



PRESS RELEASE

March 30, 2017

## Southern Lithium Announces Exploration Plans For the Cruz Lithium Property in Argentina

**VANCOUVER, Canada – – Southern Lithium Corp. (TSX-V: SNL) (FSE: SL5) (“Southern” or “the Company”)** is anticipating the issuance of the drill permits shortly for its Cruz property. The design phase of the 2017 drilling program for its flagship Cruz Property (**the “Property”**), located in the Pocitos Salar Basin in Salta Province, Argentina has been completed. Two drill targets have been selected, and these targets were selected based on the results of the recently completed Transient Electromagnetic Survey (“TEM”) geophysical survey, previously announced [February 21, 2017](#).

### **Phase one Drilling Program at Cruz property**

The first phase of the program will consist of two HQ-diameter core holes at two separate locations to establish brine chemistry at discrete vertical intervals as well as other key geologic and hydrologic features. At each site, drilling will test the salar to a depth of at least 350 metres, providing valuable depth-specific lithological information, samples for brine analysis and permeability testing of individual brine aquifers.

The first hole will be drilled in the center of the deepest part of the southern half of the body of brine, between TEM ground stations 6 and 14.

The second hole will be drilled in the center of the deepest part of the northern half of the brine body, between TEM ground stations 7 and 8.

Southern has engaged Hidrotec S.R.L., a Salta-based drilling contractor with extensive experience in drilling and testing salar-hosted lithium brines in the region. Additionally, Southern has engaged Mike Rosko of Montgomery and Associates Inc., a US-based hydrogeological consulting firm to oversee the drilling program as the Company's qualified person, as defined by NI 43-101.

The exploration program will be managed by Iain Scarr, Millennial Lithium Corp., (TSX-V: ML) 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.

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 concentration of brine at only 30 metres below the surface, and is covered at surface by a layer of compact halite. Salar brines in the “Lithium Triangle” of Argentina, Bolivia and Chile typically contain high levels of lithium.

The geophysics report can be found on the Southern Lithium Corp.'s website: <http://southernlithium.com/portfolio-items/cruz-property/>

Southern Lithium's President, Mr. Larry Segerstrom, stated, "It's not often that you have such a clear target within such a favorable geologic setting. The geophysical results not only strongly suggest the presence of a large, shallow body of highly conductive brine, but also provide clear indications of where to drill. These previous TEM results, together with the Cruz Property's proximity to other large lithium resources and the known geology of the area, make this an extremely promising opportunity."

### **Private Placement**

As previously announced on [February 7, 2017](#), the Company announced a non-brokered private placement (the "**Offering**") 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**").

Subsequently, the Company announced on [March 28, 2017](#), an increase in the private placement (the "**Offering**") to 6,400,000 units (each "**Unit**") at a purchase price of \$0.25 per Unit, for gross proceeds of up to \$1,600,000. 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 Company may, in its sole discretion, pay a finder's fee within TSX Venture Exchange policy guidelines in connection with the Private Placement. The Private Placement is subject to TSX Venture Exchange approval.

### **About the Cruz Property**

Through its partner **Millennial Lithium Corp. (TSX.V:ML) (FSE:A3N2) (OTCQB:MLNLF)**, the Company has executed a formal option agreement with Proyecto Pastos Grandes S.A. ("**PPG SA**"), a wholly owned subsidiary of Millennial, for the right to earn up to 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 "Dirección 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 lithium; note that these results are considered historical and have not been verified by the Company's QP, however the Company considers these results a relevant to the future exploration of the 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 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”).

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

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*(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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