
ADVANTAGE LITHIUM CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
APRIL 30, 2017

(Unaudited - Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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

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

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

ADVANTAGE LITHIUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	April 30, 2017 \$	July 31, 2016 \$
ASSETS			
Current assets			
Cash		19,465,350	1,976,132
Amounts receivable		142,918	11,970
Prepaid expenses		<u>357,766</u>	<u>833</u>
Total current assets		<u>19,966,034</u>	<u>1,988,935</u>
Non-current assets			
Exploration and evaluation assets	5	40,514,636	100,000
Deferred share issue costs	6(b)(iii)	<u>-</u>	<u>10,750</u>
Total non-current assets		<u>40,514,636</u>	<u>110,750</u>
TOTAL ASSETS		<u>60,480,670</u>	<u>2,099,685</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	<u>578,331</u>	<u>122,406</u>
TOTAL LIABILITIES		<u>578,331</u>	<u>122,406</u>
SHAREHOLDERS' EQUITY			
Share capital	6	65,164,683	2,355,280
Share-based payments reserve		4,523,028	782,318
Share subscriptions received	6(b)(iii)	-	1,264,500
Deficit		<u>(9,785,372)</u>	<u>(2,424,819)</u>
TOTAL SHAREHOLDERS' EQUITY		<u>59,902,339</u>	<u>1,977,279</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>60,480,670</u>	<u>2,099,685</u>

Nature of Operations - see Note 1

Events after the Reporting Period - see Note 11

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on June 29, 2017 and are signed on its behalf by:

/s/ David Sidoo
David Sidoo
Director

/s/ Nick DeMare
Nick DeMare
Director

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

ADVANTAGE LITHIUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)

	Note	Three Months Ended		Nine Months Ended	
		April 30,		April 30,	
		2017	2016	2017	2016
		\$	\$	\$	\$
Expenses					
Accounting and administrative	7(b)	17,600	4,500	75,300	18,800
Advertising and promotion		28,980	-	232,945	-
Audit		16,661	-	25,030	6,800
Charitable donations		20,000	-	35,000	-
Conferences		38,379	-	43,774	-
Corporate development		31,200	-	108,900	-
Corporate finance		462,000	-	462,000	-
Directors and officers compensation	7(a)	163,936	-	826,986	-
General exploration	7(a)	23,042	-	161,748	-
Insurance		3,125	-	8,333	-
Legal		38,663	-	169,001	4,589
Office		10,848	105	35,112	717
Professional fees		30,160	-	246,182	87,000
Public relations		702,356	-	1,470,044	-
Regulatory fees		10,259	1,326	51,435	6,469
Salaries and benefits	7(a)	8,930	-	26,823	-
Share-based compensation	6(e)	90,000	(7,584)	2,481,500	56,154
Shareholder costs		1,324	-	20,823	1,110
Transfer agent		3,722	521	21,403	3,483
Travel, meals and accommodation		136,822	32	433,036	865
		<u>1,838,007</u>	<u>(1,100)</u>	<u>6,935,375</u>	<u>185,987</u>
(Loss) income before other items		<u>(1,838,007)</u>	<u>1,100</u>	<u>(6,935,375)</u>	<u>(185,987)</u>
Other items					
Interest income		33,266	2,380	54,493	7,954
Foreign exchange		(1,165)	(4,441)	7,780	(1,446)
Impairment	5	<u>(487,451)</u>	<u>-</u>	<u>(487,451)</u>	<u>-</u>
		<u>(455,350)</u>	<u>(2,061)</u>	<u>(425,178)</u>	<u>6,508</u>
Comprehensive loss for the period		<u>(2,293,357)</u>	<u>(961)</u>	<u>(7,360,553)</u>	<u>(179,479)</u>
Loss per share - basic and diluted		<u>\$(0.03)</u>	<u>\$(0.00)</u>	<u>\$(0.13)</u>	<u>\$(0.01)</u>
Weighted average number of common shares outstanding		<u>83,031,727</u>	<u>23,528,990</u>	<u>58,855,476</u>	<u>23,369,837</u>

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

ADVANTAGE LITHIUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

Nine Months Ended April 30, 2017						
	Share Capital		Share-Based Payments Reserve \$	Share Subscriptions Received \$	Deficit \$	Total Equity \$
	Number of Shares	Amount \$				
Balance at July 31, 2016	24,102,990	2,355,280	782,318	1,264,500	(2,424,819)	1,977,279
Common shares issued for:						
- private placements	51,223,900	29,099,390	-	(1,264,500)	-	27,834,890
- share options exercised	1,077,500	282,825	-	-	-	282,825
- finders' warrants exercised	382,984	95,746	-	-	-	95,746
- exploration and evaluation assets	57,994,097	36,114,993	-	-	-	36,114,993
Share issue costs	-	(3,140,521)	986,180	-	-	(2,154,341)
Transfer on exercise of share options	-	180,788	(180,788)	-	-	-
Transfer on exercise of finders' warrants	-	176,182	(176,182)	-	-	-
Share-based compensation on:						
- share options	-	-	2,481,500	-	-	2,481,500
- warrants issued for exploration and evaluation assets	-	-	630,000	-	-	630,000
Comprehensive loss for the period	-	-	-	-	(7,360,553)	(7,360,553)
Balance at April 30, 2017	134,781,471	65,164,683	4,523,028	-	(9,785,372)	59,902,339

Nine Months Ended April 30, 2016					
	Share Capital		Share-Based Payments Reserve \$	Deficit \$	Total Equity \$
	Number of Shares	Amount \$			
Balance at July 31, 2015	23,291,990	2,273,193	392,307	(1,558,255)	1,107,245
Common shares issued for cash:					
- finder's warrants exercised	711,000	35,550	-	-	35,550
Transfer on exercise of finder's warrants	-	4,824	(4,824)	-	-
Share-based compensation	-	-	56,154	-	56,154
Comprehensive loss for the period	-	-	-	(179,479)	(179,479)
Balance at April 30, 2016	24,002,990	2,313,567	443,637	(1,737,734)	1,019,470

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

ADVANTAGE LITHIUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended April 30	
	2017 \$	2016 \$
Operating activities		
Comprehensive loss for the period	(7,360,553)	(179,479)
Adjustment for:		
Share-based compensation	2,481,500	56,154
Impairment	487,451	-
Changes in non-cash working capital items:		
Amounts receivable	(129,028)	(2,029)
Prepaid expenses	(356,933)	-
Accounts payable and accrued liabilities	249,760	(1,809)
Net cash used in operating activities	<u>(4,627,803)</u>	<u>(127,163)</u>
Investing activity		
Exploration and evaluation assets	<u>(3,975,434)</u>	-
Net cash used in investing activity	<u>(3,975,434)</u>	-
Financing activities		
Issuance of common shares	28,213,461	35,550
Share issue costs	(2,143,591)	-
Cash acquired on acquisition	22,585	-
Net cash provided by financing activities	<u>26,092,455</u>	<u>35,550</u>
Net change in cash during the period	17,489,218	(91,613)
Cash at beginning of period	<u>1,976,132</u>	<u>1,111,476</u>
Cash at end of period	<u>19,465,350</u>	<u>1,019,863</u>

Supplemental cash flow information - Note 9

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

ADVANTAGE LITHIUM CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED APRIL 30, 2017
(Unaudited - Expressed in Canadian Dollars)

1. Nature of Operations

The Company was incorporated under the laws of the Province of British Columbia on March 1, 2007. On July 5, 2016 the Company changed its name from North South Petroleum Corp. to Advantage Lithium Corp. The Company's common shares currently trade on the TSX Venture Exchange ("TSXV") under the symbol "AAL" and on the OTCQB under the symbol "AVLIF". The Company's head office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 Canada.

The Company was considered to be a capital pool company by the TSXV and its common shares traded on the NEX Board of the TSXV. On August 30, 2016 the Company completed its Qualifying Transaction and met the requirements to be listed as a TSXV Tier 2 resource company engaged in the acquisition and exploration of unproven lithium mineral interests. Effective May 30, 2017 the Company's tier classification was upgraded from Tier 2 to Tier 1, the Company having met the requirements for a Tier 1 company.

The Company is a junior mineral exploration company currently engaged in the acquisition and exploration of lithium properties located in Argentina and USA. On the basis of information to date, the Company has not yet determined whether these properties contain economically recoverable reserves. The underlying value of the mineral resource interests is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development and upon future profitable production. Mineral resource interests represent costs incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values.

During the nine months ended April 30, 2017 the Company incurred a loss of \$7,360,553. As at April 30, 2017 the Company had working capital in the amount of \$19,387,703. These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. To date the Company has not earned significant revenues and is considered to be in the exploration stage. The Company's operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. Although management considers that the Company has adequate resources to maintain its core operations and conduct planned exploration programs on its existing exploration and evaluation assets for the next twelve months, the Company recognizes that exploration expenditures may change with ongoing results and, as a result, it may be required to obtain additional financing. While the Company has been successful in securing financings in the past there can be no assurance that it will be able to do so in the future. These condensed consolidated interim financial statements do not reflect any adjustments related to conditions that occurred subsequent to April 30, 2017.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting* ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"), and its interpretations, using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended July 31, 2016, which have been prepared in accordance with IFRS as issued by the IASB and interpretations of the IFRS Interpretations Committee ("IFRIC"). The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's financial statements for the year ended July 31, 2016.

Basis of Measurement

The Company's condensed consolidated interim financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise stated.

ADVANTAGE LITHIUM CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED APRIL 30, 2017
(Unaudited - Expressed in Canadian Dollars)

3. Subsidiaries

In addition to the Company, these condensed consolidated interim financial statements include all subsidiaries. Subsidiaries are all entities over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date that control by the Company ceases.

As at April 30, 2017 the subsidiaries of the Company are as follows:

<u>Company</u>	<u>Location of Incorporation</u>	<u>Ownership Interest</u>
Advantage Lithium Inc.	USA	100%
South American Salars Minerals Pty. Ltd. ("SAS Australia")	Australia	100%
South American Salars S.A. ("SAS Argentina")	Argentina	100%

4. Acquisition

On November 23, 2016, as amended, the Company entered into a letter of intent to acquire up to a 75% interest in the Cauchari Project and a 100% interest in five other lithium brine projects, located in the northern provinces of Jujuy, Salta and Catamarca in Argentina (the "Argentine Properties").

On March 16, 2017 the Company, Orocobre Limited ("Orocobre") and Miguel Alberto Peral ("Peral") entered into a purchase agreement (the "Purchase Agreement") to acquire an initial 50% interest in the Cauchari Project, with an option to earn a further 25% interest, and a 100% interest in the Argentine Properties. On March 28, 2017 the Company completed the Purchase Agreement and issued a total of 54,500,000 common shares of the Company, at a fair value of \$33,790,000 and 3,000,000 warrants, at a fair value of \$630,000, and acquired a 100% interest in the issued and outstanding securities of SAS Australia (the "Acquisition"). SAS Australia owns 100% of the issued and outstanding shares of SAS Argentina, which owns the Cauchari Project and Argentine Properties. Each warrant entitles the holder to purchase an additional common share of the Company, at a price of \$1.00 per share, expiring March 28, 2019. The fair value of the warrants have been estimated using the Black-Scholes option pricing model. The assumptions used were: risk-free interest rate of 0.74%; estimated volatility of 88%; expected life of 2 years; expected dividend yield of 0%; and estimated forfeiture rate of 0%.

The Company incurred a finder's fee of \$66,746 (US \$50,000) cash and issued 150,000 common shares of the Company, at a fair value of \$93,000, for total consideration of \$159,746. The Company also incurred \$185,350 for legal, filing and other costs associated with the transactions conducted pursuant to the Acquisition.

The Acquisition was accounted for as an acquisition of the net assets of SAS Australia, as follows:

	\$
Common shares issued	33,790,000
Warrants issued	630,000
Finder's fees	159,746
Costs incurred	185,350
Advances to SAS Australia prior to acquisition	<u>136,000</u>
Acquisition cost	<u>34,901,096</u>

The acquisition cost was generally allocated to the individual identifiable assets and liabilities on the basis of their relative fair value at the date of purchase. The results of operations were recorded from the effective date of purchase.

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4. Acquisition (continued)

Cost of the net assets acquired consists of:

	\$
Net working capital	74,977
Exploration and evaluation assets	<u>34,826,119</u>
Net assets acquired	<u>34,901,096</u>

On closing of the Acquisition, two directors of Orocobre were appointed as directors of the Company and Peral was also appointed as a director of the Company.

5. Exploration and Evaluation Assets

Property	April 30, 2017			July 31, 2016		
	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$
United States						
Jackson Wash	416,193	101,466	517,659	17,500	-	17,500
Clayton NE	431,387	1,327,968	1,759,355	17,500	-	17,500
Aquarius	353,487	29,905	383,392	17,500	-	17,500
Gemini	357,010	15,276	372,286	17,500	-	17,500
Neptune	575,539	10,705	586,244	17,500	-	17,500
Water Permit	235,680	145,119	380,799	12,500	-	12,500
Argentina						
Cauchari	29,325,888	24,888	29,350,776	-	-	-
Argentine Properties	5,907,373	-	5,907,373	-	-	-
Stella Marys	<u>1,256,752</u>	<u>-</u>	<u>1,256,752</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>38,859,309</u>	<u>1,655,327</u>	<u>40,514,636</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>

ADVANTAGE LITHIUM CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED APRIL 30, 2017

5. Exploration and Evaluation Assets (continued)

	United States						Argentina		Mexico		Total \$
	Jackson Wash \$	Clayton NE \$	Aquarius \$	Gemini \$	Neptune \$	Water Rights \$	Cauchari \$	Argentine Properties \$	Stella Marys \$	Radius \$	
Balance at July 31, 2015	-	-	-	-	-	-	-	-	-	-	-
Acquisition costs											
Option payments	17,500	17,500	17,500	17,500	17,500	12,500	-	-	-	-	100,000
Balance at July 31, 2016	17,500	17,500	17,500	17,500	17,500	12,500	-	-	-	-	100,000
Exploration costs											
Assay analysis	-	140,834	-	-	-	-	-	-	-	-	140,834
Consulting	6,397	34,905	1,349	2,785	1,450	32,308	-	-	-	-	79,194
Drilling	-	700,209	-	-	-	-	-	-	-	-	700,209
Environmental	13,561	1,956	8,682	-	404	-	-	-	-	-	24,603
Geological	16,266	242,322	5,444	4,191	1,336	-	9,332	-	-	-	278,891
Geophysical	54,225	61,005	1,545	48	95	-	-	-	-	-	116,918
Insurance	942	942	942	471	942	-	-	-	-	-	4,239
Land survey	-	29,030	5,798	4,250	-	-	-	-	-	-	39,078
Legal	498	7,175	212	45	45	101,889	-	-	-	-	109,864
Mapping	649	3,223	238	232	78	84	-	-	-	-	4,504
Project management	6,513	85,124	2,595	1,281	910	10,838	12,750	-	-	15,223	135,234
Rent / utilities	202	19,032	1,329	202	3,231	-	-	-	-	-	23,996
Travel	2,213	2,211	1,771	1,771	2,214	-	2,806	-	-	-	12,986
	101,466	1,327,968	29,905	15,276	10,705	145,119	24,888	-	-	15,223	1,670,550
Acquisition costs											
Issuance of common shares for:											
- Acquisition	-	-	-	-	-	-	28,124,611	5,665,389	498,000	-	33,790,000
- option payments	229,962	234,242	199,377	199,377	368,151	142,411	-	-	498,000	260,000	2,131,520
- finder's fees	17,583	17,583	17,583	17,583	17,583	12,559	77,407	15,593	-	-	193,474
Warrants issued for Acquisition	-	-	-	-	-	-	524,371	105,629	-	-	630,000
Cash payments for:											
- option payments	87,500	87,500	87,500	87,500	87,500	62,500	-	-	794,915	75,000	1,369,915
- finder's fees	9,902	10,059	7,992	7,992	15,574	5,710	55,555	11,190	64,858	-	188,832
- related costs	-	-	-	-	-	-	154,272	31,077	-	-	185,349
Claims staking and purchases	53,746	64,503	23,535	27,058	69,231	-	-	-	1,979	34,228	274,280
Other	-	-	-	-	-	-	389,672	78,495	-	-	468,167
	398,693	413,887	335,987	339,510	558,039	223,180	29,325,888	5,907,373	1,359,752	369,228	39,231,537
Impairment	-	-	-	-	-	-	-	-	(103,000)	(384,451)	(487,451)
Balance at April 30, 2017	517,659	1,759,355	383,392	372,286	586,244	380,799	29,350,776	5,907,373	1,256,752	-	40,514,636

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5. Exploration and Evaluation Assets (continued)

(a) *United States*

On June 16, 2016, as amended and extended, the Company entered into a binding agreement (the “Nevada Sunrise Agreement”) with Nevada Sunrise Gold Corp. (“Nevada Sunrise”) in which the Company paid a non-refundable cash payment of \$100,000 to Nevada Sunrise and was granted an option to earn working interests of up to 70% in three lithium exploration projects, known as Jackson Wash, Clayton Northeast and Aquarius, and 50% interests in two lithium properties, known as Gemini and Neptune, (collectively the “Optioned Properties”) located in the Clayton Valley and Lida Valley regions of Nevada, USA, and an option to acquire the State of Nevada Water Permit 44411 (the “Water Permit”).

Terms of the Nevada Sunrise Agreement are as follows:

Initial Option Consideration

The Company will earn its interest in two stages, with the initial stage being up to a 51% working interest from Nevada Sunrise in the Jackson Wash, Clayton Northeast and Aquarius properties and a 50% working interest in the Gemini and Neptune properties by making the following cash and share payments to Nevada Sunrise and incurring exploration expenditures as follows:

- (i) upon TSXV acceptance of the Nevada Sunrise Agreement (the “Effective Date”) a cash payment of \$500,000 (the “Cash Payment”);
- (ii) issuing common shares of the Company (the “Consideration Shares”) equal to 4.9% of the issued and outstanding common shares of the Company, such percentage to be calculated on the day following the completion of the next equity financing by the Company totalling not less than \$2,000,000 (the “Issuance Date”). The Consideration Shares shall be issued to Nevada Sunrise on the Issuance Date;
- (iii) within 24 months of the Effective Date, completing minimum exploration expenditures of \$1,500,000 on the Optioned properties (the “Initial Expenditures”), such Initial Expenditures to include claim maintenance fees for all of the Optioned Properties; and
- (iv) making all underlying tenure holding costs.

Subject to the above being completed the Company will have earned a 51% interest in each of the Jackson Wash, Clayton Northeast and Aquarius properties and a 50% working interest in each of the Gemini and Neptune properties. Thereafter, the Company will have the option to either form a joint venture with Nevada Sunrise in respect of the Optioned Properties, or to proceed with the Second Option.

Second Option Consideration

If the Company has exercised the Initial Option, the Company will have the right to increase its interest in the Jackson Wash, Clayton Northeast and Aquarius projects to a 70% interest, by completing, within 48 months of the Effective Date, exploration expenditures totalling \$3,000,000 (which includes the Initial Expenditures). Thereafter, the parties will form a joint venture with the Company holding a 70% interest in the Jackson Wash, Clayton Northeast and Aquarius properties and a 50% interest in the Gemini and Neptune properties, for the purposes of the further development of the Optioned Properties.

Gemini Property Option

A definitive agreement will provide that the parties will agree to make the expenditures required to be made by Nevada Sunrise in order for Nevada Sunrise to maintain its interest in a joint venture over the Gemini property (the “Gemini Joint Venture”) with Eureka Resources Inc. (“Eureka”), with any such expenditures being deemed to be Initial Expenditures. Provided that the Company has made sufficient expenditures to maintain Nevada Sunrise’s interest in the Gemini Joint Venture, upon exercise of the Initial Option by the Company, Nevada

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FOR THE NINE MONTHS ENDED APRIL 30, 2017
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5. Exploration and Evaluation Assets (continued)

Sunrise will assign to the Company Nevada Sunrise's interest in the Gemini Joint Venture in consideration for a 2% gross overriding royalty ("GOR") in the same form as that provided by Nevada Sunrise to the underlying vendor in the Neptune property agreement.

Neptune Property Option

The Company's option to earn up to a 50% interest in the Neptune property is subject to:

- (i) Resolve Ventures Inc. ("Resolve") waiving its right to earn a further 25% interest in the Neptune property;
- (ii) Nevada Sunrise, Resolve and the Company entering into an amending agreement to the Neptune agreement on terms acceptable to all three parties;
- (iii) the Company incurring, over a period of three years, exploration expenditures of \$700,000 on the Neptune property; and
- (iv) the Company exercising the Initial Option.

Expenditures made by the Company on the Neptune property will be included as part of the calculation of total expenditures required to be made to earn its interests in the Optioned Properties.

Following the expenditure of \$700,000 by the Company, a joint venture would form between the Company (50%), Nevada Sunrise (25%) and Resolve (25%).

Aquarius Property Royalty

Upon formation of a joint venture over the Aquarius property (the "Aquarius Joint Venture"), Nevada Sunrise will be granted a 3% GOR on the Aquarius property.

Exploration Expenditures

Excess exploration expenditures incurred in any one period shall be credited to expenditures requirements in the following period. The expenditures may be accelerated at any time at the sole option of the Company and its interests acquired earlier. During the period that the Company is incurring exploration expenditures:

- (i) the Company shall be the operator on the Optioned Properties and shall have the right to determine budgets and exploration programs for the purposes of completing exploration expenditures; and
- (ii) Nevada Sunrise shall be the manager of all exploration programs and will be entitled to charge a fee of 10% on all exploration expenditures.

Water Rights

Nevada Sunrise granted to the Company the option (the "Water Permit Option") to acquire a 100% interest in the Water Permit, exercisable for a period of 120 days after the later of the date that the Company exercises the Initial Option, and the date that the Nevada State Engineer approves the application to transfer the Place of Use and Point of Diversion of the Water Permit to the Aquarius property.

In order to maintain the Water Permit Option, the Company shall:

- (i) make all Water Permit cash payments required to be made after the date of the Nevada Sunrise Agreement and until the exercise of the Water Permit Option;
- (ii) pay all legal and other costs associated with the application to transfer the Place of Use and Point of Diversion of the Water Permit; and
- (iii) pay all legal and other costs required to maintain the Water Permit.

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5. Exploration and Evaluation Assets (continued)

In order to exercise the Water Permit Option, the Company shall pay to Nevada Sunrise an amount equal to the sum of:

- (i) the Water Permit cash payments made by Nevada Sunrise prior to the grant of the Water Permit Option;
- (ii) the value of the Water Permit share payments made by Nevada Sunrise before the exercise of the Water Permit Option (which shall be established by multiplying the number of Nevada Sunrise shares issued by the 20-day volume weighted average price immediately prior to the date such Water Permit share payments were made);
- (iii) the legal and other costs incurred by Nevada Sunrise to acquire and make the application to transfer the location of the Water Permit; and
- (iv) US \$200,000, payable in cash or a calculated value in shares, at the Company's option (the "Water Permit Option Payment").

After exercise of the Water Permit Option, the Company shall be solely responsible for making all remaining Water Permit cash payments and Water Permit share payments.

Underlying Payments

In order to maintain the agreement in good standing, the Company will assume responsibility for all government and contractual maintenance costs and payments required to maintain the Optioned Properties and underlying agreements in good standing, including making the underlying payments as required by the underlying agreements.

Other than the cash payments required for the Water Permit Option, there are no underlying cash payments required to maintain the Optioned Properties. In respect of the Water Permit the following cash payments will be required:

<u>Due Date</u>	US \$
December 21, 2016	150,000
December 21, 2017	175,000
December 21, 2018	200,000
December 21, 2019	300,000
December 21, 2020	<u>350,000</u>
	<u>1,175,000</u>

On November 30, 2016 the Company was advised that the Nevada State Engineer issued a ruling of forfeiture against the Water Permit. The Company has determined not to make any payments or share issuances under the Water Permit Option at this time. Nevada Sunrise is appealing the ruling and the Company has the right to maintain the Water Permit Option, but will have no obligation to make any payments to maintain the Water Permit Option pending the decision of the courts.

In order to maintain all underlying agreements Nevada Sunrise will have to issue the following number of shares:

<u>Year Ended</u>	Number of Nevada Sunrise Shares
July 31, 2017	250,000
July 31, 2018	1,300,000
July 31, 2019	350,000
July 31, 2020	400,000
July 31, 2021	<u>500,000</u>
	<u>2,800,000</u>

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5. Exploration and Evaluation Assets (continued)

Under the terms of the Nevada Sunrise Agreement the Company will issue its common shares in lieu of Nevada Sunrise shares. The number of shares the Company must issue will be calculated at the time of each share issuance based on a formula utilizing the 20 day volume weighted average prices of the Company and Nevada Sunrise.

On August 29, 2016 the Company received all corporate and regulatory approvals to complete the transaction under the Nevada Sunrise Agreement, to which the Company has:

- (i) made the Cash Payment of \$500,000 and issued 2,071,447 common shares of the Company, at a fair value of \$1,139,296, as the Consideration Shares;
- (ii) issued 182,680 common shares of the Company, at a fair value of \$100,474, and paid \$45,670 cash as a finder's fee; and
- (iii) issued 239,970 common shares of the Company, at a fair value of \$234,223 in lieu of 600,000 Nevada Sunrise shares pursuant to the Underlying Payments Obligation, The Company also paid finder's fees of \$11,559.

As at April 30, 2017 the Company has met all of the requirements and obligations required under the Initial Option Consideration and earned a 51% interest in each of the Jackson Wash, Clayton Northeast and Aquarius properties.

(b) *Argentina*

Cauchari Project and Argentine Properties

On March 28, 2017 the Company completed the Acquisition, as described in Note 4, and acquired an initial 50% interest in the Cauchari Project and a 100% interest in the Argentine Properties. The Company may increase its interest in the Cauchari Project by a further 25% by spending US \$5,000,000 in exploration or completing a feasibility study.

Orocobre retains a 1% royalty on the Cauchari Project and Argentine Properties, and has a right of first refusal on brine production (and may enter into an offtake agreement in respect of such production).

Stella Marys Project

On September 8, 2016 the Company entered into a letter of intent (the "Santa Rita LOI") with Minera Santa Rita S.R.L. ("Minera Santa Rita") over the Stella Marys Project, located in Salta Province, Argentina. On October 28, 2016 the Company and Minera Santa Rita signed a definitive agreement (the "Santa Rita Option") under which the Company can acquire a 100% interest in the Stella Marys Project by making total cash payments of US \$1,250,000 and issuance of a total of 1,500,000 common shares of the Company on or before September 20, 2017. As at April 30, 2017 the Company has made cash payments totalling US \$600,000 and issued 600,000 common shares at a fair value of \$498,000.

The Company has agreed to pay a finder's fee, calculated at a maximum of up to approximately \$176,500, the actual amounts payable only upon cash payments and share issuances made. As at April 30, 2017 the Company has paid \$64,858.

On June 2, 2017 the Company completed an assignment of the Santa Rita Option to LSC Lithium Corporation ("LSC") and the Company received cash payments totalling \$930,593 for reimbursement of all option payments and related costs previously paid by the Company in connection with the Santa Rita Option. In addition the Company also received 256,520 common shares of LSC, at a fair value of \$325,780, and a royalty on the brine concentrate produced from the 85,000 hectares now held by LSC in the Salinas Grandes Salar, Argentina. Accordingly, during the nine months ended April 30, 2017 the Company recorded an impairment of \$103,000 to reflect the difference between the total proceeds received and the carrying amount of the Stella Marys Project. LSC will make all further cash and finder's fee payments and reimburse the Company in LSC common shares for any further common share issuances made by the Company.

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5. Exploration and Evaluation Assets (continued)

(c) ***Mexico***

On September 12, 2016 the Company entered a letter of intent (the "Radius LOI") with Radius Gold Inc. ("Radius") pursuant to which the Company was granted an option to acquire up to 100% interests in each of three projects, known as the Santa Maria Project, Union Project and Viesca Project (collectively the "Radius Projects") located in Chihuahua and Coahuila States, Mexico.

In order to exercise its option to acquire an initial 55% interest in the Radius Projects (the "First Option"), the Company was required to issue a total of 750,000 common shares of the Company and incur \$1,500,000 in exploration expenditures over a three year period. Upon exercise of the First Option the Company could elect to either form a joint venture with Radius or receive an option (the "Second Option") to acquire a further 15% interest in one or more of the Radius Projects. In order to exercise the Second Option the Company was required to complete a NI 43-101 compliant preliminary feasibility study within two years of the election date. After the exercise of the Second Option on any of the Radius Projects the Company had 60 days to purchase the remaining 30% interest in the project(s) at a price based on an independent valuation. The Company has paid \$75,000 and issued 250,000 common shares, at a fair value of \$260,000, under the Radius LOI. On April 11, 2017 the Company terminated the Radius LOI and, accordingly, recorded an impairment of \$384,451.

6. Share Capital

(a) ***Authorized Share Capital***

The Company's authorized share capital consists of an unlimited number of common shares without par value and unlimited preferred shares without par value. All issued common shares are fully paid.

(b) ***Equity Financings***

Nine Months Ended April 30, 2017

During the nine months ended April 30, 2017 the Company completed the following private placements:

- (i) 16,100,000 common shares, at \$0.25 per share, for gross proceeds of \$4,025,000. As at July 31, 2016 the Company had received \$1,264,500 on account of the private placement and incurred \$10,750 share issue costs. The Company paid finders' fees totalling \$279,040 and issued 1,082,560 finders' warrants associated with the private placement. Each finders' warrant entitles the holder to purchase one common share of the Company, at a price of \$0.25 per share, expiring August 19, 2018. The fair value of the finders' warrants has been estimated to be \$497,978 using the Black-Scholes option pricing model. The assumptions used were: risk-free interest rate of 0.55%, estimated volatility of 120%; expected life of two years; expected dividend yield of 0%; and estimated forfeiture rate of 0%.

Directors and officers of the Company and close family members purchased 536,000 common shares for \$134,000. The Company incurred \$33,344 for filing and other costs associated with this private placement.

- (ii) 8,456,900 units of the Company, at \$0.60 per unit, for gross proceeds of \$5,074,140. Each unit comprised one common share and one-half of one share purchase warrant, with each whole warrant entitling the holder to purchase an additional common share of the Company, at a price of \$0.75 per share, expiring October 29, 2018. The Company paid finders' fees totalling \$200,598 and issued 334,330 finders' warrants associated with the private placement. Each finders' warrant entitles the holder to purchase one common share of the Company, at a price of \$0.60 per share, expiring October 20, 2016. The fair value of the finders' warrants has been estimated to be \$217,315 using the Black-Scholes option pricing model. The assumptions used were: risk-free interest rate of 0.56%, estimated

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6. Share Capital (continued)

volatility of 120%; expected life of two years; expected dividend yield of 0%; and estimated forfeiture rate of 0%.

Directors and officers of the Company and close family members purchased 389,000 units for \$233,400. The Company incurred \$25,696 for legal, filing and other costs associated with this private placement.

- (iii) on February 17, 2017 the Company completed a private placement offering of 26,667,000 transferable subscription receipts ("Subscription Receipts") at a price of \$0.75 per Subscription Receipt (the "Offering Price") to raise aggregate proceeds of \$20,000,250 (the "Offering"). The Offering was led by Eight Capital and Canaccord Genuity Corp. (together the "Agents").

Each Subscription Receipt entitles the holder to receive one unit of the Company without payment of additional consideration or further action. Each unit comprises a share and half a warrant (the "Unit"), each whole warrant ("Warrant") exercisable for one additional share for 24 months after closing at \$1.00 a share. In the event that the closing sale price of the Company's common shares on the TSXV is greater than \$1.50 per share for a period of 20 consecutive trading days at any time after the Subscription Receipts are exchanged for Units, the Company may accelerate the expiry date of the Warrants by issuing a press release and in such case the Warrants will expire on the 30th day after the date on which such press release is issued.

The Agents were paid Agents' fees totalling \$1,043,065 and also issued 1,131,896 compensation warrants (the "Agents' Compensation Warrants"). The Agents' Compensation Warrants entitle the Agents to subscribe for Units, exercisable at a price of \$0.75 per Unit for a period of 24 months following the closing of the Offering. Other finders (the "Finders") were paid finders' fees totalling \$154,185. The Finders were also issued 352,422 compensation warrants (the Finders' Compensation Warrants). The Finder's Compensation Warrants have the same terms as the Agents' Compensation Warrants. The fair values of the Agents' Compensation Warrants and the Finders' Compensation Warrants, using the Black-Scholes option pricing model, have been estimated to be \$206,571 and \$64,317 respectively. The assumptions used were: risk-free interest rate of 0.74%, estimated volatility of 88%; expected life of two years; expected dividend yield of 0%; and estimated forfeiture rate of 0%.

On March 17, 2017 the Company filed its final prospectus qualifying the Units and was issued the Final Receipt. On March 27, 2017 the Company completed the exchange of the Subscription Receipts into Units.

Directors and officers of the Company and close family members purchased 803,668 units for \$602,751.

The Company incurred \$418,412 for legal, filing and other costs associated with this private placement.

Fiscal 2016

The Company did not conduct any equity financings during fiscal 2016.

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6. Share Capital (continued)

(c) *Compensation Warrants*

A summary of the Company's compensation warrants at April 30, 2017 and 2016 and the changes for the nine months ended on those dates is presented below:

	2017		2016	
	Number of Options Outstanding	Weighted Average Exercise Price \$	Number of Options Outstanding	Weighted Average Exercise Price \$
Balance beginning of period	-	-	-	-
Issued:				
- Agents' Compensation Warrants	1,131,896	0.75		
- Finders' Compensation Warrants	<u>352,422</u>	0.75	<u>-</u>	-
Balance end of period	<u>1,484,318</u>	0.75	<u>-</u>	-

As at April 30, 2017 there were 1,484,318 compensation warrants outstanding and exercisable at an exercise price of \$0.75, expiring March 28, 2019. See also Note 6(b)(i).

(d) *Warrants*

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at April 30, 2017 and 2016 and the changes for the nine months ended on those dates, is as follows:

	2017		2016	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of period	-	-	-	-
Issued	21,978,838	0.91	-	-
Exercised	<u>(382,984)</u>	0.25	<u>-</u>	-
Balance, end of period	<u>21,595,854</u>	0.92	<u>-</u>	-

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at April 30, 2017:

Number	Exercise Price \$	Expiry Date
699,576	0.25	August 19, 2018
4,228,450	0.75	October 20, 2018
334,330	0.60	October 20, 2018
<u>16,333,498</u>	1.00	March 28, 2019
<u>21,595,854</u>		

(e) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years.

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6. Share Capital (continued)

During the nine months ended April 30, 2017 the Company granted share options to purchase 3,825,000 (2016 - 760,000) common shares and recorded compensation expense of \$2,481,500 (2016 - \$56,154).

The fair value of share options granted and vested is estimated using the Black-Scholes option pricing model using the following assumptions:

	<u>2017</u>	<u>2016</u>
Risk-free interest rate	0.50% - 0.88%	0.41% - 0.73%
Estimated volatility	88% - 120%	64% - 100%
Expected life	3 years	5 years
Expected dividend yield	0%	0%
Estimated forfeiture rate	0%	0%

The weighted average grant date fair value of all share options granted during the nine months ended April 30, 2017 was \$0.65 (2016 - \$0.16) per share option.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide a reliable measure of the fair value of the Company's share options.

A summary of the Company's share options at April 30, 2017 and 2016 and the changes for the nine months ended on those dates, is as follows:

	<u>2017</u>		<u>2016</u>	
	Number of Options Outstanding	Weighted Average Exercise Price \$	Number of Options Outstanding	Weighted Average Exercise Price \$
Balance, beginning of period	2,228,500	0.36	967,500	0.27
Granted	3,825,000	0.87	760,000	0.20
Exercised	(1,077,500)	0.26	-	-
Expired	-	-	(133,333)	0.20
Forfeited	-	-	(266,667)	0.20
Balance, end of period	<u>4,976,000</u>	0.78	<u>1,327,500</u>	0.25

The following table summarizes information about the share options outstanding and exercisable at April 30, 2017:

Number	Exercise Price \$	Expiry Date
200,000	0.27	June 8, 2018
951,000	0.50	July 7, 2019
200,000	0.71	August 9, 2019
1,950,000	0.90	September 16, 2019
75,000	1.02	September 20, 2019
700,000	0.82	September 20, 2019
100,000	0.90	October 27, 2019
600,000	0.90	January 19, 2020
<u>200,000</u>	0.80	February 7, 2020
<u>4,976,000</u>		

See also Note 11.

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6. Share Capital (continued)

(f) *Escrow Shares*

On July 16, 2007 the Company and certain of its shareholders entered into an escrow agreement (the “CPC Escrow Agreement”). As at April 30, 2017, 57,496 common shares remained held in escrow under the CPC Escrow Agreement.

On August 12, 2016 the Company and certain of its shareholders entered into an escrow agreement (the “Value Security Escrow Agreement”) under which 3,651,000 common shares of the Company were placed in escrow. As at April 30, 2017, 1,825,500 common shares remained held in escrow under the Value Security Escrow Agreement.

7. Related Party Disclosures

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company’s current and former Board of Directors and its executive officers.

(a) During the nine months ended April 30, 2017 and 2016 the following compensation was incurred:

	2017 \$	2016 \$
Professional fees and salaries	889,481	-
Share-based compensation	<u>824,500</u>	<u>19,113</u>
	<u>1,713,981</u>	<u>19,113</u>

During the nine months ended April 30, 2017 the Company allocated the \$889,481 professional fees and salaries based on the nature of the services provided: expensed \$826,986 to directors and officers compensation; \$28,245 to general exploration costs; and capitalized \$44,937 to exploration and evaluation assets. As at April 30, 2017, \$73,166 (July 31, 2016 - \$20,000) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) During the nine months ended April 30, 2017, the Company incurred \$75,300 (2016 - \$18,800) for accounting and administration services provided by a private company owned by the Company’s CFO. As at April 30, 2017, \$9,100 (July 31, 2016 - \$16,500) remained unpaid and has been included in accounts payable and accrued liabilities.

During the nine months ended April 30, 2017 the Company also recorded \$31,500 (2016 - \$4,247) for share-based compensation for share options granted to the private company.

(c) See also Notes 4 and 6(b).

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8. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: fair value through profit or loss (“FVTPL”); held-to-maturity investments; loans and receivables; available-for-sale; and other liabilities. The carrying values of the Company’s financial instruments are classified into the following categories:

Financial Instrument	Category	April 30, 2017 \$	July 31, 2016 \$
Cash	FVTPL	19,465,350	1,976,132
Amounts receivable	Loans and receivables	142,918	-
Accounts payable and accrued liabilities	Other liabilities	(578,331)	(122,406)

The Company’s financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for cash, amounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The Company’s fair value of cash under the fair value hierarchy are measured using Level 1 inputs.

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company’s credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company’s financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

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8. Financial Instruments and Risk Management (continued)

	Contractual Maturity Analysis at April 30, 2017				
	Less than 3 Months \$	3 - 12 Months \$	1 - 5 Years \$	Over 5 Years \$	Total \$
Cash	19,465,350	-	-	-	19,465,350
Amounts receivable	6,995	135,923	-	-	142,918
Accounts payable and accrued liabilities	(578,331)	-	-	-	(578,331)

	Contractual Maturity Analysis at July 31, 2016				
	Less than 3 Months \$	3 - 12 Months \$	1 - 5 Years \$	Over 5 Years \$	Total \$
Cash	1,976,132	-	-	-	1,976,132
Accounts payable and accrued liabilities	(122,406)	-	-	-	(122,406)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company's functional currency is the Canadian Dollar and major transactions are transacted in Canadian Dollars, US Dollars and Argentine Pesos. The Company maintains Argentine Peso bank accounts in Argentina and US Dollar bank accounts in Canada to support the cash needs of its foreign operations. Management believes the foreign exchange risk related to currency conversions is minimal and therefore does not hedge its foreign exchange risk. At April 30, 2017, 1 Canadian Dollar was equal to 0.73 US Dollar and 11.28 Argentine Pesos.

Balances are as follows:

	Argentine Pesos	US Dollars	CDN \$ Equivalent
Cash	527,021	3,531	51,559
Amounts receivable	29,158	-	2,585
Accounts payable and accrued liabilities	<u>(1,396,466)</u>	<u>(102,259)</u>	<u>(263,881)</u>
	<u>(840,287)</u>	<u>(98,728)</u>	<u>(209,737)</u>

Based on the net exposures as of April 30, 2017 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the US Dollar and Argentine Peso would result in the Company's comprehensive loss being approximately \$20,000 higher (or lower).

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8. Financial Instruments and Risk Management (continued)

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital, cash and cash equivalents and short-term investments. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

9. Supplemental Cash Flow Information

During the nine months ended April 30, 2017 and 2016 non-cash activities were conducted by the Company as follows:

	2017 \$	2016 \$
Operating activity		
Accounts payable and accrued liabilities	120,637	-
Investing activity		
Exploration and evaluation assets	(36,865,630)	-
Financing activities		
Issuance of share capital	37,736,463	-
Share issue costs	(986,180)	-
Share subscriptions received	(1,264,500)	-
Share-based payments reserve	1,259,210	-
	<u>36,744,993</u>	<u>-</u>

10. Segmented Information

The Company operates in one reportable segment, the exploration and development of unproven exploration and evaluation assets. The Company's exploration and evaluation assets are located in USA, Argentina and Mexico and its corporate assets, comprising mainly of cash, are located in Canada. The Company is in the exploration stage and has no reportable segment revenues or operating results.

The Company's total assets are segmented geographically as follows:

	As at April 30, 2017			
	Canada \$	USA \$	Argentina \$	Total \$
Current assets	19,912,527	4,202	49,305	19,966,034
Exploration and evaluation assets	-	3,999,735	36,514,901	40,514,636
	<u>19,912,527</u>	<u>4,003,937</u>	<u>36,564,206</u>	<u>60,480,670</u>

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10. Segmented Information (continued)

	<u>As at July 31, 2016</u>		
	<u>Canada</u> \$	<u>USA</u> \$	<u>Total</u> \$
Current assets	1,988,935	-	1,988,935
Exploration and evaluation assets	-	100,000	100,000
Deferred share issue costs	<u>10,750</u>	<u>-</u>	<u>10,750</u>
	<u>1,999,685</u>	<u>100,000</u>	<u>2,099,685</u>

11. Events after the Reporting Period

Subsequent to April 30, 2017:

- (i) the Company issued 300,000 common shares for proceeds of \$125,000 on the exercise of share options;
- (ii) the Company granted options to purchase 3,750,000 common shares of the Company at an exercise price of \$0.50 per share expiring three years from the date of grant;
- (iii) the Company repriced share options previously granted to purchase 1,050,000 common shares, from original exercise prices ranging from \$0.82 to \$1.02 per share to a revised exercise price of \$0.50 per share; and
- (iv) share options to purchase 1,265,000 common shares of the Company, at exercise prices ranging from \$0.50 to \$0.90, expired without exercise.

See also Note 5(b).