

Effective: July 14, 2011

SUBJECT: **Procedure for Handling of Complaints – Whistle-Blowing**

OBJECTIVE: To provide a procedure by which the process, mandate and responsibilities around handling complaints, whether through the whistle-blowing process or reported otherwise, be documented and approved.

PROCEDURE

Management:

1. are required to report all complaints, in whatever method received and from whomever initially received, from employees, customers, partners and third party suppliers (the “Reporter(s)”) to the Vice President & Corporate Secretary in writing within forty-eight (48) hours; and
2. are required to report to the Vice President & Corporate Secretary any suspected or known instances of fraud and/or misconduct and/or management override they become aware of in the course of conducting their duties.

Vice President & Corporate Secretary:

1. to receive all complaints, in whatever method sent and to whomever initially sent, from Reporter(s);
2. to confer with the President to determine the liaison person for information gathering with respect to any complaint that is non-accounting, non-audit or non-internal control;
3. to confer with the Audit Committee Chairman with respect to any complaint that involves accounting, auditing, or fraud;
4. responsible for logging the complaints or concerns brought directly by a Reporter or reported through any method used by a Reporter and recording them in a Whistle-Blower log (example attached);
5. responsible for securing the Whistle-Blower log;
6. responsible for coordinating, monitoring and conducting the investigation of complaints;
7. maintain contact or if appropriate, assign someone to maintain contact with the Reporter; and
8. shall retain and maintain in confidential paper files all documentation with respect to an incident including but not limited to e-mail correspondence, notes from telephone calls, interviews, etc.

REPORTING PROTOCOL

1. Vice President & Corporate Secretary to report promptly (within 24 hours) to the Chair of the Audit Committee of any complaints or concerns received with respect to fraud, management override, misconduct, accounting, internal controls or auditing matters that involve any or all of the President, Chief Financial Officer and/or Senior Executives.
2. Vice President & Corporate Secretary to provide a confidential report to the Audit Committee on a quarterly basis in conjunction with the Audit Committee's in-person meetings. The report will list all complaints received in the quarter, any unresolved complaints still outstanding from the previous quarters and the steps taken to investigate and conclude each matter.

Please use any of the following options to contact the Company's Vice President & Corporate Secretary should you have a complaint or concern:

1. By email to: thansen@westernlithium.com (this will be accessed only by the Vice President & Corporate Secretary);
2. By mail, addressed to: Vice President & Corporate Secretary at the following address:
Western Lithium USA Corporation, Suite 654 – 999 Canada Place, Vancouver, BC, V6C 3E6, Canada;
3. By telephone to: Vice President & Corporate Secretary, Tel: 604-331-9857. The cost of these phone calls will be paid for by the Company.

