

WESTERN LITHIUM USA CORPORATION

**Notice of Special Meeting of Shareholders
and
Management Proxy Circular**

March 15, 2016

WESTERN LITHIUM USA CORPORATION

1100 – 355 Burrard Street
Vancouver, British Columbia
V6C 2G8

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting of the shareholders (the “Meeting”) of Western Lithium USA Corporation (the “Company” or “WLC”) will be held on Friday, April 15, 2016 at 10:00 a.m. PST, at 1100 – 355 Burrard Street, Vancouver, British Columbia for the following purposes:

1. to consider and, if deemed advisable, pass, with or without variation, an ordinary resolution, the full text of which is described under the heading “Particulars of Matters to be Acted Upon” of the Company’s management information circular (the “Circular”), authorizing the Company to issue Common Shares pursuant to the terms of a convertible security funding agreement and related warrants; and
2. to transact such other business as may properly be put before the Meeting.

The Board of Directors has fixed Tuesday, March 8, 2016 as the Record Date for the determination of shareholders entitled to notice of, and to vote at, the Meeting and at any adjournment thereof.

The Circular and form of proxy (the “Meeting Materials”) accompany this notice of meeting and forms part of this notice.

The Meeting Materials will be available on the Company’s website as of Monday, March 21, 2016, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR at www.sedar.com as of Monday, March 21, 2016.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies from the Company by calling toll-free in North America at 1-844-221-7982, or by email at info@westernlithium.com. Meeting Materials will be posted to such shareholders at no cost to them within three (3) business days of the request, if such request is made before the Meeting.

A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder’s Common Shares will be voted at the Meeting is requested to complete, date and execute the enclosed form of proxy and deliver it to Computershare Investor Services Inc. (“Computershare”) in accordance with the instructions set out in the form of proxy and in the Circular. If a shareholder does not deliver a proxy to Computershare by 10:00 a.m. PST on Wednesday, April 13, 2016 or 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment or postponement of the Meeting at which the proxy is to be used, then the shareholder will not be entitled to vote at the Meeting by proxy.

DATED at Vancouver, British Columbia, the 15th day of March, 2016.

ON BEHALF OF THE BOARD

“Thomas Hodgson”

Thomas Hodgson
Chief Executive Officer and Director

WESTERN LITHIUM USA CORPORATION

1100 – 355 Burrard Street
Vancouver, British Columbia
V6C 2G8

MANAGEMENT PROXY CIRCULAR

SOLICITATION OF PROXIES

This management proxy circular (the “Circular”) is provided to the holders (“shareholders”) of common shares (“Common Shares”) of Western Lithium USA Corporation (the “Company”) by management of the Company in connection with the solicitation of proxies to be voted at the special meeting of the shareholders to be held on Friday, April 15, 2016 (the “Meeting”), at the time and place set out in the accompanying notice of meeting (the “Notice of Meeting”). The solicitation of proxies is being made by the Company for the purposes set forth in the Notice of Meeting.

The solicitation of proxies by management will be primarily through delivery of this Circular, but proxies may also be solicited by telephone by directors, officers and regular employees of the Company. The total cost of the solicitation of proxies will be borne by the Company.

The board of directors of the Company (the “Board of Directors” or the “Board”) has fixed the close of business on Tuesday, March 8, 2016 as the record date, being the date for the determination of shareholders entitled to notice of, and to vote at, the Meeting (the “Record Date”).

Unless otherwise stated, the information contained in this Circular is as of March 8, 2016. All dollar amounts are expressed in Canadian dollars (“CDN\$” or “\$”), or United States dollars (“US\$”), as indicated.

APPOINTMENT OF PROXYHOLDERS

A shareholder entitled to vote at the Meeting may, by means of a proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders, to attend and act at the Meeting for the shareholder and on the shareholder’s behalf.

The individual named in the enclosed form of proxy (the “Form of Proxy”) is a director and officer of the Company. **A shareholder may appoint, as proxyholder or alternate proxyholder, a person or persons other than any of the persons designated in the enclosed Form of Proxy, and may do so either by inserting the name or names of such persons in the blank space provided in the enclosed Form of Proxy or by completing another proper Form of Proxy.**

A shareholder forwarding the enclosed Form of Proxy may indicate the manner in which the proxyholder is to vote with respect to any specific item by checking the appropriate position. If the shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the position opposite the item is to be left blank. The Common Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for, and, if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

An appointment of a proxyholder or alternate proxyholders will not be valid unless a Form of Proxy making the appointment, signed by the shareholder or by an attorney of the shareholder authorized in writing, is delivered to Computershare Investor Services Inc. (“Computershare”) by mail or by hand to 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department, by 10:00 a.m. PST on Wednesday, April 13, 2016 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the proxy is to be used.

REVOCATION OF PROXIES

A shareholder who has given a proxy may revoke the proxy by:

- (a) signing a proxy with a later date and delivering it at the time and to the place noted above;
- (b) signing and dating a written notice of revocation and delivering it at the time and to the place noted above; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

EXERCISE OF DISCRETION

The person named in the enclosed Form of Proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the shareholders appointing him. **If there is no direction by the shareholder in respect of a particular matter, such Common Shares will be voted in favour of such matter. The enclosed Form of Proxy confers discretionary authority upon the person named therein with respect to amendments or variations to matters identified or referred to in the Notice of Meeting and this Circular and with respect to any other matters which may properly come before the Meeting.** As of the date of this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting. However, if any such or other matters which are not now known to management should properly come before the Meeting, the Common Shares will be voted on such matters in accordance with the best judgment of the person named in the Form of Proxy.

VOTES NECESSARY TO PASS RESOLUTIONS

The Company's articles (the "Articles") provide that the quorum for the transaction of business at the Meeting is at least two shareholders entitled to vote at the Meeting, whether appearing in person or by proxy, who hold Common Shares carrying, in the aggregate, not less than five percent (5%) of the issued shares entitled to vote at the Meeting.

Pursuant to the *Business Corporations Act* (British Columbia) (the "BCBCA") and the Articles, a simple majority of the votes cast by shareholders at the Meeting is required to pass an ordinary resolution.

At the Meeting, shareholders will be asked to consider and pass, with or without variation, an ordinary resolution, the full text of which is described under the heading "Particulars of Matters to be Acted Upon" of the Circular, authorizing the Company to issue Common Shares in respect a convertible loan agreement and related warrants.

VOTING BY NON-REGISTERED HOLDERS

Only registered shareholders ("Registered Holders") or the persons they appoint as their proxyholder are permitted to vote at the Meeting. Certain shareholders are "non-registered" shareholders ("Non-Registered Holders") because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. Common Shares beneficially owned by a Non-Registered Holder are registered either:

- (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the Common Shares of the Company (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSAs and similar plans); or

- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “NOBOs”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “OBOs”. The Meeting Materials are being made available to both Registered Holders and Non-Registered Holders. The Company does not intend to pay for the Intermediary to deliver Meeting Materials to OBOs and, as a result, OBOs will not be sent paper copies of such Meeting Materials unless their Intermediary assumes the costs. Intermediaries may use service companies to forward Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- a. be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder and must be completed, but not signed, by the Non-Registered Holder and deposited with Computershare; or
- b. more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Management proxyholder named in the form and insert the Non-Registered Holder’s name in the blank space provided. **Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the Form of Proxy or Voting Instruction Form is to be delivered.**

A Non-Registered Holder may revoke a Form of Proxy or voting instruction form given to an Intermediary by contacting the Intermediary through which the Non-Registered Holder’s Common Shares are held and following the instructions of the Intermediary respecting the revocation of proxies. In order to ensure that an Intermediary acts upon a revocation of a proxy form or voting instruction form, the written notice should be received by the Intermediary well in advance of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company’s authorized capital consists of an unlimited number of Common Shares without par value. As of March 8, 2016 the Company had 291,974,008 fully paid and non-assessable Common Shares issued and outstanding, each carrying the right to one vote.

A holder of record of one or more Common Shares on the Record Date who either attends the Meeting personally or deposits a proxy in the manner and subject to the provisions described above will be entitled to vote or to have such Common Share or Common Shares voted at the Meeting except to the extent that:

- (a) the shareholder has transferred the ownership of any such Common Share after the Record Date; and
- (b) the transferee produces a properly endorsed share certificate for, or otherwise establishes ownership of, any of the transferred Common Shares and makes a demand to Computershare no later than 10 days before the Meeting that the transferee’s name be included in the list of shareholders in respect thereof.

To the knowledge of the directors and executive officers of the Company no person or company beneficially owns, directly or indirectly, or exercises control or direction over, directly or indirectly, 10% or more of the issued and outstanding Common Shares, other than as set forth below:

Name of Shareholder	Number of Common Shares Owned ⁽¹⁾⁽³⁾	Percentage of Outstanding Common Shares ⁽²⁾
Geologic Resource Partners LLC	31,940,405	10.9%

Notes:

- (1) As at March 8, 2016.
- (2) Based on 291,974,008 Common Shares issued and outstanding as of March 8, 2016.
- (3) These numbers are derived solely from public filings made by this shareholder on the System for Electronic Disclosure by Insiders (SEDI). This number does not include convertible securities held by the shareholder.

As at March 8, 2016, the total number of Common Shares owned or controlled by senior officers and the directors of the Company and their respective associates or affiliates was 48,210,788 Common Shares, representing 16.51% of the total issued and outstanding Common Shares.

PARTICULARS OF MATTERS TO BE ACTED UPON

Convertible Loan Repayment

The Convertible Loan Agreement

On April 30, 2015 the Company and The Lind Partners, a New York based asset management firm (“Lind”) entered into a convertible security funding agreement (the “Convertible Loan Agreement”). Pursuant to the Convertible Loan Agreement WLC issued to Lind an initial convertible security (the “Initial Convertible Security”) in which WLC became obligated to pay to Lind a face amount of US\$3.5 million (the “Face Amount”). The Initial Convertible Security matures two years from the date of issue. WLC also issued to Lind 3,125,000 Common Share purchase warrants exercisable at a price of \$0.8464 per Common Share for a three year term (the “Warrants”).

Under the Convertible Loan Agreement, Lind is entitled to convert the Face Amount of the Initial Convertible Security into Common Shares in certain circumstances at a price equal to the higher of (a) 85% of the five day trailing volume weighted average share price (“VWAP”) of the Common Shares prior to the date of conversion; and (b) the five day trailing VWAP of the Common Shares prior to the date of conversion, less the maximum discount allowable in accordance with Toronto Stock Exchange (“TSX”) rules (a “Conversion”). As at the date of this Information Circular, Lind is entitled to convert all or any portion of the outstanding balance of the Face Amount, subject to the share issuance limitation imposed by the TSX as described below. In addition, the Face Amount includes US\$560,000 of prepaid interest, which is subject to a limit on conversion such that cumulative increments of 1/24 of the interest amount (US\$23,334) become entitled to conversion each month of the 24 month term. As interest is deemed converted last, none of this interest amount has been converted to date.

The Convertible Loan Agreement provided for a second tranche of funding, that would result in the issuance of a second convertible security and the issuance of additional warrants, but WLC has given notice to Lind cancelling that funding option. Further details about the Convertible Loan Agreement, including the rights of Lind under the Convertible Loan Agreement, the conversion mechanics and obligations of WLC under the Convertible Loan Agreement can be found in the material change report (the “Lind Material Change Report”) of WLC filed on May 11, 2015 on SEDAR at www.sedar.com. WLC will deliver a copy of the Lind Material Change Report to any shareholder on request at no charge.

In connection with the Convertible Loan Agreement, the TSX granted to WLC approval to issue up to an aggregate maximum of 29,864,429 Common Shares, which approval covers Common Shares issued upon conversion of the Face Amount and Common Shares issued upon exercise of the Warrants. The share maximum was imposed by TSX to limit the number of Common Shares issued in connection with the Convertible Loan Agreement to 25% of the issued and outstanding Common Shares of the Company, unless shareholder approval is obtained. The share maximum was subsequently reduced to 12,000,000 Common Shares (the “Share Issuance Limit”) by mutual agreement of Lind, WLC and the TSX to facilitate a separate equity financing of the Company completed shortly following the Convertible Loan Agreement. To the extent that additional Common Shares would be exercisable upon conversions of the Face Amount,

conversion of other amounts that may become owing under the Convertible Loan Agreement or upon exercise of the Warrants, WLC needs to obtain shareholder approval in a form and manner approved by the TSX.

Repayment of the Convertible Security Loan to Date

To date, Lind has converted US\$1,936,000 of the Face Amount and in consideration therefor, WLC has issued to Lind 8,875,000 Common Shares. As at March 11, 2016, US\$1,564,000 of the Face Amount remains outstanding. To date, Lind has not exercised any of its 3,125,000 Warrants. The 8,875,000 Common Shares issued to date from conversion, combined with the 3,125,000 Common Shares issuable upon exercise of the Warrants, equals the 12,000,000 Common Share maximum under the Share Issuance Limit. Lind has also made a conversion request of a portion of the Face Amount for which an additional 784,155 Common Shares remain unissued pending shareholder approval. As such, Lind has issued to WLC a notice under the Convertible Loan Agreement directing it to seek shareholder approval for the issuance of all Common Shares that may become issuable pursuant to the Convertible Loan Agreement.

Consequences of Non-Approval

If WLC does not obtain Shareholder Approval, the Convertible Loan Agreement provides that WLC must settle payment of the Face Amount otherwise subject to a valid conversion event with cash. The cash amount payable would equal that portion of the Face Amount subject to the conversion, plus a cash payment equal to the discount to market price that would have otherwise been applicable to the conversion.

Possible Amendments to Repayment Terms

WLC has initiated a process that may result in an amendment to the payment terms under the Convertible Loan Agreement, in particular relating to the conversions and the amount representing interest and costs that WLC ultimately pays to Lind. Lind has not agreed to an amendment at this time, and the nature and extent of any such amendment remains unsettled. The shareholder approval sought by WLC includes authorization for the issuance of Common Shares upon any amendment to the terms of the Convertible Loan Agreement and the Warrants that may be determined or may otherwise be agreed to by WLC and Lind, either before or after the Meeting, provided such amendment(s) are no more onerous on WLC than the existing terms of the Convertible Loan Agreement, as determined in the discretion of the Board of Directors of WLC (an "Amendment").

Approval Sought

WLC is seeking approval for the issuance of all Common Shares that may become issuable pursuant to the Convertible Loan Agreement and the Warrants, including Common Shares issuable pursuant to the terms of any Amendment (the "Convertible Loan Resolution").

WLC notes that the number of Common Shares issuable could vary considerably, in particular depending on the conversion price which is derived from the prevailing share price and exchange rate on the date of conversion. The following table sets out estimates about the maximum dilution that could occur under the Convertible Loan Agreement, assuming the conversion of the entire US\$1,564,000 balance of the Face Amount and exercise of all Warrants, unadjusted for any Amendment:

Conversion Price for Face Amount balance⁽¹⁾	Maximum Dilution on full conversion of all Common Shares issued and issuable pursuant to the transaction⁽²⁾	Maximum Dilution as at the date of this Circular (excluding Common Shares issued and issuable pursuant to the transaction⁽²⁾)	Maximum Dilution as at the date of this Circular (including the Common Shares issued and issuable pursuant to the transaction⁽²⁾)
Cdn.\$0.75	15,246,005	5.4%	5.1%
Cdn.\$0.45	17,410,009	6.1%	5.8%
Cdn.\$0.25	21,738,016	7.7%	7.1%
Cdn.\$0.10	36,345,040	12.8%	11.4%

Notes:

- (1) Represents a deemed conversion price for the US\$1,564,000 balance of the Face Amount. The actual conversion price is determined through formulas set forth in the Convertible Loan Agreement as well as prevailing CAD\$/USD\$ exchange rate. For the purposes of this table, a conversion price of US\$1=CDN\$1.3231 has been used. See the Lind Material Change Report for further details.
- (2) Common Shares issued and issuable pursuant to the transaction represents all Common Shares issued to Lind on conversions prior to the date of this Information Circular, all Common Shares issuable upon exercise of Warrants and the Common Shares issuable upon conversion of the Face Amount balance based on the deemed conversion price in the initial column. Any other Common Shares issued subsequent to the date of this Information Circular are excluded.

Recommendation of the Board of the Company

The Board has determined that the approval sought hereunder is in the best interests of the Company and its Shareholders, and recommends that the Company’s shareholders vote FOR the Convertible Loan Resolution to be considered at the Meeting, the full text of which is set forth below.

Convertible Loan Resolution

At the Meeting, Shareholders are being asked to consider, and if deemed advisable, to pass, with or without variation, the Convertible Loan Resolution, the full text of which is set forth below. Lind and any of its affiliates will be excluded from voting any Common Shares held by them on the Convertible Loan Resolution. **Unless otherwise indicated, the persons named in the accompanying Form of Proxy intend to vote FOR the Convertible Loan Resolution.**

“BE IT RESOLVED THAT:

1. Western Lithium USA Corporation (the “Company”) is hereby authorized to issue all such Common Shares as may become issuable pursuant to the Convertible Loan Agreement and the Warrants, as well as upon any Amendment, all as more particularly described in the Company’s management information circular dated March 15, 2016.
2. Notwithstanding that this resolution has been duly passed by the shareholders of record, the directors of the Company are hereby authorized and empowered, if they decide not to proceed with the aforementioned resolution, to revoke this resolution at any time prior to giving effect thereto, without further notice to or approval of the shareholders of the Company.
3. The directors and officers of the Company or any one or more of them be and they are hereby authorized and directed to perform such acts and deeds and things and execute all such documents, agreements and other writings as may be required to give effect to the true intent of this resolution.”

In order to pass, the Convertible Loan Resolution requires the affirmative vote of a simple majority of the votes cast at the Meeting, which votes shall exclude any Common Shares held by Lind or any of its affiliates.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Company at any time since the beginning of the Company’s last completed financial year, nor any associate or affiliate of the foregoing persons has any material interest, direct or

indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed in this Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as set out herein, no person who has been a director or executive officer of the Company, nor any proposed nominee for director of the Company, nor any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding Common Shares, nor any associate or affiliate of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of the Company's last completed financial year or proposed transaction which has materially affected or would materially affect the Company or its subsidiaries.

On December 15, 2015 the Company entered into a Line of Credit Agreement (the "Line of Credit Agreement") with Geologic Resource Partners LLC ("Geologic") whereby Geologic agreed to advance a US\$5,000,000 line of credit (the "Line of Credit") to the Company with an interest rate of 1.25% per month, payable monthly in arrears. Geologic holds more than 10% of the Company's issued and outstanding Common Shares and its CEO, George Ireland, is also a member of the Company's Board of Directors. Upon execution, the Company paid a US\$75,000 execution fee. The Company may draw down on the Line of Credit from time to time in increments of US\$100,000, with each draw down subject to a fee of 1.25% of the amount drawn down. Any amounts disbursed, once repaid, will no longer be available for draw down. The Line of Credit also has a standby fee equal to 1.5% of any undrawn amount, payable annually. To date the Company has not drawn down any funds under this facility. The Company may cancel the Line of Credit at any time provided there are no outstanding obligations. The balance owing matures and falls due on December 14, 2018, and maturity accelerates if the Company closes a financing of US\$10,000,000 or greater.

Concurrent with execution of the Line of Credit Agreement, Geologic assigned a beneficial interest in an aggregate US\$750,000 principal amount of the Line of Credit to John Kanellitsas, a member of the Company's Board of Directors and proposed nominee and Greenbrook Capital Partners Inc., a company wholly owned by Thomas Hodgson, the CEO and Director of the Company and proposed nominee.

APPOINTMENT OF AUDITOR

PricewaterhouseCoopers LLP, Chartered Professional Accountants, were appointed as the auditors of the Company on August 18, 2015.

ADDITIONAL INFORMATION

Copies of the Company's Annual Information Form, Annual Financial Statements and Management Discussion and Analysis for its most recently completed financial year filed pursuant to applicable Canadian securities laws are available through the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Information concerning the Company may be obtained by any shareholder free of charge by contacting the Company at 778-656-5820.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the board of directors of the Company.

DATED at Vancouver, British Columbia, the 15th day of March, 2016.

ON BEHALF OF THE BOARD

"Thomas Hodgson"

Thomas Hodgson
Chief Executive Officer and Director