers with consumers and lenders, today announced that Randall D. Miles and Griffith J. Straw have been appointed to the Company's Board of Directors.

Mr. Miles is Managing Director of Investment Banking at D.A. Davidson & Co. and has over 20 years of experience in investment banking and financial services. He has served in a senior executive capacity at both large and mid-sized investment and merchant banks during the course of his career with particular focus on providing strategic and financial advisory counsel to public and private companies. His transactional experience includes mergers and acquisitions, public and private capital raising as well as structured finance expertise. Mr. Miles graduated from the University of Washington with a degree in finance and sits on the Board of Directors of several privately held companies.

Mr. Straw is Regional Sales Director of United Guaranty Residential Insurance Company and has more than 20 years experience in the mortgage banking industry. His previous positions include Director of Business Development at Freddie Mac and Senior Vice President at Frontline Mortgage and National Pacific Mortgage. Mr. Straw received his designation as a CMB (Certified Mortgage Banker) from the Mortgage Bankers Association of America (MBA) in 2000. He is also a Faculty Fellow for the MBA's School of Mortgage Banking and was designated as a member of the Master Faculty in 2001. In November 1998, *Mortgage Technology* magazine named Straw as one of the year's top seven mortgage "technologists" in recognition of his role in creating online business opportunities for Freddie Mac.

"We are pleased that Randy and Griff have agreed to become new board members," said David Stedman, Chief Executive Officer and President of LION. "We will benefit greatly from their diverse experience as we strive to increase LION's market share, revenue and shareholder value."

"We continue to augment our Board of Directors with seasoned business people who are independent of the management team and together provide a wide range of expertise in finance, technology, business development, and corporate governance. The strengthening of our Board of Directors is an integral step as we continue to execute our long-term growth strategy of

improving our business model, growing our membership base, and leveraging our distribution channel through strategic alliances.”

The other members of LION’s Board of Directors are Jack McMillan (Chairman), J.C. (Tuck) Marshall, Sam Ringer, Jacob L. Smith, and David Stedman.

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.

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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 October 14, 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.