

Vision Lithium Inc.

Unaudited Interim Financial Statements

As at November 30, 2021

NOTICE OF DISCLOSURE OF NON-AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Vision Lithium Inc.

Consolidated Statements of Financial Position

(in Canadian dollars)

	Notes	November 30, 2021 (Unaudited) \$	August 31, 2021 (Audited) \$
ASSETS			
Current			
Cash and cash equivalents	5	2,099,622	1,235,956
Guaranteed investment certificates (0.10% - 0.49%; 0.55% in 2020), expiring between May and July 2022		2,077,323	2,577,287
Sales taxes receivable		18,510	101,840
Tax credits receivable		-	-
Prepaid expenses		57,259	18,034
Marketable securities in quoted mining exploration companies		1,141	971
		<u>4,253,855</u>	<u>3,934,088</u>
Non-current			
Property and equipment		16,399	18,658
Right-of-use assets	6	70,949	78,919
Advances on exploration and evaluation assets		5,000	-
Exploration and evaluation assets	7	15,411,575	15,152,947
		<u>15,503,923</u>	<u>15,250,524</u>
Total assets		<u><u>19,757,778</u></u>	<u><u>19,184,612</u></u>
LIABILITIES			
Current			
Trade and other payables		83,819	178,322
Liability related to flow-through shares		43,802	122,557
Current portion of lease obligations	8	35,752	36,057
		<u>163,373</u>	<u>336,936</u>
Non-current			
Lease obligations	8	33,221	40,599
Loan	9	40,000	40,000
		<u>73,221</u>	<u>80,599</u>
Total liabilities		<u>236,594</u>	<u>417,536</u>
EQUITY			
Share capital	10.1	54,501,636	53,521,536
Contributed surplus		4,600,593	4,755,693
Deficit		(39,581,045)	(39,460,152)
Total equity		<u>19,521,184</u>	<u>18,817,077</u>
Total liabilities and equity		<u><u>19,757,778</u></u>	<u><u>19,234,612</u></u>

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

These interim consolidated financial statements were approved and authorized for issue by the Board of Directors on January 25, 2022.

Approved on behalf of the Board of Directors

(signed) Yves Rougerie, Director

(signed) Victor Cantore, Director

Vision Lithium Inc.

Consolidated Statements of Net Loss and Comprehensive Loss

(in Canadian dollars)

	Notes	Three-month period ended	
		November 30, 2021	November 30, 2020
		\$	\$
Expenses			
Employee benefits expense	12.1	67,062	122,609
Insurance, taxes and permits		8,198	4,363
Consulting fees		45,000	-
Professional fees		36,300	29,585
Rent and maintenance		6,240	-
Business development		23,168	3,303
Stationery and office expenses		4,933	2,681
Travel, board and lodging		3,863	484
Registration fees		4,185	4,006
Write-off of exploration and evaluation assets		350	5,500
Exploration costs of other properties ⁽¹⁾		149	-
Bank charges		825	957
Amortization of property and equipment		991	453
Amortization of right-of-use assets		1,318	7,837
Operating loss		202,582	181,778
Other (income) expenses			
Finance income	14	(974)	(71)
Finance cost	14	238	538
Net change in fair value of marketable securities in quoted mining exploration companies		(170)	(250)
Other revenues		(2,028)	(1,950)
		<u>(2,934)</u>	<u>(1,733)</u>
Loss before income taxes		(199,648)	(180,045)
Deferred income tax		78,755	9,030
		<u>78,755</u>	<u>9,030</u>
Net loss and total of comprehensive loss for the period		<u>(120,893)</u>	<u>(171,015)</u>
Loss per share			
Basic and diluted net loss per share	15	<u>0.00</u>	<u>(0.00)</u>

⁽¹⁾ For the three-month periods ended November 30, 2021 and 2020, no amount was recorded for tax credits as a reduction of exploration costs of other properties.

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

Vision Lithium Inc.
Consolidated Statements of Changes in Equity

(in Canadian dollars)

		Share capital		Contributed surplus	Deficit	Total equity
		Number	Amount			
			\$	\$	\$	\$
Balance as at September 1st, 2019		<u>101,254,986</u>	<u>48,003,635</u>	<u>3,362,769</u>	<u>(38,086,617)</u>	<u>13,279,787</u>
Share-based payments	12.2			28,750		28,750
		-	-	28,750	-	28,750
Net loss and total of comprehensive loss for the period		-	-	-	(171,015)	(171,015)
Balance as at November 30, 2020		<u>101,254,986</u>	<u>48,003,635</u>	<u>3,391,519</u>	<u>(38,257,632)</u>	<u>13,137,522</u>
Issuance of flow-through units and shares	10.1	15,497,499	2,958,013	377,437	-	3,335,450
Issuance of units	10.1	81,075,000	1,046,173	843,327	-	1,889,500
Issuance of shares for the acquisition of mining rights	10.1	4,000,000	1,040,000	-	-	1,040,000
Shares issue costs	10.1	-	-	218,375	(680,976)	(462,601)
Warrants exercised	10.2	7,975,000	473,715	(74,965)	-	398,750
		<u>108,547,499</u>	<u>5,517,901</u>	<u>1,364,174</u>	<u>(680,976)</u>	<u>6,201,099</u>
Net loss and total of comprehensive loss for the period		-	-	-	(521,544)	(521,544)
Balance as at August 31, 2021		<u>209,802,485</u>	<u>53,521,536</u>	<u>4,755,693</u>	<u>(39,460,152)</u>	<u>18,817,077</u>
Warrants exercised	10.2	16,500,000	980,100	(155,100)	-	825,000
		<u>16,500,000</u>	<u>980,100</u>	<u>(155,100)</u>	<u>-</u>	<u>825,000</u>
Net loss and total of comprehensive loss for the period		-	-	-	(120,893)	(120,893)
Balance as at November 30, 2021		<u>226,302,485</u>	<u>54,501,636</u>	<u>4,600,593</u>	<u>(39,581,045)</u>	<u>19,521,184</u>

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

Vision Lithium Inc.

Consolidated Statements of Cash Flows

(in Canadian dollars)

	Notes	Three-month period ended	
		November 30,	November 30,
		2021	2020
		\$	\$
Operating activities			
Net loss		(120,895)	(171,015)
Adjustments			
Amortization of property and equipment		991	453
Amortization of property and equipment included in exploration costs of other properties		-	340
Amortization of right-of-use assets		1,317	7,837
Amortization of right-of-use assets included in exploration costs of other properties		149	-
Interests of a guaranteed investment certificate		(35)	(71)
Interests on lease obligations		238	538
Net change in fair value of marketable securities in quoted mining exploration companies		(170)	(250)
Share-based payments		-	26,450
Write-off of exploration and evaluation assets		350	5,500
Deferred income tax		(78,755)	(9,030)
Changes in working capital items	16	28,564	147,656
Cash flows (used in) from operating activities		(168,246)	8,408
Investing activities			
Disposal of a guaranteed investment certificate		500,000	-
Additions to advances on exploration and evaluation assets		45,000	-
Additions to exploration and evaluation assets	7	(329,683)	(24,290)
Cash flows from (used in) investing activities		215,317	(24,290)
Financing activities			
Warrants exercised	10.2	825,000	-
Payments on lease obligations	8	(8,405)	(8,142)
Cash flows from (used in) financing activities		816,595	(8,142)
Net change in cash and cash equivalents		863,666	(24,024)
Cash and cash equivalents, beginning of the period		1,235,956	453,474
Cash and cash equivalents, end of the period		2,099,622	429,450
Additional information - Cash flows (Note 16)			
Additional information			
Interest received from operating activities		974	720

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

Vision Lithium Inc.

Notes to Interim Consolidated Financial Statements

For the three-month periods ended November 30, 2021 and 2020 (unaudited)

(in Canadian dollars)

1. NATURE OF OPERATIONS

Vision Lithium Inc. and its subsidiary Pioneer Resources Inc. (the “Company”) are exploration companies with activities in Canada.

2. GOING CONCERN ASSUMPTION, GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

The interim consolidated financial statements have been prepared on the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, the Company has not yet generated income nor cash flows from its operations. As at November 30, 2021 the Company has a cumulated deficit of \$39,581,045 (\$39,460,152 as at August 31, 2021). These material uncertainties cast significant doubt regarding the Company’s ability to continue as a going concern.

The Company’s ability to continue as a going concern is dependent upon its ability to raise additional financing to further explore its mineral properties and continued support of suppliers and creditors. Even if the Company has been successful in the past in doing so, there is no assurance that it will manage to obtain additional financing in the future.

The carrying amounts of assets, liabilities, revenues and expenses presented in the interim consolidated financial statements and the classification used in the interim consolidated statement of financial position have not been adjusted as would be required if the going concern assumption was not appropriate.

The interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

Vision Lithium Inc. is incorporated under the *Canada Business Corporations Act*. The address of the Company's registered office and its principal place of business is 1019 boulevard des Pins, Val-d'Or, Quebec, Canada. Vision Lithium Inc.'s shares are listed on the TSX Venture Exchange under the symbol “VLI”.

3. BASIS OF PRESENTATION

These interim financial statements of the Company as at November 30, 2021 were prepared in accordance with IFRS, as issued by the International Accounting Standards Board (IASB) under International Accounting Standard (IAS) 34 - Interim Financial Reporting. These interim financial statements were prepared using the same basis of presentation, accounting policies and methods of computations outlined in Note 4, SIGNIFICANT ACCOUNTING POLICIES as described in our financial statements for the year ended August 31, 2021. The interim financial statements do not include all of the notes required in annual financial statements.

4. JUDGMENTS, ESTIMATES AND ASSUMPTIONS

When preparing the interim consolidated financial statements, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

Vision Lithium Inc.

Notes to Interim Consolidated Financial Statements

For the three-month periods ended November 30, 2021 and 2020 (unaudited)

(in Canadian dollars)

4.1 Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the interim consolidated financial statements.

Recognition of deferred income tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See Note 2 for more information.

4.2 Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Lease obligations

Accounting for lease obligations involves judgment and requires the establishment of a number of estimates and assumptions. Judgment is used to determine whether there is reasonable certainty that an option to extend or terminate the rental agreement will be exercised. In addition, management has made estimates to determine the term of the leases and the appropriate interest rate to value the lease obligation (see Note 8).

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and assumptions in many cases.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset or cash-generating unit must be estimated.

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either future exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information becomes available. If, after 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.

Vision Lithium Inc.

Notes to Interim Consolidated Financial Statements

For the three-month periods ended November 30, 2021 and 2020 (unaudited)

(in Canadian dollars)

4.2 Estimation uncertainty (continued)

Impairment of exploration and evaluation assets (continued)

See Note 7 for the exploration and evaluation assets impairment analysis.

The total impairment loss of the exploration and evaluation assets recognized in profit or loss amounts to \$350 for the period ended November 30, 2021 (\$37,198 for the year ended August 31, 2021). No reversal of impairment losses has been recognized for the reporting periods.

Other properties have not been tested for impairment as the Company has the ability to retain these properties as it has sufficient financial resources to meet its short-term obligations. In general, the rights to prospect for these properties will not expire in the near future or are expected to be renewed, work has been completed on these properties over the past three years and / or results promising results were obtained.

Share-based payments

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the probable life of share options and warrants granted and the time of exercise of those share options and warrants, if applicable. The model used by the Company is the Black-Scholes valuation model (see Note 12.2).

Tax credits receivable

The calculation of the Company's refundable tax credit on qualified exploration expenditure incurred and refundable tax credit involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until notice of assessments and payments have been issued from the relevant taxation authority and a payment has been received. Difference arising between the actual results following final resolution of some of these items and the assumptions made could necessitate adjustments to the refundable tax credit, exploration and evaluation assets, and income

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components:

	November 30, 2021	August 31, 2021
Cash	\$ 1,096,905	\$ 233,404
Monetary funds	1,002,717	1,002,552
Cash and cash equivalents	<u>2,099,622</u>	<u>1,235,956</u>

Vision Lithium Inc.

Notes to Interim Consolidated Financial Statements

For the three-month periods ended November 30, 2021 and 2020 (unaudited)

(in Canadian dollars)

6. RIGHT-OF-USE ASSETS

	Automotive equipment	Total
	\$	\$
Gross carrying amount		
Balance as at September 1, 2021	100,591	100,591
Disposal	(15,481)	(15,481)
Balance as at November 30, 2021	<u>85,110</u>	<u>85,110</u>
Accumulated amortization and disposal		
Balance as at September 1, 2021	21,672	21,672
Amortization	7,970	7,970
Disposal	(15,481)	(15,481)
Balance as at November 30, 2021	<u>14,161</u>	<u>14,161</u>
Carrying amount as at November 30, 2021	<u>70,949</u>	<u>70,949</u>

The Company leases automotive equipment under leases expiring in April 2023 and June 2024. The depreciation of right-of-use assets totals \$7,970 which \$1,318 is recognized as an expense and \$6,652 is recognized as exploration and evaluation assets (\$34,224 which \$30,377 is recognized as an expense and \$3,847 is recognized as exploration and evaluation assets as at August 31, 2021).

7. EXPLORATION AND EVALUATION ASSETS

The carrying amount can be detailed as follows:

MINING RIGHTS

	Balance as at September 1, 2021	Additions	Tax credits and credit on duties	Write-off	Balance as at November 30, 2021
	\$	\$	\$	\$	\$
Sirmac Lithium (Qc)	9,583,002	-	-	-	9,583,002
Dôme Lemieux (Qc)	2,332,357	-	-	-	2,332,357
Red Brook (NB)	405,090	-	-	-	405,090
Benjamin (NB)	113,005	100	-	-	113,105
Godslith (MB)	1,105,271	-	-	-	1,105,271
Cadillac (Qc)	2,680	42,362	-	-	45,042
TOTAL	<u>13,541,405</u>	<u>42,462</u>	<u>-</u>	<u>-</u>	<u>13,583,867</u>

Vision Lithium Inc.

Notes to Interim Consolidated Financial Statements

For the three-month periods ended November 30, 2021 and 2020 (unaudited)

(in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (continued)

EXPLORATION AND EVALUATION EXPENSES

	Balance as at September 1, 2021	Additions	Tax credits and credit on duties	Write-off	Balance as at November 30, 2021
	\$	\$	\$	\$	\$
Sirmac Lithium (Qc)	684,206	355	-	-	684,561
Dôme Lemieux (Qc)	532,123	128,865	-	-	660,988
Red Brook (NB)	390,658	19,591	-	-	410,249
Godslith (MB)	3,643	-	-	-	3,643
Cadillac (Qc)	912	67,355	-	-	68,267
Epsilon (Qc)	-	350	-	(350)	-
	<u>1,611,542</u>	<u>216,516</u>	<u>-</u>	<u>(350)</u>	<u>1,827,708</u>
TOTAL	<u>15,152,947</u>	<u>258,978</u>	<u>-</u>	<u>(350)</u>	<u>15,411,575</u>

All write-off charges are presented in profit or loss under Write-off of Exploration and evaluation assets.

Sirmac Lithium

The Company owns 100% of the Sirmac Lithium property which comprises 155 mineral claims covering a total area of approximately 1,108 hectares located approximately 180 kilometers northwest of Chibougamau, in the province of Quebec. The Company will pay a net smelter return royalty of 1% on some of the claims and can be redeemed at any time for

Dôme Lemieux

This 100% owned property is located near the town of Ste-Anne-des-Monts in the province of Quebec and comprises 243 claims covering 12,881 hectares.

Red Brook

On June 12, 2020, the Company acquired the Red Brook property, 100% owned, which is located approximately 60 km West of the mining center of Bathurst, in Northern New Brunswick. The Red Brook property consists of 235 claims covering an area of 3,018 hectares. This property is subject to 2% NSR royalties on all mineral production. The Company can buy back up to 50% of each of the NSR interests for \$1,000,000.

During the year, the Company combined the Red Brook and Epithermal properties. The balance of mining rights and exploration and evaluation expenses as at September 1, 2020, reflects this change.

Benjamin

On June 12, 2020, the Company acquired the Benjamin property, 100% owned, which is located approximately 60 km West of the mining center of Bathurst, in Northern New Brunswick. The Benjamin property consists of 33 claims covering 715 hectares. This property is subject to 2% NSR royalties on all mineral production. The Company can buy back up to 50% of each of the NSR interests for \$1,000,000.

In June 2020, 20 claims were redistributed from the Benjamin property to the Red Brook (formerly Epithermal) property.

Vision Lithium Inc.

Notes to Interim Consolidated Financial Statements

For the three-month periods ended November 30, 2021 and 2020 (unaudited)

(in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (continued)

Godslith

On March 19, 2021, the Company acquired the Godslith property, 100% owned, which is located less than 1 km Northwest of Gods River, in Manitoba (MB). The Godslith property consists of one claim covering 5,560 hectares. This property is subject to 3% NSR royalties on all mineral production. The Company can buy back 1% of the NSR interests for \$1,000,000 and another 1% of the NSR interests for \$2,000,000.

Cadillac

On August 30, 2021, the Company acquired by staking the 100%, owned Cadillac property, which is located approximately 25 km south of Rivière Héva along Chemin du Rapide-Deux. The Cadillac property comprises 40 claims covering an area of 2,301 hectares.

Epsilon

This 100% owned property is located in the Otish Mountains region of Quebec. The Epsilon property consists of 38 claims covering 1,107 hectares. This property is subject to two NSR royalties of 2% on all mineral production. The Company can buy back up to 50% of each of the NSR interests for \$1,000,000 each. The property was written off during the year 2021.

8. LEASE OBLIGATIONS

Lease obligations included in the consolidated statement of financial position:

	November 30, 2021	August 31, 2021
	\$	\$
Balance as at beginning of the year	76,656	73,382
Addition of a lease obligation	-	85,110
Gain on disposal of a lease obligation	-	(47,834)
Interests on lease obligations	722	2,455
Payments on lease obligations	(8,405)	(36,457)
	<u>68,973</u>	<u>76,656</u>
Current portion of lease obligations	<u>(35,752)</u>	<u>(36,057)</u>
Lease obligations	<u>33,221</u>	<u>40,599</u>
Maturity analysis – contractual undiscounted cash flows		
Less than one year	33,621	33,621
One to five years	38,554	46,959
Total undiscounted lease obligations	<u>72,175</u>	<u>80,580</u>

The Company has chosen not to recognize lease obligations under short-term leases (leases with a term of 12 months or less). Payments made under these leases are recognized on a straight-line basis.

Vision Lithium Inc.

Notes to Interim Consolidated Financial Statements

For the three-month periods ended November 30, 2021 and 2020 (unaudited)

(in Canadian dollars)

9. LOAN

The Company received a loan totalling \$60,000 under the Canada Emergency Business Account program. If the Company repays an amount totaling \$40,000 of the loan by December 31, 2022, no other amount will be payable. Otherwise, the loan balance will bear interest at 5% and may either be repaid in 36 monthly instalments of capital and interest or repaid on maturity on December 31, 2025. Since \$20,000 of the government assistance is forgivable if the Company repays \$40,000 by December 31, 2022, the amount was recognized in profit or loss at the time the government assistance was granted.

10. EQUITY

10.1 Share capital

The issued share capital of the Company consists only of fully paid common shares.

Share capital authorized

Unlimited number of common shares without par value.

Unlimited number of preferred shares class "A" and "B", without par value.

Share issuance

During the period ending November 30, 2021, 16,500,000 warrants were exercised. An amount of \$825,000 was received and an amount of \$155,100 representing the fair value of the warrants at the time of issuance were recorded as an increase in share capital.

Au cours de l'exercice se terminant le 31 août 2021, 7 975 000 bons de souscription ont été exercées. Un montant de 398 750 \$ qui a été reçu et un montant de 74 965 \$ représentant la juste valeur des bons de souscription au moment de l'émission, ont été comptabilisés en augmentation du capital-actions.

On April 20, 2021, the Company closed a non-brokered private placement for gross proceeds of \$3,622,950. The placement consisted of the issuance of: i) 15,097,499 flow-through units of the Company at a price of \$0.22 each of which an amount of \$2,944,013 has been allocated to share capital; and ii) 1,675,000 common units of the Company at a price of \$0.18 each of which an amount of \$204,533 has been allocated to share capital. Each flow-through unit consists of one common share of the Company and one-half warrant, each warrant entitling its holder to purchase one common share of the Company at a price of \$0.30 per share over a period of 2 years from the issuance date. Each common unit consists of one common share of the Company and one-half warrant, each warrant conferring on its holder the right to purchase one common share of the Company at a price of \$0.25 per share over a period of 2 years from the issuance date. An amount of \$474,404 related to warrants issued was recorded as an increase in contributed surplus.

Vision Lithium Inc.

Notes to Interim Consolidated Financial Statements

For the three-month periods ended November 30, 2021 and 2020 (unaudited)

(in Canadian dollars)

10.1 Share capital (continued)

In connection with this placement, the Company paid certain finders acting at arm's length to the Company: i) cash commissions totaling \$260,690, representing 8% of the proceeds collected from subscribers introduced to the Company by such finders; and (ii) a total of 1,186,774 non-transferable compensation warrants, representing 8% of the number of flow-through units and common units sold to such subscribers, each can be exercised to purchase one common share of the Company over a period of 2 years following the issuance date at the same exercise price of the warrants comprising the flow-through and common units for which the compensation warrants were issued. An amount of \$218,375 related to the warrants issued was recorded as an increase in contributed surplus. Under this placement, finder's fees totaling \$260,690 were paid. In addition, share issue expenses of \$285,244 were also applied against the deficit.

On March 22, 2021, the Company finalized the acquisition of the Godslith property for a consideration of 4,000,000 common shares at a price of \$0.26 each for a total of \$1,040,000.

On January 5, 2021, the Company closed the second and final tranche of its non-intermediary private placement. The second tranche consisted of 40,250,000 common units of the Company at a price of \$0.02 for aggregate gross proceeds of \$805,000. Each common unit consists of one common share of the company and one warrant. Each warrant entitles its holder to purchase one share at a price of \$0.05 per share for a period of 3 years following the closing of the first tranche. An amount of \$378,350 related to warrants issued was recorded as an increase in contributed surplus. Under the second tranche, finder's fees totaling \$32,775 were paid. In addition, share issue expenses of \$25,084 were also applied against the deficit.

On December 31, 2020, the Company closed a non-intermediary private placement. The placement consisted of 400,000 flow-through shares of the Company at a price of \$0.05 for aggregate gross proceeds of \$20,000. Finder's fees totaling \$1,400 were paid. In addition, share issue expenses of \$713 were also applied against the deficit.

The Company renounced to the tax deduction related to flow-through shares, which reduced share capital by \$6,000, and the counterparty is presented as liability related to flow-through shares.

On December 23, 2020, the Company closed the first tranche of its non-intermediary private placement. The first tranche consisted of 39,150,000 common units of the Company at a price of \$0.02 per unit for aggregate gross proceeds of \$783,000. Each common unit consists of one common share of the company and one warrant. Each warrant entitles its holder to purchase one share at a price of \$0.05 per share for a period of 3 years following the closing of the first tranche. An amount of \$368,010 related to warrants issued was recorded as an increase in contributed surplus. Under the first tranche, finder's fees totaling \$51,932 were paid. In addition, share issue expenses of \$23,138 were also applied against the deficit.

Vision Lithium Inc.

Notes to Interim Consolidated Financial Statements

For the three-month periods ended November 30, 2021 and 2020 (unaudited)

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10.2 Warrants

Outstanding warrants entitle their holders to subscribe to an equivalent number of common shares, as follows:

	<u>November 30, 2021</u>		<u>August 31, 2021</u>	
	<u>Number</u>	<u>Weighted average exercise price</u> \$	<u>Number</u>	<u>Weighted average exercise price</u> \$
Balance, beginning of the year	80,998,024	0.08	-	-
Granted	-	-	88,973,024	0.08
Exercised	(16,500,000)	0.05	(7,975,000)	0.05
Balance, end of the year	<u>64,498,024</u>	<u>0.09</u>	<u>80,998,024</u>	<u>0.08</u>

Outlined below are the outstanding warrants which could be exercised for an equivalent number of common shares:

	<u>November 30, 2021</u>	
Expiration date	<u>Number</u>	<u>Exercise price</u> \$
April 20, 2023	847,500	0.25
April 20, 2023	8,725,524	0.30
December 23, 2023	33,175,000	0.05
January 5, 2024	<u>21,750,000</u>	<u>0.05</u>
	<u>64,498,024</u>	

11. GOVERNMENT ASSISTANCE

On May 18, 2021, the Company signed a contract with the province of New Brunswick to obtain a grant totaling \$30,000, 40% (\$12,000) of which has already been received and recorded in the consolidated statement of net loss and comprehensive loss and the other 60% (\$18,000) may be requested upon presentation of supporting documents for an amount of at least \$30,000 which must be spent on the Red Brook property before February 28, 2022.

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12. EMPLOYEE REMUNERATION

12.1 Employee benefits expense

Employee benefits expense recognized is analyzed below:

	Three-month period ended	
	November 30, 2021	November 30, 2020
	\$	\$
Salaries and benefits	88,369	119,383
Share-based payments	-	28,750
	88,369	148,133
Less: salaries and share-based payments capitalized to exploration and evaluation assets	(21,307)	(23,224)
Less: salaries reclassified to exploration costs of other properties in profit or loss	-	(2,300)
	67,062	122,609

12.2 Share-based payments

The Company has adopted a share-based payment plan under which members of the Board of Directors August award to directors, employees and consultants, options entitling its holder to purchase common shares of the Company. The maximum number of shares issuable under the plan is 10% of the outstanding shares (22,630,249 shares as at November 30, 2021 and 20,980,249 as at August 31, 2021).

The material terms of the plan are as follows:

- The maximum number of common shares that can be granted for a beneficiary, other than a consultant or investor relations services, is limited to 5% of issued and outstanding shares;
- The maximum number of common shares that can be granted for a consultant during any 12-month period is limited to 2% of issued and outstanding shares;
- The maximum number of common shares that can be granted for a supplier of investors' relation services during any 12-month period is limited to 2% of issued and outstanding shares.
- The Board shall determine the manner in which an option shall vest and become exercisable to staff members. Options granted to consultants performing investor relations activities shall vest over a minimum of 12 months with no more than 25% of such options vesting in any 3-month period.

The exercise price per common share for an option shall not be less than the "Discounted Market Price", as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required by the Exchange. Every option shall have a term not exceeding and shall therefore expire no later than eight years after the date of grant.

All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

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12.2 Share-based payments (continued)

The Company share options are as follows for the reporting periods presented:

	November 30, 2021		August 31, 2021	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding, beginning of the reporting period	7,050,000	0.26	7,050,000	0.26
Outstanding, end of the reporting period	7,050,000	0.26	7,050,000	0.26
Exercisable, end of the reporting period	7,050,000	0.26	7,050,000	0.26

The table below summarizes the information related to outstanding share options as at :

	November 30, 2021		August 31, 2021	
<u>Range of exercise price</u>	Number	Weighted average remaining contractual life (years)	Number	Weighted average remaining contractual life (years)
\$0.10 to \$0.25	2,500,000	3.42	2,500,000	3.76
\$0.26 to \$0.41	2,650,000	0.74	2,650,000	0.74
\$0.42 to \$0.55	1,900,000	1.03	1,900,000	1.37
	7,050,000	1.77	7,050,000	1.98

As at November 30, 2021, there is no share-based payments (\$28,780 as at November 30, 2020, all of which related to equity-settled share-based payment transactions which \$2,300 was capitalized in exploration and evaluation assets, \$26,450 were included in employee benefits expenses and reported in profit or loss and credited to contributed surplus).

13. FAIR VALUE MEASUREMENT

13.1 Financial instruments measured at fair value

Financial assets and liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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13.1 Financial instruments measured at fair value (continued)

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly ; and
- Level 3: unobservable inputs for the assets or liabilities.

The fair value of the marketable securities in quoted mining exploration companies have been estimated by reference to their quoted prices at the reporting date.

Marketable securities in quoted mining exploration companies are measured at fair value in the consolidated statement of financial position as at November 30, 2021 and 2020 and are classified in Level 1.

The fair value of the loan is \$40,000 as at November 30, 2021 (\$40,000 as at August 31, 2021) and is determined using the estimated market rate that the Company would have obtained for similar financing and is classified in the level 2.

14. FINANCE INCOME AND FINANCE COST

Finance income may be analyzed as follows for the reporting periods presented:

	Three-month period ended	
	November 30, 2021	November 30, 2020
	\$	\$
Interest income from cash and cash equivalents and guaranteed investment certificates	974	71

Finance cost may be analyzed as follows for the reporting periods presented:

	Three-month period ended	
	November 30, 2021	November 30, 2020
	\$	\$
Interests on lease obligations	238	538

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15. LOSS PER SHARE

In calculating the diluted loss per share, dilutive potential common shares such as options and warrants have not been included as they would have the effect of decreasing the loss per share. Decreasing the loss per share would be antidilutive. Details of share options and warrants issued that could potentially dilute earnings per share in the future are given in Notes 10.2 and 12.2.

Both the basic and diluted loss per share have been calculated using the net loss as the numerator, i.e. no adjustment to the net loss was necessary for the three-month periods ended November 30, 2021 and 2020.

	Three-month period ended	
	November 30, 2021	November 30, 2020
Net loss	\$(120,893)	\$(171,015)
Weighted average number of shares	213,881,135	101,254,986
Basic and diluted loss per share	\$(0.00)	\$(0.00)

16. ADDITIONAL INFORMATION - CASH FLOWS

The changes in the working capital items are detailed as follows:

	Three-month period ended	
	November 30, 2021	November 30, 2020
Sales taxes receivable	\$ 83,330	\$ (2,425)
Prepaid expenses	(39,225)	(10,748)
Trade and other payables	(15,541)	160,829
	28,564	147,656

Non-cash consolidated financial position transactions are detailed as follows:

	Three-month period ended	
	November 30, 2021	November 30, 2020
Amortization of property and equipment included in exploration and evaluation assets	\$ 1,269	\$ 1,020
Amortization of right-of-use assets included in exploration and evaluation assets	6,503	669
Trade and other payables included in exploration and evaluation assets	38,274	5,143
Tax credits receivable credited to exploration and evaluation assets	-	13,950

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17. RELATED PARTY TRANSACTIONS

The Company's related parties include key management and a company with common director as describe below. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balance are usually settled in cash.

17.1 Transactions with key management personnel

Key management personnel of the Company are members of the Board of Directors and also the President and the CFO. Key management personnel remuneration includes the following expenses:

	Three-month period ended	
	November 30, 2021	November 30, 2020
	\$	\$
Short-term employee benefits	58,074	79,763
Share-based payments	-	23,000
Total remuneration	<u>58,074</u>	<u>102,763</u>

As at November 30, 2021 and 2020, no key management personnel exercised options.

As as November 30, 2021, no salary payable to key executives included in trade and other payables (\$47,875 as at November 30, 2020).

17.2 Transactions with other related parties

As at November 30, 2021, the Company paid an amount of \$45,000 (nil as at November 30, 2020) to a company with a common director. This amount was recognized as consultants in the consolidated statements of net and comprehensive

18. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern, to increase the value of the assets of the business, and to provide an adequate return to shareholders of the Company.

These objectives will be achieved by identifying the right exploration projects, adding value to these projects and ultimately taking them through to production or sale and cash flow, either with partners or by the Company's own means.

The Company monitors capital on the basis of the carrying amount of equity.

The Company is not exposed to any externally imposed capital requirements except when the Company issues flow-through shares for which an amount should be used for exploration work, details provided in Notes 10 and 20.

The Company finances its exploration and evaluation activities principally by raising additional capital either through private placements or public offerings.

When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its exploration and evaluation activities or may slow its activities until conditions improve.

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19. FINANCIAL INSTRUMENT RISKS

The Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk and liquidity risk.

The Company focuses on actively securing short to medium-term cash flows by minimizing the exposure to financial markets. The Company does not actively engage in the trading of financial assets for speculative purposes.

The most significant financial risks to which the Company is exposed are described below.

19.1 Credit risk

Credit risk is the risk that another party to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets at the reporting date, as summarized below:

	November 30, 2021	August 31, 2021
	\$	\$
Cash and cash equivalents	2,099,622	1,235,956
Guaranteed investment certificates	2,077,323	2,577,287
	4,176,945	3,813,243

The Company's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

19.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private and public investments for a sufficient amount.

During the period ended November 30, 2021, the Company has financed its exploration and evaluation programs, its working capital requirements and acquisitions of mining properties by used of private placements, flow-through private placements and the receipt of tax credits.

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19.2 Liquidity risk (continued)

The following table presents contractual maturities (including interest payments where applicable) of the Company's liabilities:

	November 30, 2021	August 31, 2021
	\$	\$
Less than 6 months:		
Trade and other payables	65,962	150,440
From 1 to 5 years:		
Loan	40,000	40,000
Total	105,962	190,440

The Company considers the cash flows that it expects to derive from financial assets in its assessment and management of liquidity risk, in particular, cash and cash equivalents, guaranteed investment certificates and sales taxes receivable.

20. CONTINGENCIES AND COMMITMENTS

The Company is partially financed through the issuance of flow-through shares and, under the tax rules relating to this type of financing, the Company is committed to carrying out exploration and evaluation expenses.

These tax rules also set deadlines for carrying out exploration work no later than the first of the following dates:

- Two years following flow-through placements;
- One year after the Company waived tax deductions relating to exploration work, exceptionally for this year, with the federal budget, the Company is entitled to a two-year-delay.

However, there is no guarantee that these exploration expenses will qualify as exploration expenses in Canada, even if the Company is committed to taking all the necessary measures in this regard. Refusal of certain expenses by the tax authorities could have a negative tax impact for investors.

During the period ended November 30, 2021, the Company received no amount from flow-through placements (\$3,341,450 as at August 31, 2021 for which the Company renounced to the tax deductions, for the benefit of investors, on December 31, 2021 and 2022). Management is required to fulfill its commitments within the stipulated period of one year from the renunciation date.

As at November 30, 2021, the balance of the unspent funding related to flow-through financing amount totals \$2,714,589 (\$2,927,761 as at August 31, 2021).

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21. SUBSEQUENT EVENTS

- 1) On January 3, 2022 the Company issued a total of 4,200,000 options to administrators, key management, employees and consultant at \$0.21 per share, expiring January 3, 2027.
- 2) On December 10, 2021, the Company issued 600,000 common shares at \$0.05 each, for a total of \$30,000, following the exercise of warrants.
- 3) On December 1, 2021, the Company acquired a 100% interest in the Cadillac lithium property, including a total of 215 contiguous mining claims in the province of Quebec, from four separate groups of sellers. The claims acquired from the sellers cover 12,331 hectares. The Company paid \$102,428 in cash and issued a total of 4,300,000 common shares at a price of \$0.22 each for a total of \$946,000 and will grant each group of sellers a 2% net smelter income royalty.

On December 28 and 29, 2021, 12 more claims were staked for an amount of \$938.