(All dollar amounts are in thousands of U.S. dollars unless otherwise indicated. This release should be read in conjunction with the Company's unaudited condensed interim consolidated Financial Statements for the quarter ended May 31, 2017 and the Management's Discussion and Analysis found on the Company's website or on SEDAR.)

TORONTO, July 27, 2017 /CNW/ - LSC Lithium Corp. (the "Company" or "LSC") (TSXV: LSC) today reported its third quarter ended May 31, 2017 results.

THIRD QUARTER FINANCIAL AND OPERATING HIGHLIGHTS

The following tables summarize the financial results for the quarter ended May 31, 2017:

Statement of Financial Position

	May 31, 2017	August 31, 20
(in thousands of United States dollars)	$	$
Cash and cash equivalents	21,821	1,720
Exploration and evaluation assets	33,614	510
Total assets	59,430	2,583
Total liabilities	(4,935)	(370)
Working capital	20,881	1,703

Statement of Loss and Comprehensive Loss

	Three months ended May 31		Nine months ended May 31	
	2017	2016	2017	2016
(in thousands of United States dollars, except per share amounts)	$	$	$	$
Operating loss	(642)	-	(4,800)	-
Total comprehensive income (loss)	215	-	(4,160)	-
Basic income (loss) per share	0.00	-	(0.07)	-
Diluted income (loss) per share	0.00	-	(0.07)	-

Statement of Cash Flows

	Three months ended May 31		Nine months ended May 31	
	2017	2016	2017	2016
(in thousands of United States dollars)	$	$	$	$
Cash flows used in operating activities	(3,014)	-	(6,481)	-
Cash flows used in investing activities	(785)	-	(8,394)	-
Cash flows (used in) from financing activities	(375)	-	35,114	-
Net effect of movement in foreign exchange on cash and cash equivalents	(394)	-	(138)	-
Net change in cash and cash equivalents	(4,568)	-	20,101	-

Financial

- Net loss of $0.642 million for the quarter.
- Cash used in operations of $3.0 million.
- As LSC is an exploration stage company, there was no revenue in either the current or comparative periods.

The significant components of the expenses incurred during the quarter ended May 31, 2017 were as follows:

Significant components of expenses (income)

	Three months ended May 31		Nine months ended May 31	
	2017	2016	2017	2016
(in thousands of United States dollars)	$	$	$	$
Management fees	(58)	-	350	-
Employee benefits, including salaries and wages	306	-	799	-
Travel and related costs	25	-	447	-
Professional and consultant fees	531	-	2,998	-
Regulatory and related fees	1	-	110	-
Changes in fair value of warrant liability	(1,397)	-	(1,205)	-
Foreign exchange	376	-	430	-

Operational

- LSC continued to fund LitheA Inc. ("LitheA") predominantly for exploration work on the Salar de Pozuelos ("Pozuelos"), in expectation of acquiring 100% of the shares of LitheA pursuant to the LitheA Option Agreement and LitheA Put/Call agreement. The acquisition of LitheA was completed on June 29, 2017, after the third quarter, following completion of due diligence and receipt of regulatory approvals. For further information on the LitheA Acquisition, LitheA Option Agreement and LitheA Put/Call agreement, please refer to the corresponding management's discussion and analysis of results of operations and financial condition for the three and nine months ended May 31, 2017 (the "MD&A").

OUTLOOK

LSC continues to focus on exploration and development of our major development properties located in the provinces of Salta and Jujuy, Argentina. Specifically, LSC is currently focused on its exploration program on the salar de Pozuelos in Salta province, Argentina.

During the third quarter, exploration work consisted of exploration holes between 35 and 330 m, pumping wells and tests, and a seismic survey. In the coming months, we anticipate additional exploration holes, pumping wells and tests, and a hydrogeologic study that considers measurements of the fresh water – brine interphase and other studies. We expect to complete the work within the second half of 2017.

LSC and Enirgi Group Corporation ("Enirgi Group") are strategically cooperating on lithium development in Argentina pursuant to a Relationship Agreement whereby, among other things, the parties will examine the most economic solution to process LSC's brines, which may include supplying LSC's brines for processing at Enirgi Group's planned future regional processing facility at the Salar del Rincón in Salta, Argentina. LSC expects to be able to begin shipping brine from the property for testing at Enirgi Group's demonstration plant on the Salar del Rincón, following its anticipated commissioning, in the second half of this year. LSC's major development properties are located in close proximity to Enirgi Group's Salar del Rincón Project. The Pozuelos property is located approximately 80km from the Salar del Rincón.

DISCUSSION OF OPERATIONS

The following is a discussion of operations for the quarter ended May 31, 2017.

Update on LitheA

On March 15, 2017, the Company announced that it had delivered notice of exercise of the LitheA Option to acquire 100% of the issued and outstanding share capital of LitheA from BMC Holdings Limited ("BMC Holdings"). On June 29, 2017, the Company closed the LitheA Acquisition. For further information on the LitheA Acquisition and LitheA Option Agreement, please refer to subsequent events section of this news release (below) and the MD&A.

Grid Loan to LitheA

On March 14, 2017, the grid loan agreement (the "Grid Loan"), pursuant to which Lithium S advanced funds to LitheA, was amended to increase the maximum principal from $500 to $2,000 under which LitheA has drawn down a total of approximately $2,000 as at May 31, 2017. The Grid Loan, originally entered into on December 22, 2016, is repayable on demand, bears interest at 10% per annum, is secured by a second ranking fixed and floating charge over the assets of LitheA, and became an inter-company loan post-closing of the LitheA Acquisition.

Other activity

On May 19, 2017, the Company granted 750,000 options to certain independent directors at an exercise price of C$1.30 for a term of five years.

In the third quarter, the Company paid a total of $348 in connection with tenement acquisition commitments assigned to the Company from ADY under the ADY Tenement Purchase Agreement and a reimbursement of $196 in associated costs incurred by ADY arising on the sale of tenements under the ADY Tenement Purchase Agreement.

Enirgi Group has charged a total of $297 and $675 under the two management support agreements for the three and nine months ended May 31, 2017, respectively, and is due and payable at the balance sheet date. Some of the charges recorded in the third quarter have been reallocated to exploration costs and capitalized, resulting in a net three-month credit in management fees expensed in the period.

Warrants are classified as liabilities as a result of the exercise price being in a different currency than the functional and reporting currency of the Company and are remeasured at each reporting date. The gain arising on the revaluation of the warrant liabilities of $1,397 and $1,205 for the three and nine months ended May 31, 2017 (2016 - $NIL) was recorded in Other income and expense. The accounting gain is non-cash and is primarily driven by the passage of time in regards to the remaining life of the warrants and that impact in the Black-Scholes option pricing model.

Mina Negrita I Acquisition

On May 17, 2017, the Company entered into an agreement with MSR to acquire the Mina Negrita I tenament for a total of $360. The purchase price is to be paid in installments consisting of $40 before June 17, 2017, $100 before July 17, 2017, $110 before November 30, 2017 and $110 before May 30, 2018. On June 15, 2017, the Company paid the first installment of $40. For further information on the Mina Negrita I Acquisition, please refer to the MD&A.

SUBSEQUENT EVENTS

The following is a discussion of significant transactions entered into subsequent to the quarter ended May 31, 2017.

LitheA Acquisition

On June 29, 2017, pursuant to the option agreement dated November 23, 2016, as amended, between, LitheA, BMC Global Limited ("BMC"), its parent company BMC Holdings, its beneficial shareholder Ho Sok Lim ("Lim") and LSC Lithium Inc. ("LSC Lithium"), a wholly owned subsidiary of the Company (the "Option Agreement"), the Company (through its subsidiary) acquired all of the issued and outstanding shares of LitheA for an aggregate purchase price of approximately $44 million.

The aggregate purchase price was paid by the issuance of 31,203,355 LSC common shares and the payment of $12,860 in cash. In accordance with the terms of the Option Agreement and Put/Call Agreement, the purchase price was satisfied by:

- $9,948 cash payment to BMC;
- $1,467 offset of principal and accrued interest on indebtedness owed to the Company by BMC Holdings;
- 5,181,347 common shares of the Company issued to Enirgi Group at a price of $0.965 per share
- 22,909,975 common shares of the Company issued to BMC at a price of $0.964 per share;
- $2,912 cash payment to Lim; and
- 3,112,033 common shares of the Company issued to Lim at a price of $0.964 per share.

For further information on the LitheA Acquisition, please refer to the MD&A.

Orocobre Agreement

On June 5, 2017, pursuant to the agreement made on March 28, 2017, as amended on June 2, 2017 (the "LSC-Orocobre Agreement") among LSC, Lithium Argentina, and Orocobre Ltd. ("Orocobre") and certain affiliates (the "Orocobre Group"), LSC (through Lithium Argentina) acquired: (a) all tenements, as well as rights to tenements, held by the Orocobre Group located in the Salinas Grandes Salar, in Salta and Jujuy provinces, Argentina, (the "Salinas Grandes Tenements"); (b) interests in the portion of a mining exploration application (cateo) that is in proximity to the Salinas Grandes Tenements in Jujuy province; (c) a royalty held by Orocobre in certain tenements located on the Salar de Pozuelos in Salta province owned by LitheA; and (d) certain usufruct rights to extract borates located in the Salinas Grandes Salar. For further information on the LSC-Orocobre Agreement, please refer to the MD&A.

Advantage Agreement

On June 5, 2017, pursuant to the agreement made on March 28, 2017 (the "LSC-Advantage Agreement") between LSC and Advantage, LSC acquired from Advantage its option over the 1,471 hectare Stella Marys Project located in the Salinas Grandes salar in Salta province, Argentina (the "MSR Option"). For further information on the LSC-Advantage Agreement, please refer to the MD&A.

LIQUIDITY AND CAPITAL RESOURCES

The Company is in the process of assessing viable mineral properties, assets or businesses and therefore has irregular cash flow. To date, the Company has not earned significant revenues, as it is in the acquisition and exploration stage. The Financial Statements have been prepared on a going concern basis which assumes that the Company will be able to raise the capital required and discharge its liabilities in the normal course of business for the foreseeable future. Accordingly, the Financial Statements do not include any adjustments relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The continuing operations of the Company are dependent upon its ability to raise adequate financing to sustain such operations in the future.

As at May 31, 2017, the Company had a working capital position of $20.9 million and during the third quarter, the Company maintained sufficient working capital to meet its commitments to acquire LitheA and purchase the mining tenements from Orcobre and Advantage Lithium Corp. ("Advantage Lithium") (subsequent to quarter-end), as well as to meet its obligations under its exploration programs on its properties. While the Company had sufficient capital resources to meet current financial obligations as at quarter-end, as discussed above, the Company incurred significant cash expenditures in connection with closing the Orocobre, Advantage Lithium and LitheA transactions subsequent to quarter-end. The acquisition of LitheA has had the most significant impact on LSC's working capital, in part, due to the syndicate of lenders under the BMC Loan (other than Enirgi Group) electing to be repaid in cash rather than LSC shares. Accordingly, the Company is examining its financial commitments and planned exploration program across its various properties in light of its current working capital position. In particular, the Company is examining potential financing options to maintain the planned accelerated exploration and development program across its properties (which, among other things, may require increased staffing and contractors). In the event that financing is not available on acceptable terms or in amounts required to support such programs, the Company may need to reduce expenditures, limit exploration and/or defer parts of the program until such time as sufficient funding is obtained. See Risk Factors.

The Company's unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due.

The Company is an exploration stage mining company and does not generate revenue. The Company's ability to fund planned exploration activities and investments and meet related obligations is contingent upon successful completion of additional financing arrangements. On July 27, 2017, the Company engaged GMP Securities L.P to act as a broker with respect to a proposed "commercially reasonable best efforts" private placement of up to CAD $20 million to fund the Company's accelerated and expanded exploration program. There can be no assurance that this private placement will be completed or that additional financing will be available in the future, or available under terms acceptable to the Company, to fund planned exploration activities and investments and meet related obligations. These factors represent material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern.

These unaudited condensed interim consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary should the going concern assumption be inappropriate. Such adjustments could be material.

SHARES ISSUED AND OUTSTANDING

As of the date hereof, the Company's shares, stock options and warrants to purchase the Company's issued and outstanding shares are as follows:

Equity Instrument		Number
Common shares	116,155,716	
Options exercisable for common shares	6,750,000	
Warrants exercisable for common shares	18,011,342	

MANAGEMENT'S DISCUSSION AND ANALYSIS AND CONSOLIDATED FINANCIAL STATEMENTS

LSC's unaudited condensed interim consolidated financial statements and MD&A for the three and nine months ended May 31, 2017 will be filed today and will be available on SEDAR at www.sedar.com and on the Company's website at www.lsclithium.com.

Qualified Person/Data Verification

The scientific and technical information included in this press release is based upon information prepared and approved by Donald H. Hains, P.Geo. Donald H. Hains is a qualified person, as defined in NI 43-101 and is independent of LSC and LitheA.

ABOUT LSC Lithium Corp.:

LSC Lithium has amassed a large portfolio of prospective lithium rich salars and is focused on the exploration and development of its tenements on its Pozuelos, Pastos Grandes, Rio Grande, Salinas Grandes and Jama properties. All LSC tenements are located in the "Lithium Triangle," an area at the intersection of Argentina, Bolivia, and Chile where the world's most abundant lithium brine deposits are found. LSC Lithium has a land package portfolio totaling approximately 300,000 hectares across 15 salars, which represents extensive lithium prospective salar holdings in Argentina.

Forward-Looking Statements

Certain statements in this news release may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this news release, such statements use such words as "will", "may", "could", "intends", "potential", "plans", "believes", "expects", "projects", "estimates", "anticipates", "continue", "potential", "predicts" or "should" and other similar terminology. These statements reflect current expectations regarding future events and operating performance and speak only as of the date of this news release.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the risk factors set forth under "Risk Factors" in the MD&A. Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward looking statements include, among other things, statements relating to: uncertainties relating to receiving mining, exploration, environmental and other permits or approvals in Argentina; proposed exploration activities and costs for the mineral exploration projects; the continued growth of the lithium industry; anticipated results and time frames of exploration activities and work programs; ability to maintain sufficient working capital; ability to classify mineral resources in conformance with NI 43-101; availability of additional financing and the Company's ability to obtain additional financing on satisfactory terms; ability to retain key executive and senior management; the exercise of options to acquire interests in mineral projects; future performance and successful application, use and licensing of Enirgi Group's DXP Technology; the timing of testing brines at Enirgi Group's demonstration plant at the Salar del Rincón; the ability to achieve production at any of the Company's mineral exploration properties; the timing and ability of Enirgi Group to construct a regional processing facility at Salar del Rincon; and the ongoing strategic relationship with Enirgi Group.

In particular, the forward-looking statements assume factors that could cause actual events, performance or results to differ materially from those set forth in the forward-looking statements, which include, but are not limited to: risks around final commissioning of Enirgi Group's demonstration plant; the risks around timing, permitting, funding and construction of a regional processing facility at the Salar del Rincón by Enirgi Group and the ability of LSC to fast-track production from its own properties by supplying brine to such a facility; risks relating to proposed acquisitions including TSXV approvals; volatility in the market price for minerals; uncertainty of whether there will ever be production at the Company's mineral exploration properties; geological, technical, drilling or processing problems; liabilities and permitting and development risks, including environmental liabilities and risks, inherent in mineral extraction operations; fluctuations in currency exchange and interest rates; incorrect assessments of the value of acquisitions; unanticipated results of exploration activities; competition for, amongst other things, capital, undeveloped lands and skilled personnel; lack of availability of additional financing; unpredictable weather conditions; the requirement for, and the Company's ability to obtain future funding on favourable terms or at all, to fund exploration, development and operations; the economy generally and stock market volatility; receipt of and timeliness of government or regulatory approvals; and other risks detailed from time to time in the Company's ongoing quarterly and annual filings with applicable securities regulators, and those which are discussed under the heading "Risk Factors" in the MD&A.

The Company's actual results could differ materially from those anticipated in these forward-looking statements and information as a result of both known and unknown risks, including the risk factors set forth under "Risk Factors" in the MD&A. The factors set forth under the heading "Risk Factors" in the MD&A should not be construed as exhaustive. Readers should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. Readers are cautioned that the foregoing lists of factors are not exhaustive. Each of the forward-looking statements contained in this news release is expressly qualified by this cautionary statement. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise them to reflect new events or circumstances.

SOURCE LSC Lithium Corp.

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