

LITHIUM CHILE SIGNS DEFINITIVE AGREEMENT AND BEGINS DRILL PROGRAM ON IT'S PRODUCTION TEST WELL ON THE ARIZARO PROPERTY IN ARGENTINA; ON TRACK AND AHEAD OF SCHEDULE

TSX Venture Exchange: LITH
OTC-BB: LTMCF

For Immediate Release

CALGARY, ALBERTA, August 25, 2021 – Lithium Chile Inc. (“**Lithium Chile**” or the “**Company**”) is pleased to announce that the Company’s planned production test well began drilling on its Arizaro property in Salta Province, Argentina, on August 23.

Steve Cochrane, President and CEO of Lithium Chile commented: *“I am extremely pleased at the speed with which our Argentinian management team has been able to plan and execute on our Arizaro production test well. They have assembled a group of service providers that are regarded as the best in Salta province and I am confident they will bring this project in successfully on time and on budget. Given the immense size and potential of the Arizaro prospect this is truly a game changing opportunity for Lithium Chile”*

HIGHLIGHTS

- **Arizaro property secured:** definitive agreement to acquire 60% interest in Arizaro property has now been executed and Lithium Chile’s wholly owned Argentinian subsidiary, Argentum Lithium – legally incorporated and registered;
- **Indigenous Community Approval:** Production test program approved and supported by the Indigenous community of Tolar Grande;
- **Infrastructure construction underway:** SMG Group hired to build access road and drill pad for production well, 17 km access road completed;
- **Drilling Rig ‘ready to start’:** Drilling contractor, Andina Perforaciones, has been contracted to work on the Arizaro property and is currently mobilizing the drill rig;

- **Pandemic not affecting timetable – the timetable is currently unaffected by Covid restrictions**



Road and Infrastructure construction commenced on the August 9, 2021 and was completed on August 20. Seventeen km. road and drill pad have been completed, fuel tanks have been set up and brine pits have been dug. The production test well drilling will commence the week of August 23, 2021.



The initial production test well will be drilled to a depth of 500 metres and is anticipated to take 60 days to complete. Geophysics show that the target brine aquifer identified by the prior exploration well is between 300 and 500 metres deep. Samples are planned for every 50 metres. After the production well is completed a down hole pump will be installed and a planned 30-day pump test is planned. This pump test is designed to provide data on flow rates, recharge capacity and lithium grade of the brine produced. The data collected will determine the commercial potential of the lithium prospect.

About Lithium Chile

Lithium Chile is advancing a lithium property portfolio consisting of 68,000 hectares covering sections of 12 lithium prospective Salars in Chile and now, 23,300 hectares in Argentina. A metallurgical sample program has just been completed on Salar de Laguna Blanca with assays pending.

Lithium Chile also owns 5 properties, totaling 22,429 hectares, that are prospective for gold, silver and copper. Exploration efforts are continuing on Lithium Chile's Carmona gold/silver/copper property which lies in the heart of the Chilean mega porphyry gold/silver/copper belt.

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

To find out more about Lithium Chile Inc., please contact Steven Cochrane, President and CEO via email: steve@lithiumchile.ca or alternately, Jose de Castro Alem, Argentina Manager via email jdecastroalem@gmail.com

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