Neo Lithium Discovers Deep Aquifer with High Grade Lithium

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- *Drilling confirms newly discovered deep aquifer at its wholly owned 3Q Project, opening a new significant frontier of exploration at the 3Q Project*
- *New drill hole intercepted 512m with average 638mg/L Lithium, including 38.5m with 730mg/L Lithium of the newly discovered deep aquifer*

TORONTO, March 05, 2018 (GLOBE NEWSWIRE) -- Neo Lithium Corp. (“Neo Lithium” or the “Company”) (TSXV:NLC) (OTCQX:NTTHF) is pleased to provide an update for its 2017-2018 3Q Project exploration and development campaign.

“We discovered a new aquifer at depth identified in the previously announced seismic results,” stated Waldo Perez, President and CEO of Neo Lithium. “We could not be more pleased with the drilling results of only our second drilling season, particularly the discovery of this deep aquifer as it adds considerable blue sky to the 3Q project.”

Exploration Update

The season started with a 50-linear km seismic reflection survey (first of its kind in lithium brine exploration) along the entire 3Q salar and peripheral basins. Results showed that the basin could be deeper than 600m and tilted eastwards (see the Company’s website http://www.neolithium.ca/project/default.aspx#section=maps to see the sections). Most of the drill holes in the initial drill season were located in the western, shallow part of the basin and the average depth of the holes was about 130m (the deepest hole was 357m).

This season the Company focussed on completing in-fill drilling and getting into the deeper part of the basin. Drilling so far includes a total of 2,239m of diamond drill holes and 985m of rotary drill holes, resulting in 8 diamond drill holes and 8 rotary holes (used for pump wells). The average depth was 300m and the deepest hole was 580m. These numbers are preliminary since the Company continues to drill with three rigs simultaneously and results arrive daily.

The table below summarizes results for lithium, potassium and Mg/Li and Sulfate/Li impurities of the diamond drill holes and pump wells from rotary holes for which geochemistry has been received from the lab so far. Please visit the Company’s web site for location of the holes (http://www.neolithium.ca/project/default.aspx#section=maps).

Table 1: Results of the 2017/2018 Drilling Season

Hole	From	To	Total	Li	K	Mg/Li	Sulfate/Li
	(metres)			*(mg/L)*			
PP1-D-14*	16	320	304	642	6,109	2.27	0.35
PP1-D-15*	16	238	222	785	7,545	2.02	0.26
PP1-D-16	16	324	308	525	5,353	2.32	0.58
PP1-D-17**	18	530	512	638	6,668	1.91	0.41
PP1-D-18	28	84	56	1,071	9,486	1.78	0.33
PB1-R-15	0	30	30	816	8,289	2.05	0.40
PB2-R-7	50	126	76	518	5,683	7.59	0.50
PP2-D-16	30	72	42	644	6,475	2.25	0.90

*Results previously disclosed in prior news releases

**Results pending for the deeper parts of the hole

This season’s results confirm lithium and potassium grades established by the results of the previous exploration season and potentially extend the resource zone down to 530m (hole PP1-D-17). This hole, PP1-D-17, is particularly important because between 491.5m and 530m (38.5m) we found a sand and conglomerate unit that has high porosity and artesian pressure (brine flows out of the hole without pumping). Hole PP1-D-17 continued all the way down to 587m finding similar clastic units but drilling stopped due to hole stability, so the deep aquifer still remains open at depth. Geochemical results for the interval of 530m to 587m are pending.

This deeper aquifer was also intercepted in PP1-D-21 (results pending) at 580m deep at over 7km south of PP1-D-17, showing that the deep aquifer has regional extension.

The deeper aquifer of sandy sediments is very important because of its high grade and regional extension. Further drilling will be carried out to map it along the basin. Pump tests will be required to define its yield (although being artesian, is a good sign of brine productivity). The extra work required to fully understand the deep aquifer will extend the timeline for completing a new resource calculation for the entire project into the following summer drilling season.

Hole PP1-D-20 was drilled outside of the salar basin in an effort to study the sources of lithium into the salar system. This hole, 22 metres deep, found that brine is flowing into the salar at a remarkable 310 mg/L lithium (2,935 mg/L potassium, Mg/Li of 1.51 and Sulphate/Li of 1.61). This hole is also artesian (brine flows out of the well without pumping). Studies are underway to understand these sources of lithium into the salar.

QA/QC is discussed below.

Neo Lithium at the 2018 PDAC and Presentation by Dr. Waldo Perez Ph.D.

The Company will be participating in the 2018 PDAC and representatives of the Neo Lithium will be available at booth 2828 for the duration of the event, commencing on Sunday, March 4, 2018.

Please join us when Dr. Waldo Perez, Ph.D, President and CEO of Neo Lithium, presents during PDAC on Monday March 5, 2018, at 10:45am, Room 803, MTCC, South Building.

About Neo Lithium Corp.

Neo Lithium is quickly advancing its wholly-owned, high quality 3Q Project located in Latin America's Lithium Triangle in the Province of Catamarca, Argentina, 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.

The Company 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.

Neo Lithium recently completed a preliminary economic assessment of the 3Q Project that indicates very robust economics for a 35,000 tonne per year lithium carbonate mine. The Company notes that the preliminary economic assessment is preliminary in nature, and it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

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 3Q Project.

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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QA/QC: The brine samples collected in the field were delivered by Company personnel to Andesmar Transport Company ("Andesmar") in Catamarca city, in the province of Catamarca. Andesmar delivered the samples by truck to ASL, an ISO 9001-2008-certified laboratory in Mendoza, Argentina. ASL used the following analytical methodologies: ICP-OES (inductively-coupled plasma-optical (atomic) emission spectrometry) to quantify boron, barium, calcium, lithium, magnesium, manganese, and potassium; an argentometric method to assay for chloride; a gravimetric method to analyze for sulfate; a volumetric analysis (acid/base titration) for the evaluation of alkalinity (as CaCO3); a gravimetric method to determine density and total dissolved solids; and, a laboratory pH meter to determine pH. All analytical work is subject to systematic and rigorous Quality Assurance-Quality Control. A reference ("standard") sample was inserted into the sample stream at a frequency of approximately 1 in 15 samples; a field blank was inserted at a frequency of approximately 1 in 15 samples; and a field duplicate sample was inserted at a frequency of approximately 1 in 15 samples.

Cautionary Note Regarding Forward Looking Statements -- Certain information set forth in this news release may contain forward-looking statements. Generally, forward-looking statements can be identified by the use of words such as "plans", "expects" or "is expected", "scheduled", "estimates" "intends", "anticipates", "believes", or variations of such words and phrases, or statements that certain actions, events or results "can", "may", "could", "would", "should", "might" or "will", occur or be achieved, or the negative connotations thereof. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company, which could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. These risks include, without limitation, risks related to failure to obtain adequate financing on a timely basis and on acceptable terms, political and regulatory risks associated with mining and exploration activities, including environmental regulation, risks and uncertainties relating to the interpretation of process studies, drill and sample results and relating to resource estimations, risks related to the uncertainty of cost and time estimation and the potential for unexpected delays, costs and expenses, risks related to lithium and potash price fluctuations, the market for lithium products, and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Although the Company believes its expectations are based upon reasonable assumptions and has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended and undue reliance should not be placed on forward-looking statements.