

ULTRA LITHIUM INC.

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ULTRA LITHIUM ANNOUNCES GEOPHYSICS UPDATE ON SERBIAN PROPERTIES

AUGUST 27, 2012

TSX-V: ULI

Vancouver, B.C., August 27, 2012 - Ultra Lithium Inc. (TSX-V: ULI) (“the Company” or “Ultra”) announces an operational update for the audio-magnetotelluric survey (AMT) currently underway on its Balkans Project in the Republic of Serbia.

Highlights include:

- Field work complete on Blace, Ladjevci and Preljina concessions
- 300 km² of ground geophysical surveys now complete across the Company’s 643 km² property
- Approximately 400 AMT measuring points have been surveyed with remaining 400 points to be completed by October 2012
- Geophysical work underway on Valjevo concession in same Valjevo Basin where Pan Global Resources’ have reported recent drilling success (click [here](#) for PGZ’s July 18 news release)

Marc Morin, Ultra Lithium’s President & Chief Executive Officer said:

“Ultra is actively exploring all seven of its exploration licenses in Serbia. The interpretations from our initial AMT surveys will help prioritize our proposed drill program in Serbia. The area is highly prospective for lithium, boron and jadarite mineralization and we are happy with the progress of the exploration campaign thus far.”

Operational Update

On July 23, 2012, geophysical crews commenced a comprehensive audio-magnetotelluric survey (AMT) on the Company’s 643 km² land package in Southern Serbia. The data is now being used to interpret basin geometry and identify potential lithium and boron bearing horizons.

The geophysical surveys are part of a Phase I exploration program designed to delineate drill targets by carrying out geophysical surveys, geological mapping and soil sampling. Geophysical surveys and interpretations are being carried out by Beijing Explo-Tech Engineering Co., (“BETEC”) of Beijing, China. The survey commenced over previously mapped alteration zones and has been expanded to cover the remainder of the property.

It is anticipated that a total of 19 lines of AMT measurements totaling over 200 km in length, with 800 AMT measuring points, will be completed by October 2012. To complement the AMT survey results, the Company also plans to acquire additional gravity measurements at the same time.

The technical information in this news release has been prepared in accordance with the Canadian regulatory requirements set out in NI 43-101 and reviewed on behalf of the Company by Mr. Shahab Tavakoli, P.Geo, Geophysicist, M.Sc., a Qualified Person under NI 43-101.

For more technical information on Ultra's Balkans property, please refer to:
<http://ultralithium.com/properties/balkans/>

For further information please contact Mr. Marc Morin, President and CEO at 604-669-9788 ext. 201.

ULTRA LITHIUM INC.

On behalf of the Board

"Marc Morin"

Marc Morin, President & CEO

Statements in this press release regarding the Company which are not historical facts are "forward-looking statements" that involve risks and uncertainties. Such information can generally be identified by the use of forwarding-looking wording such as "may", "expect", "estimate", "anticipate", "intend", "believe" and "continue" or the negative thereof or similar variations. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties such as the risk that the closing may not occur for any reason. Actual results in each case could differ materially from those currently anticipated in such statements due to factors such as: (i) the inability of the parties to consummate the definitive letter agreement; (ii) fluctuation of mineral prices; (iii) a change in market conditions; (iv) the inability to produce the technical report for any reason whatsoever; and (v) the refusal of the Exchange to accept the proposed transaction for any reason whatsoever. Except as required by law, the Company does not intend to update any changes to such statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

We seek Safe Harbor.