

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1: Name and Address of Company

International Battery Metals Ltd. (the “Company”)
Royal Centre, 1750 – 1055 W. Georgia St.,
Vancouver, B.C. V6E 3P3

Item 2: Date of Material Change

July 11, 2024, and July 12, 2024.

Item 3: News Release

A news release relating to the material change described herein was released via the facilities of Cision on July 11, 2024, and July 12, 2024.

Item 4: Summary of Material Change

On July 11, 2024, the Company announced that it had commenced commercial operations of its proprietary modular direct lithium extraction plant in Salt Lake City, Utah, at a commercial facility co-located at the operations of US Magnesium LLC and is extracting lithium from a byproduct, magnesium chloride/lithium chloride solution, derived from historic magnesium production.

On July 12, 2024, the Company announced that Crowe MacKay LLP, had resigned as independent auditor of the Company effective as of July 5, 2024, with Marcum LLP, taking on as the Company’s independent registered public accounting firm, effective as of July 2, 2024.

Item 5: Full Description of Material Change

Please see the news releases attached as Schedule “A” for a full description of the material change.

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

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

Douglas Smith, Chief Financial Officer
International Battery Metals Ltd.
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Item 9: Date of Report

July 16, 2024

International Battery Metals (IBAT) Commences Operations of World's First Commercial Modular Direct Lithium Extraction (DLE) Plant and First Commercial DLE Plant in North America



NEWS PROVIDED BY

International Battery Metals Ltd. →

Jul 11, 2024, 08:03 ET

- Industry-disrupting technology breakthrough vaults IBAT to global pacesetter position
- Modular plant brings lithium production online in record-setting time
- Proprietary technology has been verified to extract more than 97% of available lithium from brine using no chemicals and with a water recovery rate of up to 98% via a closed-loop recycling system based on third-party review of Smackover extraction operations
- Founded by the inventor of the first lithium absorbent and designer of the world's first DLE plant in 1998

VANCOUVER, BC and HOUSTON, July 11, 2024 /CNW/ -- **International Battery Metals Ltd.** (CSE: IBAT), today announced it has commenced operations of its commercial proprietary modular direct lithium extraction (DLE) plant in Utah – an industry landmark representing the first lithium produced from the only modular DLE operation in the world and the first commercial DLE operation in North America.

The commercial facility outside Salt Lake City, Utah, is co-located at the operations of US Magnesium LLC (US Mag) and is extracting lithium from a byproduct magnesium chloride/ lithium chloride brine derived from historic magnesium production. IBAT's modular DLE system, currently situated on about one-acre, is in production and providing lithium chloride to U.S. Mag. The next step for IBAT is to expand production by installing additional columns on the same DLE modular platform with a target of significantly increasing capacity.

"This achievement is momentous for IBAT and a harbinger for an industry-transformation to significantly boost lithium production on a more cost-effective and sustainable basis, clearing a path for supplies of lower-priced, high-quality lithium for EV batteries and large-scale grid backup battery installations," said John Burba, founder and chief technology officer of IBAT. "This kicks off a U.S. lithium production renaissance and creates the potential for a sea change in global lithium supplies."

This milestone is a culmination of over four decades of John's work in lithium extraction, including the invention of the first lithium absorbent, used in the world's first DLE plant at Hombre Muerto in Argentina for FMC Technologies, which has been in continuous production since 1998.

This breakthrough is expected to reshape the lithium industry due to several advantageous of IBAT's patented technology:

- **Speed to market:** The modular design can bring lithium to market in approximately 18 months, from the time construction is initiated at a fabrication facility to the time of production onsite, compared to several years' time (5-7 years) for a conventional stick-built DLE plant at a location.
- **Low cost:** Expected to be among the lowest capex and opex in the industry.
- **Scalable, agile and brine agnostic:** The modular system's small footprint can be installed at a variety of lithium brine resources around the world, including formations with active or inactive oil and gas operations. The system is easily scalable by adding modules for expansion.
- **High-quality lithium:** IBAT's DLE technology selectively extracts lithium ions via absorption with a proprietary crystal structure, resulting in a lithium-chloride solution with the requisite feedstock purity to produce battery-grade lithium. The technology has been independently verified by SLR and Mehos Consulting to extract more than 97% of available lithium from Smackover brine.
- **Sustainability:** IBAT's proprietary absorbent does not require chemicals in the extraction process. The technology extracts lithium from brine sources and returns the lithium-depleted brine back to its source. Due to the plant's advanced water recovery rate of up to 98% of water recycled, IBAT's technology is highly protective of sensitive water resources, based on Smackover brine testing by SLR and Mehos.

At the **Utah operation**, upon acceptance testing IBAT will receive royalties from US Mag from lithium sales as well as payments for equipment rental based on lithium prices and performance.

This operational milestone follows the recent appointment of **incoming IBAT CEO Iris Jancik**, who starts in her new role mid-August to lead the company's commercial expansion. To build out its operations, IBAT is in discussions with large industrial companies, including automakers, as well as oil and gas majors and brine-resource owners.

About International Battery Metals Ltd.

IBAT is an advanced technology company focused on the development of environmentally responsible methods of extracting lithium compounds from brine. IBAT has developed a patented modular direct lithium extraction (DLE) plant which allows for rapid deployment to a resource holders production site. IBAT is working with resource holders of oilfield brines, brine aquifers, and industrial customers with brine by-products. IBAT believes the modular design of its DLE plant provides significant initial costs savings to customers and the proprietary DLE technology lowers operating costs by selectively extracting lithium from the brine while efficiently removing contaminants.



ON BEHALF OF THE BOARD

John Burba, CTO

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release may contain assumptions, estimates, and other forward-looking statements regarding future events. Such forward-looking statements involve inherent risks and uncertainties and are subject to factors, many of which are beyond the Company's control that may cause actual results or performance to differ materially from those currently anticipated in such statements.

Forward-looking and cautionary statements

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state in the United States in which such offer, solicitation or sale would be unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This release may contain statements within the meaning of safe harbour provisions as defined under securities laws and regulations.

This release may contain certain forward-looking statements with respect to certain of the plans and objectives of the Company, including statements with respect to the expected timing for commencement of production, and the production capacity of IBAT's initial DLE plant deployment with US Mag, expectations about the future operations of IBAT, and statements relating to anticipated future global lithium demand. The use of any of the words "will", "expected", "view", "believes" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual results and developments may differ materially from those contemplated by forward-looking information as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. Additional information regarding risks and uncertainties of the Company's business are contained in the Company's public filings which are available

under the Company's profile on SEDAR+ at www.sedarplus.ca. Readers are cautioned not to place undue reliance on forward-looking information. The statement made in this press release are made as of the date hereof. The Company disclaims any intention or obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities laws.

SOURCE International Battery Metals Ltd.

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**INTERNATIONAL BATTERY METALS LTD.
ANNOUNCES CHANGE OF AUDITOR AND CHANGE TO US GAAP REPORTING**

Vancouver, British Columbia, and Houston, Texas – July 12, 2024 - International Battery Metals Ltd. (the “**Company**”), is pleased to announce that it has appointed Marcum LLP, as the Company’s independent registered public accounting firm, effective as of July 2, 2024 (the “**Successor Auditor**”).

The Successor Auditor is being appointed following the receipt by the Company on July 5, 2024, of a formal resignation of Crowe MacKay LLP (the “**Former Auditor**”), with said resignation effective as of July 5, 2024.

The board of directors of the Company, upon the recommendation of its audit committee, appointed the Successor Auditor as the new auditor until the next Annual General Meeting of the Company.

The Former Auditor did not resign as a result of any disagreements with the Company on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, and the Former Auditor’s reports on the Company’s previously issued financial statements did not contain any adverse opinion or a disclaimer of opinion, or was qualified or modified as to uncertainty, audit scope, or accounting principles.

The Notice of Change of Auditors, together with the letter from the Former Auditors and the letter from the Successor Auditors, have been reviewed by the Company’s Board of Directors. The Company has sent a Notice of Change of Auditor (the “**Notice**”) to the Former Auditor and to the Successor Auditor and has received a letter from each, addressed to the securities commissions in each of British Columbia, Alberta and Ontario stating that they agree with the information contained in the Notice.

The Notice, together with the letters from the Former Auditor and the Successor Auditor are available on <https://www.sedarplus.ca/landingpage/>.

The Company also announces that commencing with its audited financial statements for the year ended March 31, 2024, it will begin reporting its results and will prepare its financial statements in accordance with United States Generally Accepted Accounting Principles (“US GAAP”) as opposed to International Financial Reporting Standards (“IFRS”), which was previously followed. Some prior year information will be restated in accordance with US GAAP. Such restated information relates solely to the Company’s transition to US GAAP, and there were no prior material errors, corrections or misstatements in the Company’s previously issued financial statements prepared in accordance with IFRS. The Company intends to register its common equity under the United States Securities Exchange Act of 1934, as amended (the “Exchange Act”), and retain an auditor registered with the Public Company Accounting Oversight Board (“PCAOB”). The Company’s Former Auditor informed the Company that they have made a formal registration withdrawal request to the PCAOB.

About the Company

The Company is an advanced technology company focused on the development of environmentally responsible methods of extracting lithium compounds from brine. The Company has developed a patented modular direct lithium extraction plant (“**MDLE Plant**”) which allows for rapid deployment to a resource holders production site. The Company is working with resource holders of oilfield brines, brine aquifers, and industrial customers with brine by-products. The Company believes the modular design of its MDLE

Plant provides significant initial costs savings to customers and the proprietary direct lithium extraction technology lowers operating costs by selectively extracting lithium from the brine while efficiently removing contaminants.

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Securities Law Disclosure

Neither Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state in the United States in which such offer, solicitation or sale would be unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended, nor the Exchange Act, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Forward-looking and cautionary statements

This press release may contain statements within the meaning of safe harbors for forward-looking statements under applicable law. This press release contains certain forward-looking statements with respect to, among other things, the filing of a registration statement with the United States Securities and Exchange Commission and statements relating to the anticipated costs savings from operating the MDLE Plant and, more generally, the summary description of the Company's business. By their nature, forward-looking statements involve risks and uncertainties 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 Company cannot assure investors and shareholders that its actual results of operations and business will reflect any assumptions or implied results arising from the description of its business summarized above. The Company assumes no obligation to update and supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise.