Tres Quebradas (3Q) Lithium Project Corporate Presentation

NEOLiTHIUM

May 2018

TSX.V:NLC; OTCQX:NTTHF; FSE:NE2

www.neolithium.ca

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One of the Best Undeveloped Lithium Projects in the World

Neo Lithium is well positioned to become the next large low cost lithium producer

The Right Asset & Structure

- Located in the Lithium Triangle, 100% owned and fully permitted
- Large salar footprint >150km^2, controlling over 350km^2 around the salar
- Clean balance sheet with ~$61 in cash
- Strong s/h base: institutional ~45% and insiders ~16%

Positive PEA

- US$1.2 Billion After-Tax NPV at 8% and IRR of 27.9%
- Production rate based of 35kt/y of Lithium Carbonate
- Simple and proven solar evaporation technology
- Mine life of 20 years with a 3 year ramp up
- Operating cost of $2,791 per tonne of Lithium Carbonate
- Total capital expenditure of $490.2 million

The Right People

- Same team that took Lithium Americas to full feasibility
- Very strong technical in-country experience and local knowledge, with over 10 engineers, chemists and PhDs
- Proven capital market expertise

Why Neo Lithium?

Unique Resource

- High grade lithium brine with lowest combined of critical impurities in the world
- Significant upside potential at depth with 90% of current resources and <100m, significant high grade brine >600m
- 520mg/L - M&I resource of 0.7Mt of LCE at 716 mg/L Lithium & Inferred resource of 1.4Mt of LCE at 713 mg/L Lithium
- 400mg/L - M&I resource of 1.2Mt of LCE at 567 mg/L Lithium & Inferred resource of 2.3Mt of LCE at 567 mg/L Lithium

Processing

- Unique chemistry with low impurities and high calcium content
- Already achieved concentration levels ate site of 3.8% lithium in brine
- No costly additives were required
- Building larger evaporation ponds to feed pilot plant

Strong Capital Structure

TSX.V: NLC; OTCQX:NTTHF; FSE:NE2	**$1.40**	**~$165M**
Ticker	Price (May 4, 2018)	Market Capitalization
117.1M	**~$61M (no debt)**	**GMP ($3.25) - Cormark ($3.25) Canaccord ($2.00)**
Issued & Outstanding Shares	Net Cash (Dec 31, 2017)	Research Coverage
128.5M	**~45%***	**~16%**
FD Outstanding Shares	Institutional Ownership	Insider Ownership

Note: all numbers in Canadian dollars except per share data

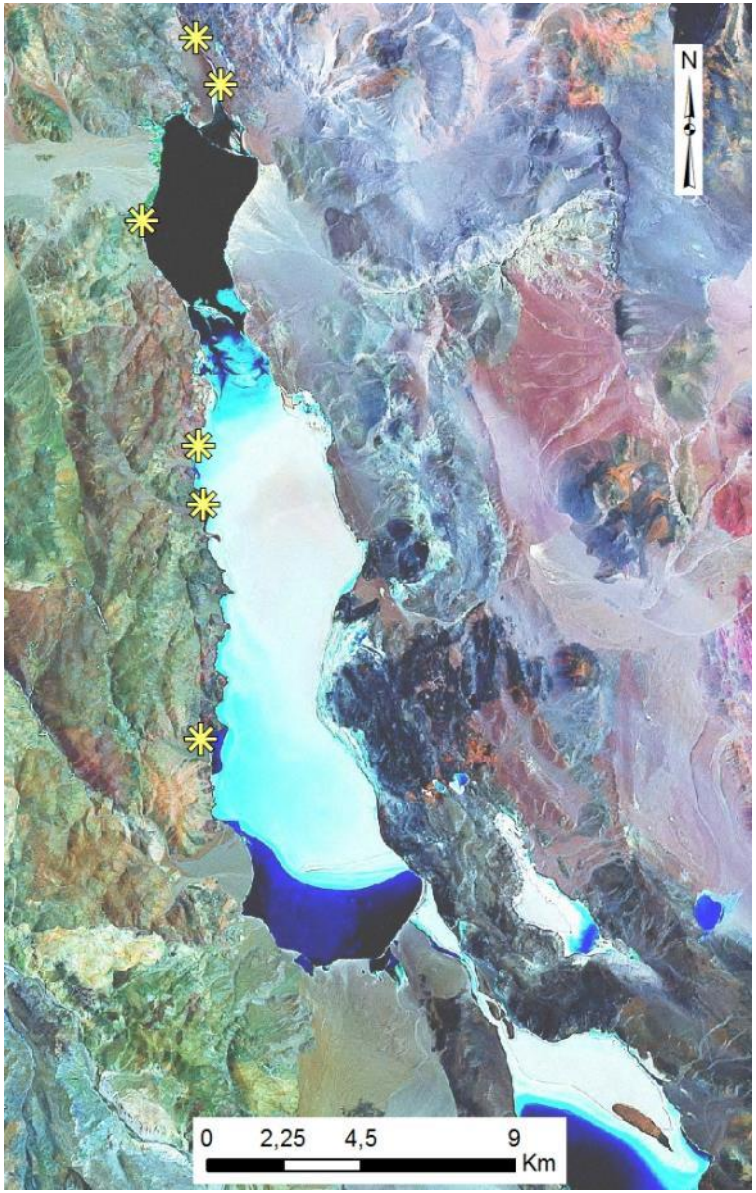
** Major shareholders include BlackRock, M&G, JPMorgan, RBIM, CCL, Manulife, Mackenzie, Sprott, Guardian*

Location

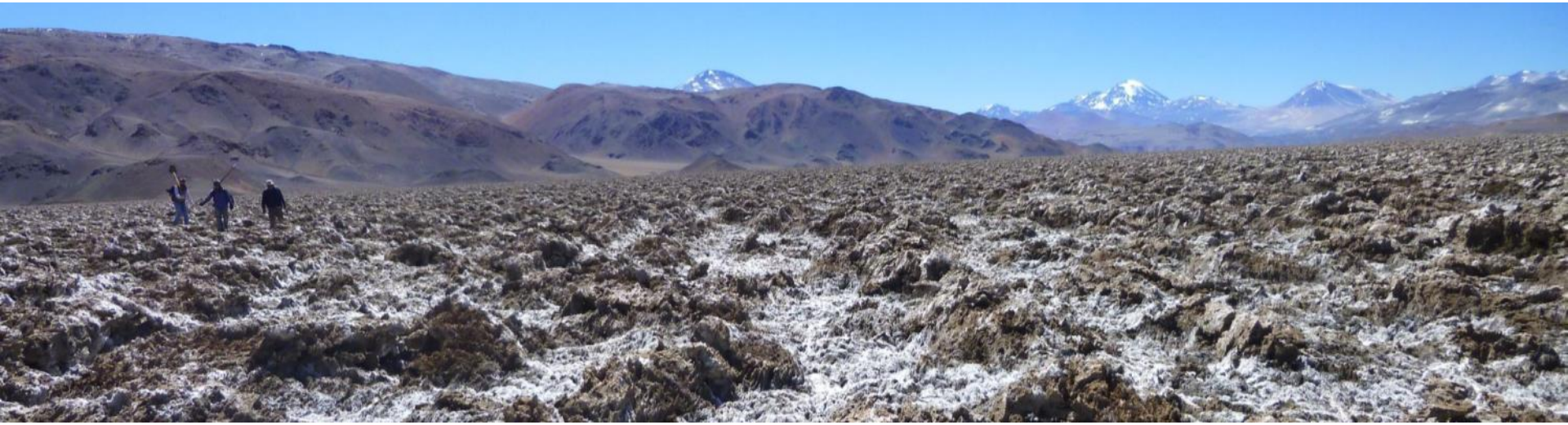
- Project located 30km from the Chilean border with direct road to pacific ports
- The company controls a total of 350km^2 up to the border with Chile
- Project is easily accessed through a provincial highway and a recently upgraded project road
- 100% ownership of the entire salar complex
- Fully environmentally permitted to full feasibility
  - No inhabitants or aboriginal communities in the area
- Surface easement for mine construction granted by mining authorities

3Q Project

- Salar and brine reservoir complex that includes three brine reservoirs and three salars
  - There is only one example in the world of a brine lake: Zhabuye (in China) and is a producing lithium mine
- Geothermal springs (yellow stars on map) feed the northern part of the project
  - The geothermal springs contain high grade lithium and feed into the lakes and salars
- Full infrastructure already built by the Company



Lithium Brine Reservoir and Salar Complex



Lithium Rich Hot Springs Feed the Northern Target

- The northern target has the highest concentration of lithium and potassium grades and the lowest concentration of critical impurities
- Inflow of hydrothermal springs add lithium to the salar and brine reservoirs

Resource Estimation

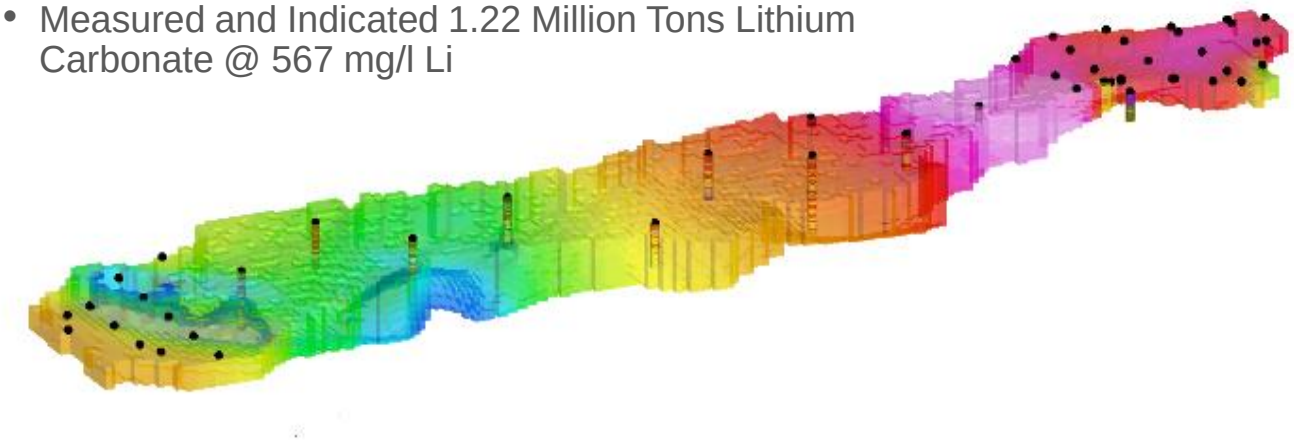
In only one drilling season Neo Lithium was able to announce its maiden resource estimate for the 3Q Project

- Resource estimation at 520 mg/l Li cut off

- **2.1 Million** Tons Lithium Carbonate @ 716 mg/l Li
- Measured and Indicated 0.71 Million Tons Lithium Carbonate @ 733 mg/l Li

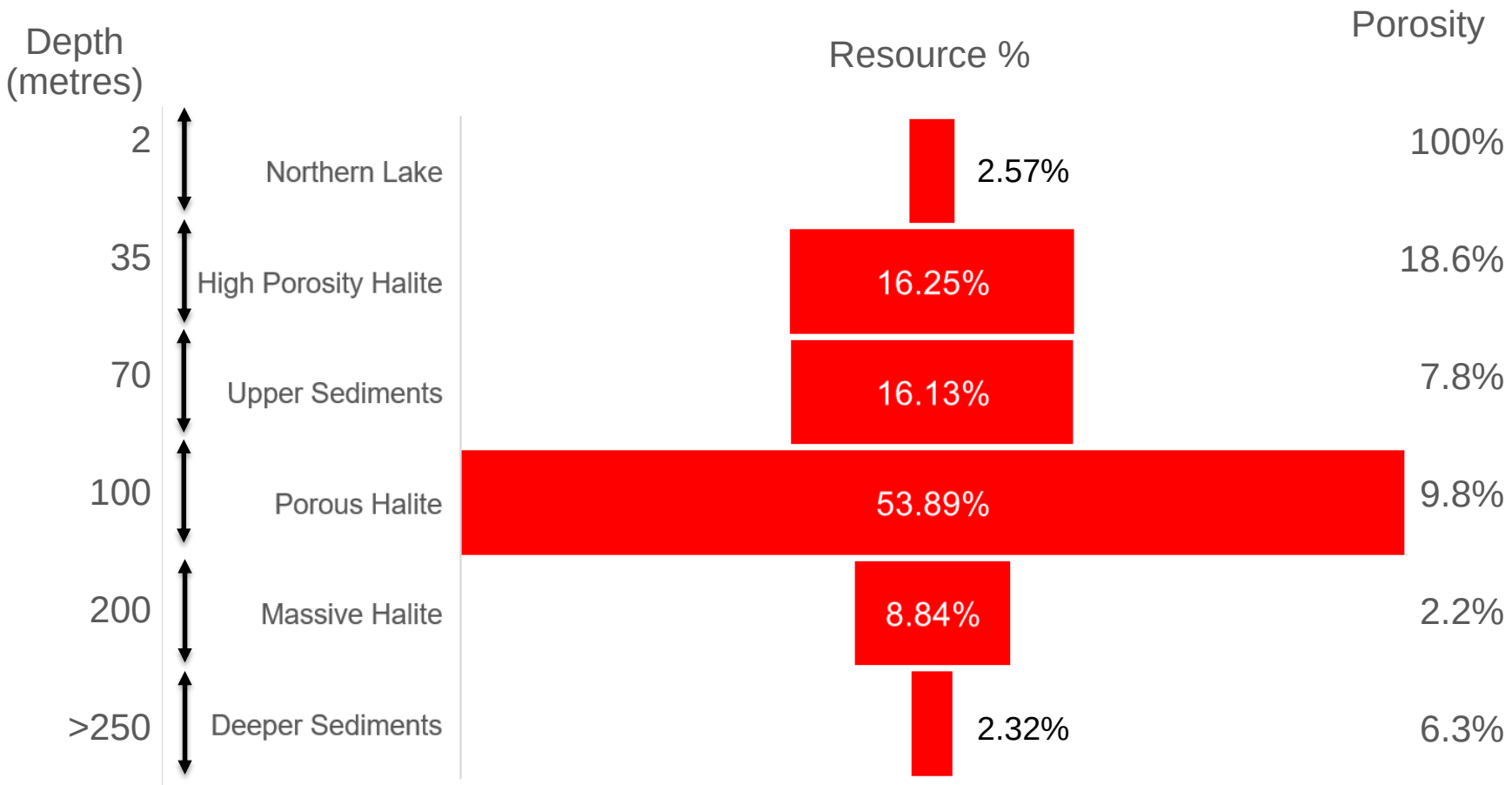
- Resource estimation at 400 mg/l Li cut off

- **3.5 Million** Tons Lithium Carbonate @ 567 mg/l Li
- Measured and Indicated 1.22 Million Tons Lithium Carbonate @ 567 mg/l Li



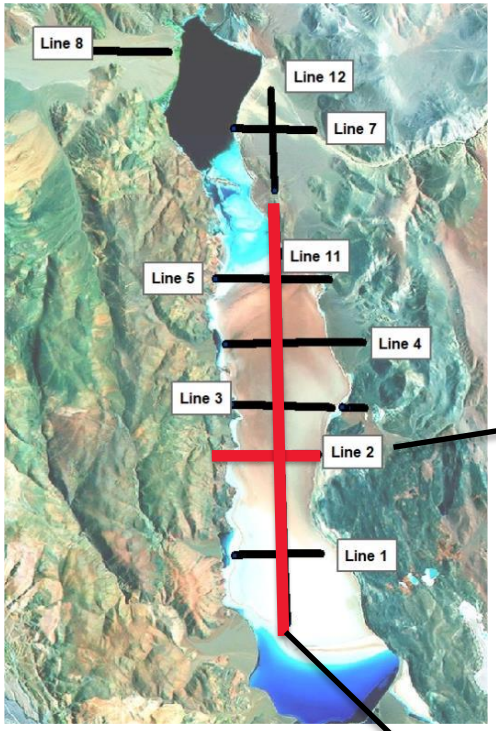
Depth of the Resource

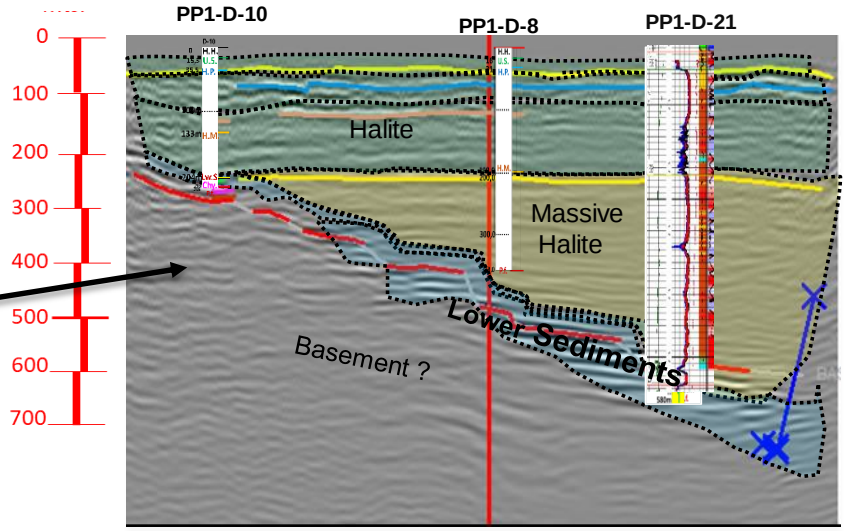
- About 90% of the resources defined are less than 100 metres deep
- The deeper sediments have high porosity and provide significant upside potential at depth

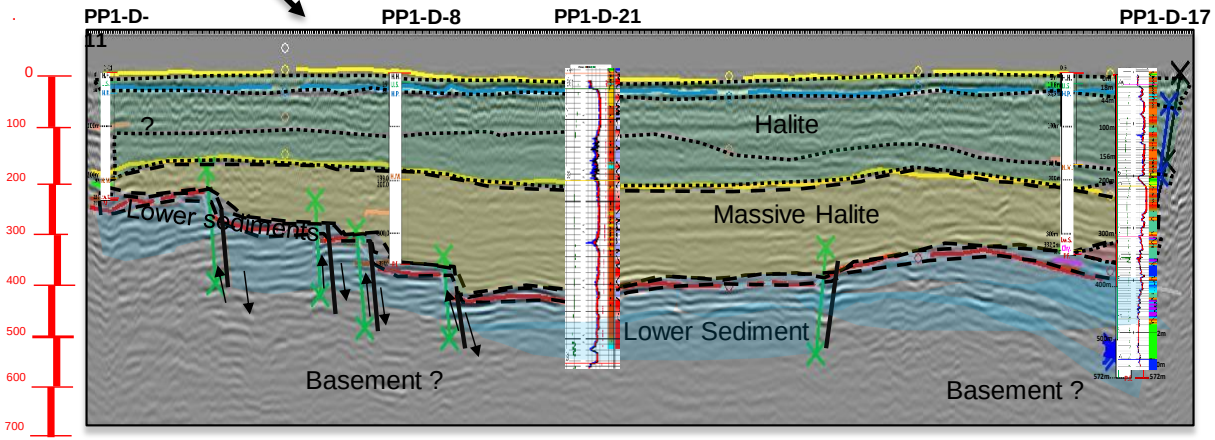


Seismic and Drilling Results and Work

- 50-linear km seismic reflection survey (first of its kind in lithium brine exploration) along the entire 3Q salar and basins
- The cross sections shows the basin is tilted eastwards
- The long section shows the salar is deeper in the central section
- The main geological units are clearly identifies in the survey
- The deepest reflectors are located around 800m
- The upper “porous” portion of the basin is very noisy



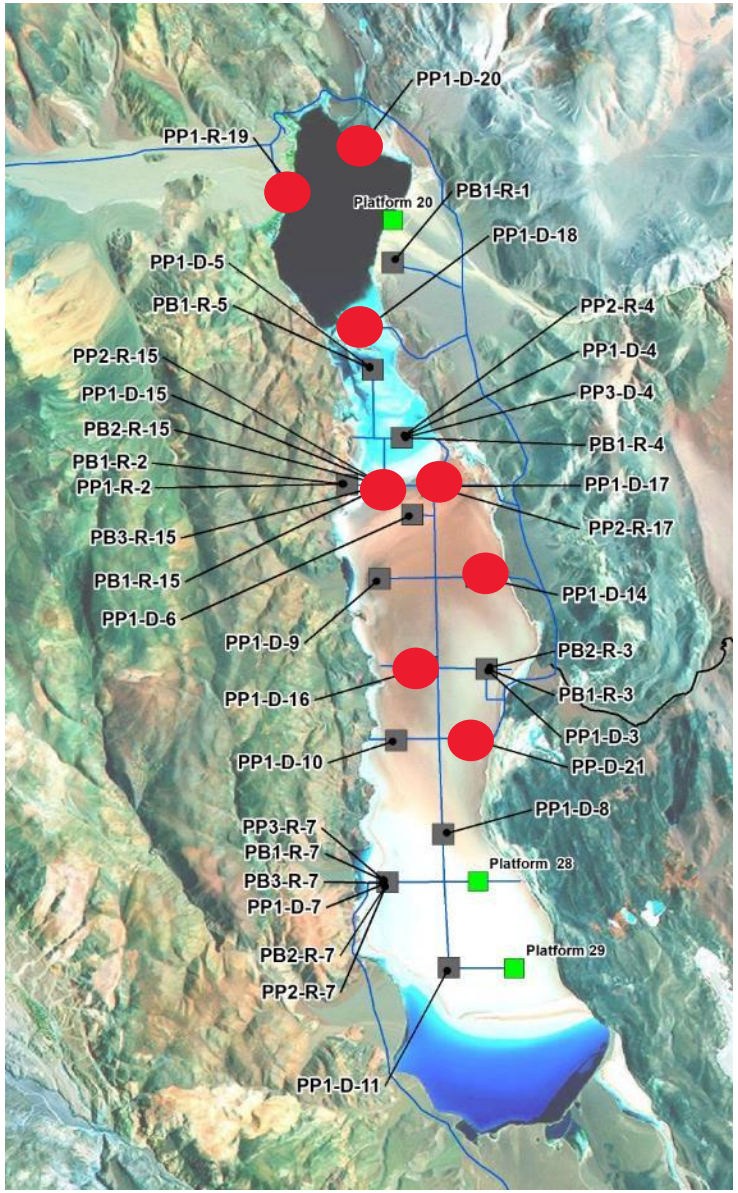




Drilling – 2017/8 Campaign results

- Infill drilling
- All deeper holes to test deeper aquifers
- 7 diamond drill holes (2239m)
- 8 rotary wells (937m)
- Season is not over, drilling will continue

	meters	Li	K	Mg/Li	Sulf/Li
PP1-D-14*	304	642	6109	2,27	0,35
PP1-D-15*	222	785	7545	2,02	0,26
PP1-D-16	308	525	5353	2,32	0,58
PP1-D-17**	512	638	6668	1,91	0,41
PP1-D-18	56	1071	9486	1,78	0,33
PP1-D-20**	22	310	2935	1,51	1,61
PB1-R-15	30	816	8289	2,05	0,4
PB2-R-7	76	518	5683	7,59	0,50
PP2-D-16	42	644	6475	2,25	0,90



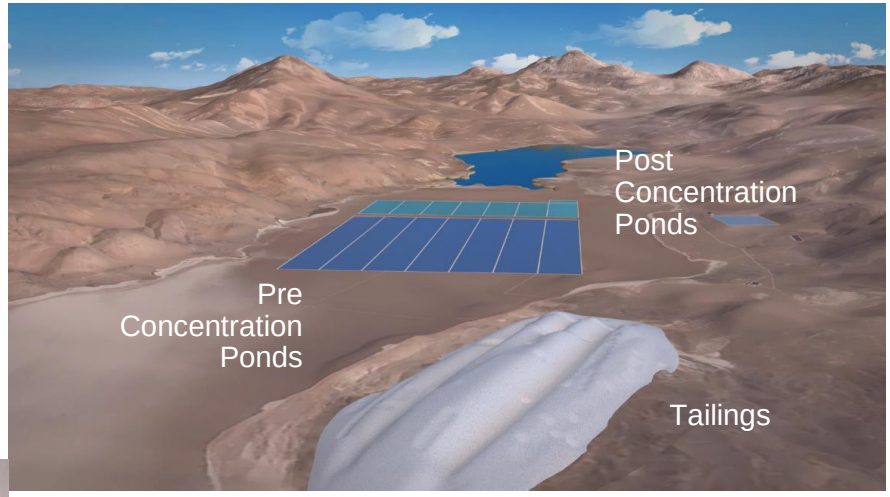
Deep Aquifer Results

- The deep aquifer has been found in all holes drilled so far below 500 m
- The thickness varies between 60 m and 150 m
- The aquifer is artesian, which means that brine flows up on its own by pressure
- The productivity of the aquifer is obvious, since brine is flowing as perceived in the video
- The lower aquifer is composed of a sedimentary breccia with sand matrix
- Lab results indicate Relative Brine Release Capacity (porosity) over 10%

PEA Plan – Evaporation Plant and Lithium Carbonate Plant

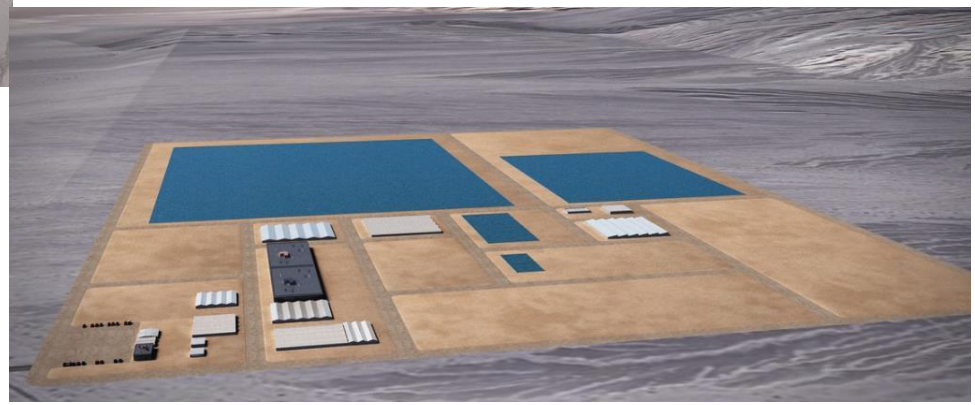
The brine is extracted from wells and sent to a 3 step pond process:

1. **Pre-concentration ponds**: where sodium, potassium and calcium chloride precipitate
2. **Conditioning brine:** where remaining Ca is removed by adding Na2SO4 to form gypsum.
3. **Post-concentration Ponds:** Li is concentrated until 6 % W/W with precipitate remaining salt such as sodium chloride, carnalite and gypsum



- Concentrated brine is shipped by trucks to the town of Fiambala ~150km away (50km mining road and 100km of two lane highway)
  - Due to the high concentration of the brine and the cost/benefit of building the facilities in the town

- Finishing a battery grade lithium carbonate product:
  - Well known, standard, solvent extraction process to extract the boron
  - Calcium and Magnesium Removal
  - Soda Ash added to produce Lithium Carbonate
  - Final Stage: drying, compaction, micronized and bagging



3Q Project: Preliminary Economic Assessment Highlights

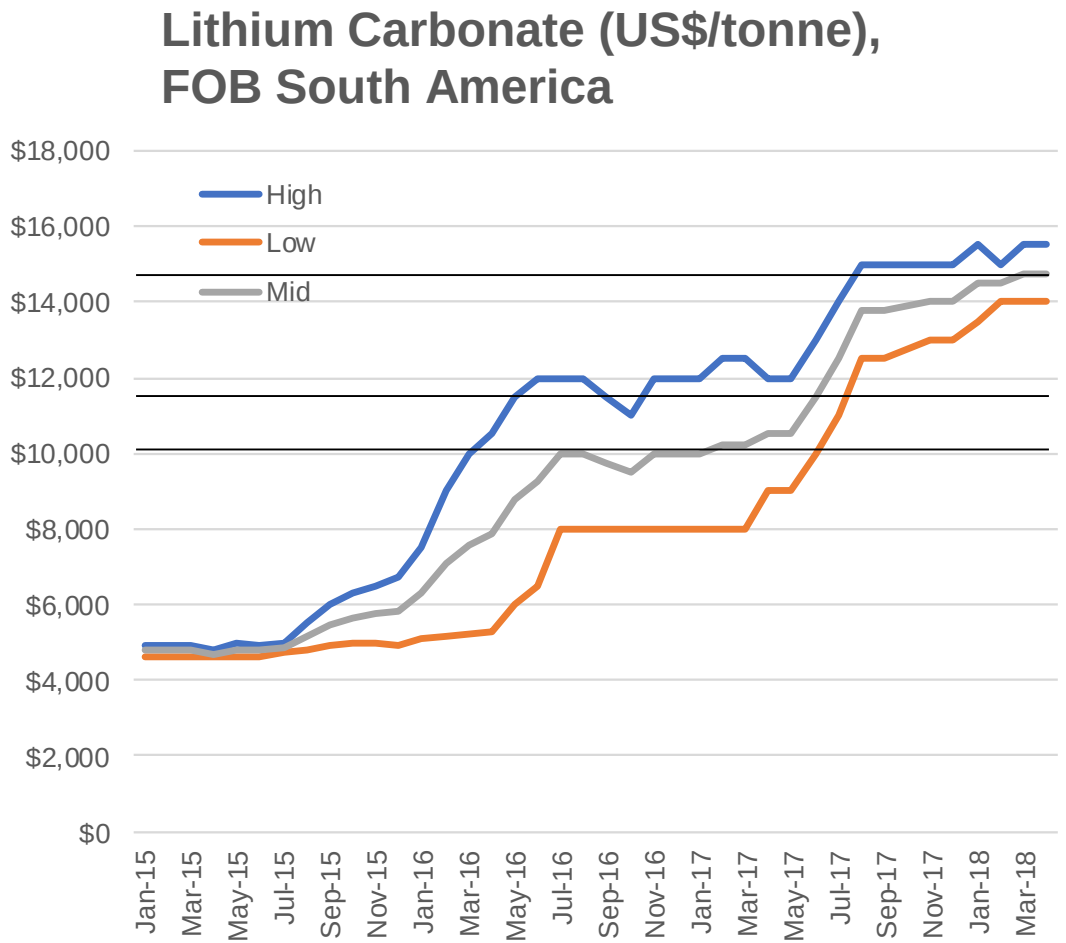
- The economic analysis of the PEA is based on the following assumptions:
  - Construction commencing in 2019 with a three years ramp-up from 2021 to 2023
  - All numbers based on a constant U.S. dollar basis
  - Average lithium carbonate pricing over the life of mine is ~US$11,760/t
    - Current average pricing is close to US$14,500/t (Source: Benchmark)

PEA Highlights and Results	
After-Tax Net Present Value ("NPV") @ 8% Discount Rate	US$1,200 million
After-Tax Internal Rate of Return ("IRR")	27.9%
Capital Expenditures	US$490.2 million
Cash Operating Costs (per tonne of LCE)	$2,791
Steady-state Annual Production (lithium carbonate)	35,000
Mine Life	20 years
Steady-state annual EBITDA* (nameplate production)	$310.1 million
Payback Period (from commencement of production)	1 year 8 months

**EBITDA is a non-IFRS earnings measure which does not have any standardized meaning prescribed by IFRS and therefore may not be comparable to EBITDA presented by other companies. EBITDA represents earnings before interest expense, income taxes, depreciation and amortization. Investors are cautioned that this non-IFRS financial measure should not be construed as an alternative to other measures of financial performance calculated in accordance with IFRS.*

Lithium Market 2018

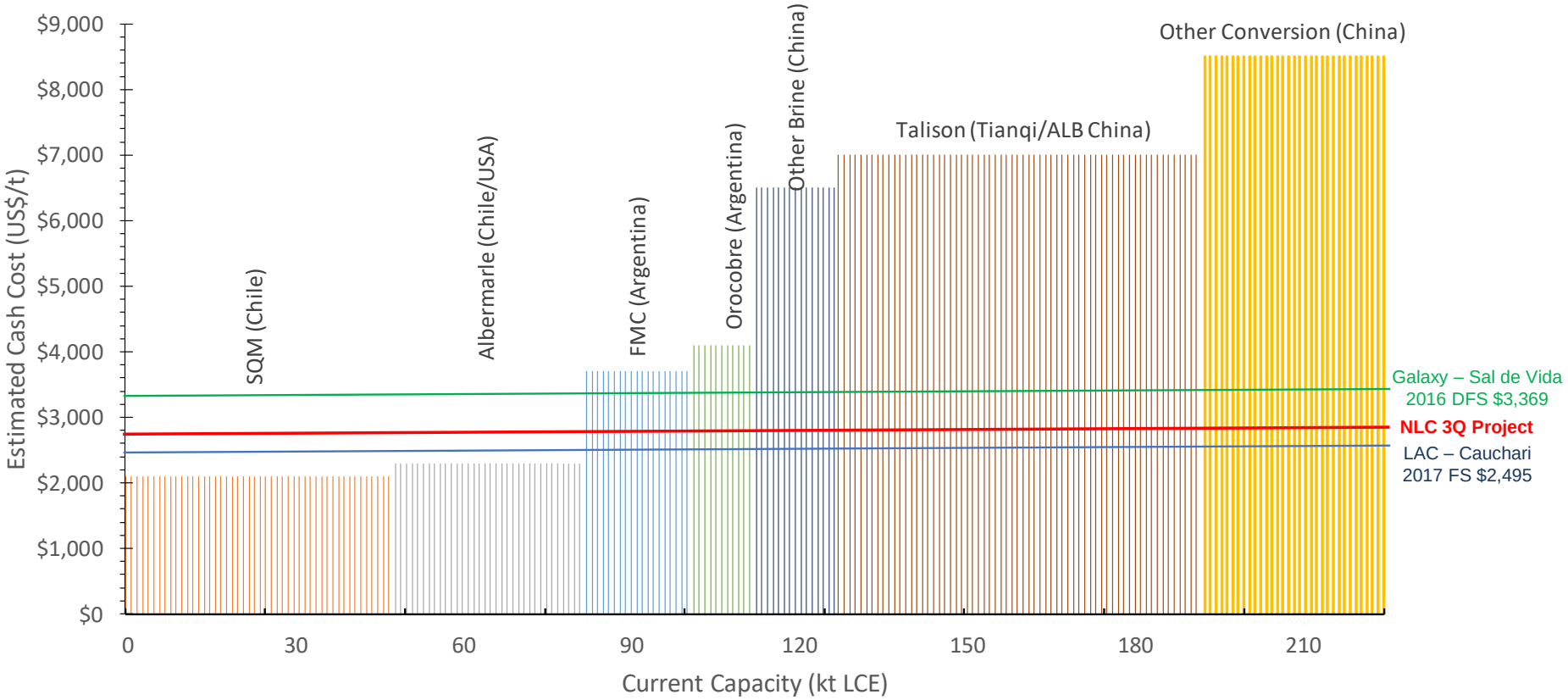
- The current PEA used 3 Lithium Carbonate Average Pricing Scenarios:
  - Low: US$ 10,200
  - Base: US$ 11,760
  - High: US$ 14,250
- However, the PEA assumed “Base” long-term pricing is conservative when compared to current pricing of US$14,5000/t
  - Current price reflects a “High” long-term price scenario



Source: Benchmark

Global Lithium Cost Curve Estimate

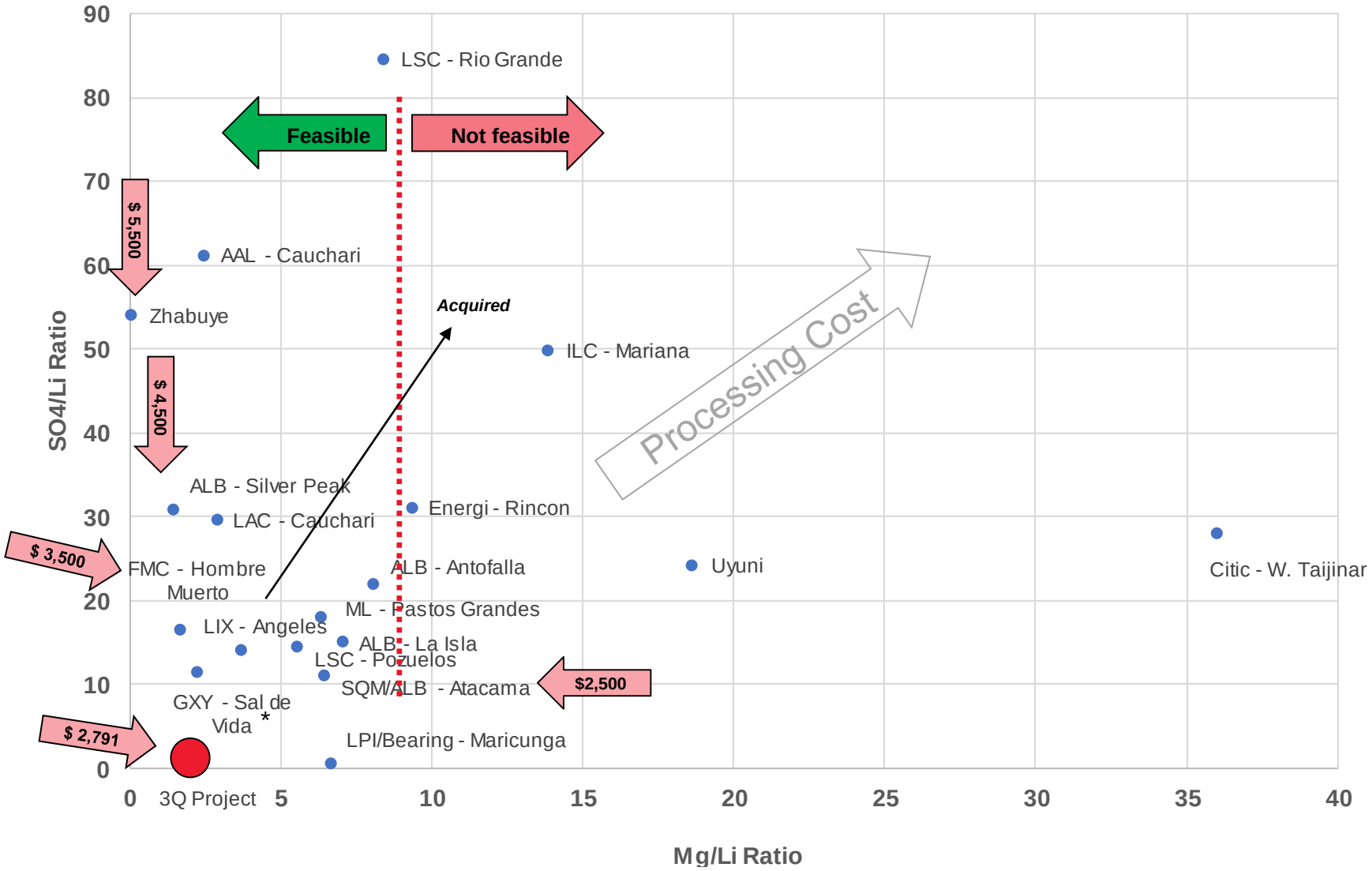
- 3Q Project cash costs of $2,791/t are very competitive with current producers and compare very well with advanced development projects
- SQM/ALB Salar de Atacama cost excludes CORFO royalty structure of 50% >$10,000/t pricing or current discussions of 60% royalty >$12,000/t



Source: Roskill, Global Lithium LLC and company information

Impurities & Cash Cost – Project Comparison

The 3Q Project compares very favourably to current producers and development projects



Source: company reports and industry research
** Excludes by-products*

Current Infrastructure

- Close to $20 million invested in the 3Q Project
  - 100 person year-round camp
  - Paved highway access plus 60km all weather road
  - Vaisala weather station
  - Full geochemical analytical lab
  - Ponds and pumps in full operation

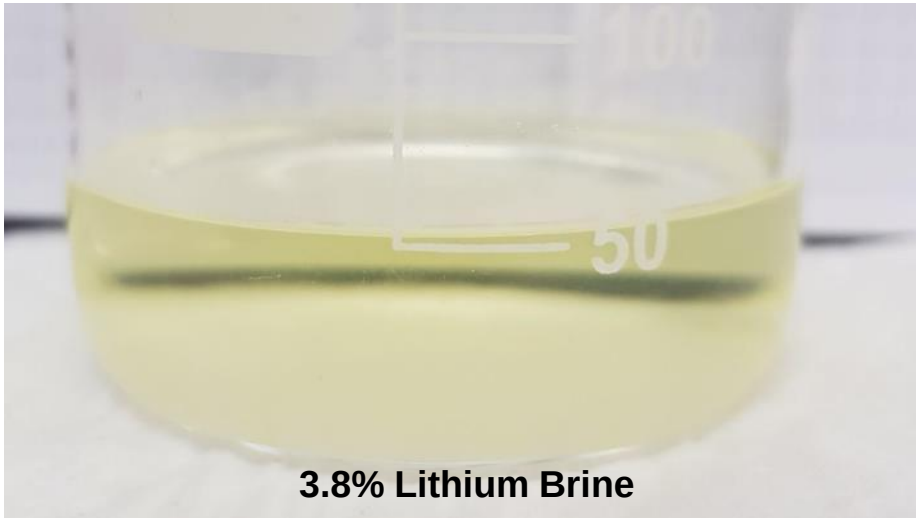
Pond Progress

- A total of 6 new ponds have been built
- This is the largest evaporation pilot pond of any other lithium developer
- Two large (1.1 ha each) ponds build on top of the salar are completed and in the process fo being filled with brine
- Three smaller ponds were also built for the high concentration brine
- One smaller pond to store 3.5% Li brine was also completed

Outline of the Project Infrastructure

Lithium Process Progress

- The company has a full engineering and chemical team
- Solar evaporation at the project have achieved concentration levels of 3.8% lithium in brine
  - No costly additives were required to achieve this concentration → PEA assumes >US$860/t
  - This is unique to 3Q Project as a consequence of low impurities and high calcium content
- Calcium chloride precipitates with 6 molecules of water, decreasing the size of the ponds calculated in the PEA
- Larger evaporation ponds completed to scale up the process and feed the pilot lithium carbonate plant

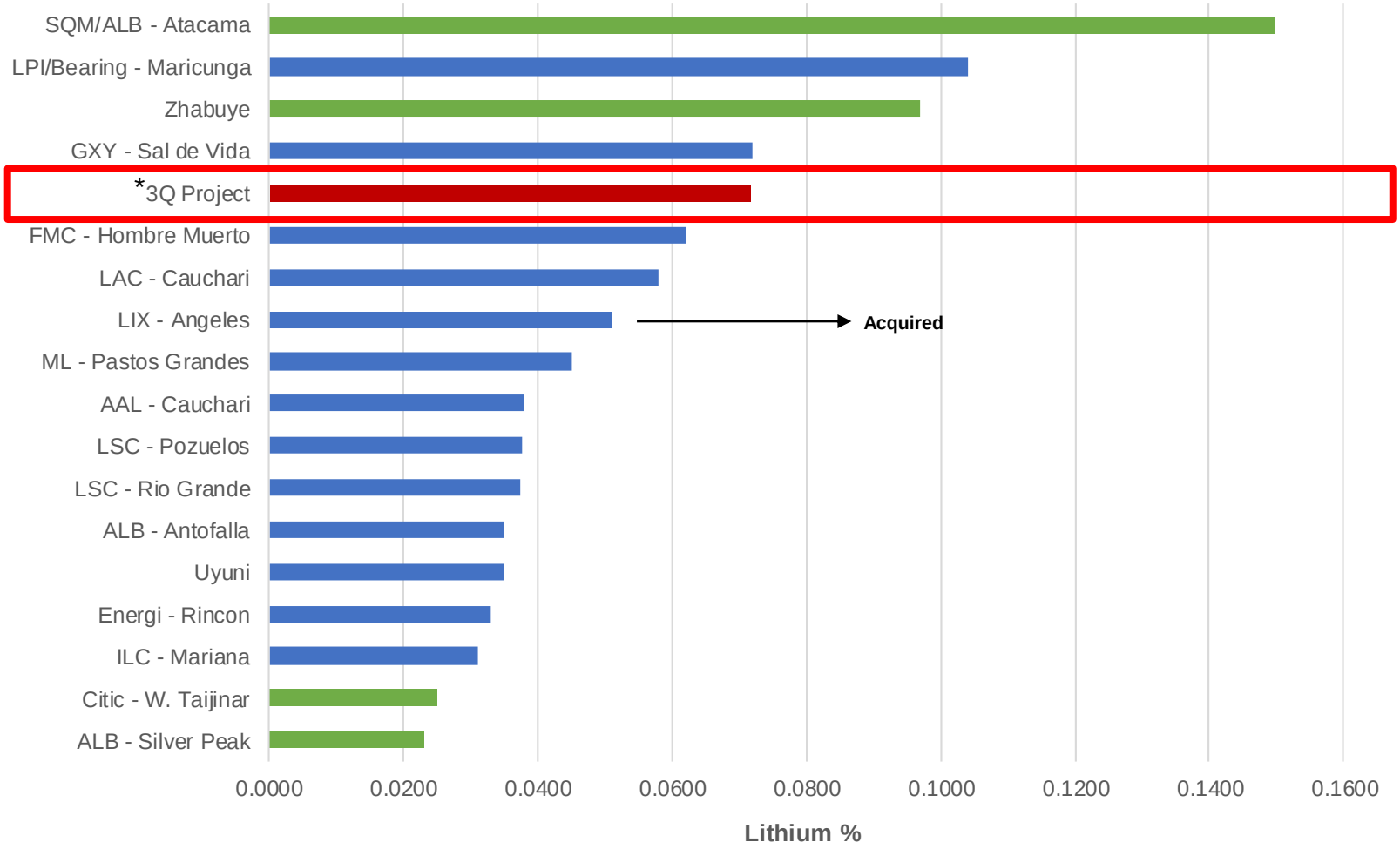


3.8% Lithium Brine

Calcium Chloride with 6 H20

Lithium Grade Comparison

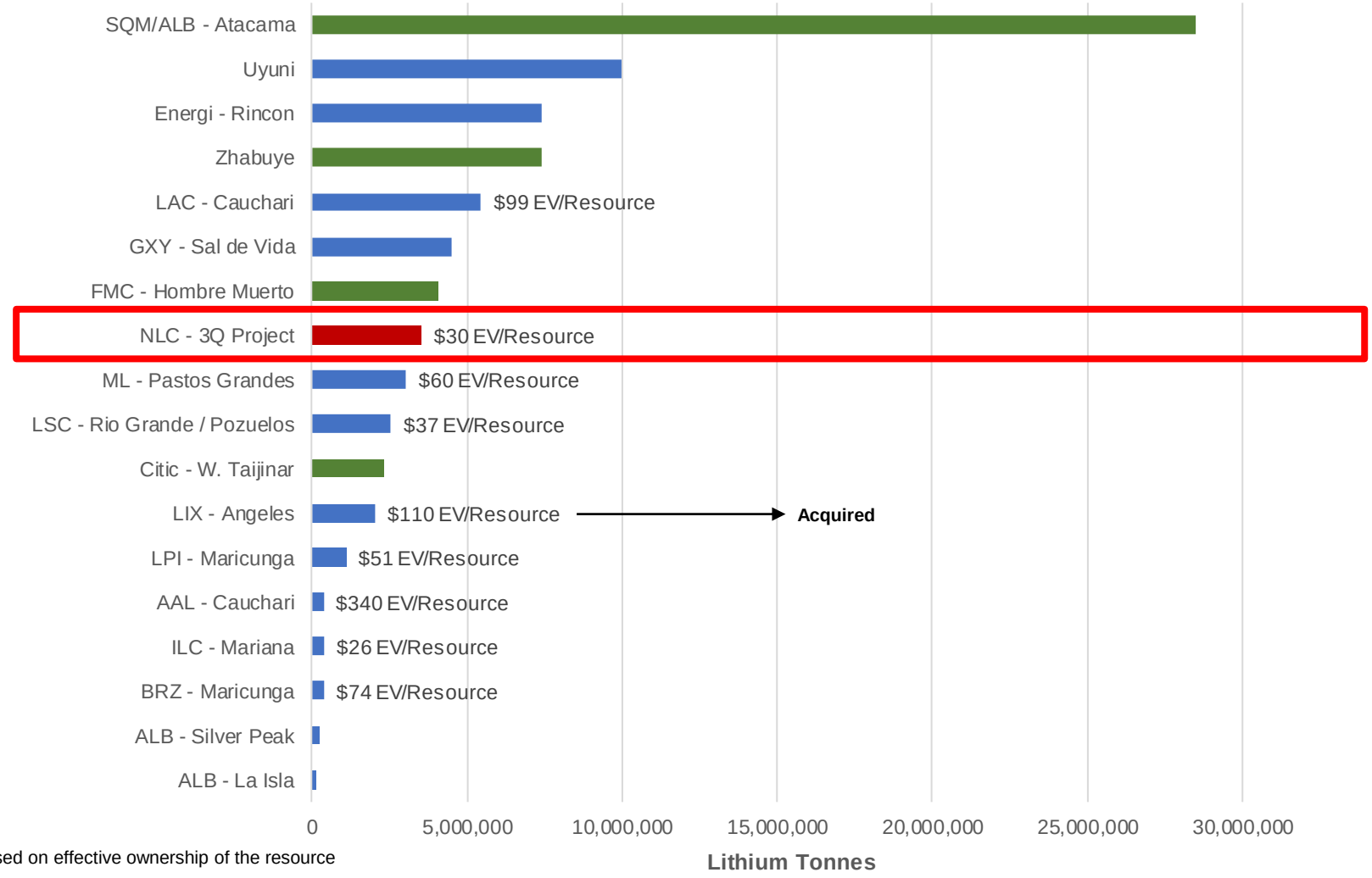
The 3Q Project ranks as one of the highest grade lithium projects in world



* Based on average composition of the Measured and Indicated Resource at 520 mg/L Cut off

Resource Size Comparison*

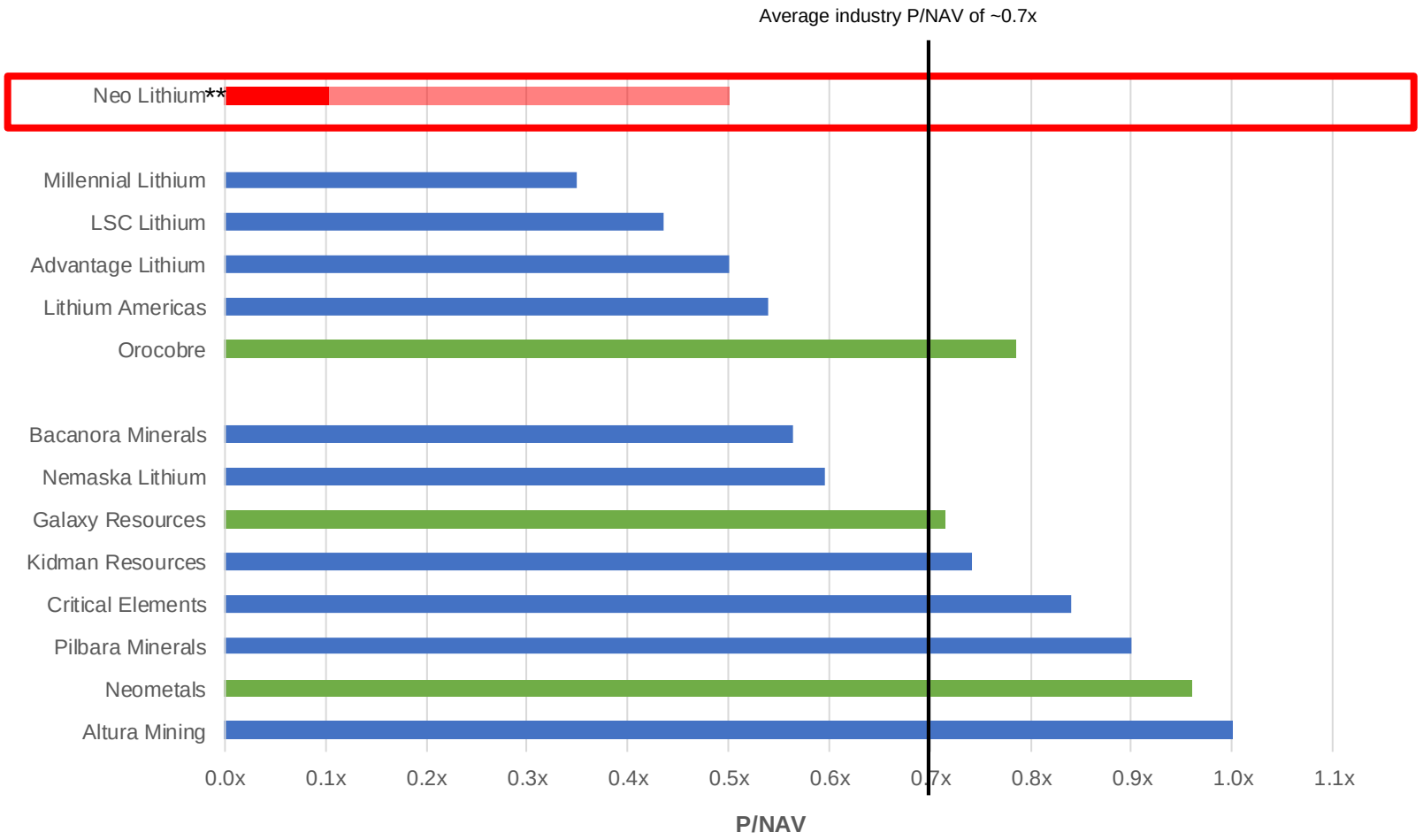
The 3Q Project is the 8th largest lithium project in the world



* Sized based on effective ownership of the resource

P/NAV Comparison – Company Analysis*

NLC is trading at a discount to lithium company peers



* Source: company information and research analyst
** Solid red bar based on PEA NPV 8% of US$1.1 million at 1.25 FX exchange rate and light red bar based on average research estimate

Timeline

- Neo Lithium has been able to achieve numerous key milestones in a short period of time → from project discovery to PEA in less than 2 years
- Neo Lithium is one of the few lithium developers that is investing the money raised back into the project and now has an 18 month work plan which is fully funded to FS

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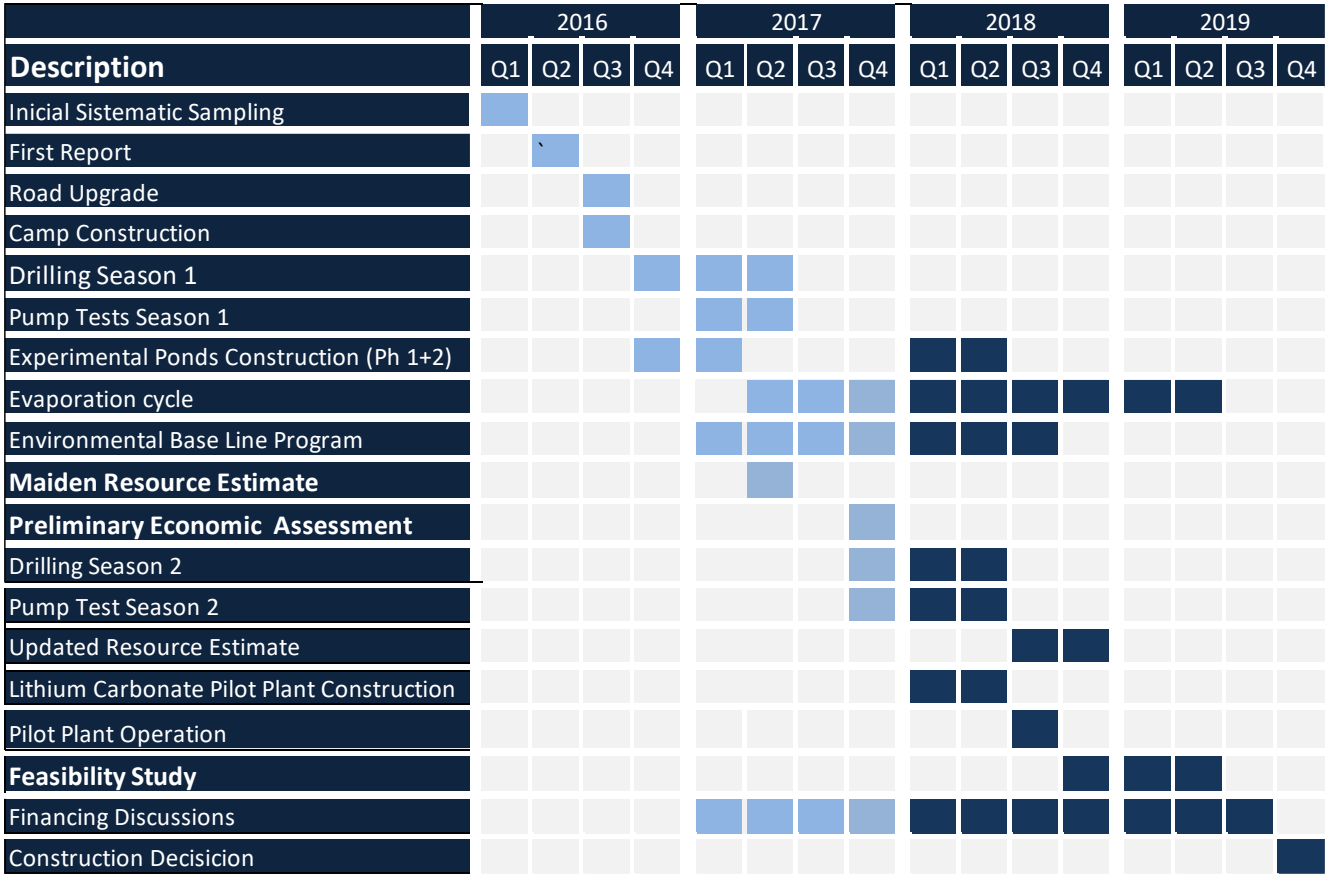


The Right Management Team

Waldo Perez,

Ph.D. P. Geo. President & CEO

- 28 years of experience – discovered 5 mines (2 in production and 3 in development)
- Founder and technical leader of the Cauchari project acquired through Lithium Americas Corp.,
- Previously he served as CEO of Latin American Minerals Inc (LAT), Senior Geologist for Barrick Gold, IAMGOLD, Apex Geoscience and Opawica Exploration

Constantine Karayannopoulos,

Chairman

- Non Executive Chairman of Neo Performance Materials Board of Directors. Director of the Canada China Business Council and is a member of the Advisory Board at the University of Toronto's Department of Chemical Engineering and Applied Chemistry. He holds Bachelor and Master of Applied Science degrees in Chemical Engineering from the University of Toronto.
- Previously he served as Chairman and interim President and Chief Executive Officer of Molycorp and President and Chief Executive Officer of Neo Material Technologies (Sold to Molycorp Corp for $1.3 B).
- Director of Lithium Americas Corp. from 2011 to 2015.

Carlos Vicens,

MBA – CFO

- 15 years of experience financial markets experience
- Former Vice President in Scotiabank's Investment Banking Mining team and participated in +$10B of M&A transactions and +$5B in equity and debt issuances

Thomas Pladsen,

Director

- 20 years experience in the exploration and mining industry.
- Mr. Pladsen is a director of Carrie Arron Resources Inc., EPM Mining Ventures Inc., KWG Resources Inc., Northfield Capital Corporation and White Pine Resources Inc.

Gabriel Pindar,

Director - COO

- 22 years of experience as a Project Executive in the development of mining projects and large scale infrastructure (rail and port) in Argentina, Peru, Mexico, Australia, Canada, West Africa and United Kingdom.

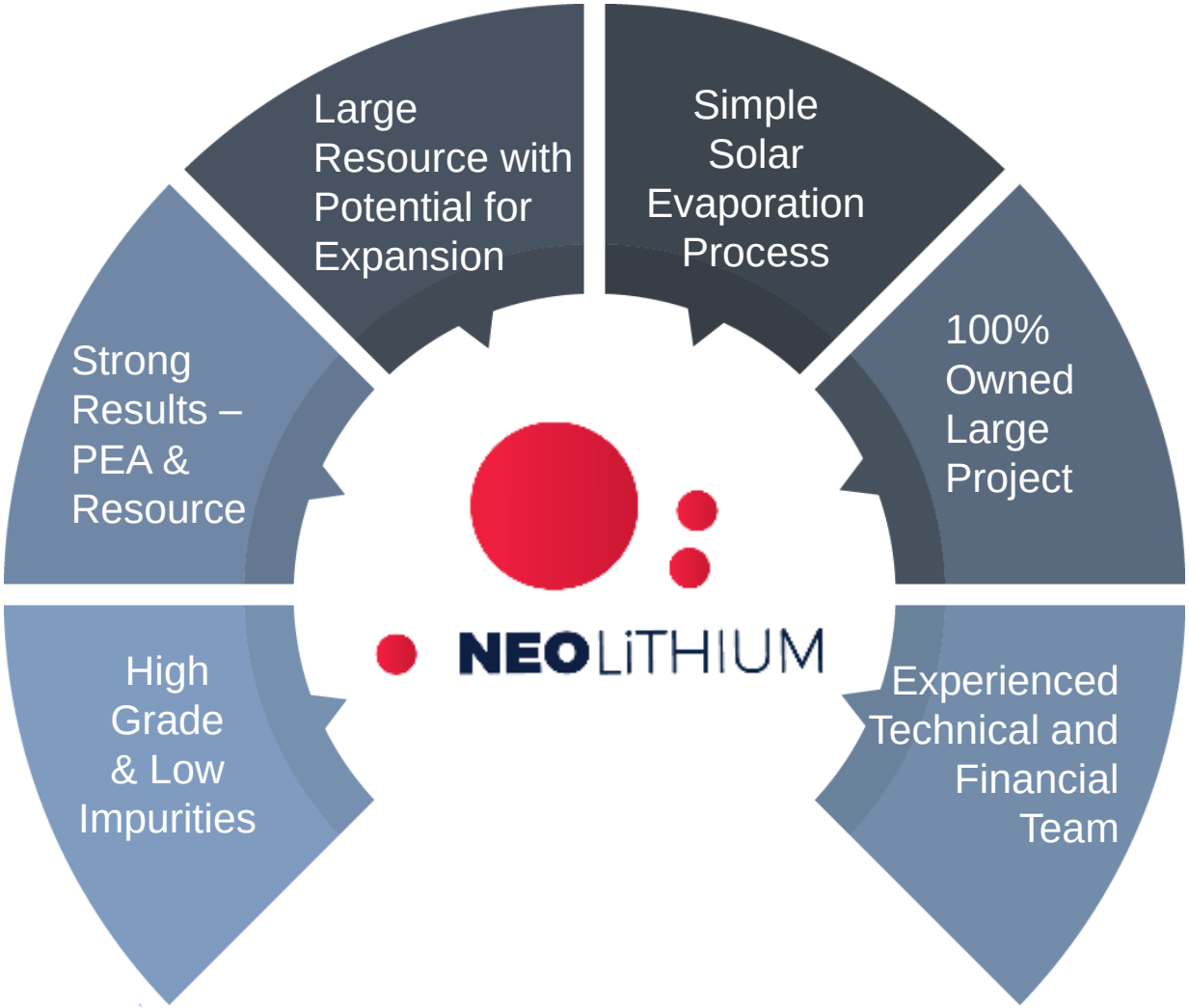
Paul Fornazzari,

B.Sc. LLM – Director

- Currently a partner at the law firm Fasken Martineau LLP
- Former Chairman of Lithium Americas Corp.
- Paul has a broad experience advising boards. executive teams and investment dealers and acts for domestic and foreign clients in various industries

Why Neo Lithium?

Neo Lithium has discovered one of the most promising NEW lithium project in the world



3Q Project: The Next Major Lithium Discovery

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