



**PRESS RELEASE**

**February 21, 2017**

## Southern Lithium's Geophysical Survey Shows Large Brine Target at its Cruz Property, Salta Province, Argentina

**VANCOUVER, Canada** – – **Southern Lithium Corp. (TSX-V: SNL FSE: SL5)** ("**Southern**" or "**the Company**") is pleased to announce that we have been informed by Millennial Lithium Corp. (**the "Optionor"**), that it has received favorable results from a recently completed ground geophysics program that was previously announced ([February 2, 2017](#)) at its Cruz Property (**the "Property"**), located in the Pocitos salar basin in Salta Province, Argentina.

In early February, the companies completed a Transient Electromagnetic Survey ("**TEM**") survey that was carried out by Quantec Geoscience Argentina S.A., ("**Quantec**") of Mendoza, Argentina. The TEM covered a total of 16 points covering 20.25 square kilometres, on a 4500 metre-by 4500 metre (m) grid, at 1500 meters spacing.

The TEM results show a continuous north-south trending conductive unit over a distance of more than 6 kilometres. In comparison to other salar basins in the region, highly conductive readings generally indicate a high content of brine. Salar brines in the "Lithium Triangle" of Argentina, Bolivia and Chile typically contain high levels of lithium.

The spacing of the survey points leads to an interpretation of conjoined oval-shaped areas underlain by brine. The overall basin however is shaped by strong north-south and northwest southeast faulting. Highly conductive readings have generally been found to indicate a high content of lithium brine in most other salar basins in the area.

In the central core of the property the indications of brine appear as shallow as 30 metres, below a compact near surface halite layer and to a depth of 250 metres. Due to the highly conductive nature of the anomaly, survey readings were limited to a maximum 250 metres.

The results of the geophysics survey are interpreted to be very positive, suggesting a large area of brine at shallow depths and extending to over 250 metres of depth. A 2-hole drilling program is planned to commence on approval of the addendum to the existing exploration environmental impact report, anticipated in March.

Company CEO Clive Massey states: "We are extremely encouraged with the results of the geophysics and we are pleased with the level of participation investors have shown in the recently announced Private Placement. This financing will be another significant step forward for Southern as it continues to build shareholder value and execute on raising the funding necessary to accelerate the advancement of the exploration efforts at the Cruz Property in Argentina."

Millennial's COO Iain Scarr states: "The results of the geophysics program thus far appears to confirm our assertion that the Pocitos basin is highly likely to host significant quantities of lithium brine. Its proximity to other large resources, the structural setting, and known chemical indicators are reinforced by these results in justifying and targeting exploration drilling. We are very encouraged by this program, and are grateful to Quantec Argentina for their quality work and thoughtful interpretation. Our plan now is to commence the drilling program as soon as permitting allows. We look forward to reporting further results."

### **About Quantec**

Quantec Geoscience is a geophysical survey company specializing in ground-based electrical and EM surveys. Quantec offers a full turnkey solution to customers – from project planning all the way to final interpretation. Quantec has been a geophysical survey acquisition company, and it prides itself for the quality of their field work. The 5,000+ and counting surveys conducted by Quantec have been located in basically any and every type of environment found on the planet.

### **About TEM**

TEM uses electromagnetic impulse excitation to investigate the subsurface. It is a variation of the electromagnetic method in which electric and magnetic fields are induced by transient pulses of electrical current in coils or antennas instead of by continuous current. TEM surveys have become the most popular surface EM technique used in exploration for minerals and groundwater and for environmental mapping. Ohm is the unit of measurement of electrical resistance in a material. One ohm is the resistance in a circuit when one volt maintains a current of one amp.

### **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").

The exploration program is being managed by Iain Scarr, Millennial Lithium Corp., Chief Operating Officer, and a Qualified Person as defined by NI 43-101. Mr. Scarr is Certified Professional Geologist (CPG) with the American Institute of Professional Geologists.

### **Southern Private Placement**

As previously announced on [February 7, 2017](#), the Company announced a non-brokered private placement of 4,000,000 units (each "Unit") at a purchase price of \$0.25 per Unit, for gross proceeds of up to \$1,000,000. Each Unit will consist of one (1) common share ("Common Share") of the Company and one (1) non-transferable share purchase warrant ("Warrant").

Each Warrant will entitle the holder to acquire one (1) Common Share at an exercise price of \$0.35 for a period of 18 months from the closing date of the Private Placement. In the event that the Company's common shares trade at a closing price greater than \$0.50 per share for a period of 10 consecutive trading days at any time after the closing date, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof and in such case the Warrants will expire on the 30th day after the date hereafter referred to as the ("Forced Conversion Feature") on which such notice is given by the Company.

The private placement is subject to TSX Venture Exchange approval. There will be a hold period of four months and one day on all securities issued under this financing.

## **About the Cruz Property**

Through its partner Millennial Lithium Corp., the Company has executed a formal option agreement with Proyecto Pastos Grandes S.A. (“PPG SA”), a wholly owned subsidiary of Millennial, to be granted an option to acquire an eighty percent (80%) interest in the PPG SA’s Cruz Property in the Pocitos Salar Basin in Salta Province, Argentina.

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 kilometres south of ADY Resources Limited’s lithium brine resource in the Salar del Rincón Basin.

The Cruz property is adjacent to the Rincon volcanic center that defines the southern limit of the Rincon salar basin, where ADY Resources Limited is extracting lithium brine, and the northern limit of the Pocitos salar basin, where the Cruz property is located. Both properties lie along the structural belt that hosts the important lithium resources of the region, and at the junction of a large north-south fault system and the northwest-southeast megastructure along which lies the Rincon volcano, the possible source of the lithium brine in both salar basins.

The 60-kilometre 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.

## **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 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.

**Further information about the Company is available on our 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**

“Clive H. Massey”

Chief Executive Officer

### **For further information, please contact:**

Southern Lithium Corp.

Sam Eskandari

Phone: +1.416.918.6785

Email: [ir@southernlithium.com](mailto:ir@southernlithium.com)

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*(Cautionary statement: At this stage there has been insufficient exploration completed such that a mineral resource may be calculated. The potential quantity and grade can only be established with further work, including sampling, which the Company is initiating shortly. It is currently not known if this additional work will result in identifying a mineral resource.)*

*This news release includes forward-looking statements that are subject to risks and uncertainties. All statements within it, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements, other than as required pursuant to applicable securities laws.*

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