United Lithium Corp.

Condensed Interim Financial Statements

Six Months Ended January 31, 2018

(Unaudited – Prepared by Management)

Expressed in Canadian Dollars

These unaudited condensed interim financial statements of United Lithium Corp. for the six months ended January 31, 2018, have been prepared by management and approved by the Board of Directors. These unaudited condensed interim financial statements have not been reviewed by the Company's external auditors.

United Lithium Corp.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Notes		January 31, 2018		July 31, 2017
ASSETS					
Current assets					
Cash and cash equivalents		$	262,907	$	389,748
Goods and services tax recoverable			2,716		950
Prepaid expenses			15,000		-
			280,623		390,698
Non-current assets					
Exploration and evaluation assets	3		77,905		50,822
			77,905		50,822
TOTAL ASSETS		**$**	**358,528**	**$**	**441,520**
LIABILITIES					
Current liabilities					
Trade payables and accrued liabilities	4,6		7,618		10,816
TOTAL LIABILITIES			7,618		10,816
SHAREHOLDERS' EQUITY					
Share capital	5		446,735		290,003
Special warrants	5		-		157,675
Deficit			(95,825)		(16,974)
SHAREHOLDERS' EQUITY			350,910		430,704
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**358,528**	**$**	**441,520**

Nature of operations and going concern (Note 1)
Subsequent event (Note 8)

Approved and authorized on behalf of the Board on March 28, 2018

"Lan Shangguan" Director "Sheri Rempel" Director

The accompanying notes are an integral part of these condensed interim financial statements.

United Lithium Corp.
Condensed Interim Statements of Loss and Comprehensive Loss
For the six months ended January 31, 2018
(Unaudited - Expressed in Canadian dollars)

	Notes	For three months ended January 31, 2018	For six months ended January 31, 2018
Expenses			
Consulting fees		$ 6,384	$ 6,384
Director fees	6	15,000	15,000
General and administration		342	781
Investor relations		3,263	3,263
Management fees	6	4,331	11,152
Professional fees		10,362	19,804
Public company costs		299	299
Regulatory fees		523	6,808
Transfer agent		11,712	15,275
Travel		85	85
Total expenses		(52,301)	(78,851)
Net and comprehensive loss		**(52,301)**	**(78,851)**
Basic and diluted loss per share		**$ (0.00)**	**$ (0.01)**
Weighted average number of common shares outstanding		**13,443,907**	**12,922,000**

The accompanying notes are an integral part of these condensed interim financial statements.

United Lithium Corp.
Condensed Interim Statement of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian dollars)

		Share Capital		Special warrants	Deficit	Total
	Note	Number of shares	Amount	Amount		
Balance at July 31, 2017		12,400,092	$ 290,003	$ 157,675	$ (16,974)	$ 430,704
Shares issued, special warrants converted	5	1,574,250	157,425	(157,425)	-	-
Share issuance costs		-	(743)	-	-	(743)
Special warrants	5	-	-	(250)	-	(250)
Warrants exercised	5	250	50	-	-	50
Net loss for the period		-	-	-	(78,851)	(78,851)
Balance at January 31, 2018		**13,974,592**	**$ 446,735**	**$ -**	**$ (95,825)**	**$ 350,910**
Balance at inception		-	$ -	$ -	$ -	$ -
Shares issued, net of share issuance costs		12,100,092	275,003	-	-	275,003
Issue of shares for mineral property		300,000	15,000	-	-	15,000
Special warrants		-	-	157,675	-	157,675
Net loss for the year		-	-	-	(16,974)	(16,974)
Balance at July 31, 2017		**12,400,092**	**$ 290,003**	**$ 157,675**	**$ (16,974)**	**$ 430,704**

The accompanying notes are an integral part of these condensed interim financial statements

United Lithium Corp.
Condensed Interim Statement of Cash Flows
For the six months ended January 31, 2018
(Unaudited - Expressed in Canadian dollars)

		For six months ended January 31, 2018
Operating activities		
Net loss for the period	$	(78,851)
Changes in non-cash working capital items:		
Goods and services tax recoverable		(1,766)
Prepaids expenses		(15,000)
Trade payables and accrued liabilities		(3,198)
Net cash flows used in operating activities		(98,815)
Investing activities		
Exploration and evaluation assets		(27,083)
Net cash flows used in investing activities		(27,083)
Financing activities		
Share issuance costs		(743)
Cancellation of special warrants		(250)
Warrants exercised		50
Net cash flows from financing activities		(943)
Decrease in cash		(126,841)
Cash , beginning of the period		389,748
Cash, end of the period	**$**	**262,907**

The accompanying notes are an integral part of these condensed interim financial statements.

1. Nature of operations and going concern

United Lithium Corp. (the "Company") was incorporated on April 28, 2017 under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada.

The head office and principal address of the Company is located at 789 West Pender Street, Suite 1080, Vancouver, British Columbia, Canada, V6C 1H2. The Company's registered and records office address is 789 West Pender Street, Suite 1080, Vancouver, British Columbia, Canada, V6C 1H2.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At January 31, 2018, the Company had not achieved profitable operations, had a net loss of $78,851 and an accumulated deficit of $95,825 (July 31, 2017 - $16,974), and had not advanced its mineral property to commercial production and expects to incur further losses in the development of its business, all of which indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its mineral property exploration activities and its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

2. Significant accounting policies

Basis of preparation

These unaudited condensed interim financial statements of the Company were approved and authorized for issue on March 28, 2018 by the directors of the Company

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. Certain information and note disclosures normally included in the audited annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. As a result, these condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended July 31, 2017.

The following standard has been issued but is not yet effective

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective.

<u>IFRS 9 Financial Instruments</u>

IFRS 9 replaces the current standard IAS 39 Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities to only two classification categories: amortized cost and fair value. This standard has a proposed effective date of January 1, 2018. The Company has determined that the adoption of this new standard will not have a material impact on the financial statements.

2. Significant accounting policies (cont'd)

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. Exploration and evaluation asset

South Big Smoky Valley Project – Esmeralda County, Nevada USA
On July 14, 2017, the Company entered into an option agreement ("Agreement") with Ultra Lithium Corp. ("ULI") to earn a 100% interest in the South Big Smoky Valley Project ("SBS Project"). The SBS Project is a contiguous set of 100 claims located in Esmeralda County, Nevada USA.

The minimum committed consideration and expenditures of the option agreement are as follows:

- The Company to pay $5,000 on signing of agreement (paid);
- A second payment of $10,000 upon the Company trading on a stock exchange ("Listing Date") (paid subsequent to this quarter – note 8);
- Issuance on signing of the agreement of 300,000 common shares of the Company subject to a sixteen-month trading restriction from the first day of trading on a stock exchange (issued); and
- The Company agrees to incur $115,000 in qualified exploration expenditures on the SBS Project within the first year of trading on a stock exchange.

The first additional expenditures of the option agreement, to keep the option agreement in good standing subsequent to the one-year anniversary of the Listing Date, are as follows:

- The Company to pay $50,000 on the date that is the sixteen-month anniversary from the Listing Date;
- The Company to issue 200,000 common shares of the Company on the date that is the thirteen-month anniversary from the Listing Date. These shares shall be subject to a twelve-month trading restriction from the date of issuance of such shares; and
- The Company to incur an additional $100,000 in qualified exploration expenditures on the SBS Project within the first two years of trading on a stock exchange.

The second additional expenditures of the option agreement, to keep the option agreement in good standing subsequent to the two-year anniversary of the Listing Date, are as follows:

- The Company to pay $60,000 on the date that is the thirty-six-month anniversary from the Listing Date;
- The Company to issue 500,000 common shares of the Company on the date that is the thirty-six-month anniversary from the Listing Date. These shares shall be subject to a twelve-month trading restriction from the date of issuance of such shares; and
- The Company to incur an additional $250,000 in qualified exploration expenditures on the SBS Project within the first three years of trading on a stock exchange.

The Company must fulfill all of above commitments and expenditures in order to exercise its option to acquire a 100% interest in the SBS Project.

(Unaudited - Expressed in Canadian dollars)

3. Exploration and evaluation asset (cont'd)

Details of the Company's exploration and evaluation asset are as follows:

		January 31, 2018		July 31, 2017
Property acquisition costs				
Opening	$	50,822	$	-
Costs incurred during the period:				
Payment of cash		5,000		-
Payment of shares		-		15,000
		55,822		15,000
Exploration and evaluation costs				
Costs incurred during the period:				
Consultants - geologists		15,796		-
Claim maintenance		-		22,822
Equipment rental		759		-
Field and assays		1,018		13,000
Permits		603		-
Travel and accommodation		2,536		-
Vehicles		1,371		-
		22,083		35,822
Total exploration and evaluation costs	$	77,905	$	50,822

4. Trade payables and accrued liabilities

		January 31, 2018		July 31, 2017
Trade payables	$	1,828	$	31
Amounts due to related parties (Note 6)		3,540		6,285
Accrued liabilities		2,250		4,500
	$	7,618	$	10,816

5. Share capital and reserves

Authorized share capital
An unlimited number of common shares without par value.

Issued share capital
At January 31, 2018, there were 13,974,592 issued and fully paid common shares.

On December 1, 2017, the Company issued a total of 1,574,250 common shares and 787,125 share purchase warrants in connection with the conversion of 1,574,250 special warrants. Each full warrant entitles the

(Unaudited - Expressed in Canadian dollars)

5. Share capital and reserves (cont'd)

holder to purchase one additional common share of the Company for a period of 24 months at an exercise price of $0.20 per share.

Warrants
During the six months ended January 31, 2018, the Company cancelled 2,500 special warrants and returned them to treasury.

The following table summarizes information about the issued and outstanding warrants as at January 31, 2018:

	Special Warrants		Warrants	
	Number of warrants	**Weighted average exercise price**	**Number of Warrants**	**Weighted average exercise price**
Outstanding, July 31, 2017	1,576,750	$ -	4,550,045	$ 0.10
Cancelled	(2,500)	-	-	-
Converted to common shares and regular warrants	(1,574,250)	-	787,125	0.20
Exercised	-	-	(250)	0.20
Outstanding, January 31, 2018	-	$ -	5,336,920	$ 0.11

Regular warrants are as follows:

Issuance date	Number of warrants	Exercise price	Expiry date
June 9, 2017	3,250,033	$ 0.10	December 9, 2018
June 26, 2017	1,300,012	$ 0.10	December 26, 2018
December 1, 2017	786,875	$ 0.20	December 1, 2019

The Company has no special warrants outstanding at January 31, 2018.

6. Related party transactions

Balances
The following amounts due to related parties are included in trade payables and accrued liabilities and have arisen from the unpaid portion of certain fees disclosed below as well as amounts owing for expense reimbursements. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

(Unaudited - Expressed in Canadian dollars)

6. Related party transactions (cont'd)

Balances Payable

	January 31, 2018	July 31, 2017
Directors and officers of the Company (Note 4)	$ 3,540	$ 6,285

Transactions

		January 31, 2018
Director fees	$	15,000
Management fees (a)		11,152
	$	26,152

(a) During the period ended January 31, 2018, the Company incurred management fees of $11,152 with a company controlled by a director and officer.

7. Financial risk and capital management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts at a major bank in Canada. As most of the Company's cash held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Credit risk is assessed as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to necessary levels of equity funding. Liquidity risk is assessed as high.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. As at January 31, 2018, there are no financial assets and liabilities denominated in a currency other than the Company's functional currency.

7. Financial risk and capital management (continued)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risks.

Capital Management

The Company's policy is, if permitted by market conditions, to maintain a strong capital base so as to support investor and creditor confidence and support future development of the business. The capital structure of the Company consists of equity, comprising share capital and reserves net of accumulated deficit. The Company is not subject to any externally imposed capital requirements.

Fair value

The Company's financial instruments consist of cash, and trade payables. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these investments. Cash is measured at fair value using Level 1 inputs.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

8. Subsequent events

In February 2018, the Company made a payment of $10,000 to Ultra Lithium Corp. pursuant to the option agreement (Note 3).

In February and March 2018, 750 warrants were exercised at an exercise price of $0.20 for proceeds of $150.