VANCOUVER, British Columbia, Aug. 24, 2016 (GLOBE NEWSWIRE) -- Pure Energy Minerals Ltd. (TSX VENTURE:PE) (FRANKFURT:A111EG) (OTCQB:PEMIF) (the “Company” or “Pure Energy”) is pleased to announce that it has executed a definitive option agreement governing Cypress Development Corp.’s (“Cypress”) Clayton Valley Project (“Cypress Property” or “the Property”), subject to TSX Venture Exchange (the “Exchange”) acceptance. The new option agreement grants Pure Energy the right to acquire up to 70% undivided interest in the 1,520-acre package of Federal mineral claims. The Cypress Property adjoins Pure Energy’s Clayton Valley South (CVS) Lithium Brine Project on the eastern side of the valley (See Figure 1).

The Cypress geological team has conducted considerable exploration on the Property during 2016, reporting lithium values as high as 2,600 ppm in rock samples (See Cypress news release dated May 10, 2016). The Cypress claims encompass a large area of these lithium-enriched rocks. The optioned claims also include a strip of prospective Clayton Valley basin, along a major structural zone immediately east of Pure Energy’s northern resource area. Cypress has already received an approved Notice of Intent from the Bureau of Land Management (BLM) that will facilitate exploration drilling on the Property.

In order to fully exercise the two stage option, Pure Energy is to make the following cash and share payments and associated exploration investments in the Property:

- Cash and share payments of US $75,000 and 350,000 shares within five business days of the date of Exchange acceptance for the agreement;
- Exploration expenditures of at least US $300,000 before the first anniversary;
- Cash and share payments of US $100,000 and 750,000 shares on or before the first anniversary;
- Additional exploration expenditures of US $500,000 before the second anniversary;
- Partial vesting of 51% undivided interest is reached upon satisfaction of the above;
- An additional 1 million shares and US $1 million of exploration expenditures before the fourth anniversary to complete vesting at 70%.

Patrick Highsmith, Pure Energy Minerals CEO commented, “*We are excited to expand our presence in Clayton Valley through this option agreement with Cypress Development Corp. Once the option is fully exercised, it will add significantly to our contiguous mineral rights, bringing the total to more than 11,000 acres. Cypress already has Federal permits in place, so the new Property offers an immediate opportunity to drill for additional lithium resources. Planning for the field program is well advanced, and we should see field crews mobilizing for a systematic sampling program in the next two weeks. We look forward to leveraging our productivity in the field by working with the Cypress team.”*

The Property is currently held in good standing under option by Cypress from a private party. The underlying option includes a provision for a 3% royalty on future lithium production from the Property, of which a 2% royalty may be purchased by Cypress for the sum of US$1,000,000. The parties have acknowledged in the agreement that Cypress will be responsible for meeting the share and cash requirements of that underlying option agreement. Under the agreement, Cypress will act as project manager on the claims for the first year’s exploration program.

Upon completion of one or both of the options, the parties shall enter into a joint venture agreement for the further exploration of the Property, and Pure Energy shall serve as Operator.

Property Update
In addition to the new option agreement with Cypress Development Corp., Pure Energy has also added to its Clayton Valley mineral rights by staking an additional 11 Federal claims (220 acres) in the northwest portion of the Valley. These activities increase the total footprint of the Company’s mineral rights to more than 11,000 acres.

Patrick Highsmith, Certified Professional Geologist (AIPG CPG # 11702), is a qualified person as defined by NI 43-101, and has supervised the preparation of the scientific and technical information that forms the basis for this news release. Mr. Highsmith is not independent of the Company as he is an officer and director.

About Pure Energy Minerals Ltd.
Pure Energy is a lithium-brine resource developer that is driven to become the lowest-cost lithium supplier for the burgeoning North American lithium battery industry. Pure Energy is currently focused on the development of our prospective CVS Lithium Brine Project, which has the following key attributes:

- A large land position with excellent existing infrastructure in a first-class mining jurisdiction: Approximately 9,544 acres in four main claim groups, mostly in the southern half of Clayton Valley, Esmeralda County, Nevada;
- Adjacent to the only producing lithium operation in the United States (Albemarle’s Silver Peak lithium brine mine);
- An inferred mineral resource of 816,000 metric tonnes of Lithium Carbonate Equivalent (LCE), reported in accordance with NI 43-101;
- Metallurgical and process studies underway to better understand the feasibility and economics of using modern environmentally-responsible processing technology to convert the CVS brines into high purity lithium products for new energy storage uses.

On behalf of the Board of Directors,

“Patrick Highsmith”
Chief Executive Officer

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Forward Looking Statements: The information in this news release contains forward looking statements that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward looking statements. Factors that could cause such differences include: changes in world commodity markets, equity markets, costs and supply of materials relevant to the mining industry, change in government and changes to regulations affecting the mining industry. Forward-looking statements in this release may include statements regarding mineral processing, adaptation of test work to larger scale and/or future operational scales, estimates of reduced future capital and operating expenses, delivery of a preliminary economic assessment, future exploration programs, operation plans, geological interpretations, and mineral tenure issues. Although we believe the expectations reflected in our forward looking statements are reasonable, results may vary for reasons outside the control of the Company, and we cannot guarantee future results, levels of activity, performance or achievements.

To view an enhanced version of Figure 1, please visit:
[http://orders.newsfilecorp.com/files/4131/22240_a1472016747487_50.jpg]