LithiumAmericas

NEWS RELEASE

Western Lithium Files Preliminary Feasibility Study Technical Report

1/27/2012

RENO, NEVADA--(Marketwire - Jan. 27, 2012) - Western Lithium USA Corporation (TSX:WLC)(OTCQX:WLCDF) ("Western Lithium" or the "Company") is pleased to announce the filing of the technical report (the "Technical Report") for its Preliminary Feasibility Study on Stage 1 of the Kings Valley Lithium Project, the details of which were previously announced by the Company on December 14, 2011.

The Preliminary Feasibility Study was undertaken by a collaboration of independent industry specialist firms including Tetra Tech, Inc., Reserva International, LLC and K-UTEC AG Salt Technologies. The Technical Report was prepared in accordance with National Instrument 43-101 and Form 43-101F1 regulatory requirements (collectively, "NI 43-101").

The Preliminary Feasibility Study evaluates two scenarios: a startup scenario ("Case 1") based on mining and processing ore at a design throughput rate of 2,100 tonnes per day (13,000 tonnes per annum lithium carbonate); and an expanded production scenario ("Case 2") to double production four years after startup (26,000 tonnes per annum lithium carbonate).

Mineral Reserves for Case 1

Kings Valley Ore Reserves as at December 14, 2011 At 0.320% Lithium Cut-Off				
Category	Tonnes (millions)	Lithium (%)	Potassium (%)	Sodium (%)
Proven	12.153	0.405	3.830	1.460
Probable	1.796	0.396	3.770	1.450
Total	13.949	0.404	3.820	1.460

Note: 95% Mine Recovery Factor Applied. Please see the Company's additional disclosure of risks and uncertainties surrounding potassium and sodium in its continuous disclosure filings.

Mineral Reserves for Case 2

Kings Valley Ore Reserves as at December 14, 2011 At 0.327% Lithium Cut-Off				
Category	Tonnes (millions)	Lithium (%)	Potassium (%)	Sodium (%)
Proven	14.937	0.400	3.850	1.370
Probable	12.198	0.388	3.930	1.360
Total	27.135	0.395	3.880	1.360

Note: 95% Mine Recovery Factor Applied. Please see the Company's additional disclosure of risks and uncertainties surrounding potassium and sodium in its continuous disclosure filings.

The reserve estimates take into consideration all geologic, mining, processing, and economic factors, and is stated in accordance with NI 43-101.

For more information please see the Company's Technical Report dated January 27, 2012, a copy of which has been filed on SEDAR.

Qualified Person

The Technical Report was supervised by Randolph P Schneider of Tetra Tech, Inc. He is a Qualified Person as defined by NI 43-101, and is independent of the Company, as defined by Section 1.5 of NI 43-101. Mr. Schneider has reviewed and approved the scientific and technical data in this news release.

Western Lithium is developing the Kings Valley, Nevada lithium deposit into potentially one of the world's largest 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.

Forward Looking Statements

Certain of the statements made and information contained herein, including the reserve estimates themselves, is "forward-looking information" within the meaning of the Ontario Securities Act. 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, without limitation, risks and uncertainties relating to commodity price fluctuations; uncertain political and economic environments; changes in laws or policies, delays or the inability to obtain necessary governmental permits, risks inherent in mine planning and development such as cost overruns, metallurgical and recovery factors and financing risks; risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, and other risks and uncertainties, including those described in our Annual Information Form and each management discussion and analysis. Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of lithium; appropriate equipment and sufficient labour and that the political environment where the Company operates will continue to support the development and operation of mining projects. Should one or more of these 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. The Company does not assume any obligation to update forward looking statements except to the extent required by applicable securities laws.

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