

FORM 62-103F1

EARLY WARNING REPORT

In connection with the anticipated windup of both Yorktown Energy Partners IV, L.P. ("**Yorktown IV**") and Yorktown Energy Partners VI, L.P. ("**Yorktown VI**"), Yorktown IV and Yorktown VI have entered into an Agreement of Purchase and Sale, dated December 10, 2021, with Weston Energy, LLC ("**Weston I**"), which provides for the sale of an aggregate of 25,800,000 common shares of Battery Mineral Resources Corp. ("**BMR**" or the "**Issuer**") to Weston I (the "**Sale Agreement**").

In this Report:

- i. Yorktown IV, Yorktown VI and Yorktown Energy Partners XI, L.P. ("**Yorktown XI**") are sometimes collectively referred to as the "**Yorktown Entities**"; and
- ii. Weston I and Weston Energy II, LLC ("**Weston II**") are sometimes collectively referred to as the "**Weston Entities**".

This Report sets out, among other things, information concerning the decreases in the number of BMR common shares that will be owned by Yorktown IV and Yorktown VI, respectively, and the increase in the number of BMR common shares that will be owned by Weston I, as a result of the share transfer transactions contemplated by the Sale Agreement (the "**Share Transfer Transactions**").

A majority of the outstanding voting shares of Weston I and Weston II are owned by Yorktown XI, and, as a result, each of Weston I and Weston II is considered to be controlled by Yorktown XI under applicable securities laws in Canada. Accordingly, Yorktown XI may be considered to be a deemed beneficial owner of the BMR common shares owned by Weston I and Weston II.

Following completion of the Share Transfer Transactions, Yorktown XI and the Weston Entities will own an aggregate of 102,670,138 BMR common shares, which represents approximately 60.09% of the outstanding shares the Issuer as at the date of this Report. Prior to giving effect to the Share Transfer Transactions, Weston I directly owns 65,670,138 BMR common shares (representing approximately 38.43% of the total number of issued and outstanding BMR common shares as at the date of this Report), and following completion of the Share Transfer Transactions, Weston I will directly own 91,470,138 BMR common shares (which will represent approximately 53.53% of the total number of issued and outstanding BMR common shares as at the date of this Report). The percentage figures set out above in this paragraph have been calculated on an undiluted basis (assuming 170,872,279 outstanding BMR common shares) and do not take into consideration any BMR common shares issuable upon the exercise of outstanding options or other convertible or exchangeable securities. The BMR common shares owned by Weston I include 1,069,138 BMR common shares acquired in May 2021 in connection with a private placement undertaken by BMR (the "**BMR Private Placement**").

Each of the Yorktown Entities is a limited partnership formed under the laws of Delaware. In this Report, Yorktown Partners LLC ("**Yorktown Partners**"), the Yorktown Entities, Weston I, Weston II and the other limited partnerships and limited liability companies noted in Item 2.3 below are collectively referred to as the "**Yorktown Group**". Yorktown manages the investment

activities of various limited partnerships within the Yorktown Group and, in that capacity, may be viewed as having control and direction over securities owned (including deemed beneficial ownership) by each of the Yorktown Entities for purposes of applicable securities laws in Canada. Information concerning the managing members of Yorktown Partners is set out in **Schedule 1** to this Report.

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This Report relates to common shares of the Issuer (Battery Mineral Resources Corp).

The Issuer's head office address is located at:

744 Hastings Street W., Suite 400
Vancouver, British Columbia
V6C 1A5

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Not applicable.

The transfers of BMR common shares contemplated by the Sale Agreement will be completed privately (not through the facilities of any stock exchange).

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Weston Energy, LLC
Suite 1900, 410 Park Ave.
New York, NY
10022-4407

The head office of Yorktown Partners and each of the Yorktown Entities is located at 20th Floor, 410 Park Ave., New York, NY 10022-4407. The head office of each of the Weston Entities is located at Suite 1900, 410 Park Ave., New York, NY 10022-4407.

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On December 10, 2021, Yorktown IV, Yorktown VI and Weston I entered into the Sale Agreement. The Sale Agreement provides for:

1. the sale by Yorktown IV (to Weston I) of all of the BMR common shares held by it, being 19,500,000 shares (which represents approximately 11.41% of the outstanding common shares of BMR); and

2. the sale by Yorktown VI (to Weston I) of all of the BMR common shares held by it, being 6,300,000 shares (which represents approximately 3.69% of the outstanding common shares of BMR).

Completion of the Share Transfer Transactions is currently scheduled to occur on December 23, 2021, subject to the satisfaction or waiver of various conditions set out in the Sale Agreement.

The percentage calculations set out above in this Item 2.2, are presented on an undiluted basis (assuming 170,872,279 outstanding BMR common shares) and do not take into consideration any BMR common shares issuable upon the exercise of outstanding options or other convertible or exchangeable securities.

Yorktown XI is not a party to the Sale Agreement and will continue to hold the 4,200,000 BMR common shares directly owned by it following completion of the Share Transfer Transactions.

2.3 *State the names of any joint actors.*

Yorktown Energy Partners IV, L.P., Yorktown Energy Partners VI, L.P., Yorktown Energy Partners XI, L.P., Weston Energy, LLC and Weston Energy II, LLC may be considered joint actors in relation to the Share Transfer Transactions.

Each of the Yorktown Entities is a limited partnership formed under the laws of Delaware. Yorktown Partners manages the investment activities of various limited partnerships within the Yorktown Group and, in that capacity, may be viewed as having control and direction over securities owned by each of the Yorktown Entities. Accordingly, Yorktown Partners may also be considered a joint actor in relation to the Share Transfer Transactions. Information concerning the managing members of Yorktown Partners is set out in **Schedule 1** to this Report.

Other entities within the Yorktown Group (as noted below in this Item 2.3) may be considered joint actors (for purposes of securities laws in force in Canada) with Yorktown IV, Yorktown VI, Yorktown XI, Weston I and Weston II, in relation to the Share Transfer Transactions.

Yorktown IV Associates LLC is the sole general partner of Yorktown IV. As a result, Yorktown IV Associates LLC may be deemed to have the power to vote or direct the voting, or to dispose or direct the disposition, of securities owned by Yorktown IV. Yorktown IV Associates LLC disclaims beneficial ownership of the securities owned by Yorktown IV in excess of its pecuniary interests therein. However, Yorktown IV Associates LLC is deemed to beneficially own securities owned by Yorktown IV under applicable securities laws in Canada.

Yorktown VI Company L.P. is the sole general partner of Yorktown VI. Yorktown VI Associates LLC is the sole general partner of Yorktown VI Company L.P. As a result, Yorktown VI Associates LLC may be deemed to have the power to vote or direct the voting, or to dispose or direct the disposition, of securities owned by Yorktown VI. Yorktown VI Company L.P. and Yorktown VI Associates LLC disclaim beneficial ownership of the securities owned by Yorktown VI in excess of their pecuniary interests therein. However, Yorktown VI Company L.P. and Yorktown VI Associates LLC are deemed to beneficially own securities owned by Yorktown VI under applicable securities laws in Canada.

Yorktown XI Company L.P. is the sole general partner of Yorktown XI. Yorktown XI Associates LLC is the sole general partner of Yorktown XI Company L.P. As a result, Yorktown XI Associates LLC may be deemed to have the power to vote or direct the voting, or to dispose or direct the disposition, of securities owned by Yorktown XI. Yorktown XI Company L.P. and Yorktown XI Associates LLC disclaim beneficial ownership of the securities owned by Yorktown XI in excess of their pecuniary interests therein. However, Yorktown XI Company L.P. and Yorktown XI Associates LLC are deemed to beneficially own securities owned by Yorktown XI under applicable securities laws in Canada.

Although the Yorktown Entities are, in relation to the Share Transfer Transactions, considered joint actors under applicable securities laws in Canada, none of the Yorktown Entities is a beneficial owner of securities owned (either legally or beneficially) by either of the other Yorktown Entities.

A majority of the outstanding voting shares of Weston I and Weston II are owned by Yorktown XI, and each of Weston I and Weston II is considered to be controlled by Yorktown XI under applicable securities laws in Canada. Accordingly, under applicable securities laws in Canada:

1. Yorktown XI is deemed to beneficially own the BMR common shares owned by Weston I and Weston II, respectively; and
2. each of Weston I and Weston II is deemed to beneficially own the BMR common shares owned by the other.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.

Prior to giving effect to the Share Transfer Transactions:

- i. Yorktown IV owns 19,500,000 BMR common shares (representing approximately 11.41% of the outstanding BMR common shares as at the date of this Report);
- ii. Yorktown VI owns 6,300,000 BMR common shares (representing approximately 3.69% of the outstanding BMR common shares as at the date of this Report); and

- iii. Weston I owns 65,670,138 BMR common shares (representing approximately 38.43% of the outstanding BMR common shares as at the date of this Report).

Following completion of the Share Transfer Transactions :

- i. Weston I will directly own 91,470,138 BMR common shares (which will represent approximately 53.53% of the total number of issued and outstanding BMR common shares as at the date of this Report);
- ii. Yorktown XI and the Weston Entities will own an aggregate of 102,670,138 BMR common shares, which represents approximately 60.09% of the total number of issued and outstanding BMR common shares as at the date of this Report; and
- iii. Yorktown IV and Yorktown VI will not own any BMR common shares.

The percentage calculations set out above in this Item 3.1, are presented on an undiluted basis (assuming 170,872,279 outstanding BMR common shares) and do not take into consideration any BMR common shares issuable upon the exercise of outstanding options or other convertible or exchangeable securities.

14,625,000 of the BMR common shares to be transferred to Weston I by Yorktown IV are held in escrow under an Escrow Agreement, dated February 17, 2021, between the Issuer, Odyssey Trust Company and various holders of outstanding BMR common shares (the "**Escrow Agreement**") and 4,725,000 of the BMR common shares to be transferred to Weston I by Yorktown VI are held in escrow under the Escrow Agreement. The 19,350,000 BMR common shares referred to above in this paragraph will, following completion of the Share Transfer Transactions, continue to be held in, and released from, escrow in accordance with the Escrow Agreement.

- 3.2 *State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.*

See Item 2.2 and Item 3.1 above.

- 3.3 *If the transaction involved a securities lending arrangement, state that fact.*

Not applicable.

- 3.4 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.*

See Item 3.1 above.

- 3.5 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which*

- (a) *the acquiror, either alone or together with any joint actors, has ownership and control,*

See Item 2.2 and Item 3.1 above.

Following completion of the Share Transfer Transactions, Yorktown XI and the Weston Entities will own an aggregate of 102,670,138 BMR common shares, which represents approximately 60.09% of the outstanding shares the Issuer.

The percentage calculation set out above in this Item 3.5(a), is presented on an undiluted basis and does not take into consideration any BMR common shares issuable upon the exercise of outstanding options or other convertible or exchangeable securities.

- (b) *the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and*

Not applicable.

- (c) *the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.*

Not applicable.

- 3.6 *If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.*

Not applicable.

- 3.7 *If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement. State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.*

Not applicable.

- 3.8 *If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.*

Not applicable.

Item 4 – Consideration Paid

- 4.1 *State the value, in Canadian dollars, of any consideration paid or received per security and in total.*

The purchase price payable by Weston I for the 19,500,000 BMR common shares to be sold by Yorktown IV pursuant to the Sale Agreement is CDN \$0.65 per share (CDN \$12,675,000 in the aggregate).

The purchase price payable by Weston I for the 6,300,000 BMR common shares to be sold by Yorktown VI pursuant to the Sale Agreement is CDN \$0.65 per share (CDN \$4,095,000 in the aggregate).

- 4.2 *In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.*

See Item 4.1 above.

- 4.3 *If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.*

Not applicable.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following: (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer; (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries; (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries; (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board; (e) a material change in the present capitalization or dividend policy of the reporting issuer; (f) a material change in the reporting issuer's business or corporate structure; (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company; (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace; (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada; (j) a solicitation of proxies from securityholders; (k) an action similar to any of those enumerated above.

The Sale Agreement has been entered into in connection with, and to facilitate, the anticipated windup of Yorktown IV and Yorktown VI.

Each of Yorktown XI and the Weston Entities may, from time to time in the future, increase or decrease its direct or indirect ownership, control or direction over BMR common shares or other securities of BMR through market transactions, private agreements, or otherwise, including by effecting dispositions of securities of BMR for cash or other consideration.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

14,625,000 of the BMR common shares to be transferred to Weston I by Yorktown IV are held in escrow under the Escrow Agreement and 4,725,000 of the BMR common shares to be transferred to Weston I by Yorktown VI are held in escrow under the Escrow Agreement. The 19,350,000 BMR common shares referred to above in this paragraph will, following completion of the Share Transfer Transactions, continue to be held in, and released from, escrow in accordance with the Escrow Agreement.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities

As a result of the Share Transfer Transactions, there will be a decrease in the number of BMR common shares owned by Yorktown IV and Yorktown VI, respectively (as compared to the number of BMR common shares reported in the Early Warning Report filed on behalf of Yorktown IV, Yorktown VI and others on February 16, 2021 (the "**Prior Report**"). As a result of the Share Transfer Transactions (and the acquisition, by Weston I, of an additional 1,069,138 BMR common shares in connection with the BMR Private Placement) there will be an increase in the number of BMR common shares owned by Weston I (as compared to the number of BMR common shares reported in the Prior Report).

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

I, as the acquiror certify, or I, as the agent filing the Report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this Report are true and complete in every respect.

DATED: December 13, 2021.

YORKTOWN ENERGY PARTNERS IV, L.P.

By: Yorktown IV Company LLC, its general partner

Per: (signed) "Robert A. Signorino"
Name: Robert A. Signorino
Title: Member

YORKTOWN ENERGY PARTNERS XI, L.P.

By: Yorktown XI Company LP, its general partner
By: Yorktown XI Associates LLC, its general partner

Per: (signed) "Robert A. Signorino"
Name: Robert A. Signorino
Title: Member

WESTON ENERGY II, LLC

Per: (signed) "Lazaros Nikeas"
Name: Lazaros Nikeas
Title: Principal

YORKTOWN ENERGY PARTNERS VI, L.P.

By: Yorktown VI Company LP, its general partner
By: Yorktown VI Associates LLC, its general partner

Per: (signed) "Robert A. Signorino"
Name: Robert A. Signorino
Title: Member

WESTON ENERGY, LLC

Per: (signed) "Lazaros Nikeas"
Name: Lazaros Nikeas
Title: Principal

Schedule 1

MANAGING MEMBERS OF YORKTOWN PARTNERS LLC

The name, business address, present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each of the managing members of Yorktown Partners LLC are set out below:

Name and Business Address	Capacity in which Serves Yorktown Partners LLC	Principal Occupation	Name, Principal Business and Address of Organization in which Principal Occupation is Conducted
Bryan H. Lawrence 410 Park Avenue 20th Floor New York, New York 10022	Managing Member	Managing Member of Yorktown Partners LLC	Yorktown Partners LLC ⁽¹⁾ 410 Park Avenue 20th Floor New York, New York 10022
Peter A. Leidel 410 Park Avenue 20th Floor New York, New York 10022	Managing Member	Managing Member of Yorktown Partners LLC	Yorktown Partners LLC 410 Park Avenue 20th Floor New York, New York 10022
Tomas R. LaCosta 410 Park Avenue 20th Floor New York, New York 10022	Managing Member	Managing Member of Yorktown Partners LLC	Yorktown Partners LLC 410 Park Avenue 20th Floor New York, New York 10022
W. Howard Keenan, Jr. 410 Park Avenue 20th Floor New York, New York 10022	Managing Member	Managing Member of Yorktown Partners LLC	Yorktown Partners LLC 410 Park Avenue 20th Floor New York, New York 10022
Robert A. Signorino, Jr. 410 Park Avenue 20th Floor New York, New York 10022	Managing Member	Managing Member of Yorktown Partners LLC	Yorktown Partners LLC 410 Park Avenue 20th Floor New York, New York 10022
Bryan R. Lawrence 410 Park Avenue 20th Floor New York, New York 10022	Managing Member	Managing Member of Yorktown Partners LLC	Yorktown Partners LLC 410 Park Avenue 20th Floor New York, New York 10022

- (1) Yorktown Partners LLC is a private investment manager that, together with its affiliates and affiliated funds, invests exclusively in the energy industry with an emphasis on North American oil and gas production and midstream businesses.