LithiumAmericas

NEWS RELEASE

Western Lithium Secures US$5.5 Million From Strategic Investor Orion Mine Finance

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RENO, NEVADA--(Marketwired - Sept. 23, 2013) - Western Lithium USA Corporation ("Western Lithium" or the "Company") (TSX:WLC)(OTCQX:WLCDF) is pleased to announce that Orion Mine Finance has provided the Company with funding of US$5.5 million, without the issuance of any new shares, by amending the terms of a royalty agreement between Orion and Western Lithium (see press release dated February 6, 2013). Under the new terms, the Company will receive US$2 million of new capital from Orion, and will receive a US$3.5 million advance from the remaining $9 million funding obligation of Orion under the existing royalty facility. The proceeds will be used to fund the Hectatone™ organoclay business, a lithium demonstration plant and general working capital. As compensation for the additional funding, the general royalty will increase by 0.5% to 4.0%, while the initial 8% "payback" royalty rate will remain in place until an additional $2 million in royalty payments (for an aggregate of $22 million) have been paid. All other substantive terms of the agreement remain the same.

"With these additional funds, our treasury will increase to approximately US$12.5 million, which is expected to be enough capital to complete the 10,000 ton per year Hectatone™ organoclay plant that is currently under construction in Nevada," said Jay Chmelauskas, President and CEO. "The organoclay plant construction and permitting are on schedule to begin production of drilling additive products in the Spring of 2014. In addition, our lithium project is being advanced through the engineering and design phase to construct a demonstration plant for the purposes of showing potential offtake partners and investors our competitive cost structure and product quality (see Prefeasibility Study press release dated December 14, 2011). We are positioned to benefit in the near term from emerging shale and deep offshore oil and gas development, and ultimately, from the adoption of lithium battery powered electrified vehicles that will require a marked demand shift for global lithium carbonate production."

Orion Mine Finance provides flexible financing solutions to mining companies in the precious and base metals

sectors for the purposes of developing, constructing, expanding, or acquiring mining projects. Orion has approximately $1.14 billion under management (as of June 30, 2013), dedicated exclusively to the mine finance business. Orion was established by a former founder and former partners of the Red Kite Group, one of the largest metal merchants in the world. Orion provides a wide range of financing transactions to mining companies, such as debt, equity, convertibles, offtake, streaming, and royalties. Orion has offices in New York, Hamilton, Denver and Sydney.

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/electric vehicles.

Forward-looking statements

Statements in this release that are forward-looking statements 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 "could," "plan," "estimate," "expect," "intend," "may," "potential," "should" and similar expressions are forward-looking statements. 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) the completion of a 10,000 ton per year organoclay plant; (ii) the start of commercial organoclay production in the Spring of 2014; (iii) the growth of the directional drilling industry and the adoption of electrified automobiles and associated demand for lithium; (iv) the construction of a lithium demonstration plant.

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 company's most recently filed MD&A. Readers are cautioned not to place undue reliance on forward-looking information or statements.

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