

TORONTO, ON--(Marketwired - September 06, 2017) -

- *Preliminary Economic Assessment expected for October 2017 - Based on production rate of 35,000 tonnes per year of lithium carbonate*
- *Surface easement for mine construction granted by mining authorities*
- *Environmental Impact Assessment required for final mining permit expected for Q1 2018 - Baseline data completed for summer, fall and winter*
- *Winter season program successfully completed*
- *Weather monitoring station and pilot pond evaporation successfully implemented and data is currently being analyzed for production scale pond design*

[Neo Lithium Corp.](#) ("Neo Lithium" or the "Company") (TSX VENTURE: NLC) (OTCQX: NTTHF) is pleased to announce its progress on the development of its wholly owned Tres Quebradas lithium brine project ("3Q Project") in Catamarca Province, Argentina. As the winter season in the southern hemisphere comes to an end, Neo Lithium is pleased to report that the camp, roads, weather station and the pilot evaporation ponds operated as expected throughout the winter season, demonstrating that its operational team and planning activities have been very successful, with no disruption due to seasonal factors.

Preliminary Economic Assessment

The Company previously announced that it had engaged GHD Chile SA ("GHD"), a leading full-service engineering firm with offices throughout Latin America, to complete a preliminary economic assessment ("PEA") for the 3Q Project. GHD is a very well recognized firm with a solid track record in the analysis for the design and construction requirements for some of the world's largest and lowest cost lithium-potash brine processing facilities situated in Chile and Argentina. The designated Qualified Person (QP) for GHD is Randy Pitts of Norwest Corp. The PEA is expected to be released in October 2017 and will be based on an estimated production rate of 35,000 tonnes of lithium carbonate per year. The PEA will include process flow diagram of major units, process description to define the concentration and purification, equipment list, general arrangement of production ponds, plant block diagram and conceptual report for electrical generation. The study will also include capital and operational expenditures and after-tax cash flow forecasts and cash flow sensitivity to key inputs.

Grant of the Easement Over the Surface Property for Mine Construction

The Company has obtained from the applicable mining authority an order granting an easement over surface lands for mine construction and road access to the mine. Although the Company has rights over the surface property for exploration and development of the project by virtue of the original project acquisition agreement, the granting of a formal easement by the mining authority is an important step towards development of the project.

Permitting - Environmental Impact Assessment

The Company is now focused on baseline studies and has completed the analysis for flora, fauna, limnology and microbiology for the summer, fall and winter. Social and archeology studies have also been completed. Soil, air, landscape and paleontology studies are expected to be completed before the end of the year. These environmental studies are required to support the full environmental impact assessment report that is required, along with an economic study, to obtain a mine construction permit. This environmental impact assessment report is expected to be completed and delivered to the mining authorities in the first half of 2018. This assessment is the final permit before mine construction.

Evaporation Ponds

Fall and winter evaporation has been completed at the on-site pilot ponds. The ponds are fed by a solar powered pump that extracts brine from a well in the salar at 35 metres depth. The Company is aiming at a close-to-zero emission target for the extraction process. The system automatically works during the daylight and has proven effective at a pilot scale. On a daily basis, the on-site lab analyses the concentration of critical elements in the brine as evaporation occurs. In general, winter evaporation has been faster than expected. Also, calcium has precipitated as CaCl during the cold weather, further increasing the lithium concentration in the ponds. CaCl is a valuable by-product that is expected to enhance the project's economics.

Weather Data

The Company has completed 10 months of weather data collected with a Vaisala weather station, class "A" evaporimeters and pond operation. The average evaporation rate measured is 2,600 mm/year measured in evaporimeter class "A". This rate is comparable to other producing salars in the Lithium Triangle including Cauchari, Olaroz, Hombre Muerto and Atacama. The data collected is now being modelled over longer periods of time to design the pond field size and estimate production timing.

Corporate Event

The Company will be holding a corporate event in Toronto's financial district on September 14, 2017 commencing at 3:00PM EST. Please contact events@neolithium.ca for further details if interested in attending, limited spaces are available.

About Neo Lithium Corp.

[Neo Lithium Corp.](#) is an established lithium brine exploration and development company focused on its wholly-owned, high quality 3Q Project located in Latin America's Lithium Triangle in the Province of Catamarca, Argentina. The Company is quickly advancing the 3Q Project given the rapidly growing lithium battery market that is driven largely by the growth of the electric vehicle market, and other consumer electronic products as the world moves towards cleaner and more efficient sources of energy.

Neo Lithium is well capitalized to continue the rapid development of its 3Q Project, a unique high-grade and low impurity lithium brine lake and salar complex, which encompasses approximately 35,000 hectares.

The recently announced maiden resource calculation resulted in a Measured and Indicated resource of 714,242 tonnes of lithium carbonate at an average grade of 716 mg/L Lithium and an Inferred resource estimate of 1,339,546 tonnes of lithium carbonate at an average grade of 713 mg/L Lithium, at a conservative 520 mg/L cut-off (the highest in the industry). Results so far include only one season of drilling and pump tests and additional targets remain untested, indicating the possibility of additional resources at the 3Q Project. The average combined impurities for Magnesium/Lithium and Sulphate/Lithium are among the lowest in the industry.

The technical team that discovered this unique salar complex is one of the most experienced in the industry, having discovered and led the technical work, including resource definition and full feasibility study that established the Cauchari lithium salar as the third largest lithium brine resource in the world.

Additional information regarding [Neo Lithium Corp.](#) is available on SEDAR at www.sedar.com under the Company's profile and at its website at www.neolithium.ca, including various pictures of ongoing work at the project. Additional information with respect to the 3Q Project can be found in the Company's technical report filed on SEDAR and entitled "Mineral Resource Estimate Technical Report on the Tres Quebradas Lithium Project, Catamarca Province, Argentina", with an effective date of May 23, 2017.

Waldo Perez, Ph.D, P.Geo., the CEO and President of [Neo Lithium Corp.](#) is the Qualified Person who approved the scientific and technical disclosure in the news release.

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