

Lithium Chile Strategic Investor, Chengxin Lithium, Increases Stake to 19.86% Through a \$27,911,000 Private Placement

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CALGARY, April 4, 2022 - [Lithium Chile Inc.](#) (TSXV:LITH) (OTC:LTMCF)("Lithium Chile" or the "Company") is pleased to announce that it plans to complete a non-brokered private placement of 29,380,000 common shares of the Company ("Offered Shares") at a price of \$0.95 per Offered Share, for aggregate gross proceeds of \$27,911,000 (the "Offering"). The Offering is to be completed by a wholly owned subsidiary of Chengxin Lithium Group Co., Ltd. ("Chengxin"). In conjunction with the Offering, Chengxin will be entitled to nominate two directors to the board of directors of Lithium Chile and Chengxin has agreed to provide Lithium Chile with two technical personnel to aid in the exploration and development of the Company's properties in Argentina.

Chengxin participated in the recent private placement completed by Lithium Chile (see news release dated January 31, 2022). That private placement was for units comprised of 4,285,720 common shares and 4,285,720 share purchase warrants. Completion of the proposed Offering, along with the exercise of Chengxin existing warrants, will bring Chengxin' stake in the Company to 19.86%. This will result in total gross proceeds of \$34,553,866.

Steve Cochrane, President and CEO commented "We are thrilled to have Chengxin as a key strategic and cornerstone shareholder of our Company. Chengxin supports our vision, and with their investment, we can rapidly accelerate the exploration and developments of our properties with an eye on increasing our existing resources in a very meaningful way. These additional funds will allow the Company to look at opportunities we have been presented with that will result in expanding our footprint in both Argentina and Chile. Chengxin is a well-respected leader in the lithium space; their extensive experience will be valuable as our Company continues to forge ahead. I note the recent investment by BYD in Chengxin gives the Company a door into the whole supply chain for electric vehicles."

Chengxin recently announced a strategic cooperation agreement with BYD, China's largest electric carmaker, which will provide for no more than \$600 million CDN investment for more than 5% stake in Chengxin (subject to approval). Chengxin and BYD expect that the cooperation agreement will allow them to jointly acquire and develop lithium resources, and BYD will step up the procurement of lithium products for supply stability and cost advantages.

Chengxin is a publicly listed company in China with a market capitalization of 45.6 billion yuan (\$9 billion CDN) and at December 31st, 2021, its net profit was 862 million yuan (\$170 million CDN) for the fiscal year. Chengxin is primarily engaged in the new energy materials business including production from spodumene and brines as well as manufacturing of lithium products including lithium hydroxide and lithium carbonate.

At present, Chengxin has 70kt of lithium product capacity and ranks No. 2 in China, with another 60kt capacity under construction in Indonesia. To secure feedstock supplies, Chengxin owns upstream resource in China and overseas including an existing asset in Argentina.

Completion of the Offering is subject to regulatory approval including, but not limited to, the approval of the TSX Venture Exchange. The Offered Shares issued under the Offering will be subject to a four month hold period from the date of the closing of the Offering.

Pursuant to the completion of the Investor Relations contract with Clarkham Capital, the agreement will be terminated on April 30, 2022.

About Lithium Chile

Lithium Chile is advancing a lithium property portfolio consisting of 69,200 hectares covering sections of 10 salars and two laguna complexes in Chile and 23,300 hectares in Argentina.

Lithium Chile also owns 5 properties, totaling 20,429 hectares, that are prospective for gold, silver and copper. Exploration efforts are continuing on Lithium Chile's Carmona gold/silver/copper property which lies in the heart of the Chilean mega porphyry gold/ silver/copper belt.

Lithium Chile's common shares are listed on the TSX-V under the symbol "LITH" and on the OTCBB under the symbol "LTMCF".

To find out more about Lithium Chile Inc., please contact Steven Cochrane, President and CEO via email: steve@lithiumchile.ca or alternately, Jose de Castro Alem, Argentina Manager via email jdecastroalem@gmail.com or Michelle DeCecco, Vice President of Corporate Development via email michelle@lithiumchile.ca or at 403-390-9095.

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Forward Looking Statements

This news release may contain certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively "forward-looking statements"). Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "expected", "anticipated", "aims to", "plans to" or "intends to" or variations of such words and phrases or statements that certain actions, events or results "will" occur. In particular, this news release contains forward-looking statements relating to, among other things: the closing of the Offering and the Company's ability to obtain necessary approvals for the Offering. Such forward-looking statements are based on various assumptions and factors that may prove to be incorrect, including, but not limited to, factors and assumptions with respect to: the general stability of the economic and political environment in which the Company operates; the timely receipt of required regulatory approvals; the ability of the Company to obtain future financing on acceptable terms; currency, exchange and interest rates; operating costs; the success the Company will have in exploring its prospects and the results from such prospects. You are cautioned that the foregoing list of material factors and assumptions is not exhaustive. Although the Company believes that the assumptions and factors on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct or that any of the events anticipated by such forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive there from. Actual results could differ materially from those currently anticipated due to a number of factors and risks including, but not limited to: fluctuations in market conditions, including securities markets; economic factors; the risk that the new lithium exploration tender process does not yield the anticipated benefits to the Company, if at all; the risk that the Offering will not be completed as anticipated or at all, including the risk that the Company will not receive the approvals necessary in connection with the Offering; and the impact of general economic conditions and the COVID-19 pandemic. The Company does not undertake to update any forward-looking statements herein, except as required by applicable securities laws. All forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

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