

**United Lithium Corp.**  
**Condensed Consolidated Interim Financial Statements**  
**Three Months Ended October 31, 2022 and 2021**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

**These unaudited condensed consolidated interim financial statements of United Lithium Corp. for the three months ended October 31, 2022, have been prepared by management and approved by the Board of Directors. These unaudited condensed consolidated interim financial statements have not been reviewed by the Company's external auditors.**

United Lithium Corp.  
Condensed Consolidated Interim Statement of Financial Position  
(Unaudited - Expressed in Canadian Dollars)

	Notes	October 31, 2022	July 31, 2022
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		\$ 1,301,501	\$ 2,304,833
Amounts receivable		161,971	191,070
Prepaid expenses	3	47,672	79,049
		1,511,144	2,574,952
<b>Non-current assets</b>			
Exploration and evaluation assets	4	14,057,678	13,186,342
Equipment	5	6,566	7,003
Long term prepaid expenses		6,185	6,290
<b>TOTAL ASSETS</b>		<b>\$ 15,581,573</b>	<b>\$ 15,774,587</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	6,8	\$ 475,241	\$ 580,757
<b>TOTAL LIABILITIES</b>		<b>475,241</b>	<b>580,757</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	7	29,051,263	28,748,472
Reserves	7	6,441,428	5,621,576
Obligation to issue shares	7	-	50,000
Accumulated other comprehensive loss		(52,200)	(27,620)
Deficit		(20,332,942)	(19,197,381)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>15,107,549</b>	<b>15,195,047</b>
Non-controlling interest	9	(1,217)	(1,217)
<b>TOTAL EQUITY</b>		<b>15,106,332</b>	<b>15,193,830</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 15,581,573</b>	<b>\$ 15,774,587</b>

Nature of operations and going concern (Note 1)  
Subsequent event (Note 11)

Approved and authorized on behalf of the Board on December 23, 2022:

\_\_\_\_\_  
"Faizaan Lalani" Director      "Michael Dehn" Director

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

United Lithium Corp.  
Condensed Consolidated Interim Statement of Loss and Comprehensive Loss  
(Unaudited - Expressed in Canadian Dollars)

		<b>Three months ended October 31,</b>	
	<b>Notes</b>	<b>2022</b>	<b>2021</b>
<b>Expenses</b>			
Depreciation	5	\$ 2,188	\$ 438
General and administration		32,914	43,949
Investor relations		26,375	11,000
Management and consulting fees	8	69,000	61,255
Marketing		36,000	977,959
Professional fees		80,489	143,677
Project generation		19,125	74,025
Public company costs and director fees	8	16,362	17,791
Regulatory and transfer agent fees		19,931	13,190
Share-based payments	7,8	819,852	137,847
Foreign exchange loss		13,325	4,474
<b>Total expenses</b>		<b>(1,135,561)</b>	<b>(1,485,605)</b>
<b>Net loss</b>		<b>(1,135,561)</b>	<b>(1,485,605)</b>
<b>Loss attributable to:</b>			
Shareholders of the parent company		(1,135,561)	(1,485,605)
		<b>\$ (1,135,561)</b>	<b>\$ (1,485,605)</b>
<b>Other comprehensive loss</b>			
Foreign currency translation loss attributed to equity shareholders of the parent company		(24,580)	(4,281)
<b>Total comprehensive loss</b>		<b>\$ (1,160,141)</b>	<b>\$ (1,489,886)</b>
<b>Basic and diluted loss per share</b>		<b>\$ (0.02)</b>	<b>\$ (0.02)</b>
<b>Weighted average number of common shares outstanding</b>		<b>72,855,779</b>	<b>61,960,055</b>

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

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

	Notes	Share capital		Reserves			Total reserves	Obligation to issue shares	Accumulated other comprehensive loss	Non-controlling interest	Deficit	Total
		Number of shares	Amount	Equity settled employee compensation and warrants	Special warrants	Special broker warrants						
<b>Balance at July 31, 2021</b>		52,779,663	\$19,890,739	\$ 3,294,210	\$ 7,635,722	\$644,000	\$11,573,932	\$ 40,000	\$ (5,123)	\$ -	\$ (13,327,482)	\$18,172,066
Special warrants	7	15,890,886	9,200,000	-	(9,200,000)	-	(9,200,000)	-	-	-	-	-
Shares issued, exercise of warrants	7	297,908	83,000	-	-	-	-	-	-	-	-	83,000
Share-based payments	7	-	-	137,847	-	-	137,847	-	-	-	-	137,847
Exchange difference on translation		-	-	-	-	-	-	-	(4,281)	-	-	(4,281)
Net loss		-	-	-	-	-	-	-	-	-	(1,485,605)	(1,485,605)
<b>Balance at October 31, 2021</b>		<b>68,968,457</b>	<b>\$29,173,739</b>	<b>\$ 3,432,057</b>	<b>\$ (1,564,278)</b>	<b>\$644,000</b>	<b>\$ 2,511,779</b>	<b>\$ 40,000</b>	<b>\$ (9,404)</b>	<b>\$ -</b>	<b>\$ (14,813,087)</b>	<b>\$16,903,027</b>
<b>Balance at July 31, 2022</b>		<b>72,007,794</b>	<b>28,748,472</b>	<b>4,977,576</b>	<b>-</b>	<b>644,000</b>	<b>5,621,576</b>	<b>50,000</b>	<b>(27,620)</b>	<b>(1,217)</b>	<b>(19,197,381)</b>	<b>15,193,830</b>
Shares issued, property	4,7	208,333	51,041	-	-	-	(50,000)	-	-	-	-	1,041
Shares issued, exercise of warrants	7	1,007,000	251,750	-	-	-	-	-	-	-	-	251,750
Share-based payments	7	-	-	819,852	-	-	819,852	-	-	-	-	819,852
Exchange difference on translation		-	-	-	-	-	-	-	(24,580)	-	-	(24,580)
Net loss		-	-	-	-	-	-	-	-	-	(1,135,561)	(1,135,561)
<b>Balance at October 31, 2022</b>		<b>73,223,127</b>	<b>\$29,051,263</b>	<b>\$ 5,797,428</b>	<b>\$ -</b>	<b>\$644,000</b>	<b>\$ 6,441,428</b>	<b>\$ -</b>	<b>(52,200)</b>	<b>\$ (1,217)</b>	<b>\$ (20,332,942)</b>	<b>\$15,106,332</b>

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

United Lithium Corp.  
Condensed Consolidated Interim Statement of Cash Flows  
(Unaudited - Expressed in Canadian Dollars)

	<b>For the three months ended October 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Operating activities</b>		
Net loss	\$ (1,135,561)	\$ (1,485,605)
Adjustments for non-cash items:		
Depreciation	437	438
Share-based payments	819,852	137,847
Unrealized foreign exchange	(24,475)	(4,246)
Changes in non-cash working capital items:		
Amounts receivable	29,099	(94,889)
Prepaid expenses	31,377	(418,327)
Accounts payable and accrued liabilities	(122,513)	262,493
<b>Net cash flows used in operating activities</b>	<b>(401,784)</b>	<b>(1,602,289)</b>
<b>Investing activities</b>		
Exploration and evaluation assets	(853,298)	(240,091)
Cash paid for acquisition of subsidiary	-	(266,694)
<b>Net cash flows used in investing activities</b>	<b>(853,298)</b>	<b>(506,785)</b>
<b>Financing activities</b>		
Warrants exercised	251,750	83,000
<b>Net cash flows provided by financing activities</b>	<b>251,750</b>	<b>83,000</b>
Change in cash	(1,003,332)	(2,026,074)
Cash, beginning of the period	2,304,833	8,341,524
<b>Cash, end of the period</b>	<b>\$ 1,301,501</b>	<b>\$ 6,315,450</b>
<b>Supplemental disclosure with respect to cash flows:</b>		
Shares issued, property	\$ 51,041	\$ -

The accompanying notes are an integral part of these condensed consolidated 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.

The head office and principal address of the Company is located at 750 West Pender Street, Suite 401, Vancouver, British Columbia, Canada, V6C 2T7. The Company’s registered and records office address is 750 West Pender Street, Suite 401, Vancouver, British Columbia, Canada, V6C 2T7.

These condensed consolidated 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 is not expected to continue operations for the foreseeable future. At October 31, 2022, the Company had not achieved profitable operations, had a net loss of \$1,135,561, an accumulated deficit of \$20,332,942 and expects to incur further losses in the development of its business, all of which indicates a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is dependent upon 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 that it will be able to do so in the future.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in future periods.

**2. Significant accounting policies and basis of preparation**

These condensed consolidated interim financial statements were authorized for issue by the directors of the Company on December 23, 2022.

***Statement of compliance with International Financial Reporting Standards***

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 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 consolidated interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended July 31, 2022.

***Basis of preparation***

These condensed consolidated interim financial statements of the Company have been prepared on a historical cost basis except for certain financial assets measured at fair value. These condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise specified. The condensed consolidated interim financial statements of the Company reflect the consolidation of the financial results of the Company and its wholly owned subsidiaries.

**2. Significant accounting policies and basis of preparation (cont'd)**

***Functional and presentation currency***

These condensed consolidated interim financial statements are presented in Canadian dollars, the Company's, and its Canadian subsidiary's functional and presentation currency. The functional currency of the Company's US subsidiaries is the US dollar and the Swedish Krona for the Company's Swedish subsidiary.

***Consolidation***

The condensed consolidated interim financial statements include the accounts of the Company and its controlled subsidiaries. Details of controlled subsidiaries are as follows:

	Country of incorporation	Percentage owned*	
		October 31, 2022	July 31, 2022
Greenhat Mineral Holdings Ltd	Canada	100%	100%
Greenhat Minerals Holdings (US) Ltd.	U.S.	100%	100%
1257590 B.C. LTD	Canada	100%	100%
Bergby Lithium AB	Sweden	100%	100%
Litiumlöydös Oy	Finland	83.6%	83.6%

\*Percentage of voting power is in proportion to ownership.

***Significant judgements***

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the carve-out consolidated financial statements and the reported revenues and expenses during this period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the recoverability of evaluation and exploration assets, valuation of share-based payments, and recognition of deferred tax amounts.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the carve-out consolidated financial statements are as follows:

- Management determines whether assets acquired, and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. The Company completed the acquisitions of, Bergby Lithium AB, and Litiumlöydös Oy (Note 3) and concluded that the acquired entities did not qualify as a business combination under IFRS 3, as significant processes were not acquired. Accordingly, the acquisitions have been accounted for as an asset acquisition.



**2. Significant accounting policies and basis of preparation (cont'd)**

**Significant judgements (cont'd)**

- Based on the primary indicators in IAS 21 – The Effects of Change in Foreign Exchange Rates – the Canadian dollar has been determined as the functional currency of the Company. Effects of changes in foreign exchange rates on the consolidation of the financial statements are recorded in other comprehensive loss and carried in the form of a cumulative translation adjustment in the accumulated comprehensive loss section of the statements of loss and comprehensive loss.
- Management assesses the Company's ability to continue as a going-concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events (Note 1), whose subsequent changes could materially impact the validity of such an assessment.

**Accounting standards issued but not yet applied**

Other accounting pronouncements with future effective dates are either not applicable or are not expected to have a material impact on the Company's condensed consolidated interim financial statements.

**3. Prepaid expenses**

Prepaid expenses consist of the following:

	<b>October 31, 2022</b>	<b>July 31, 2022</b>
Insurance	\$ 7,270	\$ 11,632
Consulting	23,011	51,000
Marketing	17,391	16,417
<b>Total prepaid expenses</b>	<b>\$ 47,672</b>	<b>\$ 79,049</b>

**4. Exploration and evaluation assets**

The following is a description of the Company's exploration and evaluation assets for the period ended October 31, 2022 and year ended July 31, 2022:

<b>October 31, 2022</b>	<b>Barbara Lake Lithium Property</b>	<b>Bergby Lithium Project</b>	<b>Greenhat Projects</b>	<b>Kietyönmäki lithium Project</b>	<b>Totals</b>
<b>Balance, beginning</b>	\$ 8,223,815	\$ 3,077,402	\$ 1,004,044	\$ 881,081	\$ 13,186,342
Exploration costs	70,776	290,865	349,352	160,343	871,336
<b>Balance, ending</b>	<b>\$ 8,294,591</b>	<b>\$ 3,368,267</b>	<b>\$ 1,353,396</b>	<b>\$ 1,041,424</b>	<b>\$ 14,057,678</b>

United Lithium Corp.  
Notes to the Condensed Consolidated Interim Financial Statements  
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4. Exploration and evaluation assets (cont'd)

July 31, 2022	Barbara Lake Lithium Property	Bergby Lithium Project	Greenhat Projects	Kietyönmäki lithium Project	Totals
<b>Balance, beginning</b>	\$ 8,123,815	\$ 1,485,083	\$ -	\$ -	\$ 9,608,898
Exploration costs	-	1,591,156	-	56,168	1,647,324
<b>Balance, ending</b>	<b>\$ 8,223,815</b>	<b>\$ 3,077,402</b>	<b>\$ 1,004,044</b>	<b>\$ 881,081</b>	<b>\$ 13,186,342</b>

**Barbara Lake Lithium Property**

On October 13, 2020, the Company completed the amalgamation of 126 B.C. and 125 B.C. by issuing 11,500,000 common shares of the Company with a fair value of \$7,820,000. The excess of the consideration paid over the fair value of the net liabilities was attributed to the exploration and evaluation asset in the amount of \$7,825,725.

Pursuant to the amalgamation, the Company acquired 125 B.C.'s option ("Option") to acquire up to 100% of Barbara Lake Lithium Property (the "Property") which is located in the Barbara Lake Area of the Thunder Bay Mining District in Ontario, Canada.

The Option will be exercisable as follows:

Payments

- Payment of \$40,000 in cash to the property owner by July 30, 2020 (paid – November 10, 2020);
- Payment of \$40,000 in cash to the property owner by July 30, 2021 (paid – November 15, 2021);
- Payment of \$50,000 in cash to the property owner by July 30, 2022; (paid – October 27, 2022);
- Issue to the property owner such number of the Company's shares within 10 business days at the date of closing (109,965 common shares issued on October 13, 2020 at a fair value of \$74,776);
- Issue to the property owner such number of the Company's shares as equal to \$40,000, by July 31, 2021 (issued 57,971 common shares – November 15, 2021); and
- Issue to the property owner such number of Company's shares as equal to \$50,000, by July 31, 2022; (Issued 208,333 shares with a fair value of \$51,041 – October 27, 2022) (Note 7).

Expenditures

- Incurring \$100,000 of expenditures on the Property by July 31, 2021 (completed);
- Incurring and additional \$250,000 of expenditures on the Property by July 31, 2022 (optionor has agreed that expenses will be incurred); and
- Incurring and additional \$500,000 of expenditures on the Property by July 31, 2023.

**Bergby Lithium Project**

On April 29, 2021, the Company completed the acquisition of 100% of the issued and outstanding share capital of Bergby, for total consideration of \$1,327,837. Bergby holds a 100% interest in and to the mining licenses comprising the Bergby Lithium Project, located in Sweden.

On April 29, 2021 (the closing date), the Company and Leading Edge entered into a royalty agreement wherein Leading Edge shall be entitled to a 2% net smelter returns royalty on the Bergby Lithium Project, which shall be subject to a buyback right for \$1,000,000.

4. **Exploration and evaluation assets** (cont'd)

**Bergby Lithium Project** (cont'd)

In the event Leading Edge acquires certain additional mineral claims in the region of the Bergby Lithium Project prior to March 21, 2021 (the "Bonus Date"), the issuance of such additional number of common share purchase warrants ("Bonus Warrants") as is equal to \$250,000 divided by the 10- day volume weighted average trading price of the purchaser shares on the Canadian Securities Exchange (CSE) as of the date immediately preceding the Bonus Date (the "Bonus Price") with each Bonus Warrant entitling Leading Edge to acquire, for a period of 36 months, one share at an exercisable price equal to the Bonus Price.

**Greenhat Projects**

During the period ended October 31, 2022, the Company spent \$349,352 in staking unpatented lode mining claims and exploration cost related to various projects.

**Litiumlöydös Oy – Kietyönmäki Lithium project**

On February 14, 2022, the Company completed the acquisition of 83.6% of the issued and outstanding share capital of Litiumlöydös, for total consideration of \$840,000. Litiumlöydös holds a 100% interest in and to the mining licenses comprising the Kietyönmäki Lithium project located in the Kietyönmäki lithium prospect, Finland.

5. **Equipment**

	<b>Equipment</b>	
Cost		
<b>Balance October 31, 2022 and July 31, 2022</b>	<b>\$</b>	<b>8,754</b>
<b>Amortization</b>		
Balance July 31, 2022	\$	1,751
Additions		437
<b>Balance October 31, 2021</b>	<b>\$</b>	<b>2,188</b>
<b>Net book value</b>		
<b>Balance July 31, 2022</b>	<b>\$</b>	<b>7,003</b>
<b>Balance October 31, 2022</b>	<b>\$</b>	<b>6,566</b>

6. **Accounts payable and accrued liabilities**

	<b>October 31, 2022</b>	<b>July 31, 2022</b>
Accounts payable	\$ 336,961	\$ 379,825
Amounts due to related parties (Note 8)	26,587	55,675
Accrued liabilities	111,693	145,257
<b>Total accounts payable and accrued liabilities</b>	<b>\$ 475,241</b>	<b>\$ 580,757</b>

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

**7. Share capital and reserves**

***Authorized share capital***

An unlimited number of common shares without par value.

***Issued share capital***

At October 31, 2022, there were 73,223,127 (July 31, 2022 – 72,007,794) issued and fully paid common shares, of which a total of 206,373 shares were held in escrow (“Escrow Shares”). This Escrow Shares were held since April 29, 2021 in relation to the Bergby acquisition to be released on December 29, 2022.

During the period ended October 31, 2022:

On October 27, 2022, the Company issued 208,333 common shares valued at \$51,041 in relation to the Barbara Lake acquisition (Note 4).

On October 14, 2022, the remaining 261,541 shares in escrow were released in connection with Litiumlöydös Oy acquisition.

On August 29, 2022, an additional 206,373 shares in escrow were released in connection with Bergby acquisition (Notes 4).

During the period ended October 31, 2022, 1,007,000 warrants were exercised for gross proceeds of \$251,750.

***Reserves***

Company reserves are made of reallocation on exercise of equity settle employee compensation and warrants, special warrants, and special broker warrants.

***a. Stock options***

On August 11, 2022, the Company implemented a stock option plan (the “Plan”), enabling the Board to grant stock options, Deferred Share Units (“DSU”), and Restricted Share Rights (“RSR”) to purchase common shares in the capital of the Company to eligible persons (collectively, “Optionees”) in consideration of such Optionees providing services to the Company or a subsidiary of the Company. The number of stock options granted by the Company to Optionees is determined by the Board, within the guidelines established by the Plan. The stock options enable such persons to purchase common shares at a price fixed under such guidelines. The aggregate number of shares that may be issued pursuant to options granted under the Plan, unless otherwise approved by shareholders, may not exceed that number which is equal to 10% of the issued and outstanding shares of the Company at the time of the grant and the term of any stock option will not exceed five years.

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7. **Share capital and reserves** (cont'd)

a. **Stock options** (cont'd)

The following table summarizes information about stock option transactions for the period ended October 31, 2022:

	Number of Options	Weighted Average Exercise Price (\$)
Balance October 31, 2022 and July 31, 2022	6,228,568	0.75

Stock options outstanding at October 31, 2022 are as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price (\$)	Expiry Date
500,000	28,568	3.50	January 8, 2023
1,000,000	1,175,000	0.64	February 8, 2023
28,568	500,000	0.82	July 9, 2023
1,450,000	1,000,000	0.86	November 6, 2025
300,000	225,000	1.11	February 19, 2026
250,000	187,500	1.18	February 19, 2026
150,000	112,500	1.22	March 17, 2026
2,550,000	2,550,000	0.60	December 23, 2026
6,228,568	5,778,568	0.74	

The weighted average contractual remaining life on the stock options is 2.84 years as at October 31, 2022.

No stock options were granted during the three months ended October 31, 2022 and same period in 2021.

The Company recorded share-based payments of \$46,401 (October 31, 2021 - \$137,847) relating to stock options vested during the period.

b. **Restricted shares rights ("RSR")**

On August 11, 2022, the Company implemented a stock option plan (the "Plan"). The Company has the right to grant, to any Participant, rights to receive any number of fully paid Restricted Share Rights ("RSR"). as a discretionary payment in consideration of past services to the Company or as an incentive for future services, For purposes of calculating the number of RSRs to be granted, the Company shall value the Shares underlying such RSRs at not less than one hundred per cent (100%) of the Fair Market Value. The Board shall determine the Restricted Period applicable to such RSRs. Upon expiry of the applicable Restricted Period a RSR shall be automatically settled.

On August 19, 2022, the Company granted 4,050,000 restricted share units ("RSR") to directors and officer of the Company in accordance with the Company's Equity Incentive Plan. Each RSR has a fair market value of \$0.29 and will vest in full on December 12, 2022.

During the period ended October 31, 2022, the Company recorded share-based payments of \$773,451 relating to the RSRs vested during the period (October 31, 2021 - \$Nil) (Note 8).

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7. **Share capital and reserves** (cont'd)

*c. Warrants*

The following table summarizes information about the warrant transactions for the period ended October 31, 2022:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, July 31, 2022	17,554,982	0.53
Exercised	(1,007,000)	0.25
Expired	(8,189,593)	0.25
Balance, October 31, 2022	8,358,389	0.83

Warrants outstanding at October 31, 2022 are as follows:

	Number of Warrants	Exercise Price (\$)	Expiry Date
	7,945,435	0.85	March 8, 2023
	400,000	0.49	April 29, 2024
	12,954	0.85	March 8, 2023
	8,358,389	0.83	

The weighted average contractual remaining life on the warrants is 0.41 year as at October 31, 2022.

During the period ended October 31, 2022, 1,007,000 warrants were exercised for gross proceeds of \$251,750. During the period ended October 31, 2022, 8,189,593 warrants expired unexercised.

*d. Special warrants and special broker warrants*

During the period ended October 31, 2022, 953,030 (July 31, 2022 – 953,030) special broker warrants remain outstanding.

8. **Related party transactions**

*Balances*

As at October 31, 2022, \$26,587 (July 31, 2022 - \$55,675) is due to related parties and is included in trade payables and accrued liabilities (Note 6). These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

*Transactions*

During the three-months ended October 31, 2022 and 2021 the following amounts were incurred with directors and officers of the Company:

	October 31, 2022	October 31, 2021
Director fees	\$ 12,000	\$ 12,000
Management fees to the CEO	30,000	\$ 24,000
Management fees to the CFO	30,000	\$ 21,000
Share-based payments	814,530	\$ 121,882
	<b>\$ 886,530</b>	<b>\$ 178,882</b>

**9. Non-controlling Interest**

On February 14, 2022, the Company completed the acquisition of 83.6% of the issued and outstanding share capital of Litiumlöydös, for total consideration of \$840,000 .

As at October 31, 2022, the Company holds 83.6% (October 31, 2021 – Nil) interest in Litiumlöydös resulting in 16.4% ownership interest held by non-controlling shareholders.

Reconciliation of non-controlling interest as follows:

	<b>October 31, 2022</b>	<b>July 31, 2021</b>
Balance, beginning	\$ (1,217)	\$ -
Share in net loss	-	(1,217)
<b>Balance, ending</b>	<b>\$ (1,217)</b>	<b>\$ (1,217)</b>

**10. 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 is 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. The Company is exposed to foreign currency exchange risk as its expenses and liabilities denominated in currencies other than the functional currency of the Company and its subsidiaries.

**10. Financial risk and capital management (cont'd)**

***Foreign exchange risk (cont'd)***

The Company's reporting currency is the Canadian dollar, and the Company has significant Swedish Krona ("SEK") and Euro (EUR) operations.

As at October 31, 2022, the Company had the following USD, Euro, and SEK denominated assets and liabilities:

	October 31, 2022			July 31, 2022		
	Euros	US Dollars	Swedish Krona	Euros	US Dollars	Swedish Krona
Cash	\$ 13,502	\$ 17,697	\$ 117,598	\$ 13,072	\$ 17,544	\$ 119,594
Receivables	44,205	-	106,542	7,237	-	166,104
Accounts payable and accrued liabilities	(9,729)	(24,866)	(229,096)	112,614	46,551	(199,275)
Total	\$ 47,978	\$ (7,168)	\$ (4,956)	\$132,923	\$ 64,095	\$ 86,423

***Foreign exchange risk (cont'd)***

As at October 31, 2022, a 10% change in exchange rates between Euro, US dollars, SEK and Canadian dollar would impact the Company's net income (loss) by \$3,585 (July 31, 2022 – \$28,344).

***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 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. There has been no change in the Company's management of capital during the period ended October 31, 2022.

***Fair value***

The Company's financial instruments consist of cash, amounts receivable, and accounts payable and accrued liabilities. 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.

Cash is measured using level 1 inputs.



## 11. Subsequent events

On December 5, 2022, United Lithium Corp. (“United Lithium”) and European Triphane Corp. (“SpinCo”) agreed to proceed with a reorganization transaction by way of a plan or arrangement (“Arrangement”) whereby, United Lithium will undertake a reorganization and spin-out of various assets (Spin-out Assets) in mineral properties located in Finland and Sweden, to SpinCo, commencing at the Date of Execution, each of the events set out below shall occur and shall be deemed to occur in the following sequence or as otherwise provided below or herein, without any further act or formality:

- a. Each Common Share in respect of which a Shareholder has exercised Dissent Rights and for which the Shareholder is ultimately entitled to be paid fair value (each a “Dissent Share”) shall be deemed to have been repurchased by United Lithium for cancellation in consideration for a debt-claim against United Lithium to be paid the fair value of such Dissent Share in accordance with Article 3 of the Plan of Arrangement, net of any applicable withholding tax, and such Dissent Share shall thereupon be cancelled.
- b. United Lithium will transfer to Spin-out Assets to SpinCo for consideration of 8,000,000 SpinCo Common Shares, with fair market value equal to the fair market value of the Spin-out Assets, to the Shareholders and United Lithium.
- c. Notwithstanding the terms of the United Lithium Stock Option Plan, including any agreement made thereunder:
  - i. each United Lithium Option (whether vested or not) exercisable for a Common Share that is outstanding as at the Distribution Record Date (defined below) which has not been duly exercised or cancelled will be and will be deemed to be exchanged for:
    1. one fully vested Replacement United Lithium Option and will governed by the terms of the United Lithium Stock Option Plan and will have: (1) an exercise price per Common Share equal to the exercise price of each United Lithium Option exchanged; and (2) the same expiry date as the expiry date of the United Lithium Option; and
    2. one-eleventh of one fully vested SpinCo Option to purchase from the SpinCo one SpinCo and will be governed by the terms of the SpinCo’s Plan and will have: (1) an exercise price per SpinCo Common Share equal to the exercise price of each such United Lithium Option; and (2) the same expiry date as the expiry date of the United Lithium Option, provided that the exercise prices of each Replacement United Lithium Option and each SpinCo Option issued pursuant to the step above shall be and be deemed to be automatically adjusted such that the aggregate In-the-Money Amounts thereof immediately after the steps above does not exceed the In the Money Amount of the exchanged United Lithium Option determined immediately before the exchange, with the intention that subsection 7(1.4) of the Tax Act will apply to each exchange.

**11. Subsequent events** (cont'd)

- ii. Notwithstanding the terms of any certificates representing the United Lithium Warrants, including any agreement made thereunder:
  - 1. each United Lithium Warrant (whether vested or not) exercisable for a Common Share that is outstanding as at the Distribution Record Date which has not been duly exercised or cancelled will be and will be deemed to be exchanged for:
    - a. one fully-vested Replacement United Lithium Warrant to purchase from United Lithium one Common Share for every Common Share that could be purchased under the United Lithium Warrant. Each Replacement United Lithium Warrant will have: (1) an exercise price per Common Share equal to the exercise price of each United Lithium Warrant; and (2) the same expiry date as the expiry date of the United Lithium; and
    - b. one-eleventh of one fully-vested SpinCo Warrant to purchase from the SpinCo one SpinCo Common Share for every Common Share that could be purchased under the United Lithium Warrant. Each SpinCo Warrant will have: (1) an exercise price per SpinCo Common Share equal to the exercise price of each such United Lithium Warrant; and (2) the same expiry date as the expiry date of the United Lithium Warrant for which such SpinCo, provided that the exercise prices of each Replacement United Lithium Warrant and each SpinCo Warrant issued pursuant to the step above shall be and be deemed to be automatically adjusted such that the aggregate In-the-Money Amounts thereof immediately after the steps above does not exceed the In the Money Amount of the exchanged United Lithium Warrant determined immediately before the exchange, with the intention that subsection 7(1.4) of the Tax Act will apply to each exchange.

After completion of the arrangement, the SpinCo will own a 100% ownership in the Bergby Lithium Property and 100% ownership in the Kietyönmäki Property. SpinCo intends to operate as a lithium mineral exploration and development company and will continue to advance its properties and seek to acquire other mining assets.