

**FORM 51-102F6V**  
**LITHIUM CHILE INC. (the “Corporation”)**

**STATEMENT OF EXECUTIVE COMPENSATION**

The following information is dated as of November 29, 2021

For the purposes of this form, a “Named Executive Officer” (a “NEO”) means the following persons:

- a) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including any individual performing functions similar to CEO;
- b) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including any individual performing functions similar to CFO;
- c) in respect of the Corporation and its subsidiaries, the most highly compensated executive officer other than the CEO or CFO, whose compensation was more than \$150,000, as determined in accordance with subsection 1.3.(5), for that financial year;
- d) each individual who would be a NEO under c) above but for the fact that the individual was neither an executive officer of the Corporation nor acting in a similar capacity.

During the year ended December 31, 2020, the Corporation had 4 NEO’s:

- i) Steve Cochrane, CEO
- ii) Robert Gillies, CEO who resigned February 3, 2020
- iii) Terry Walker, VP Exploration
- iv) Jana Lillies, who was appointed CFO following the resignation of Mr. Gillies

The following table sets forth a summary of compensation paid to or earned by the NEOs and directors during the financial years ended December 31, 2020 and 2019.

| Name and Principal Position                                   | Year Ended<br>Dec. 31 | Salary or<br>Consulting fees<br>(\$) | Meeting or<br>committee fees (\$) | Value of<br>Perquisites<br>(\$) | All Other<br>Compensation (\$) | Total Compensation<br>(\$) |
|---|-----------------------|--------------------------------------|-----------------------------------|---------------------------------|--------------------------------|----------------------------|
| Steve Cochrane<br><i>Chief Executive Officer and Director</i> | 2020                  | 180,000                              | Nil                               | Nil                             | Nil                            | 180,000                    |
|   | 2019                  | 175,000                              | Nil                               | Nil                             | Nil                            | 175,000                    |
| Robert Gillies<br><i>Chief Financial Officer</i>              | 2020                  | Nil                                  | Nil                               | Nil                             | Nil                            | Nil                        |
|   | 2019                  | 48,000                               | Nil                               | Nil                             | Nil                            | 48,000                     |
| Terry Walker<br><i>VP Exploration, Director</i>               | 2020                  | 111,103                              | Nil                               | Nil                             | Nil                            | 111,103                    |
|   | 2019                  | 186,807 <sup>(1)</sup>               | Nil                               | Nil                             | Nil                            | 186,807                    |

| <b>Name and Principal Position</b>      | <b>Year Ended<br/>Dec. 31</b> | <b>Salary or<br/>Consulting fees<br/>(\$)</b> | <b>Meeting or<br/>committee fees (\$)</b> | <b>Value of<br/>Perquisites<br/>(\$)</b> | <b>All Other<br/>Compensation (\$)</b> | <b>Total Compensation<br/>(\$)</b> |
|---|-------------------------------|---|---|--|--|------------------------------------|
| Jana Lillies<br>Chief Financial Officer | 2020                          | 28,950 <sup>(2)</sup>                         | Nil                                       | Nil                                      | Nil                                    | 29,950                             |
| Ken DeWyn<br>Director                   | 2020                          | Nil   | Nil                                       | Nil                                      | Nil                                    | Nil                                |
|   | 2019                          | Nil   | \$15,000                                  | Nil                                      | Nil                                    | \$15,000                           |
| Al Kroontje<br>Director                 | 2020                          | Nil   | Nil                                       | Nil                                      | Nil                                    | Nil                                |
|   | 2019                          | Nil   | Nil                                       | Nil                                      | Nil                                    | Nil                                |
| Ken Booth<br>Director                   | 2020                          | Nil   | Nil                                       | Nil                                      | Nil                                    | Nil                                |
|   | 2019                          | Nil   | \$15,000                                  | Nil                                      | Nil                                    | \$15,000                           |
| Jose de Castro Alem<br>Director         | 2020                          | Nil   | Nil                                       | Nil                                      | Nil                                    | Nil                                |
|   | 2019                          | Nil   | Nil                                       | Nil                                      | Nil                                    | Nil                                |
| Andrew Bowering<br>Director             | 2020                          | Nil   | Nil                                       | Nil                                      | Nil                                    | Nil                                |
|   | 2019                          | Nil   | \$15,000 <sup>(3)</sup>                   | Nil                                      | Nil                                    | \$15,000                           |
| Kelly Kimbley<br>Director               | 2020                          | Nil   | Nil                                       | Nil                                      | Nil                                    | Nil                                |

**Notes:**

- (1) Consulting fees paid to a company controlled by Mr. Walker, for his services as VP exploration
- (2) Consulting fees paid to a company controlled by Ms. Lillies, for her services as CFO
- (3) Meeting fees paid to a company controlled by Mr. Bowering.

## Incentive Plan Awards

### Outstanding Share-based Awards and Option-Based Awards

No share-based or option-based awards were granted to the NEOs or directors during the financial year ended December 31, 2020.

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| Name  | Type of Compensation | Number of securities underlying securities and % of class (#) | Date of grant | Exercise price (\$) | Closing price of security or underlying security at date of grant (#) | Closing price of security or underlying security at year end (\$) | Option expiration date |
|---|----------------------|---|---------------|---------------------|---|---|------------------------|
| Steve Cochrane<br><i>Chief Executive Officer and Director</i> | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |
| Robert Gillies<br><i>Chief Financial Officer</i>              | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |
| Terry Walker<br><i>VP Exploration, Director</i>               | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |
| Jana Lillies<br><i>Chief Financial Officer</i>                | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |
| Ken DeWyn<br><i>Director</i>                                  | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |
| Al Kroontje<br><i>Director</i>                                | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |
| Ken Booth<br><i>Director</i>                                  | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |
| Jose de Castro Alem<br><i>Director</i>                        | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |
| Andrew Bowering<br><i>Director</i>                            | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |
| Kelly Kimbley<br><i>Director</i>                              | N/A                  | Nil   | N/A           | N/A                 | N/A   | N/A   | N/A                    |

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**Exercise of compensation securities during the Year**

No compensation securities were exercised during the financial year ended December 31, 2020 by Named Executive Officers or directors.

| <b>Name</b>                               | <b>Type of compensation security (\$)</b> | <b># of underlying securities exercised (#)</b> | <b>Exercise price per security (\$)</b> | <b>Date of exercise</b> | <b>Closing price per security on date of exercise (\$)</b> | <b>Difference between exercise price and closing price on date of exercise (\$)</b> | <b>Total value of exercise date (\$)</b> |
|---|---|---|---|-------------------------|--|---|--|
| Steve Cochrane<br><i>CEO and Director</i> | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |
| Robert Gillies<br><i>CFO (2)</i>          | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |
| Terry Walker<br><i>VP Ex, Director</i>    | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |
| Jana Lillies<br><i>CFO</i>                | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |
| Ken DeWyn<br><i>Director</i>              | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |
| Al Kroontje<br><i>Director</i>            | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |
| Ken Booth<br><i>Director</i>              | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |
| Jose de Castro<br><i>Alem Director</i>    | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |
| Andrew Bowering<br><i>Director</i>        | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |
| Kelly Kimbley<br><i>Director</i>          | Nil                                       | N/A   | N/A                                     | N/A                     | N/A  | N/A   | N/A                                      |

The Corporation has no other long term incentive plan other than its stock option plan (the "Option Plan").

Following is a brief description of the Option Plan:

The Plan provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non-transferable options ("**Options**") to purchase Common Shares. The purpose of the Plan is to provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract to and retain in the employ of the Corporation, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

The number of Common Shares reserved for issuance under the Plan may not exceed ten percent (10%) of the issued and outstanding Common Shares from time to time. The period during which Options granted under the Plan are exercisable may not exceed ten years from the date such Options are granted. In addition, the number of Common Shares reserved for issuance to any one person may not exceed five percent (5%) of the issued and outstanding Common Shares, and the number of Common Shares reserved for issuance to consultants or employees conducting Investor Relations Activities (as such term is defined by the Exchange) may not exceed 2% of the issued and outstanding Common Shares in any twelve (12) month period.

Pursuant to the Plan, the Board determines the price per Common Share and the number of Common Shares which may be allotted to each director, officer, employee and consultant and all other terms and conditions of the Options, subject to the rules of the Exchange. The price per Common Share set by the Board may not be less than the last closing price of the Common Shares on the Exchange prior to the date on which such Options are granted, less the applicable discount permitted (if any) by the Exchange.

If a holder of Options ceases to be a director, officer, employee or consultant of the Corporation for any reason other than death, such holder may, but only within the later of: (i) 12 months after the completion of the Corporation's qualifying transaction; and (ii) a minimum of thirty (30) days and a maximum of three hundred and sixty five days (365) days after the holder's ceasing to be a director, officer, employee or consultant (as determined by management, or 30 days in the case of a holder engaged in Investor Relations Activities), or prior to the expiry date of the Options, whichever is earlier, exercise any Options held by the holder, but only to the extent that the holder was entitled to exercise the Options at the date of such cessation. In the event of the death of a holder of Options, the options previously granted to such holder will be exercisable within one (1) year following the date of the death of the holder or prior to the expiry date of the Options, whichever is earlier, but only to the extent that the holder was entitled to exercise the Options at the date of such holder's death.

## **COMPENSATION DISCUSSION AND ANALYSIS**

### ***Compensation Governance***

It is the responsibility of the Board as a whole to make decisions regarding executive compensation matters. The Corporation's compensation program is intended to support its commitment to delivering strong performance for Shareholders. The Corporation's overall objective of its compensation philosophy will be the attraction, motivation and retention of quality, experienced people to achieve the Corporation's strategic objectives and to align the interests of its executive officers and employees with the long-term interest of the Shareholders.

Currently the executive compensation is comprised of the following components: (i) base salary, (ii) bonus and (iii) incentive stock options. Together, these components are designed to address the key objectives of the Corporation's compensation program. There are no formal performance metrics or criteria related to either salary or performance bonuses. The Compensation Committee reviews and makes recommendations to the Board for salaries and any performance bonuses on an annual basis.

### ***Compensation Objectives and Philosophy***

The Board believes that the Corporation should provide a compensation package that will be competitive and motivating, that will attract, hold and inspire qualified executives, that will encourage performance by executives to enhance the growth and development of the Corporation and that will balance the interests of the executives and the Shareholders. Achievement of these objectives is expected to contribute to an increase in Shareholder value.

## **Components of Compensation**

The Corporation provides its executive officers with both fixed compensation, comprised of base salary, and performance-based variable incentive compensation, comprised of short-term incentives in the form of annual cash bonuses and long-term incentives in the form of Options under the Plan.

### *Base Salaries*

Base salary will be designed to provide income certainty and to attract and retain executives, and therefore will be based on the assessment of a number of factors such as current competitive market conditions, compensation levels within the peer group and factors particular to the executive, including individual performance, the scope of the executive's role with the Corporation and retention considerations.

### *Short-Term Incentive Compensation - Bonuses*

In addition to base salary, the Corporation may award executives with short term incentive awards in the form of annual cash bonuses. Annual cash bonuses are intended to provide short-term incentives to executives and to reward them for their yearly individual contribution and performance of personal objectives in the context of overall annual corporate performance. It is expected that the amount will not be pre-established and will be at the discretion of the Board. While it is expected there will be no target amount for annual cash bonuses, the Board will review similar factors as those discussed above in relation to base salary.

### *Long-Term Incentive Compensation - Options*

Long-term incentive compensation will be provided through the granting of Options under the Plan. Equity incentive awards will be designed to motivate executives, directors and employees to achieve long-term sustainable business results, align their interest with those of Shareholders and to attract and retain executives. Awards will be based on a variety of factors, such as the need to attract or retain key individuals, competitive market conditions and internal equity. Previous grants will be taken into account when considering new grants.

### *Compensation Policies and Risk Management*

The Board recognizes that certain elements of compensation could promote unintended inappropriate or excessive risk-taking behaviours; however, the Corporation will seek to ensure that executive compensation packages appropriately balance short-term incentives, in the form of base salaries, and long-term incentives, in the form of option-based awards. As a result of the factors discussed above, the Board does not believe that its compensation policies and practices will be reasonably likely to have a material adverse effect on the Corporation.

### *Employment, Consulting and Management Agreements*

Management functions of the Corporation are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Corporation and not, to any substantial degree, by any other person with whom the Corporation has contracted. Management functions of the Corporation are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Corporation and not, to any substantial degree, by any other person with whom the Corporation has contracted. Other than the Chief Executive Officer no officer or director has an employment or consulting contract. The Chief Executive Officer's employment contract is reviewed annually and includes standard non-competition and non-solicitation clauses. Pursuant to such contract the Chief Executive Officer is also entitled to 1 year's severance upon termination without cause.

## **Pension Plan Benefits**

The Corporation does not have a pension plan that provides for payments or benefits at, following, or in connection with retirement. The Corporation does not have a defined contribution plan or deferred compensation plans.

**Termination and Change of Control Benefits**

Other than disclosed herein, the Corporation is not a party to any contract, agreement, plan or arrangement that provides for payments to a current Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation, its subsidiaries or affiliates or a change in a Named Executive Officer's responsibilities.

**Directors Compensation**

Cash compensation is no longer paid to directors of the Corporation in their roles as directors or for meeting fees. Stock options are granted to provide an incentive to the directors of the Corporation to achieve the longer-term objectives of the Corporation. The purpose of the Plan is to, among other things, to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation. At this time, other than the issuance of Options, no other compensation is paid to directors of the Corporation in their roles as directors.