



**PRESS RELEASE**

**January 19, 2017**

## Southern Lithium Submits Addendum to its Existing EIR for its Cruz Property in Argentina's "Lithium Triangle"

**VANCOUVER, Canada** – – **Southern Lithium Corp.** (TSX-V: SNL FSE: SL5) ("**Southern**" or "**the Company**") is pleased to announce that the addendum to the Environmental Impact Report ("**EIR**") has been submitted to the Ministry of Environment and Sustainable Production for Government of the Province of Salta, to allow the drilling program planned for the Cruz lithium project. Following the acceptance of the addendum to the EIR, the Company will have all necessary approvals required to proceed with its 2017 drill campaign.

The company is benefiting from an existing EIR for the north Pocitos basin property and needs only to file an amendment to include the drilling program. The approval of the amendment is anticipated to be granted relatively quickly, allowing for the drilling to commence as soon as March.

Among the required chapters of the EIR is a section on social responsibility. This chapter is to be updated, accompanied by notices and filings with the local and district communities at Pocitos, Olacapato and the district administrative center of San Antonio de Los Cobres.

The activities covered in the EIR include geophysics surveys, drilling and future well testing as well as flow rate test programs, and onsite evaporation and processing trials, in addition to infrastructure development as required. This includes roads and drill pads, a camp and facilities for the test evaporation pans and preliminary process testing.

Through its joint venture partner Millennial Lithium Corp. (TSX-V:ML) (OTCQB:MLNLF), the Company is working closely with local, district, provincial and federal authorities, and the Mining Chamber of Salta in order to maintain a fluid communication channel with the communities as part of our transparency and sustainable development policy. The exploration program is being managed by Iain Scarr, Millennial Lithium Corp., VP Development and Exploration, a Qualified Person as defined by NI 43-101. Mr. Scarr is Certified Professional Geologist (CPG) with the American Institute of Professional Geologists and holds a B.Sc. in Geology (Earth Sciences) from California State Polytechnic University, and earned an MBA from Marshall School of Business at the University of Southern California.

### **About the Cruz Property**

The Cruz Property is located in the heart of South America's Lithium Triangle (northern Chile, northwestern Argentina and southwest Bolivia). The property encompasses 2,500 hectares in the Pocitos salar basin in Salta Province, Argentina, and lies 11 kilometers south of ADY Resources Limited's lithium brine resource in the Salar del Rincón Basin.

The property is located along the major fault and volcano chain that defines the southern limit of the Rincon Basin, where ADY Resources Limited is extracting lithium brine, and the northern limit of the Pocitos basin, where the Cruz property is located. Both properties lie along the structural belt that hosts the important lithium resources of the region, and adjacent to a major crossing lineament that is thought to have given rise to the hydrothermal activity that has supplied lithium to both closed salar basins.

The 60-kilometer long Pocitos salar basin has previously only been drill tested with a shallow 12-hole program in the 1970s, by an Argentinean government agency "Direccion General de Fabricaciones Militares". To date, this is the only confirmed exploration drilling conducted in the Pocitos basin. The hole that produced the best results is near the southeast edge of the Cruz property boundary, and averaged 417 parts per million; note that these results are considered historical and cannot be confirmed under NI 43-101 standards.

### **Cruz Definitive Agreement**

Southern has entered into a formal Definitive Agreement (the "**Definitive Agreement**") with Millennial Lithium Corp's (TSX-V:ML) (OTCQB:MLNLF) ("**Millennial**") wholly owned Argentine subsidiary, Proyecto Pastos Grandes S.A. ("**PPG SA**") on an option (the "**Option**") to acquire up to an 80% interest in PPG SA's Cruz property in the Pocitos salar basin in Salta province, Argentina (the "**Cruz Property**").

### **Terms of the Definitive Agreement:**

To exercise the Option and acquire a 70% interest in the Cruz Property, Southern must:

- Pay a non-refundable deposit of \$150,000 (U.S.) to PPG SA. **This payment has already been made;**
- Pay an additional \$50,000 (U.S.) non-refundable deposit to PPG SA upon the execution of the definitive agreement. **This payment has already been made;**
- Issue 540,000 common shares of Southern to PPG SA or Millennial at a deemed price of 25 cents, subject to Exchange approval;
- On the closing of the first tranche of Southern's recently announced private placement or Nov. 30, 2016 (whichever is earlier), place in a joint exploration account the sum of \$500,000 (U.S.). **This payment has already been made;**
- Spend the \$500,000 (U.S.) in the joint exploration account on exploration of the Cruz Property on or before Oct. 1, 2017;
- Pay to PPG SA the sum of \$1-million (U.S.) on or before Oct. 1, 2017;
- Pay to PPG SA the sum of \$1-million (U.S.) on or before Oct. 1, 2018.

To exercise the Option for an additional 10% interest (for a total interest of 80%) in the Cruz Property Southern must, prior to the date that is six months after the third anniversary of the Definitive Agreement, complete a bankable feasibility study on the Cruz Property.

### **About Southern Lithium Corp (TSX-V: SNL FSE: SL5)**

Southern Lithium Corp. is a resource exploration company engaged in the business of acquiring and exploring minerals properties. Southern Lithium Corp. has assembled an experienced management team with a growth strategy to develop a portfolio of Lithium projects. The Company's main objective is to add shareholder value through exploration and development of high quality resources through strategic acquisitions, joint ventures, and marketing while maintaining a lower risk profile through project diversification and sound, cost-effective financial management. With the potential acquisition of the Cruz

property, Southern Lithium intends to establish its presence in the Pocitos basin and further deliver on its mission to secure technically superior lithium projects. The Company is only focusing on projects of the highest technical merit in favorable geopolitical jurisdictions.

### **Qualified Persons**

The scientific and technical information contained in this news release has been reviewed and approved by Larry Segerstrom, M.Sc. (Geology), P.Geo., a Director of the Company, who is a "Qualified Person" as such term is defined under National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101").

**For additional information regarding the above noted property and other corporate information, please visit the Company's website at [www.southernlithium.com](http://www.southernlithium.com) or under our profile on SEDAR at [www.sedar.com](http://www.sedar.com).**

### **ON BEHALF OF THE BOARD OF DIRECTORS**

"David Alexander"

Chief Financial Officer

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