

QUEBEC CITY, QUEBEC--(Marketwired - Oct 10, 2017) - [Nemaska Lithium Inc.](#) ("Nemaska Lithium" or the "Corporation") (TSX:NMX)(OTCQX:NMKEF) announced today an update on the concentrate production, Phase 1 Plant operation and project financing.

Flotation Concentrate Results

Nemaska Lithium is pleased to announce that it has received flotation concentrate at an average grade of 6.3% Li₂O. The flotation concentrate received originates from mineral fines (a more finely crushed material that is not suitable for DMS processing) that was processed by SGS Lakefield via a flotation circuit. In addition, Nemaska Lithium has produced a Dense Media Separation (DMS) concentrate at an average grade of 6.3% Li₂O.

Phase 1 Plant Thermal Roasting Commissioning

Nemaska Lithium has started processing spodumene concentrate from the Whabouchi mine through the thermal roasting section (calcination and acid baking) of the Phase 1 Plant. It is expected to take about three to four weeks to build an inventory of lithium sulfate to begin processing into battery grade lithium hydroxide. Processing will follow once there is a sufficient working inventory.

Lithium Hydroxide Production from Customer Lithium Sulfate

To date, Nemaska Lithium has produced 20 tonnes of battery grade lithium hydroxide for a customer using the customer's lithium sulfate solution as the primary source of raw material. The customer has approved the quality of the lithium hydroxide received.

"I am very pleased with the concentrate results from both flotation and DMS processing. Our processes at both the mine site and the Hydromet plant are technically sound. At the Phase 1 Plant, the purification, electrolysis and crystallization sections of the plant are performing very well, as evidenced by the 20 tonnes of battery grade lithium hydroxide which has been produced using third party lithium sulphate and is of excellent quality as confirmed by our customer," said Guy Bourassa, President and CEO of Nemaska Lithium.

Bourassa continued, "We are starting the thermal treatment of the concentrate and this is taking extra time due to usual mechanical start-up issues with pumps and pipes. Our technical team is adjusting and responding to these issues to continue production. The thermal treatment of concentrate into lithium sulfate has been done for decades by the Chinese using the same basic techniques as Nemaska Lithium. Once our concentrate is converted into lithium sulfate, the subsequent steps of the process should go smoothly since the balance of the plant is already commissioned and we have delivered high purity lithium hydroxide. We are now on the cusp of starting our most important milestone, which is qualifying our products with customers. That process will continue over the next several months and we will be entering into a period of active discussions with clients."

Nemaska Lithium has identified numerous potential clients which have requested lithium hydroxide and lithium carbonate samples from the Phase 1 Plant. Over the course of the next few months, Nemaska Lithium will continue processing spodumene concentrate to produce sufficient samples of lithium salts to engage potential clients that have asked to evaluate and qualify products.

Project Financing

Nemaska Lithium is currently evaluating a number of financing alternatives for the project financing including debt (from private lenders as well as traditional large banks) and/or a strategic investment either at the Company or the project level. During the project financing due diligence, several independent engineering firms evaluated the project from the mine, concentrate to final lithium salts production and submitted technical reports to the project financiers.

"We are in the fortunate position to have a number of excellent financing options on the table at the moment and we are currently weighing the merits of each to select the best scenario for our shareholders," Bourassa said. "We expect to be in a position to announce a project financing solution in the near future."

About Nemaska Lithium

Nemaska Lithium intends to become a lithium hydroxide and lithium carbonate supplier to the emerging lithium battery market that is largely driven by electric vehicles, cell phones, tablets and other consumer products. The Corporation is developing in Quebec one of the most important spodumene lithium hard rock deposit in the world, both in volume and grade. The spodumene concentrate produced at Nemaska Lithium's Whabouchi mine will be shipped to the Corporation's lithium compounds processing plant to be built in Shawinigan, Quebec. This plant will transform spodumene concentrate into high

purity lithium hydroxide and carbonate using the proprietary methods developed by the Corporation, and for which the Corporation holds nine issued patents and several patent applications that are pending in different countries, covering different aspects and improvements of its proprietary technology for preparing high purity lithium hydroxide and carbonate.

All statements, other than statements of historical fact, contained in this press release including, but not limited to, (i) the building of an inventory of lithium sulfate to begin its processing into battery grade lithium hydroxide, (ii) the resolution of start-up issues with pumps and pipes at the Phase 1 Plant, (iii) the smooth processing of concentrate into lithium hydroxide, (iv) the production of sufficient samples of lithium salts to engage potential clients, (v) the qualifying of the Corporation's products with customers, (vi) the selection of the best financing scenario among a number of excellent options and the near future announcement of a project financing solution, and (vii) generally, the above "About Nemaska Lithium" paragraph which essentially describe the Corporation's outlook constitute "forward-looking information" or "forward-looking statements" within the meaning of certain securities laws, and are based on expectations, estimates and projections as of the time of this press release. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Corporation as of the time of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These estimates and assumptions may prove to be incorrect.

Many of these uncertainties and contingencies can directly or indirectly affect, and could cause, actual results to differ materially from those expressed or implied in any forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

Further information regarding Nemaska Lithium is available in the SEDAR database (www.sedar.com) and on the Corporation's website at: www.nemaskalithium.com

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