

Company Overview — April 2021

Lithium South Development Corp. (OTCQB: LISMF) (TSX-V: LIS) - is focused on developing the Hombre Muerto North Lithium Project (HMN Li Project), located on the Hombre Muerto Salar, a major lithium salar in Argentina. The project is adjacent to land under development by the Korean multinational corporation POSCO, which acquired the ground from Galaxy Resources Ltd. for U.S. \$ 280 million. The Company completed a Preliminary Economic Assessment of the HMN Li Project in 2019, utilizing conventional evaporation extraction. The Company is focused on evaluating alternative extraction methods for the HMN Li Project and plans to become a leader in the application of Direct Lithium Extraction technology at the project level.

Company Statistics

Ticker: (OTCQB) – **LISMF**

Price (04/14/2021): \$0.79

52 Week Range: \$ 0.169 - 0.92

Shares Outstanding: 54,986,672

Market Cap: \$43,217,325

Source: *OTCMarkets.com, Yahoo Finance & SEC.gov*

Recent News

April 13th, 2021 - Lilac Solutions Achieves 99% Lithium Recovery With Ion Exchange Process

April 12th, 2021 - Corporate Appointment and Marketing Program

April 8th, 2021 - Bulk Brine Sample for Direct Lithium Extraction Test Work

April 6th, 2021 - Investor Relations Campaign

March 25th, 2021 - Property Payment Completed on 3287 Hectare Hombre Muerto North Lithium Project

March 24th, 2021 - Lithium South Development Announces Stock Option Grants

Lithium South Investment Catalysts

- Developing the Hombre Muerto North Lithium Project in Salta, Argentina
- World class management team
- Experience and excellent infrastructure – From first drill hole to PEA in only 11 months
- Sizable property package (3,287 hectares) next to leading lithium brine producers
- Two production wells completed and cased
- Partnered with High-purity Lithium battery producer in China Chemphys – <http://www.chemphys.com>
- PEA indicates potentially robust economics for a 5,000 tonne/year LCE operation with a CAPEX of \$93.3M, OPEX of \$3,112/t LCE, NPV(8) of \$217M and IRR of 28.0%



Lithium Pump test results

LIS recently announced a National Instrument 43-101 lithium resource defined as a 571,000 tonne combined Measured and Indicated resource (509,000 measured and 62,000 indicated) with an average grade of 756 mg/liter lithium, and a low lithium to magnesium ratio of 2.6:1.

Lithium South
DEVELOPMENT CORPORATION

Key Management

Adrian F.C. Hobkirk,

President, CEO, and Director,

Mr. Hobkirk has 26 years of experience in the mining and venture capital industry, beginning with Norgold Resources in 1990, which was ultimately purchased by BEMA Gold. Mr. Hobkirk has been involved in Guyana for over twenty years and founded the company to develop the Groete Gold Copper Deposit in 2006. He has worked in many countries including Canada, Mongolia, Venezuela, Guyana, Chile, Colombia, the United States and Mexico. He has been involved in mineral exploration and technology ventures, and has extensive public company experience. He holds a BA in Economics from Simon Fraser University and is the largest single individual shareholder of the Company.

Christopher P. Cherry,

CFO, Director

Mr. Cherry has over 20 years of corporate accounting and audit experience. He has extensive corporate experience and has held senior-level positions for several public mining companies, including director, CFO and secretary. Mr. Cherry has been a chartered accountant since February, 2009, and a certified general accountant since 2004. In his former experience as an auditor, he held positions with KPMG and Davidson and Co. LLP in Vancouver, where he gained experience as an auditor for junior public companies and as an initial public offering specialist. Mr. Cherry served as CFO of the Company in 2012 and 2013, and has extensive knowledge of business in Guyana.

Investor Relations Contact

James S. Painter III, CEO
Emerging Markets Consulting, LLC
Jamespainter@emergingmarketsllc.com
321-206-6682

17(B) Compensation Disclosure:

Compensation Disclosure: Section 17(b) of the Securities Act of 1933 requires that any person that uses the mails to publish, give publicity to, or circulate any publication or communication that describes a security in return for consideration received or to be received directly or indirectly from an issuer, underwriter, or dealer, must fully disclose the type of consideration (i.e. cash, free trading stock, restricted stock, stock options, stock warrants) and the specific amount of the consideration. In connection therewith, EMC has received the following compensation and/or has an agreement to receive in the future certain compensation, as described.

EMC has been paid \$175,000 from Lithium South Development Corp. for various marketing services including this Factsheet.
<https://emergingmarketsllc.com/disclaimer>

NATIONAL INSTRUMENT 43-101 CERTIFIED

RESOURCE ESTIMATE

Resource Category	Brine Volume (1000m ³)	Li Grade (mg/L)	Li (tonnes)	Li ₂ CO ₃ Equivalent (tonnes)	K Grade (mg/L)	K (tonnes)	KCl Equivalent (tonnes)
Measured	119,862	797	96,000	509,000	7,039	844,000	1,609,000
Indicated	21,936	534	12,000	62,000	5,517	121,000	231,000
M&I	141,798	756	107,000	571,000	6,803	965,000	1,840,000

The resource estimate was prepared in accordance with the requirements of National Instrument 43-101 and uses best practice methods specific to brine resources, including a reliance on core drilling and sampling methods that yield depth-specific chemistry and effective (drainable) porosity measurements. The resource estimation was completed by an independent qualified person Mr. Michael Rosko, M.Sc., C.P.G. of the international hydrogeology firm E.L. Montgomery & Associates (M&A). Tonnages are rounded off to the nearest 1,000. Cut-off grade: 500 mg/L lithium, but no laboratory results were less than the cut-off grade. The conversion used to calculate the equivalents from their metal ions is based on the molar weight for the elements added to generate the equivalent. The equations are $Li \times 5.3328 = \text{lithium carbonate equivalent}$ and $K \times 1.907 = \text{potassium chloride equivalent}$. The reader is cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability.

Preliminary Economic Assessment

After-tax net present value (8% discount rate)	\$217 million
After-tax internal rate of return (IRR)	28%
CAPEX capital expenditures	\$93.3 million
OPEX cash operating costs (per metric tonne of lithium carbonate)	\$3,112
Average annual production (lithium carbonate)	5,000
Mine life	30 years
Payback period (from commencement of production)	2 years 5 months

The PEA was prepared by Knight Piesold Consulting (KP) and JDS Energy and Mining (JDS), both of Vancouver, in accordance with the standards set out in National Instrument 43-101 Standards of disclosure for Mineral Projects (NI 43-101), and CIM's Best Practice Guidelines for Mineral Processing (BPGMP).

The Preliminary Economic Assessment is preliminary in nature, there is no certainty that the Preliminary Economic Assessment will be realized. The economic analysis is based upon mineral resources that are measured and indicated, but are not mineral reserves, and have not demonstrated economic viability.

LISMF is fully funded to meet a 12 month work stream for the Hombre Muerto North Project in Argentina



This communication includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Our actual future results may be materially different from what we expect due to risks related to our ability to raise additional funds, the size and growth potential of the markets for our technology, our ability to serve those markets, the rate and degree of market acceptance of our products, future competition, our ability to protect our intellectual property rights and other risks, uncertainties and assumptions, including those described under the heading "Risk Factors" in our filings with the SEC. These forward-looking statements speak only as of the date of this communication and the Company undertakes no obligation to revise or update any forward-looking statements for any reason.

Qualified Person - The scientific and technical information contained in this news release has been approved by William Feyerabend CPG, who is a Qualified Person as defined by NI 43-101.