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Western Lithium Doubles Resource Base of Kings Valley, Nevada, USA Lithium Project

Reno, Nev., USA: Western Lithium Corporation (TSX-V: WLC; PK: WLCDF) is pleased to announce that a new National Instrument 43-101 (“NI 43-101”) resource estimate has been completed for a potential Stage II development at the Kings Valley Lithium Project in Nevada. The deposit covered by this resource estimate is located on a portion of the Stage II (South) lens of the Kings Valley property. The resource estimate consists of Indicated Resources of 95 million tonnes grading 0.27% lithium, or the lithium carbonate equivalent (“LCE”) of 1,365,000 tonnes LCE and Inferred Resources of 47 million tonnes grading 0.26% lithium, for an equivalent of 650,000 tonnes LCE, both at a cut-off grade of 0.20% lithium. The Stage II independent estimate was prepared by GeoSystems International, Inc. (“GSI”).

This resource is in addition to the previously announced NI 43-101 compliant resource estimate for the Stage I lens of the property that is envisioned to support Stage I production of 27,700 tonnes per year of LCE with an 18 year operating life (see January 12, 2010 Preliminary Assessment and Economic Evaluation PAEE news release). Mineral resources that are not mineral reserves do not have demonstrated economic viability.

“The addition of this Stage II NI 43-101 compliant resource gives Western Lithium the potential to extend the operating life of the originally proposed Stage I project or to consider further expansion of production to meet anticipated growth of the lithium-ion battery industry,” said Jay Chmelauskas, Western Lithium’s President. “We are positioning our company to become a major USA-based global supplier of lithium for the anticipated growth of lithium-ion batteries and electric vehicle transportation.”

Western Lithium’s Kings Valley property has one of the largest known lithium deposits in the world, based on a historical resource estimate done by Chevron Resources Corp. (“Chevron”) of 11 million tonnes of LCE⁽¹⁾. This additional drilling supports work previously carried out by Chevron in the 1970’s and 1980’s that identified five lithium bearing hectorite clay lenses. Both the Stage I resource estimate and the new Stage II resource estimate compare closely to the previous Chevron resource for these lenses. The NI 43-101 compliant resource estimate for Stage I considers only 8% of the historical near-surface lithium deposit and this Stage II resource estimate considers another 10% of the historical resource. Only a portion of the Stage II historical resource was drilled in late 2009 for this resource estimate.

(1) *A qualified person has not done sufficient work to classify the historical estimate as current mineral resources, Western Lithium is not treating the historical estimate as current mineral resources and the historical estimate should not be relied upon. The Chevron historical resource estimate of 11 million tonnes of LCE is at average grades ranging from 0.31% to 0.37% Li, March 1985. There is insufficient information regarding the categories used in the*

historical estimates to make a meaningful comparison to current resource categories under CIM Definition Standards of Mineral Resources and Mineral Reserves.

Development Update

In addition to the Stage II resource estimate, the company has recently completed Stage I drilling consisting of 22 drillholes with the target to upgrade the Stage I resource to the Indicated category. The company plans to drill another 80 to 100 additional holes during the summer of 2010 on the Stage I lens to further bring a portion of that resource to the Measured category and a portion to the Indicated category for future feasibility studies. Product testing and pilot scale testing is on-going throughout the summer months at several laboratories located in the USA and internationally. The project schedule anticipates the independent pre-feasibility study to commence in September 2010 with production targeted for 2014 to coincide with the expected increase in demand from the automobile sector.

Resource Modeling

GSI completed a review of the exploration work on the Stage II (South) Lens area of the Kings Valley project and has developed a lithium mineral resource estimate that conforms to NI 43-101. The resource estimate was made from a three-dimensional (3D) block model using commercial mine planning software (MineSight®).

The Kings Valley lithium deposits occur within sedimentary and volcano-sedimentary rocks in the moat of a resurgent caldera. The extent and nature of the host rocks is well documented and understood. At the present time, five areas of significant lithium mineralization have been identified: Stage I (PCD) Lens, Stage II (South) Lens, Stage III (South Central Lens), Stage IV (North Central Lens), and Stage V (North Lens).

This resource estimate is restricted to a portion of the Stage II South Lens which has had sufficient drilling to produce a 43-101-compliant resource estimate. The Stage II Lens is located approximately 10 kilometers North-Northwest of the Stage I lens.

The modeled area, which encompasses the northern portion of the Stage II Lens, is about 2 kilometers long on an east-west axis and 1.5 kilometers along the north-south axis. The mineralization is continuous over significant areas and is near surface with an estimated three to seven meters of alluvium covering much of the Stage II (South) Lens. The resource estimate is effective as of May 15, 2010.

Indicated Resources, Stage II (South) Lens

Cutoff Li (%)	Million Metric Tonnes	Li (%)	Contained LCE Metric Tonnes
0.15	127	0.25	1,690,000
0.20	95	0.27	1,365,000
0.25	50	0.31	825,000
0.30	27	0.34	489,000

Inferred Resources, Stage II (South) Lens

Cutoff Li (%)	Million Metric Tonnes	Li (%)	Contained LCE Metric Tonnes
0.15	74	0.23	906,000
0.20	47	0.26	650,000
0.25	20	0.30	319,000
0.30	9	0.34	163,000

* Inferred tonnes within 213 meters of nearest drill hole with at least 3 composites used in the estimation; indicated tonnes two drill holes within 143 meters with at least 6 composites used in the estimation.

Contained metal does not allow for mine and metallurgical recovery.

1.96 tonnes/m³ tonnage factor used.

Economic assumptions for cutoff grade are the same as for the Stage I (PCD) Lens PAEE: \$3.50 lithium carbonate/lb, 60% metallurgical recovery.

\$50/tonne processing, \$2.20 USD/tonne mining.

To convert Lithium (Li) to Lithium Carbonate (Li₂CO₃) multiply Li by 5.323.

Rounding errors may exist.

GSI also calculated resources for potassium, fluorine and sodium that are incidental to the lithium resource estimate contained within the relevant lithium cut-off grades.

Quality Assurance and Quality Control Program

Quality assurance-quality control by Western Lithium consists of standard samples, pulp duplicate analyses, blank analyses, and check assays. WLC used ALS Chemex (ALS) of Reno, Nevada as their primary assay laboratory for their Stage II (South) Lens 2009 drill campaign. Check duplicate analyses were also performed on pulp samples at ALS. Those samples were prepared and analyzed in the same batch as the original sample.

Qualified Person

The resource estimate was calculated by Mario E. Rossi, CIM, AusIMM, SME, IAMG, Principal Geostatistician, of GSI, an independent Qualified Person as defined by NI 43-101. Mr. Rossi is preparing a Technical Report titled *Stage II (South Pod) Resource Estimate, NI 43-101 Technical Report, Kings Valley Project, Orovada, Humboldt County, Nevada, USA*, dated May 15, 2010. Details surrounding the key assumptions, parameters and methods used to estimate the mineral resources, as well as information relating to the QP's data verification procedures, are found in the Technical Report, a copy of which will be filed on SEDAR within 45 days and will be available at www.sedar.com and on Western Lithium's website at www.westernlithium.com. Mario Rossi is the Qualified Person that has reviewed the technical data in this news release.

Western Lithium is developing the Kings Valley, Nevada lithium deposit into potentially one of the world's largest⁽²⁾ strategic, scalable and reliable sources 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 mobile electronics and hybrid/electric vehicles.

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(2) *Western Lithium has completed a National Instrument 43-101 resource estimate for the envisioned initial stages of development. The current resources are part of the historical estimate of 11 million tonnes of lithium carbonate equivalent (LCE) prepared by Chevron Resources Corp. and ranks in size behind deposits in Bolivia (47 million tonnes LCE), Chile (37 million tonnes LCE), North Carolina (14 million tonnes LCE) and the DRC (12 million tonnes LCE). Source: R. Keith Evans, 2010; Roskill Information Services Ltd., 2009; and company disclosures. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources under National Instrument 43-101, the Company is not treating the historical estimate as current mineral resources and the historical estimate should not be relied upon. A copy of Western Lithium's Stage I NI 43-101 technical report has been filed on SEDAR under the Company's profile and the Stage II technical report will be filed within 45 days.*

Forward Looking Statements

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of the Ontario Securities Act. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, risks and uncertainties relating to risks inherent in mining including environmental hazards, industrial accidents, unusual or unexpected geological formations, ground control problems and flooding; risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; uncertain political and economic environments; changes in laws or policies, delays or the inability to obtain necessary governmental permits; and other risks and uncertainties, including those described in each management discussion and analysis. Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of lithium; appropriate equipment and sufficient labour and that the political environment where the Company operates will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking information. Accordingly, readers are advised not to place undue reliance on forward-looking information.

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