

BC FORM 51-102F3
Material Change Report

Item 1. Name and Address of Company

State the full name and address of your company and the address of its principal office in Canada.

INTERNATIONAL BATTERY METALS LTD.
510 – 744 W. Hastings Street
Vancouver, BC, V6C 1A5
Phone: (778) 939-4228

Item 2. Date of Material Change

State the date of the material change.

March 4, 2018

Item 3. News Release

State the date and method(s) of dissemination of the news release issued under section 7.1 of National Instrument 51-102.

March 4, 2018

The news release relating to this material change was distributed and filed by Newsfile Corp. and Canada Stockwatch. The news release was also filed with the British Columbia, Nova Scotia and Ontario Securities Commissions on SEDAR.

Item 4. Summary of Material Change

Provide a brief but accurate summary of the nature and substance of the material change.

The Company announced it entered into a binding Share Exchange Agreement (the "SEA"), with North American Lithium, Inc. ("NAL") and Selective Adsorption Lithium, Inc. ("SAL"), dated March 4, 2018, pursuant to which IBAT will acquire intellectual property related to lithium extraction from oil field brines (the "Intellectual Property") for petro lithium extraction projects.

NAL is a California corporation that has developed unique technology that allows direct extraction of lithium from complex brines such as those found in oil fields. SAL has advanced this technology and owns intellectual property related to oil field brines.

The SAL technology involves processes that are highly selective for lithium, and an extraction system that allows lithium recovery from complex brines with only minimal pretreatment. Pretreatment of the brine to remove calcium or magnesium is not necessary in the process. The process also inherently rejects sulfate and borate from interfering with the lithium extraction. Once the oil field brine flows into the system, lithium chloride is removed, and the remainder of the brine is injected back into the ground through an environmentally permitted well.

The output of the patent pending SAL process and system is a high concentration, clean lithium salt solution suitable for further processing into desired products.

Additionally, the SAL patent pending process and equipment are specifically designed to operate in the rugged conditions often present at remote oilfield operations.

The patent pending SAL technology provides significant advantages including cost savings by minimizing brine pretreatment and through reduced chemical consumption. The unique equipment

design also allows for rapid implementation and installation, minimizing the traditional lag time associated with bringing resources on line.

In order to effect the transfer of the relevant oil field SAL Intellectual Property to IBAT, IBAT will acquire 100% of the issued and outstanding securities of SAL, in consideration of up to 25,309,488 common shares of IBAT as follows:

4,700,000 Shares on closing of the Proposed Transaction;

4,000,000 Shares upon SAL and IBAT completing an agreed upon milestone in respect of the Intellectual Property;

5,536,496 Shares upon SAL and IBAT completing an additional agreed upon milestone in respect of the Intellectual Property;

5,536,496 Shares upon SAL and IBAT completing an additional agreed upon milestone in respect of the Intellectual Property; and

5,536,496 Shares upon IBAT (i) completing one or more private placement financing(s) resulting in the issuance of no less than 5,000,000 common shares of IBAT and (ii) completing a laboratory-scale pilot plant for the processing of lithium or lithium concentrates.

Additionally, pursuant to the terms of the SEA, IBAT shall pay NAL for the following:

- 1. The initial overall project flowchart and design document;*
- 2. A final opinion letter from NAL in respect of proposed applications of the Intellectual Property, and*
- 3. Costs and fees associated with the Transaction.*

On Closing, the board of IBAT shall be reconstituted in a manner that complies with the requirements of the Canadian Securities Exchange (the "CSE") and applicable laws and will include a total of five (5) members, including three (3) members of IBAT's current board, being Logan Anderson, David Scott, and Paul Pedersen, and two (2) new members appointed by SAL, subject to the receipt of all applicable regulatory approvals. IBAT will, on or before the 90th day following Closing, cause an additional one (1) of the IBAT Directors to resign and shall appoint in his or her stead one (1) additional director nominated by SAL. On closing of the Transaction, NAL's President and Chief Executive Officer John Burba will be appointed as the President and Chief Executive Officer of IBAT and Logan Anderson will be appointed Chief Financial Officer of IBAT. Closing of the Transaction is 15 days from completion of a number of conditions precedents customary for a transaction of this nature.

"We are excited to get this agreement finalized and look forward to working with Dr. John Burba and his experienced team at North American Lithium," commented Logan Anderson, President and CEO of IBAT. "They have developed a unique portfolio of intellectual property in the emerging petro lithium brine extraction space, and we are eager to collaborate with them in realizing its potential."

In connection with the Proposed Transaction, and subject to approval of the CSE, Mackie Research Capital Corp. and the Company have agreed to cancel and renegotiate the terms of the proposed share financing announced on November 3, 2017 to a price more reflective of the current markets.

Item 5. Full Description of Material Change

Supplement the summary required under Item 4 with the disclosure that should be sufficient disclosure to enable a reader to appreciate the significance and impact of the material change without having to refer to other material. Management is in the best position to determine what facts are significant and must disclose those facts in a meaningful manner. See also Item 7.

Some examples of significant facts relating to the material change include: dates, parties, terms and conditions,

description of any assets, liabilities or capital affected, purpose, financial or dollar values, reasons for the change, and a general comment on the probable impact on the issuer or its subsidiaries. Specific financial forecasts would not normally be required.

Other additional disclosure may be appropriate depending on the particular situation.

For a full description of the material change, see Schedule "A".

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

If this report is being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102, state the reasons for that reliance.

Not applicable.

Instruction:

Refer to subsections 7.1(5) and (7) of National Instrument 51-102 concerning continuing obligations in respect of reports filed under subsection 7.1(2) of National Instrument 51-102.

Item 7. Omitted Information

State whether any information has been omitted on the basis that it is confidential information.

In a separate letter to the applicable regulator or securities regulatory authority marked "Confidential" provide the reasons for your company's omission of confidential significant facts in the Report in sufficient detail to permit the applicable regulatory or securities regulatory authority to determine whether to exercise its discretion to allow the omission of these significant facts.

Not applicable.

Instruction:

In certain circumstances where a material change has occurred and a material change report has been or is about to be filed but section 85 of the Act will no longer or will not be relied upon, a reporting issuer may nevertheless believe one or more significant facts otherwise required to be disclosed in the material change report should remain confidential and not be disclosed or not be disclosed in full detail in the material change report.

Item 8. Executive Officer

Give the name and business telephone number of an executive officer of your company who is knowledgeable about the material change and the Report, or an officer through whom the executive officer may be contacted.

*Logan Anderson
President & CEO
(778) 939-4228*

Item 9. Date of Report

March 19, 2018

Schedule "A"



i n t e r n a t i o n a l
battery metals

Suite 510 – 744 West Hastings Street
Vancouver BC Canada V6C 1A5
778-939-4228
info@ibatterymetals.com
ibatterymetals.com
CSE: IBAT

INTERNATIONAL BATTERY METALS INC. ENTERS INTO DEFINITIVE
SHARE EXCHANGE AGREEMENT TO ACQUIRE INTELLECTUAL
PROPERTY RELATED TO OIL FIELD BRINE LITHIUM EXTRACTION

Vancouver, British Columbia--(Newsfile Corp. - March 4, 2018) - International Battery Metals Inc. (CSE: IBAT) ("IBAT" or the "Company") is pleased to announce it has entered into a binding Share Exchange Agreement (the "**SEA**"), with North American Lithium, Inc. ("**NAL**") and Selective Adsorption Lithium, Inc. ("**SAL**"), dated March 4, 2018, pursuant to which IBAT will acquire intellectual property related to lithium extraction from oil field brines (the "**Intellectual Property**") for petro lithium extraction projects.

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ON BEHALF OF THE BOARD

"Logan Anderson"

Logan Anderson, CEO and Director

Phone: 778-939-4228

Email: info@ibatterymetals.com

Forward-looking statements

This release may contain certain forward-looking statements with respect to the financial condition, results of operations and business of the Company and certain of the plans and objectives of the Company with respect to the same. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

THE CSE DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.