



NEXTSOURCE MATERIALS INC.  
145 Wellington Street West, Suite 1001, Toronto, Ontario, Canada M5J 1H8  
525 93 Street, Surfside, Florida, United States 33154

## NOTICE OF THE 2017 ANNUAL AND SPECIAL MEETING OF STOCKHOLDERS

I am pleased to give you notice that the 2017 annual and special meeting (the “**Meeting**”) of holders (the “**Stockholders**”) of common shares (the “**Shares**”) of NextSource Materials Inc. (the “**Company**”) will be held at the Company offices at 145 Wellington Street West, Suite 1001, Toronto, Ontario, Canada, M5J 1H8 on December 5, 2017 at 10:00 a.m. (Toronto time) for the following purposes:

1. To elect six directors of the Company, each to hold their offices until the next annual meeting of the Stockholders or until their successors have been duly elected and qualified or until the earlier of their resignation, removal or death. **The Board of Directors recommends that Stockholders vote “FOR” each Director.**
2. To approve the appointment of MNP LLP, Chartered Accountants, as the Company’s independent registered public accounting firm for the fiscal year ending June 30, 2018 and to authorize the Board of Directors to fix their remuneration. **The Board of Directors recommends that the Stockholders vote “FOR” this proposal.**
3. To approve an amendment to the articles of incorporation of the Company or the articles of continuance of the Company, as applicable, to be completed at the Board’s sole discretion, to effect a share consolidation (reverse stock split) of the Company’s outstanding Shares in a ratio of between one-for-five and one-for-ten at any time prior to the one year anniversary of the Meeting, without further Stockholder approval; provided that all fractional Shares as a result of the split shall be automatically rounded up to the next whole Share. **The Board of Directors recommends that the Stockholders vote “FOR” this proposal.**
4. To approve: (i) the corporate redomicile through a continuance of the Company from Minnesota to Canada (the “**Redomicile**”) pursuant to which the Company will be subject to and governed by Canadian corporate laws under the Canada Business Corporations Act (the “**CBCA**”); (ii) the plan of conversion relating to the Redomicile; (iii) the filing of the proposed articles of conversion under the Minnesota Business Corporation Act and the proposed articles of continuance of the Company under the CBCA; (iv) amendments to the articles of incorporation of the Company relating to the Redomicile; and (v) the adoption of new by-laws of the Company to replace the existing by-laws of the Company in connection therewith. **The Board of Directors recommends that the Stockholders vote “FOR” this proposal.**
5. To consider and, if deemed appropriate, approve an advisory vote on executive compensation.

The Board of Directors has fixed the close of business on October 6, 2017 at 5:00 p.m. (Toronto time) as the record date for the Meeting. Only Stockholders of record at such time are entitled to notice of, and to vote at, the Meeting.

You should read this entire proxy statement/prospectus, including the appendices, carefully because it contains important information about matters to be voted on at the Meeting, including the Redomicile. **In particular, you should read carefully the information set forth under the heading “*Risk Factors*”, beginning on page 50 of this proxy statement/prospectus, which discusses the risks relating to, among other things, the Redomicile.**

**Dated: October 30, 2017**

/s/ Craig Scherba  
President and Chief Executive Officer

Regardless of the number of Shares you own or whether you plan to attend the Meeting, it is important that your Shares be voted. If you hold your Shares in "street name" (that is, through a broker, bank or other nominee), complete, date and sign the voting instruction card that has been provided by your broker, bank or other nominee and return it

in the enclosed envelope. If you hold your Shares directly and will attend the Meeting, remember to bring a form of personal identification with you and, if acting as a proxy for another Stockholder, bring written confirmation from that Stockholder that you are acting as a proxy. If you hold your Shares in "street name" and will attend the Meeting, bring a form of personal identification with you and proof of beneficial ownership. The Meeting for which this notice is given may be adjourned without further notice other than announcement at the Meeting or any adjournment thereof. Any business for which notice is hereby given may be transacted at any such adjourned Meeting.

None of the U.S. Securities and Exchange Commission, any U.S. state securities commission nor any securities regulatory authority in Canada has approved or disapproved of the securities to be issued in the Redomicile or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated November 1, 2017, and will be sent to Stockholders on or about November 13, 2017.