Sigma Granted Water License for Commercial Lithium Concentration Plant and Corporate Income Tax Exemptions

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VANCOUVER, Feb. 25, 2019 - Sigma Lithium Resources Corp. ("Sigma" or the "Company") (TSX-V: SGMA), (OTC-QX SGMLF) is pleased to announce that it received the definitive water permits for the construction of its commercial-scale lithium concentration production plant (“Lithium Concentration Plant”). Additionally, under the regional development incentive program of SUDENE, Sigma has also been granted full eligibility to receive certain income tax exemptions, including a 75% corporate income tax reduction for 10 years.

“The water license is a significant step for Sigma, as it is one of the final governmental authorizations necessary for Sigma to become fully licensed environmentally for the construction phase of the project. Additionally, the strong economic implications of the SUDENE tax incentives will further support the Company,” said Sigma CEO Calvyn Gardner.

Environmental Licensing Update – Significantly Advancing in the Permitting Process

Agência Nacional de Águas, the federal government water agency of Brazil, has officially published the approval of Sigma’s water usage license to pump up to 150m3/h of water (cubic meters per hour) from the Jequitinhonha river to the Lithium Concentration Plant. The license is valid for 10 years. Based on the initial design being considered under the ongoing Feasibility Study (“FS”), the Lithium Concentration Plant will have an initial processing capacity of 1.5 million tonnes of spodumene per year. That plant design contemplates a capacity of 240,000 tonnes of spodumene concentrate annually. The Lithium Concentration Plant would recirculate approximately 90% of the water consumed in the production process for lithium spodumene concentrate. As a result, the water license received is sufficient for Sigma to double the capacity of the Lithium Concentrate Plant to process 3 million metric tonnes of spodumene per year to an expected 440,000 tonnes of spodumene concentrate.

Sigma is also pleased to announce that it has significantly advanced the environmental permitting process for the construction and installation of its Lithium Concentration Plant (“LI/LP”), following the filing of the application for environmental permit in December 2018.

Based on the progress to date, Sigma remains on track to finalize its Feasibility Study by the beginning of April 2019 and, if recommended in the Feasibility Study and required funding is obtained, commence breaking ground for construction of the Lithium Concentrate Plant by the end of June, 2019.

“On the Environmental aspect of ESG, Sigma is deeply committed to sustainable resource management and proactively minimizing its environmental and carbon footprints. The Company’s operations are powered by hydro-electricity, a renewable energy source. Sigma is also one of the first mining operations in Brazil using dry stacking tailings management techniques, and it will not be building a tailings pond. Our water license was granted as a result of Sigma’s application of advanced environmental techniques of water management, aimed to increase the water efficiency through a plant design that incorporates state of the art technology for water recycling during the processing of the lithium concentrate,” said Sigma’s Brazilian Subsidiary President Itamar Resende.

Corporate Income Tax Exemptions Under Regional Development Program

Sigma is also pleased to announce that it was granted full eligibility to receive certain tax incentives and exemptions under an economic development program administered by SUDENE, a Brazilian federal

government agency responsible for the semi-arid regions of Brazil, historically plagued by severe drought. The main tax benefits under the SUDENE program include a 75% corporate income tax reduction for 10 years after the Company reaches more than 20% of its annual production capacity and incentivized accelerated depreciation of assets;

“Both of these developments represent a significant validation of Sigma’s strong commitment to upholding the highest levels of environmental and social ESG standards. On the “Social Aspect” of ESG, Sigma has been amongst the largest investors in the Jequitinhonha Valley region, one of the poorest areas in Brazil. The SUDENE tax incentive recognizes Sigma’s positive transformational impact in the economic development of the region. During the construction phase in 2019, Sigma and its contractors expect to employ directly and indirectly over 500 people,” commented Mr. Gardner.

Sigma Files Updated NI 43-101 Technical Report at SEDAR

Sigma is pleased to announce the filing of a National Instrument 43-101 technical report titled “NI 43-101 TECHNICAL REPORT UPDATE Northern and Southern Complexes Project”. The mineral resource estimate, prepared by SGS Canada Inc. (“SGS”) was announced on January 10th, 2019 and demonstrated measured and indicated resources of 45.7 million tonnes with a grade of 1.38% and inferred resource of 6.6 million tonnes with a grade of 1.34%. This represents approximately 1,560,919 tonnes of Lithium Carbonate Equivalent (“LCE”) in the measured and indicated categories with a further 220,070 tonnes LCE in the inferred category. The estimates were prepared using a cut-off grade of 0.5% Li_2O.

The “NI 43-101 TECHNICAL REPORT UPDATE Northern and Southern Complexes Project” is available at Sigma’s profile at SEDAR at www.sedar.com

Phase I Production Plant Update - Consistent Production of Battery Grade 6% Lithium Coarse Concentrate

For pictures of the Phase I Production Plant and Concentrate please click: http://www.sigmalithiumresources.com/pilot-plant-photos/

Sigma is pleased to announce that it has been consistently producing a high-quality concentrate with 6% Li_2O at its Phase I Production Plant.

Sigma has been conducting a series of tests using different operating parameters, including particle size and various specific densities of the media. As part of the tests, which started after the plant was commissioned last August, the coarse part of crushed pegmatite was fed into a DMS. The tests were on particle sizes of 20/6mm, 15/6mm and 12/6mm and all sizes produced high-quality concentrate. Such results demonstrate Sigma’s ability to produce high quality coarse concentrate on a pilot plant scale, mainly as a result of the outstanding mineralogy of the Xuxa deposit with large spodumene crystals.

Specifically, the 12/6mm particle size consistently produced a concentrate with a minimum of 6% Li_2O and a maximum 1% Fe2O3. Xuxa spodumene mineralization has a specific density close to 3g/cm3, therefore Sigma achieved recovery ratios for the lithium at the media density setting of 2,85g/cm3.

Independent Qualified Person

The technical and scientific information in this press release has been reviewed and approved by Marc Antoine Laporte, P.Geo., M. Sc., of SGS Canada Inc. Mr. Laporte is a Qualified Person as defined by National Instrument 43-101 and is independent of Sigma.

About Sigma Lithium Resources Corporation

Sigma is developing a leading lithium hard rock deposit with exceptional mineralogy at its Grota do Cirilo

property in Brazil. Our output of lithium minerals is destined for the fast-growing lithium-ion battery market, which is driven by the increasing demand for electric vehicles and energy storage worldwide.

Sigma commissioned its Phase I pilot plant and has produced over 100 tonnes of samples of battery grade spodumene lithium concentrate from its high-quality deposits.

Sigma’s corporate mission is to execute its strategy while embracing environmental, social, and governance principles. Sigma is on track to become a high quality spodumene concentrate supplier to the lithium battery industry worldwide. Sigma plans to commence construction of a commercial-scale lithium concentration plant in the second quarter 2019. Sigma shareholders include some of the leading ESG (environmental, sustainability, governance) focused institutional investors in the world.

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Forward-Looking Statements

This news release contains forward-looking statements relating to the objectives of the Company, the potential for increased resources, concentration plant construction and expected production levels, achieving sustainable production and other statements that are not historical facts. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These assumptions, risks and uncertainties include, among other things: the state of the economy in general and capital markets in particular, the availability of project financing on reasonable terms and investor interest in the business and future prospects of Sigma.

The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, Sigma disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Additionally, Sigma undertakes no obligation to comment on the expectations of, or statements made, by third parties in respect of the matters discussed above.

The key risks and uncertainties that could cause actual results or the material factors and assumptions applied in preparing forward-looking information to differ materially from predictions, forecasts, projections, expectations or conclusions are discussed in the “Risk Factors” section of Sigma’s Filing Statement dated April 25, 2018. We caution that the foregoing list is not exhaustive of all possible factors.

For more information on the risks, uncertainties and assumptions that could cause our actual results to differ from current expectations, please refer to our public filings available at www.sedar.com

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policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.