LithiumAmericas

September 30, 2019

Lithium Americas Announces 40,000 TPA Feasibility Study for the Caucharí-Olaroz Lithium Project

Vancouver, Canada: Lithium Americas Corp. (TSX: LAC) (NYSE: LAC) ("Lithium Americas" or the "Company") is pleased to provide results of a 40,000 tonnes per annum ("**tpa**") definitive feasibility study ("**40,000 tpa DFS**" or "**DFS**") on the Caucharí-Olaroz lithium project ("**Caucharí-Olaroz**" or the "**Project**") currently under construction in Jujuy Province, Argentina. Caucharí-Olaroz is 100% owned by Minera Exar S.A. ("**Minera Exar**"), a 50/50 joint venture between Lithium Americas and Ganfeng Lithium Co., Ltd. ("**Ganfeng Lithium**"). Lithium Americas and Ganfeng Lithium have authorized Minera Exar to proceed with the plan to produce 40,000 tpa of battery-quality lithium carbonate ("**Li_2CO_3**") as outlined in the DFS.

Unless otherwise stated, all figures are quoted in U.S. dollars ("**$**") and are reported on a 100% equity project basis.

Highlights:

- **40,000 tpa of Li_2CO_3 production for 40 years.** Updated Mineral Reserve supports annual production in excess of 40,000 tpa of battery-quality Li_2CO_3 for 40 years.
- **Construction capital cost of $565 million.** Construction capital costs include a contingency, over $200 million in capital already committed in contracts and purchase orders of which $105 million in capital spent as of June 30, 2019.
- **Operating costs of $3,576/t for battery-quality lithium carbonate.** Operating costs reflect process optimizations designed to consistently achieve more stringent purity specifications currently required by battery material customers.
- **Fully-funded to production.** Lithium Americas 50% share of Minera Exar is expected be fully-funded with $221 million available under the Company's credit and loan facilities and net proceeds from the $160 million Project investment by Ganfeng Lithium.
- **First production targeted by early 2021.** Construction on the 40,000 tpa Project is underway and expected to be completed by the end of 2020 with first production expected in early 2021.
- **Conference call and webcast.** Conference call and webcast scheduled for Tuesday, October 1, 2019 at 9:00 am EST to discuss the results of the DFS and the Company's recent developments.

The results of the DFS are provided in Table 1 on a 100% equity project basis:

Table 1: Caucharí-Olaroz 40,000 TPA DFS Results

	40,000 TPA DFS
Lithium carbonate average long-term price(1)	$12,000/t Li_2CO_3
Production capacity	40,000 tpa Li_2CO_3
Project life	40 years
Construction capital costs(2)	$565 million
Operating costs	$3,576/t Li_2CO_3
Average EBITDA(3)	$307 million
After-tax $NPV_{10\%}$ (2)(3)	$1,330 million

1. Assumes lower price of $8,000/t and $10,000/t in 2021 and 2022, respectively.
2. Total capital costs of $565 million include $105 million in capital costs sunk as of June 30, 2019 excluded from NPV.
3. Refers to a non-IFRS financial measure. Please see the discussion included at the end of this press release under "Non-IFRS Financial Measures".

"With construction underway and funding in place, the results of the 40,000 tpa DFS further supports Caucharí-Olaroz as a scalable, high-purity source of lithium carbonate for battery material customers," commented Jon Evans, President and CEO of Lithium Americas. "We are thankful for the hard work from the team at Minera Exar, the support from the government of Jujuy, and our 50/50 joint venture partner, Ganfeng Lithium, for their financial and technical contributions towards optimizing the process design and securing key equipment for the lithium carbonate plant."

"Minera Exar is committed to building Caucharí-Olaroz to be one of the most environmentally responsible lithium projects globally," commented Gabriel Rubacha, CEO of Minera Exar. "The 40,000 tpa DFS represents the first of future potential long-term investments in Caucharí-Olaroz for the benefit of the local communities, employees and Jujuy Province."

Project Details

Caucharí-Olaroz is located in Jujuy Province in north west Argentina. The Project is situated in the Salar de Olaroz and Salar de Caucharí, adjacent to Orocobre Ltd.'s Olaroz facility, which has been in production since 2015. The Project is well serviced by nearby infrastructure including major paved highways which connect to the port of Antofagasta in Chile, a high-voltage transmission line, an adjacent 300MW solar project and a gas pipeline.

In 2012, Minera Exar granted a conditional right to Jujuy Energia y Mineria Sociedad del Estado ("**JEMSE**"), a mining and energy investment company owned by the government of Jujuy Province in Argentina, to acquire an 8.5% equity interest in Minera Exar and provide management services as required to develop the Project.

The 40,000 tpa DFS includes a conventional, commercially-proven brine processing technology optimized from the salar in partnership with Ganfeng Lithium to produce battery-quality Li_2CO_3 that can be used to meet the specifications of battery material producers in manufacturing cathode and electrolyte for lithium-ion batteries. The DFS follows the 2017 feasibility study on a 25,000 tpa Li_2CO_3 project ("**25,000 tpa DFS**").

Minera Exar has more than 250 employees and approximately 500 contractors at the Project. Construction is scheduled to be completed by the end of 2020.

Construction of the evaporation ponds commenced in Q1 2018 and is approximately 60% completed. Brine from production wells started filling ponds in Q4 2018. The liming purification process at the ponds is expected to commence in Q2 2020.

A significant amount of long-lead time equipment purchases and construction contracts have been awarded. Contractors for the production wells, ponds and liners, civil works (roads and well platforms), permanent camp, concrete works and structural steel (buildings) are engaged at the Project site. Equipment components for the lithium carbonate plant are expected to begin arriving to the site later this year.

Permitting

An update to the "Environmental Impacts Report for Exploitation" for Caucharí-Olaroz was approved by Jujuy Province in 2017 providing all necessary permits to support the 25,000 tpa DFS. In accordance with the provincial requirements, an update was submitted in August 2019 and is currently being evaluated by the Jujuy Province to expand the initial production capacity to 40,000 tpa of Li_2CO_3. This update includes supplementary environmental studies and information collected during the previous two years as well as changes to the Project description to reflect the current development plan and increased production capacity.

Brine Process

The process presented in the 40,000 tpa DFS follows industry standards: pumping brine from the salar, concentrating the brine through evaporation ponds, and bringing the brine concentrate through an extractive hydrometallurgical and purification process to produce battery-quality Li_2CO_3. The updated process has been refined and optimized using the results of lab and pilot scale testing by Minera Exar, Ganfeng Lithium and equipment suppliers with experience in manufacturing the industrial equipment that Ganfeng Lithium uses for the production of high-purity products.

An average evaporation rate of 6.05 mm per day (2,157 mm per year) was used as criterion to design the pond system. The rate corresponds to measured evaporation rates observed at the site where the ponds are located. At the demonstrated evaporation rate, the total evaporation area required to produce 40,000 tpa of Li_2CO_3 is 1,200 ha (12 km^2) and includes allowances for salt harvesting and maintenance work. The ponds are designed with multi-layer liners consisting of a polymer-based material and engineered granular bedding. The evaporation ponds have been designed with a flat bottom for efficient harvesting and a shallow brine depth to improve evaporation and with the aim to allow for efficient salt harvesting using commercially proven equipment employed in Chilean operations.

The Li_2CO_3 recovery process from brine has been designed to achieve customer quality requirements. This system is robust and has been engineered to produce a consistent quality product regardless of seasonal changes in brine composition in the ponds.

The process removes key impurities from the concentrated brine in the ponds before producing high-purity Li_2CO_3 in the plant. The process uses a combination of industry standard processes that have been adjusted for the specific chemistry of the brine in the salar. These steps extract contaminants in a low-impact, cost-effective order while recovering fresh water from the brine for use in the process. The Li_2CO_3 precipitation is controlled carefully to form a high-purity crystal of Li_2CO_3 that can then be washed, dried and micronized to meet the required particle sizes from the energy storage space.

The process has been engineered to minimize the use of energy and fresh water. All brine and water used is recycled multiple times and is cleaned throughout the process. Energy is recovered internally between multiple process streams and utilities ensuring efficient and optimized consumption. This is expected to result in environmentally responsible production of high-purity lithium chemicals.

Operating Costs

The operating and construction capital cost estimates have been reviewed and confirmed by Andeburg Consulting Services Inc. ("**ACSI**") in accordance with NI 43-101 Standards of Disclosure for Mineral Projects. The Project cost estimates are based on an exchange rate of 45:1 Argentine pesos to the U.S. dollar. Despite the recent depreciation in Argentine pesos, Minera Exar does not expect a material impact to the operating and capital cost estimates as presented in U.S. dollars.

The operating cost estimates in the 40,000 tpa DFS have increased in comparison to the 25,000 tpa DFS primarily as a result of an $824/t increase in reagent costs. The increased reagent use reflects process changes designed to consistently achieve more stringent low impurity specifications of battery material customers.

The average operating costs were calculated for a facility with production of 40,000 tpa of battery-quality Li_2CO_3 and are presented in Table 2 below.

Table 2: Caucharí-Olaroz - Operating Costs

	25,000 TPA DFS		40,000 TPA DFS	
Category	**Operating Cost ($/t Li_2CO_3)**	**% of Total**	**Operating Cost ($/t Li_2CO_3)**	**% of Total**
Reagents	$991	40%	$1,815	51%
Pond harvesting & tailings management	$345	14%	$369	10%
Maintenance	$210	8%	$302	8%
Labor	$166	7%	$283	8%
Electric power	$187	7%	$222	6%
Natural gas	$85	3%	$145	4%
G&A	$86	3%	$141	4%
Product transportation	$170	7%	$127	4%
Catering, security & third-party services	$97	4%	$61	2%
Consumables	$51	2%	$53	1%
Water treatment system	$38	2%	$41	1%
Diesel	$69	3%	$17	<1%
Total Operating Costs	**$2,495**	**100%**	**$3,576**	**100%**

Capital Costs

The total construction capital cost is estimated at $565 million inclusive of a $39 million contingency and inclusive of $105 million in capital costs incurred before June 30, 2019. Considering that the Project construction is well under way, with many key contracts and purchase orders already awarded and under execution including the process equipment, the level of confidence is expected to be approximately ±10%. Minera Exar does not expect any material impact on the capital costs as a result of the recent foreign exchange regulations and controls enacted by the Argentine Government.

With a 33% increase in capital costs from the 25,000 tpa DFS published in 2017, the 40,000 tpa DFS supports a 60% increase in production capacity. Much of the increased capital cost estimate is the result of an increase in the size of equipment, infrastructure, wells and piping without any major change in the pond layout under construction. The cost increase in the ponds corresponds to additional electromechanical work not previously included in the 25,000 tpa DFS.

Detailed capital cost estimates are presented on a 100% project equity basis in Table 3 and are exclusive of value added taxes ("**VAT**"), other taxes, working capital and pre-production costs.

Table 3: Caucharí-Olaroz – Construction Capital Costs

Category	**25,000 TPA DFS ($ millions)[2]**	**40,000 TPA DFS[1][2] ($ millions)**
Lithium carbonate plant	$122	$155
Evaporation ponds	$129	$146
Infrastructure	$68	$96
Wells and piping	$15	$61
Indirect Cost	$37	$67
Contingency	$55	$39
Total Construction Capital Costs	**$425**	**$565**

1. Total capital costs of $565 million include $105 million of sunk capital costs as of June 30, 2019. Sunk costs are excluded from financial analysis in the DFS.
2. Totals do not add due to rounding.

The sustaining capital requirement is estimated at an average of $7.2 million per year (approximately $180/t Li_2CO_3 produced).

Project Economics

The financial results are derived from inputs based on an annual production schedule included in the 40,000 tpa DFS as of June 30, 2019. The analysis contained in the DFS exclude $105 million in sunk capital costs as of June 30, 2019 which are included in the total construction cost estimate of $565 million.

A Li_2CO_3 price of $8,000/t and $10,000/t is assumed for 2021 and 2022, respectively, to reflect short-term market conditions. A production ramp up schedule of 15,250 t and 36,000 t was assumed in 2021 and 2022, respectively. Caucharí-Olaroz is expected to achieve a production rate of 40,000 tpa of Li_2CO_3 before the end of 2022 with production of 40,000 tpa in 2023 to 2060.

Sensitivity analysis on the unlevered economic results for the 40,000 tpa of Li_2CO_3 over a 40-year operating period are summarized in Tables 4 and 5 and reported on a 100% equity project basis.

Table 4: Caucharí-Olaroz - After-Tax NPV Sensitivity Analysis

Discount Rate (%)	Low Case NPV[(1)] $10,000/t Li_2CO_3 ($ millions)	Base Case NPV[(1)] $12,000/t Li_2CO_3 ($ millions)	High Case NPV[(1)] $14,000/t Li_2CO_3 ($ millions)
6%	$1,803	$2,446	$3,075
8%	$1,297	$1,781	$2,252
10%	$953	$1,330	$1,693

1. Total capital costs of $565 million include $105 million in capital costs sunk as of June 30, 2019 excluded from NPV. Refers to a non-IFRS financial measure. Please see the discussion included at the end of this press release under “Non-IFRS Financial Measures”.

Table 5: Caucharí-Olaroz - EBITDA Sensitivity Analysis

Lithium Carbonate Price ($/t Li_2CO_3)	Average EBITDA[(1)] ($ millions)
$10,000	$235
$12,000	**$307**
$14,000	$379

1. Refers to a non-IFRS financial measure. Please see the discussion included at the end of this press release under “Non-IFRS Financial Measures”.

Mineral Reserve Estimation

Montgomery & Associates Inc. (“**Montgomery**”) was engaged to update the Mineral Reserves in brine for various areas within the Salar de Caucharí and Salar de Olaroz in accordance with the guidelines for lithium brines set forth by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM 2012). The authors of the DFS believe the Mineral Reserve Estimate has been conservatively modeled and represents a Proven Reserve for Year 1 through 5 of full-scale extraction wellfield pumping and a Probable Reserve for Years 6 to 40 of full-scale extraction wellfield pumping.

Mineral Reserves for Caucharí-Olaroz have an effective date of May 7, 2019. Mineral Reserves are summarized in Table 6 and are reported on a 100% project equity basis.

Table 6: Caucharí-Olaroz - Mineral Reserves

				Without Processing Efficiency		*Assuming 53.7% Processing Efficiency*	
Category	**Time Period (years)**	**Average Lithium Grade (mg/L)**	**Brine (m^3)**	**Lithium Metal (tonnes)**	**LCE (tonnes)**	**Lithium Metal (tonnes)**	**LCE (tonnes)**
Proven	1 - 5	616	1.6×10^7	96,650	514,450	51,900	276,250
Probable	6 - 40	606	9.6×10^8	586,270	3,120,590	314,830	1,675,770
Total	**40**	**607**	**1.1×10^9**	**682,920**	**3,635,040**	**366,730**	**1,952,020**

Notes:
1. The Mineral Reserve Estimate has an effective date of May 7, 2019.
2. LCE is calculated using mass of LCE = 5.322785 multiplied by the mass of Lithium Metal.
3. The values in the columns for "Lithium Metal" and "LCE" above are expressed as total contained metals.
4. The Production Period is inclusive of the start of the model simulation (Year 1).
5. The average lithium concentration is weighted by per well simulated extraction rates.
6. Tonnage is rounded to the nearest 10.
7. Comparisons of values may not be equivalent due to rounding of numbers and the differences caused by use of averaging methods.

Mineral Resource Estimation

Since the effective date of the previous Mineral Resource Estimate (February 13, 2019), the results of deeper drilling and sampling has allowed for partial conversion of the Inferred Resource aquifer volume in the updated hydrostratigraphic unit ("**HSU**") model to Measured and Indicated Resource aquifer volume of the deeper HSUs. The Updated Mineral Resource Estimate at the Measured, Indicated, and Inferred Mineral Resource classification (CIM, 2014) for lithium is based on the total amount of lithium in brine that is theoretically drainable from the bulk aquifer volume.

Mineral Resources for Caucharí-Olaroz have an effective date of May 7, 2019. Mineral Resources are summarized in Table 7 and are reported on a 100% project equity basis.

Table 7: Caucharí-Olaroz - Mineral Resources

Category	**Average Lithium Grade (mg/L)**	**Brine (m^3)**	**Lithium Metal (tonnes)**	**LCE (tonnes)**
Measured	591	1.1×10^9	667,800	3,554,700
Indicated	592	5.2×10^9	3,061,900	16,298,000
Measured & Indicated	**592**	**6.3×10^9**	**3,729,700**	**19,852,700**
Inferred	592	1.5×10^9	887,300	4,722,700

Notes:
1. The Mineral Resource Estimate has an effective date of May 7, 2019 and is expressed relative to the Resource Evaluation Area and a lithium grade cut-off of greater than or equal to 300 mg/L.
2. LCE is calculated using mass of LCE = 5.322785 multiplied by the mass of Lithium Metal.
3. The Mineral Resource Estimate is not a Mineral Reserve Estimate and does not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted to Mineral Reserves.
4. Calculated brine volumes only include Measured, Indicated, and Inferred Mineral Resource volumes above cut-off grade.
5. The Mineral Resource Estimate has been classified in accordance with CIM Mineral Resource definitions and best practice guidelines (2012 and 2014).
6. Comparisons of values may not add due to rounding of numbers and the differences caused by use of averaging methods.

Environmental Responsibility & Social Benefits

Environmental Responsibility
Minera Exar is focused on developing Caucharí-Olaroz to be among the most environmentally responsible lithium projects globally. The process' principal source of energy is designed to be solar evaporation resulting in a low overall carbon footprint. Furthermore, process water requirements are low relative to other lithium carbonate production processes, and process water will be sourced from aquifers that that do not meet comply with drinking water standards. Minera Exar's objective is to continue to explore ways to further reduce the Project's environmental footprint and produce the most environmentally responsible lithium possible.

Economic & Social Benefits
The DFS highlights substantial employment and economic benefits to Minera Exar's employees, the local communities, and the provincial and federal governments. The Project is providing many jobs during construction and development and is expected to provide new long-term opportunities as the Project continues to grow.

Economic benefits and expanded of Caucharí-Olaroz Project include (based on 40,000 tpa DFS and $12,000/t Li_2CO_3 long-term):

- Increase in federal and provincial taxes – total of $4.2 billion for life of mine (or $114 million per year)
- Increase in royalty and mining duty payments
- Increase in employment taxes
- Extending the current employment opportunities with over 700 Minera Exar employees and contractors
- Extending the relationships with the local communities with at least a 40 year project life

Liquidity

As of June 30, 2019, $460 million of the $565 million total construction capital costs was remaining. A further $100 million in expected taxes and refundable VAT is required prior to production. Minera Exar expects to fund the remaining costs to production with capital contributions and loans from Lithium Americas and Ganfeng Lithium and $195 million in capital on Minera Exar's balance sheet which include the net proceeds from the $160 million Project investment by Ganfeng Lithium. Lithium Americas 50% share of all additional funding required up to the start of production, including working capital, is expected to be fully-funded with $221 million in available credit and loan facilities.

Timeline

The Caucharí-Olaroz construction timetable is targeted to follow:

- Q1 2018 – Construction commenced on first evaporation ponds
- Q4 2018 – Began filling first evaporation pond with brine
- Q2 2019 – Commenced civil works and building erection for lithium carbonate plant
- Q4 2019 – Process equipment arrival to site commences
- Q2 2020 – Complete pond construction & liming process at the ponds commences
- Q3 2020 – Complete production wellfield
- Q4 2020 – Lithium carbonate plant mechanical completion
- Early 2021 - Commissioning and first production
- 2022 – Full 40,000 tpa production rate achieved

Report Filing

The Company plans to file an NI 43-101 compliant technical report that summarizes the DFS on SEDAR and on the Company's website within 45 days.

Qualified Persons

The DFS was prepared in accordance with NI 43-101 standards by Montgomery, Ausenco and ACSI in conjunction with a team of globally recognized consultants. The independent qualified persons who lead the team of consultants are:

- Daniel Weber, PG, a United States professional geoscientist and hydrogeologist with Montgomery, and is a registered member of the Society for Mining, Metallurgy & Exploration (SME). Mr. Weber is one of the independent qualified persons signing the DFS.
- Ernie Burga, P.Eng., a Canadian Professional Engineer registered with the Professional Engineers of Ontario is one of the independent qualified persons signing the DFS for ACSI.
- David Burga, P.Geo., a Canadian Professional Geoscientist registered with the Association of Professional Geoscientists of Ontario is one of the independent qualified persons signing the DFS for ACSI.
- Tony Sanford, a registered scientist of the South African Council for Natural Scientific Professions (SACNASP) is the independent qualified person signing the report for Ausenco Perú S.A.C.
- Wayne Genck, a PhD Chemical Engineer and a member of the American Institute of Chemical Engineers and the American Chemical Society. Dr. Genck has 40 years' experience in the United States and abroad and is an independent qualified person as defined under NI 43-10 l.

Each of the qualified persons noted above has reviewed and approved the scientific and technical information in this press release.

Further information about the Project, including a description of the key assumptions, parameters, description of sampling methods, data verification and QA/QC programs, methods relating to resources and reserves and factors that may affect those estimates will be contained in the technical report that summarizes the DFS which will be available on SEDAR and on the Company's website within 45 days of the date of this news release.

Conference Call & Webcast

Lithium Americas will host a conference call and live webcast on Tuesday, October 1, 2019 at 9:00 am EST to discuss the Company's recent developments and results of the DFS.

The live webcast can be accessed through the following link:
https://event.on24.com/wcc/r/2099232/57153658E393C371DD436A5117EF9F8B

Analysts and investors are also invited to participate and ask questions using the dial-in numbers below:

Toronto: +1 416 764 8659
Vancouver: +1 778 383 7413
North American toll-free: +1 888 664 6392

The conference call and webcast will be available for playback on Lithium Americas' website.

About Lithium Americas:

Lithium Americas owns a 50% interest in the Caucharí-Olaroz lithium project under construction in Jujuy, Argentina. Lithium Americas through a wholly owned subsidiary, Lithium Nevada Corp., owns 100% of the Thacker Pass lithium project located in Nevada and the largest known lithium deposit in the United States. The Company trades on both the Toronto Stock Exchange and on the New York Stock Exchange, under the ticker symbol “LAC”.

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Forward-Looking Statements & Information

This news release contains “forward-looking information” and “forward-looking statements” (which we refer to collectively as forward-looking information) under the provisions of applicable securities legislation. Forward-looking information can be identified by the use of words such as seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “propose”, “potential”, “target”, “intend”, “could”, “might”, “should”, “believe”, “scheduled”, “implement” and similar words or expressions. All statements, other than statements of historical fact, are forward-looking information. Examples of forward-looking information in this news release include, without limitation, with respect to the following matters or the Company’s expectations relating to such matters: successful development of the Project; capital expenditures and programs, operating costs, sustaining capital requirements, after tax NPV and sensitivity analyses, cash flows and EBITDA; estimates of mineral resources and mineral reserves; development of mineral resources and mineral reserves; government regulation of mining operations and treatment under governmental and taxation regimes; future price of commodities, including lithium; realization of mineral resources and mineral reserves estimates, including whether mineral resources will ever be developed into mineral reserves and information and underlying assumptions related thereto; timing and amount of future production; currency exchange and interest rates; expected outcome and timing of environmental surveys and permit applications and other environmental and social matters; expected expenditures to be made by the Company; timing, cost, quantity, capacity and product quality of production at the Project; successful operations of the joint venture co-ownership structure; ability to produce high quality battery grade lithium carbonate; and ability to achieve capital cost efficiencies.

Forward-looking information may involve known and unknown risks, assumptions and uncertainties which may cause the Company’s actual results or performance to differ materially. This information reflects the Company’s current views with respect to future events and is necessarily based upon a number of assumptions that, while considered reasonable by the Company today, are inherently subject to significant uncertainties and contingences, and accordingly, the Company can give no assurance that these assumptions and expectations will prove to be correct. With respect to forward-looking information included in this news release, the Company has made assumptions regarding, among other things: current technological trends; the business relationship between the Company and Ganfeng Lithium; ability to fund, advance and develop the Project; the ability to operate in a safe and effective manner; uncertainties relating to receiving and maintaining mining, exploration, environmental and other permits or approvals in Argentina; demand for lithium; impact of increasing competition in the lithium business, including the Company’s competitive position in the industry; general economic conditions; stability and support of legislative, regulatory and community environment in the jurisdiction where it operates; estimates of and changes to market prices for lithium and commodities; exploration, development and construction costs for the Project; estimates of mineral resources and mineral reserves, including whether mineral resources will ever be developed into mineral reserves; reliability of technical data; anticipated timing and results of exploration,

development and construction activities; the ability to achieve commercial production; and accuracy of budget and construction estimates.

Forward-looking information also involves known and unknown risks that may cause actual results to differ materially, these risks include, among others: the Project may not be developed as planned, and there is uncertainty as to whether there will ever be production at the Project; cost overruns; market prices affecting development of the Project; risks associated with co-ownership arrangements; risks with ability to successfully secure adequate financing; risks to the growth of the lithium markets; lithium prices; inability to obtain required governmental permits and that operations may be limited by government-imposed limitations; technology risk; inability to achieve and manage expected growth; political risk associated with foreign operations, including co-ownership arrangements with foreign domiciled partners; emerging and developing market risks; risks associated with not having production experience; operational risks; changes in government regulations; changes in environmental requirements; failure to obtain or maintain necessary licenses, permits or approvals; insurance risk; receipt and security of mineral property titles and mineral tenure risk; changes in project parameters; uncertainties associated with estimating mineral resources and mineral reserves, including uncertainties regarding assumptions underlying such estimates; whether mineral resources will ever be converted into mineral reserves; opposition to development of the Project; lack of unitization and reservoir management rules; surface access risk; geological, technical, drilling or processing problems; liabilities and risks; health and safety risks; unanticipated results; unpredictable weather; unanticipated delays; reduction in demand for lithium; inability to generate profitable operations; restrictive covenants in debt instruments; intellectual property risks; dependency on key personnel; currency and interest rate fluctuations; and volatility in general market and industry conditions. Additional risks, assumptions and other factors are set out in the Company's management discussion analysis and most recent annual information form, copies of which are available on SEDAR at www.sedar.com.

Although the Company has attempted to identify important risks and assumptions, given the inherent uncertainties in such forward-looking information, there may be other factors that cause results to differ materially. Forward-looking information is made as of the date hereof and the Company does not intend, and expressly disclaims any obligation to, update or revise the forward-looking information contained in this news release, except as required by law. Accordingly, readers are cautioned not to place undue reliance on forward-looking information.

Non-IFRS Financial Measures

Average EBITDA ("EBITDA") and NPV are non-IFRS financial measures and have no standardized meaning prescribed to them, and as a result, may not be comparable to those presented by other issues. As used herein, EDBITA excludes the following from "net earnings" (which is an IFRS financial measure): income tax expense, finance costs and depletion, depreciation and amortization. Management believes that EBITDA is a valuable indicator of the Minera Exar's ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations, and fund capital expenditures. Management believes that NPV is a useful indicator of profitability and economic value of a project. Management uses EBITDA and NPV for these purposes. Each are also frequently used by investors and analysts for valuation purposes to determine the approximate total enterprise value of a company. Readers are cautioned that EBITDA should not be construed as an alternative to net earnings or other metrics of cash as determined in accordance with IFRS.