

Lithium Americas Secures \$10 Million Stand-By Credit Facility From Key Shareholders

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- Current Cash Balance Expected to Fully Fund the Completion of the Company's Definitive Feasibility Study

- Credit Facility Provides Flexibility to Evaluate All Financial and Strategic Alternatives

TORONTO, ONTARIO -- (Marketwire - Jan. 10, 2012) - [Lithium Americas Corp.](#) (TSX:LAC) (OTCQX:LHMAF) ("Lithium Americas" or the "Company"), announces that it has secured a \$10 million stand-by credit facility (the "Credit Facility") from a syndicate of lenders comprised of Geologic Resource Partners LLC, Pinetree Capital Ltd, and PowerOne Capital Markets Limited (the "Lenders"). Each of the Lenders is currently a significant shareholder of Lithium Americas, with the Lenders collectively owning approximately 38% of the Company's outstanding shares.

Under the Credit Facility, Lithium Americas has the ability to draw down amounts in increments of \$2 million, with repayment of any draw down to be made by January 6, 2015. Any amounts drawn down will bear interest at 9% per annum, payable semi annually in arrears. As at August 31, 2011 (the Company's second fiscal quarter), the Company had \$15.5 million in cash and no debt. Lithium Americas expects that its current cash balance is sufficient to fund the Company's operations through the delivery of its definitive Feasibility Study ("DFS") anticipated to be delivered in the first half of 2012.

"The Credit Facility is a tremendous vote of confidence from three of our largest shareholders, as we move forward with the development of our lithium operations. It insulates us from market uncertainty and provides a ready source of non-dilutive funding, if required, post the delivery of our DFS," said W. Thomas Hodgson, Executive Chairman of Lithium Americas. "We very much appreciate the on-going strong support of our major shareholders as we continue to achieve our short term milestones. The Credit Facility affords us the financial security and flexibility to negotiate transactions that fully maximize shareholder value."

In consideration for the Lenders' commitment under the Credit Facility, Lithium Americas has agreed to issue the Lenders, in aggregate, 2 million common share purchase warrants of the Company (the "Warrants"). Each Warrant is exercisable into one common share of the Company until January 6, 2015 at a price of \$1.68 (the "Exercise Price"). The Exercise Price is equal to 125% of the volume weighted average price of the Company's common shares over the 20 trading days immediately preceding the date of the Credit Facility.

The closing of the Credit Facility is subject to TSX approval and will occur immediately thereafter, as is customary for a transaction of this nature.

About the Company

Lithium Americas is developing one of the world's largest and lowest cost lithium operations. The Company has defined the world's third largest lithium brine resource, and a completed Preliminary Economic Assessment identified that Lithium Americas' operating cost per tonne of lithium carbonate is expected to be one of the lowest in the industry. The Company is currently working on completing a definitive Feasibility Study, expected to be delivered in Q2 2012. Mitsubishi Corporation and Magna International are shareholders in the Company, in addition to both companies having off-take arrangements with Lithium Americas.

The Preliminary Economic Assessment is based on mineral resources. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

This press release contains forward-looking statements, which can be identified by the use of statements that include words such as "could", "potential", "believe", "expect", "anticipate", "intend", "plan", "likely", "will" or other similar words or phrases. The Company does not intend, and does not assume any obligations, to update forward-looking statements, whether as a result of new information, future events or otherwise, unless otherwise required by applicable securities laws. Readers should not place undue reliance on

forward-looking statements. Readers should review the Company's annual information form dated May 30, 2011 for a list of risks associated with the Company, and its business.

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