

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

FORM 10-K

(Mark One)

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

For the fiscal year ended **December 31, 2016**

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

For the transition period from [] to []

Commission file number **000-54332**

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

2016

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

For the transition period from [] to []

Commission file number **000-54332**

Nevada
(State or other jurisdiction of incorporation or organization)

98-0530295
(I.R.S. Employer Identification No.)

1031 Railroad St, Suite 102B., Elko, Nevada
(Address of principal executive offices)

89801
(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class
N/A

Name of Each Exchange On Which Registered
N/A

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, \$0.001 par value
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act Yes No

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-K (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes No

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

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company

The aggregate market value of Common Stock held by non-affiliates of the Registrant on June 30, 2016, the last business day of the registrant's most recently completed second fiscal quarter, was \$4,473,861 based on a \$0.08825 average bid and asked price of such common equity.

Indicate the number of shares outstanding of each of the registrant's classes of common stock as of the latest practicable date.

84,965,312 common shares as of April 10, 2017.

DOCUMENTS INCORPORATED BY REFERENCE

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PART I

Item 1. Business

This annual report contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled “Risk Factors” that may cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

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

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

As used in this current report and unless otherwise indicated, the terms “we”, “us” and “our” mean Lithium Corporation, unless otherwise indicated.

General Overview

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

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

Also effective September 30, 2009, we changed our name from “Utalk Communications, Inc.” to “Lithium Corporation”, by way of a merger with our wholly owned subsidiary Lithium Corporation, which was formed solely for the change of name. The name change and forward stock split became effective with the Over-the-Counter Bulletin Board at the opening for trading on October 1, 2009 under the stock symbol “LTUM”. Our CUSIP number is 536804 107.

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

In June 2013, we purchased a claim in the Cherryville, BC area for 250,000 shares of our common stock. The claim area is known as the BC Sugar Property, and since this time we expanded the claim block considerably, and then have allowed a number of the less prospective claims to lapse. The company’s holdings here are currently 1422 acres (575.67 hectares). In January, 2014, we agreed to buy back the shares issued pursuant to the June agreement for \$2,500.

Effective April 23, 2014, we entered into an operating agreement with All American Resources, L.L.C and TY & Sons Investments Inc. with respect to Summa, LLC, a Nevada limited liability company incorporated on December 12, 2013, wherein we hold a 25% membership. Our company’s capital contribution to Summa, LLC was

\$125,000, of which \$100,000 was in cash and the balance in services. To date we have contributed an additional \$16,700 to Summa, LLC.

On February 20, 2015, our company signed a letter of intent with Kingsmere Mining Ltd., which is the preliminary step whereby Kingsmere, or their appointee, may choose to buy or option our company's lithium brine properties in Nevada. The letter allowed for a due diligence and election period until April 1, 2015 with closing by April 15, 2015. The terms of the letter of intent with Kingsmere were subsequently extended to May 31, 2015. Our company and Kingsmere were not able to reach an agreement and a press release notifying the public was issued on June 23, 2015.

On February 16, 2017 we issued a news release announcing that we had signed a letter of intent with Nevada Sunrise Gold Corp. with respect to our Salt Wells lithium in brine prospect located in Churchill County Nevada.

Under the terms of the agreement NEV (TSX-V - NEV, OTC - NVSGF) may earn a 100% interest in the Property subject to a 2% Net Smelter Royalty (NSR) by making staged payments of cash and shares over the next two years. The terms are;

\$10,000 non-refundable deposit on signing the LOI
\$15,000 & issue 400,000 common shares of NEV on the later of TSX-V approval or the signing of a formal definitive agreement
\$50,000 & 500,000 shares - 1st anniversary
\$75,000 & 600,000 shares - 2nd anniversary

NEV will pay all claim and other property related fees during the earn-in phase of the agreement, and will also retain the right to purchase one half (1%) of the NSR at any time up until the third anniversary of the signing of the formal agreement for \$1,000,000.

We conducted exploration on the Property that culminated in a multiple phase - shallow direct push drilling program in 2011. Results from that program were inconclusive, and with the then looming substantial increase of Federal claim fees, it was decided to put the Property in abeyance and concentrate our efforts elsewhere. The Company is looking forward to assisting Nevada Sunrise Gold Corp. in developing this prospect in any way that we can, and look forward to a continuing association with them.

On March 2, 2017 we issued a news release announcing that we had signed a letter of intent with Bormal Resources Inc. with respect to three Tantalum-Niobium properties (Michael, Yeehaw, and Three Valley Gap) located in British Columbia, Canada.

The Michael property in the Trail Creek Mining Division was originally staked to cover one of the most compelling tantalum (Ta) in stream sediment anomalies as seen in the government RGS database in British Columbia. Bormal conducted a stream sediment sampling program in 2014, and determined that the tantalum-niobium in stream

sediment anomaly here is bona fide, and in the order of 6 kilometers in length. In November of 2016 Lithium Corporation conducted a short soil geochemistry orientation program on the property as part of its due diligence, and determined that there are elevated levels of Niobium-Tantalum in soils here.

The third property – Three Valley Gap, is in the Revelstoke Mining Division and is situated in a locale where several Nb-Ta enriched carbonatites have been noted to occur. A brief field program by Bormal in 2015 located one of these carbonatites, and concurrent soil sampling determined that the soils here are enriched with Nb-Ta over the known carbonatite, and indicated that there are other geochemical anomalies locally that may indicate that more carbonatites exist here and are shallowly buried.

Effective May 3, 2016, our company entered in to an Exploration Earn-In Agreement with 1067323 B.C. Ltd. with respect to our San Emidio property. The terms of the formal agreement are; payment of \$100,000, issuance of 300,000 common shares of 1067323 B.C. Ltd., or of the publicly traded company anticipated to result from a Going Public Transaction, and work performed on the property by the Optionee in the amount of \$600,000 over the next three years to earn an 80% interest in the property. 1067323 then has a subsequent Earn-In option to purchase Lithium Corporation's remaining 20% working interest within three years of earning the 80% by paying our company a further \$1,000,000, at that point our company would retain a 2.5% Net Smelter Royalty, half of which may be purchased by 1067323 for an additional \$1,000,000. Should the Purchaser elect not to exercise the Subsequent Earn-In, a joint venture will be established. The first tranche of cash and shares have been issued.

On May 13, 2016 our wholly owned subsidiary sold 100% of the interest in the North Big Smoky Property through a Property Acquisition Agreement with the private company 1069934 Nevada Ltd. ("Purchaser"). Consideration paid to Lithium Royalty Corp. consisted of \$10,000.00, reimbursement of staking and filing fees, 300,000 shares in the "Purchaser Parent", 1069934 B.C. Ltd., Lithium Royalty Corp. retained a 2.5% Net Smelter Royalty ("Vendor NSR") on the North Big Smoky Property and the Purchaser has the right to purchase up to one-half (50%) of the Vendor NSR for \$1,000,000 to reduce the Vendor NSR to 1.25%.

Competition

The mining industry is intensely competitive. We compete with numerous individuals and companies, including many major mining companies, which have substantially greater technical, financial and operational resources and staffs. Accordingly, there is a high degree of competition for access to funds. There are other competitors that have operations in the area and the presence of these competitors could adversely affect our ability to compete for financing and obtain the service providers, staff or equipment necessary for the exploration and exploitation of our properties.

Mining operations and exploration activities are subject to various national, state, provincial and local laws and regulations in United States and Canada, as well as other jurisdictions, which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters.

All of our properties are in the exploration stage. There is no assurance that we can establish the existence of any mineral resource on any of our properties in commercially exploitable quantities. Until we can do so, we cannot earn any revenues from operations and if we do not do so we will lose all of the funds that we expend on exploration. If we do not discover any mineral resource in a commercially exploitable quantity, our business could fail.

A mineral reserve is defined by the Securities and Exchange Commission in its Industry Guide 7 (which can be viewed over the Internet at <http://www.sec.gov/about/forms/industryguides.pdf>) as that part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination. The probability of an individual prospect ever having a “reserve” that meets the requirements of the Securities and Exchange Commission’s Industry Guide 7 is extremely remote; in all probability our mineral resource property does not contain any “reserve” and any funds that we spend on exploration will probably be lost.

The commercial viability of an established mineral deposit will depend on a number of factors including, by way of example, the size, grade and other attributes of the mineral deposit, the proximity of the resource to infrastructure such as a smelter, roads and a point for shipping, government regulation and market prices. Most of these factors will be beyond our control, and any of them could increase costs and make extraction of any identified mineral resource unprofitable.

We expect to derive revenues, if any, either from the sale of our mineral resource properties or from the extraction and sale of lithium and/or associated byproducts. The price of those commodities has fluctuated widely in recent years, and is affected by numerous factors beyond our control, including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of base and precious metals, and therefore the economic viability of any of our exploration properties and projects, cannot accurately be predicted.

The mining industry is highly competitive and there is no assurance that we will continue to be successful in acquiring mineral claims. If we cannot continue to acquire properties to explore for mineral resources, we may be required to reduce or cease operations.

The mineral exploration, development, and production industry is largely un-integrated. We compete with other exploration companies looking for mineral resource properties. While we compete with other exploration companies in the effort to locate and acquire mineral resource properties, we will not compete with them for the removal or sales of mineral products from our properties if we should eventually discover the presence of them in quantities sufficient to make production economically feasible. Readily available markets exist worldwide for the sale of mineral products. Therefore, we will likely be able to sell any mineral products that we identify and produce.

In identifying and acquiring mineral resource properties, we compete with many companies possessing greater financial resources and technical facilities. This competition could adversely affect our ability to acquire suitable prospects for exploration in the future. Accordingly, there can be no assurance that we will acquire any interest in additional mineral resource properties that might yield reserves or result in commercial mining operations.

Risks Related to our Company

The fact that we have not earned any operating revenues since our incorporation raises substantial doubt about our ability to continue to explore our mineral properties as a going concern.

We have not generated any revenue from operations since our incorporation and we anticipate that we will continue to incur operating expenses without revenues unless and until we are able to identify a mineral resource in a commercially exploitable quantity on one or more of our mineral properties and we build and operate a mine. We had cash in the amount of \$281,630 as of December 31, 2016. At December 31, 2016, we had working capital deficit of \$69,952. We incurred a net loss of \$499,405 for the year ended December 31, 2016. We estimate our average monthly operating expenses to be approximately \$35,000, including property costs, management services and administrative costs. Should the results of our planned exploration require us to increase our current operating budget, we may have to raise additional funds to meet our currently budgeted operating

Our common stock is quoted on the OTC Bulletin Board service of the Financial Industry Regulatory Authority (“FINRA”). Trading in stock quoted on the OTC Bulletin Board is often thin and characterized by wide fluctuations in trading prices, due to many factors that may have little to do with our operations or business prospects. This volatility could depress the market price of our common stock for reasons unrelated to operating performance. Moreover, the OTC Bulletin Board is not a stock exchange, and trading of securities on the OTC Bulletin Board is often more sporadic than the trading of securities listed on a quotation system like NASDAQ or a stock exchange like Amex. Accordingly, shareholders may have difficulty reselling any of their shares.

On December 4, 2015 a claim was filed in the United States District Court, District of Nevada by Jablonski Enterprises, Ltd. against a number of defendants both individually, and in their various capacities with different organizations or governmental departments. Included in the list of defendants were our company, Summa, LLC, Henry Tonking, GIS Land Services, Greg Ekins, the Nye County Assessor, the Mapping Administrator for Nye County, the Nye County District Attorney the Nye County Deputy District Attorney, and our president Tom Lewis, amongst others. This challenge was with respect to land in Tonopah, Nye County that is a part of the Hughes claim package, and the plaintiff alleged that the recorded title to the parcel of land, that comprises the Hughes claims here, was wrongfully changed by the County Recorder from Jablonski Enterprises, Ltd. to Summa, LLC. Additionally the plaintiff alleged that the defendants, including our company and our president engaged in racketeering, and were part of a conspiracy to fraudulently strip the lands from **Jablonski Enterprises**. Title had been legally changed pursuant to a prior court order issued by the United States District Court of Nevada, and the company, its president and all other defendants deny any wrongdoing.

Dual identical actions were filed by Jablonski at this time against our company and the other defendants: the first mentioned above was filed in the United States District Court, District of Nevada, and the second case was filed in the Fifth Judicial District Court of Nevada in Nye County against an identical list of defendants.

On May 3, 2016, the case in the Fifth Judicial District Court of Nevada was dismissed with prejudice, and the defendants, including our company, were awarded legal fees and costs to be paid by the plaintiff, and the Judge was to decide whether Nevada’s Anti-Slapp legislation for frivolous actions applied in this matter. Should the Anti-Slapp portion of the co-Defendants petition be approved it could result in punitive damages of up to \$10,000 for each Defendant. The plaintiff immediately appealed, and March 8, 2017 was set as the date to hear the appeal.

On February 6, 2017 Chief Judge **Gloria M. Navarro** of the United States District Court, District of Nevada dismissed with prejudice the case against **Lithium Corporation** and the other **defendants**.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common shares are quoted on the Over-the-Counter Bulletin Board under the symbol “LTUM.” The following quotations, obtained from Stockwatch, reflect the high and low bids for our common shares based on inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

The high and low bid prices of our common stock for the periods indicated below are as follows:

OTC Bulletin Board ⁽¹⁾

Quarter Ended	High	Low
December 30, 2016	\$ 0.076	\$ 0.067
September 30, 2015	\$ 0.097	\$ 0.093
June 30, 2016	\$ 0.095	\$ 0.0815
March 31, 2016	\$ 0.0419	\$ 0.0293
December 31, 2015	\$ 0.0302	\$ 0.0256
September 30, 2015	\$ 0.097	\$ 0.093
June 30, 2015	\$ 0.095	\$ 0.0815
March 31, 2015	\$ 0.06	\$ 0.048
December 31, 2014	\$ 0.0578	\$ 0.0401

<https://ih.advn.com/p.php?pid=nmona&article=74332203>