LithiumAmericas

NEWS RELEASE

Western Lithium Announces Release of Final Tranche by Bangchak

12/29/2015

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Dec. 29, 2015) - Western Lithium USA Corporation ("Western Lithium" or "the Company") (TSX:WLC)(OTCQX:WLCDF) announces that, further to a non-brokered private placement with an affiliate of Bangchak Petroleum Public Company Limited ("Bangchak"), Bangchak has agreed to convert its remaining subscription receipts (the "Performance Subscription Receipts") into 17,263,345 common shares of the Company and release from escrow to the Company the final tranche of US$3.5 million. This brings the total investment by Bangchak into the common shares of the Company to US$5 million. As previously announced, the conversion of the Performance Subscription Receipts was subject to the satisfaction of certain conditions by the Company before December 31 2015, including the completion of trial runs for the production of high purity lithium carbonate at its demonstration plant in Germany sufficient to support a feasibility study.

While the Company ran a successful pilot plant campaign in November and December of 2015, it contemplates conducting further trial runs at the demonstration plant in Germany in 2016, and as such the parties amended the terms of the subscription receipt agreement between the Company, Bangchak and Computershare Trust Company of Canada. As a result, each Performance Subscription Receipt will convert into 2.676509 common shares of the Company, at an effective price of CDN$0.281 per common share or approximately 5% discount to the 20-day Volume Weighted Average Price of the Company's shares on the Toronto Stock Exchange. The shares issuable pursuant to the amended terms are subject to approval of the Toronto Stock Exchange.

About The Bangchak Petroleum Public Company Limited

With a business culture of Sustainable Business Development in Harmony with the Environment and Society, Bangchak Petroleum Public Company Limited was established to conduct its energy business since 1984 and strives to strike a balance between business value and social and environmental value. To this end, it has constantly

applied the Sufficiency Economy philosophy, corporate governance, and social responsibility concept to business management for goal achievement. Bangchak has begun to move into oversea investments to secure national energy and grow sustainable value.

About Western Lithium

Western Lithium is developing the Cauchari-Olaroz lithium project, located in Jujuy province, Argentina, and the Kings Valley lithium project in Nevada, U.S.A, with the intent to become a major supplier of lithium products. In addition, Western Lithium is a supplier of specialty drilling additives, Hectatone™ and other organoclay products 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," "planned", "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.

Statements in this release that constitute forward-looking statements or information include, but are not limited to: (i) receipt of all required regulatory approvals; (ii) satisfaction of conditions to, and timing of, the conversion of the subscription receipts; (iii) the potential to become a supplier of lithium products to battery manufacturers and a supplier of specialty drilling additive, Hectatone™ and potentially other organoclays for the oil and gas and other industries; and (iv) financial support from a funding partner.

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 Western Lithium'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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