

Western Lithium

March 2010

TSX-V: WLC; PK: WLCDF
www.westernlithium.com

WESTERN ^{WLC}
LITHIUM

Kings Valley Lithium Project

Cautionary Statement

This presentation contains projections and forward looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Corporation. These risks and uncertainties could cause actual results and the Corporation's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking statements are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. The Corporation assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.

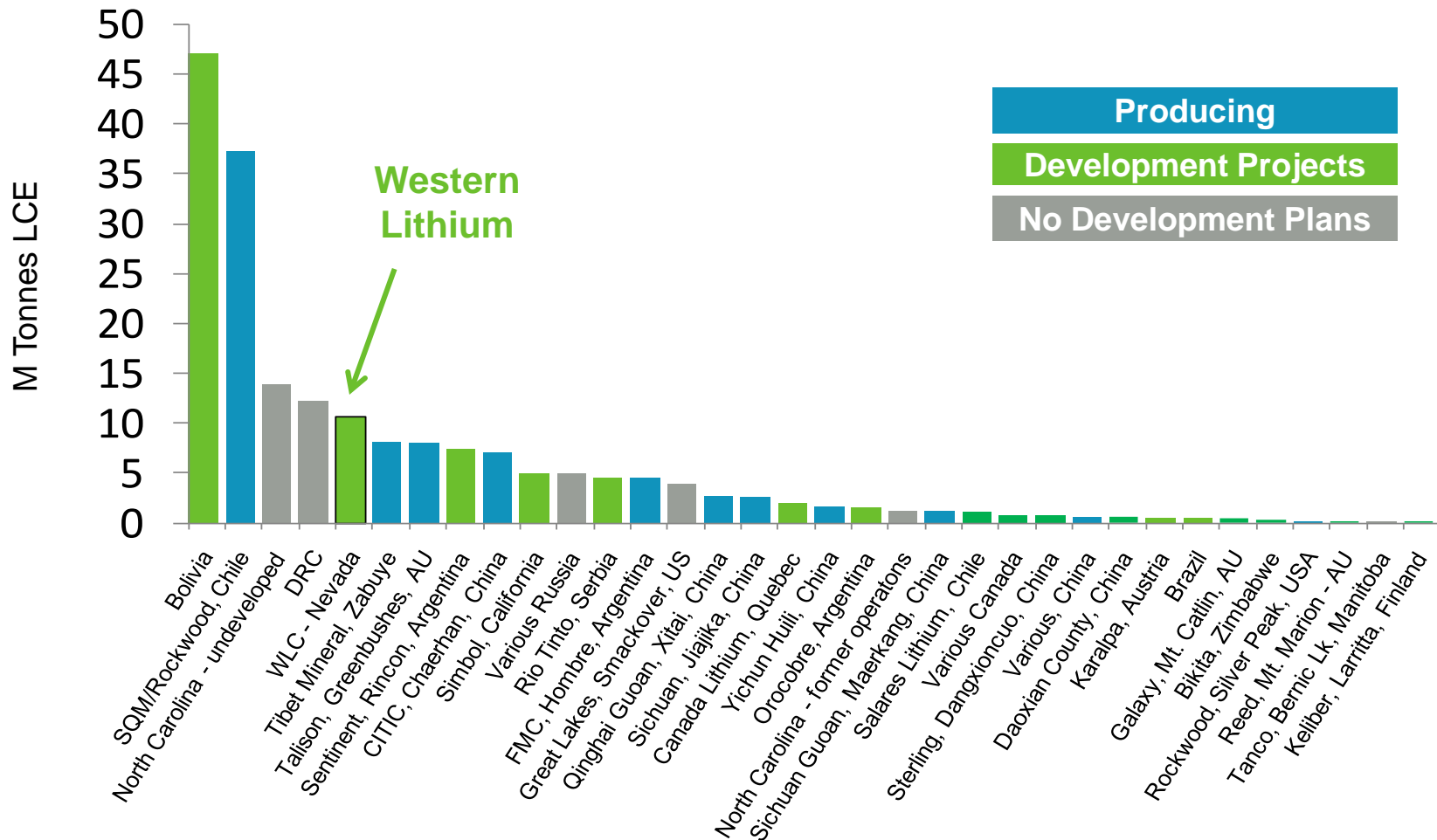
Western Lithium

- One of the world's largest known lithium deposits
- Located in the U.S.
- Development stage project
- Excellent infrastructure
- Experienced team of mine builders
- Anticipated production timing coincides with rising demand
- Scalable project that can grow to meet market demand
- Focused lithium investment



**Advancing Development of a North American Based
Reliable and Scalable Strategic Lithium Deposit to
Power Today's Hybrid/Electric Cars and Mobile Devices**

World Lithium Resources



Source: R. Keith Evans, 2010; Roskill Information Services Ltd., 2009 for China; and company disclosures.
Estimates are not NI 43-101 compliant.

Highlights of Stage I Scoping Study

Proposed project expected low-cost LCE producer

| | |
|---|--|
| Planned production: | 27,700 tpa LCE 115,000 tpa potassium sulphate (SOP) |
| Cash operating costs: (after SOP by-product credit) | \$1,967 per tonne (\$0.89/pound) LCE |
| Average annual revenue: | \$263 million |
| NPV (discounted at 8%): | \$714 million |
| IRR (pre-tax): | 28% |
| Capital costs: | \$427 million |
| Operating Life: | 18 years (with expansion potential) |



All above figures in U.S. dollars.

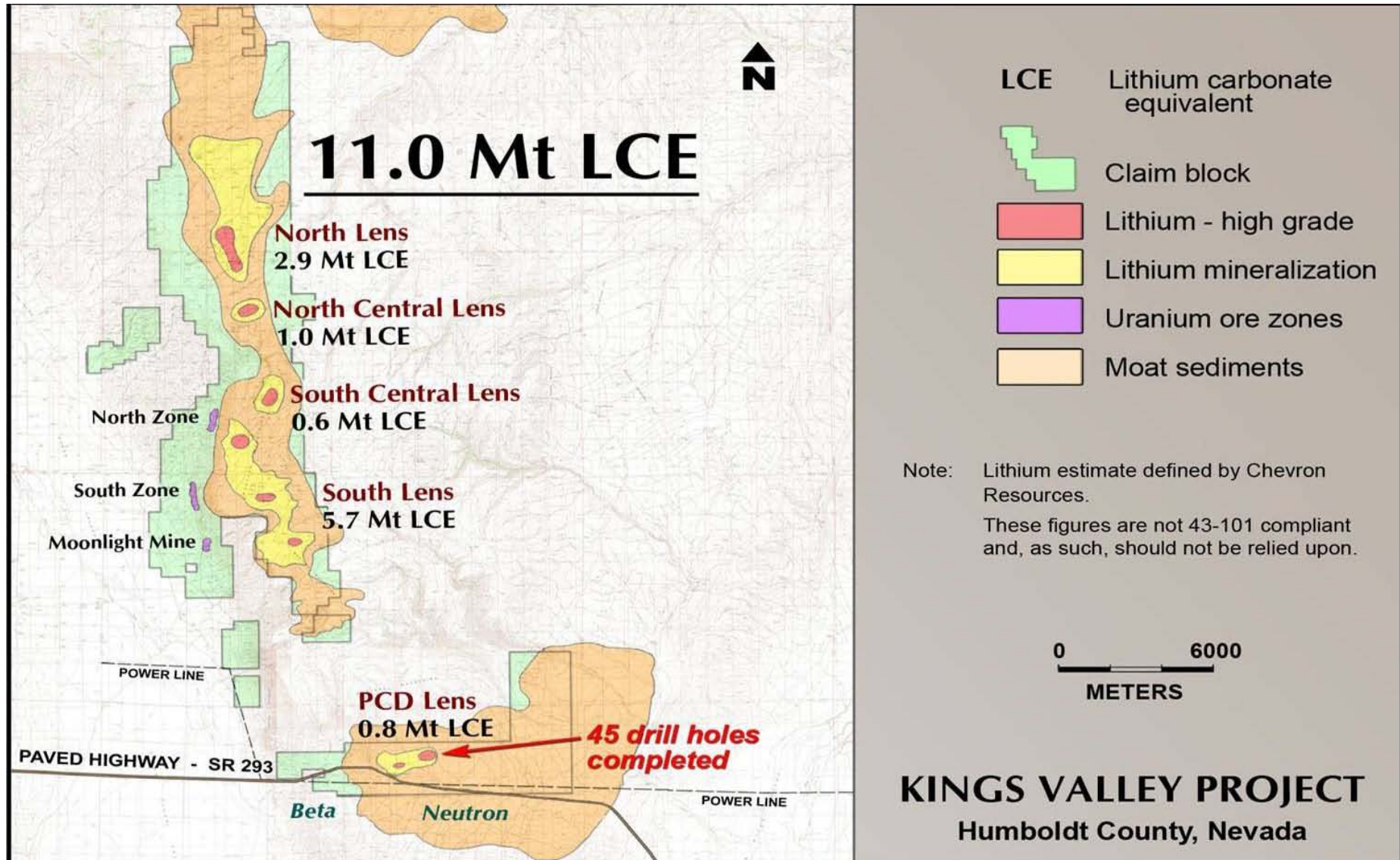
Net Present Value NPV (8%) Pre-tax

Lithium Carbonate against Potassium Sulphate Prices

| | | | | | | | | | | | |
|--------------------------------|----------|---------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Lithium Carbonate - (\$/tonne) | \$10,000 | \$876 | \$971 | \$1,065 | \$1,159 | \$1,254 | \$1,348 | \$1,443 | \$1,537 | \$1,631 | \$1,726 |
| | \$9,000 | \$662 | \$756 | \$850 | \$945 | \$1,039 | \$1,134 | \$1,228 | \$1,322 | \$1,417 | \$1,511 |
| | \$8,000 | \$447 | \$541 | \$636 | \$730 | \$824 | \$919 | \$1,031 | \$1,108 | \$1,202 | \$1,296 |
| | \$7,000 | \$231 | \$326 | \$420 | \$515 | \$609 | \$703 | \$798 | \$892 | \$986 | \$1,081 |
| | \$6,614 | \$147 | \$242 | \$337 | \$431 | \$525 | \$620 | \$714 | \$808 | \$903 | \$997 |
| | \$6,000 | \$12 | \$108 | \$203 | \$298 | \$392 | \$486 | \$581 | \$675 | \$769 | \$864 |
| | \$5,000 | (\$210) | (\$113) | (\$17) | \$79 | \$174 | \$268 | \$363 | \$457 | \$551 | \$646 |
| | \$4,000 | (\$437) | (\$339) | (\$243) | (\$146) | (\$50) | \$46 | \$141 | \$236 | \$330 | \$424 |
| | \$3,000 | (\$671) | (\$572) | (\$473) | (\$374) | (\$277) | (\$181) | (\$84) | \$12 | \$107 | \$201 |
| | | \$0 | \$100 | \$200 | \$300 | \$400 | \$500 | \$600 | \$700 | \$800 | \$900 |
| | | Potassium Sulphate - (\$/tonne) | | | | | | | | | |

Source: URS Washington Group Division, Scoping Study, Jan. 2010.

Chevron Historical Lithium Resource



Chevron Historical Resource Estimate*

| Stage/Lens | Li % | Metric Tonnes | LCE (Contained Metric Tonnes) |
|-----------------|-------|---------------|-------------------------------------|
| I - PCD | 0.34% | 42,638,400 | 800,000 |
| II - South | 0.33% | 320,241,610 | 5,600,000 |
| III - S.Central | 0.37% | 33,566,460 | 700,000 |
| IV - N.Central | 0.34% | 54,432,000 | 1,000,000 |
| V - North | 0.31% | 177,811,200 | 2,900,000 |
| TOTAL | | | 11 M Tonnes |

*Non-compliant NI 43-101 Resource, at 0.25% cut off.

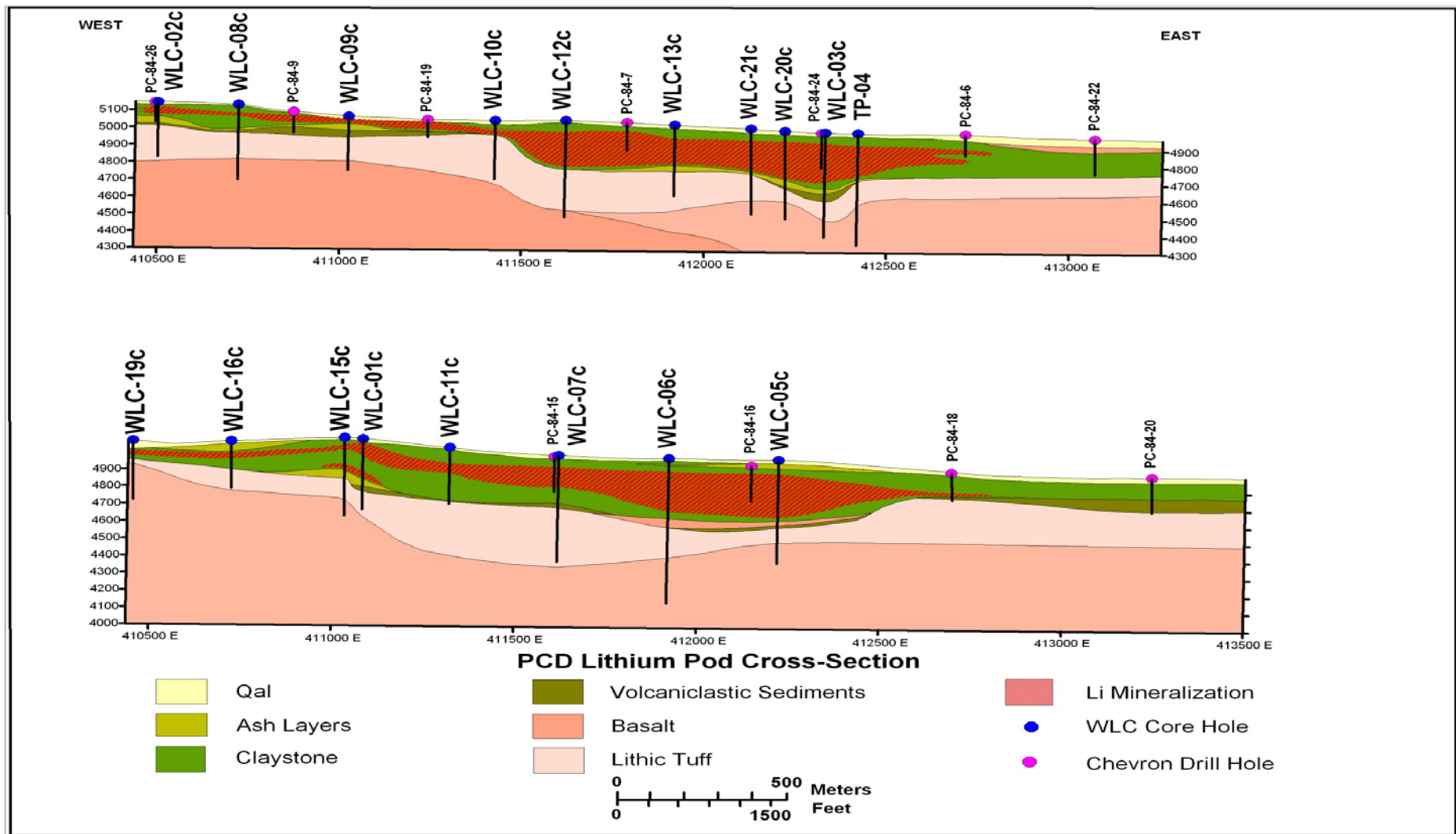
Western Lithium Stage I Resource Est.

AMEC NI 43-101 Stage I Lens

| Cutoff Li% | Metric Tonnes | Li % | LCE Contained Metric Tonnes |
|---|---------------|-------|-----------------------------|
| Kings Valley PCD Area Indicated Mineral Resources* | | | |
| 0.200 | 48,098,000 | 0.269 | 688,000 |
| 0.225 | 35,682,000 | 0.288 | 548,000 |
| 0.250 | 25,770,000 | 0.308 | 423,000 |
| 0.275 | 18,237,000 | 0.327 | 318,000 |
| 0.300 | 12,422,000 | 0.346 | 229,000 |
| Kings Valley PCD Area Inferred Mineral Resources* | | | |
| 0.200 | 42,315,000 | 0.269 | 606,000 |
| 0.225 | 30,364,000 | 0.291 | 471,000 |
| 0.250 | 20,932,000 | 0.317 | 353,000 |
| 0.275 | 15,884,000 | 0.334 | 282,000 |
| 0.300 | 10,349,000 | 0.358 | 197,000 |

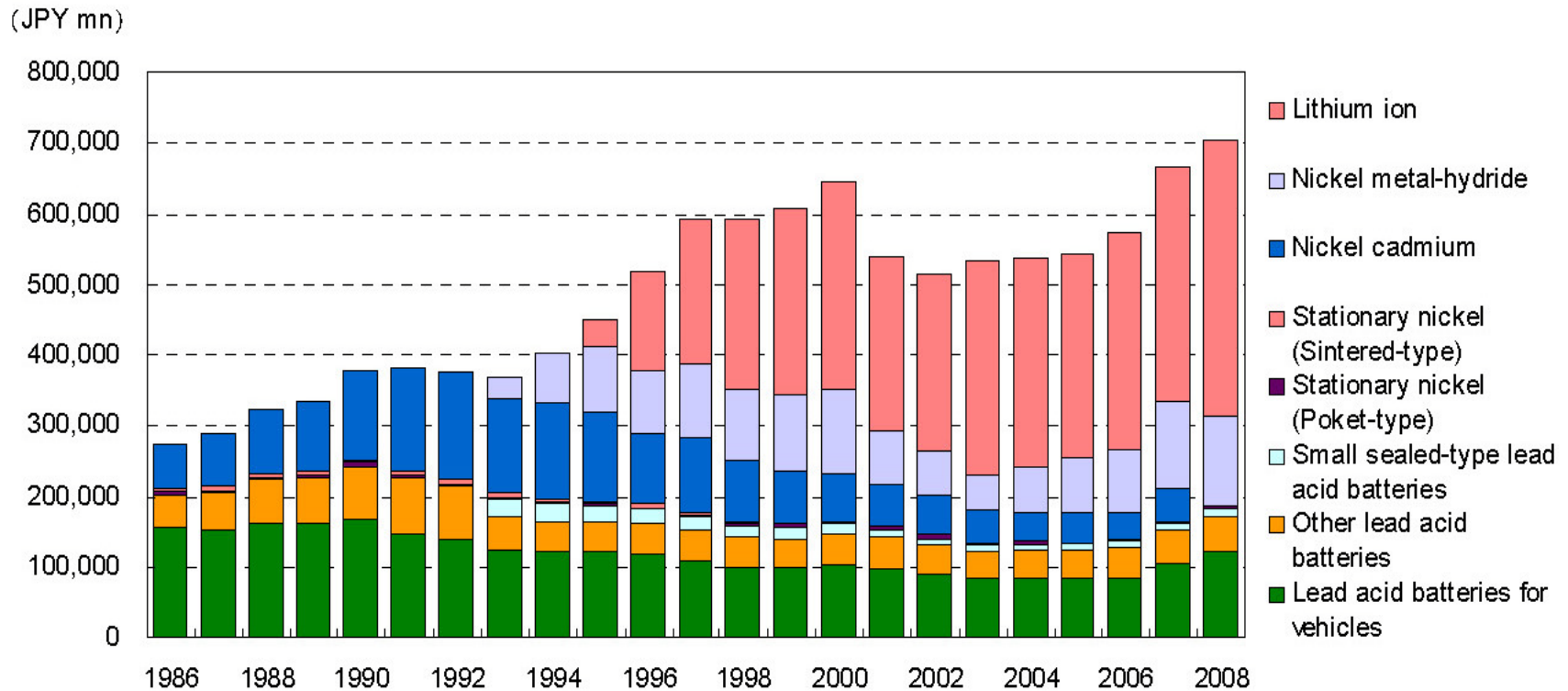
*Inferred tons within 700 feet of nearest drill hole. Indicated tons 2 drill holes within 660 ft., 1 within 470 ft.; Contained metal does not allow for mine and metallurgical recovery; 17.8 ft³/ton tonnage factor used; Economic assumptions for base-case cutoff grade, \$3.50 Lithium Carbonate USD/lb, 60% metallurgical recovery, \$45 USD/ton processing, \$2 USD/ton Mining. Rounding errors may exist.

Stage I Lens – Cross Section



Lithium-ion has Superior Performance

Displacing other battery chemistries



Source: Battery Association of Japan, Barclays Capital.

Significant New Lithium Demand Growth

Every major car maker advancing electric cars



Incremental Lithium Carbonate Demand

2020 potential - HEV and EV in tonnes (000's)

| | | EV Penetration | | | | |
|-----------------|-----|----------------|-----|-----|-----|-----|
| | | 1% | 5% | 10% | 15% | 20% |
| HEV Penetration | 5% | 49 | 109 | 185 | 260 | 336 |
| | 10% | 82 | 143 | 218 | 294 | 370 |
| | 15% | 116 | 176 | 252 | 328 | 403 |
| | 20% | 150 | 210 | 286 | 361 | 437 |
| | 25% | 183 | 244 | 319 | 395 | 470 |
| | 30% | 217 | 277 | 353 | 428 | 504 |
| | 35% | 250 | 311 | 386 | 462 | 538 |
| | 40% | 284 | 344 | 420 | 496 | 571 |
| | 45% | 318 | 378 | 454 | 529 | 605 |

Source: Canaccord Adams.

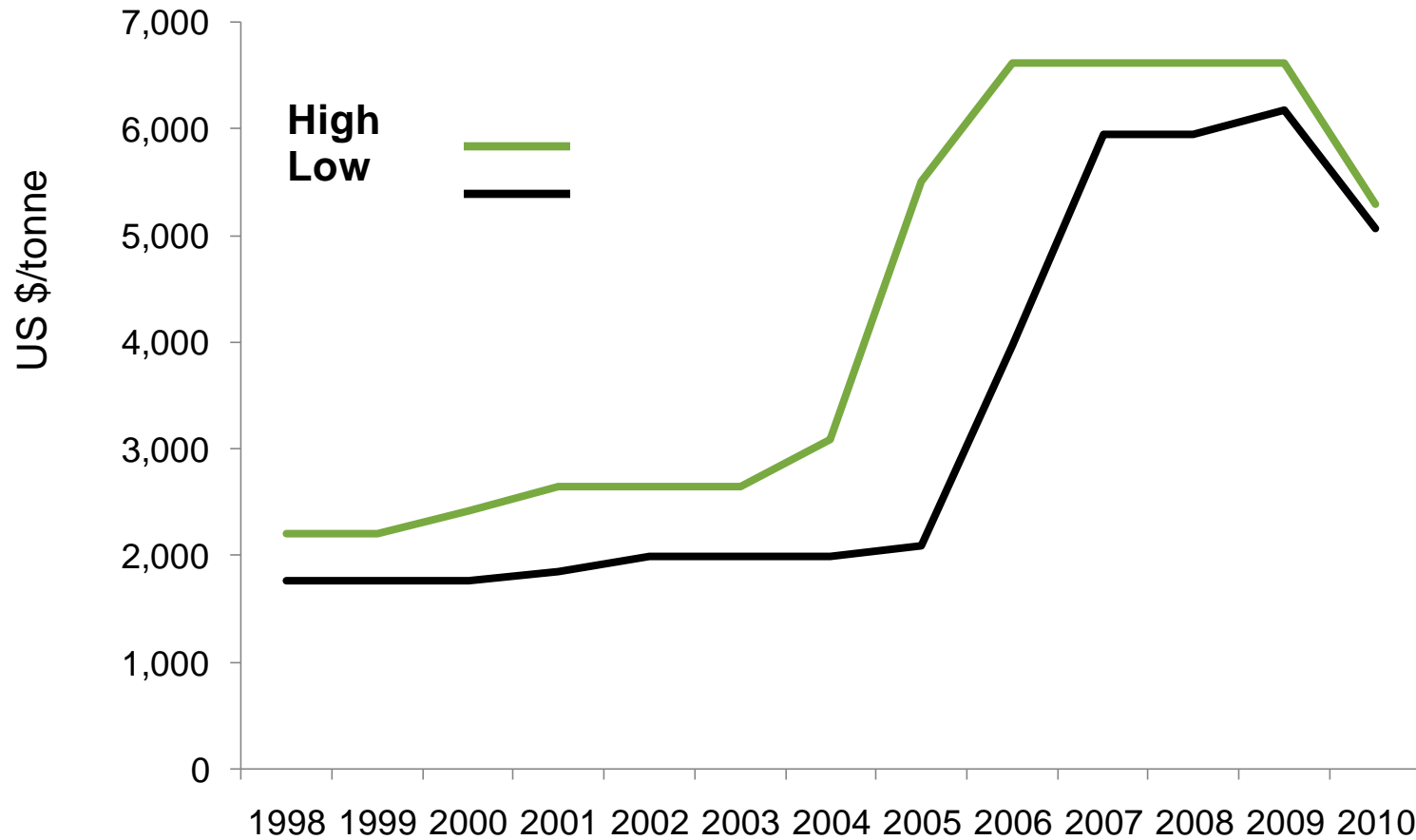
Lithium Supply – Top Producers

| Producer | Location | 2008 Production (tonnes LCE) |
|----------|---------------|------------------------------|
| SQM | Chile | 32,600 |
| Talison | Australia | 28,200 |
| Rockwood | Chile | 22,500 |
| FMC | Argentina | 16,600 |
| Various | China (Total) | 9,900 |
| Rockwood | USA | 3,700 |
| Others | | 5,100 |
| Total | | 118,600 |



Source: Roskill 2009. Lithium Carbonate Equivalent (LCE).

Lithium Carbonate Price



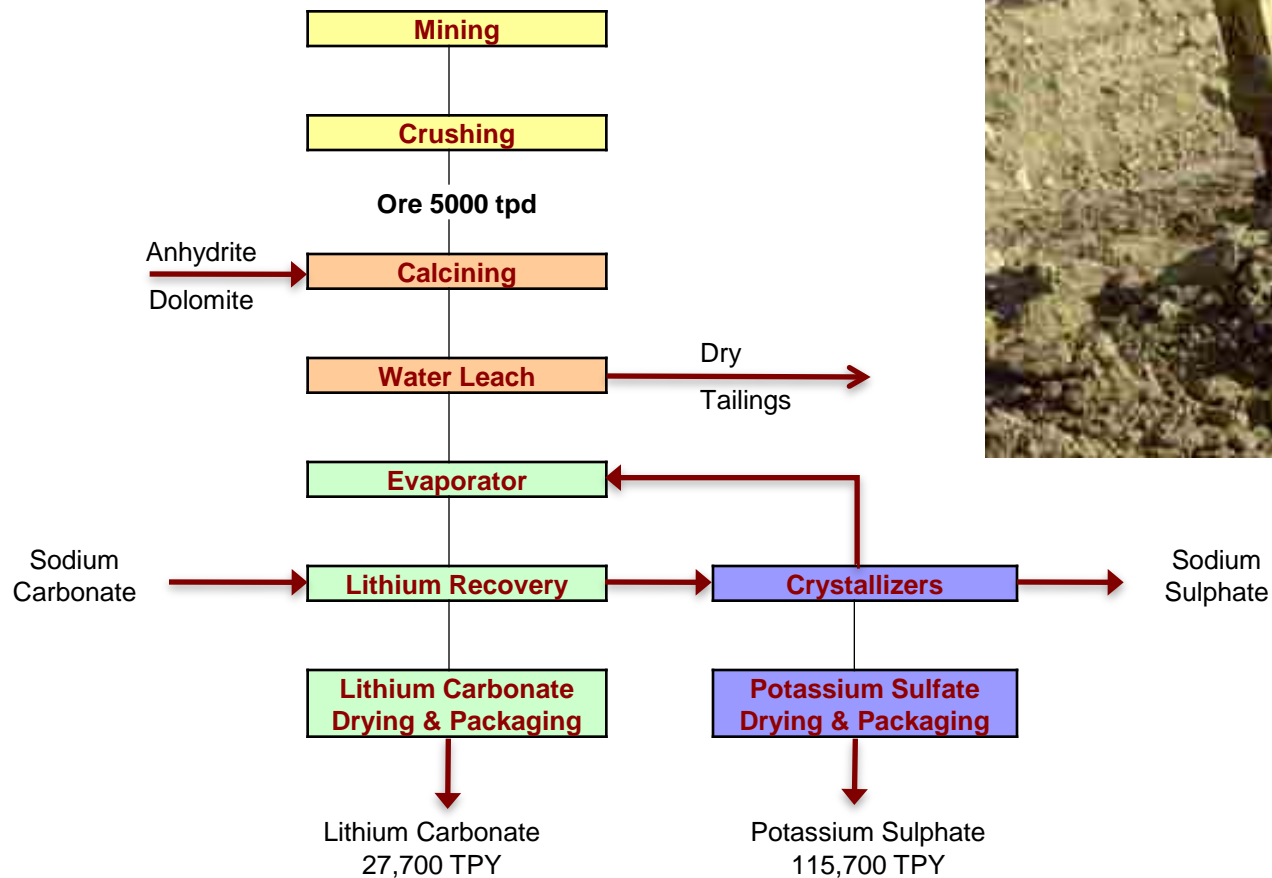
Source: Industrial Minerals. Lithium carbonate, del continental, USA large contracts, US\$ per lb.

Process Highlights



- Process based on a modified USBM design
- Thermal decomposition and water leach
- Estimated Recoveries: 88.5% Lithium
 80.5% Potassium
- Process enhances lithium carbonate purity
- Potassium sulfate recovered separate from lithium
- Other by-product potential

Block Diagram



Capital Costs

Process Capital and Infrastructure

| Description | COSTS (US\$000s) |
|---|---------------------|
| Direct Costs | |
| Area 100 – Ore Crushing and Storage | \$7,807 |
| Area 200 – Calcining and Leaching | \$89,115 |
| Area 300 – Evaporation / Crystallization | \$81,413 |
| Area 400 – Product Precipitation, Drying, Packaging and Storage | \$7,289 |
| Area 500 – Reagents and Utilities | \$12,694 |
| Liquid Tailings Impoundment | \$2,572 |
| Natural Gas Pipeline | \$6,600 |
| Clay Production Facility | \$6,930 |
| Total Direct Cost | \$214,420 |
| Indirect Costs | |
| Field Staff, Local Hires, Overhead, and Expenses | \$40,369 |
| Craft Indirect Costs | \$32,295 |
| Temporary Facilities | \$8,074 |
| Construction Equipment, Tools, Supplies, Scaffold | \$15,617 |
| Total Indirect Cost | \$96,355 |
| Engineering (Home Office) | \$22,764 |
| Freight, Duties and Taxes | \$11,350 |
| Contingency | \$42,884 |
| TOTAL | \$387,773 |

Source: URS Washington Group Division, Scoping Study, Jan. 2010.

Mining Capital and Ore Tonnage

| Major Mining Equipment Capital | Total |
|--|-----------------|
| Liebherr 984 Excavator | \$5,060 |
| Cat 992 FEL | \$2,026 |
| Cat 775 Truck | \$7,762 |
| Cat 637 Scraper | \$2,484 |
| Cat D8N Track Dozer | \$5,527 |
| Cat14G Grader | \$1,035 |
| Cat 988 FEL | \$805 |
| Cat773 Water Truck | \$2,588 |
| Cat773 Lube Truck | \$1,955 |
| Light Plants | \$167 |
| Subtotal Capital on Fleets | \$29,409 |
| Mine Infrastructure and Ancillary Support Capital | \$9,628 |
| TOTAL CAPITAL SPENDING | \$39,037 |



| Item | Total/Average |
|--|-------------------------------|
| In-pit indicated resources | 17,612,000 tonnes (dry basis) |
| In-pit inferred resources | 14,547,000 tonnes (dry basis) |
| Lithium (Li), ppm | 3,292 |
| Potassium (K), ppm | 35,963 |
| Waste | 77,910,000 tonnes (dry basis) |
| Strip Ratio | 2.42 |
| Li ₂ CO ₃ equivalent at 88.5% recovery | 499,000 tonnes |
| K ₂ SO ₄ equivalent at 80.5% recovery | 2,074,000 tonnes |

Source: URS Washington Group Division, Scoping Study, Jan. 2010.

Revenue Potential and Cash Costs

Stage I Base Case

Revenue

| | |
|--------------------------|------------------------|
| Lithium carbonate (LCE) | \$ 183.2 million (70%) |
| Potassium sulphate (SOP) | 69.1 (26%) |
| Clay | 11.2 (4%) |

Total Revenue

\$263.4 million

Operating Costs

| | |
|-----------------------------------|-----------------|
| Reagents and Consumables | \$ 39.7 million |
| Natural Gas | 39.4 |
| Power | 11.8 |
| Process Water | 1.4 |
| Operations and Maintenance Labour | 6.7 |
| Supervision (Salaried) | 1.0 |
| G&A | 1.0 |
| Maintenance Material and Supplies | 3.5 |
| Operating Supplies | 0.1 |

Total Operating Costs

\$104.6 million

Operating Cost per Tonne LCE

US\$/Li tonnes

| | |
|---|--------------------------|
| Mining – Open Pit | \$ 566.57 |
| Processing | 3,767.17 |
| Owner's Costs | 129.17 |
| SOP Credit | <u>(2,496.00)</u> |
| Lithium Carbonate Cash Cost Equivalent | <u>\$1,966.91</u> |

Source: URS Washington Group Division, Scoping Study, Jan. 2010.

Located in Nevada, USA

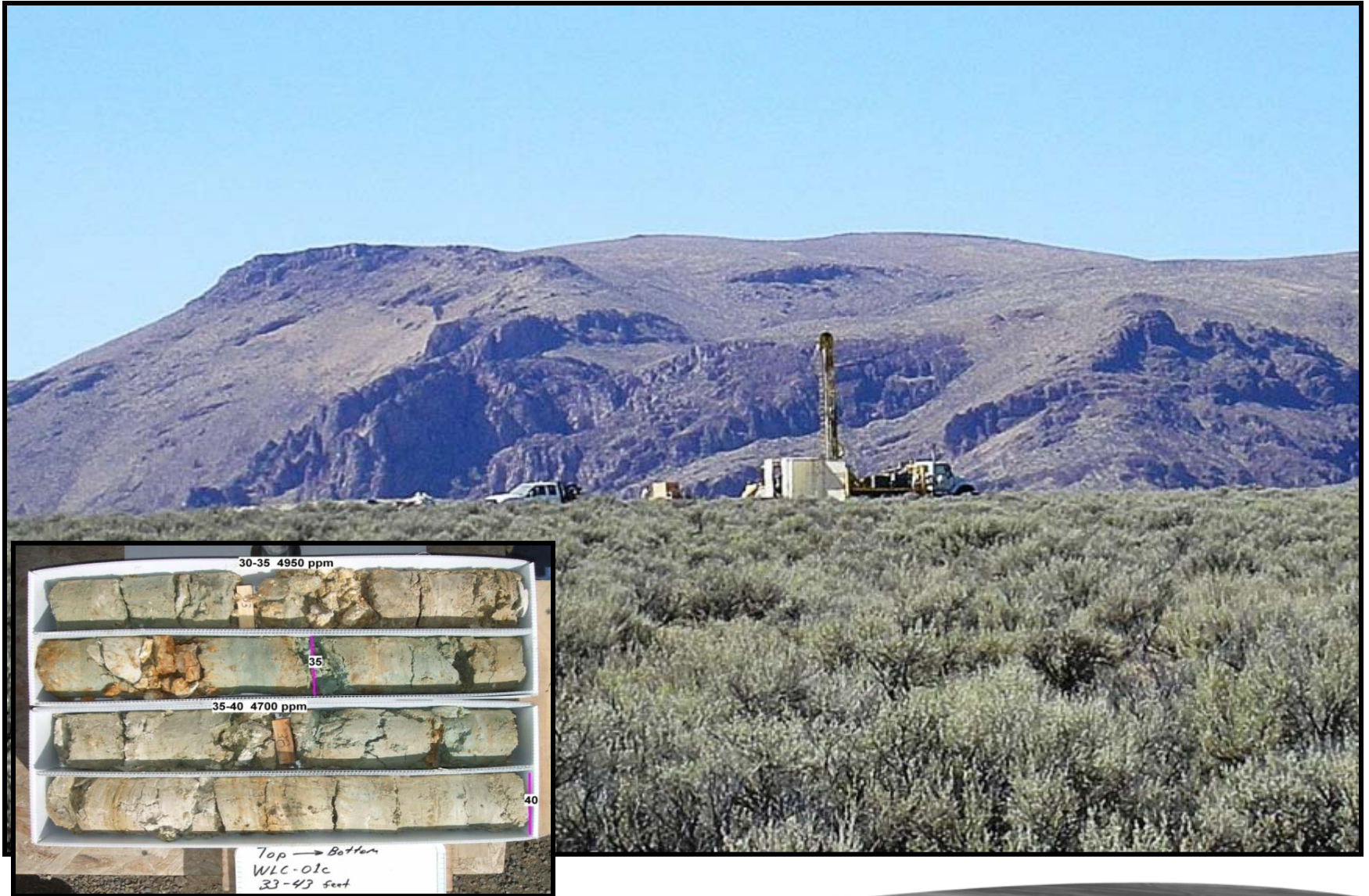
Mining State with Good Infrastructure

- Paved Highway to site
- Elevation 1500 m
- 700 km from San Francisco
- 115 kV Power Line over site



**Kings Valley
Lithium Project**

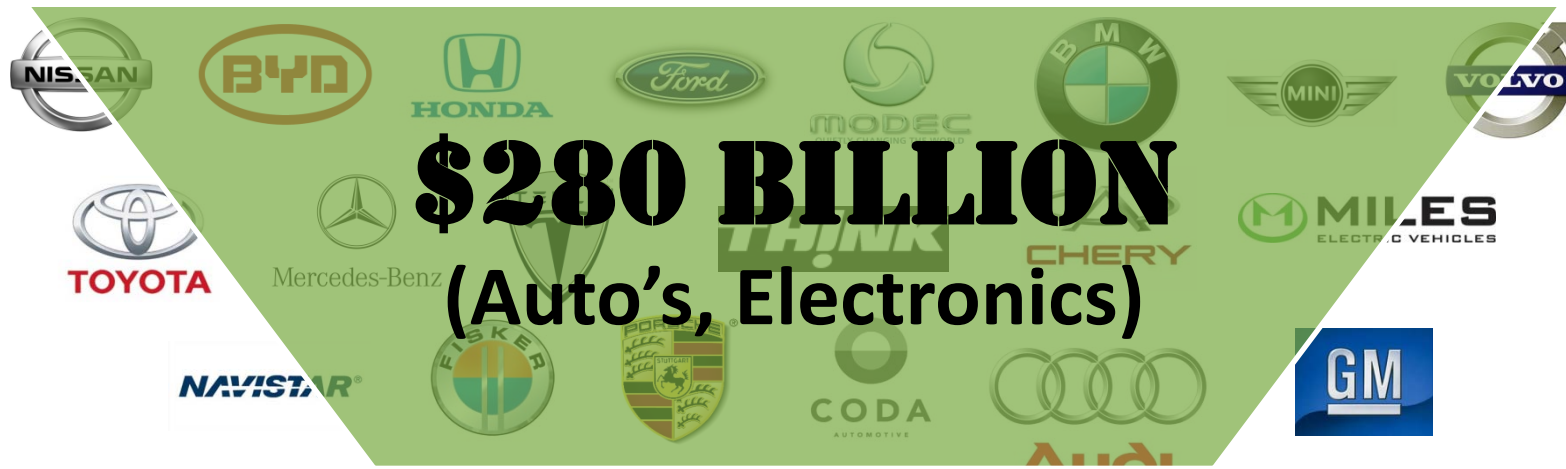
Stage I Lens



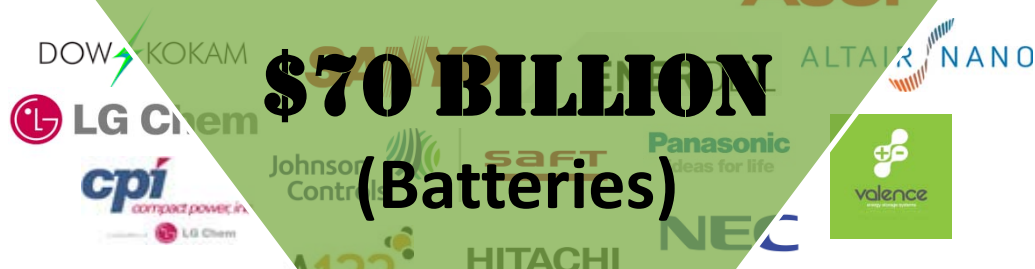
Pro-active Environmental Studies

Pilot Studies and On-going Permitting in 2010





\$280 BILLION
(Auto's, Electronics)



\$70 BILLION
(Batteries)



**\$1 TO 3
BILLION**
(Lithium)



Washington Support for Lithium-ion

\$2.4 Billion Stimulus Funding for Lithium Batteries

“New plug-in hybrids roll off our assembly lines, but they will run on batteries made in Korea. Well I do not accept a future where the jobs and industries of tomorrow take root beyond our borders – and I know you don’t either. It is time for America to lead again,”



President Obama.

Historical Process Engineering

US Geological Survey - 1970s

- Identified a rare lithium occurrence at Kings Valley

Chevron Resources - 1970s and early 1980s

- Geological delineation of historical lithium lenses
- Flow sheet development and economic analysis

US Bureau of Mines – 1980s

- Extractive metallurgical testing, economic studies and pilot plant

Western Lithium with Hazen Laboratories - 2007/2008

- Confirmatory testing of Chevron studies

Western Lithium with Kappes Cassiday Laboratory – 2008/2009

- Laboratory for process flow sheet development and ongoing testing

Western Lithium & URS Corporation – 2009/2010

- Scoping Study complete and additional studies underway

Corporate Vision and Milestones

Developing a major scalable North American Lithium Carbonate supply in Nevada

Milestones:

Schedule

| | |
|---|---------|
| ✓ Resource delineation drilling of Stage I Lens – 51 holes | Q3/08 |
| ✓ Exploration drill testing Stage II to V – 5 holes | Q4/08 |
| ✓ Metallurgical testing - Hazen and KCA laboratories | ongoing |
| ✓ NI 43-101 mineral resource report on Stage I | Q1/09 |
| ✓ Scoping Study | Q1/10 |
| Permitting and Environmental Studies | ongoing |
| Prefeasibility, pilot studies and additional drilling results | 2010 |
| Targeted Start of 27,700 Tonne Annual LCE Production | 2013/14 |

Directors and Officers

Edward Flood, Chairman, Co-founder and Chairman of Western Uranium Corporation and Western Lithium Corporation. Managing Director Haywood Securities London, over 35 years experience in mining industry including Deputy Chairman of Ivanhoe Mines.

William Haldane, Director, Founder of Haldane Diogenes, an international executive recruiting firm specializing in executive level searches in the mining, pulp and paper, pharmaceuticals, and consumer goods sectors.

John Macken, Director, CEO & President of Ivanhoe Mines, served as Freeport McMoran Copper and Gold, Senior VP of Strategic Planning and Development and as EVP and General Manager at Freeport's Grasberg mining complex.

William Sheriff, Director, Co-founder and Chairman of Energy Metals Corporation, which was acquired by Uranium One for \$1 billion. Leading prospect developer in the western US, with 27 years experience in mineral exploration and company development.

Jay Chmelauskas, **President**, Geological engineer with 15 years international experience in the engineering, mining and chemical industries including the exploration, development and sale of one of China's largest gold mines.

Silvio Bertolli, **Senior Vice President**, Chemical engineer with 37 years experience in process design & technology development in chemicals, petrochemicals, mining and oil and gas.

Dennis Bryan, **Senior Vice President**, Geological engineer with 35 years experience in industrial minerals exploration, evaluation and development.

Eduard Epshtein, **CFO**, CFO of WLC, WUC, Southern Arc Minerals and Canada Energy Partners.

Cindy Burnett, **VP IR**, Previous IR experience with Skye Resources, Ivanhoe Energy and NOVA Chemicals.

Tracy Hansen, **Corp. Sec.**, Experience with exploration and development companies in Nevada, Canada and Mexico.

Western Lithium Corporation

Advancing Development of a North American Based Reliable and Scalable Strategic Lithium Deposit to Power Today's Hybrid/Electric Cars and Mobile Devices

- \$19 Million Cash (Cdn)/No Debt
- \$17 Million In-The-Money Warrants (by May 2011)
- 82 Million Shares Outstanding
- 111 Million Fully Diluted
- 24% owned by Western Uranium
- Market Cap. \$115 million (Cdn)





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Exchange Symbol: TSX-V: WLC; PK: WLCDF