

QUEBEC CITY, QUEBEC--(Marketwired - Oct 6, 2016) - [Nemaska Lithium Inc.](#) ("Nemaska Lithium" or the "Corporation") (TSX:NMX)(OTC:NMKEF) is pleased to provide an update on the advancement of its Phase 1 Plant and site preparation of the Whabouchi Mine in Quebec, Canada.

Phase 1 Plant

The Phase 1 Plant is on time and on budget. Electrical lines have been installed at the Phase 1 Plant facility and Nemaska Lithium has signed a 5 year natural gas contract. Construction modifications to the interior of the Phase 1 Plant building are nearing completion in anticipation of receiving plant equipment. To date, all the major equipment items have been ordered from suppliers and certain items have been received. The electrolysis cells are expected to be received by the end of October with commissioning to commence in November and December 2016.

Lithium Hydroxide Samples to Customers in Q1 and Q2 2017

Initial shipments of battery grade lithium hydroxide from the Phase 1 Plant are expected to commence to Johnson Matthey Battery Materials (JMBM) in Q1 2017 under a tolling agreement. As previously announced, Nemaska Lithium is targeting to ship battery grade lithium hydroxide commercial representative samples to JMBM and other potential customers in Q2 2017. These lithium hydroxide samples will be shipped to customers to enable them to qualify Nemaska Lithium's hydroxide products while the Corporation builds its commercial mine and Hydromet Plant.

"I recently returned from Japan where I had an opportunity to meet with numerous end users," commented Guy Bourassa, President and CEO of Nemaska Lithium. "The overriding message from these battery material producers was that there is an absolute need for new lithium suppliers. Indeed, supply of high quality lithium salts is very tight at the moment. Without exception every customer requested samples from the Phase 1 Plant in order to start qualifying our product."

Whabouchi Mine Site

Bulk Sample and Modular DMS Mill

A 60,000 t bulk sample is expected to start in November 2016. The bulk sample area has been selected and is mine representative material. This bulk sample will be processed in the dense media separation (DMS) modular mill. Nemaska Lithium is expecting to receive the Certificate of Authorization to install and operate the modular mill before the end of October 2016. The DMS mill is in transit to the mine site with installation expected to be completed in approximately one to two months following receipt of the permit. The DMS modular mill is designed to produce a 6% Li₂O DMS concentrate. This concentrate will be shipped to Shawinigan where it will be processed into a lithium into battery grade lithium hydroxide for customer evaluation and qualification.

Whabouchi Mine Infrastructure Construction

In tandem with the installation of the modular DMS mill, Nemaska Lithium has started site preparation at the mine. Year round commercial access roads on the mine site are currently being built. Clear-cutting, excavation and blasting/leveling of the commercial concentrator area as well as other areas of the mine site are underway and progressing as scheduled. In addition, one mine building is under construction with a target for enclosures to be completed before winter.

"I am very pleased with the work that is happening at both sites," Bourassa continued. "We are working to tight timelines and budgets and the team has risen to the challenge and is consistently delivering results."

Drilling Update and NI 43-101 Resource Estimate Update

Diamond drilling on the newly discovered Doris lithium zone was completed in mid-September 2016. The drill results are expected by mid-October 2016 and will be released as soon as possible thereafter. The new lithium zone coupled with the other in-pit infill drilling and drilling at depth will all be incorporated in a new NI 43-101 resource estimate which should be completed by mid to end of November 2016. DRA Global Met-Chem has been mandated to update the reserves of the Whabouchi mine once the new resources estimate is completed.

About Nemaska Lithium

Nemaska Lithium intends to become a lithium hydroxide and lithium carbonate supplier to the emerging lithium battery market that is largely driven by electric vehicles, cell phones, tablets and other consumer products. The Corporation is developing in Quebec one of the most important spodumene lithium hard rock deposit in the world, both in volume and grade. The

spodumene concentrate produced at Nemaska Lithium's Whabouchi mine will be shipped to the Corporation's lithium compounds processing plant to be built in Shawinigan, Quebec. This plant will transform spodumene concentrate into high purity lithium hydroxide and carbonate using the proprietary methods developed by the Corporation, and for which patent applications have been filed.

This document may contain forward-looking statements that reflect management's current expectations regarding future events. Forward-looking statements are based on a number of factors and include risks and uncertainties. Actual results may differ from forecast results. Management assumes no obligation beyond what is required under the law to update or revise forward-looking statements pursuant to new information or future events.

Further information regarding Nemaska Lithium is available in the SEDAR database (www.sedar.com) and on the Corporation's website at: www.nemaskalithium.com

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