



Trading Symbols
AIM: AGQ
FWB: I3A

11 April 2017

Option Agreement to Acquire Lithium Projects

Arian Silver Corporation (“Arian” or the “Company”), the Mexico focused AIM quoted resource development company, announces it has entered into an option agreement (the “Option Agreement”) to acquire three lithium exploration projects (the “Projects”) through its wholly owned Mexican subsidiary, Compañía Minera Estrella de Plata SA de CV (“Arian Mexico”). The Projects will be acquired from Comercializadora Gacu SA de CV, a privately held company, for an aggregate consideration of up to US\$200,000 payable in instalments over the next 12 months. The Projects cover a total expanse of over 1,600 hectares (“ha”) in a prospective region of Zacatecas State, Mexico, known for its lithium deposits.

Following the proposed acquisition of the Projects, Arian will wholly own silver and lithium mineral concessions over approximately 3,150 hectares within the Zacatecas mining district, Mexico.

Jim Williams, Chief Executive Officer of Arian commented: **“The Option Agreement reflects the beginnings of our new strategy to diversify from exclusively exploring silver deposits, allowing us to seize opportunities in growing markets, such as lithium, as they arise.**

Preliminary exploration, consisting of a sampling programme and geological mapping of the Projects, is already underway and will progress alongside the exploration of our silver projects. Existing data evidences the presence of lithium enrichment across the Projects, and coupled with both Arian’s experience of operating in Mexico and the viability of the existing local infrastructure, makes the proposed acquisition of the Projects extremely exciting.

We are fully aware of the positive corporate market response, particularly in the US, Canada and Australia for lithium exploration and development companies. Given the increasing number of known lithium occurrences in Mexico, and specifically within the state of Zacatecas, together with our already established presence and infrastructure there, it is important we utilise these rare opportunities and potentially benefit from forward looking positive demand curves.

Our current focus is set firmly on evaluating the extent of the mineralisation across our expanded portfolio of assets and I look forward to announcing the results of the preliminary lithium exploration programme, and also progress on further results from our activities on our silver projects, in due course.”

Further Information

The growth in demand for electric vehicles and energy storage is the largest contributor to the increased demand for lithium we have witnessed in recent years. The increasing popularity of renewable energy has created an additional, emerging market in energy storage which management believe will require further supplies of lithium, and this can be illustrated through the recent unveiling of the world's largest lithium-ion energy storage facility in San Diego.

Global demand for renewable energy projects continues to grow, driving the price of lithium in recent years. We believe that as governments begin to take action to tackle pollution and control air quality, the demand for lithium through the expanding production of electric vehicles and lithium-ion energy storage facilities, will continue to increase.

The Projects benefit from excellent access to the transport network, each a few kilometres from the main highway which runs between the cities of Zacatecas and Saltillo and are situated within a region known to contain lithium, as well as boron and sulphur.

Mexico is an emerging lithium producing country and is attracting increasing levels of international interest and investment. Zacatecas in particular, hosts some very large salars (ancient lakes and lagoons), which are known to host some of the largest lithium resources in the world.

Terms of the Option Agreement

A non-refundable deposit of US\$20,000 has been made pursuant to the terms of the Option Agreement. There are currently no obligations to make further payments although management expect that two further instalments totalling US\$80,000 will be made in the second and third quarters of 2017, with the final instalment of US\$100,000 being paid at the end of the first quarter of 2018.

Arian has commissioned a technical report to be produced on the Projects which will incorporate the results of the preliminary exploration programme, the results of which will be announced in due course.

The Projects are subject to a 2% net smelter royalty payable to the vendor, Comercializadora Gacu SA de CV.

The Projects

Summary information relating to the Projects is set out below:

Pozo Hondo

The Pozo Hondo project is the largest of the projects at almost 1,100 ha in size and covers one salar, the Laguna El Salado.

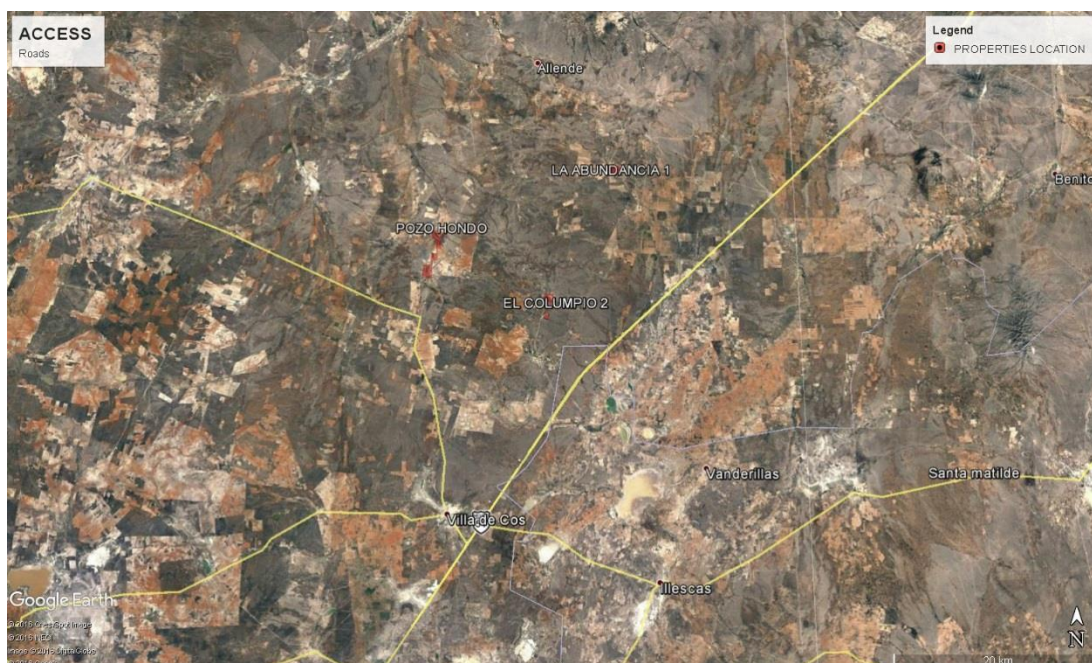
Columpio

The Columpio project is almost 400 ha in size, encompassing two salars, Laguna Tenango and Laguna La Virgen, approximately 24km from the town of Villa de Cos.

Abundancia

The Abundancia project is 150 ha in size and encompasses the Laguna Noria del Burro salar, approximately 40km from the town of Villa de Cos.

The following map illustrates the location of the Projects west of the main Zacatecas – Saltillo highway (54):



www.ariansilver.com/assets/img/concession-map-20170410184738.jpg

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

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Forward Looking Statement

This press release contains certain “forward-looking information”. All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are deemed forward-looking information.

This forward-looking information reflects the current expectations or beliefs of the Company based on information currently available to the Company as well as certain assumptions. Forward-looking information is subject to a number of significant risks and uncertainties and other factors that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realised or substantially realised, there can be no assurance that they will have the expected consequences to, or effects on the Company.

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information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.