LithiumAmericas

NEWS RELEASE

Western Lithium Proceeds with Environmental Assessment and Detailed Engineering for 10,000 tpa Drilling Additive Organoclay Operation in Nevada

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RENO, NEVADA--(Marketwired - April 2, 2013) - Western Lithium USA Corporation (the "Company") (TSX:WLC) (OTCQX:WLCDF) is pleased to announce that the Bureau of Land Management ("BLM") has concluded that the Company's Kings Valley PLAN OF OPERATIONS for its drilling additives hectorite organoclay business, submitted in late 2012, is complete and they have initiated the National Environmental Policy Act review process for the project. The preparation of an Environmental Assessment by the BLM is underway and the Company expects that the permitting process to allow commercial mine operations will be completed within twelve months, targeting early 2014 for commercial production. The clay mined at Kings Valley will be transported to the Company's proposed plant facility. The Company is currently negotiating the terms for a plant site, which includes existing buildings and infrastructure that can facilitate the Company's proposed organoclay plant.

The Company has engaged Precision Systems Engineering ("PSE"), based in Salt Lake City, Utah, to complete detailed engineering design, procurement and construction of the planned organoclay plant facility with an initial capacity of 10,000 tons per annum. PSE is a multi-disciplined engineering firm that specializes in heavy industrial processing facilities. Western Lithium is targeting the beginning of 2014 to have the organoclay plant facility built and ready for commissioning.

The Company has obtained relevant permits and plans to test-mine approximately 5,000 tons of hectorite clay in 2013, to be on hand, in order to commission the organoclay plant facility. In May or June of this year, Western Lithium will begin test-mining approximately 1,000 tons of hectorite clay at its Kings Valley property. A further 4,000 tons of hectorite clay is planned to be test-mined during additional campaigns through 2013.

The hectorite clay mined from Western Lithium's Kings Valley Clay Mine will be processed to produce organoclays

that are used as viscosifiers in drilling fluids, a key part of the oil and gas deep drilling process. Hectorite's main advantage lies in its thermal stability, which makes it a superior product to bentonite for high pressure and high temperature drilling applications.

Western Lithium is pursuing the opportunity to be a supplier of specialty hectorite clay drilling additives to 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/electric vehicles.

Cautionary Note Regarding Forward-Looking Statements and Information: Certain disclosure in this release constitutes forward-looking statements and information, including in particular the timing and success of permitting applications for the commencement of commercial production and the timing and scope of commercial production itself, in respect of its proposed organoclay operations. When used in this release, the words "expects", "targeting" or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this release include, among others, the construction of facitlities and development of hectorite based organoclay operations as well as the timing of commercial operations, the results of design and engineering of organoclay plant and the eventual construction of that plant. Such statements and information involve the application of certain factors and assumptions by the Company that are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company. Although the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements and information. Such risk factors include, among others, that actual results of the Company's development activities will be different than those expected by management, that the Company will be unable to obtain or will experience delays in obtaining any required government approvals, the ability to procure required infrastructure, equipment and supplies in sufficient quantities and on a timely basis and the conditions of the markets generally. Readers are cautioned not to place undue reliance on forward-looking statements and information. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking statements and information whether as a result of new information, future events or otherwise, except as required by law.

The TSX has neither approved nor disapproved of the contents of this press release. Neither the TSX nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this press release.

Contact Information:

Western Lithium USA Corporation
Investor Relations
604-681-3071
info@westernlithium.com
www.westernlithium.com