

FORM 51-102F3
Material Change Report

1. Name and Address of Company:

Lithium Chile Inc.
900, 903 – 8th Avenue SW
Calgary, AB T2P 0P7

2. Date of Material Change:

May 17, 2021

3. News Releases:

May 17, 2021

4. Summary of Material Changes:

On May 17, 2021 Lithium Chile Inc. announced that it had added an Argentinian lithium salar property to its portfolio by entering into a binding Letter of Intent (“**LOI**”) with SMG S.R.L. of Jujuy, Argentina. The LOI enables Lithium Chile to earn up to an 80% interest in the 233 Sq Km Salar De Arizaro located in Salta Province, Argentina.

5. Full Description of Material Change:

5.1 Full Description of Material Change:

Please see the press releases attached as Schedule "A" hereto.

5.2 Disclosure for Restructuring Transaction:

Not applicable.

5. Reliance on Subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not Applicable

6. Omitted Information:

Not Applicable

7. Executive Officer:

Steve Cochrane
900, 903 – 8th Avenue SW
Calgary, AB T2P 0P7
Telephone: (587) 393-5801

8. Date of Report:

May 17, 2021

SCHEDULE “A”

LITHIUM CHILE EXPANDS INTO ARGENTINA WITH 850 MG/L+ LITHIUM PROPERTY WITH AGREEMENT TO EARN INTO THE 233 SQ KM SALAR De ARIZARO

TSX Venture Exchange: LITH
OTC-BB: LTMCF

For Immediate Release

CALGARY, ALBERTA, MAY 17, 2021 – Lithium Chile Inc. (“**Lithium Chile**” or the “**Company**”) is pleased to announce that it has added an Argentinian lithium salar property to its portfolio by entering into a binding Letter of Intent (“**LOI**”) with SMG S.R.L. of Jujuy, Argentina. The LOI enables Lithium Chile to earn up to an 80% interest in the 233 Sq Km Salar De Arizaro located in Salta Province, Argentina. The LOI gives Lithium Chile the opportunity to earn a large and dominant land position in the center of the largest undeveloped salar in Argentina.

HIGHLIGHTS

- **850 mg/l lithium grades already established from a three-hole drill program conducted in 2019;**
- **Arizaro exploration target covers 233 Sq Km;**
- **Surface area of Arizaro prospect larger than the Salar de Pastos Grande (Millennial Lithium) and the Salar de Pozuelos (Litica Project);**
- **Lithium Chile will be one of the only junior companies with active programs in two of the lithium triangle countries.**

The 2019 three-hole exploration program identified a high-grade lithium zone in the aquifer. The size and potential of the Salar De Arizaro is well known. Major players Eramine (Eramet SA) and LITICA (formerly LSC Lithium) are neighbors in the salar.

Lithium Chile views the Arizaro project as transformational for the Company. Management believes that because such strong assay results have already been returned, the project will enable Lithium Chile to rapidly transition from an exploration stage company to a production stage company.

The LOI contemplates that Lithium Chile will earn a 60% interest in the Arizaro prospect over a term of three years in stages. The first stage involves the drilling and production testing of a well to be completed in the first six months at an estimated cost of up to US \$800,000, and includes payments to the vendors totaling US \$300,000. Lithium Chile will be able to analyze the results of the production test, including flow rates and lithium grades, and thereafter have a 180-day period to exercise its option to proceed to the second stage involving further property expenditures totaling US \$6,000,000 over 2.5 years which will earn Lithium Chile a 60% interest in the entire project.

Lithium Chile will be entitled to acquire an additional 20% interest in the entire project by completing a bankable feasibility study after the second stage such that total earning will be 80 percent.

Jose de Castro Alem, a Lithium Chile Director and a resident of Salta, Argentina, will oversee the project on Lithium Chile’s behalf.

Mr. Castro Alem is a Chemical Engineer with over 25 years of experience in lithium brine projects, primarily in Argentina. Jose began his career with Livent in Argentina and was one of the early founders of Orocobre. With Orocobre he was involved from the early exploration phases through to the construction of both evaporation ponds and the lithium production facility. He was also instrumental in the early exploration efforts by NRG Metals Inc. which culminated in a discovery and preliminary resource estimate of over 500,000 tons of lithium

Steve Cochrane, President and CEO of Lithium Chile commented, “We are extremely pleased to have entered into this agreement because it affords us the opportunity to potentially transition from a pure exploration company to that of a producing company. We believe that this opportunity has the realistic potential to be commercially viable for production and enhances our Chilean opportunities by advancing our plans by a number of years. This opportunity exposes our shareholders to an expanding, geographically diverse portfolio

in two of the prominent countries that form the prolific “Lithium Triangle.”

Formal agreements are expected to be completed within 60 days and are subject to regulatory approval including, but not limited to, the approval of the TSX Venture Exchange.

Qualified Person

Mr. Gabriel Paganini, Mining Eng., qualified person registered in AusIMM under Lic. 317013 within the meaning of JORC 2012, has reviewed the contents of this news release.

About Lithium Chile

Lithium Chile is advancing a lithium property portfolio consisting of 71,900 hectares covering sections of 10 salars and two laguna complexes in Chile and now, 23,300 hectares in Argentina.

Lithium Chile also owns 5 properties 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 Manager of Lithium Operations email jdecastroalem@gmail.com.

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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 entering into formal agreements, the Company earning an interest in the Arizaro prospect, the drilling of a production well.

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 news release are expressly qualified by this cautionary statement.