



ASSESSMENT REPORT TITLE PAGE AND SUMMARY

TITLE OF REPORT: 2016 Trenching Report On The BC Sugar Property

TOTAL COST: \$7,390.47

AUTHOR(S): Tom Lewis
SIGNATURE(S):

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): MX-4-691
STATEMENT OF WORK EVENT NUMBER(S)/DATE(S): 5615038 Aug 19, 2016

YEAR OF WORK: 2015
PROPERTY NAME: BC Sugar
CLAIM NAME(S) (on which work was done): 1037844

COMMODITIES SOUGHT: Graphite

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: 082LSE056

MINING DIVISION: Vernon
NTS / BCGS: 82L/07, 08, 10 & 082L/47, 48, 57
LATITUDE: 50° 28' 56"
LONGITUDE: 118° 35' 31" (at centre of work)
UTM Zone: 11 EASTING: 381160 NORTHING: 5593890

OWNER(S): TOM LEWIS

MAILING ADDRESS: PO Box 2053, Richland Washington 99352

OPERATOR(S) [who paid for the work]: LITHIUM CORPORATION

MAILING ADDRESS: 1031 Railroad St., Elko, Nv 89801

REPORT KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude. **Do not use abbreviations or codes**)
Quesnellia, Gneiss, Proterozoic to Paleozoic, Eocene Ladybird Intrusives & dykes, widespread disseminated flake graphite mineralization, with local possible hydrothermal vein graphite Shushwap Metamorphic Assemblage

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS:
Assessment Reports 16,777, 20,471, 22,690, 30,422, 35,056, 35,661

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (in metric units)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping	85 Meters	1037844	3000
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for ...)			
Soil			
Silt			
Rock			
Other			
DRILLING (total metres, number of holes, size, storage location)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling / Assaying	23	1038744	2000
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale/area)			
PREPATORY / PHYSICAL			
Line/grid (km)			
Topo/Photogrammetric (scale, area)			
Legal Surveys (scale, area)			
Road, local access (km)/trail			
Trench (number/metres)	85 meters	1037844	3125.15
Underground development (metres)			
Other			
		TOTAL COST	\$8125.15

**TRENCHING REPORT
ON THE BC SUGAR PROPERTY
Vernon Mining Division, B.C.
082L047, 048 & 057
UTM ZONE 11 - 381160E 5593890N,**

For

**LITHIUM CORPORATION
1031 Railroad St., Suite 102B
Elko, Nv 89801
USA**

by

**TOM LEWIS, BSc.,
Consulting Geologist**

OCTOBER 2016

TABLE OF CONTENTS

SUMMARY	1
INTRODUCTION.....	2
LOCATION	2
ACCESS	3
PHYSIOGRAPHY	3
PROPERTY.....	5
HISTORY	7
REGIONAL GEOLOGY	8
PROPERTY GEOLOGY AND MINERALIZATION.....	8
WORK PROGRAM	10
DISCUSSION	11
CONCLUSIONS.....	13
RECOMMENDATIONS	13
REFERENCES.....	15
STATEMENT OF QUALIFICATIONS	16

APPENDICES:	A.	SAMPLE DESCRIPTIONS
	B.	ASSAYS

LIST OF FIGURES

Figure:		Page
1	PROPERTY LOCATION MAP	4
2	CLAIM MAP	6
3	REGIONAL GEOLOGY	9
4	PROPERTY GEOLOGY	12
5	WEATHER STATION TRENCH	End

LIST OF TABLES

Table:		Page
I	MINERAL CLAIMS	5
II	PROJECTED COSTS OF PROPOSED EXPLORATION	14
III	PROJECT COSTS	14

SUMMARY

The BC Sugar claim is situated approximately 37 kilometers northeast of the town of Lumby in the Province of British Columbia. This claim is predominately underlain by metamorphic rocks of the Shuswap Metamorphic Complex, and to a lesser extent by Eocene Ladybird intrusives. Previous to the work performed by Lithium Corporation in the area in the past few years there has been some sporadic work locally in the search for massive sulphide mineralization.

Originally the company held a large swath of claims covering various graphite showings that extended almost from Mabel to Sugar lake, however lately the company has primarily focused on areas of loose friable graphite mineralized material, which has led to trenching at the "Weather Station" showing that was found in 2013. Sampling here has indicated that coarse flake graphite mineralization exists over a considerable stratigraphic width, but the sporadic nature of outcrop due to differential erosion made it difficult to get a handle on exactly how well mineralized the zone truly was.

The trenching was commenced in friable biotite quartz graphitic gneiss, and extended for 85 meters, terminating in similar material. There was an approximately 12 meter section of the trench of sand, and fluvial till in a stream bed where the excavator could not reach the graphitic material that is believed to possibly exist at depths greater than 5 meters due to constant caving. Also there was a 4 meter section at depths from 4.8 to 5 meters where graphite mineralization could be seen at depth, where sampling had to be done higher up in the trench after back filling due to safety reasons.

Sampling encountered 69 meters that averaged 1.997% graphitic carbon that remains open to the north, and to the south. Within that interval there was a 30 meter section that averaged 2.73% graphitic carbon, and within that interval there was a 12 meter section that averaged 2.99% graphitic carbon. The best mineralization, and most friable material is proximal to an abandoned creek

channel, and it appears that proximity to this feature gave rise to the deep weathering profile encountered here.

The Fall 2015 trenching program determined that the zone of friable graphite mineralization is quite consistent, and extends further than anticipated, and that locally this weathering can extend to moderate depths. This report details the results of the work undertaken, and makes recommendations for a further work program of trenching.

INTRODUCTION

Following the discovery of flake graphite mineralization here in 2013, Lithium Corporation has explored the property on a seasonal basis for the past three years. Prospecting in the 2013 & 2014 field seasons has indicated that graphite hosting metasediments extend in an east - west oriented belt and stretch from Sugar Lake to the area of Mabel Lake, with the most enticing showings of highly weathered material seen to date being located in the more westerly portions of the belt. As the property is thought to possibly host discrete, hidden pockets of non-glaciated deeply weathered and friable graphite bearing gneiss similar to the deposit at Eagle Graphite's mine to the east of here in the Valhalla Mountains, a program of Ground Probing Radar/Gem-2 FDEM surveying was undertaken in May 2015 in the hopes of possibly identifying deposits of this nature. Ground conditions proved to be too wet for the GPR survey, however the Gem-2 survey outlined a number of shallow conductors of varying intensity and size. A modest conductor was noted to occur in the area of the Weather Station showing, where weathered graphitic quartz biotite gneiss, with occasional graphitic calc-silicate gneiss has been noted. The Fall 2015 trenching program was then conducted to evaluate the known mineralization here, and with an eye to determining if Gem-2 geophysical surveying is a valid tool for finding near surface graphite mineralization.

Location

The area of interest on the property is roughly centered at UTM coordinates 381160E 5593890N, and is approximately thirty six kilometers northeast of the town of Lumby B.C., in the Okanagan/Shushwap area of British Columbia (Figure 1). The property is located in the Monashee Range of the Selkirk Mountains, and is displayed on NTS map sheets 82L/07, 08 & 10, or Trim maps 082L047, 048, and 057.

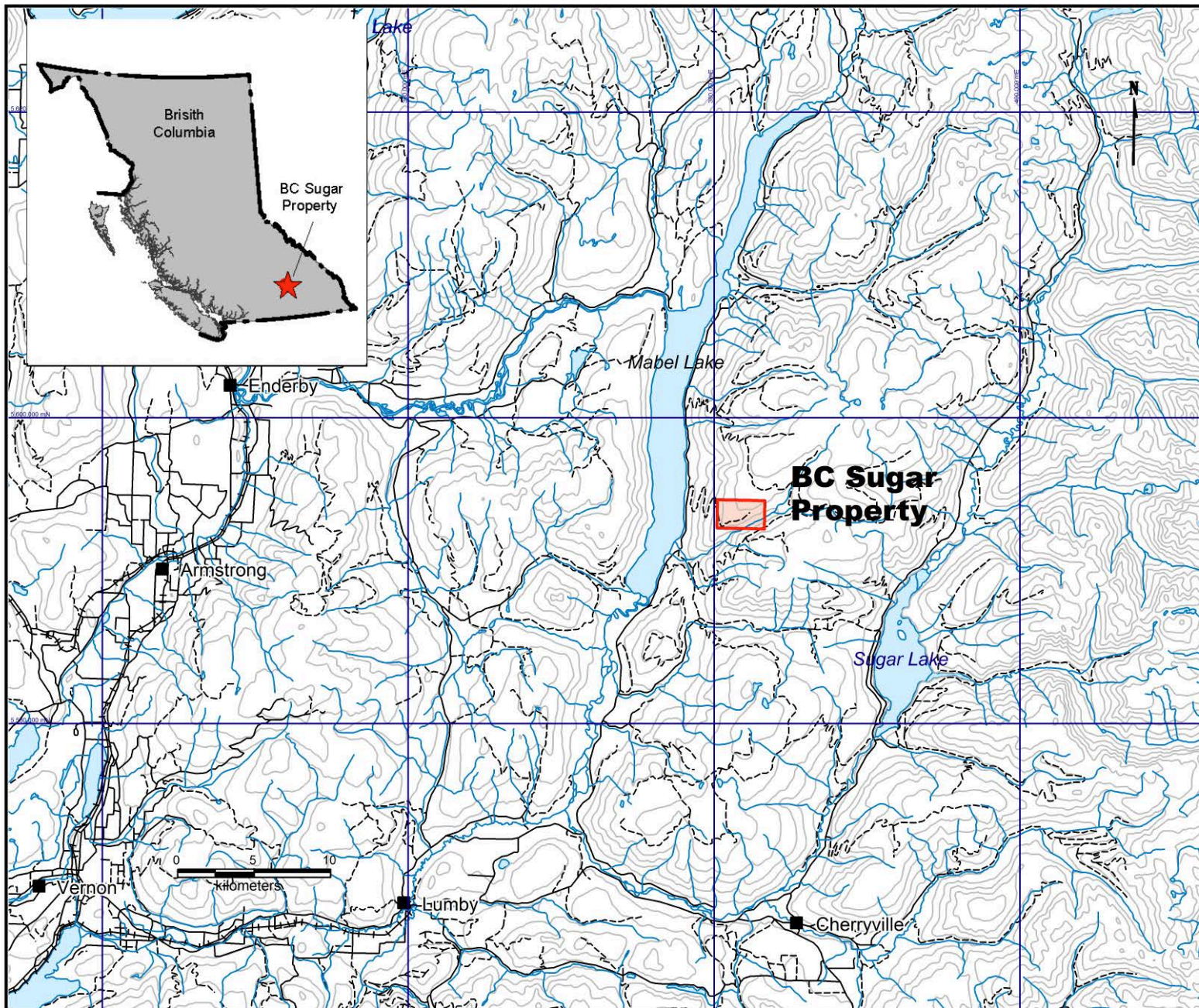
Access

To access the area of the “Weather Station” showing above Mabel Lake one travels north from the main intersection in Lumby on the Mabel Lake Road approximately 42 kilometers to the South Cascade forestry road, turning uphill and traveling 11.5 kilometers to the area of the 26km mark, where several trails lead into various areas on the claim block. Alternatively if one desires to visit the area of the Taylor Creek showing in the vicinity of the easterly portion of the claim after travelling 36 kilometers from Lumby the Taylor Creek Forestry Rd is taken, with the aforementioned area of the showing being in the order of 15kms up the road.

Physiography

The western slopes of the property are quite steep, however about 1000 meters above Mabel Lake (elevation ~ 400 m's A.S.L.) the topography breaks, and becomes plateau-like. The lowest point on the claim is in the Taylor Creek drainage at about 1200 m's elevation, and the highest point is in the northeastern corner of the claim on the broad gently southwesterly plunging ridge at about 1680 m's.

The forest cover in the claim area is predominantly coniferous with Cedar, Balsam, Lodgepole Pine, and Larch being the most prevalent species. Alder can be quite thick locally especially in drainages, or in older cleared areas.



UTM N83 Z11

Lithium Corporation
BC SUGAR PROPERTY
Figure 1
Location Map
October 2016 LithiumCorp-BCSugar_LocationMap-2016.wor

The climate of the area is typified as being moderate with warm summers and cool winters. The property is within the Wet Interior bioclimatic zone, where winter usually extends from November into mid April, and in some years a considerable amount of snow can accumulate during this period. The property has predominately southerly and westerly aspects. The majority of the property would typically be snow free from late May/early June until mid to late October, although this may vary depending on yearly conditions. The short summers can be somewhat rainy at times, although conditions during that season are normally quite conducive to performing field work.

PROPERTY

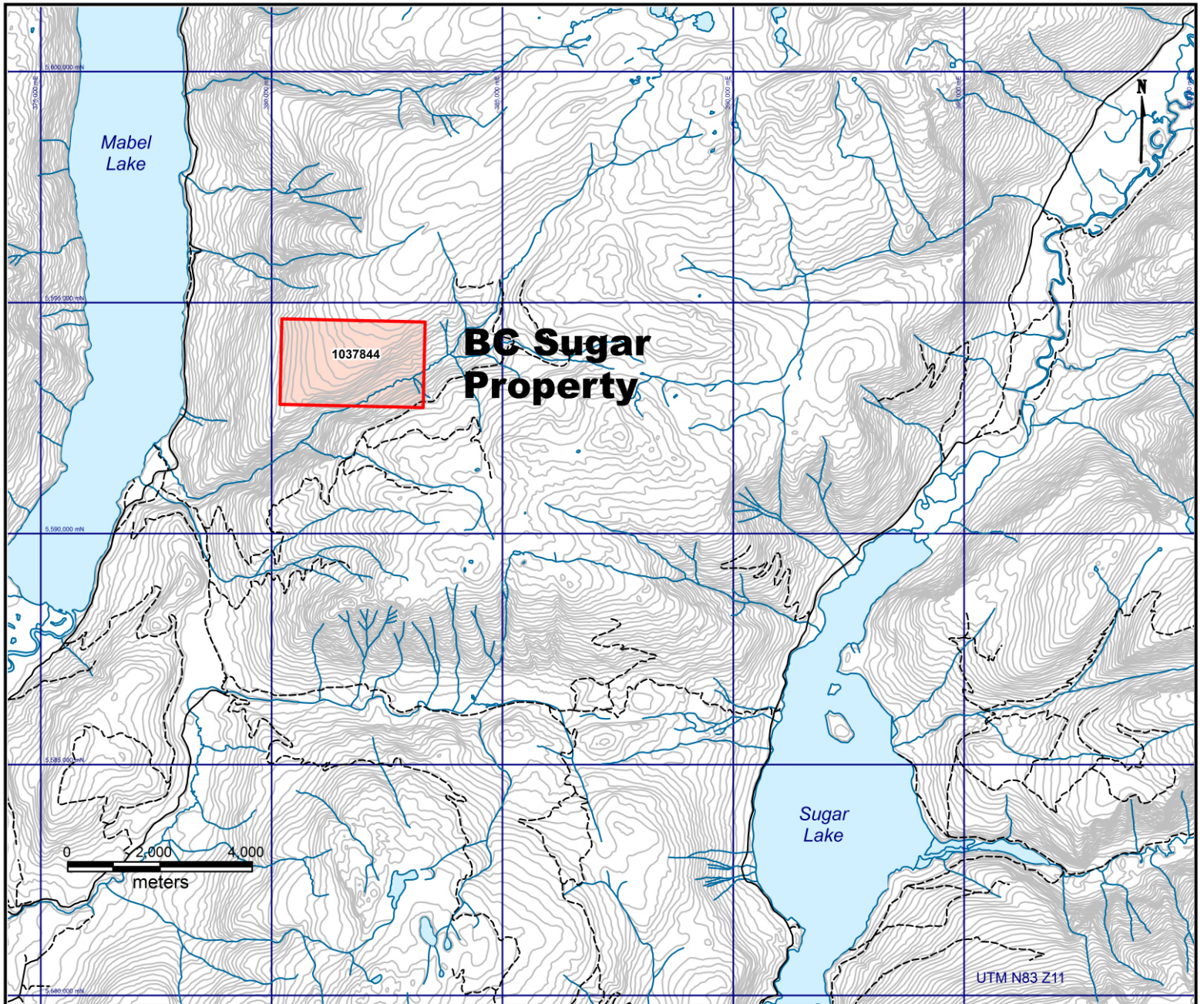
As shown in Figure 2, the property consists of 1 claim, covering 575.67 hectares. Tom Lewis is the owner of record of this claim, but holds Lithium Corporation's 100% interest in trust.

The claim is presently in good standing, and the pertinent data is provided in the Table below.

**TABLE I - MINERAL CLAIMS – BC SUGAR PROPERTY
VERNON MINING DIVISION, B.C.**

CLAIM	TENURE NO.	CLAIM TYPE	NUMBER OF HECTARES	GOOD TO DATE*
Heavy Weather	1037844	Mineral	575.67	2019 June 26

*Pending acceptance of this report for assessment credit.



Lithium Corporation
BC SUGAR PROPERTY
Figure 2
Claim Map
082L.047, 048
October 2016 LithiumCorp-BCSugar_ClaimMap-2016OCT-8x11.wor

HISTORY

While there has been little exploration work conducted in the area in the past, the preponderance of this work has been focused on polymetallic massive sulphides type mineralization. The history of the general area:

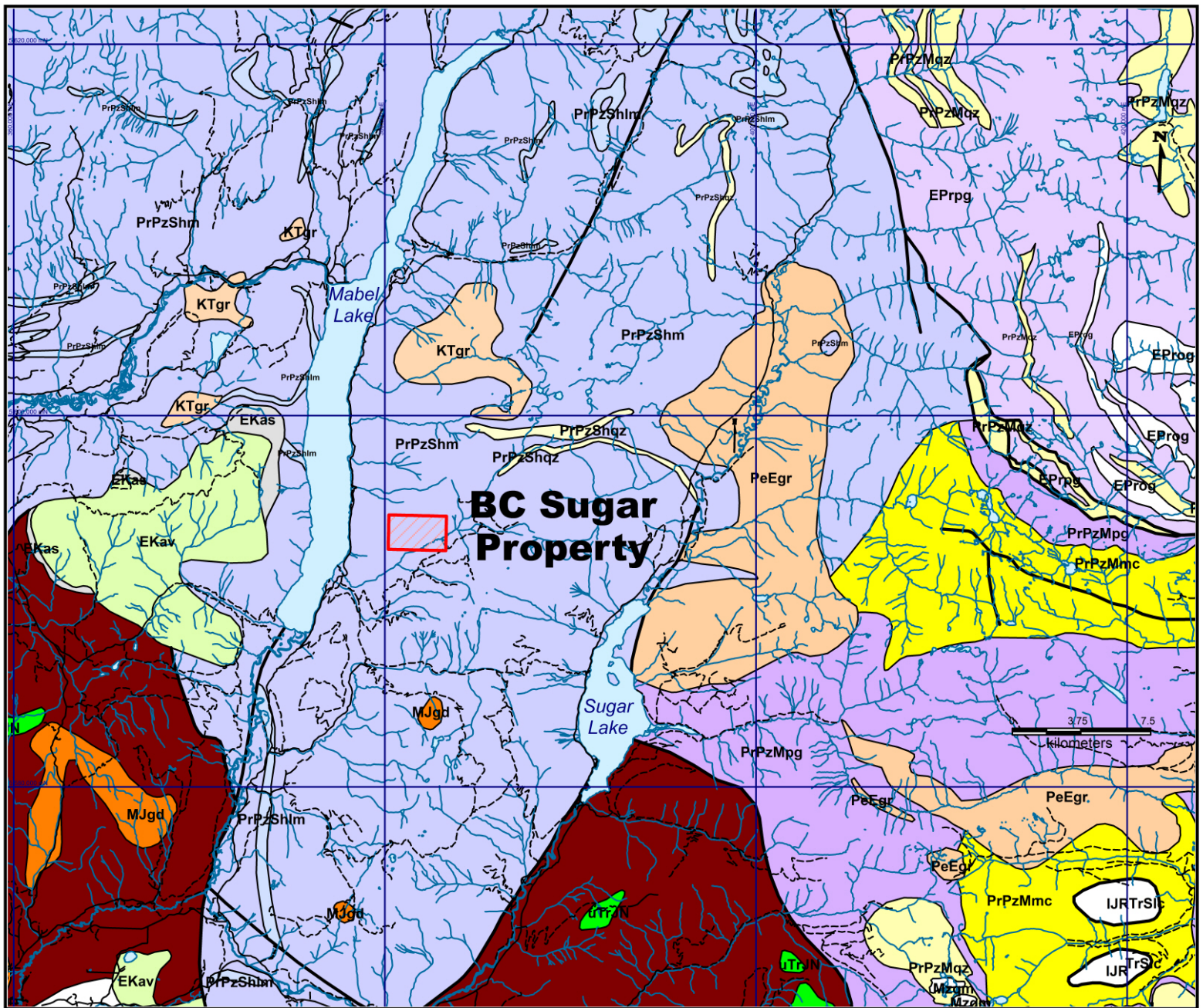
- 1960's Hrkac discovers massive sulphide mineralization (LAF showings) to the immediate northwest of Sugar Lake – to the east of Lithium Corp's present day claim block
- Early 70's Cu/Zn w/minor Au, Au, Ni, Co found at the Cuzin showing to the southeast of the present day claim block – has been intermittently explored by trenching/drilling, sampling etc., since this time.
- 1986 Gerle Gold explored the area of the LAF massive sulphide showing – outlined two pod type showings of pyrrhotite, chalcopyrite, sphalerite, with graphite and magnetite.
- 1990 Gerle Gold conducted a geophysical program consisting of Magnetometer & Genie HLEM surveys – no response noted over the known showings.
- 1991 & 1992 – Cominco conducted preliminary investigations in the Silver Hills area – including stream sediment sampling in the area of the present day claim block.
- 1992 – soil survey on the Dionne Cu/Zn showing in the LAF area
- 2008 – Ruks – geological and geochemical work on the massive sulphide showings in the area of Sugar Lake
- 2013 & 2014– following the discovery of flake graphite mineralization in boulders in the area of Sugar Lake Lithium Corporation did a deal on a small claim block in the area, eventually enlarging the claim position – stretching westerward almost to Mabel Lake, and conducting prospecting geochemical & geological work.
- 2015 GPR & Gem-2 FDEM surveys in the general area of the Weather Station, and Taylor Creek showings

REGIONAL GEOLOGY

The BC Sugar property is wholly situated within the Omineca Crystalline Belt (Figure 3). This belt along with the Foreland Thrust Belt to the east, the Intermontane Belt immediately to the west, the Coast and Insular belts further outboard make up the five distinct geological provinces which comprise the Canadian Cordillera. The Omineca Crystalline Belt is best typified as being an area of extensive tectonic uplift which is underlain by metamorphosed miogeoclinal rocks, with local rocks which were formed in island arc settings, and subsequently accreted to the margin of the ancestral North American Craton during the Jurassic era. The property lies within the pericratonic Kootenay terrane, in the area of the Shuswap Metamorphic Complex.

PROPERTY GEOLOGY AND MINERALIZATION

The BC Sugar property has not been mapped in detail, however prospecting/geological work to date verifies the mapping done by Thompson in 2006, which indicates that the property is underlain by Proterozoic to Paleozoic higher grade metasedimentary rocks that are in local contact with Eocene Ladybird batholithic rocks, as well as intruded by probable coeval dykes of similar felsic composition. The metamorphic rocks are typically gneissic, with occasional local schists, with flake graphite occurring predominately in quartz biotite +/- feldspar, foliated gneisses, or in calc-silicate gneisses, that locally may exhibit some skarn development. As noted earlier the graphite mineralization appears to occur in a belt that trends easterly through the property to the northwest edge of Sugar Lake.



BC Sugar Property

BC Government Bedrock Geology - Strat Unit

- PeEgr - Cenozoic - Unnamed granite, alkali feldspar granite intrusive rocks
- PrPzMpg - Proterozoic to Paleozo - Monashee Complex paragneiss metamorphic rocks
- PrPzMmc - Proterozoic to Paleozo - Monashee Complex calcisilicate metamorphic rocks
- PrPzMqz - Proterozoic to Paleozo - Monashee Complex quartzite, quartz arenite sedimentary rocks
- EPrpg - Proterozoic - Unnamed paragneiss metamorphic rocks
- PrPzShm - Proterozoic to Paleozo - Shuswap Assemblage limestone, marble, calcareous sedimentary rocks
- EKav - Cenozoic - Kamloops Group undivided volcanic rocks
- KTgr - Mesozoic to Cenozoic - Unnamed granite, alkali feldspar granite intrusive rocks
- PrPzShm - Proterozoic to Paleozoic - Shuswap Assemblage metamorphic rocks, undivided
- uTrJN - Mesozoic - Nicola Group undivided volcanic rocks
- uTrSlf - Mesozoic - Slopan Group mudstone, siltstone, shale fine clastic sedimentary rocks

- MJgd - Mesozoic - Unnamed granodioritic intrusive rocks
- uTrNsf - Mesozoic - Nicola Group mudstone, siltstone, shale fine clastic sedimentary rocks
- PrPzShqz - Proterozoic to Paleozo - Shuswap Assemblage quartzite, quartz arenite sedimentary rocks
- IPzMlgs - Paleozoic - Mount Ida Assemblage greenstone, greenschist metamorphic rocks
- EKas - Cenozoic - Kamloops Group undivided sedimentary rocks
- Fault

UTM N83 Z11

Lithium Corporation
BC SUGAR PROPERTY
Figure 3
Regional Geology
082L.047, 048
October 2016 LithiumCorp-BCSugar_RegGeol-2016.wor

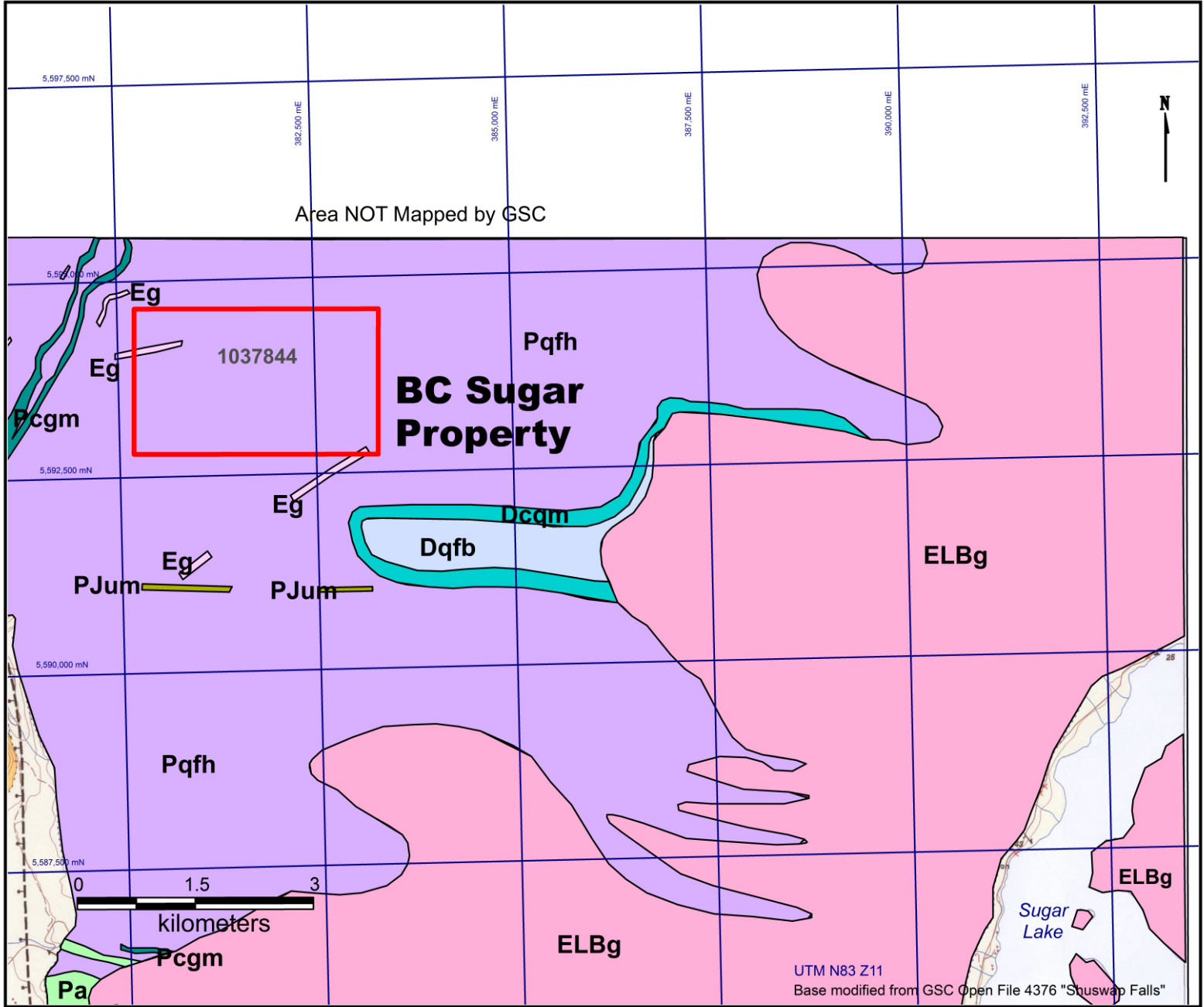
WORK PROGRAM

On Oct 02, 2015 a JD590 excavator was mobilized to the site from the contractor's (Scrap Pappy Recyclers) yard on the Mable Lake Rd., in the Lumby area, and trenching commenced shortly after unloading the excavator from the Low Boy trailer, and an approximate 1 km walk from the 26 km mark on the South Cascade Road. The trenching was initiated at UTM co-ordinates 0381243E 5594328N in blocky friable biotite quartz graphitic gneiss, and extended for 85 meters to the south along the eastern edge of an old logging road, terminating in similar material. To date only the loose material from the trench has been assayed, as it is most representative of the type of material which conceivably could be most easily processed in the future. In all 23 samples were taken over the 69 m's of exposed mineralization that could be safely sampled. Trench depths varied from 1.2 meters in areas of semi consolidated rock to 4.8 meters in areas of mainly decomposed material. There was an approximately 12 meter section of the trench of sand, and fluvial till in an abandoned stream channel where due to caving the excavator could not reach the graphitic material that is inferred to exist at depths greater than 5 meters. Also there was a 4 meter section at depths from 4.8 to 5 meters where graphite mineralization could be seen at depth, but it could only be sampled about 1 meter below the road bed after backfilling due to safety reasons.

In all continuous sampling encountered 69 meters that averaged 1.997% graphitic carbon that remains open to the north, and to the south. Within that interval there was a 30 meter section that averaged 2.73% graphitic carbon, and within that interval there was a 12 meter section that averaged 2.99% graphitic carbon. The best mineralization, and most friable material is proximal and on the north side of the aforementioned abandoned stream channel, and it appears that proximity to this feature gave rise to the deep weathering profile encountered here.

DISCUSSION

While the Weather Station showing has been known since 2013 little was known with regard to how extensive laterally or at depth the weathered graphite mineralization is. The trenching program determined that in the immediate area of the showing easily excavable weathered graphite mineralization that could be processed easily extends to depth some 5 meters below the surface of the road. While the tenor of the mineralization seen here is not outstanding, it does lead one to believe there could still be other nearby locales of similarly weathered, stronger grade graphite mineralization nearby. There does appear to be a discrete FDEM conductor coincident with the location of the Weather Station strengthening at frequencies above 690 Hz. It is uncertain if this is serendipitous or if it is related to the mineralization encountered here. There are a number of other discrete anomalies of this nature nearby which should be investigated. There is a broad & locally strong response in the area of the Taylor Creek showing that strengthens at frequencies above 690 Hz, and a similar anomalous area in the S Bend area between Taylor Creek & the Weather Station. During the course of the work done here some prospecting was done in the area of the S Bend, and no outcrop of any nature was seen. These areas need to be examined in more detail to determine the cause of these conductors.



Geology Legend

- Dcqm - Chase Formation
- Dqfb - Silver Creek Formation
- Eg - Porphyry Dykes
- ELBg - Ladybird Plutonic Suite
- Pa - Amphibolite
- Pcgm - Marble
- PJum - Goldstream Ultramafic Rocks
- Pqfh - Tsulus Schist

Lithium Corporation
BC SUGAR PROPERTY
Figure 4
Property Geology
082L.047, 048
October 2016 LithiumCorp-BCSugar_PropertyGeol-GSC-2016.wor

CONCLUSIONS

1. Weathered Graphite bearing gneisses do occur to varying depths in the area, with significantly deep weathering occurring at the previously discovered “Weather Station” showing, where weathering has been noted to +5 meters in depth (+8 meters considering the top of the road cut to the lowest point excavated)
2. This weathered material appears to be of better grade than the underlying bedrock due to a decrease in mass because of weathering, and is easily removed using an excavator.
3. Production of significant quantities (should that be proven up) of this material should be inexpensive, and beneficiation could also prove to be relatively cheap.
4. The trenching proved inconclusive determining if the FDEM conductor seen here is related to mineralization

RECOMMENDATIONS

Lithium Corporation’s permit should be amended to allow for trenching in the area of the “S” Bend anomaly on the South Cascade Forestry Road in an effort to resolve the origin of the conductor, and if it is a graphite related conductor, determine if it might be due to higher grades. The company should also conduct further studies on the quality of the flakes to determine their suitability/marketability for various applications.

TABLE II - PROJECTED COSTS OF PROPOSED EXPLORATION

Geologist - Mob/Demob to Lumby	2	days	\$600	\$1,200
Mapping/Sampling	6	days	\$600	\$3,600
Accomodation/Food	7	Days	\$140	\$980
Vehicle/Fuel				\$1,200
Field Gear etc.				\$500
Report Preparation				\$2,000
Excavator - Mob/Demob Lumby to field				\$1,000
Trenching/Backfilling	40	Hours	\$100	\$4,000
Sample Shipping				\$250
Assays	50	Samples	\$25	\$1,250
Drafting				\$230
Subtotal				\$16,210
Contingency (5%)				\$810
TOTAL COSTS				\$17,020

TABLE III - PROJECT COSTS

Geologist – Tom Lewis October 1st – 4th				
Mob/Demob Oosoyos to Lumby & Mapping/Sampling/Supervision	3.5	days	\$600	\$2,100.00
Field Gear, Groceries etc.				\$99.95
4 x 4 rental/mileage	1355	Kms	\$0.35	\$474.25
Vehicle/Fuel				\$210.44
Excavator - Mob/Demob, Trenching/Backfilling				\$2,369.58
Sample Shipping				\$45.00
Assays				\$475.93
Report Preparation				\$2,000.00
Drafting				\$350.00
Total				\$8,125.15

REFERENCES

- Augsten, B., 2014: *2013 Prospecting Report on the BC Sugar Property*, BC Geological Branch Assessment Report #35,056.
- Augsten, B., 2015: *2014 Prospecting Report on the BC Sugar Property*, BC Geological Branch Assessment Report #35,185
- Evans, G., 1992: *Geological, Geochemical and Geophysical Assessment Report on the Silver Property*, Geological Branch Assessment Report #22,690.
- Höy, T., 2001: *Sedex and BrokenHill-type deposits, northern Monashee Mountains, southern British Columbia*, in *Geological Fieldwork 2000*: B.C. Department of Mines and Petroleum Resources, Paper 2001- 1, p. 85-114.
- Hrkac, C.A., 1987: *Geological and Geochemical Report on the Sugar Lake Property, LAF and LAF III Claims*, BC Geological Branch Assessment Report #16,277.
- Hrkac, C.A., 1990: *Genie HLEM Report on the Sugar Lake Property, LAF IV Claim*, BC Geological Branch Assessment Report #20,471.
- Jones, A.G., 1959: *Vernon Map-Area, British Columbia, Geological Survey of Canada Memoir 296*. Canada Department of Mines and Technical Surveys
- Lewis, T.M., 2015: *Geophysical Report on the BC Sugar Mineral Claims*, BC Geological Branch Assessment Report #35,661.
- Monger, J.W.H., 1999: *Review of the Geology and Tectonics of the Canadian Cordillera*, Notes for a short course sponsored by the British Columbia Geological Survey Branch and the Geological Survey of Canada(Sydney), 24-25 February, 1999.
- Ruks, T.W., 2008: *2008 Assessment Report, Stonegate Property, Geological Mapping, Geochemical Sampling and Prospecting*, Vernon Mining Division, BC Assessment Report #30422.
- Simandl, G.J. and Kenan,W.M., 1997: *Crystalline Flake Graphite*, in *Geological Fieldwork 1997*, British Columbia Ministry of Employment and Investment, Paper 1998-1, pages 24P-1 to 24P-3.
- Thompson, R.I. and Glombick, P., 2005, *Geology, Shuswap Falls, British Columbia: Geological Survey of Canada Open File 4376, 1:50,000*.
- Thompson, R.I., Glombick, P., Erdmer, P., Heamon, L.M., Lemieux, Y. and Daughtry, K.L., 2006: *Evolution of the ancestral Pacific margin, southern Canadian Cordillera*: Geological Association of Canada, Special Paper, p. 433-482.

STATEMENT OF QUALIFICATIONS

I, Thomas M. Lewis of the City of Richland, in the State of Washington, hereby certify that:

1. I am a mineral exploration geologist engaged in all facets of mineral exploration, and geological consulting, with an office located at 1031 Railroad St., Ste 102B, Elko, Nevada 89801.
2. I am a graduate of Brandon University, Brandon Manitoba, with a BSc., with a major in Geology (1989).
3. I am a graduate of Mount Royal University, Calgary Alberta with a diploma in Petroleum & Mineral Land Management (1986), and of Fanshawe University, London Ontario, with a diploma in Social Sciences, and Humanities (1975).
4. I was previously a Fellow of the Geological Association of Canada, and a Professional Member of the Society for Mining, Metallurgy & Exploration.
5. I have worked in various capacities in the exploration field, both for hydrocarbons and mineral resources since 1975, and have been working primarily as a consulting mineral exploration geologist since graduation in 1989.
6. This report is based on actual observations I made during the course of my duties as a geological consultant while employed by Lithium Corporation, other Graphite companies in the 1990's and early 2000's, or from information obtained from the references cited.
7. This report is solely intended for use in support of Lithium Corporation's Assessment Report requirements on the BC Sugar Group of mineral Claims. Use for any other purpose is prohibited without the author's written permission.
8. I am the registered owner of the claims, and I do hold them in trust for Lithium Corporation.

Dated at Richland, Washington on this 27th day of October, 2016.

Thomas M. Lewis, BSc.
Consulting Geologist

APPENDIX A

SAMPLE DESCRIPTIONS

207151 0 – 3m, +1m abv road GQBGn – variably weathered – local slight carbonaceous – occasional thin peg/sweat – 1 to 2% diss fn grd graphite – NE trending qtz/carb filled shear @ 3m's

207152 3 – 6m, +1m – GQBGn – variably weathered, 1 to 2% diss fn grd graphite

207153 6 – 9m, +1m – GQBGn – fairly well indurated but locally weathered 1 to 2% diss fn grd graphite

207154 9 – 12m, +1m – as above

207155 12 – 15m, +1m – as above

207156 15 – 18m, +1m – as above

207157 18 – 21m, +1m – as above

207158 21 – 24m, +1m – as above

207159 24 – 27m, +1m – as above

207160 27 – 30m, +1m – as above

207161 30 – 33m, +1m – GQBGn – variably weathered with occasional lens of Graphitic Calc Silicate Gneiss

207162 33 – 36m, +1m – as above

207163 36 – 39m, +1m – as above – mineralization picks up >2% graphite

207164 39 – 42m, +1m – as above

207165 42 – 45m, +1m – as above

207166 45 – 48m, +1m – as above, although mineralization bit weaker – narrow amorphous graphite filled shear

207167 48 – 51m, +1m – as above

207168 51 – 54m, -1m – moderately friable GQBGn – mineralization as above

207169 54 – 57m, -1m - as above – increasingly friable – 2 to 3% graphite

207170 57 – 60m, -1m – as above very friable ~ 4% graphite

207171 60 – 63m, -1m – as above – 2 to 3% graphite

207172 63 – 66m, -1m – as above

207173 66 – 69m, - 1m – as above – decreasing friability last 1m or so.

APPENDIX B

ASSAYS



BUREAU VERITAS MINERAL LABORATORIES
Canada

www.bureauveritas.com/um

Bureau Veritas Commodities Canada Ltd.
9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Lithium Corporation**
1031 Railroad St., Ste 102B
Elko NV 89803 USA

Project: BCS
Report Date: February 03, 2016

Page: 2 of 2 Part: 1 of 1

CERTIFICATE OF ANALYSIS VAN16000178.1

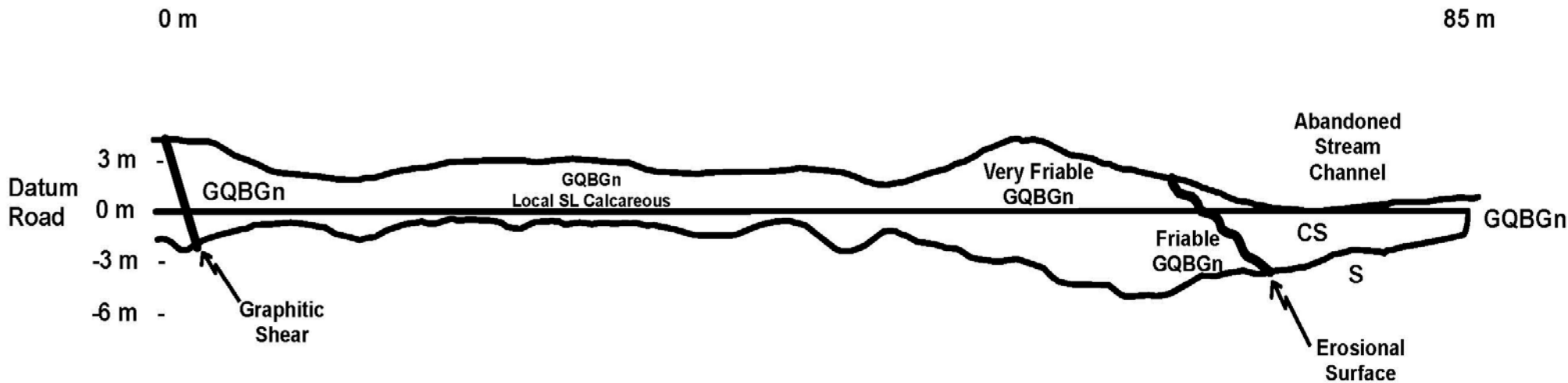
	Method Analyte Unit MDL	WGHT TC005	
		Wgt kg	C/GRA %
		0.01	0.02
207151	Rock	0.80	1.90
207152	Rock	0.52	1.98
207153	Rock	0.84	1.72
207154	Rock	0.87	1.22
207155	Rock	0.66	1.39
207156	Rock	0.68	1.59
207157	Rock	0.80	1.10
207158	Rock	1.05	1.32
207159	Rock	0.75	1.70
207160	Rock	0.82	1.31
207161	Rock	0.55	1.58
207162	Rock	0.67	1.80
207163	Rock	0.67	2.40
207164	Rock	0.53	2.84
207165	Rock	0.55	2.12
207166	Rock	0.55	1.94
207167	Rock	0.64	1.98
207168	Rock	0.65	1.86
207169	Rock	0.83	2.83
207170	Rock	0.88	3.55
207171	Rock	0.86	2.88
207172	Rock	0.85	2.75
207173	Rock	0.94	2.17

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.

QUALITY CONTROL REPORT VAN16000178.1

	Method Analyte Unit MDL	WGHT TC005	
		Wgt kg	C/GRA %
		0.01	0.02
Pulp Duplicates			
207163	Rock	0.67	2.40
REP 207163	QC		2.37
Reference Materials			
STD CSC	Standard		2.32
STD GGC-10	Standard		4.71
STD CSC Expected			2.47
STD GGC-10 Expected			4.79
BLK	Blank		<0.02
Prep Wash			
ROCK-VAN	Prep Blank		0.04
ROCK-VAN	Prep Blank		0.04

Dist. [m]	Sample ID	C [%]
0	207151	1.9
3	207152	1.96
6	207153	1.72
9	207514	1.22
12	207515	1.39
15	207516	1.59
18	207517	1.16
21	207518	1.32
24	207519	1.7
27	207160	1.31
30	207161	1.58
33	207162	1.8
36	207163	2.4
39	207164	2.84
42	207165	2.12
45	207166	1.94
48	207167	1.98
51	207168	1.86
54	207169	2.83
57	207170	3.55
60	207171	2.86
63	207172	2.75
66	207173	2.17
69	N.S.	
72	N.S.	
75	N.S.	
78	N.S.	
81	N.S.	
8485	N.S.	



GQBGn - Graphitic Quartz Biotite Gneiss
 CS - Cobble / Sand
 S - Sand

Lithium Corporation
BC SUGAR PROPERTY
Figure 5
Weather Station Trench
Looking East, Scale 1:300
October 2016 LithiumCorp-BCSugar_TrenchMap-2016Oct