

INTERNATIONAL BATTERY METALS LTD.
(the “**Company**”)

**MANAGEMENT INFORMATION CIRCULAR FOR
THE SPECIAL MEETING OF SHAREHOLDER TO BE HELD ON MARCH 10, 2023**

GENERAL INFORMATION

This Information Circular

This Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by or on behalf of the management of the Company for use at the Special Meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares in the capital of the Company (the “**Shares**”) to be held virtually via Zoom Meetings and at the Company’s registered and records office located at Suite 800 – 543 Granville Street, Vancouver, British Columbia, on Friday, March 10, 2023 at 10:00 a.m. (Pacific Standard Time), or any adjournment thereof.

For purposes of this Circular, “**Registered Shareholders**” means Shareholders who hold Shares in their own name. “**Beneficial Shareholders**” means Shareholders who do not hold Shares in their own name and “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

Date of Information

Information in this Circular is given as of February 6 2023, unless otherwise noted.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers, or employees of the Company without special compensation. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and other Intermediaries, clearing agencies, custodians, nominees, and fiduciaries to forward solicitation materials to the Beneficial Shareholders of the Shares held on record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in so doing. All costs of this solicitation will be borne by the Company.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Form of Proxy**”) are directors, officers, or other representatives of the Company. **A Shareholder entitled to vote at the Meeting has the right to appoint as proxyholder a person or company, who need not be a Shareholder, to attend and act for the Shareholder on the Shareholder's behalf at the Meeting, or any adjournment thereof, other than either the persons or company designated in the Form of Proxy, and may do so either by inserting the name of that other person or company in the blank space provided in the Form of Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Form of Proxy will vote or withhold from voting the Shares represented thereby in accordance with the instructions of the Shareholder, given in the Form of Proxy, on any ballot that may be called

for. If the Shareholder has specified a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. The proxy confers discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of auditors and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the proxy, the persons named in the Form of Proxy will vote the Shares represented by the proxy at their own discretion for the approval of such matter.

As of the date of this Circular, management of the Company is not aware of any such amendment, variation, or other matter to come before the Meeting. However, if any amendments or variations to matters identified in the accompanying notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment thereof, the Shares represented by properly executed proxies given in favor of the person(s) designated by management of the Company in the Form of Proxy will be voted on such matters pursuant to such discretionary authority.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by choosing one of the following methods:

- (a) complete, date and sign the enclosed Form of Proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to Computershare's Proxy Department located on the 8th Floor of 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered Shareholders must follow the instructions of the voice response system and refer to the Form of Proxy for the toll free number, the holder's account number and the proxy access number; or
- (c) log onto Computershare's website at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the Form of Proxy for the holder's account number and the proxy access number.

Registered Shareholders must ensure the proxy is received by Computershare at least 48 hours (excluding Saturdays, Sundays, and statutory holidays) before the Meeting or any adjournment thereof, unless otherwise provided in the instructions accompanying the proxy.

Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Shares in their own name. Beneficial Shareholders should note that only proxies deposited by Shareholders, whose names appear on the records of the Company as the registered holders of Shares, or as set out in the following disclosure, on the Record Date (as hereafter defined), can be recognized and acted upon at the Meeting.

If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Company. Such Shares will more

likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial owners – those who object to their name being made known to the issuers of securities which they own (called “**OBOs**” or “**Objecting Beneficial Owners**”) and those who do not object to the issuers of the securities they own knowing who they are (called “**NOBOs**” or “**Non-Objecting Beneficial Owners**”).

The Company, under NI 54-101, is availing itself to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a Voting Instruction Form (“**VIF**”) from Computershare. The VIF is to be completed and returned to Computershare's Proxy Department located on the 8th Floor of 100 University Avenue, Toronto, Ontario, M5J 2Y1 in the envelope provided or by facsimile, or a NOBO has the option to submit their proxy vote either by telephone or via the internet in the manner described on the VIF. Computershare shall tabulate the results of the voting on the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Shares represented by those VIFs.

These securityholder materials are sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent sent these materials directly to you, your name, address, and information about your holdings of securities of the Company, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your VIF.

Beneficial Shareholders, who are OBOs, should follow the instructions of their intermediary carefully to ensure that their Shares are voted at the Meeting.

The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a VIF in lieu of the Form of Proxy provided by the Company. The VIF will name the same persons as the proxy to represent the Beneficial Shareholder at the Meeting, and that person may be the Beneficial Shareholder themselves. A Beneficial Shareholder has the right to appoint a person (who need not be a Shareholder of the Company) other than the persons designated in the VIF, to represent the Beneficial Shareholder at the Meeting. To exercise this right, the Beneficial Shareholder should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. A Beneficial Shareholder receiving a VIF from Broadridge cannot use it to vote Shares directly at the Meeting – the VIF must be returned to Broadridge, as the case may be, well in advance of the Meeting in order to have the Shares voted. Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his broker (or agent

of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, Beneficial Shareholders may request in writing that their broker send to them a legal proxy which would enable them to attend at the Meeting and vote their Shares.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a proxy may revoke it by either executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare's Proxy Department located on the 8th Floor of 100 University Avenue, Toronto, Ontario, M5J 2Y1 or at the address of the registered office of the Company at Suite 800 – 543 Granville Street, Vancouver, British Columbia, V6C 1X8, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law. In addition, a proxy may be revoked by the Registered Shareholder personally by attending the Meeting and voting the Registered Shareholder's Shares. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Company (the “**Board**”) has fixed February 1, 2023 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Shares voted at the Meeting.

As of February 6, 2023, the Company had outstanding 146,285,416 fully paid and non-assessable Shares without par value, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Company, as at February 6, 2023, no person beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of the voting rights attached to the outstanding Shares, other than as set out below:

Name	Number of Shares Beneficially Owned ⁽¹⁾	Percentage of Issued Share Capital ⁽²⁾
Ensorcia Metals Corporation	25,149,663 ⁽³⁾	17.19%

Name	Number of Shares Beneficially Owned ⁽¹⁾	Percentage of Issued Share Capital ⁽²⁾
Sorcia Minerals LLC	14,069,682	9.62%

Notes:

- (1) Indicates the number of Shares beneficially owned, controlled, or directed, directly or indirectly, as disclosed in publicly available sources (including the System for Electronic Disclosure by Insiders (“SEDI”) at www.sedi.ca) or as otherwise disclosed to the Company by the holder.
- (2) Based on the 146,285,416 Shares issued and outstanding as at February 6, 2023.
- (3) 14,069,682 Shares are held indirectly by Ensorcia Metals Corporation through Sorcia Minerals LLC.

PARTICULARS OF MATTERS TO BE ACTED UPON

Recommendations of the Board

The Board unanimously recommends that each holder of common shares vote **IN FAVOR** of all resolutions described in this Circular.

TO THE KNOWLEDGE OF THE BOARD, THE ONLY MATTERS TO BE PLACED BEFORE THE MEETING ARE THOSE REFERRED TO IN THE NOTICE OF MEETING ACCOMPANYING THIS CIRCULAR. HOWEVER, SHOULD ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE COMMON SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

RE-APPROVAL OF THE 2021 PRIVATE PLACEMENT

The 2021 Private Placement

On February 9, 2021, the Company announced a private placement with existing shareholders of the Company, EVL Holdings LLC (“EVL”) and Sorcia Minerals LLC (“Sorcia”) for the purchase of up to 17,250,000 units of the Company at a price of CAD\$0.58 per unit for aggregate proceeds of up to CAD\$10,005,000 (the “**2021 Private Placement**”). Each unit is comprised of one common share and one common share purchase warrant entitling the holder thereof to acquire an additional common share of the Company at a fixed price of CAD\$0.58 per common share for a period of two years from closing (up to the close of business on April 19, 2023). The 2021 Private Placement further permitted each of EVL and Sorcia to acquire additional common shares at fair market value for a period of two years so as to permit them to maintain their percentage holdings in the Company as it was determined at the time of the 2021 Private Placement (the “**2021 Pre-Emptive Right**”).

The 2021 Private Placement was approved by the requisite disinterested shareholders, those other than EVL, Sorcia, and their affiliates, by way of ordinary resolution at a special meeting of the Company held on April 19, 2021 (the “**Shareholder Approval**”).

The 2021 Private Placement was, at the time of the Shareholder Approval, the only identified available source of funds to allow for the final engineering and fabrication of the Company’s mobile lithium extraction unit for the extraction and processing of lithium from lithium bearing brine sources located globally (the “**Mobile Unit**”).

In or around the second quarter of 2021, the Company, EVL, and Sorcia, agreed that EVL and/or Sorcia would pay or assume contractual liabilities with third-party contractors for purposes of the engineering and the continued fabrication of the Mobile Unit and that these costs would be offset against the payment obligations under the 2021 Private Placement.

Based on the understanding between the Company and EVL, EVL entered into an agreement with Burner Fire

Control, Inc., on September 13, 2021, assuming USD\$4,812,850 relating to third-party fabrication costs of the Mobile Unit (the “**EVL Assumed Liabilities**”). With the EVL Assumed Liabilities, the Company received a release of any mechanics’, materialman’s or other similar liens or claims which could have been filed for work, labor or materials affecting the Mobile Unit.

In addition to the EVL Assumed Liabilities, Sorcia entered into an agreement with Shaw Group on September 13, 2021, assuming USD\$6,160,485.41 relating to third-party fabrication costs of the Mobile Unit (the “**Sorcia Assumed Liabilities**”). With the Sorcia Assumed Liabilities, the Company received a release of any mechanics’, materialman’s or other similar liens or claims which could have been filed for work, labor or materials affecting the Mobile Unit.

At the beginning of March 2022, the Board of Directors of the Company was substantially reconstituted, and the new Board was apprised of the background of the 2021 Private Placement. At the meeting of the Board of Directors held on May 16, 2022, it was determined that it was in the best interest of the Company to complete the 2021 Private Placement as it removes the risks and uncertainty relating to the ownership of the Mobile Unit allowing the Company to complete testing and commercially deploy the Mobile Unit. To this end, the Company entered into separate investment agreements with each of EVL and Sorcia having an effective date as of May 16, 2022 (collectively, referred to herein as the “**Investment Agreements**”).

Pursuant to the terms of the Investment Agreements, the Company has agreed to issue 8,625,000 common shares and 8,625,000 common share purchase warrants having an exercise price of CAD\$0.58 to each of EVL and Sorcia. In satisfaction of the subscription price the Company has agreed to apply the EVL Assumed Liabilities and the Sorcia Assumed Liabilities, with any excess thereunder being applied to the exercise of each of the common share purchase warrants.

The Company has determined that the 2021 Private Placement and the subsequent entering into the Investment Agreements is best suited to meet the Company’s equity needs and to ensure the final development and deployment of the Mobile Unit in an expedited and uninterrupted manner. The Company has determined that the Investment Agreements in their agreed upon form, best ensure the Company’s ownership right to the Mobile Unit.

Communications with the Canadian Securities Exchange (the “CSE”)

Due to the lapse in time between Shareholder Approval and the issuance of the units pursuant to the terms of the 2021 Private Placement, counsel for the Company, DS Lawyers Canada LLP (“**DS Lawyers**”), sent correspondence to the CSE on or about June 14, 2022 (the “**CSE Letter**”). Contained within the CSE Letter, were certain references to the 2021 Private Placement, the EVL Assumed Liabilities, the Sorcia Assumed Liabilities, and the Investment Agreements.

In their response, the CSE has confirmed, that in principle, they do not object to the 2021 Private Placement; however, given the significant passage of time since obtaining the Shareholder Approval and the appreciation in trading price of the Company’s common shares over this period, the approval of the 2021 Private Placement by the CSE is subject to providing the CSE with confirmation that the majority of dis-interested shareholders (those shareholders other than, EVL, Sorcia, and their affiliates) approve the 2021 Private Placement as may be evidenced by written consent or approved at a duly constituted meeting of shareholders.

Written Consent of Shareholders

The Company has sent to various dis-interested shareholders a form of consent letter wherein it sought the re-approval of the 2021 Private Placement (the “**Consent Request Letter**”).

Contained within the Consent Request Letter is reference to the 2021 Private Placement, Shareholder Approval,

EVL Assumed Liabilities, the Sorcia Assumed Liabilities, and the Investment Agreements.

Dis-interest shareholders were further advised that presently, the EVL Assumed Liabilities and the Sorcia Assumed Liabilities are recorded as debt owing by the Company. In the event that the Company is unable to obtain the requisite written consent to the 2021 Private Placement, dis-interested shareholders were further advised, that it was unlikely that either EVL or Sorcia would agree to have their debt converted into equity at a rate higher than what had been previously agreed upon by the parties under the 2021 Private Placement. Furthermore, should the EVL Assumed Liabilities and Sorcia Assumed Liabilities remain as debts of the Company due on demand, potential adverse ownership claims to the existing Mobile Unit along with additional unforeseen financial constraints on the Company will arise.

As of the date of this Circular, the Company currently has 146,285,416 common shares issued and outstanding. In order for the Company to obtain the requisite dis-interested shareholder written consent, the Company would require consents reflecting approximately 54,705,212 common shares of the Company. Presently, the Company has received consents from approximately 47,682,535 common shares and is in ongoing discussions with other dis-interested shareholders for purposes of obtaining their written consent.

While the Company will continue to pursue obtaining the requisite written consents, Management of the Company has determined that obtaining dis-interested shareholder approval through the holding of this Meeting should also be pursued. Should the Company receive the requisite written consent prior to this Meeting, the Company will not proceed with the Meeting and will advise Shareholders accordingly.

Dis-interested Shareholder Re-Approval of the 2021 Private Placement

The 2021 Private Placement will involve the issuance of common shares and common share purchase warrants to each of EVL and Sorcia who are considered “related parties” to the Company under applicable Securities laws. Additionally, as Ensorcia Metals Corp. (“**Ensorcia**”), is the parent company of Sorcia, it too is considered to be a “related party”. Due to Sorcia and EVL being considered “related parties” the 2021 Private Placement is considered to be a “related party transaction” and as such is subject to the requirements of Multilateral Instrument 61-101 “Protection of Minority Shareholders in Special Transactions” (“**MI-101**”). MI-101 stipulates that in order for a Company to approve a particular related party transaction, the Company must obtain approval by way of ordinary resolution from those dis-interested shareholders entitled to vote on the particular transaction (the “**Dis-interested Shareholder Approval**”).

As a result, the Company will be excluding any votes received from Sorcia, EVL, and, Ensorcia as it relates to the re-approval of the 2021 Private Placement being considered at the Meeting.

For reference purposes only, the following table sets out information regarding the “related parties” that will participate in the 2021 Private Placement, either directly or indirectly, and the shares that are to be excluded from voting for purposes of the Dis-interested Shareholder Approval:

Related Party	Position Prior to Completion the 2021 Private Placement (%)⁽¹⁾	Number of Units subscribed for in the 2021 Private Placement⁽²⁾	Position Following Completion of the 2021 Private Placement (%)⁽³⁾	Position Following Completion of the 2021 Private Placement and Exercise of Warrants (%)⁽⁶⁾
EVL Holdings LLC	11,729,329 (8.02%)	8,625,000	20,354,329 (12.45%)	28,979,329 (16.03%)
Sorcia Minerals LLC	14,069,682 (10.09%)	8,625,000	22,694,682 (13.88%)	31,319,682 (17.32%)

Ensorcia Metals Corporation	25,149,663 ⁽⁴⁾ (17.19%)	Nil	33,774,663 ⁽⁵⁾ (20.66%)	42,399,663 ⁽⁷⁾ (23.45%)
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Notes:

- (1) Percentage ownership is based on 146,285,416 common shares issued and outstanding as at February 6, 2023.
- (2) Each unit consists of one common share and one common share purchase warrant.
- (3) Percentage ownership is based on 163,535,416 common shares issued and outstanding following the completion of the 2021 Private Placement.
- (4) 11,079,981 common shares are held directly, and 14,069,682 common shares are held indirectly through Sorcia.
- (5) 11,079,981 common shares are held directly, and 22,694,682 common shares are held indirectly through Sorcia.
- (6) Percentage ownership is based on 180,785,416 common shares issued and outstanding following the exercise of all common share purchase warrants issued pursuant to the 2021 Private Placement.
- (7) 11,079,981 common shares are held directly, and 31,319,682 common shares are held indirectly through Sorcia.

At the Meeting, dis-interested Shareholders will be asked to consider, and if deemed advisable, to approve an ordinary resolution in the form attached as Schedule “A” to this Circular. In order to be adopted, the resolution approving the 2021 Private Placement must be passed by the affirmative vote of at least a majority of those dis-interested votes cast by Shareholders in attendance at the Meeting, whether in person or by proxy.

The Board recommends that Shareholders vote FOR the ordinary resolution attached as Schedule “A” to this Circular and re-approve the 2021 Private Placement. Unless authority to do so is withheld, the person’s name in the enclosed form of proxy intend to vote FOR the ordinary resolution approving the 2021 Private Placement.

Dis-Interested Shareholder Re-Affirmation of Pre-Emptive Rights of EVL and Sorcia

Should the Company receive the requisite dis-interested shareholder approval of the 2021 Private Placement, then each of EVL and Sorcia will be permitted to immediately exercise their 2021 Pre-Emptive Right, in respect of any equity issuances by the Company, to purchase at fair market value the amount of securities required to maintain their percentage holding in the Company. This would permit both EVL and Sorcia to acquire additional common shares of the Company pursuant to a private placement completed by the Company in February 2022, wherein the Company issued 3,333,333 units at a price per unit of CAD\$3.83 per unit, with each unit comprised of one common share and one common share purchase warrant (the “**2022 Private Placement**”).

Prior to the completion of the 2022 Private Placement there were in aggregate 132,339,759 common shares issued and outstanding in the Company, with EVL holding legal and registered title to 21,229,629 (16.04% of the total common shares then outstanding), and Sorcia holding legal and registered title to 17,069,682 (12.90% of the total common shares then outstanding). Following the completion of the 2022 Private Placement, each of EVL and Sorcia’s total percentage in the Company were reduced from 16.04% to 15.65% and from 12.90% to 12.58%, respectively.

Should Shareholders vote to approve the ordinary resolution of dis-interested shareholders as it relates to the 2021 Private Placement, then EVL and Sorcia would be permitted to immediately acquire 534,725 common shares and 429,946 common shares respectively, at a price per common share of CAD\$3.83 (the “**Pre-Emptive Right Issuance**”).

Both EVL and Sorcia have indicated in writing to the Company, that should the 2021 Private Placement be re-approved, then each of EVL and Sorcia intend to immediately exercise their 2021 Pre-Emptive Right, representing an aggregate amount of CAD\$3,694,689.93 to be received by the Company.

Exercise of Warrants Under 2021 Private Placement

As of the date of this Circular, the Company is indebted to each of Sorcia and EVL in aggregate of CAD\$9,618,865.68 and CAD\$10,821,665.68, respectively (collectively referred to herein as the “**Outstanding Debt**”).

In the event that dis-interested shareholders re-approve the 2021 Private Placement and the Sorcia Assumed Liabilities and EVL Assumed Liabilities are applied in satisfaction of the subscription price for the units, the Outstanding Debt owing to each of Sorcia and EVL would be reduced to CAD\$4,616,365.68 and CAD\$5,819,165.68 (collectively referred to herein as the “**Remaining Debt**”), respectively.

As the 2021 Private Placement provides for the issuance of 8,625,000 common share purchase warrants to each of EVL and Sorcia, each of EVL and Sorcia would be permitted to apply the Remaining Debt to the exercise of the common share purchase warrants at an exercise price of CAD\$0.58. This would in turn permit Sorcia to acquire 7,939,262 common shares and would permit EVL to acquire 8,625,000 common shares. In the event that Sorcia wishes to exercise the remaining 685,738 common share purchase warrants then the Company would expect to receive an additional CAD\$386,134.32 from Sorcia.

Following the exercise of these warrants the Company will have *nil* debt owing to Sorcia and CAD\$816,665.68 owing to EVL. The Company expects to satisfy the remaining debt owing to EVL through additional financing anticipated to take place in the next few months.

Going Forward Should Shareholder Not Approve the 2021 Private Placement

In the event that the Company is unable to obtain the requisite dis-interested shareholder approval of the 2021 Private Placement then it would create a situation which would adversely affect the Company’s going forward concern. More specifically, should the Outstanding Debt remain in its entirety following the conclusion of the Meeting, there is a strong likelihood that both Sorcia and EVL will request immediate payment of the Outstanding Debt. Given the Company’s current financial position should the Outstanding Debt be immediately called, then the Company will be required to engage in discussions with both Sorcia and EVL in an attempt to set up a payment plan for the Outstanding Debt. Should either EVL or Sorcia refuse to enter into such discussions, the Company will be forced to look for alternative means of financing in order to ensure its ability to operate.

In addition to the immediate concerns regarding the Company’s financial position, the Outstanding Debt creates a situation where Sorcia and EVL may levy adverse ownership claims to the Mobile Unit.

In light of the foregoing, the Board deems that the re-approval of the 2021 Private Placement is a necessary step in order for the Company to avoid: (a) any immediate potential financial constraints caused by the Outstanding Debt, and (b) any potential adverse ownership claims to the Mobile Unit.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, “**Informed Person**” means (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the notes to the Company's financial statements for the financial

year ended January 31, 2022, none of:

- (a) the Informed Persons of the Company;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Company or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

On March 4, 2018, the Company entered into a royalty agreement (the “**Royalty Agreement**”) with North American Lithium, Inc. (“**NA Lithium**”), a company wholly owned by John Burba (CEO, President and Director of the Company) Christina Borgese (the Company’s former Executive Vice President Research and Development) and Marc Privitera (the Company’s former Executive Vice President Engineering and Operations) and with an address of 6190 Yardley Lane, San Ramon, California, United States, pursuant to which the Company agreed to pay a five percent (5%) royalty (the “**Royalty Payment**”) to NA Lithium on (a) the proceeds received by the Company from the sale of any saleable material (“**Product**”), less (b) the production costs used to produce such materials. The Royalty Payment will be paid on a quarterly basis, with no Royalty Payment being made if the Company has received no income from the sale of any Product.

MANAGEMENT CONTRACTS

There are no management functions of the Company or any of its subsidiaries which are to any substantial degree performed by a person or company other than the Directors or senior officers of the Company or any of its subsidiaries.

AUDITOR

The auditors of the Company are Crowe MacKay LLP, which was appointed on November 30, 2022. The former auditors of the Company, Davidson & Company LLP, effectively resigned as auditors of the Company on June 15, 2022.

ADDITIONAL INFORMATION

Additional information relating to the Company is included in the Company's audited financial statements for the financial year ended January 31, 2021, and January 31, 2022, including the auditor's report thereto, and the related management discussion and analysis.

Copies of such statements and the related management discussion and analysis and the Company's most current interim financial statements and related management discussion and analysis, and additional copies of this Circular, may be obtained from the Company’s profile on SEDAR at www.sedar.com or the Company’s website accessible at www.ibatterymetals.com.

OTHER MATTERS

The directors of the Company are not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Circular.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Circular have been approved and the delivery of it to each Shareholder entitled thereto and

to the appropriate regulatory agencies has been authorized by the Board of Directors of the Company.

DATED at the City of Vancouver, in the Province of British Columbia, as of the 6th day of February, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

“John Burba”

John Burba
Director

SCHEDULE “A”

RE-APPROVAL OF 2021 PRIVATE PLACEMENT RESOLUTION

The text of the 2021 Private Placement resolution which the Shareholders will be asked to pass at the Meeting is as follows:

BE IT RESOLVED, AS AN ORDINARY RESOLUTION THAT:

1. the issuance of 17,250,000 units of the Company to Sorcia Minerals LLC (“**Sorcia**”) as to 8,625,000 units, and EVL Holdings LLC (“**EVL**”) as to 8,625,000 units at a price of CAD\$0.58 per unit for aggregate proceeds of up to CAD\$10,005,000, is hereby approved;
2. the pre-emptive right permitting Sorcia and EVL for a period of two years, commencing April 19, 2021 and ending April 19, 2023, to acquire such securities of the Company at fair market value, that may be necessary for either Sorcia or EVL to maintain its percentage of equity ownership of the Company, as determined immediately prior to any securities issued by the Company, is hereby re-affirmed;
3. any director or officer of the Company is hereby authorized for and on behalf of the Company to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions; and
4. notwithstanding the approval of the shareholders of the Company as herein provided the board of directors of the Company may, in its sole discretion, revoke this resolution before it is acted upon, without further approval of the shareholders of the Company.