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NEWS RELEASE: 10-09

## Lithium One Announces Inclusion in World's First Lithium ETF and Issues Update on Field Activities

### Highlights

- Lithium One selected for the new Global X Lithium **Exchange Traded Fund (ETF)**
- Near-surface brine sampling at Sal de Vida Project yields **765 mg/L Lithium** and **0.76 wt % Potassium** with low magnesium and sulphate
- Hazen Research produces first lithium carbonate from James Bay spodumene concentrate

**Lithium One Inc. (the "Company") (TSX-V: LI)**, is pleased to report the Company's inclusion in the Global X Lithium ETF and provide an update on field activities in Argentina and Quebec. Additional results from the Sal de Vida Project emphasize the quality chemistry of the brine as well as its consistency and scope, while the James Bay project has reached the milestone of producing its first lithium carbonate from spodumene.

Lithium One President and CEO Patrick Highsmith commented on the significance of these recent events, "*We continue to demonstrate the quality and viability of our projects, and have now been included as one of only eight lithium mining and exploration companies in the world's first lithium ETF. We see this as international recognition of Lithium One's progress towards being amongst the next generation of large-scale lithium producers. The ETF offers us the opportunity for exposure to a new and diverse investor base.*"

New York-based Global X Funds has launched the Global X Lithium ETF (NYSE: LIT) to offer a vertically-integrated investment focused on the rapidly expanding lithium battery market for electric vehicles and energy storage.

"*It is appropriate that a lithium ETF include developers, producers and end-users, since the future of this commodity will be driven by relationships throughout the value chain. This is exemplified by our partnership with Korea Resources Corporation and by their close relationships with Korean industrial groups and end-users, such as GS Caltex and LG International*" Highsmith remarked.

"*As we progress our Sal de Vida lithium brine project towards a feasibility study, it is fitting for Lithium One to be included in the growth component of the ETF. This will augment the returns yielded by the existing major lithium producers such as FMC Corporation, our immediate neighbour at Salar del Hombre Muerto.*"

### Sal de Vida Project Update

The Company has also recently concluded the near-surface brine sampling program at the Sal de Vida property. The cumulative average values are **765 mg/L (650 ppm) lithium, 8,976 mg/L (0.76 %) potassium, and a Mg:Li ratio of 1.77**. These results demonstrate that the brines are consistently rich in lithium and potash over a contiguous area of more than 225 km<sup>2</sup>.

In addition, the magnesium and sulfate contents of brines from Sal de Vida are among the lowest of any salar in North or South America<sup>†</sup>, which is an important positive consideration when evaluating the economics of a brine resource. The lithium and magnesium results also continue to compare favourably to estimates for the adjacent Fénix lithium mine: 600 to 650 ppm Li and Mg:Li of 1.5<sup>†</sup>.

Table 1. Brine assay results for 128 samples from depths of 2 – 6 metres having densities  $\geq 1.1$  g/cm<sup>3</sup>

	<b>Lithium</b> (mg/L)	<b>Potassium</b> (mg/L)	<b>Magnesium</b> (mg/L)	<b>Mg:Li</b>	<b>SO<sub>4</sub>:Li</b>
<b>Mean Value</b>	765 (650 ppm)	8,976 (0.76 wt %)	1,276	1.77	10.57
<b>Max Value</b>	1,288	14,799	4,870		
<b>Min Value</b>	375	2,963	385		

The Company continues to secure minor mineral property rights around the core property at Sal de Vida, increasing the total land holdings to 365 km<sup>2</sup>.

Core drilling is currently testing the heart of the brine reservoir, recovering discrete brine and porosity samples from depth. Lithium One is on schedule to report an NI 43-101 resource before the end of 2010.

Please refer to the Lithium One website ([www.lithium1.com](http://www.lithium1.com)) for additional discussion of these results, maps and figures, as well as photos from the field.

#### **James Bay Project Update**

Hazen Research reports that it has prepared the first lithium carbonate from James Bay spodumene concentrates. A number of processing tests have been conducted on the mini-bulk sample from James Bay, and the material has responded well to conventional flotation, calcining, and acid baking/leaching. Assays of lithium carbonate purity are pending.

The Company is mobilizing the geological team to the James Bay Project in northwestern Quebec. The focus of this year's program will be to augment the drilling database with a high resolution topographic survey and surface diamond saw channel sampling of the exposed pegmatite. The data from this program will be incorporated into the block model, which will support the calculation of a NI 43-101 resource before the end of 2010.

#### **Review by Qualified Person**

The contents of this news release, analytical data, and quality control procedures have been reviewed and approved by Dr. Jeffrey Jaacks. Dr. Jaacks is a Certified Professional Geologist (C.P.G.) with the American Institute of Professional Geologists (CPG# 11249) and a qualified person as defined by NI 43-101. He is an independent consultant to the Company, holding no shares or options.

#### **About Lithium One:**

Lithium One Inc. is a Canadian-based explorer and developer of mineral properties with a specific focus on lithium. The Company has two major established lithium projects: the brownfields Sal de Vida lithium brine deposit in Argentina and the James Bay bulk tonnage spodumene deposit in Quebec. Korea Resources Corporation (KORES) is earning a 30% interest in the Sal de Vida Project by carrying Lithium One through US\$15 million of exploration and resource development work and delivering a Definitive Feasibility Study. KORES will also secure the debt portion of project construction costs and purchase 30 to 50 percent of future lithium production. The Company continues to advance both its projects toward resource definition, expecting NI 43-101 compliant resource estimates before the end of 2010.

ON BEHALF OF THE BOARD OF DIRECTORS,

Patrick Highsmith, M.Sc.

<sup>†</sup> Economics of Lithium 11th Edition, Roskill Information Services (2009)

President and Chief Executive Officer

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