LithiumAmericas

NEWS RELEASE

Western Lithium Announces Filing of Preliminary Prospectus

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RENO, NEVADA--(Marketwired - May 26, 2015) -

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Western Lithium USA Corporation ("Western Lithium", the "Company") (TSX:WLC)(OTCQX:WLCDF) is pleased to announce that it has filed a preliminary prospectus in connection with its previously bought deal offering, pursuant to which Dundee Securities Ltd. together with Haywood Securities Inc. (the "Underwriters") have agreed to purchase, on a "bought deal" basis, 9,925,000 units of the Company (the "Units") at a price of C$0.70 per Unit for aggregate gross proceeds of C$6,947,500 (the "Offering"). Each Unit shall consist of one common share ("Share") of the Company and one-half of one common share purchase warrant. Each whole common share purchase warrant shall entitle the holder thereof to acquire one Share at a price of C$0.90 for a period of 24 months following the closing of the Offering. The Underwriters have been granted the option to purchase up to an additional 15% of the Offering, exercisable in whole or in part at any time up to 30 days after the closing of the Offering. In the event that the over-allotment option is exercised in its entirety, the aggregate gross proceeds to the Company from the Offering will be approximately C$8 million.

The preliminary prospectus has been filed in all provinces of Canada, other than Quebec. The Offering is scheduled to close on or about June 10, 2015. The Offering is subject to a number of conditions, including, without limitation, receipt of all regulatory approvals, including the approval of the Toronto Stock Exchange and the applicable securities regulatory authorities.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the Unites States Securities Act of 1933, as amended, and

such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

About the Company

The Company is developing its Kings Valley, Nevada, lithium deposit into a strategic, scalable and reliable source of high quality lithium products. The Company is positioning itself as a major U.S.-based supplier to support the rising global demand for lithium that is expected from the increased use of hybrid/electric vehicles, consumer electronics, and consumer and industrial lithium battery storage applications. In addition, Western Lithium is pursuing the opportunity to be a supplier of specialty drilling additive, Hectatone™ and potentially other organoclays for the oil and gas and other industries.

Forward-looking statements

Statements in this release that are forward-looking information are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in the company's periodic filings with Canadian securities regulators. When used in this document, the words such as "expect," "believe," "scheduled," "targeting" and similar expressions is forward-looking information. Information provided in this document is necessarily summarized and may not contain all available material information.

All such forward-looking information and statements are based on certain assumptions and analyses made by Western Lithium management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements. Important factors that could cause actual results to differ from these forward-looking statements include those described under the heading "Risks Factors" in the Company's most recently filed MD&A. The Company does not intend, and expressly disclaims any obligation to, update or revise the forward-looking information contained in this news release, except as required by law. Readers are cautioned not to place undue reliance on forward-looking information or statements.

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