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TSX Venture Exchange Symbol: AAL

NEWS RELEASE

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Advantage Lithium Corp Announces Positive Preliminary Economic Assessment for Cauchari Joint-Venture and Appoints Goldman Sachs & Co. LLC as Exclusive Financial Advisor

Vancouver, British Columbia, August 14th 2018 – Advantage Lithium Corp. (the "Corporation" or "Advantage Lithium") (TSX Venture: AAL) (OTCQX: AVLIF) is pleased to announce the results of its Preliminary Economic Assessment ("PEA") for the production of Lithium Carbonate from a 20ktpa capacity stand-alone plant located at its Cauchari Joint-Venture project ("Cauchari JV") in the province of Jujuy, Argentina. The PEA was prepared by WorleyParsons Chile S.A. ("Worley Parsons"), a leading integrated independent engineering services firm with extensive experience in the design and construction of Lithium brine projects in Argentina and Chile.

Key Points:

- **US\$ 827 Million after-tax NPV at 8% discount rate and IRR of 24.3 % for 20,000 TPY production of lithium carbonate. (Pre-Tax NPV - \$1,321 Million)**
- **Pre- Production CAPEX estimate of US\$ 401 million for a 20,000 TPY operation**
- **OPEX of US \$3,667 /tonne of lithium carbonate average after production ramp-up .**
- **Processing facilities design based on proven solar evaporation technology and conventional lithium brine processing, leveraging JV partner Orocobre's project development experience**
- **Mine life of 25 years including a 3-year ramp up for 20,000 TPY production scenario based on conversion factors applied to 3Mt resource published in May 2018**
- **Cauchari resource conversion to Measured and Indicated well underway with DFS to commence in Aug 2018 with completion in early Q2 2019, both fully funded by the AAL/Orocobre Joint Venture.**
- **The resource is open to the south and at depth, with potential to add significant tonnage with additional exploration, including in the deep sand unit**
- **Engaged Goldman Sachs & Co. LLC to evaluate strategic partnerships and financing alternatives to fund its portion of the development capital**

David Sidoo, CEO and Founder commented "We are very pleased that we have advanced our Cauchari JV from exploration through to a completed PEA in just over a year. These encouraging results were based on the operational experience of our Advantage team, JV partner Orocobre and industry benchmarks. This clearly demonstrates the potential of Cauchari JV as a robust project with operating costs expected to be in the lower quartile of the industry cost curve. Advantage intends to advance rapidly through our Phase III drilling and well testing programs to Measured and Indicated resources as an input to our dynamic production model. The results from this work are required to support resource to reserve conversion and to achieve our target Definitive Feasibility Study ("DFS") completion by Q2 2019."

Preliminary Economic Assessment Highlights

Net Present Value ("NPV") @ 8% Discount Rate (before tax)	\$ 1,321 M
Net Present Value ("NPV") @ 8% Discount Rate (after tax)	\$ 827 M
Internal Rate of Return ("IRR") (after tax)	24.3%
CAPEX	\$ 401 M
OPEX (per tonne of Lithium Carbonate)	\$ 3,667
Average Annual Production (Tonnes Lithium Carbonate)	20,000
Mine Life	25 years
Payback (from start of production)	3 y,4 Mo
Payback (from start of construction)	5 y,11 Mo
Sustaining Capital (LOM)	\$ 2.75 M/yr

All figures are quoted in U.S. dollars

All Economic model outputs are expressed on a 100 % project ownership basis

Capital Costs

The total Direct Capital costs of the Project for 20Ktpa production of lithium carbonate are estimated at \$282 million. The total initial capital costs estimate is \$401 million which includes Direct Costs, Indirect Costs and Contingency costs of \$70 million estimated at 25 % of the Direct Costs.

Direct Capital Costs	(USD Millions)
Brine well field	30
Evaporation Ponds	128
Liming Plant	8
Lithium Carbonate Plant and General Services	86
Infrastructure	30
Indirect Capital Costs	49
Contingency (25% of Direct Costs)	70
TOTAL CAPEX	401

Operating Costs

The Operating Cost estimate is also divided into Direct Costs and Indirect Costs (see below). The Direct Costs associated with the brine extraction and processing operations of the Project are estimated at \$3,565 per tonne of lithium carbonate over the life of the mine after start-up. Indirect Costs include General and Administration and some local costs and are estimated at \$102 per tonne over the mine life for a Total OPEX estimate of \$3,667 per tonne over the mine life, after start-up.

Accuracy of both CAPEX and OPEX cost estimates prepared by WorleyParsons are within –20/+35%.

Resource Development

The current mineral resource estimate completed by Flosolutions Chile is estimated at 3,020,000 tonnes of lithium carbonate (“Li₂CO₃”) equivalent in the Inferred Resource category (see News Release dated May. 23, 2018).

This extensive lithium mineral resource delineated for the Cauchari JV resource update along with the PEA results form the basis for the resource development plan to improve confidence in the investment base case and advance to a Feasibility Study The current resource conversion program is planned to be completed in early 2019 to provide updated information for the Feasibility Study.

Table 1

Inferred Resources (lithium cut-off of 300 mg/l)						
Parameter	NW Sector		SE Sector		Total	
Resource area (km ²)	35.2		57.4		92.6	
Aquifer volume (km ³)	6.5		13.9		20.4	
Mean specific yield (Sy)	9%		4%		6%	
Brine volume (km ³)	0.6		0.6		1.2	
Element	Li	K	Li	K	Li	K
Mean concentration (mg/l)	465	3,920	443	4,078	450	4,028
Mean grade (g/m ³)	44	373	20	184	28	244
Total Resource (tonnes)	288,000	2,420,000	280,000	2,560,000	568,000	4,980,000
Lithium Carbonate (tonnes)	1,530,000		1,490,000		3,020,000	
Potash (tonnes)	4,600,000		4,900,000		9,500,000	
<i>Notes:</i>						
1. CIM definitions were followed for mineral resources.						
2. The Qualified Person for this Mineral Resource estimate is Frits Reidel, CPG.						
3. A lithium cut-off concentration of 300 mg/L has been applied to the resource estimate.						
4. Lithium is converted to lithium carbonate (Li ₂ CO ₃) with a conversion factor of 5.32.						
5. Potassium is converted to potash with a conversion factor of 1.91						
6. Numbers may not add due to rounding.						

Lithium Markets and Price

A marketing and product pricing study was completed by Signumbox, an independent Marketing consultant engaged by WorleyParsons.

Production Profile over Life of Mine

Advantage Lithium’s marketing and product mix strategy has been established to maximise value and develop QA/QC protocols for offtake arrangements for each product as the operation ramps up.

The Product mix profile Worley Parsons has used in the cash flow model is projected as follows:

- Technical Grade only (TG) Years 1- 3,
- Battery Grade Year 4 onwards, ramping up from 20% of production to 85% of production.

A weighted average price of US \$ 14,112 per tonne of lithium carbonate was used over the LOM.

The operation plan for the PEA is based on extraction of the lithium-rich brine by a conventional wellfield with pump installations and proven processing techniques.

Processing

Brine is pumped to the surface and directed to a series of evaporation ponds. Due to the fact that Cauchari brine is a low Mg/Li type of brine, the magnesium will be removed with slaked lime as magnesium hydroxide. The brine also contains sufficient sulfate in order to precipitate the calcium as gypsum liberated from the lime. During the evaporation process principally halite salts, glaserite and some sylvite and borate salts are crystalized generating a concentrated lithium solution suitable to precipitate lithium carbonate. The concentrated lithium solution is further polished in order to reduce the calcium, magnesium and other metal levels in order to produce an industrial technical grade, which is then re-crystallized in order to make a very pure battery grade product.

Technical and battery grade lithium carbonate product is planned to be transported to Antofagasta, Chile for shipment overseas.

Production is planned to start in 2021 with the plant ramping up over 3 years to a steady state of 20 ktpa lithium carbonate.

Economic Analysis

Project Design, production and cost parameters were input to the WorleyParsons Discounted Cash Flow Model for the PEA. The model generated the following results based on discount factors 6, 8 and 10% with mid-range 8% selected as the base case:

Discount Rate	NPV (After Tax)	IRR (After Tax)	NPV (Pre-Tax)	IRR (Pre Tax)
	US\$ Million	%	\$US Million	%
6%	1,121	24.3	1,763	28.8
8%	827		1,321	
10%	610		995	

The PEA data takes into account royalties applicable to the Cauchari Project

The economic analysis is based on brine grades and lithium volume estimated from the company's published Inferred Mineral Resource only. Mineral resources that are not mineral reserves do not have demonstrated economic viability. There is no certainty that the Cauchari project evaluation envisioned by the PEA will be realized. The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves

Advantage Project Director Andy Robb commented *“WorleyParsons has confirmed that the project has the potential to be technically and economically viable with many project parameters derived from proven technology and improvements on existing processes either operating or in design stage.*

Advantage is well financed to complete this work and has a strong core technical team with extensive lithium experience leading its efforts in Argentina.

To ensure we meet our development milestones and timely delivery of the DFS, Advantage plans to expand its project team while building additional capability in project management and in-house technical support with experienced industry professionals.”

Appointment of Goldman Sachs

Advantage Lithium has engaged Goldman Sachs & Co. LLC to evaluate strategic partnerships and financing alternatives to fund its portion of the development capital for the Cauchari JV, in conjunction with the completion of the Feasibility Study. Given the highly attractive results of the PEA study and the increasing global focus on security of lithium supply, Advantage Lithium is well positioned to pursue potential strategic partnerships and sources of financing that will maximize shareholder value and minimize dilution. Advantage Lithium is fully-funded through completion of its Feasibility Study.

An NI 43-101 report is required to be filed, in conjunction with the disclosure of the PEA in this news release, within 45 days.

The information contained in this news release relating to the PEA has been compiled by the WorleyParsons, Santiago, Chile team. The information has been reviewed and approved by Marek Dworsanowski, of WorleyParsons. Marek Dworsanowski, is a "Qualified Person" as the term is defined in National Instrument 43-101 and is independent of Advantage. WorleyParsons has reviewed and approved the presentation of the PEA information in this news release

To find out more about Advantage Lithium Corp. please contact Investor Relations at (604) 343-3760 or email info@advantagelithium.com

ADVANTAGE LITHIUM CORP.

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About Advantage Lithium Corp.

Advantage Lithium Corp is focused on developing its 75% owned Cauchari lithium project, located in Jujuy, Argentina. The Company also owns 100% interest in three additional lithium exploration properties in Argentina: Antofalla, Incahuasi, and Guayatayoc. The Company is headquartered in Vancouver, British Columbia and trades on the TSX Venture Exchange (TSX-V:AAL) OTCQX Best Market in the U.S. (OTCQX: AVLIF).

Further information about the Company can be found at www.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 "is expected", "intends", 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. 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.

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