

Nevada Energy Metals Announces Update: American Lithium Corp Joint Venture in Clayton Valley



July 19, 2016 (Source) – Nevada Energy Metals Inc. “the Company”, TSX-V: BFF (OTCQB: SSMLF) (Frankfurt: A2AFBV) is pleased to announce that, subsequent to the Companies news release of June 17th, 2016, American Lithium Corp. has received TSX-V approval to acquire all of the outstanding shares of 1074654 B.C. Ltd which holds the right to acquire up to a 70 % interest in and to the Clayton Valley BFF-1 project “the Property” located in Nevada.

American Lithium Corp. now assumes the obligations in respect to the previously announced option agreement, which in addition to a non-refundable deposit of USD\$25,000 (paid) is USD\$2750,000 and 1,200,000 million common shares of American Lithium Corp. in three tranches on or before the second anniversary of closing, and \$1-million in exploration expenditures on or before the third anniversary.

Following the exercise of the Option, the American Lithium Corp shall have a seventy (70%) interest in and to the Property, with Nevada Energy Metals retaining the balance.

Thereafter, the parties will work diligently and in good faith to negotiate the terms of a joint venture to advance development of “the Property. The joint venture will provide that expenditures on the Property will be funded on a pro rata basis, based upon the respective parties proportionate interest in the Property. In the event that any one party declines to fund the expenditures in proportion to their

interest, their respective interest in the joint venture shall be reduced accordingly, provided that no party shall be diluted below a fifteen (15%) interest in the Property.

Rick Wilson, Chief Executive Officer of Nevada Energy Metals, commented: "We are delighted to have American Lithium Corp as our partner with which to advance the Clayton Valley property.

The BFF-1 Project covers an area similar to the structural and geologic settings at Albemarle's Silver Peak lithium-brine operation and lies only two hundred meters to the north west side of their property. We look forward to an exciting exploration program being carried out in the months ahead."

About the BFF-1 Project:

The Clayton Valley BFF-1 Project is an early-stage lithium brine prospect in Esmeralda County, Nevada. A total of 77 placer claims cover an area of approximately 623 ha (1,540 acres) on the north-western side of the original Clayton Valley playa. The property position covers an inferred graben bounded by the Silver Peak Range front on the west and by an outlier of Paleozoic rocks known as Goat Island on the east.

The exploration concept is that the graben is a sub-basin of the larger Clayton Valley basin and may represent a secondary trap for lithium brines within the greater system.

The Clayton Valley BFF-1 NI 43-101 Technical Report by Alan Morris, CPG, QP, states "The property has strong potential to host Lithium brine deposits in favorable geologic horizons within the basin fill. Another possible target is lithium enriched clay within the fill package and potentially in previous high stands of the playa." (April, 2016)

Geologic and geophysical mapping conducted for geothermal exploration and documented by Hulen (2008) indicates previously unrecognized, deep graben lying between the Silver Peak range front and outcrops of Paleozoic rocks at Goat Island and Alcatraz Island. This area was their target zone

for a deep circulating geothermal system they hoped to exploit for geothermal power. This graben is the main target for lithium brine as it may represent a separate sub-basin in Clayton Valley that holds brines not subject to pumping by production wells on the east side of the main valley. Exposed mineralization is confined to salt crust on the playa surface and other locations in the valley.

Western Geothermal Partners drilled a 120 meter (400 foot) geothermal gradient test well in 2006 on what is now the Clayton Valley BFF-1 project. Bottom hole temperature was 50°C (122°F) which showed moderate potential for geothermal power. Of significance, the well encountered a 25-foot-thick zone of volcanic ash reportedly similar to the Main Ash Aquifer in the Clayton Valley lithium operation. The presence of any felsic ash in this hole is significant in light of that, it is the presumed source for at least some of the lithium in the brines (Price et al, 2000).

Qualified Person: The technical content of this news release has been reviewed and approved by Alan Morris CPG, Elko, Nevada

About Nevada Energy Metals: <http://nevadaenergymetals.com/>

Nevada Energy Metals Inc. is a well funded Canadian based exploration company who's primary listing is on the TSX Venture Exchange. The Company's main exploration focus is directed at lithium brine targets located in the mining friendly state of Nevada. The Company has 100% ownership in 77 claims in Clayton Valley, only 250m from Rockwood Lithium, the only brine based lithium producer in North America. Nevada Energy Metals has also acquired, 100 claims (Teels Marsh West) covering 2000 acres (809 hectares) at Teels Marsh, Mineral County, Nevada, a prospective lithium exploration project, 100% owned without any royalties; the San Emidio Desert lithium project, consisting of 155 claims (approximately 3,100 acres/1255 hectares) in Washoe County, Nevada; the Alkali Lake

Project in Esmeralda county, is a 60% earn in option agreement from Dajin Resources Corp, where near surface lithium values have been confirmed; the Dixie Valley Project consisting of 911 claims covering 73.6 square kilometers/28.4 square miles (7,363 hectares/18,194 acres) of salt marsh playa. Of the seven characteristics favourable for the formation of a lithium brine deposit as outlined in the U.S. Geological Survey deposit model, all seven are found in Dixie Valley. The lithium deposit model for Dixie Valley is a Clayton Valley-style brine deposit.

On Behalf of the Board of Directors

Rick Wilson, President & CEO

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