

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Lithium Ionic Corp.
36 Lombard Street
Floor 4
Toronto, ON M5C 2X3

Item 2 Date of Material Change

July 18, 2024

Item 3 News Release

A news release was issued by Lithium Ionic Corp. ("**Lithium Ionic**" or the "**Company**") on July 18, 2024, in respect of the material change and was disseminated through the facilities of GlobeNewswire and filed on SEDAR+.

Item 4 Summary of Material Change

Lithium Ionic has completed its previously announced royalty agreement with Appian Capital Advisory LLP ("**Appian**"). Lithium Ionic has executed a definitive royalty agreement (the "**Royalty Agreement**") with ANRF LI (JSY) Ltd., an affiliate of Appian, granting a 2.25% gross revenue royalty in exchange for upfront cash consideration of US\$20,000,000.

Item 5 Full Description of Material Change

Lithium Ionic has announced the successful completion of the previously announced royalty agreement with Appian.

Lithium Ionic has executed the Royalty Agreement with ANRF LI (JSY) Ltd., an affiliate of Appian, granting a 2.25% gross revenue royalty in exchange for upfront cash consideration of US\$20,000,000. This agreement aligns with the terms outlined in the Company's news releases dated May 30, 2024, and June 28, 2024. Appian is an investment advisor to long-term, value-focused private capital funds that invest exclusively in mining and mining-related companies.

Lithium Ionic intends to use the proceeds from the Royalty to advance the development and construction of its world-class Bandeira Lithium Project ("**Bandeira**" or the "**Project**"), located within the Lithium Valley in Minas Gerais State, Brazil. Additionally, funds will be allocated for general corporate purposes and

working capital requirements. The Lithium Valley is renowned for its significant concentration of lithium-bearing pegmatites and has become a globally significant lithium production center.

Key Terms of the Royalty Agreement:

- A 2.25% Life-of-Mine gross revenue royalty on the Bandeira Project.
- Upfront purchase price of US\$20,000,000 payable to the Grantor.
- An option for the Company to fully buy-back the Royalty within the first five years for a fee of US\$67,500,000.
- The Royalty obligations will be secured by charges and share pledges over substantially all current and future assets relating to the Project.

Item 6 Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Blake Hylands
CEO
Email: bhylands@lithiumionic.com

Item 9 Date of Report

July 19, 2024.