

# Lithium Chile to spin out Chilean Copper Gold assets and complete \$4,000,000 private placement

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TSX Venture Exchange: "LITH"

CALGARY, Jan. 30, 2018 /CNW/ - Lithium Chile Inc. ("**Lithium Chile**" or the "**Corporation**") is pleased to provide an update on the proposed spin out of its Chilean copper gold assets and the arranging of a \$4,000,000 private placement.

The Corporation anticipates using existing working capital to complete the previously announced "spin-out" of its Chilean Copper/Gold/Silver property portfolio (the "**Spin-Out Transaction**") into a stand-alone, publicly listed, company to be named Kairos Metals Corporation ("**Kairos Metals**"), as announced December 19, 2017. The effective date for the Spin-Out Transaction is expected to be approximately five days after a meeting of the Corporation's shareholders has been held to approve the arrangement and will result in a shareholder of Lithium Chile owning an equal *pro rata* percentage of Kairos Metals on an issued and outstanding basis. The Corporation expects to provide its shareholders with further information on this exciting development within the next two weeks, once the terms of the Spin-Out Transaction have been determined.

Steve Cochrane, President and CEO of Lithium Chile, commented: "*We are delighted to be spinning out our wholly owned copper-gold-silver property portfolio into their own public company, unlocking the significant value they contain for the benefit of all shareholders.*"

The Corporation is also pleased to announce that it intends to complete, subject to regulatory approval, a non-brokered private placement of up to 4,000,000 units ("Units") at a price of \$1.00 per Unit for aggregate gross proceeds of up to \$4,000,000 (the "Offering"). Each Unit will be comprised of one common share ("Common Share") and one-half of one share purchase warrant entitling the holder to purchase an additional Common Share of the Corporation at a price of \$1.50 per Common Share for a term of two years from the closing date of the Offering. The Common Shares and Warrants issued pursuant to the Offering will be subject to a four month hold period from the date of closing of the offering.

Lithium Chile may engage agents in connection with the Offering and in connection therewith may pay a cash commission equal to 7% of the proceeds of the Offering. Agents may also receive broker warrants equal to 7% of the number of Common Shares issued under the Offering. Each broker warrant will entitle the holder to acquire a Common for a price of \$1.00 for a period of 18 months. Commission payments and the issuance of broker warrants remain subject to TSX Venture Exchange ("TSX-V") approval.

The Corporation expects to transfer a portion of the proceeds of the Offering into Kairos Metals as general working capital. The balance of the proceeds from the Offering, will be used to further ongoing exploration efforts on the Corporation's extensive lithium property portfolio in Chile and for general working capital purposes.

The Corporation confirms there is no material fact or material change related to it which has not been generally disclosed.

## About Lithium Chile (TSX-V: LITH)

Lithium Chile Inc. is advancing a lithium property portfolio consisting of approximately 134,000 hectares on 15 salars in Chile. The properties include 56 square kilometres on the Salar de Atacama, which hosts the world's highest concentration lithium brine production and is currently the source of about 30% of the world's lithium production. Lithium Chile also owns a significant Chilean Copper/Gold/Silver property portfolio consisting of approximately 266 square kilometres over 6 different properties.

Lithium Chile Inc.'s common shares are listed on the TSX-V under the symbol "LITH.V"

## Reader Advisory

Neither the TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts any responsibility for the adequacy or accuracy of this press release.

## 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 Corporation's views regarding its properties and the ability of the Corporation to conduct exploration on its properties, the anticipated drilling program of the Corporation and the proposed Spin-Out Transaction.

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 Corporation operates; the timely receipt of required regulatory approvals; the ability of the Corporation to obtain future financing on acceptable terms; currency, exchange and interest rates; operating costs; and the success the Corporation will have in exploring its prospects and the results from such prospects. Accordingly, readers should not place undue reliance on forward-looking statements. The Corporation 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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