LithiumAmericas

NEWS RELEASE

Western Lithium Commences Pre-Feasibility Study

1/25/2011

RENO, NEVADA--(Marketwire - Jan. 25, 2011) - Western Lithium USA Corporation ("Western Lithium" or the "Company") (TSX VENTURE:WLC)(PINK SHEETS:WLCDF) has engaged Tetra Tech, Inc. ("Tetra Tech") (NASDAQ:TTEK) to complete a pre-feasibility study at its lithium deposit in Nevada, USA. The work will commence this week with completion targeted for mid-year 2011.

Tetra Tech, with 12,000 employees and 330 offices worldwide, is a leading provider of specialized geological, geotechnical, environmental, mine and metallurgical engineering services to the mining industry. Tetra Tech's technical expertise spans 40 years and includes research and development, applied science, engineering design, construction management, operations support, and site reclamation. Tetra Tech has established a reputation for cost effective mining expertise and innovation in industrial minerals, base and precious metals, coal and uranium, and is particularly suited to Western Lithium's project at this stage of its development.

Commencement of the pre-feasibility study follows the announcement in December 2010, that Western Lithium produced high quality lithium carbonate at pilot scale using lithium extracted from its Kings Valley Project. The pre-feasibility study will also incorporate an additional 150 drill holes that have been drilled in 2010 and early 2011 and build on the significant prior process development, optimization and design work that has been developed and tested throughout 2010 at facilities in the United States, Germany and Chile.

Qualified Person

Dennis Bryan, P.E., Western Lithium's Senior Vice President of Development is the Qualified Person as defined by NI 43-101 that has reviewed the technical data in this news release.

Western Lithium is developing the Kings Valley, Nevada lithium deposit into potentially one of the world's largest[(1)] strategic, scalable and reliable sources 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/electric vehicles.

1. Western Lithium has completed National Instrument 43-101 resource estimates on two portions of the property, one of which is envisioned for the initial stage of mine development. These resources cover part of the mineralization from a historical estimate of 11 million tonnes of lithium carbonate equivalent (LCE) prepared by Chevron Resources Corp. in the 1980s that encompasses all of the King's Valley lithium lens deposits identified to date, and ranks in size behind deposits in Bolivia (47 million tonnes LCE), Chile (37 million tonnes LCE), North Carolina (14 million tonnes LCE) and the DRC (12 million tonnes LCE). Source: R. Keith Evans, 2010; Roskill Information Services Ltd., 2009; and company disclosures. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources under National Instrument 43-101, the Company is not treating the historical estimate as current mineral resources and the historical estimate should not be relied upon.
   Forward Looking Statements
   Certain of the statements made and information contained herein is "forward-looking information" within the meaning of the Ontario Securities Act, including the timing, completion and results of the proposed pre-feasibility study. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including those described in the company's management discussion and analysis. Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management. Should one or more of the risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking information. Accordingly, readers are advised not to place undue reliance on forward-looking information.

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