

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

NextSource Materials Inc. (“**NextSource**” or the “**Company**”) 130 King Street West, Exchange Tower, Suite 1940,
Toronto, Ontario M5X 2A2

Item 2: Date of Material Change

October 11, 2024 and November 12, 2024.

Item 3: News Release

News releases announcing the material change were disseminated on October 11, 2024 and November 13, 2024 through the facilities of Canada Newswire (Cision), copies of which have been filed under NextSource’s profile on SEDAR+.

Item 4: Summary of Material Change

On October 11, 2024, NextSource closed the first tranche of a non-brokered private placement offering, consisting of 27,728,100 common shares of the Company (“**Shares**”) at a price of CAD\$0.53 per Share for aggregate gross proceeds of CAD\$14,695,893 (the “**First Tranche**”). On November 12, 2024, NextSource closed the second tranche of a non-brokered private placement offering, consisting of 1,360,000 Shares at a price of CAD\$0.53 per Share for aggregate gross proceeds of CAD\$720,800 (the “**Second Tranche**”, and together with the First Tranche, the “**Offering**”).

Item 5: Full Description of Material Change

5.1 Full Description of Material Change

On October 11, 2024, NextSource closed the First Tranche. On November 12, 2024, NextSource closed the Second Tranche.

The net proceeds of the Offering are intended to be used primarily to progress the Company’s strategy of a staged rollout of Battery Anode Facilities (BAF) to produce active anode material for EV batteries. Certain proceeds will also be used at the Molo Mine in connection with Phase 2 expansion, working capital requirements as well as general and administrative expenses.

Finder fees were paid in relation to the Offering, consisting of CAD\$97,306.

The Shares will be subject to a hold period in Canada expiring four months and one day from the respective closing dates of the First Tranche and Second Tranche.

The Company has obtained conditional approval from the Toronto Stock Exchange (the “**TSX**”) for the listing of all Shares issued pursuant to the Offering. The Offering is subject to receipt of final approval from the TSX.

Vision Blue Resources Limited. (“**Vision Blue**”) purchased 15,582,300 Shares under the First Tranche for a total subscription price of CAD\$8,258,619. Prior to the Offering, Vision Blue held an aggregate of 72,580,072 Shares of the Company, representing approximately 46.6% of the outstanding Shares on a non-diluted basis and approximately 46.6% on a partially diluted basis. After giving effect to the closing of the Offering, Vision Blue owns and exercises control or direction over 88,162,372 Shares, zero options and zero restricted share units, representing approximately 48.0% of the outstanding Shares on a non-diluted basis and approximately 48.0% on a partially diluted basis.

The participation of Vision Blue in the Offering constitutes a “related party transaction” pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company has determined that the transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 by virtue of the exemptions contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of securities issued to Vision Blue, nor the consideration paid by Vision Blue exceeded 25 percent of the Company’s market capitalization. The Company did not file a material change report in respect of the transaction 21 days in advance of closing of the Offering because Vision Blue’s participation had not been confirmed. The shorter period was necessary in order to permit the Company to close the Offering in a timeframe consistent with usual market practice for transactions of this nature.

5.2 Disclosure of Restructuring Transactions

Not applicable

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

For further information, please contact Brent Nykoliation, Executive Vice President, (416) 364-491.

Item 9: Date of Report

November 15, 2024