

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

Item 1. Name and Address of Company

Nevada Lithium Resources Inc. (the “**Company**” or “**Nevada Lithium**”)
1570 – 505 Burrard Street
Vancouver, British Columbia V7X 1M5

Item 2. Date of Material Change

March 24, 2023

Item 3. News Release

A news release announcing the material change was issued on March 27, 2023, through the facilities of Newsfile Corp., a copy of which has been filed under the Company’s issuer profile on SEDAR at www.sedar.com.

Item 4. Summary of Material Change

On March 27, 2023, the Company and Iconic Minerals Ltd. together announced the entering into of a definitive arrangement agreement dated March 24, 2023 (the “**Arrangement Agreement**”), by and among the Company, Iconic Minerals Ltd. (“**Iconic**”), 1259318 B.C. Ltd. (“**Iconic MergeCo**”) and 1406917 B.C. Ltd. (“**Nevada Lithium MergeCo**”), whereby the Company will acquire, by a way of statutory plan of arrangement (the “**Arrangement**”) under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”), Iconic’s 50% interest in the Bonnie Claire Lithium Project (the “**Project**”) located in Nye County, Nevada. Upon closing of the Arrangement, the Company will hold a 100% interest in and to the Project.

Item 5. 5.1 - Full Description of Material Change

Nevada Lithium and Iconic together announced that they had entered into the Arrangement Agreement. The Arrangement Agreement outlines the terms and conditions of the Arrangement and the acquisition of Iconic’s interest in and to the Project by Nevada Lithium. The terms and conditions of the Arrangement Agreement were negotiated by Nevada Lithium and Iconic at arm’s length.

Summary of the Arrangement Agreement

The Arrangement Agreement provides for, among other things, the following:

- Iconic will file articles of amendment in accordance with the BCBCA to amend its authorized share structure (the “**Iconic Capital Alteration**”) to provide for the following: (i) all of the issued and unissued common shares of Iconic will be renamed and redesignated as Class A common shares (the “**New Class A Iconic Shares**”) without par value, and the special rights and restrictions attached to the New Class A Iconic Shares will be varied to provide the holders thereof with two votes in respect of each New Class A Iconic Share held; and (ii) the creation of a new class consisting of an unlimited number of common shares (the “**New Iconic Common Shares**”) of Iconic without par value, with the same terms, rights and restrictions as the now outstanding common shares of Iconic;
- Iconic's 50% interest in the Project, that is indirectly held through Iconic's Nevada subsidiary, Bonaventure Nevada Inc., will be transferred to a newly incorporated Nevada subsidiary, Bonnie Claire Lithium Resources Corp., which Iconic indirectly holds through a wholly-owned British Columbia subsidiary, Iconic MergeCo (the “**Project Acquisition**”);

- each of the issued and outstanding New Class A Iconic Shares will be exchanged (the “**Iconic Share Exchange**”) for (i) one New Iconic Common Share; and (ii) a fractional amount of an Iconic MergeCo share (each whole share, an “**Iconic MergeCo Share**”), such that after giving effect to the exchange, each Iconic shareholder will hold a proportionate interest in Iconic MergeCo, provided that Iconic will retain a 10% interest in Iconic MergeCo;
- Iconic MergeCo will amalgamate, under the provisions of the BCBCA, with a wholly-owned subsidiary of the Company, Nevada Lithium MergeCo, and continue as one corporation (the “**Amalgamation**”); and
- the Iconic MergeCo shareholders will receive common shares in the capital of Nevada Lithium (the “**Nevada Lithium Shares**”) in exchange for their Iconic MergeCo Shares, such that immediately following the completion of the Amalgamation (the “**Closing**”), the shareholders of Iconic MergeCo, as a group, and the shareholders of Nevada Lithium, as a group, will each hold approximately 50% of the issued and outstanding Nevada Lithium Shares, on a non-diluted basis (after giving effect to the Debt Settlement (as defined below) but prior to giving effect to conversion of the Subscription Receipts pursuant to the Concurrent Financing (as defined below)).

The Arrangement Agreement contains certain representations, warranties and conditions of each party that are customary in transactions of this nature, a brief summary of which are enumerated below. In accordance with the terms of the Arrangement Agreement, the parties will carry out, among other things, the following:

- at Closing, the Company will have paid and/or settled all outstanding liabilities and debts, such that it has no outstanding liabilities;
- Iconic will retain a 10% interest in Iconic MergeCo, and will therefore receive 10% of the Nevada Lithium Shares issued to the holders of Iconic MergeCo Shares;
- prior to the Closing, 1406923 B.C. Ltd. (“**Nevada Lithium Subco**”) and 1396483 B.C. Ltd. (“**Nevada Lithium FinCo**”) will amalgamate and continue as one corporation under the BCBCA, where, upon Closing, each Nevada Lithium FinCo Share (as defined below) and each Nevada Lithium FinCo Warrant (as defined below) will be exchanged on a one-for-one basis for, respectively, Nevada Lithium Shares and Nevada Lithium Warrants (as defined below);
- Nevada Lithium will become the sole operator of the Project, and the balance of any funds held by Iconic in reserve on account of payments made by the Company for exploration expenditures incurred in respect of the Project, will be transferred to the Company, net of a structuring fee equal to \$500,000 and any expenses and contractual obligations of Iconic in respect of the Project arising prior to Closing, including legal fees incurred in connection with the Arrangement (including the Project Acquisition);
- the board of directors of the Company will be comprised of five members, consisting of: Stephen Rentschler, Scott Eldridge, Richard Kern, Keturah Nathe and a nominee to be determined at the closing of the transactions;
- Mr. Stephen Rentschler will continue to serve as CEO of the Company, and Mr. Richard Kern, the current CEO of Iconic, will be appointed the COO of the Company;
- the Company will grant to certain eligible persons associated with Iconic that number of the Company’s stock options as is equal to the aggregate number of the Company’s stock options outstanding immediately prior to Closing, with the same terms as the Company’s stock options, including as to duration and exercise price;

- the warrants to purchase common shares of Iconic (the “**Iconic Warrants**”) will be exchanged for replacement warrants to acquire New Iconic Common Shares, having the same exercise price, expiry date, vesting conditions and other terms as the Iconic Warrants; and
- the Company will issue to Iconic an aggregate of 4,000,000 Nevada Lithium Warrants, each of which will entitle the holder thereof to purchase one Nevada Lithium Share for a period of two years from Closing at an exercise price of \$0.20 per Nevada Lithium Share; and if the Company desires to issue common shares or securities convertible into common shares (each, an “**Equity Financing**”) at any time after Closing (excluding certain exempt issuances) until the earlier of (i) the first anniversary of Closing; or (ii) the Company having completed Equity Financings in the aggregate amount of \$3,000,000 (excluding the Concurrent Financing), then the Equity Financing will be completed on a rights offering basis, subject to certain exceptions (including an Equity Financing conducted at an offering price equal to or greater than the Issue Price (as defined below)).

Completion of the Arrangement (including the Iconic Capital Alteration, the Iconic Share Exchange and the Amalgamation) is subject to receipt of certain approvals, including the approval of the Supreme Court of British Columbia and the affirmative vote of the Iconic shareholders at a special meeting of Iconic’s shareholders that is expected to be held on May 26, 2023 (the “**Iconic Meeting**”).

Pursuant to the terms of the Arrangement Agreement, the Arrangement is also subject to the satisfaction (or waiver, to the extent such conditions are capable of being waived) of various conditions precedent, including: (i) the receipt of all necessary regulatory approvals, authorizations and consents, including, as applicable, acceptance of the Arrangement by the TSX Venture Exchange and the Canadian Securities Exchange; (ii) the receipt of all necessary corporate and shareholder approvals by each of the parties to the Arrangement Agreement; and (iii) certain other conditions, as provided for in the Arrangement Agreement. The Arrangement Agreement also provides for a payment of a termination fee of \$500,000 payable by Iconic or the Company to the other in certain circumstances.

Concurrent Financing

In connection with the Arrangement, the Company and Nevada Lithium FinCo closed a non-brokered private placement offering for aggregate gross proceeds of \$5,120,998, comprised of an aggregate of 38,530,000 subscription receipts (“**Subscription Receipts**”) at a price of \$0.125 per Subscription Receipt (the “**Issue Price**”) and the issue and sale of promissory notes of Nevada Lithium (the “**Promissory Notes**”) in the principal amount of \$304,748 (collectively, the “**Concurrent Financing**”). PowerOne Capital Markets Limited and Primary Capital Inc. along with certain other eligible persons acted as finders in connection with the Concurrent Financing

The Subscription Receipts issued pursuant to the Concurrent Financing will automatically convert, without payment of any additional consideration or further action on the part of the holder thereof, as follows: (i) each Subscription Receipt of the Company will be converted into one unit (“**Nevada Lithium Units**”), consisting of one Nevada Lithium Share and one-half of one Nevada Lithium Share purchase warrant (each whole warrant, a “**Nevada Lithium Warrant**”); and (ii) each Subscription Receipt of Nevada Lithium FinCo shall be converted into one unit (“**Nevada Lithium FinCo Units**”), consisting of one common share of Nevada Lithium FinCo (a “**Nevada Lithium FinCo Share**”) and one-half of one share purchase warrant of Nevada Lithium FinCo (each whole warrant, a “**Nevada Lithium FinCo Warrant**”). Upon completion of the Arrangement, each Nevada Lithium FinCo Share and each Nevada Lithium FinCo Warrant will be exchanged on a one-for-one basis for, respectively, Nevada Lithium Shares and Nevada Lithium Warrants. Following completion of the Arrangement, each Nevada Lithium Warrant will entitle the holder thereof to acquire one additional Nevada Lithium Share at an exercise price of \$0.20 until the date that is 24 months following the closing of the Arrangement.

In connection with the issue and sale of the Promissory Notes, Nevada Lithium entered into novation agreements with Nevada Lithium FinCo whereby the liabilities and obligations under the Promissory Notes became the liabilities and obligations of Nevada Lithium FinCo. Nevada Lithium FinCo subsequently entered into debt conversion agreements with the holders of the Promissory Notes, providing for the conversion of the principal amounts owing under the Promissory Notes into Nevada Lithium FinCo Units upon closing of the Arrangement. Upon completion of the Arrangement, each Nevada Lithium FinCo Share and each Nevada Lithium FinCo Warrant comprising the Nevada Lithium FinCo Units will be exchanged on a one-for-one basis for, respectively, Nevada Lithium Shares and Nevada Lithium Warrants. Following completion of the Arrangement, each Nevada Lithium Warrant will entitle the holder thereof to acquire one additional Nevada Lithium Share at an exercise price of \$0.20 for a period of 24 months following the Closing. The net proceeds from the sale of the Subscription Receipts will be released to Nevada Lithium on Closing.

For further details regarding the Concurrent Financing, please refer to the press release of the Company dated February 24, 2023, a copy of which is available on the Company's issuer profile on SEDAR at www.sedar.com.

5.2 - Disclosure for Restructuring Transactions

See Item 5.1 and the Arrangement Agreement posted under the Company's issue profile on SEDAR at www.sedar.com.

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

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

For additional information with respect to this material change, please contact:

Stephen Rentschler
Chief Executive Officer
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Item 9. Date of Report

April 3, 2023