

## American Lithium to Acquire Atlantis Property in Fish Lake Valley, Nevada - Adds 2,882 Acres to its Lithium Portfolio

VANCOUVER, May 9, 2016 - **American Lithium Corp. (TSXV: LI)** ("American Lithium" or the "Company") is pleased to announce that it has entered into an agreement to acquire all of the outstanding share capital of 1065604 BC Ltd. ("1065604"), a private British Columbia mineral exploration company that holds a right to acquire a series of 69 placer claims and 19 association placer claims, comprising a total of 2,882 acres, located in Esmeralda County, Nevada, and known as the Atlantis Property, ("Atlantis", or the "Property").

Michael Kobler, Chief Executive Officer of American Lithium, commented "We are excited about adding the Atlantis claims in Fish Lake Valley, growing our Nevada lithium portfolio to over 10,000 acres. By combining the geologic data sets generated by both Lithium Corp. and Nevada Sunrise Gold Corporation in the Fish Lake Valley, American Lithium has determined that the geologic and structural features are strongly analogous to the structural and geologic settings at Albemarle's Silver Peak Lithium-Brine operation at Clayton Valley, 25 miles to the southeast. Detailed gravity data acquired by Nevada Sunrise last season confirms gravity lows or basement troughs beneath both the Nevada Sunrise and the Lithium Corp acreage. The structural data confirms a bounding northeasterly striking fault, with northeasterly crossing faults, rich in hydrothermal enriching conduits. The team at American Lithium, given the new data, is now implementing a development program to exploit the Fish Lake Valley assets."

### **About Atlantis**

Atlantis is located in a desert basin that exhibits similar geological and geophysical characteristics to the Clayton Valley basin where lithium brines are known to accumulate in faulted sub-basins, or "traps". Nevada Sunrise made the decision to acquire Atlantis after a review of geological mapping that showed the presence of lithium-bearing rocks in the ranges draining into the Property, and historical ground gravity data that showed a distinct gravity low in the heart of the Atlantis claims. The gravity low was interpreted as a strong indication for the presence of a sub-basin that could host lithium-bearing brines. Dr. John Oldow's more detailed gravity survey work in Esmeralda County in recent years better defined the historical gravity low as a deep, sub-basin, which led Nevada Sunrise to stake additional claims at Atlantis in January 2016, to expand the Property. Geophysical exploration at Atlantis in the form of additional gravity and electromagnetic surveys would assist in determining if conductive brines might be present at depth, followed by exploratory drilling of interpreted geophysical targets.

As part of a regional lithium exploration program, the United States Geological Survey ("USGS") reported in Open-File Report 81-962 (1981) that historical drill hole FL-11a is located outside the eastern boundary of the Property, approximately 3 miles (4.5 kilometres) east of the centre of the interpreted sub-basin. Hole FL-11a was drilled to a depth of 450 feet (147 metres) and encountered lithium values in sediments ranging from 10 parts per million ("ppm") to 115 ppm and averaging 61.7 ppm for 67 samples analyzed. Lithium in sampled ground water ranged from trace at the end of the hole to 21 ppm at a depth of 55 feet (18 metres). American Lithium believes that drilling deeper holes at Atlantis within the area of the interpreted sub-basin could intersect aquifers potentially hosting trapped brines with higher contents of lithium than were encountered in the relatively shallow USGS hole drilled to the east of the gravity low anomaly. Also reported in USGS Open File Report 77-54 (1977) were the collection of 10 surface brine samples with lithium contents ranging 37 – 350 mg/l (ppm), averaging 159 mg/l (ppm), to the north of the sub-basin.

In consideration for the acquisition of all of the outstanding share capital of 1065604, the Company will issue 4,533,334 common shares and will assume 1065604's obligations to Nevada Sunrise in respect of Atlantis. In order to complete the acquisition of Atlantis, the Company will be required to complete certain cash payments and exploration expenditures to Nevada Sunrise, as well as the issuance of up to 1,250,000 common shares over a period of three years.

All securities issued in connection with the acquisition of 1065604, and securities issued to Nevada Sunrise for Atlantis will be subject to a four-month statutory hold period. Closing of the acquisition of 1065604 remains subject to a number of conditions, including approval of the TSX Venture Exchange, as well as such other conditions as are customary in transactions of this nature.

#### **About the 1065604 Nevada Sunrise Transaction**

Atlantis is the subject of an option agreement between Nevada Sunrise and a Nevada-based property vendor. 1065604 has the option to earn an 80% interest in Atlantis from Nevada Sunrise, subject to a royalty in favour of the underlying property vendor, by making payments of cash and common shares to Nevada Sunrise, incurring exploration expenditures, and meeting certain other conditions, as follows:

- An initial cash payment of US\$48,000 (paid);
- A further cash payment of CDN\$100,000 within thirty days of entering into the option (paid);
- Incurring exploration expenditures of not less than US\$1,000,000, consisting of US\$100,000 on or before the 1<sup>st</sup> anniversary, an additional US\$250,000 on or before the 2<sup>nd</sup> anniversary, and an additional US\$650,000 on or before the 3<sup>rd</sup> anniversary; and
- Issuing 1,250,000 common shares of the Company, with 250,000 common shares issuable within sixty days of the acquisition of 1065604 by American Lithium, 500,000 common shares issuable on or before the 2<sup>nd</sup> anniversary, and 500,000 common shares issuable on or before the 3<sup>rd</sup> anniversary.

John R. Kerr, P. Eng., is the Company's designated Qualified Person within the meaning of National Instrument 43-101, and has reviewed and approved the technical information contained in this news release.

On behalf of the Board,

**American Lithium Corp.**

Michael Kobler, Chief Executive Officer

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. This news release may contain forward-looking statements. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially because of factors discussed in the management discussion and analysis section of our interim and most recent annual financial statement or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. We do not assume any obligation to update any forward-looking statements, except as required by applicable laws.*