

Clarification of August 23, 2018 News Release Titled: "Lithium Chile Hits 480 mg/L of Lithium Brine on 1st Drill Hole at Ollague, Chile"

TSX Venture Exchange: "LITH"
OTC-QB: LTMCF

CALGARY, Aug. 23, 2018 /CNW/ - Lithium Chile Inc. ("**Lithium Chile**") is pleased to announce that lithium-bearing brines have been intersected by the first of four drill holes at its wholly-owned Ollague project located in the Antofagasta Region of Chile. Hole DDH-OLL-01-18 encountered an aquifer hosting lithium-bearing brines at a depth of 110 meters which continued to a depth of 290 meters. This continuous 180-meter zone of brine returned grades of up to 480mg/L lithium. The average grade over the last 60 meters was 470 mg/L lithium.

Steve Cochrane, President and CEO of Lithium Chile, commented: "*Hitting such a thick and continuous zone of lithium-bearing brine on our very first hole at Ollague is a huge testament to the ability of our exploration team in Chile*".

Hole DDH-OLL-01-18 is located in the shallower, southwestern edge of the Ollague salar and bottomed at 300 meters. Hole # 2 was also drilled in the southwestern edge of the salar (now completed) with assays pending. Hole # 3 (now completed) and hole # 4 (in progress) are targeting the center of the Ollague salar where the Company anticipates that the zone will continue to deeper depths.

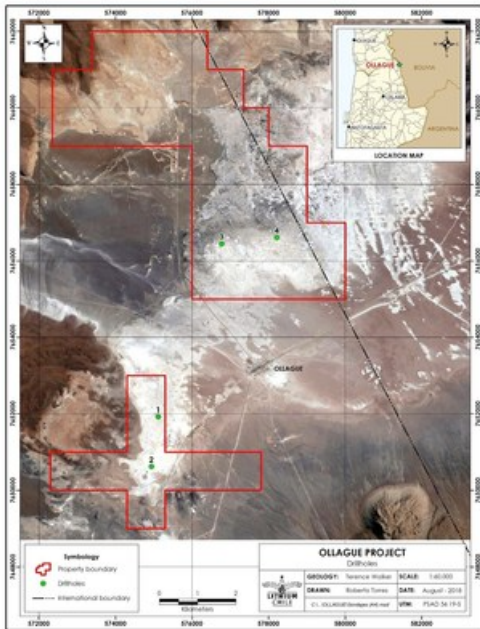
The depths intersected coincide very closely with the main low conductivity zone detected by the transient electromagnetic survey ("TEM") completed by Lithium Chile during March, 2018 (see news release dated April 3, 2018) which supports Lithium Chile's interpretation that the salar is open to significantly deeper depths.

Hole DDH-OLL-01-18

Depth (m)	K mg/l	Li mg/l	Mg mg/l
50	<500	10	233
70	<500	20	276
90	<500	10	193
110	<500	10	206
130	1200	150	1140
150	2000	270	2070
170	2400	260	2530
190	3500	370	3505
210	3400	360	3400
230	3600	380	3600
250	4300	460	4300
270	4500	470	4370
290	4600	480	4500

These results, obtained from an unsealed hole and therefore subject to possible dilution from fresh water used to drill the hole and near surface fresher brines, are highly significant in Lithium Chile's view.

As grades are increasing with depth, management is evaluating the feasibility of drilling hole #4 deeper and potentially drilling an additional hole as well to more fully evaluate the salar at deeper depths.



Ollague Project (CNW Group/Lithium Chile Inc.)

The water samples were tested on site for salinity and conductivity and then bottled and sealed on site and shipped to ALS Patagonia, an accredited laboratory, where they were analysed for lithium and 25 other major and trace elements using the ICP analytical technique.

Terence Walker, P. Geo., Vice President of Exploration and a qualified person as that term is defined in National Instrument 43-101, has reviewed and approved the scientific and technical disclosure in this news release.

About Lithium Chile

Lithium Chile is advancing a lithium property portfolio consisting of 152,900 hectares covering sections of 14 salars and 1 laguna complex in Chile.

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

On Behalf of the Board of Directors,

LITHIUM CHILE INC.

Steven Cochrane
President & CEO

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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 information can be identified by the use of forward-looking terminology such as "expects", "believes", "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, management of the Company's views regarding assay results as well as current and subsequent drilling programs.

You are cautioned that the following list of material factors and assumptions is not exhaustive. Specific material factors and assumptions include, but are not limited 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. Accordingly, readers should not place undue reliance on forward-looking statements. 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 press release are expressly qualified by this cautionary statement.

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CO: Lithium Chile Inc.

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