



UNITED LITHIUM

STATEMENT OF EXECUTIVE COMPENSATION

**FOR THE YEARS ENDED
JULY 31, 2021 and JULY 31, 2020**

Dated: February 4, 2022

STATEMENT OF EXECUTIVE COMPENSATION

OBJECTIVE

The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave, or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. This disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

DEFINITIONS

For the purpose of this Statement of Executive Compensation:

“**Company**” means United Lithium Corp.;

“**company**” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**named executive officer**” or “**NEO**” means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

Based on the foregoing definitions during the most recently completed financial year ended July 31, 2021, the Company had two NEOs, namely (i) Michael A. Dehn, Chief Executive Officer, President and Director, and (ii) Faizaan Lalani, Chief Financial Officer, Corporate Secretary and Director.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO compensation, excluding options and compensation securities

The following table sets forth all compensation, excluding options and compensation securities, paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, for the two most recently completed financial years, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company.

Table of Compensation Excluding Compensation Securities							
Name and position	Year Ended July 31	Salary, consulting fee, retainer, or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Michael Dehn ⁽¹⁾ CEO, President and Director	2021	96,000	60,000	Nil	Nil	Nil	156,000
	2020	96,000	Nil	Nil	Nil	Nil	96,000
Faizaan Lalani ⁽²⁾ CFO, Corporate Secretary and Director	2021	76,000	Nil	Nil	Nil	Nil	76,000
	2020	28,500	Nil	Nil	Nil	Nil	28,500
Amandeep Parmar ⁽³⁾ Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Mark Ireton ⁽⁴⁾ Director	2021	6,000	Nil	Nil	Nil	Nil	6,000
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Robert Schafer ⁽⁵⁾ Director	2021	15,000	Nil	Nil	Nil	Nil	15,000
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Robert Dubeau ⁽⁶⁾ Former Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Herrick M.T. Lau ⁽⁷⁾ Former Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Gurcharn Deol ⁽⁸⁾ Former Director, Former CFO and Former Corporate Secretary	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	32,000 ⁽⁹⁾	Nil	Nil	Nil	Nil	32,000 ⁽⁹⁾
Matthew Rhoades ⁽¹⁰⁾ Former Director, Former VP, Exploration, Former CEO and Former President	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Anthony Kovschak ⁽¹¹⁾ Former Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	Nil	Nil	Nil	Nil	Nil	Nil
John Read ⁽¹²⁾ Former Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- ⁽¹⁾ Michael Dehn was appointed a director October 19, 2018, and as President and Chief Executive Officer on November 7, 2018.
- ⁽²⁾ Faizaan Lalani was appointed a director and Chief Financial Officer on October 19, 2018.
- ⁽³⁾ Amandeep Parmar was appointed a director on September 9, 2020.
- ⁽⁴⁾ Mark Ireton was appointed a director on February 19, 2021.
- ⁽⁵⁾ Robert Schafer was appointed a director on February 19, 2021.
- ⁽⁶⁾ Robert Dubeau served as a director from October 29, 2019, until December 11, 2020.
- ⁽⁷⁾ Herrick M.T. Lau served as a director from October 29, 2018, until September 23, 2020.
- ⁽⁸⁾ Gurcharn Deol served as a director from June 19, 2017, until October 29, 2019, and as Chief Financial Officer and Corporate Secretary from July 27, 2018, until October 29, 2019.
- ⁽⁹⁾ Amount paid in connection to consulting fees to Spiral Investment Corp, a company formerly wholly owned by Gurcharn Deol.
- ⁽¹⁰⁾ Matthew Rhoades served as a director from July 27, 2018, until October 29, 2019, and as President and CEO from July 27, 2018, until November 7, 2018.
- ⁽¹¹⁾ Anthony Kovschak served as a director from July 27, 2018, until October 29, 2019.
- ⁽¹²⁾ John Read served as a director from August 20, 2018, until October 29, 2019.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Company or one of its subsidiaries during the most recently completed financial year ended July 31, 2021, for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Compensation Securities							
Name and position	Type of compensation security ⁽¹⁾	Number of compensation securities, number of underlying securities, and percentage of class ⁽²⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Michael Dehn ⁽³⁾ CEO, President and Director	Stock Options	400,000 stock options (10.87%) (400,000 underlying common shares: 0.757%)	November 6, 2020	0.64	0.64	0.69	November 6, 2025
Faizaan Lalani ⁽⁴⁾ CFO and Director	Stock Options	400,000 stock options (10.87%) (400,000 underlying common shares: 0.757%)	November 6, 2020	0.64	0.64	0.69	November 6, 2025
Amandeep Parmar ⁽⁵⁾ Director	Stock Options	300,000 stock options (8.15%) (300,000 underlying common shares: 0.568%)	November 6, 2020	0.64	0.64	0.69	November 6, 2025
Mark Ireton ⁽⁷⁾ Director	Stock Options	300,000 stock options (8.15%) (300,000 underlying common shares: 0.568%)	February 19, 2021	1.11	1.18	0.69	February 19, 2026
Robert Schafer ⁽⁸⁾ Director	Stock Options	250,000 stock options (6.79%) (250,000 underlying common shares: 0.473%)	March 17, 2021	1.18	1.22	0.69	March 17, 2026
Robert Dubeau ⁽⁶⁾ Former Director	Stock Options	300,000 stock options (8.15%) (300,000 underlying common shares: 0.568%)	November 6, 2020	0.64	0.64	0.69	November 6, 2025

Notes:

- (1) Stock options fully vested as at date of grant.
- (2) Based on 52,779,663 common shares issued and outstanding as at July 31, 2021
- (3) The total amount of compensation securities held by Michael Dehn as at July 31, 2021 was 400,000 stock options.
- (4) The total amount of compensation securities held by Faizaan Lalani as at July 31, 2021 was 400,000 stock options.
- (5) The total amount of compensation securities held by Amandeep Parmar as at July 31, 2021 was 300,000 stock options.
- (6) The total amount of compensation securities held by Robert Dubeau as at July 31, 2021 was 300,000 stock options.
- (7) The total amount of compensation securities held by Mark Ireton as at July 31, 2021 was 300,000 stock options.
- (8) The total amount of compensation securities held by Robert Schafer as at July 31, 2021 was 250,000 stock options.

Exercise of Compensation Securities by Directors and NEOs

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of Exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Gurcharn Deol Former Director, Former CFO and Former Corporate Secretary	Stock Options	150,000	0.64	January 26, 2021	0.84	0.20	30,000

Stock Option Plans and Other Incentive Plans

The Board adopted a stock option plan on June 19, 2017 (the “**Stock Option Plan**”) with the purpose to attract and retain directors, officers, employees, and consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through stock options granted to them under the Stock Option Plan to purchase common shares in the capital of the Company. The Stock Option Plan is the only equity compensation plan the Company has in place.

The Stock Option Plan permits the Board from time to time, in its discretion and in accordance with applicable securities laws and policies of the Canadian Securities Exchange, to grant stock options to directors, officers, employees and consultants of the Company, provided that the number of common shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares of the Company.

The following is a summary of the material terms of the Stock Option Plan:

- the aggregate number of common shares that may be issued pursuant to options granted under the Stock Option Plan, unless otherwise approved by shareholders, may not exceed that number which is equal to 10% of the issued and outstanding common shares of the Company at the time of the grant;
- subject to a minimum exercise price of \$0.05 per Option Share, the minimum exercise price of an option granted under the Stock Option Plan must not be less than the closing market price of the common shares of the Company on the trading day immediately preceding the date of grant, less any applicable discount allowed by the Canadian Securities Exchange.
- the term of any stock option will not exceed ten years;
- if a director or officer, ceases to hold office for any reason other than death, such director or officer shall have the right to exercise any vested option granted to him under the Plan and not exercised prior to such cessation within a period of 90 days after the date of such cessation of office, or such shorter period as may be set out in the optionee’s written agreement;
- if an employee or consultant ceases to be so engaged by the Company for any reason other than death, such employee or consultant shall have the right to exercise any vested option granted to him under the Stock Option Plan and not exercised prior to such termination within a period of 30 day after the date of termination, or such shorter period as may be set out in the optionee’s written agreement;

- if an optionee who is engaged in investor relations activities ceases to be so engaged by the Company, such optionee shall have the right to exercise any vested option granted to the optionee under the Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in in the optionee’s written agreement;
- if an optionee dies prior to the expiry of an option, his heirs or administrators may within 12 months from the date of the optionee’s death exercise that portion of an option granted to the optionee under the Plan which remains vested and outstanding;
- the aggregate number of common shares subject to an option that may be granted to any one individual in any 12-month period under the Stock Option Plan shall not exceed 5% of the issued outstanding common shares determined at the time of such grant;
- the aggregate number of common shares subject to an option that may be granted to any one consultant in any 12-month period under the Stock Option Plan shall not exceed 2% of the issued outstanding shares common shares determined at the time of such grant;
- the aggregate number of common shares subject to an option that may be granted to any one person conducting investor relations activities in any 12-month period under the Stock Option Plan shall not exceed 2% of the issued outstanding common shares determined at the time of such grant;
- the Board of directors will determine the vesting schedule for each stock option granted with the exception that options granted to any person engaged in investor relations activities shall vest in stages over 12 months with no more than ¼ of the stock options vesting in any three-month period and in accordance with the rules and policies of the regulatory authorities; and
- all options are non-assignable and non-transferable.

The above summary is qualified by the full text of the Stock Option Plan, which is available from the Company upon written request.

Employment, consulting, and management agreements

Except as disclosed herein, the Company did not have any employment, consulting or management agreements or any formal arrangements with the Company’s current NEOs or directors regarding compensation during the most recently completed financial year ended July 31, 2021, in respect of services provided to the Company or subsidiaries thereof.

Consulting Agreement with Michael Dehn

The Company entered into a consulting agreement with Mimosa Springs Consulting Corp. (“**Mimosa Springs**”), a corporation wholly owned by Michael Dehn, dated as of November 11, 2018 (the “**Mimosa Springs Agreement**”), pursuant to which Michael Dehn provides general management and financial services to the Company (the “**Services**”) and holds the titles of President and Chief Executive Officer.

The term of the Mimosa Springs Agreement runs for successive periods of one (1) year each unless a party provides written notice to the other party of its intention to terminate at least three (3) months prior to the end of the term or any renewal thereof.

As compensation for Services, Mimosa Springs receives a base monthly fee of \$8,000 (plus applicable taxes) (the “**Base Fee**”) for the full term of the Mimosa Springs Agreement. The Base Fee shall increase effective on each annual anniversary date by an amount equal to the annual StatsCan CPI change (excluding energy) as published by StatsCan and such annual base fee increase shall not be less than zero percent (0%). In addition, as additional compensation, the Mimosa Springs Agreement includes a bonus program of \$50,000 worth of common shares payable on the completion of the acquisition of the first significant property for the Company and \$50,000 on the completion of a significant financing for the Company. Bonuses may be

negotiated for subsequent acquisitions and/or financings.

The Company may terminate the Mimosa Springs Agreement with Just Cause, as such term is defined in the Mimosa Springs Agreement, and at any time with a letter requesting Mr. Dehn's resignation as signed by Shareholders representing a minimum of 5% of the issued and outstanding common shares (the "**Shareholder Request Letter**"). Should the Company terminate the Mimosa Springs Agreement for reasons other than Just Cause or without a Shareholder Request Letter, the Company shall pay to Mimosa Springs a lump sum payment equal to the number of months remaining in the term multiplied by the Base Fee (plus applicable taxes) in effect at such time of termination or, alternatively, some other mutually agreed amount. If the Mimosa Springs Agreement is terminated within the two (2) year period following a Change of Control, as such term is defined in the Mimosa Springs Agreement, the Company shall make an immediate cash payment to Mimosa Springs equal to 36 months multiplied by the Base Fee (plus applicable taxes).

Consulting Agreement with Faizaan Lalani

The Company entered into a consulting agreement with 1196016 B.C. Ltd. ("**1196016 BC**"), a corporation wholly owned by Faizaan Lalani, dated as of July 1, 2020 (the "**1196016 BC Agreement**"), pursuant to which Faizaan Lalani provides management and operations services to the Company (the "**Services**"), and as amended October 30, 2020.

The term of the 1196016 BC Agreement continues indefinitely until either party to the 1196016 BC Agreement terminates the 1196016 BC Agreement, in accordance with the terms and conditions therein.

As compensation for Services, 1196016 BC initially received a monthly fee of \$3,000 (plus applicable taxes) and subsequently amended on October 30, 2020, to a monthly fee of \$7,000.

The 1196016 BC Agreement may be terminated without cause by either party with not less than one (1) month's written notice (the "**Notice to Terminate**") to the other party with such termination to be effective as at the last day of the month after deliver of the Notice to Terminate. In the event the Company elects to terminate the 1196016 BC Agreement, 1196016 BC Agreement shall upon receipt of the Notice to Terminate make no further commitments in relation to the Services and shall take all reasonable steps necessary to minimize costs arising from commitments made prior to the receipt of the Notice to Terminate. In addition, the Company shall prorate the monthly fee to the date of termination and make payment to 1196016 BC forthwith.

Termination and Change of Control Benefits

Except as disclosed above, during the financial years ended July 31, 2021, the Company did not have any contract, agreement, plan, or arrangement that provides for payment to any NEOs, executive officers, or directors at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's, executive officer's or director's responsibilities.

Oversight and description of director and named executive officer compensation

Compensation of Directors

The compensation of directors and the CEO is determined by the Board as a whole. Such compensation is determined after consideration of various factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

During the most recently completed financial year ended July 31, 2021, the Company compensated some of the directors a cash payment for their services in their capacity as directors. The Company also may grant its directors incentive stock options. See *Section 5 – Statement of Executive Compensation – Stock Options and Other Compensation Securities*. The quantity and quality of Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. The number of options to be granted to any director or officer is determined by the Board as a whole, thereby providing the independent directors with significant input into compensation decisions. Given the current size and limited scope of operations of the Company, the Board does not believe that a formal compensation committee is required. At such time and in the opinion of the Board, should the size and activities of the Company and the number of management employees warrant the formation of a formal compensation committee, one shall be appointed at such time.

Compensation of NEOs

The overall objective of the Company's compensation strategy is to offer certain compensation components to ensure that the Company has in place programs to attract, retain, and develop management of the highest quality and can provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the chief executive officer, if any, in this regard.

The NEOs compensation is currently comprised of two components: a short-term compensation component, which includes the payment of management fees to certain NEOs, and a long-term compensation component, which includes the grant of stock options under the Incentive Stock Option Plan. Management fees primarily reward recent performance and incentive stock options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The Company intends to further develop these compensation components.

The management fee for the NEOs, as applicable, is reviewed in consultation with the Board of directors and executive officers periodically and or pursuant to any agreements entered into with the Company and is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time.

The second component of the executive officers' compensation is incentive stock options. The objectives of the Company with respect to compensation are to align the interests of the Company's NEOs, Board of directors, employees, and consultants with the interests of the shareholders of the Company. Therefore, a significant portion of total compensation is the granting of incentive stock options by the Company.

Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the performance of the NEOs and Board of directors.

The Company relies on Board discussion, without formal objectives, criteria, and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

The NEOs' performances and salaries or fees are to be reviewed pursuant to the agreements entered into with the Company. Increases in management fees are to be evaluated on an individual basis and are performance and market-based.

Pension disclosure

The Company does not have any pension, retirement, defined benefit, defined contribution, or deferred compensation plans that provides for payments or benefits to its directors and NEOs at, following, or in connection with retirement and none are proposed at this time.