

Western Lithium Successfully Completes Bulk Sampling of 3,000 Tons of Hectorite Clay

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RENO, NEVADA--(Marketwired - Aug. 28, 2013) - Western Lithium USA Corporation ("Western Lithium", the "Company") (TSX:WLC)(OTCQX:WLCDF) is pleased to announce that bulk sampling of its Kings Valley hectorite clay deposit in Nevada has been completed successfully. The target clay lens was encountered, as expected, at a depth of approximately 3 metres (10 feet) below an alluvial surface layer comprised primarily of silt, sand and gravel. The clay lens measured approximately 2 to 3 metres thick (6 to 10 feet) and was continuous across the approximate 25 by 30 metre (80 by 100 feet) area of excavation. The viscosity gel results (over night Fann test) indicated good gelling characteristics in order to meet American Petroleum Institute (API) guidelines. The clay appeared to be of high purity and amenable to Western Lithium's proposed plan to produce an organoclay using a dry processing method. Further process testing, organoclay formulation trials and performance testing of the hectorite clay is in progress to determine performance characteristics of its Hectatone™ products for use in diesel and mineral oil based drilling fluids.

The Company excavated approximately 3,000 tons of hectorite clay to produce and test its Hectatone™ organoclay products at its Fernley, Nevada clay plant facility, where engineering and procurement has commenced and construction will soon commence to support planned production in the Spring of 2014. Additional bulk samples of up to 2,000 tons may be excavated in the future for additional commissioning feedstock if required, or to provide feedstock for the lithium demonstration plant planned for 2014. The Bureau of Land Management is currently on schedule to complete an Environmental Assessment of the project to support the issuance of a mining permit that is expected in Q1, 2014. Pictures of the bulk sample excavation are available on the Company's website at www.westernlithium.com.

Jay Chmelauskas, CEO of Western Lithium, stated that, "The hectorite clay was easy to excavate and of high quality that has met with our initial expectations with respect to its purity, viscosity and geological continuity. We will

prepare this clay to test and commission our planned organoclay plant with the target of supplying the oil services market with our hectorite based Hectatone™ drilling additive products in the Spring of 2014."

Disclosures of a scientific and technical nature in this news release have been reviewed and approved by Dennis Bryan, Senior Vice President of Development of Western Lithium, who is a Qualified Person under the terms of National Instrument 43-101.

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 commencement of Hectatone™ production in the Spring of 2014; (ii) the viability of the hectorite clay at Kings Valley for use as a drilling additive; (iii) the timing and results of additional bulk sampling of clay; and (iv) the construction of a lithium demonstration plant in 2014; (v) the issuance of mining permit for the project.

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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