LITHIUM CHILE INC.

Condensed Interim Consolidated Financial Statements

Three Months ended March 31, 2023 and 2022

(Canadian Dollars)

LITHIUM CHILE INC.

FIRST QUARTER 2023 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Corporation discloses that its auditors have not reviewed the unaudited condensed interim consolidated financial statements for the period ended March 31, 2023 and 2022.

NOTICE TO READER OF THE INTERIM FINANCIAL STATEMENTS

The condensed interim consolidated financial statements (the "Interim Statements") of Lithium Chile Inc. comprising the accompanying interim consolidated statements of financial position as at March 31, 2023 and 2022, the interim consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the three month periods then ended are the responsibility of the Corporation's management.

These Interim Statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Corporation, MNP LLP. The Interim Statements have been prepared by management and include the selection of appropriate accounting principles, judgements and estimates necessary to prepare these financial statements in accordance with International Financial Reporting Standards.

signed "Jana L. Lillies"
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Jana L. Lillies, Chief Financial Officer

signed "Steve Cochrane"
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Steve Cochrane, Chief Executive Officer

LITHIUM CHILE INC.
Condensed Interim Consolidated Statements of Financial Position
(Canadian Dollars)

As at	Notes		March 31, 2023		December 31, 2022
ASSETS			**Unaudited**		Audited
Current					
Cash and cash equivalents		**$**	**15,066,457**	$	16,939,997
Receivables			**388,294**		157,878
Marketable securities	*4*		**25,927,722**		21,240,700
Prepaid expenses			**240,868**		253,523
Due from related parties			**45,567**		-
Total current assets			**41,668,908**		38,592,098
Note receivable	*5*		**1,049,808**		1,030,082
Mineral properties	*6*		**18,030,757**		14,918,778
Total Assets		**$**	**60,749,473**	$	54,540,958
LIABILITIES					
Trade and other payables		**$**	**679,616**	$	554,046
Due to related parties			**7,757**		11,501
Total current liabilities			**687,373**		585,546
Income tax payable			**1,065,496**		1,065,496
Total Liabilities			**1,752,869**		1,631,042
SHAREHOLDERS' EQUITY					
Share capital	*7*		**62,880,447**		53,916,166
Contributed surplus			**13,750,487**		15,819,482
Accumulated other comprehensive loss			**(2,659,890)**		(2,153,780)
Deficit			**(14,974,440)**		(14,671,953)
Total shareholders' equity			**58,996,603**		52,909,915
Total liabilities and shareholders' equity		**$**	**60,749,443**	$	54,540,958

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

LITHIUM CHILE INC.
Condensed Interim Consolidated Statement of Loss and Comprehensive Loss
Unaudited
(Canadian Dollars)

	Notes	Three Months Ended March 31, 2023	2022
REVENUE			
Interest and other		**$ 342,046**	$ **14,738**
EXPENSES			
General and administrative	*8*	**1,562,697**	2,282,812
Foreign exchange loss (gain)		**(161,794)**	(488,566)
Accretion of notes receivable	*5*	**-**	(53,683)
Depreciation		**9,854**	-
Unrealized loss (gain) on marketable securities	*5*	**178,528**	(12,500)
Share-based compensation	*7(e)*	**1,134,595**	407,621
Currency gains	*11*	**(1,418,467)**	-
Change in net monetary position due to hyperinflation		**(660,879)**	-
Total expenses		**644,533**	2,135,684
Net loss		**(302,487)**	(2,120,945)
Other comprehensive loss			
Foreign exchange translation adjustment		**(506,110)**	(134,555)
NET AND COMPREHENSIVE LOSS		**$ (808,597)**	$ (2,255,500)
Net loss per share - basic and diluted	*7(d)*	**(0.00)**	(0.01)
Weighted average number of shares outstanding	*7(d)*	**206,224,157**	150,477,394

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

LITHIUM CHILE INC.
Condensed Interim Consolidated Statement of Changes in Equity
Unaudited
(Canadian Dollars)

	Notes	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total Equity
Balance, December 31, 2021		**$ 17,348,967**	**$ 11,178,816**	**$ (581,803)**	**$ (12,553,549)**	**$ 15,392,431**
Issuance of common shares	*7(b)*	7,041,999	-	-	-	7,041,999
Share issue costs	*7(b)*	(46,047)	-	-	-	(46,047)
Fair value of unit warrants	*7(b)*	(5,768,930)	5,768,930	-	-	-
Exercise of unit warrants	*7(b)*	1,314,155	-	-	-	1,314,155
Exercise of broker warrants	*7(b)*	9,016	-	-	-	9,016
Exercise of stock options	*7(b)*	406,250	-	-	-	406,250
Reclass on exercise of broker warrants	*7(b)*	6,341	(6,341)	-	-	-
Reclass on exercise of unit warrants	*7(b)*	737,691	(737,691)	-	-	-
Net and comprehensive loss		-	-	(134,555)	(2,120,945)	(2,255,500)
Share-based compensation	*7(e)*	-	407,621	-	-	407,621
Balance, March 31, 2022		**$ 21,049,442**	**$ 16,611,335**	**$ (716,358)**	**$ (14,674,494)**	**$ 22,269,925**
Balance, December 31, 2022		**$ 53,916,166**	**$ 15,819,482**	**$ (2,153,780)**	**$ (14,671,953)**	**$ 52,909,915**
Exercise of unit warrants	*7(b)*	5,760,691	-	-	-	5,760,691
Reclass on exercise of unit warrants	*7(b)*	3,203,590	(3,203,590)	--	-	-
Net and comprehensive loss		-	-	(506,567)	(302,487)	(808,597)
Share-based compensation	*7(e)*	-	1,134,595	-	-	1,134,595
Balance, March 31, 2023		**$ 62,880,447**	**$ 13,750,487**	**$ (2,659,890)**	**$ (14,974,440)**	**$ 58,996,603**

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

LITHIUM CHILE INC.
Condensed Interim Consolidated Statements of Cash Flows
Unaudited
(Canadian Dollars)

	Notes	Three Months ended March 31, 2023	2022
Cash provided by (used in)			
OPERATING			
Net and comprehensive loss		**$ (808,597)**	$ (2,255,500)
Add (deduct) items not affecting cash flow:			
Share-based compensation	*7(e)*	**1,134,595**	407,621
Accretion of notes receivable	*4*	**-**	(53,683)
Loss (gain) on marketable security	*4*	**78,528**	(12,500)
Depreciation		**9,546**	-
Interest income and other		**-**	(4,932)
Unrealized foreign exchange loss	*6*	**(484,969)**	(348,660)
Change in non-cash working capital	*9*	**(161,228)**	(80,198)
Cash flow used in operating activities		**(138,163)**	(2,463,090)
INVESTING			
Purchase of marketable securities	*4*	**(4,765,550)**	-
Exploration and evaluation expenditures	*6*	**(2,730,518)**	(482,823)
Cash flow used in investing activities		**(7,496,068)**	(482,823)
FINANCING			
Issuance of common shares	*7(b)*	**-**	7,041,999
Share issue costs	*7(b)*	**-**	(46,047)
Exercised Unit and broker warrants	*7(b)*	**5,760,691**	1,323,171
Exercised stock options	*7(e)*	**-**	406,250
Cash flow provided by financing activities		**5,760,691**	8,725,373
Increase in cash and cash equivalents		**(1,873,540)**	5,894,698
Cash and cash equivalents, beginning of year		**16,939,997**	6,934,039
Cash and cash equivalents, end of period		**$ 15,066,457**	$ 12,828,737
Cash and cash equivalents are comprised of:			
Cash		**$ 8,811,402**	$ 8,795,522
Term deposits		**6,225,055**	4,033,215
		$ 15,066,457	$ 12,828,737

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

1. Business Activities

Lithium Chile Inc. (the "Corporation" or "Lithium Chile") was incorporated as Kairos Capital Corporation by a Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta) on October 18, 2010. The Corporation changed its name to Lithium Chile Inc. by Certificate of Amendment on December 12, 2017. The registered office is located at 700, 903 – 8th Avenue SW, Calgary, Alberta, Canada, T2P 0P7.

The Corporation's principal business is the acquisition and development of mining properties in Chile and Argentina and its common shares trade on the TSX Venture Exchange under the symbol "LITH" and on the OTC-QB under the symbol "LTMCF".

Lithium Chile engages principally in the acquisition, advancement and development of mineral properties in Chile and Argentina. The recovery of the Corporation's investment in these resource properties and the realization of profitable operations are dependent upon the discovery and development of economic reserves and the ability to arrange sufficient financing to bring these reserves into production. The ultimate outcome of these matters cannot presently be determined.

COVID-19 and the war in Ukraine have contributed to significant volatility in financial and commodity markets. These two ongoing events have impacted global commercial activity, including causing significant fluctuations in worldwide demand and prices for certain commodities. The duration and impact of the COVID-19 pandemic and the war in Ukraine and magnitude of the impact on the economy and financial effect on the Corporation is not known at this time.

2. Basis of Presentation

a) Statement of compliance

These Interim Statements, including required comparative information, have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Reporting Interpretations Committee ("IFRIC") in effect at January 1, 2021.

These Interim Statements and the policies applied herein, were authorized for issue by the Board of Directors on May 30, 2023.

b) Basis of measurement

The Interim Statements have been prepared under the historical cost method except for share-based transactions and certain financial instruments which are measured at fair value.

The Interim Statements are presented in Canadian dollars, which is the Corporation's functional currency. The functional currency of the Corporation's 99% owned subsidiary, Compañia Minera Kairos Chile Limitada ("Minera Kairos") is the Chilean Peso. The functional currency of the Corporation's 100% owned subsidiary, Argentum Lithium S.A. ("Argentum") is the Argentinian Peso.

The Argentinian economy was designated as hyperinflationary since July 1, 2018. As a result, application of IAS 29 *Financial Reporting in Hyperinflationary Economies* ("IAS 29") has been applied to Argentum whose functional currency is the Argentinian Peso. The application of IAS 29 includes:

- Adjustment of historical cost non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the balance sheet date.
- Adjustment of the statement of operations for inflation during the reporting period.
- The statement of operations is translated at the period end foreign exchange rate instead of an average rate.

Adjustment of the statement of operations to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency.

Certain comparative figures have been changed to conform with the current year presentation.

2. Basis of Presentation *(continued)*

c) Consolidation

The consolidated financial statements include the accounts of the Corporation, Minera Kairos and Argentum (hereafter referred to as the "Corporation"). The Corporation has consolidated the assets, liabilities and expenses of its subsidiaries after the elimination of inter-company transactions and balances. Minera Kairos, which is a limited liability partnership of which the Corporation owns 99%, was incorporated in Chile on April 4, 2014 and whose principal business is the acquisition and development of mineral properties. The Corporation owns 100% of Argentum which was incorporated in Argentina on July 7, 2021 and whose principal business is the acquisition and development of mineral properties.

d) Use of judgments and estimates

Management is required to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Management reviews these judgments, estimates and assumptions on an ongoing basis, including those related to fair values of financial instruments, recoverability of assets and income taxes. Actual results may differ from these estimates.

The key estimates and judgments concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

Judgments

Judgment is used in situations when there is a choice and/or assessment required by management. The following are critical judgments that management has made in the process of applying the Corporation's accounting policies and that have a significant effect on the amounts recognized in the consolidated financial statements.

Property Title

Although the Corporation takes steps to verify title exploration and evaluation assets in which it has an interest, however, these procedures do not guarantee the Corporation's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Taxes

The Corporation applies judgment in determining the total provision for current and deferred taxes. There are many transactions and calculations for which the ultimate tax determination and timing of payment is uncertain due to interpretations of complex tax regulations, changes in tax laws, and the amounts and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to taxable income and expenses already recorded.

Provisions

Management's determination of no material restoration, rehabilitation and environmental exposure is based on the facts and circumstances that existed during the year.

Mineral Properties

The application of the Corporation's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely to arise from future exploration or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

Exploration and evaluation assets are reviewed for changes in facts and circumstances suggesting the carrying amount exceeds the recoverable amount at each consolidated statement of financial position date.

2. Basis of Presentation *(continued)*

This determination requires significant judgment. Factors which could trigger an impairment review include, but are not limited to, significant negative industry or economic trends and interruptions in exploration activities. The Corporation's review considers the following:

- The period for which the Corporation has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources, and the entity has decided to discontinue such activities in the specific area; and,
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Recoverability of Notes Receivable

The Corporation expects to receive the face value of the note receivable by its maturity date. Should there be a significant increase in credit risk associated with the note receivable, the amount the Corporation expects to receive could be significantly reduced.

Estimates

Share-Based Compensation

The recognition of expenses associated with the Corporation's stock option plan requires estimates of the fair value of stock options granted. Determining most of the inputs to the valuation model requires assumptions which include share trading volatility and the expected life of the options.

Warrants

The recognition of expenses associated with warrants issued by the Corporation requires estimates of the fair value of warrants issued. Determining most of the inputs to the valuation model requires assumptions which include share trading volatility and the expected life of the warrants.

Deferred Taxes

The calculations for current and deferred taxes require management's interpretation of tax regulations and legislation in the various tax jurisdictions in which the Corporation operates, which are subject to change. The measurement of deferred tax assets and liabilities requires estimates of the timing of the reversal of temporary differences identified and management's assessment of the Corporation's ability to utilize the underlying future tax deductions against future taxable income before they expire, which involves estimating future taxable income.

The Corporation is subject to assessments by various taxation authorities in the tax jurisdictions in which it operates and theses taxation authorities may interpret the tax legislation and regulations differently. In addition, the calculation of income taxes involves many complex factors. As such, income taxes are subject to measurement uncertainty and actual amounts of taxes may vary from the estimates made by management.

3. Summary of Significant Accounting Policies

These Interim Statements should be read in conjunction with the annual audited financial statements ("Audited Statements") and accompanying notes for the year ended December 31, 2022. These Interim Statement have been prepared following the same accounting policies as described in note 3 of the Audited Statements for the year ended December 31, 2022.

4. Marketable Securities

Marketable securities is comprised of treasury bills held at established Canadian financial institutions and common shares of publicly traded companies owned by the Corporation, adjusted to reflect the market value at the end of the period.

As at	March 31, 2023	December 31, 2022
Treasury bills	**$ 24,604,450**	$ 19,738,900
San Lorenzo Gold Corp. ("San Lorenzo")	**30,000**	37,500
Monumental Minerals Corp.	**493,272**	544,300
Wealth Minerals Ltd.	**800,000**	920,000
Total	**$ 25,927,722**	$ 21,240,700

5. Note Receivable

Note receivable from San Lorenzo is comprised of the following:

	March 31, 2023	December 31, 2022
Balance, beginning of year	**$ 1,030,082**	$ 810,861
Accretion of fair market value adjustment	**-**	154,474
Accretion of extension fee	**-**	46,747
Interest receivable	**19,726**	20,000
Balance, end of period	**$ 1,049,808**	$ 1,030,082

On June 30, 2021, the repayment date of the note receivable from San Lorenzo was extended to November 30, 2022. An extension fee was paid to the Corporation in the form of 500,000 common shares of San Lorenzo which is recorded as marketable securities on the Condensed Interim Consolidated Statements of Financial Position.

The extension fee was credited to the note receivable and will be accreted over the remaining term of the note.

At the time the note receivable was extended, the coupon interest rate of 2% was less than the estimated market interest rate of 20% for corporations with similar credit profiles. As a result, a fair value adjustment was recorded and charged to contributed surplus and will be accreted over the term of the note.

On December 31, 2022, the note was extended to December 31, 2025 and bears an interest rate of 8% per annum. The interest shall be payable in common shares of San Lorenzo, valued at the 20 days weighted average trading price before the date payment.

6. Mineral Properties - Exploration and Evaluation Expenditures

The Corporation's exploration and evaluation expenditures relate to mineral properties in Chile and are as follows:

Balance, December 31, 2021	**$ 7,946,318**
Disposal of lithium property	(1,053,577)
Option payments	(415,495)
Property acquisition payments	650,039
Additions to gold, silver and copper claims	85,540
Additions to lithium claims	7,926,236
Hyperinflation effect	1,167,775
Foreign exchange effect	(1,414,317)
Fixed assets, net of depreciation	26,259
Balance, December 31, 2022	**14,918,778**
Additions to gold, silver and copper claims	169,253
Additions to lithium claims	2,433,469
Hyperinflation effect	654,889
Foreign exchange effect	(263,882)
Additions to fixed assets, net of depreciation	118,250
Balance, March 31, 2023	**$ 18,030,757**

6. Mineral Properties - Exploration and Evaluation Expenditures *(continued)*

The Corporation reviewed its mineral properties for impairment indicators at December 31, 2022 and 2021 and determined there were no indicators of impairment.

Mineral Property Description

As at March 31, 2023, the Corporation held a lithium property portfolio consisting of 111,978 hectares covering sections of 10 salars and 2 laguna complexes in Chile and 20,800 hectares in Argentina. The Corporation also owns a copper-gold property portfolio in Chile comprising approximately 21,329 hectares of exploration claims

Mineral Property Transactions

- The Corporation increased its interest in the Salar de Arizaro joint venture from 60% to 62.2% while reducing the contractual cash payments for the acquisition by US$145,000, for a total cost of US$1,855,000. This increased interest was a result of swapping 2500 hectares of non-resource claims for an additional interest in the claims where the Corporation's lithium resource is being developed in Argentina.
- On April 21, 2022, the Corporation closed an arm's-length option agreement with Monumental Minerals Corp. ("Monumental") whereby Monumental may earn up to 75% of the 14,700 hectare Salar de Laguna Blanca project. Monumental issued 3,401,874 of its common shares to the Corporation and must also make cash payments (option payments) to the Corporation totaling CAD$1,500,000 over the next 3 years.

  The first cash option payment of CAD$200,000 was made by Monumental to the Corporation during the period ended December 31, 2022.

  The Monumental shares were recorded as marketable securities on the Consolidated Statements of Financial Position.
- On June 22, 2022, the Corporation completed the arm's-length sale of its non-core Ollagüe asset to Wealth Minerals Ltd. ("Wealth") in exchange for 2,000,000 common shares of Wealth. The sale of Ollagüe generated a loss of on disposal of $453,577, which is reflected on the Condensed Interim Consolidated Statements of Loss and Comprehensive Loss.

  The Wealth shares were recorded as marketable securities on the Condensed Interim Consolidated Statements of Financial Position.

  The terms of the sale include the following additional payments by Wealth to the Corporation: i) 1,000,000 common shares of Wealth upon establishing a resource or results from a test well within twelve months with an average grade of 300 parts per million lithium; ii) 500,000 common shares of Wealth if Wealth does not complete the required work necessary to determine such a resource. No further common share payments are due if the necessary work is completed and a resource or test well does not produce an average grade of 300 parts per million lithium.
- On August 18, 2022, the Corporation entered into an arm's-length option agreement with Volos Minerals Inc. ("Volos"), whereby Volos may earn 51% in the Corporation's Las Garillas project. The terms include cash option payments by Volos of CAD$100,000 and Volos must incur a minimum of CAD$250,000 of exploration expenditures within two years.

  Las Garillas consists of nine exploration concessions totaling 1,900 hectares.
- On August 23, 2022, the Corporation entered into an arm's-length option agreement whereby Monumental may earn a 50.01% interest in the Salar de Turi project by making certain staged cash payments totalling CAD$700,000 and incurring no less than CAD$1,400,000 of capital expenditures before the second anniversary of the date of the option agreement. The Salar de Turi project consists of 31 exploration concessions totalling 8,500 hectares

  The first and second CAD$200,000 option payments were made by Monumental to the Corporation during the year ended December 31, 2022.

Contingent Asset

In connection with the sale of the Ollagüe property described above in *Mineral Property Transactions*, the Corporation could potentially receive 500,000 to 1,000,000 common shares of Wealth, or no additional common shares. Any shares received could have a total market value of between CAD$200,000 and CAD$400,000 using the closing price of Wealth common shares on March 31, 2023 of $0.40. A contingent asset has not been recorded as the outcome is uncertain.

6. Mineral Properties - Exploration and Evaluation Expenditures *(continued)*

Mineral Property Expenditures and Commitments

The Corporation paid an initial US$100,000 toward earning a 60% interest in the Salar de Arizaro, Argentina prospect over a term of three years in stages. The first stage involved the drilling and production testing of a well at a cost of approximately US$675,000, and additional payments to the vendors totaling US$300,000. During the period, the Corporation exercised its option to proceed to the second stage involving further property expenditures totaling US$6,000,000 over 2.5 years which will earn the Corporation a 60% interest in the entire project.

There is no financial commitment extending past the current year in which a claim is held. Claims are acquired and paid throughout the year, therefore the number of claims held fluctuates throughout the year. The transition from an exploration claim to an exploitation claim, also creates a variation in claim costs.

The Corporation is obligated to make annual tax payments of approximately US$1.50/hectare to the Chilean government in relation to exploration concessions and approximately US$7.50 in relation to exploitation claims. Claim costs paid in the three months ended March 31, 2023 were approximately CAD$296,639 (2022 – CAD$204,821).

Beginning in July 2022, claims payment will be made twice a year on Argentinian properties. Claim costs up to the year ended December 31, 2022 were approximately CAD$18,777. There have been no payments in this period (2022- $nil).

7. Share Capital

a) Authorized:

Unlimited number of common voting shares and preferred shares without nominal or par value.

The preferred shares may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares of each series. No preferred shares have been issued since the Corporation's inception.

b) Issued Common Shares

Issued share capital is as follows.

	#	$
Balance, December 31, 2021	**148,395,170**	**17,348,967**
Shares issued for cash	39,439,999	34,952,999
Exercise of broker warrants	595,700	166,796
Exercise of unit warrants	6,629,478	5,053,392
Exercise of stock options	1,625,000	406,250
Reclass on exercise of broker warrants	-	254,185
Reclass on exercise of unit warrants	-	3,246,006
Share issue costs:		
Expenditures	-	(1,743,499)
Fair value of unit warrants	-	(5,768,930)
Balance, December 31, 2022	**196,685,347**	**53,916,166**
Exercise of unit warrants	5,760,691	9,538,810
Reclass on exercise of unit warrants	3,203,590	-
Balance, March 31, 2023	**62,880,447**	**206,224,157**

7. Share Capital *(continued)*

Three months ended March 31, 2023:

During the three months ended March 31, 2023, the following changes to share capital occurred:

- 9,288,810 Warrants were exercised at $0.60 for proceeds of $5,573,191; and
- 250,000 Warrants were exercised at $0.75 for proceeds of $187,500;

Three months ended March 31, 2022 and 2021:

i) During the three months ended March 31, 2021, the Corporation closed a private placement of 10,059,999 units of the Corporation at a price of $0.70 per unit (the "Units") for gross proceeds of $7,041,999. Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant") of the Corporation. Each whole Warrant entitles the holder to purchase one full common share of the Corporation at a price of $0.85 for 2 years from the date of issuance of the Warrants.

Share issue costs include legal fees of $46,047 and a reduction in share capital results from the fair value of the Warrants totaling $5,768,930.

ii) During the three months ended March 31, 2022, the following changes to share capital also occurred:

- 32,200 broker warrants were exercised at $0.28 for proceeds of $9,016;
- 2,190,258 Warrants were exercised at $0.60 for proceeds of $1,314,155; and
- 1,625,000 stock options were exercised at $0.25 for proceeds of $406,250

c) Warrants

Broker Warrants

In connection with the private placement closed during the first quarter of 2021, 892,689 broker warrants were issued exercisable at a price of $0.28, for 18 months from the date of issuance. At March 31, 2023, there are no outstanding broker warrants:

Date of Issuance	**February, 2021**
Exercise price of broker warrants	$ 0.28
# of broker warrants issued	892,689
# of broker warrants exercised	(889,317)
# of broker warrants expired	(3,372)
Balance, March 31, 2023	**-**

Warrants

At March 31, 2023 the Warrants outstanding are as follows and have an average remaining term to expiry of 8.6 months:

Date of Issuance	**January, 2022**	**November, 2021**	**February, 2021**
Exercise price of Unit warrants	$ 0.85	$ 0.75	$ 0.60
# of Warrants issued	10,059,999	6,922,817	14,372,071
# of Warrants exercised	(4,535,720)	(278,500)	(11,908,443)
# of Warrants expired	-	-	(2,463,628)
Balance, March 31, 2023	**5,524,279**	**6,644,317**	**-**

7. Share Capital *(continued)*

The fair value of the Warrants has been estimated at the date of grant using the Black-Scholes option pricing model on the following assumptions:

	Broker Warrants		Warrants	
	February, 2021	**January, 2022**	**November, 2021**	**February, 2021**
Dividend yield	0%	0%	0%	0%
Expected volatility	117%	1028	112%	106%
Risk-free interest rate	0.23%	1.28%	0.86	0.23%
Forfeiture rate	0%	0%	0%	0%
Share price – on issuance	$ 0.61	$ 0.95	$ 0.58	$ 0.61
Exercise price	$ 0.28	$ 0.85	$ 0.75	$ 0.60
Term	18 months	24 months	24 months	24 months
Fair value per warrant	$ 0.4267	$ 0.5735	$ 0.3003	$ 0.3368

d) Loss per share

The basic loss per share as calculated is based on the weighted average number of common shares outstanding during the year as follows:

	Three months ended March 31,	
Weighted average number of common shares	**2023**	2022
Issued and outstanding at beginning of year	**196,685,347**	148,395,170
Effect of share issuance	**1,087,655**	2,082,224
Weighted average number of common shares – basic and diluted	**197,773,002**	150,477,394

All warrants, broker warrants and stock options have been excluded from the calculation of diluted shares outstanding as they would be anti-dilutive due to the loss position of the Corporation.

e) Stock Option Plan

The Corporation has adopted an incentive stock option plan in accordance with the policies of TSX Venture (the "Stock Option Plan") for the benefit of directors, officers, employees and other key personnel of the Corporation. A maximum of 10% of the issued and outstanding Common Shares of the Corporation are reserved for issuance pursuant to the exercise of stock options to be granted to directors, officers, employees and other key personnel of the Corporation. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) and for consultants shall not exceed two percent (2%) of the issued and outstanding common shares. The Stock Option Plan provides that the terms of the options and the option price shall be fixed by the directors subject to the price restrictions and other requirements imposed by TSX Venture. Stock options granted under the Stock Option Plan may not be exercisable for a period longer than ten (10) years and the exercise price must be paid in full upon exercise of the option.

A summary of the stock option plan and changes during the periods then ended is as follows:

	March 31, 2023			December 31, 2022		
	# of Stock Options		**Weighted Average Price**	**# of Stock Options**		**Weighted Average Price**
Balance, beginning of year	7,000,000	$	0.68	6,875,000	$	0.48
Granted	600,000	$	0.85	3,100,000	$	0.80
Forfeited or expired	(350,000)	$	1.05	(1,200,000)	$	0.40
Cancelled	-	$	-	(150,000)	$	0.95
Exercised	-	$	-	(1,625,000)	$	0.25
Balance end of period	**7,250,000**	**$**	**0.68**	**7,000,000**	**$**	**0.68**
Exercisable, end of period	**4,700,000**	**$**	**0.63**	**3,900,000**	**$**	**0.66**

7. Share Capital *(continued)*

A summary of the stock options outstanding is as follows:

As at March 31, 2023

Options Outstanding	Exercise Price	Weighted Average Remaining Contractual Life (years)	Exercisable Options	Expiry Date
200,000	$0.84	5.0	66,667	February 23, 2028
400,000	$0.86	4.9	133,333	March 27, 2028
300,000	$0.52	0.8	300,000	January 7, 2024
300,000	$0.74	3.7	200,000	December 20, 2026
600,000	$0.68	3.6	400,000	November 05, 2026
400,000	$0.47	8.5	266,667	September 17, 2031
2,100,000	$0.51	7.9	2,100,000	March 5, 2031
750,000	$0.88	3.9	250,000	February 22, 2027
1,500,000	$0.76	4.1	500,000	May 17, 2027
700,000	$0.77	0.6	233,333	October 6, 2027
7,250,000	**$0.68**	**5.0**	**4,700,000**	

As at December 31, 2022

Options Outstanding	Exercise Price	Weighted Average Remaining Contractual Life (years)	Exercisable Options	Expiry Date
350,000	$1.05	0.1	350,000	February 20, 2023
300,000	$0.52	1.0	300,000	January 7, 2024
300,000	$0.74	4.0	200,000	December 20, 2026
600,000	$0.68	3.8	400,000	November 05, 2026
400,000	$0.47	8.7	266,667	September 17, 2031
2,100,000	$0.51	8.2	1,400,000	March 5, 2031
750,000	$0.88	4.1	250,000	February 22, 2027
1,500,000	$0.76	4.4	500,000	May 17, 2027
700,000	$0.77	0.8	233,333	October 6, 2027
7,000,000	**$0.68**	**5.0**	**3,900,000**	

Three Months Ended March 31, 2023:

- 400,000 stock options were granted to a consulting company at an exercise price of $0.86, exercisable for five years;
- 200,000 stock options were granted to a consulting company at an exercise price of $0.84, exercisable for five years; and
- 350,000 stock options expired in February.

Three Months Ended March 31, 2022:

- 150,000 stock options were granted to a consulting company at an exercise price of $0.95, exercisable for five years;
- 750,000 stock options were granted to officers and consultants of the Corporation at an exercise price of $0.88, exercisable for five years; and
- 1,625,000 stock options were exercised at $0.25 for proceeds of $406,250 and the remaining 450,000 options expired

7. Share Capital *(continued)*

The fair value of stock options issued in 2023 was estimated at the date of grant using the Black-Scholes option pricing model using the following assumptions:

		February 2023		March 2023
Dividend yield		0%		0%
Expected volatility		112%		111%
Risk-free interest rate		1.65%		1.72%
Forfeiture rate		nil		nil
Term		5 years		5years
Exercise price	$	0.95	$	0.88
Share price on issuance	$	0.95	$	0.88
Fair value per option	$	0.6755	$	0.7002

The fair value of stock options issued in 2022 was estimated at the date of grant using the Black-Scholes option pricing model using the following assumptions:

		January 2022		February 2022		May 2022		October 2022
Dividend yield		0%		0%		0%		0%
Expected volatility		112%		111%		99%		95%
Risk-free interest rate		1.65%		1.72%		2.84%		3.85%
Forfeiture rate		nil		nil		nil		nil
Term		5 years		5 years		5 years		5 years
Exercise price	$	0.95	$	0.88	$	0.76	$	0.77
Share price on issuance	$	0.95	$	0.81	$	0.76	$	0.52
Fair value per option	$	0.6755	$	0.7002	$	0.5985	$	0.3554

f) Equity incentive compensation plan

During the year ended December 31, 2022, the Corporation adopted an equity incentive compensation plan in accordance with the policies of TSX Venture (the "Equity Incentive Plan") for the benefit of directors, officers, employees and other key personnel of the Corporation. The Equity Incentive Plan will function as a fixed plan and as such, the maximum number of Common Shares issuable pursuant to all Awards (as defined below) issued under the Equity Incentive Plan shall not exceed 19,612,185 Common Shares, being 10% of the outstanding Common Shares as of the date of the approval of this Equity Incentive Plan.

The term of any Award grant shall not exceed 10 years, subject to extension where the expiration of an Award falls within a blackout period, in accordance with the Equity Incentive Plan, as applicable. The number of Common Shares issuable pursuant to Awards granted (and any other Security Based Compensation granted or issued) in any 12-month period to any one person may not exceed 5% of the issued and outstanding Common Shares, calculated as at the date any Award is granted or issued to the person. In addition, the number of Common Shares issuable pursuant to Awards granted (and any other Security Based Compensation granted or issued) in any 12-month period to any one consultant must not exceed 2% of the issued and outstanding Common Shares, calculated as at the date any Award is granted to the consultant.

Restricted Share Units ("RSU")

Subject to the terms and conditions of the Equity Incentive Plan, the Board may grant RSUs to Participants in such amounts and upon such terms (including restrictions based upon time-based restrictions on vesting, restrictions under applicable laws or under the requirements of the Exchange) as the Board shall determine.

7. Share Capital *(continued)*

When and if RSUs become payable, the Participant issued such RSUs shall be entitled to receive payment from the Corporation in settlement of such RSU: (i) in a number of Common Shares (issued from treasury or purchased in the market by the Corporation) equal to the number of RSUs being settled, (ii) an amount in cash equivalent to the number of the outstanding RSUs held by such Participant multiplied by the fair market value as at the applicable settlement date or Termination Date, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Board at its sole discretion, subject to the policies of the Exchange.

Deferred Share Units ("DSU")

Subject to the terms and conditions of the Equity Incentive Plan, the Board of Directors may grant DSUs to Participants in such amounts and upon such terms as the Board of Directors shall determine.

When DSUs become payable, the Participant issued such DSUs shall be entitled to receive payment from the Corporation in settlement of such DSU: (i) in a number of Common Shares (issued from treasury or purchased in the market by the Corporation) equal to the number of DSUs being settled, (ii) an amount in cash equivalent to the number of the outstanding DSUs held by such Participant multiplied by the fair market value as at the applicable settlement date or Termination Date, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Board at its sole discretion, subject to the policies of the Exchange.

A summary of the RSU plan and changes during the periods then ended is as follows:

				December 31, 2022		
	# of RSUs		**Weighted Average Price**	**# of RSUs**		**Weighted Average Price**
Balance, beginning of year	4,700,000	$	0.64	-	$	-
Granted	-	$	-	4,700,000	$	0.64
Balance outstanding, end of period	4,700,000	$	0.64	4,700,000	$	0.64

There was no change to RSUs during the three months ended March 31, 2023.

During the year ended December 31, 2022, 4,700,000 RSUs were granted to directors and officers of the Corporation. These RSUs vest one year after grant and are exercisable for 5 years.

A summary of the RSUs outstanding is as follows:

As at March 31, 2023				
RSUs Outstanding	**Price at Grant**	**Weighted Average Remaining Contractual Life (years)**	**Vested RSUs**	**Expiry Date**
4,000,000	$0.64	4.5	-	September 14, 2027
700,000	$0.64	4.7	-	December 8, 2027
4,700,000	**$0.64**	**4.5**	**-**	

8. General and Administrative Expenses by Nature

	Three months ended March 31,			
		2023		2022
Business development	**$**	**140,012**	$	1,395,700
Wages and employee benefits		**1,060,159**		577,333
Office and rent		**66,094**		139,554
Travel and entertainment		**134,147**		58,846
Professional fees		**106,944**		58,823
Consulting fees		**44,802**		49,288
Rent		**10,538**		3,267
	$	**1,562,697**	$	2,282,812

9. Supplemental Cash Flow Information

Three months ended March 31,		**2023**		2022
	$		$	(37,762)
Trade and other receivables		**(295,710)**		
Prepaid expenses and deposits		**12,655**		71,448
Trade and other payables		**121,828**		(195,436)
Change in non-cash working capital	**$**	**(161,227)**	$	(195,436)

		2023		2022
Trade and other payables		**206,018**		115,238
Working capital related to investing activities	**$**	**206,108**	$	115,238

10. Related Party Transactions

a) During the three months ended March 31, 2023 and 2022, the Corporation incurred expenses or revenue included in the Condensed Interim Consolidated Statements of Loss and Comprehensive Loss, as follows:

Three months ended March 31,		**2023**		2022
Administrative and accounting services provided by, and bonus awarded to, the Chief Financial Officer	**$**	**68,000**	$	37,500
Rent and office expenses charged by a company in Canada with common directors and officers		***9,759***		*3,210*
Promissory note interest earned from a company related by a common director	**$**	**19,726**		$ 4,932

The above transactions were in the normal course of operations and were initially recorded at fair value.

b) The related party amounts included in the Consolidated Statements of Financial Position, are as follows:

As at March 31,		**2023**		2022
Due to the Chief Financial Officer for administrative and accounting services (included in trade and other payables)	**$**	**6,500**	$	2,500
Face value of note receivable owed by a corporation related by common director and officers *(note 5)*		**1,000,000**		1,000,000
Consulting services provided by (included in Mineral Properties), and bonus awarded to, the Manager of Lithium Operations in Argentina		**363,198**		217,316
Due to the Manager of Lithium Operations in Argentina		**33,937**		12,561
Consulting services provided by (included in Mineral Properties), and bonus awarded to, the VP Exploration in Chile		**44,265**		18,724
Due to the VP Exploration in Chile for consulting services (included in trade and other payables)		**18,426**		6,241
Promissory note interest due from a company related by a common director	**$**	**49,808**	$	15,014

There is a contract in place for the consulting fees paid to the CFO in Canada for services provided.

There is no contract for the consulting fees paid to the officer in Chile for services provided. The fees are paid to a company in Chile controlled by the officer.

There is no contract for the consulting fees paid to the officer in Argentina for services provided. The fees are paid to a company in Argentina controlled by the officer.

11. Gain on Currency Exchange

The Corporation realized gains on cash contributions made to Argentum. The exchanges of US dollars for Argentine pesos are made through third-party financial markets in contrast to the Argentina national posted currency rates. The difference between the official bank rate and the market rate obtained resulted in gains of $1,418,467 for the period ended March 31, 2023 (2022 – $nil).

12. Financial Instruments

The Corporation is exposed to minimal credit risk, liquidity and interest rate risks. The Corporation manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical. There are no differences in the carrying values and fair values of the Corporation's financial instruments due to the short-term maturities and current interest rates except as discussed in note 5, Notes and Other Receivables.

a) Foreign exchange risk

The Corporation is exposed to the risk of changes in the Canadian/U.S. dollar exchange rate, the U.S./Chilean Peso exchange rate and the U.S./Argentinian Peso for services and geological costs that are denominated in Pesos and converted to U.S. dollars or directly influenced by U.S. dollar (USD) benchmark prices. A hypothetical change of 10% to the foreign exchange rate between Canadian/U.S., US/Chilean Peso or U.S./Argentinian Peso would not have a material impact of the Corporation's loss during the year. Cash held in Chilean and Argentinian financial institutions at any given time are nominal.

b) Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Corporation believes it has negligible credit risk due to its non-operating status and the nature of the receivables. The note receivable of $1,000,000 is due from a junior mining exploration company and as such, involve a high degree of risk. There is minimal credit risk associated with the Corporation's cash balance or term deposits as they are held with major Canadian financial institutions.

c) Liquidity Risk

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its liabilities when due. As at March 31, 2023, the Corporation had a working capital balance of $40,981,536 (December 31, 2022 - $38,026,552) however, the Corporation may require additional working capital to fund capital operations over the next 12 months.

d) Interest Rate Risk

The Corporation believes it has negligible interest rate risk due to its cash balances and the note receivable bearing interest at a fixed rate.

13. Management of Capital

The Corporation's capital currently consists of common shares. Its principal source of cash is from the issuance of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going-concern, to have sufficient capital to be able to identify, evaluate and develop its assets and to provide returns for shareholders and benefits for other stakeholders. The Corporation is not subject to any externally imposed capital requirements. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

14. Segmented Information

The Corporation reports its financial results as one reportable segment as this is how the financial information is reviewed by the chief decision makers of the Corporation.

The following table provides information regarding the location of the Corporation's key categories on a geographic basis.

	Canada	**Chile**	**Argentina**	**Total**
Non-current assets	$ 1,049,808	$ 7,263,008	$ 10,714,503	**$ 19,027,319**
Liabilities – short term	(428,375)	(84,305)	(174,692)	**(687,372)**
Revenue – Interest and other	342,046	-	-	**342,046**
Expenses	2,722,008	67,954	(1,933,137)	**856,825**
Foreign exchange translation	$ 575,004	$ 17,534	$ (85,971)	**$ 506,567**