

Lithium Nevada

A **Lithium**Americas Company

NEWSLETTER

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Hello from Lithium Nevada:

After nearly 10 years of on the ground work and collaboration, I'm pleased to announce that Lithium Nevada Corp. (LNC) has received its Record of Decision from the Bureau of Land Management (BLM) for the Thacker Pass project. The Record of Decision is the conclusion of a long and necessary journey. The BLM and its cooperating agencies conducted thorough environmental analysis of the project as part of the BLM's process to prepare an Environmental Impact Statement. After completing the analysis, the BLM ultimately concluded that LNC can proceed with the project subject to incorporating certain environmental mitigation measures. This includes concurrent backfilling and reclamation of the pit, tailings containment, water monitoring/mitigation, and biological mitigation. Applications for certain state permits are also in progress, with state permitting agencies forecasting their decisions will be made before the end of the year. Those decisions are expected to further delineate measures LNC will need to take to comply with air and water laws.

In addition to completing permitting, the final steps to move the project forward will include securing the remaining necessary financing and moving forward with a responsible project that will employ as many as 300 people and contribute to the economic recovery of the State of Nevada.

We are committed to hiring from within Humboldt County to the extent possible. This process starts now with providing skills training in our local communities. Lithium Nevada has partnered with Great Basin College, the Nevada Builders Alliance, JOIN Inc. and others to provide entry-level construction training in Winnemucca, McDermitt, and Lovelock. These courses are being offered now, with future courses planned for heavy equipment operator training.

**If you are interested, please go to Greater Basin College's website at:
www.gbcnv.edu/cte/build_nv.html**

Understandably, the project is receiving more attention now that the Record of Decision has been issued. Building on our first Open House held in 2017, Lithium Nevada is committed to community conversations. We strive to be a good neighbor, and we will continue to talk to local stakeholders to share information and answer questions. You deserve to be heard and have your questions answered. To this end, we plan to provide a presentation to the Humboldt County Commission and in McDermitt on April 5th. We will also meet with the Community Committee on April 6th in Oroville and look forward to working with them on long-term engagement.

Sincerely,
Alexi Zawadzki
CEO, Lithium Nevada Corp.

BuildNV core construction training successfully launched in Fort McDermitt

Nearly twelve months after the initial planning meeting to launch the BuildNV Core Construction Training Program in Humboldt County, community members of Fort McDermitt, McDermitt and Orovada have launched the BuildNV Core Construction Training course being offered in Fort McDermitt. The training course began on November 2nd of last year and continued through to December 31st, Monday through Thursday each week.

The BuildNV Core Construction Training Program is an 80-hour program designed to train workers in construction, building maintenance, related trades in our communities and provide career technical education, helping to provide skills training that addresses a current gap in Nevada's workforce.



(Left) Students proudly display GBC course completion certificates; they will also receive NCCER certification cards.

(Right) John Smith of Fort McDermitt attends orientation for the BuildNV Core Construction Training.



A group of 11 students successfully completed the introductory course to earn an OSHA 10-Card and received training in construction and building maintenance. Core training modules from the National Center for Construction Education and Research (NCCER) are being taught, including: Basic Shop Safety, Introduction to Construction Math, Introduction to Hand Tools, Introduction to Power Tools, Introduction to Construction Drawings, Basic Communication Skills, Basic Employability Skills and Introduction to Material Handling.

The Fort McDermitt Tribe kindly offered the use of their Tribal student center and gymnasium to hold classroom instruction and conduct online testing.

Lithium Nevada collaborated with Lisa Campbell, the Executive Director of the Great Basin College (GBC) Winnemucca campus and Christine Brown the Director of Native Workforce Development of the Inter-Tribal Council of Nevada (ITCN) to provide computers, software, and online access to students. GBC generously donated 10 desktop computers to the Fort McDermitt Tribe. Lithium Nevada along with ITCN provided funding for IT support, the operating systems and software for each computer. IT technicians from Reno traveled to Fort McDermitt to set up the computers.

Stay tuned for additional trainings to take place in the McDermitt area!

Environmental Protection Measures

Many of you want to learn more about some of the key environmental protection measures we plan to implement, which include a range of efforts described below.

Water Use

The project is designed with significant water recycling technologies to minimize water consumption. Process water is proposed to be obtained from the Quinn River Valley aquifer. No additional pumping of that aquifer is proposed. In fact, it is proposed that the project will result in less water pumped from the Quinn River Valley aquifer than is being extracted today. This is because Lithium Nevada is converting existing irrigation water rights to mining and milling rights. Conversion requires approximately 23 percent of the water right to be forfeited based on Nevada regulations, resulting in an expected reduction of water usage. Thacker Pass is designed to include extensive water recycling within the plant. The final Environmental Impact Statement (EIS) provides in section 5.3.1 that the projected water demand for the project is 2,600 acre-feet/year for the first 4 years; and 5,200 acre-feet/year for the remainder of the project. The average water supply required by the mine after year 4 (i.e., 5,200 acre-feet/year) represents approximately 9 percent of the total estimated perennial yield for the Quinn River Valley HA. The water right for pumping the Quinn Production Well would be provided by transferring existing water rights (i.e., changing manner of use from agricultural to mining and milling); and, therefore, would not increase the amount of groundwater withdrawal from the Quinn River Valley HA over existing conditions.” For context, irrigation consumes 83,716 acre-feet/year in the Quinn River Valley.

The water for initial operations will be transferred from two nearby ranches, one of which is owned by Lithium Nevada. These proposed transfers are currently under review by the Nevada Division of Water Resources. Its review will analyze from an environmental protection standpoint the potential impacts to existing water rights and use.

Water Management at the Tailings Facility

Tailings is the earthen material that is left over once the lithium has been extracted from it. The State of Nevada requires that all tailings be placed in an area where all water associated with the tailings is contained. Lithium Nevada plans to build a Clay Tailings Filter Stack (CTFS) impoundment instead of the more widely used wet-slurry impoundment. While more expensive, the CTFS is a key component of keeping water use low and protecting the environment. Here’s how it is designed to work. Inside the processing plant, caustic soda will be added to the wet tails to neutralize the sulfuric acid that was applied to extract the lithium. The neutralized wet tailings will then be filter-pressed, essentially squeezed dried, with a high-pressure press. The removed water will be returned to the process and recycled over and over. It should be noted that the tailings will not be completely dry, but the water content will be nearly undetectable by touch.

The tailings storage facility is designed to be fully contained and protective of local water resources. The nearly dry tailings will be placed outside on a double lined area. The first liner will be a compacted clay, impermeable, base layer. It will be covered with a High-Density Polyethylene liner. The liner will be constructed so that any water percolating down to it will drain into a fully contained, double-lined pond, where the water will be returned to the process facility or evaporated off. Once the tailings are stacked to the permitted elevation, they will be capped with a clay cover, layered with top-soil, and revegetated with native vegetation. These measures meet or exceed current standards and are intended to be protective of the surrounding environment, including the groundwater. In keeping with the requirements of the State of Nevada, the facility will be regularly monitored as an added check on containment and protection of groundwater.

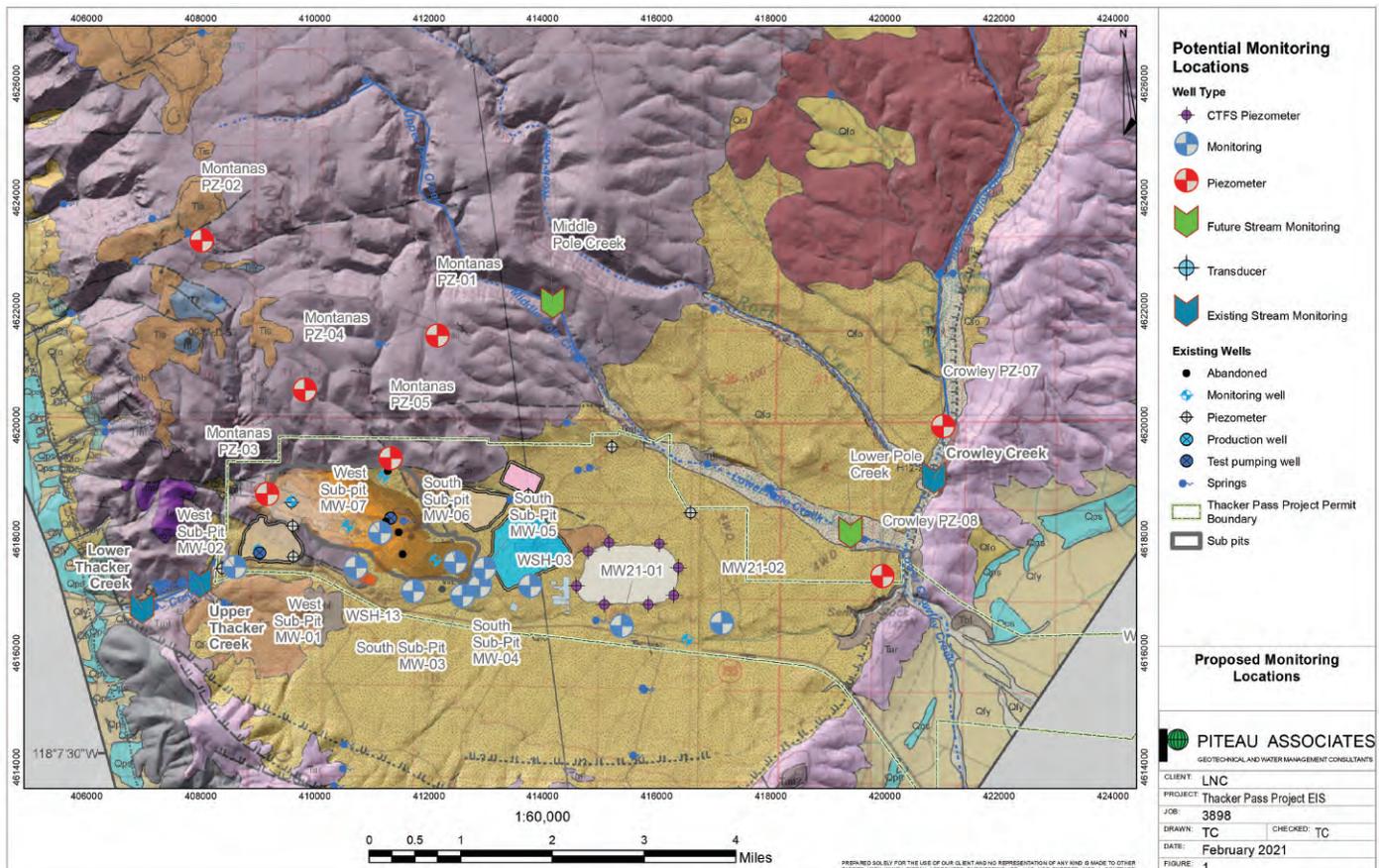
Environmental Protection Measures (continued)

Mine Reclamation and Water Management

LNC is committed to implementing the Water Monitoring and Mitigation Plan, which was approved through the Record of Decision, and is available on our website. One of the more significant authorizations called for by the Record of Decision requires Lithium Nevada to backfill the pit. This backfilling will begin seven years after mining commences and, from that point on, mining and backfilling will happen concurrently. At the conclusion of mining, the entire facility will be decommissioned, all structures will be removed, the impacted area will be top-dressed with soil, and then it will be revegetated. The end result will resemble a natural habitat. Meanwhile, the lithium to be produced from Thacker Pass is intended to be used and recycled for decades after the mine has closed.

The material used to backfill the pit is proposed to come from the pit and would be composed from non-lithium-bearing sand and rocks that will be separated from the lithium clays and won't be processed. This material naturally contains arsenic and antimony. The ground water at Thacker Pass currently does not meet State drinking water standards at most locations due to elevated levels of arsenic. Based on modeling, LNC plans to monitor the possibility of antimony migration from the pit area and has developed mitigation approaches that comply with current standards and have been approved by the BLM.

Without any mitigation, the modeling indicates that antimony would not exceed State drinking water standards at any point outside of the project footprint; nonetheless, LNC has proposed protective containment plans. The figure below shows the proposed location of monitoring wells, including those planned to be located downgradient (southeast) of the pit area. The monitoring wells would act as an early-alert system if antimony is detected at levels that are above Nevada drinking water standards. Under one of the mitigation approaches, the monitoring wells could be converted to pump-back wells that would capture water with elevated antimony if encountered. This is not expected as a possibility for decades into the future based on the mine plan. As part of the adaptive management strategy recommended by the BLM, LNC would continue to optimize mitigation planning based on field testing during the early phases of mining, in coordination with regulatory oversight.



Environmental Protection Measures (continued)

Sulfur Dioxide

The processing of high-purity lithium at Thacker Pass will utilize sulfuric acid to separate the lithium from salts and other minerals that are bound to it. Instead of importing sulfuric acid to Thacker Pass, LNC has opted for the alternative that we believe is the safer option of manufacturing the acid at the plant site. We believe this option is safer because it will reduce the volume of reagents transported on Nevada roads, it responsibly negates the need to transport sulfuric acid and replaces it with moving benign elemental sulfur, and it affords LNC the opportunity to generate carbon-free power from the process that will be used to manufacture the sulfuric acid. We believe this will allow us to reduce the expected carbon footprint of the project.

The pure-form sulfur will be purchased from hydrocarbon processing plants where it is an abundant by-product. This elemental sulfur will be transported to Winnemucca by train and then transloaded to B-train trailers, thereby minimizing the truck traffic and risk on Nevada roads. The expected upsides of producing our own sulfuric acid are simple -- less traffic on the roads and low carbon power.

Sulfuric acid is one of the most used substances in chemical processing. There are hundreds of plants around the world including an operating plant in northeastern Nevada. Check out www.sulphuric-acid.com for information about the plants in the US and beyond.

The Thacker Pass plant will be considered a mid-sized facility and will manufacture 3,307 tons per day, compared to larger plants around the globe that produce roughly 5,050 metric tons per day. The State of Nevada is currently analyzing and writing an air emissions permit that should allow for minimal sulfur dioxide (SO₂) emission. With new leading technology equipment, the plant is expected to be a clean emitter, emitting less than 40 tons of SO₂ per year—which will amount to only 2% of the current SO₂ emissions from the North Valmy power plant located in nearby Valmy, Nevada. Also, there would be no detectible odor emitting from the project boundary because of the control technologies incorporated into the design.

We are committed to building this plant to be clean and efficient, which includes limiting the air emissions. This is incorporated in the design plans.

Traffic

The operations will require regular shipments of reagents such as sulfur, lime, and caustic, which will be delivered from Winnemucca by truck at a rate of no more than 75 roundtrips each day for Phase 1. We will also maintain a workforce of approximately 300 employees once the project is fully developed. It is anticipated that the vast majority of our team will live in Winnemucca and our plan is to use coach buses to transport them roundtrip between Winnemucca and the site.

We have had positive, detailed meetings with the Nevada Department of Transportation about traffic along US95 and Nevada State Route 293. We are currently working on a plan to ensure the traffic is not impeded as our project vehicles turn onto or off of these roads. Additionally, we look forward to future discussions with the nearby communities to maintain safety for their residents.

Forward-Looking Statements

This newsletter contains “forward-looking information” and “forward-looking statements” (which we refer to collectively as forward-looking information, or “FLI”) regarding Lithium Americas Corp. and its business operations carried out by its wholly-owned subsidiary Lithium Nevada Corp. (collectively, the “Company”) under the provisions of applicable securities legislation. All statements, other than statements of historical fact, are FLI, including but not limited to, statements related to: the timing for development and construction of the Thacker Pass project; anticipated designs and processes; the expected timing for permitting and other approvals; capital expenditures and programs; the Company’s ability to raise capital; exploration of financing options and a potential joint venture partner for Thacker Pass; the expected environmental impacts of the project, including carbon emissions and air quality, and the effectiveness of mitigation measures; results of the Company’s engineering and design permitting program at the Thacker Pass project, including that the Company meets deadlines set forth herein and receives permits as anticipated; capital costs, operating costs, sustaining capital requirements, timing, results and completion of the Thacker Pass feasibility study; ability to achieve capital cost efficiencies; hiring needs for the project during each of its phases; and the effect of current or any additional regulations on the Company’s operations.

Forward-looking information is based upon a number of factors and assumptions that, if untrue, could cause actual results, performances or achievements of the Company to be materially different from future results, performances or achievements expressed or implied by such information. Such information reflects the Company’s current views with respect to future events and is necessarily based upon a number of assumptions that, while considered reasonable by the Company today, are inherently subject to significant uncertainties and contingences. These assumptions include, among others, forecasted demand for lithium products, including pricing thereof, the Company’s ability to fund, advance and develop the Thacker Pass project into production, including results therefrom and timing thereof, the impacts of COVID-19 globally and in the jurisdictions in which we operate, and on the availability and movement of personnel, supplies and equipment, timing of regulatory approvals and permits, and on third parties we are in a contractual relationship with regarding the preparation of a feasibility study, the accuracy of mineral resources, including whether such mineral resources can ever be converted into reserves, reliability of technical data, accuracy of current budget and construction estimates, that pending patents will be approved, ability to achieve commercial production, general economic conditions, timely responses from governmental agencies responsible for reviewing and considering the Company’s permitting activities, the Company position in a competitive environment, and a stable and supportive legislative, regulatory and community environment.

Forward-looking information also involve known and unknown risks that may cause actual results to differ materially. These risks include, among others, inherent risks in the development of capital intensive mineral projects (including any partnership arrangements), variations in mineral resources and mineral reserves, global demand for lithium, recovery rates and lithium pricing, risks associated with successfully securing adequate financing, changes in project parameters and funding thereof, risks related to growth of lithium markets and pricing for lithium-based products, changes in legislation, governmental or community policy, permitting risk, including receipt of new permits and maintenance of existing permits, title and access risk, cost overruns, unpredictable weather and maintenance of natural resources, unanticipated delays, intellectual property risks, currency and interest rate fluctuations, operational risks, health and safety risks, and general market and industry conditions. Additional risks, assumptions and other factors are set out in the Company’s management discussion analysis and most recent annual information form, copies of which are available on SEDAR at www.sedar.com and EDGAR.

Although the Company has attempted to identify important risks and assumptions, given the inherent uncertainties in such forward-looking information, there may be other factors that cause results to differ materially. Forward-looking information is made as of the date hereof and the Company does not intend, and expressly disclaims any obligation to update or revise the forward-looking information contained herein, except as required by law. Accordingly, readers are cautioned not to place undue reliance on forward-looking information.

How To Reach Us

For more information, please visit our website at www.lithiumamericas.com or contact:

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