



ADVANTAGE LITHIUM CORP.
#1305 - 1090 West Georgia Street
Vancouver, BC V6E 3V7
Tel: 604-685-9316 | Fax: 604-683-1585
www.AdvantageLithium.com

TSX Venture Exchange Symbol: AAL

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NEWS RELEASE

January 24, 2017

Advantage Lithium Provides Update on Orocobre Transaction and \$20M Financing for Argentina Assets

Company to proceed with Orocobre transaction to acquire the Cauchari project, which hosts an inferred lithium brine resource and large defined exploration target

Vancouver, British Columbia, January 24, 2017 – Advantage Lithium Corp. (the “Company” or “Advantage Lithium”) (TSXV: AAL) announces, further to its news release of November 23rd 2016, the final terms of its private placement financing of \$20,000,000. In addition the Company has agreed with Orocobre that the transaction terms in the definitive agreement will be 54,500,000 common shares and a warrant to purchase an additional 3,000,000 common shares. The warrant will have same terms as warrants issued in conjunction with the financing. The Company and Orocobre expect that the definitive agreement will be completed by the end of February 2017.

News Highlights

- Funds raised to be used to develop the advanced Cauchari asset, including its large defined exploration target, five other wholly owned (100%) Argentine assets comprising ~85,543 hectares and general corporate purposes.
- Large exploration target defined with a range of 0.25 to 5.6 mt of lithium carbonate and 0.9 mt to 19 mt of potash (KCl).¹
- Cauchari hosts an inferred resource containing an estimated 230 million cubic metres of brine at ~380 mg/l Li and 3,700 mg/l K. This is equivalent to 470,000 tonnes of lithium carbonate (~88,000 tonnes lithium metal) and 1.62 million tonnes of potash (KCl – equivalent to ~840,000 tonnes of potassium).
- The project is adjacent to Lithium America’s Cauchari project. Lithium Americas recently proposed a combined equity and debt financing of USD \$286M investment by Bangchak Petroleum Public Company Ltd. and GFL International Ltd. to put its project into production.
- Advantage Lithium/Orocobre’s Cauchari project lies close to Orocobre’s lithium production facility and has the potential for fast-tracked, low cost production

David Sidoo, CEO and President, of Advantage Lithium, commented, “As evidenced by the significant \$286M combined equity and debt investment in Lithium Americas, proposed by two Asian based companies, to put their Cauchari project, adjacent to the Advantage Lithium/Orocobre property, into production, the Cauchari salar is seen as a high-priority source of future lithium production and we are excited to have the funding and partnership to aggressively develop our presence there. We look forward to working with the Orocobre team, including Richard Seville, Managing Director, CEO and Rick Anthon,

General Counsel, Joint Company Secretary, both of whom are expected to be joining the board of Advantage Lithium upon completion of the acquisition."

Sidoo continued: "As soon as possible, we plan to implement agreed upon work programs at Cauchari. This year is going to be extremely productive and busy for Advantage Lithium: we are already following up the successful phase one drilling at Clayton NE with 3 additional holes and 5 permitted holes at Cauchari in Argentina, to begin delineating the large exploration target in Q1 this year. Cauchari hosts a shallow, lithium brine resource and large exploration target is located close to Orocobre's lithium production facility and we have several fast-track development options open to us."

Richard Seville, CEO of Orocobre, commented, "We are pleased to be working with Advantage Lithium to advance the properties. The success to date of the capital raise demonstrates the market's strong belief in the high quality of the Cauchari development property as well as the other assets. "

FINANCING

Led by Dundee Capital Partners ("Dundee") and Canaccord Genuity Corp. (together known as the "Agents") under which the Agents have agreed to offer for sale subscription receipts of the Company (the "Subscription Receipts"), subject to all required regulatory approvals, at a price per Subscription Receipt of \$0.75 (the "Offering Price"), for total gross proceeds of \$20,000,000 (the "Offering").

Each Subscription Receipt will entitle the holder thereof to receive one Unit of the Company without payment of additional consideration or further action, provided that the Escrow Release Conditions have been satisfied prior to the Escrow Deadline (as defined below), upon the date (the "Qualification Date") which is the earlier of: (i) four months and a day after the closing of the Offering; and (ii) the third business day following the issuance of a receipt (the "Final Receipt") for a final prospectus qualifying the Units underlying the Subscription Receipts. Each unit will comprises a share and half a warrant, each whole warrant exercisable for one additional share for 24 months after closing at \$1.00 a share. The Subscription Receipts will be issued pursuant to a subscription receipt agreement (the "Subscription Receipt Agreement") to be entered into among the Company, the Agents and the subscription receipt agent. Pursuant to the Subscription Receipt Agreement, the gross proceeds from the Offering (less 50% of the Agent's cash commission and all of the Agent's expenses) (the "Net Escrowed Funds") will be held in escrow pending satisfaction of the escrow release conditions (the "Escrow Release Conditions"), including (i) completion of the Acquisition as contemplated by the definitive agreement to be entered into with Orocobre, including receipt of all regulatory approvals, shall have been completed or waived on terms previously disclosed to or otherwise reasonably acceptable to the Agents; (ii) the receipt of all necessary regulatory approvals (including if necessary, shareholder approval) with respect to the Offering including conditional approval from the TSX Venture Exchange with respect to the listing of the Units underlying the Subscription Receipts; (iii) the Company having delivered a certificate to the Agents that the conditions set forth in (i) and (ii) have been satisfied; and (iv) the Company and the Agents having delivered the completion notice and direction pursuant to the Subscription Receipt Agreement to the subscription receipt agent. Upon satisfaction of the Escrow Release Conditions, the remaining 50% of the cash commission will be released to the Agents plus any additional expenses of the Agents, if any, and the balance of the Net Escrowed Funds, together with any interest earned thereon, will be released to the Company. The Subscription Receipts will not convert into Units until the later of (i) the Qualification Date and (ii) the satisfaction of the Escrow Release Conditions, as described above.

In the event that the closing sale price of the Shares on the TSX Venture Exchange is greater than \$1.50 per Share for a period of 20 consecutive trading days at any time after the Subscription Receipts are exchanged for Units, the Company may accelerate the expiry date of the Warrants by issuing a press

release and in such case the Warrants will expire on the 30th day after the date on which such press release is issued.

The Agents have the option to offer for sale up to an additional 15% of the Subscription Receipts sold under and on the same terms as the Offering at any time until 48 hours prior to the closing date of the Offering. In consideration for their services, the Agents will be paid a cash commission of approximately 6% of the proceeds from the sale of the Subscription Receipts, and will be issued a compensation warrant entitling them to subscribe for Units equal in number to approximately 6% of the number of Subscription Receipts sold in the Offering, exercisable at a price of \$0.75 per Unit for a period of 24 months following the closing of the Offering.

If the Escrow Release Conditions are not satisfied on or before March 31, 2017 the Subscription Receipts will be deemed to be cancelled and holders of Subscription Receipts will receive a cash amount equal to the Offering Price of the Subscription Receipts and any interest that was earned on the Net Escrowed Funds less any applicable withholding taxes. The Company will be responsible for any shortfall in the amount returnable to holders of Subscription Receipts in this event.

The closing of the Offering is expected to occur February 13, 2017 and is subject to the completion of formal transaction documentation and the receipt of regulatory approvals, including the approval of the TSX Venture Exchange.

The securities offered have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The technical information in this news release has reviewed and approved on behalf of the company by Ross McElroy, P.Geo. Technical Advisor and Director for Advantage Lithium Corp., and a “Qualified Person” as defined in NI 43-101.

⁽¹⁾ An exploration target is not a mineral resource. The potential quantity and grade of the exploration target is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource in the volume where the Exploration Target is outlined. It is uncertain if further exploration drilling will result in the determination of a Mineral Resource in this volume.

Further information about the Company can be found at www.advantagelithium.com.

About Advantage Lithium Corp.

Advantage Lithium Corp. is a resource company specializing in the strategic acquisition, exploration and development of lithium properties and is headquartered in Vancouver, British Columbia. The common shares of the company are listed on the TSX Venture Exchange under the symbol “AAL”. The company has signed an LOI, subject to definitive agreement, with lithium producer, Orocobre, to acquire 100% interest in five projects in Argentina and a 75% interest in a sixth, called Cauchari. Cauchari is host to a near-surface resource of 470,000 tonnes of lithium carbonate equivalent (LCE) and 1.62 million tonnes of potash (KCL), and a large exploration target of 5.6mt to 0.25mt of LCE and 19mt to 0.9 of KCL. Cauchari is located just 20 km south Orocobre’s flagship Olaroz Lithium Facility. The Company is also earning an interest from Nevada Sunrise Gold Corp., in a portfolio of five lithium brine projects in the

Clayton and Lida Valley regions of Nevada, USA, including 70% in Clayton NE. In addition, the Company has acquired 100% of the Stella Marys lithium brine project, immediately adjacent to Orocobre's Salinas Grandes project that hosts an inferred, near-surface resource, in Argentina's Lithium Triangle.

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Per: "David Sidoo"
David Sidoo, President
Tel: 604.685.9316 | Fax: 604.683.1585
Email: info@advantagelithium.com

Cautionary Statement:

Certain information contained in this press release constitutes "forward-looking information", within the meaning of Canadian legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur", "be achieved" or "has the potential to". Forward looking statements contained in this press release may include statements regarding the future operating or financial performance of Advantage that involve known and unknown risks and uncertainties which may not prove to be accurate. Actual results and outcomes may differ materially from what is expressed or forecasted in these forward-looking statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Among those factors which could cause actual results to differ materially are the following: market conditions and other risk factors listed from time to time in our reports filed with Canadian securities regulators on SEDAR at www.sedar.com. The forward-looking statements included in this press release are made as of the date of this press release and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.

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