

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Nov. 3, 2016) - [Millennial Lithium Corp.](#) (TSX VENTURE:ML) ("Millennial" or the "Company") reports that its wholly owned Argentine subsidiary, Proyecto Pastos Grandes S.A. ("PPG SA") has entered into a letter of intent (the "LOI") with Southern [Lithium Corp.](#) (TSX VENTURE:SNL) ("Southern") whereby, upon execution of a definitive agreement (the "Definitive Agreement") Southern will be granted the option to acquire up to an eighty (80%) percent interest in and to the Company's Cruz Property in the Pocitos salar basin in Salta Province, Argentina.

Terms of the LOI:

The LOI, dated effective October 31, 2016, calls for PPG SA and Southern to enter into a Definitive Agreement on or before November 10, 2016.

To earn a seventy (70%) interest in the Cruz Property, Southern must:

1. pay a US\$150,000 non-refundable deposit to PPG SA (which has been paid);
2. pay an additional US\$50,000 non-refundable deposit to PPG SA on execution of the Definitive Agreement;
3. on closing of the Definitive Agreement, issue to PPG SA or Millennial (at Millennial's option) US\$100,000 worth of common shares (the "Southern Shares") of Southern with the Southern Shares being valued at the same price per share as a private placement (the "Private Placement") Southern is expected to announce concurrently or shortly after the announcement of the LOI;
4. on closing of the first tranche of the Private Placement or November 30, 2016 (whichever is earlier) place in a joint exploration account the sum of US\$500,000 (the "Exploration Funds");
5. make US\$500,000 of exploration expenditures (the "Exploration Expenditures") on or before October 1, 2017;
6. pay to PPG SA the sum of US\$1,000,000 on or before October 1, 2017; and
7. pay to PPG SA the sum of US\$1,000,000 on or before October 1, 2018.

((a) to (g) being, collectively, the "Option Exercise Price").

The LOI calls for the Definitive Agreement to contain the following terms:

1. that PPG SA is expected to act as operator on the Property until the Exploration Expenditures are made upon which time Southern may assume operating responsibility;
2. that Southern can earn an additional ten (10%) of the Cruz Property by completing, on or before the date that is three years and six months from the date of the Definitive Agreement, a bankable commercial feasibility study of the Cruz Property; and
3. additional terms and conditions customary to an option agreement in the resource industry including terms governing the planning of Exploration Expenditures.

The Cruz Property was acquired by PPG SA under the terms of an option agreement (the "Underlying Option Agreement") dated effective October 11, 2016 although fully executed after that date. The Underlying Option Agreement is, for Millennial, an exempt transaction not subject to Exchange review under the Exchange's Policy 5.3. The Underlying Option Agreement provides that the Company can acquire up to a one-hundred (100%) interest in the Cruz Property from the vendor. The Company intends to use funds from the Option Exercise Price to fund its exercise of the option under the Underlying Option Agreement.

About the Cruz Property:

The 2,500 hectare Cruz Property lies at the north end of the Pocitos salar basin in Salta Province, Argentina. The Cruz Property is at the junction of a large north-south fault system and the northwest-southeast "megastructure" along which lies the Rincon volcano, the possible source of the Rincon salar lithium brine occurrences in the Rincon salar basin immediately north of the Pocitos salar basin.

The 60 kilometre long Pocitos salar basin has been the subject of surface sampling by several groups in the past. In the 1970's a government agency made a single shallow drill hole in the Pocitos salar basin. To the Company's knowledge, that drilling is the only exploration drilling to date and the results of that drilling cannot be confirmed under NI 43-101 standards for exploration applicable today. A review by the Company of recent samplings in the Pocitos salar basin tend to show higher lithium concentration along the deep faults in the basin, leading to the possibility, which would have to be confirmed with further exploration, that the faults could be conduits for lithium-bearing fluids emitted by the northern volcanic center.

The LOI is conditional upon its approval by the TSX Venture Exchange.

This news release has been reviewed by Iain Scarr, VP of Development and Exploration of the Company and a qualified person as that term is defined in National Instrument 43-101.

[Millennial Lithium Corp.](#)

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