LithiumAmericas

NEWS RELEASE

Western Lithium Signs Distribution Agreement for US Regional Sales of Hectatone(TM) Products

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RENO, NEVADA--(Marketwired - Sept. 30, 2014) - Western Lithium USA Corporation ("Western Lithium", the "Company") (TSX:WLC)(OTCQX:WLCDF) is pleased to announce that its wholly-owned subsidiary Hectatone Inc. has signed a distribution agreement with Raw Materials Corporation ("RMC") of Houston, Texas to sell the Company's Hectatone™ products in five US states.

For over 20 years until August 2014, RMC had been the exclusive US distributor of organophilic clays, including hectorite clay-based products, for the current preeminent supplier to the oilfield industry. Going forward, RMC will have the exclusive right to sell certain organophilic bentonite, hectorite and other clay-based Hectatone™ products in Texas, Oklahoma, Arkansas, Louisiana and New Mexico. Hectatone™ has reserved the right to sell directly to a number of specific other oilfield service and supply companies that it is currently in purchasing discussions with.

Scott Brownhill, CEO of RMC stated that "we are pleased to establish a long term sales partnership with Hectatone Inc. We believe that the new line of Hectatone™ products has a strong future in the oilfield sector, and we are ready to play a role in Hectatone's growth."

Frank B. Wright Jr., President of Hectatone Inc. stated that "we recognize that working with an established distributor such as RMC is an important first step to complement our sales discussions with other oil service and supply companies. With the imminent startup of production at our Fernley, Nevada manufacturing facility, we are beginning to coordinate production campaigns with anticipated sales."

The Company is on schedule for the manufacturing facility in Fernley, Nevada, to be fully operational to manufacture Hectatone™ products in November, 2014.

Raw Materials Corporation was founded in 1985 as a distributor initially serving the coatings and ink industries. Since inception, RMC has expanded its distribution to include the adhesives, construction, grease and lubricants, oilfield, personal care and plastics industries. RMC now represents more than 25 high-quality industrial and specialty chemicals suppliers.

About the Company

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 "expect", "scheduled", "targeting" 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 commencement of Hectatone™ product sales in 2014; and (ii) the completion of construction and commmencement of manufacturing operations at the organoclay 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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