LithiumAmericas

NEWS RELEASE

Western Lithium Announces the Closing of CDN$9.2 Million Bought Deal Offering

5/16/2014

RENO, NEVADA--(Marketwired - May 16, 2014) -

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Western Lithium USA Corporation ("Western Lithium", the "Company") (TSX:WLC)(OTCQX:WLCDF) is pleased to announce that it has, today, closed the previously-announced bought deal offering with Dundee Securities Ltd., on behalf of a syndicate including Haywood Securities Inc. (together, the "Underwriters"), with RK Equity Capital Markets LLC acting as a U.S. Placement Agent. The offering consisted of 15,870,000 units of the Company (the "Units") at a price of CDN$0.58 per Unit for aggregate gross proceeds of CDN$9,204,600 (the "Offering"), which includes those Units issued on the exercise in full by the Underwriters of their over-allotment option.

Each Unit consists of one common share ("Share") of the Company and one-half of one common share purchase warrant. Each whole common share purchase warrant ("Warrant") entitles the holder thereof to acquire one Share at a price of CDN$0.75 for a period of 24 months following the closing of the Offering. The Units were offered in all provinces of Canada (except Quebec) by way of a short form prospectus.

The Company's current cash balance is approximately CDN$16.6 million after giving effect to the net proceeds of the Offering of approximately CDN$8.4 million. The Company intends to use the funds available to it for the completion of the organoclay manufacturing plant in Nevada, which is scheduled for commissioning in the fall of 2014, the procurement of the equipment and operation of the Lithium Demonstration Plant in Germany in the fourth quarter of 2014 and for working capital and general corporate purposes.

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 Western Lithium

Western Lithium is pursuing the opportunity to be a supplier of specialty drilling additive, HECTATONE™ and potentially other organoclays for the oil and gas industry, and in particular, to support the growth of high pressure high temperature, deep directional drilling applications. The Company is also developing its Kings Valley, Nevada lithium deposit into a strategic, scalable and reliable source of high quality lithium carbonate. The Company is positioning itself as a major U.S.-based supplier to support the rising global demand for lithium carbonate that is expected from the increased use of hybrid/plug-in and electric vehicles.

Forward-Looking Information

Statements in this release are forward-looking statements within the meaning of applicable Canadian and United States securities legislation. Forward-looking information includes information that relates to, among other things, our expectations as to the use of proceeds from the Offering, and our objectives, strategies and intentions. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by us at the date the forward-looking information is provided, are inherently subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information.

The material factors or assumptions that we identified and which were applied by us in making forward-looking statements include, but are not limited to: the timing and completion of the organoclay manufacturing plant; the execution of our business strategies; the availability of financing for our development projects and activities; the ability to complete project targets on time and on budget and other events that may affect our ability to develop our projects; and there being no significant and continuing adverse changes in general economic conditions or conditions in the financial markets. The factors and assumptions are subject to various risks and uncertainties disclosed here and elsewhere in the Company's periodic filings with Canadian securities regulators. Information provided in this document is necessarily summarized and may not contain all available material information.

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