

MATERIAL CHANGE REPORT FORM 51-102F3

Name and Address of Company

Nevada Lithium Resources Inc. (the “Company”)
1500 – 1055 West Georgia Street
Vancouver, British Columbia V6E 4B7

Date of Material Change

August 15, 2024.

News Release

A news release announcing the material change was issued on August 16, 2024, through the facilities of CNW Group Ltd., a copy of which has been filed under the Company’s issuer profile on SEDAR+ at www.sedarplus.ca.

Summary of Material Change

On August 15, 2024, the Company announced the closing of a non-brokered private placement offering of 48,000,007 units at a price of \$0.125 per unit (the “Units”) for aggregate gross proceeds of \$6,000,000.88 (the “Offering”).

5.1 - Full Description of Material Change

The Offering

The Units issued pursuant to the Offering consisted of one common share of the Company (each, a “Share”) and one common share purchase warrant (each, a “Warrant”), with each Warrant entitling the holder to purchase one Share at a price of \$0.175 per Share for a period of three (3) years from the closing of the Offering (the “Closing”). For the period ended 24 months from the Closing, the Company has agreed with a third party to designate one nominee to serve as a director on the board of directors of the Company.

The net proceeds from the Offering will be used to advance the Company’s 100% owned Bonnie Claire Lithium project (the “Project”), located in Nye County, Nevada, towards an updated Preliminary Economic Assessment and Pre-Feasibility Study on the Project, and for general corporate purposes.

The securities issued in connection with the Offering are subject to a statutory hold period of four months and one day from the date of issuance.

The securities distributed pursuant to this Offering have not and will not be registered under the U.S. Securities Act of 1933 or any U.S. state securities laws and may not be offered or sold in the United States unless the securities have been registered under the U.S. Securities Act of 1933 and any applicable state securities laws, or in compliance with the requirements of an exemption therefrom.

Early Warning Disclosure

Pursuant to the Offering, SF Investments I BV (the “Strategic Investor”) acquired 10,889,783 Units for aggregate consideration of \$1,361,222.88. Prior to completion of the Offering, the Strategic Investor and its joint actor had beneficial ownership and control of 18,916,667 Shares and 16,666,667 warrants which represented approximately 8.95% of the issued and outstanding Shares and approximately 15.60% on a partially diluted basis. Following completion of the Offering, the Strategic Investor, together with its joint actor, have beneficial ownership and control of 29,806,450 Shares and

27,556,450 warrants which represent approximately 11.49% of the issued and outstanding Shares and approximately 19.99% on a partially diluted basis.

The Units were acquired for investment purposes. In the future, the Strategic Investor (and/or its joint actor) may acquire additional Shares and/or other equity, debt or other securities or instruments in the open market or otherwise and reserves the right to dispose of any or all of such securities in the open market or otherwise at any time and from time to time, and to engage in similar transactions with respect to such securities, the whole depending on market conditions, the business and prospects of the Company and other relevant factors.

Finder Fee

PowerOne Capital Markets Limited and Corton Capital Inc. each acted as a finder in connection with the Offering. The Company paid eligible finders (each, a “**Finder**”) a cash finder fee equal to 7% of the gross proceeds raised by each Finder, payable upon Closing, and finder warrants (the “**Finder Warrants**”) equal to 8% of the number of Units sold. Each Finder Warrant entitles the holder thereof to acquire one Unit at an exercise price of \$0.125 for a period of three years from the Closing.

Related Party Transactions

The below sections contain the applicable portions of the disclosure required by Part 5 of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

Three related parties of the Company, Jerry Wang (“**Wang**”), Catherine Lathwell (“**Lathwell**”), and the Strategic Investor (together with Wang and Lathwell, the “**Insiders**”) subscribed for Units pursuant to the Offering. Their participation in the Offering constitutes a “related party transaction” for the purposes of MI 61-101. The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. Pursuant to sections 5.5(a) and 5.7(1)(a) of MI 61-101, the Company is exempt from obtaining a formal valuation and minority approval of the Company’s shareholders as the fair market value of the participation by these interested parties in the Offering is below 25% of the Company’s market capitalization as determined in accordance with MI 61-101. The Offering was approved by the directors of the Company through a written resolution on July 16, 2024, and the Company entered into subscription agreements with each Insider.

The Company did not file the material change report more than 21 days before the Closing as the details of the Offering and the participation therein by each “related party” of the Company were not settled until shortly prior to the Closing, and the Company wished to close the Offering on an expedited basis for sound business reasons.

- (i) *Interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:*

In connection with the Offering, the Insiders acquired an aggregate of 10,969,783 Units at \$0.125 per Unit for aggregate proceeds of \$1,371,222.88. Wang acquired 40,000 Units for \$5,000, Lathwell acquired 40,000 Units for \$5,000, and the Strategic Investor acquired 10,889,783 Units for \$1,361,222.88.

- (ii) *the anticipated effect of the transaction on the percentage of securities of the Company, or of an affiliated entity of the Company, beneficially owned or controlled by each person or company referred to above in (i) for which there would be a material change in that percentage:*

Following the Closing, the Insiders hold the following:

- (i) the Strategic Investor holds 27,556,450 Shares and 27,556,450 warrants representing 10.62% of the issued and outstanding Shares on an undiluted basis and approximately 19.21% on a partially diluted basis. See above for disclosure pertaining to the Strategic Investor's holdings with its joint actor, following the Closing.
- (ii) Lathwell holds 50,660 Shares, 250,000 options, and 40,000 Warrants representing 0.02% of the issued and outstanding Shares on an undiluted basis and approximately 0.13% on a partially diluted basis.
- (iii) Wang holds 73,333 Shares, 250,000 options, and 73,333 Warrants representing 0.03% of the issued and outstanding Shares on an undiluted basis and approximately 0.15% on a partially diluted basis.

5.2 - Disclosure for Restructuring Transactions

Not applicable

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

Not applicable.

Omitted Information

Not applicable.

Executive Officer

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

Stephen Rentschler
Chief Executive Officer
Phone: (604) 416-4099
Email: sr@nvlithium.com

Date of Report

August 23, 2024.