

Edgar Filing: Lithium Corp - Form 10-Q

Lithium Corp  
Form 10-Q  
May 15, 2015

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

For the quarterly period ended March 31, 2015  
or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 000-54332

LITHIUM CORPORATION  
(Exact name of registrant as specified in its charter)

Nevada  
(State or other jurisdiction  
of incorporation or organization)

98-0530295  
(IRS Employer  
Identification No.)

5976 Lingering Breeze St., Las Vegas, Nevada  
(Address of principal executive offices)

89148  
(Zip Code)

(775) 410-5287  
(Registrant's telephone number, including area code)

N/A  
(Former name, former address and former fiscal year,  
if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  YES  NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (ss.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) [ ] YES [X] NO

### APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. [ ] YES [ ] NO

### APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.  
74,911,408 common shares issued and outstanding as of May 15, 2015.

### LITHIUM CORPORATION

### FORM 10-Q

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#### PART I - FINANCIAL INFORMATION

##### ITEM 1. FINANCIAL STATEMENTS

Our unaudited interim financial statements for the three month period ended March 31, 2015 form part of this quarterly report. They are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

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LITHIUM Corporation  
Balance Sheets (Unaudited)

	March 31, 2015	Dec
	-----	---
ASSETS		
CURRENT ASSETS		
Cash	\$ 307,696	
Deposits	700	
Prepaid expenses	33,517	
	-----	
Total Current Assets	341,913	
OTHER ASSETS		
Investment	82,132	
Mineral properties	187,653	
	-----	
TOTAL ASSETS	\$ 611,698	
	=====	
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 8,162	
	-----	
TOTAL CURRENT LIABILITIES	8,162	
	-----	
TOTAL LIABILITIES	8,162	
	-----	
Commitments and contingencies		
STOCKHOLDERS' EQUITY		
Common stock, 3,000,000,000 shares authorized, par value \$0.01; 74,661,408 and 74,661,408 common shares outstanding, respectively	74,662	
Additional paid in capital	3,368,453	
Additional paid in capital - options	159,301	
Additional paid in capital - warrants	257,949	
Accumulated deficit	(3,256,829)	
	-----	
TOTAL STOCKHOLDERS' EQUITY	603,536	
	-----	
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 611,698	
	=====	

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

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## LITHIUM Corporation Statements of Operations (Unaudited)

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
	-----	-----
REVENUE	\$           --	\$           --
	-----	-----
OPERATING EXPENSES		
Professional fees	12,617	11,362
Exploration expenses	16,872	7,222
Consulting fees	24,900	24,150
Insurance expense	4,372	--
Investor relations	3,375	7,235
Transfer agent and filing fees	2,275	550
Travel	4,460	12,480
General and administrative expenses	3,232	3,396
	-----	-----
TOTAL OPERATING EXPENSES	72,103	66,395
	-----	-----
LOSS FROM OPERATIONS	(72,103)	(66,395)
OTHER INCOME (EXPENSES)		
Interest income	--	94
	-----	-----
TOTAL OTHER INCOME (EXPENSE)	--	94
	-----	-----
LOSS BEFORE INCOME TAXES	(72,103)	(66,301)
PROVISION FOR INCOME TAXES	--	--
	-----	-----
NET LOSS	\$   (72,103)	\$   (66,301)
	=====	=====
NET LOSS PER SHARE: BASIC AND DILUTED	\$           (0.00)	\$           (0.00)
	=====	=====
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING: BASIC AND DILUTED	74,661,408	74,911,408
	=====	=====

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

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## LITHIUM Corporation Statements of Stockholders' Equity (Deficit) (Unaudited)

	Common Stock	Additional Paid-in	Additional Paid-in Capital -	Additional Paid-in Capital -
	-----	-----	-----	-----

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	Shares -----	Amount -----	Capital -----	Warrants -----	Options -----
Balance, December 31, 2012	74,661,408	\$74,662	\$3,292,348	\$ 257,949	\$ 174,041
Shares issued with respect to BC Sugar	250,000	250	8,250	--	--
Issuance and modification of newly and previously issued options	--	--	--	--	16,642
Expiration of stock options	--	--	70,105	--	(70,105)
Net loss	--	--	--	--	--
	-----	-----	-----	-----	-----
Balance, December 31, 2013	74,911,408	74,912	3,370,703	257,949	120,578
Stock based compensation	--	--	--	--	38,723
Cancellation of stock	(250,000)	(250)	(2,250)	--	--
Net loss	--	--	--	--	--
	-----	-----	-----	-----	-----
Balance, December 31, 2014	74,661,408	74,662	3,368,453	257,949	159,301
Net loss	--	--	--	--	--
	-----	-----	-----	-----	-----
Balance, March 31, 2015	74,661,408	\$74,662	\$3,368,453	\$ 257,949	\$ 159,301
	=====	=====	=====	=====	=====

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

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LITHIUM Corporation  
Statements of Cash Flows (Unaudited)

	Three Months Ended March 31, 2015 -----	Three Months Ended March 31, 2014 -----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss for the period	\$ (72,103)	\$ (66,301)
Changes in assets and liabilities:		
(Increase) decrease in prepaid expenses	7,845	2,183
(Increase) decrease in prepaid expenses accrued liabilities	7,845 (7,558)	(4,702)
	-----	-----
Net Cash Used in Operating Activities	(71,816)	(68,820)
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Deposit - other	--	(65,000)
Interest in mineral properties	--	695

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Net Cash Used in Investing Activities	----- -- -----	----- (64,305) -----
Decrease in cash	(71,816)	(133,125)
Cash, beginning of period	379,512	807,556
Cash, end of period	\$ 307,696 =====	\$ 674,431 =====
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	\$ -- =====	\$ -- =====
Cash paid for income taxes	\$ -- =====	\$ -- =====

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

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Lithium Corporation  
Notes to the Financial Statements (Unaudited)  
March 31, 2015

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lithium Corporation (formerly Utalk Communications Inc.) (the "Company") was incorporated on January 30, 2007 under the laws of Nevada. On September 30, 2009, Utalk Communications Inc. changed its name to Lithium Corporation.

Nevada Lithium Corporation was incorporated on March 16, 2009 under the laws of Nevada under the name Lithium Corporation. On September 10, 2009, the Company amended its articles of incorporation to change its name to Nevada Lithium Corporation. By agreement dated October 9, 2009 Nevada Lithium Corporation and Lithium Corporation amalgamated as Lithium Corporation. Lithium Corporation is engaged in the acquisition and development of certain lithium interests in the state of Nevada, and flake graphite prospects in British Columbia and is currently in the exploration stage.

#### Accounting Basis

The Company uses the accrual basis of accounting and accounting principles generally accepted in the United States of America ("GAAP" accounting). The Company has adopted a December 31 fiscal year end.

#### Cash and Cash Equivalents

Cash includes cash on account, demand deposits, and short-term instruments with maturities of three months or less.

#### Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts, the balances of which at times may exceed federally insured limits. The Company continually monitors its banking relationships and consequently has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual

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results could differ from those estimates.

### Revenue Recognition

The Company has yet to realize revenues from operations. Once the Company has commenced operations, it will recognize revenues when delivery of goods or completion of services has occurred provided there is persuasive evidence of an agreement, acceptance has been approved by its customers, the fee is fixed or determinable based on the completion of stated terms and conditions, and collection of any related receivable is probable.

### Loss per Share

Basic loss per share is computed by dividing loss available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. In the periods in which a loss is incurred, the effect of potential issuances of shares under options and warrants would be anti-dilutive, and therefore basic and diluted losses per share are the same.

### Income Taxes

The asset and liability approach is used to account for income taxes by recognizing deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities.

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Lithium Corporation  
Notes to the Financial Statements (Unaudited)  
March 31, 2015

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial Instruments

The Company's financial instruments consist of cash, deposits, prepaid expenses, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. Because of the short maturity and capacity of prompt liquidation of such assets and liabilities, the fair value of these financial instruments approximate their carrying values, unless otherwise noted.

#### Mineral Properties

Costs of exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. Mineral property acquisition costs are capitalized including licenses and lease payments. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects. Impairment losses are recorded on mineral properties used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. Impairment of \$0 and \$0 was recorded during the years ended December 31, 2014 and 2013, respectively.

#### Office Lease

The Company rents office space in Las Vegas, Nevada for \$700 per month. The arrangement is on a month-by-month basis and can be terminated by either party.

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### Recent Accounting Pronouncements

On June 10, 2014, the Financial Accounting Standards Board ("FASB") issued update ASU 2014-10, Development Stage Entities (Topic 915). Amongst other things, the amendments in this update removed the definition of development stage entity from Topic 915, thereby removing the distinction between development stage entities and other reporting entities from US GAAP. In addition, the amendments eliminate the requirements for development stage entities to (1) present inception-to-date information on the statements of income, cash flows and shareholders equity, (2) label the financial statements as those of a development stage entity; (3) disclose a description of the development stage activities in which the entity is engaged and (4) disclose in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage. The amendments are effective for annual reporting periods beginning after December 31, 2014 and interim reporting periods beginning after December 15, 2015, however entities are permitted to early adopt for any annual or interim reporting period for which the financial statements have yet to be issued. The Company has elected to early adopt these amendments and accordingly have not labeled the financial statements as those of a development stage entity and have not presented inception-to-date information on the respective financial statements.

### NOTE 2 - PREPAID EXPENSES

Prepaid expenses consisted of the following at March 31, 2015 and December 31, 2014:

	March 31, 2015	December 31, 2014
	-----	-----
Bonds	\$ 23,361	\$ 23,361
Transfer agent fees	2,700	3,600
Insurance	1,450	5,829
Office Misc	--	700
Investor relations	6,006	7,872
	-----	-----
Total prepaid expenses	\$ 33,517	\$ 41,362
	=====	=====

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Lithium Corporation  
Notes to the Financial Statements (Unaudited)  
March 31, 2015

### NOTE 3 - INVESTMENT

Effective April 23, 2014, the Company entered into an operating agreement with All American Resources, L.L.C and TY & Sons Investments Inc. with respect to Summa, LLC, a Nevada limited liability company incorporated on December 12, 2013, wherein we hold a 25% membership. The Company's capital contribution to Summa, LLC was \$125,000, of which \$100,000 was in cash and the balance in services.

The Company participated in the formation of Summa, which holds 88 fee-title patented lode claims, which cover approximately 1,191.3 acres of prospective mineral lands. The Company has recently signed a joint operating agreement with the other participants to govern the conduct of Summa, and the development of the lands. The Company's president, Tom Lewis, has been named as a managing member of Summa.

The investment has been accounted for using the equity method of accounting. As such, the Company shall record its proportionate share of income or loss in the investment. As of March 31, 2015, the Company has recorded a loss on investment



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of \$17,868.

### NOTE 4 - MINERAL PROPERTIES

#### Fish Lake Property

The Company purchased a 100% interest in the Fish Lake property by making staged payments of \$350,000 worth of common stock. Title to the pertinent claims was transferred to the Company through quit claim deed dated June 1, 2011, and this quit claim was recorded at the county level on August 3, 2011 and at the BLM on August 4, 2011. Quarterly stock disbursements were made on the following schedule:

- 1st Disbursement: Within 10 days of signing agreement (paid)
- 2nd Disbursement: within 10 days of June 30, 2009 (paid)
- 3rd Disbursement: within 10 days of December 30, 2009 (paid)
- 4th Disbursement: within 10 days of March 31, 2010 (paid)
- 5th Disbursement: within 10 days of June 30, 2010 (paid)
- 6th Disbursement: within 10 days of September 30, 2010 (paid)
- 7th Disbursement: within 10 days of December 31, 2010 (paid)
- 8th Disbursement: within 10 days of March 31, 2011 (paid)

As at March 31, 2015, the Company has recorded \$436,764 in acquisition costs related to the Fish Lake Property and associated impairment of \$276,908 related to abandonment of claims. The carrying value of the Fish Lake Property was \$159,856 as of March 31, 2015.

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Lithium Corporation  
Notes to the Financial Statements (Unaudited)  
March 31, 2015

### NOTE 4 - MINERAL PROPERTIES (CONTINUED)

#### Mt. Heimdal Property

The Company entered into an agreement in April 2013, as amended in August 2013, whereby it earned a 100% interest in the Mt. Heimdal Flake Graphite property in BC, subject to a 1.5% net overriding royalty. The carrying value of the Mt. Heimdal property is \$300 as of March 31, 2015.

#### Sugar Property

In June 2013, the company purchased claims in the Cherryville, BC area for 250,000 shares of the Company's common stock. Since this time the company has expanded the claim block considerably, and has expended approximately \$45,000 to date exploring this property for flake graphite deposits. In January, 2014, the company agreed to buy back the shares issued pursuant to the June agreement for \$2,500. The buy-back was completed in April, 2014 and recorded the purchase of stock in the Company's equity.

#### Staked Properties

The Company has staked claims with various registries as summarized below:

Name	Claims	Cost	Impairment	Net Carry Value
SanEmidio	20 (1,600 acres)	\$11,438	\$ (5,719)	\$ 5,719
Cherryville/BC Sugar	8019.41 (hectares)	\$21,778	Nil	\$21,778

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The Company performs an impairment test on an annual basis to determine whether a write-down is necessary with respect to the properties. The Company believes no circumstances have occurred and no evidence has been uncovered that warrant a write-down of the mineral properties other than those abandoned by management and thus included in write-down of mineral properties. No impairment charges were recorded during the period ended March 31, 2015.

### NOTE 5 - CAPITAL STOCK

The Company is authorized to issue 300,000,000 shares of its \$0.001 par value common stock. On September 30, 2009, the Company effected a 60-for-1 forward stock split of its \$0.001 par value common stock.

All share and per share amounts have been retroactively restated to reflect the splits discussed above.

#### Common Stock

On June 6, 2013, the Company issued 250,000 shares of its common stock as part of the Cherryville property acquisition located in British Columbia.

On January 17, 2014 the Company repurchased the 250,000 shares of its common stock issued as part of the Cherryville property acquisition for \$2,500. The shares were returned to the treasury and retired in April 2014.

There were 74,661,408 shares of common stock issued and outstanding as of March 31, 2015.

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Lithium Corporation  
Notes to the Financial Statements (Unaudited)  
March 31, 2015

### NOTE 5 - CAPITAL STOCK (CONTINUED)

#### Warrants

The Company has no warrants outstanding as of March 31, 2015.

#### Stock Based Compensation

During the year ended December 31, 2010, the Company granted 500,000 consultants options at an exercise price of \$0.28 and 400,000 options at an exercise price of \$0.24 to consultants in exchange for various professional services. On May 31, 2012, the options granted with exercise prices of \$0.28 and \$0.24 were modified to exercise prices at \$0.07. The modification resulted in stock based compensation of \$11,524. Also on May 31, 2012, the Company granted an additional 400,000 options to consultants for management services with an exercise price of \$0.07. These options were vested on the date of grant and resulted in stock-based compensation of \$23,891. On September 30, 2014, 250,000 options expired unexercised as a result of a director resigning from the Company.

On March 15, 2013, all pre-existing options were modified to exercise prices of \$0.045. The modification resulted in stock-based compensation of \$8,848. Also on March 15, 2013, the Company issued an additional 200,000 options at an exercise price of \$0.045 to consultants for management services. These options were vested on the date of grant and resulted in stock-based compensation of \$7,794.

The Company uses the Black-Scholes option valuation model to value stock options. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully

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transferable. The model requires management to make estimates, which are subjective and may not be representative of actual results. Assumptions used to determine the fair value of the remaining stock options are as follows:

	Modification	New Options
Risk free interest rate	0.35%	0.67%
Expected dividend yield	0%	0%
Expected stock price volatility	129%	129%
Expected life of options	3 years	5 years

On November 12, 2014, the Company granted 700,000 options at an exercise price of \$0.045 in exchange for various professional and managerial services. The fair value of these options was \$38,723. The Company uses the Black-Scholes option valuation model to value stock options. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. The model requires management to make estimates, which are subjective and may not be representative of actual results. Assumptions used to determine the fair value of the remaining stock options are as follows:

Risk free interest rate	1.65%
Expected dividend yield	0%
Expected stock price volatility	150%
Expected life of options	5 years

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Lithium Corporation  
Notes to the Financial Statements (Unaudited)  
March 31, 2015

### NOTE 5 - CAPITAL STOCK (CONTINUED)

#### Stock Based Compensation (continued)

The following table summarizes the stock options outstanding at March 31, 2015:

Issue Date	Number	Price	Expiry Date	Outstanding at March 31, 2015
September 23, 2010	250,000	\$0.045	September 23, 2015	250,000
May 31, 2012	100,000	\$0.045	May 31, 2017	100,000
March 15, 2013	200,000	\$0.045	March 15, 2018	200,000
November 12, 2014	700,000	\$0.045	November 12, 2019	700,000

### NOTE 6 - SUBSEQUENT EVENTS

The Company has analyzed its operations subsequent to March 31, 2015 through the date these financial statements were issued, and has determined that it does not have any material subsequent events to disclose.

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## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### FORWARD LOOKING STATEMENTS

This quarterly report contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should",

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"expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our unaudited financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles. The following discussion should be read in conjunction with our financial statements and the related notes that appear elsewhere in this quarterly report. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this quarterly report.

Our financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States dollars and all references to "common shares" refer to the common shares in our capital stock.

As used in this quarterly report, the terms "we", "us", "our" and "our company" mean Lithium Corporation, unless otherwise indicated.

### GENERAL OVERVIEW

We were incorporated under the laws of the State of Nevada on January 30, 2007 under the name "Utalk Communications Inc.". At inception, we were a development stage corporation engaged in the business of developing and marketing a call-back service using a call-back platform. Because we were not successful in implementing our business plan, we considered various alternatives to ensure the viability and solvency of our company.

On August 31, 2009, we entered into a letter of intent with Nevada Lithium Corporation regarding a business combination which could be effected in one of several different ways, including an asset acquisition, merger of our company and Nevada Lithium, or a share exchange whereby we would purchase the shares of Nevada Lithium from its shareholders in exchange for restricted shares of our common stock.

Effective September 30, 2009, we effected a 1 old for 60 new forward stock split of our issued and outstanding common stock. As a result, our authorized capital increased from 50,000,000 shares of common stock with a par value of \$0.001 to 3,000,000,000 shares of common stock with a par value of \$0.001 and our then issued and outstanding shares increased from 4,470,000 shares of common stock to 268,200,000 shares of common stock.

Also effective September 30, 2009, we changed our name from "Utalk Communications, Inc." to "Lithium Corporation", by way of a merger with our wholly owned subsidiary Lithium Corporation, which was formed solely for the change of name. The name change and forward stock split became effective with the Over-the-Counter Bulletin Board at the opening for trading on October 1,

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2009 under the stock symbol "LTUM". Our CUSIP number is 536804 107.

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On October 9, 2009, we entered into a share exchange agreement with Nevada Lithium and the shareholders of Nevada Lithium. The closing of the transactions contemplated in the share exchange agreement and the acquisition of all of the issued and outstanding common stock in the capital of Nevada Lithium occurred on October 19, 2009. In accordance with the closing of the share exchange agreement, we issued 12,350,000 shares of our common stock to the former shareholders of Nevada Lithium in exchange for the acquisition, by our company, of all of the 12,350,000 issued and outstanding shares of Nevada Lithium. Also, pursuant to the terms of the share exchange agreement, a director of our company cancelled 220,000,000 restricted shares of our common stock. Nevada Lithium's corporate status was allowed to lapse and the company's status with the Nevada Secretary of State has been revoked.

### OUR CURRENT BUSINESS

We are an exploration stage mining company engaged in the identification, acquisition, and exploration of metals and minerals with a focus on lithium mineralization on properties located in Nevada, and graphite properties in British Columbia.

Our current operational focus is to conduct exploration activities on the Fish Lake Valley property and San Emidio prospects in Nevada and the BC Sugar property in British Columbia.

We are currently evaluating the opportunities that the Summa lands present (the Hughes Claims), while also exploring other locations which are believed to be prospective for hosting lithium or graphite mineralization, as well as evaluating opportunities brought to our company by third parties.

Effective April 23, 2014, we entered into an operating agreement with All American Resources, L.L.C and TY & Sons Investments Inc. with respect to Summa, LLC, a Nevada limited liability company incorporated on December 12, 2013, wherein we hold a 25% membership. Our company's capital contribution to Summa, LLC was \$125,000, of which \$100,000 was in cash and the balance in services.

Effective August 15, 2014, we entered into an asset purchase agreement with Pathion, Inc., a Delaware corporation, and Pathion Mining Inc., a Nevada corporation. Pursuant to the Agreement, we agreed to sell to Pathion, Inc. and Pathion Mining, our rights, interests and assets relating to our Fish Lake Valley, San Emidio and BC Sugar properties. The asset purchase agreement was set to close at the end of September 2014, but was extended to October 17, 2014 by mutual agreement, and was further extended until January 19, 2015.

Pathion, Inc. and Pathion Mining, Inc. were in default of their obligations under the asset purchase agreement and on December 10, 2014, we amended certain terms of the agreement such that Pathion Mining waived its right to require no negotiation during the pre-closing period and any related penalties for default and its right to require a non-competition agreement. As consideration for these amendments our company chose to forebear our right to terminate the agreement without first providing further written notice to Pathion Mining; for any subsequent default our company would issue notice to Pathion Mining; and in the event that Pathion Mining cured its current default and then was in default of the agreement again, our company would then issue 10 days written notice to cure the default before we terminated the agreement.

On January 27, 2015, we gave notice to Pathion, Inc., of the termination of the asset purchase agreement entered into on August 15, 2014. The termination of the agreement was due to the failure by Pathion to close the agreement according to

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the agreed upon schedule in the agreement and the additional extensions provided by our company.

On February 20, 2015, our company signed a letter of intent with Kingsmere Mining Ltd., which is the preliminary step whereby Kingsmere, or their appointee, may choose to buy or option our company's lithium brine properties in Nevada. The letter allows for a due diligence and election period until April 1, 2015 with closing by April 15, 2015. The terms of the letter of intent with Kingsmere were subsequently extended to May 31, 2015. The terms of the arrangement are to be finalized should Kingsmere elect to move forward.

Our company intends to continue with our exploration/assessment of the Fish Lake Valley and San Emidio lithium brine properties in Nevada and on our BC Sugar flake graphite property in British Columbia, while determining further plans of action with respect to our Mount Heimdal flake graphite property in British

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Columbia. We will continue assessing our options with respect to our 25% interest in Summa, LLC, a private Nevada company, which holds the residue of the "Howard Hughes" Summa Corp., while generating new prospects and evaluating property submittals for option or purchase.

### FISH LAKE VALLEY PROPERTY

Fish Lake Valley is a lithium enriched playa (also known as a salar, or salt pan), which is located in northern Esmeralda County in west central Nevada, and the property is roughly centered at 417050E 4195350N (NAD 27 CONUS). We currently hold forty, 80-acre Association Placer claims that cover approximately 3,200 acres (1280 hectares). Lithium-enriched Tertiary-era Fish Lake formation rhyolitic tuffs or ash flow tuffs have accumulated in a valley or basinal environment. Over time interstitial formational waters in contact with these tuffs, have become enriched in lithium, boron and potassium which could possibly be amenable to extraction by evaporative methods. Our company allowed 56 claims to lapse on September 1, 2012, which covered the southern playa area. These claims were allowed to lapse as it was determined through the course of work over the past three years that they are not overly prospective for hosting lithium brine resources, nor is it strategically advantageous to continue to hold them.

The property was originally held under mining lease purchase agreement dated June 1, 2009, between Nevada Lithium Corporation, and Nevada Alaska Mining Co. Inc., Robert Craig, Barbara Craig, and Elizabeth Dickman. Nevada Lithium issued to the vendors \$350,000 worth of common stock of our company in eight regular disbursements. All disbursements were made of stock worth a total of \$350,000, and claim ownership was transferred to our company.

The geological setting at Fish Lake Valley is highly analogous to the salars of Chile, Bolivia, and Peru, and more importantly Clayton Valley, where Albemarle has its Silver Peak lithium-brine operation. Access is excellent in Fish Lake Valley with all-weather gravel roads leading to the property from state highways 264, and 265, and maintained gravel roads ring the playa. Power is available approximately 10 miles from the property, and the village of Dyer is approximately 12 miles to the south, while the town of Tonopah, Nevada is approximately 50 miles to the east.

Our company completed a number of geochemical and geophysical studies on the property, and conducted a short drill program on the periphery of the playa in the fall of 2010. Near-surface brine sampling during the spring of 2011 outlined a boron/lithium/potassium anomaly on the northern portions of the northern playa, that is roughly 1.3 x 2 miles long, which has a smaller higher grade core where lithium mineralization ranges from 100 to 150 mg/L (average 122.5 mg/L),

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with boron ranging from 1,500 to 2,670 mg/L (average 2,219 mg/L), and potassium from 5,400 to 8,400 mg/L (average 7,030 mg/L). Wet conditions on the playa precluded drilling there in 2011, and for a good portion of 2012, however a window of opportunity presented itself in late fall 2012. In November/December 2012 we conducted a short direct push drill program on the northern end of the playa, wherein a total of 1,240.58 feet (378.09 meters) was drilled in 20 holes at 17 discrete sites, and an area of 3,356 feet (1,023 meters) by 2,776 feet (846 meters) was systematically explored by grid probing. The deepest hole was 81 feet (24.69 meters), and the shallowest hole that produced brine was 34 feet (10.36 meters). The average depth of the holes drilled during the program was 62 feet (18.90 meters). The program successfully demonstrated that lithium-boron-potassium-enriched brines exist to at least 62 feet (18.9 meters) depth in sandy or silty aquifers that vary from approximately three to ten feet (one to three meters) in thickness. Average lithium, boron and potassium contents of all samples are 47.05 mg/L, 992.7 mg/L, and 0.535% respectively, with lithium values ranging from 7.6 mg/L to 151.3 mg/L, boron ranging from 146 to 2,160.7 mg/L, and potassium ranging from 0.1 to 1.3%. The anomaly outlined by the program is 1,476 by 2,461 feet (450 meters by 750 meters), and is not fully delimited, as the area available for probing was restricted due to soft ground conditions to the east and to the south. A 50 mg/L lithium cutoff is used to define this anomaly and within this zone average lithium, boron and potassium contents are 90.97 mg/L, 1,532.92 mg/L, and 0.88% respectively. On September 3, 2013, we announced that drilling had commenced at Fish Lake Valley. Due to storms and wet conditions in the area which our company hoped to concentrate on, the playa was not passable, and so the program concentrated on larger step-out drilling well off the playa. This 11 hole, 1,025 foot program did prove that mineralization does not extend much, if at all, past the margins of the playa, as none of the fluids encountered in this program were particularly briny, and returned values of less than 5 mg/L lithium.

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Our company is very pleased with the results here, and believes that the playa at Fish Lake Valley may be conducive to the formation of a "silver peak" style lithium brine deposit. Our company reviewed the results in regards to the overall geological interpretation of the lithium, boron and potassium bearing strata. The results confirm the presence of targeted mineralization and further evaluation programs will focus on determining the extent and depth of mineralization. Our company is currently assessing options on how best to further explore here.

### SAN EMIDIO PROPERTY

The San Emidio property, located in Washoe County in northwestern Nevada, was acquired through the staking of claims in September 2011. The twenty, 80-acre, Association Placer claims currently held here cover an area of approximately 1,600 acres (640 hectares). Ten claims in the southern portions of the original claim block that was staked in 2011 were allowed to lapse on September 1, 2012, and a further ten claims were then staked and recorded. These new claims are north of and contiguous to the surviving claims from our earlier block. The property is approximately 65 miles north-northeast of Reno, Nevada, and has excellent infrastructure.

We developed this prospect during 2009, and 2010 through surface sampling, and the early reconnaissance sampling determined that anomalous values for lithium occur in the playa sediments over a good portion of the playa. This sampling appeared to indicate that the most prospective areas on the playa may be on the newly staked block proximal to the southern margin of the basin, where it is possible the structures that are responsible for the geothermal system here may also have influenced lithium deposition in sediments.

Our company conducted near-surface brine sampling in the spring of 2011, and a

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high resolution gravity geophysical survey in summer/fall 2011. Our company then permitted a 7 hole drilling program with the Bureau of Land Management in late fall 2011, and a direct push drill program was commenced in early February 2012. Drilling here delineated a narrow elongated shallow brine reservoir which is greater than 2.5 miles length, and which is adjacent to a basinal feature outlined by the earlier gravity survey. Two values of over 20 milligrams/liter lithium were obtained from two holes located centrally in this brine anomaly.

Most recently we drilled this prospect in late October 2012, further testing the area of the property in the vicinity where prior exploration by our company discovered elevated lithium levels in subsurface brines. During the 2012 program a total of 856 feet (260.89 meters) was drilled at 8 discrete sites. The deepest hole was 160 feet (48.76 meters), and the shallowest hole that produced brine was 90 feet (27.43 meters). The average depth of the seven hole program was 107 feet (32.61 meters). The program better defined a lithium-in-brine anomaly that was discovered in early 2012. This anomaly is approximately 0.6 miles (370 meters) wide at its widest point by more than 2 miles (3 kilometers) long. The peak value seen within the anomaly is 23.7 mg/l lithium, which is 10 to 20 times background levels outside the anomaly. Our company believes that, much like Fish Lake Valley, the playa at San Emidio may be conducive to the formation of a "Silver Peak" style lithium brine deposit, and the recent drilling indicates that the anomaly occurs at or near the intersection of several faults that may have provided the structural setting necessary for the formation of a lithium-in-brine deposit at depth.

Our company has compiled all data and amended our permit with the Bureau of Land Management to allow for the drilling of three reverse circulation drill holes to depths of 500 feet in order to test for lithium brine mineralization.

### MOUNT HEIMDAL FLAKE GRAPHITE PROPERTY

On April 15, 2013, we entered into a mining option agreement with, Tom Lewis, a director and former officer of our company, wherein we had the option to acquire a 100% interest in the Mount Heimdall Flake Graphite property in the Slocan Mining Division of British Columbia, Canada.

The Mount Heimdall property is comprised of three mineral claims, which encompass 2,582 acres (1,045 hectares) of highly metamorphosed rock. The property is roughly six miles (10 kms) south of Eagle Graphite's Black Crystal quarry, and is located within the same package of gneisses, graphite mineralized marbles, and calc-silicate gneisses. Data from BC Geological Survey assessment reports indicate that mineralization grading up to 4.8% graphitic carbon may be located on the property.

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High purity graphite is presently the most widely used anode material for lithium ion battery technology, and typically greater than 10 times more graphite is used in comparison to lithium in lithium ion battery production. In addition to increased graphite consumption due to growth in lithium ion batteries sales, carbon fiber composites are increasingly being utilized in auto, and aircraft construction. Also, presently there is considerable research into graphene, a flake graphite product, and it is possible a myriad of new applications or discoveries will ensue as a direct result of this work.

Pursuant to the terms of the original agreement, we were required to spend \$15,000 in exploration on the property and complete an assessment report by November 30, 2013, and upon successful completion of the program and the report, our company was to earn a 100% interest in the claims, subject to a 1.5% net overriding royalty to the vendor from the proceeds of production.

Prospecting work was performed on the Mount Heimdall property in June/July 2013



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and several mineralized zones were noted here, the best of which graded 3.72% flake graphite. Although the work was encouraging it was decided that our company would be best served presently by focusing on the BC Sugar property. Our company negotiated an agreement with Tom Lewis, a director and former officer of our company, with Tom Lewis as the vendor of Mount Heimdal, whereby Mr. Lewis assigned his 100% interest in the property for a 2% net smelter royalty on any proceeds from future production from the property. In addition Mr. Lewis holds title to both the Mount Heimdal, and BC Sugar properties, in trust, for our company and will transfer all interest at such time as our company creates a subsidiary that is eligible to hold title in mineral properties in British Columbia.

In August 2014, an exploration crew was mobilized to explore the Mount Heimdal flake graphite property. The program focused on flake graphite mineralization discovered on the property during the brief program undertaken in 2013, while exploring other areas of the property that were felt to also be prospective for hosting flake graphite mineralization. No further significant mineralization was found, and our company is considering options for this property moving forward.

### BC SUGAR FLAKE GRAPHITE PROPERTY

On June 6, 2013, we entered into a mining claim sale agreement with Herb Hyder wherein Mr. Hyder agreed to sell to our company a 50.829 acre (20.57 hectare) claim located in the Cherryville area of British Columbia. As consideration for the purchase of the property, we issued 250,000 shares of our company's common stock to Mr. Hyder. In addition to the acquired claim, our company staked or acquired another 13 claims at various times over the subsequent months, to bring the total area held under tenure to approximately 19,816 acres (8,020 hectares). The flake graphite mineralization of interest here is hosted predominately in graphitic quartz/biotite, and lesser graphitic calc-silicate gneisses. The rocks in the general area of the BC Sugar prospect are similar to the host rocks in the area of the crystal graphite deposit 55 miles (90 kms) to the southeast, in the vicinity of our company's Mount Heimdal block of claims.

The BC Sugar property is well placed in the Shushwap Metamorphic Complex, in a geological environment favorable for the formation of flake graphite deposits, and is in an area of excellent logistics, with a considerable network of logging roads within the project area. Additionally the town of Lumby is approximately 19 miles (30 kms) to the south of the property, while the City of Vernon is only 30 miles (50 kms) to the southwest of the western portions of the claim block.

We received final assays from the October 2013 prospecting and geological program at the BC Sugar property in December of 2013. That work increased the area known to be underlain by graphitic bearing gneisses, and further evaluations were made in the area of the Sugar Lake, Weather Station, and Taylor Creek showings. In the general vicinity of the Weather Station showing, a further 13 samples were taken, and hand trenching was performed at one of

several outcrops in the area. In the trench a 5.2 meter interval returned an average of 3.14% graphitic carbon, all in an oxidized relatively friable gneissic host rock. Additionally a hydrothermal or vein type mineralized graphitic quartz boulder was discovered in the area which graded up to 4.19% graphitic carbon. The source of this boulder was not discovered during this program, but it is felt to be close to its point of origin. Samples representative of the mineralization encountered here were taken for petrographic study, which was received in late 2013. A brief assessment work program was performed in September 2014 to ensure all claims in the package were in good standing prior to the anticipated sale of this asset to Pathion. Recommendations were made by the consulting geologist who wrote the assessment report with respect to trenching, and eventually drilling the Weather Station

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showing. Our company submitted a Notice of Work to the BC Government in early May 2015 to enable our company to conduct a program of excavator trenching, sampling and geological mapping on the Weather Station showing, and is currently awaiting approval. Also we signed an agreement with KLM Geosciences LLC of Las Vegas to conduct a short Ground Penetrating Radar (GPR) survey on the property in the Weather Station - Taylor Creek areas. The GPR survey is to commence approximately mid-May 2015.

### THE HUGHES CLAIMS

Effective April 23, 2014, we entered into an operating agreement with All American Resources, L.L.C and TY & Sons Investments Inc. with respect to Summa, LLC, a Nevada limited liability company incorporated on December 12, 2013, wherein we hold a 25% membership in a number of patented mining claims that spring from the once vast holdings of Howard Hughes. Our company's capital contribution paid to Summa, LLC was \$125,000, of which \$100,000 was in cash and the balance in services.

Our company participated in the formation of Summa, which holds 88 fee-title patented lode claims, which cover approximately 1,191.3 acres of prospective mineral lands. Our company has recently signed a joint operating agreement with the other participants to govern the conduct of Summa, and the development of the lands. Our company's director, Tom Lewis, has been named as a managing member of Summa.

The Hughes lands are situated in six discrete prospect areas in Nevada, the most notable of which being the Tonopah block in Nye County where Summa holds 56 claims that cover approximately 770 acres in the heart of the historic mining camp where over 1.8 million ounces of gold and 174 million ounces of silver were produced predominately in the early 1900's. The Hughes claims include a number of the prolific past producers in Tonopah, such as the Belmont, the Desert Queen, and the Midway mines. In addition there are also claims in the area of the past producing Klondyke East mining district, which is to the south of Tonopah, and at the town of Belmont (not to be confused with the Belmont claim in Tonopah), Nevada, another notable silver producer from the 1800's, which is roughly 40 miles to the northeast of Tonopah.

Recently research has been conducted on the Hughes properties, focusing on the Tonopah area where reporting in the 1980's, indicate that over 2.175 million tons of mine dumps and mill tailings exist at surface on Summa's properties that contain in the order of 3.453 million ounces of silver, and 28,500 ounces of gold. In addition to this easily extractable surficial resource, other reports indicate that 300 - 500,000 tons of mineralized material is expected to remain at depth in old workings on Summa's properties, which is believed to contain an average 20 ounces silver and 0.02 ounces gold per ton. Also several partially tested exploration targets have been identified on Summa's Tonopah claims, where further work could potentially lead to a marked increase in known underground resources.

In the general area of our company's newest acquisition, West Kirkland Mining has recently announced that it has completed a \$29.2 million dollar financing, the proceeds of which were used to purchase a 75% interest in Allied Nevada Gold Corporation's Tonopah properties. West Kirkland also has the option to purchase the remaining 25% interest by paying Allied Nevada a further \$10 million dollars on or before October 23, 2016. West Kirkland has recently compiled an updated NI-43-101 resource on the Hasbrouck and Three Hills prospects which are roughly 5.5 and 2 miles, respectively, from Summa's Tonopah claim block and it is West

Kirkland's intent to advance these properties to a pre-feasibility study and initiate mine permitting. The Nye County Recorder's office only recently

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recorded title in favor of Summa LLC., so we are only now beginning to determine how best to capitalize on this asset.

We are currently exploring other locations which are believed to be prospective for hosting lithium or graphite mineralization, as well as evaluating opportunities brought to our company by third parties.

Additionally our company is looking to ramp up its generative program exploring for new deposits of next generation battery related materials.

### RESULTS OF OPERATIONS

THREE MONTHS ENDED MARCH 31, 2015 COMPARED TO THE THREE MONTHS ENDED MARCH 31, 2014

We had a net loss of \$72,103 for the three month period ended March 31, 2015, which was \$5,802 more than the net loss of \$66,301 for the three month period ended March 31, 2014. The change in our results over the two periods is mainly a result of increased exploration expenses offset by a decrease in travel.

The following table summarizes key items of comparison and their related increase (decrease) for the three month periods ended March 31, 2015 and 2014:

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014	Change Between Three Month Periods Ended March 31, 2015 and March 31, 2014
	-----	-----	-----
Professional fees	\$ 12,617	\$ 11,362	\$ 1,255
Exploration expenses	16,872	7,222	9,650
Consulting fees	24,900	24,150	750
Insurance expense	4,372	Nil	4,372
Investor relations	3,375	7,235	(3,860)
Transfer agent and filing fees	2,275	550	1,725
Travel	4,460	12,480	(8,020)
General and administrative	3,232	3,396	(164)
Interest/Other (income) expense	Nil	(94)	94
	-----	-----	-----
Net loss	\$ (72,103)	\$ (66,301)	\$ 5,802
	=====	=====	=====

### REVENUE

We have not earned any revenues since our inception and we do not anticipate earning revenues in the upcoming quarter.

### LIQUIDITY AND CAPITAL RESOURCES

Our balance sheet as of March 31, 2015 reflects current assets of \$341,913. We had cash in the amount of \$307,696 and working capital in the amount of \$333,751 as of March 31, 2015. We have sufficient working capital to enable us to carry out our stated plan of operation for the next twelve months.

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### WORKING CAPITAL

At March 31,	At December 31,
-----------------	--------------------

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	2015	2014
	-----	-----
Current assets	\$341,913	\$421,574
Current liabilities	8,162	15,720
	-----	-----
Working capital	\$333,751	\$405,854
	=====	=====

We anticipate generating losses and, therefore, may be unable to continue operations further in the future.

### CASH FLOWS

	Three Months Ended	
	March 31,	
	2015	2014
	-----	-----
Net cash (used in) operating activities	\$ (71,816)	\$ (68,820)
Net cash (used in) investing activities	Nil	(64,305)
Net cash provided by (used in) financing activities	Nil	Nil
	-----	-----
Net (decrease) in cash during period	\$ (71,816)	\$ (133,125)
	=====	=====

### OPERATING ACTIVITIES

Net cash used in operating activities during the three months ended March 31, 2015 was \$71,816, an increase of \$2,996 from the \$68,820 net cash outflow during the three months ended March 31, 2014.

### INVESTING ACTIVITIES

Our company had no investing activities during the three months ended March 31, 2015.

Cash used in investing activities during the three months ended March 31, 2015 was \$Nil, which was a \$64,305 decrease from the \$64,305 cash used in investing activities during the three months ended March 31, 2014. This decrease in the cash used in investing activities was primarily due to our company having no investing activities during the period.

### FINANCING ACTIVITIES

Our company had no financing activities during the three months ended March 31, 2015 and 2014.

We estimate that our operating expenses and working capital requirements for the next 12 months to be as follows:

#### Estimated Net Expenditures During the Next Twelve Months

	\$
	-----
General, Administrative Expenses	190,000
Exploration Expenses	200,000
Travel	30,000
	-----
TOTAL	420,000
	=====

To date we have relied on proceeds from the sale of our shares in order to sustain our basic, minimum operating expenses; however, we cannot guarantee that

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we will secure any further sales of our shares. We estimate that the cost of maintaining basic corporate operations (which includes the cost of satisfying our public reporting obligations) will be approximately \$2,000 per month. Due to our current cash position of approximately \$307,696 as of March 31, 2015, we estimate that we have sufficient cash to sustain our basic operations for the next twelve months.

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We are not aware of any known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in our liquidity increasing or decreasing in any material way.

### FUTURE FINANCINGS

We anticipate continuing to rely on equity sales of our common stock in order to continue to fund our business operations. Issuances of additional shares will result in dilution to our existing stockholders. There is no assurance that we will achieve any additional sales of our equity securities or arrange for debt or other financing to fund our planned business activities.

We presently do not have any arrangements for additional financing for the expansion of our exploration operations, and no potential lines of credit or sources of financing are currently available for the purpose of proceeding with our plan of operations.

### OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, and capital expenditures or capital resources that are material to stockholders.

### CRITICAL ACCOUNTING POLICIES

#### ACCOUNTING BASIS

Our company uses the accrual basis of accounting and accounting principles generally accepted in the United States of America ("GAAP" accounting). Our company has adopted a December 31 fiscal year end.

#### CASH AND CASH EQUIVALENTS

Cash includes cash on account, demand deposits, and short-term instruments with maturities of three months or less.

#### CONCENTRATIONS OF CREDIT RISK

Our company maintains our cash in bank deposit accounts, the balances of which at times may exceed federally insured limits. Our company continually monitors our banking relationships and consequently has not experienced any losses in such accounts. Our company believes we are not exposed to any significant credit risk on cash and cash equivalents.

#### USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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### REVENUE RECOGNITION

Our company has yet to realize revenues from operations. Once our company has commenced operations, we will recognize revenues when delivery of goods or completion of services has occurred provided there is persuasive evidence of an agreement, acceptance has been approved by our customers, the fee is fixed or determinable based on the completion of stated terms and conditions, and collection of any related receivable is probable.

### LOSS PER SHARE

Basic loss per share is computed by dividing loss available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted earnings per share assumes the conversion,

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exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. In the periods in which a loss is incurred, the effect of potential issuances of shares under options and warrants would be anti-dilutive, and therefore basic and diluted losses per share are the same.

### INCOME TAXES

The asset and liability approach is used to account for income taxes by recognizing deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities.

### FINANCIAL INSTRUMENTS

Our company's financial instruments consist of cash, deposits, prepaid expenses, and accounts payable and accrued liabilities. Unless otherwise noted, it our management's opinion that our company is not exposed to significant interest, currency or credit risks arising from these financial instruments. Because of the short maturity and capacity of prompt liquidation of such assets and liabilities, the fair value of these financial instruments approximate their carrying values, unless otherwise noted.

### MINERAL PROPERTIES

Costs of exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. Mineral property acquisition costs are capitalized including licenses and lease payments. Although our company has taken steps to verify title to mineral properties in which our company has an interest, these procedures do not guarantee our company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects. Impairment losses are recorded on mineral properties used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. Impairment of \$0 and \$0 was recorded during the years ended December 31, 2014 and 2013, respectively.

### OFFICE LEASE

Our company rents office space in Las Vegas, Nevada for \$700 per month. The arrangement is on a month-by-month basis and can be terminated by either party.

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### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a "smaller reporting company", we are not required to provide the information required by this Item.

### ITEM 4. CONTROLS AND PROCEDURES

#### MANAGEMENT'S REPORT ON DISCLOSURE CONTROLS AND PROCEDURES

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the SECURITIES EXCHANGE ACT OF 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our president (our principal executive officer, principal financial officer and principle accounting officer) to allow for timely decisions regarding required disclosure.

As of the end of the quarter covered by this report, we carried out an evaluation, under the supervision and with the participation of our president (our principal executive officer, principal financial officer and principle accounting officer), of the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, our president (our principal executive officer, principal financial officer and principle accounting officer) concluded that our disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

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#### CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

During the period covered by this report there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II - OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, executive officers or affiliates, or any registered or beneficial stockholder, is an adverse party or has a material interest adverse to our interest.

### ITEM 1A. RISK FACTORS

As a "smaller reporting company", we are not required to provide the information required by this Item.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

### ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

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### ITEM 5. OTHER INFORMATION

None.

### ITEM 6. EXHIBITS

Exhibit Number -----	Description -----
(3)	ARTICLES OF INCORPORATION AND BYLAWS
3.1	Articles of Incorporation (Incorporated by reference to our Registration Statement on Form SB-2 filed on December 21, 2007)
3.2	Bylaws (Incorporated by reference to our Registration Statement on Form SB-2 filed on December 21, 2007)
3.3	Articles of Merger (Incorporated by reference to our Current Report on Form 8-K filed on October 2, 2009)
3.4	Certificate of Change (Incorporated by reference to our Current Report on Form 8-K filed on October 2, 2009)
(4)	INSTRUMENTS DEFINING THE RIGHTS OF SECURITY HOLDERS, INCLUDING INDENTURES
4.1	2009 Stock Option Plan (Incorporated by reference to our Current Report on Form 8-K filed on December 30, 2009)
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(10)	MATERIAL CONTRACTS
10.1	Lease Purchase Agreement dated June 1, 2009 between Nevada Lithium Corporation, Nevada Mining Co., Inc., Robert Craig, Barbara Craig and Elizabeth Dickman. (Incorporated by reference to our Current Report on Form 8-K filed on October 26, 2009)
10.3	Mining Option Agreement dated April 15, 2013 between our company and Thomas Lewis (incorporated by reference to our Current Report on Form 8-K filed on April 22, 2013)
10.4	Mining Claim Sale Agreement dated June 6, 2013 between our company and Herb Hyder (incorporated by reference to our Current Report on Form 8-K filed on June 12, 2013)
10.5	Trust Agreement dated August 30, 2013 between our company and Tom Lewis (incorporated by reference to our Quarterly Report on Form 10-Q filed on November 7, 2013)
10.6	Operating Agreement dated effective April 23, 2014 between our company, All American Resources, L.L.C. and TY & Sons Investments Inc. (incorporated by reference to our Current Report on Form 8-K filed on April 29, 2014)
10.7	Asset Purchase Agreement dated August 15, 2014 between our company and Pathion, Inc. (incorporated by reference to our Quarterly Report on Form 10-Q filed on November 7, 2014)
(14)	CODE OF ETHICS



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- 14.1 Code of Business Conduct and Ethics (incorporated by reference to our Annual Report on Form 10-K filed on April 15, 2013)
- (31) RULE 13A-14 (D)/15D-14D) CERTIFICATIONS
- 31.1\* Section 302 Certification by the Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer
- (32) SECTION 1350 CERTIFICATIONS
- 32.1\* Section 906 Certification by the Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer
  
- 101\* INTERACTIVE DATA FILE
- 101.INS XBRL Instance Document
- 101.SCH XBRL Taxonomy Extension Schema Document
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

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\* Filed herewith.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LITHIUM CORPORATION  
(Registrant)

Dated: May 15, 2015

/s/ Brian Goss

-----  
Brian Goss  
President, Treasurer, Secretary and  
Director (Principal Executive Officer,  
Principal Financial Officer and  
Principal Accounting Officer)

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