

September 19, 2016

TSX-V: NRL

NATAN RESOURCES TO BEGIN PHASE 1 EXPLORATION PROGRAM ON THE DUVAL LITHIUM PROJECT IN THE NEMASKA WHABOUCHI AREA

Kelowna, British Columbia – Natan Resources Ltd. (“Natan” or the “Company”) is pleased to announce that the Phase 1 exploration program for its Duval Project in Northern Quebec has been finalized and that the Company has commenced its program in the field. The Duval Project is contiguous to and along strike with the Whabouchi project of Nemaska Lithium Inc. (“Nemaska”) that recently reported encountering a new lithium-bearing zone in the south-western end of the planned pit area (see Nemaska Press Release dated September 6, 2016). Nemaska reported that this new zone has been intersected in multiple drill holes at up to 500 m vertical depth, and is located at the south-western end of the pit area, approximately two kilometers from the north-eastern boundary of Natan’s 2,459 hectare property.

Natan and Critical Elements Corporation (“Critical”) have contracted Consulteck of Val D’Or, Quebec, as operator of the project. This first phase of exploration will consist of a detailed mapping and sampling program over a grid designed to cover the entire property over the course of approximately 4 weeks. There has been no historic lithium focused exploration on the Duval property; however, it is believed that the continuation along strike and onto the property of the similar geology as at Whabouchi indicates the potential to locate lithium bearing pegmatites.

Upon completion of the Phase 1 program, an updated NI 43-101 report will be completed for the property. Pending the successful results of the program and the recommendations of the report, the Company is fully financed to quickly advance the program through the exploration cycle.

Mike Blady, Chief Executive Officer of Natan, commented:

“Nemaska’s new discovery indicates the potential to discover new lithium occurrences on the surface as well as hidden at depth. We are looking forward to thoroughly exploring the Duval Property, and anticipate Consulteck’s familiarity with the area will allow for an efficient and effective program designed to evaluate the current lithium potential.”

Extension of Private Placement Financing

The Company also updated today that its previously announced non-brokered private placement financing (the "Offering") has been extended to October 16, 2016, subject to final TSX Venture Exchange approval. Pursuant to the Offering, the Company intends to issue: (a) up to 3,000,000 units ("Hard Units"), at a price of \$0.20 per Hard Unit, for aggregate gross proceeds of up to \$600,000; and (b) up to 1,600,000 "flow-through" units ("FT Units"), at a price of \$0.25 per FT Unit, for aggregate gross proceeds of \$400,000. Each Hard Unit will consist of one common share in the capital of the Company and one half of one common share purchase warrant (each whole common share purchase warrant, a "Hard Unit Warrant"), with each Hard Unit Warrant being exercisable to acquire one common share of the Company

at a price of \$0.30 for a period of 36 months following the closing date of the Offering. Each FT Unit will consist of one "flow-through" common share in the capital of the Company and one-half of one common share purchase warrant (each whole common share purchase warrant, a "FT Unit Warrant"), with each FT Unit Warrant being exercisable to acquire one common share of the Company at a price of \$0.30 for a period of 36 months following the closing date of the Offering.

The Company has closed the first tranche of the Offering, consisting of a total of 2,653,000 units ("Units"), and 1,380,000 flow through units ("FT Units") for aggregate gross proceeds of \$875,600 (the "Offering"). The Company expects to hold one or more additional closings on or before October 16, 2016.

The technical contents of this release were approved by David Hladky, P. Geo., a qualified person as defined by National Instrument 43-101. The property has not yet been the subject of an updated National Instrument 43-101 report.

For further information regarding this news release contact:

Michael Blady, CEO
Tel: (604) 720-3474

On behalf of the Board of Directors
Natan Resources Ltd.

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