



Canada Lithium Corp.

TSX: CLQ; U.S. OTCQX: CLQMF

Press Release

Canada Lithium Signs MOU with First Nations Communities; Receives Tailings Site Location Approval

Toronto, May 15, 2012 – Canada Lithium Corp. (TSX: CLQ) (OTCQX: CLQMF) announced today that it has signed a Memorandum of Understanding (MOU) with the Abitibiwinni First Nation of Pikogan and the Anishinabe First Nation of Lac-Simon communities near the Company's \$207-million mine and processing plant currently under construction north of Val d'Or, Québec.

The Company also announced it has received provincial approval for the location of its Tailings Management Facility (TMF).

The MOU with the First Nations communities encompasses key areas of mutual interest, including environmental protection; employment and business opportunities; education and training; and an ongoing commitment to maintain mutually satisfactory relations between Canada Lithium and the First Nations communities.

“Canada Lithium is committed to working in partnership with our local municipalities and First Nations communities in a manner that fosters active participation and mutual respect,” said Canada Lithium Chief Operating Officer Charles Taschereau.

The approval for the TMF location was recently granted by Québec's Ministère des Ressources naturelles et de la Faune (MRNF). The Company requires an additional approval from Québec's Ministère du Développement durable, de l'Environnement et des Parcs (MDDEP) for the actual use and operation of the TMF site.

The Company continues to work towards obtaining all other required environmental and provincial approvals prior to commencement of commercial production.

About Canada Lithium Corp.

The Company holds a 100% interest in the Québec Lithium Project near Val d'Or, the geographical heart of the Québec mining industry. The Company is in the midst of building an

open-pit mine and processing plant on-site with capacity to produce approximately 20,000 tonnes per year of battery-grade lithium carbonate annually. Metallurgical tests have produced battery-grade lithium carbonate samples. The Company trades under the symbol CLQ on the TSX and on the U.S. OTCQX under the symbol CLQMF.

Cautionary Statement Regarding Forward-Looking Information

This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking information is based on reasonable assumptions that have been made by the Corporation as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from those expressed or implied by such forward-looking information.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Corporation does not undertake to update any forward-looking information referenced herein, except in accordance with applicable securities laws.

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