

**THIS FIRST AMENDMENT** is made with effect as of October 4, 2022

**BETWEEN:**

**SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (B) CORP.**, a corporation existing under the laws of the Province of Ontario

(the “**Purchaser**”)

– and –

**SOUTH STAR GRAPHITE CANADA CORP.**, a company incorporated under the laws of the Province of British Columbia

(the “**Seller**”)

-and-

**SOUTH STAR BATTERY METALS CORP.**, a company incorporated under the laws of the Province of British Columbia

(“**BG Parent**”)

– and –

**BRASIL GRAPHITE CORP.**, an exempted company incorporated under the laws of the Cayman Islands

(“**BG Cayman**”)

– and –

**BRASIL GRAFITE MINERAÇÃO LTDA.**, a corporation incorporated under the laws of Brazil

(“**BGM**”)

**WITNESSES THAT:**

**WHEREAS** the Purchaser, the Seller, BG Parent, BG Cayman and BGM (collectively, the “**Parties**” and individually, a “**Party**”) executed and delivered a stream agreement dated April 4, 2022 (as may be further amended, supplemented or otherwise modified or restated from time to time, the “**Original Stream Agreement**”);

**AND WHEREAS** the Seller executed and delivered to and in favour of the Purchaser a secured promissory note in the principal amount of US\$2.0 million (the “**Original Promissory Note**”), as acknowledged by the Purchaser and BG Parent;

**AND WHEREAS** the Seller shall execute and deliver to and in favour of the Purchaser, concurrently with the execution and delivery by all Parties of this Amendment, an amended and restated secured promissory note in the principal amount of US\$2.0 million, as acknowledged by the Purchaser and BG Parent (the “**Amended and Restated Promissory Note**”), which shall amend, restate and replace the Original Promissory Note in its entirety;

**AND WHEREAS** BG Parent (a) executed and delivered in favour of the Purchaser (i) a limited recourse guarantee dated April 4, 2022 (the “**Limited Recourse Guarantee**”) with respect to the obligations of the Seller under the Original Stream Agreement and the Original Secured Promissory Note and (ii) a pledge agreement dated as of April 4, 2022 (the “**Pledge Agreement**”) securing the obligations of the Seller under the Original Stream Agreement, and the Original Secured Promissory Note and (b) entered into a deed of charge dated April 4, 2022 (the “**Deed of Charge**”) between BG Parent and the Purchaser securing the obligations of the Seller under the Original Stream Agreement and the Original Secured Promissory Note;

**AND WHEREAS** the applicable Parties wish to amend the Stream Agreement, all on the terms contained herein;

**NOW THEREFORE** in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties mutually agree as follows:

1. **Definitions and Interpretation.** All terms used but not otherwise defined herein and defined in the Original Stream Agreement shall have the same meaning herein as in the Stream Agreement. As used herein, the singular shall include the plural and the plural shall include the singular as the context may require.

2. **Amendment to the Original Stream Agreement.** The Parties agree that the Stream Agreement shall be amended as follows (the Original Stream Agreement, as so amended by this Amendment and as may be further amended, supplemented or otherwise modified or restated from time to time, the “**Amended Stream Agreement**”):

(a) The definition of “Note” in the Original Stream Agreement shall be deleted in its entirety and replaced with the following:

“**Note**” means the amended and restated secured promissory note, dated as of October 4, 2022, executed and delivered by the Seller, as the borrower, and acknowledged by BG Parent and the Purchaser, as noteholder, in a principal amount of \$2,000,000.

(b) Section 4.1(b) of the Original Stream Agreement shall be deleted in its entirety and replaced with the following:

“The Seller shall have the right to notify the Purchaser in writing (the “**Phase 2 Closing Notification**”) that the conditions set out in Sections 4.5(e), (f), (g), (h), (i), (j), (k) and (m) have been satisfied. The Phase 2 Closing Notification shall set out the closing date for the Phase 2 Deposit which shall be no earlier than thirty (30) calendar days after the date of the Phase 2 Closing Notification and no later than sixty (60) calendar days after the date of the Phase 2 Closing Notification. The Purchaser shall have twenty-five (25) calendar days after receipt of the Phase 2 Closing Notification to notify the Seller in writing (the “**Phase 2 Closing Confirmation**”) that the condition set out in Section 4.5(l) has been satisfied or waived.”

(c) Section 3.7(b) of the Original Stream Agreement is amended by deleting “**October 14, 2022**” and replacing it with “**December 14, 2022**”.

(d) The definition of “**Warrants**” in the Original Stream Agreement is amended by deleting “6,000,000” and replacing it with “1,200,000”.

(e) The Warrant Certificate attached as Schedule “I” to the Original Stream Agreement is amended by deleting “6,000,000” and replacing it with “1,200,000”.

3. **Confirmation.** BG Parent and the Purchaser hereby consent to the amendments to the Original Stream Agreement set out in this Amendment, and the terms and conditions thereof, and acknowledge, confirm and agree that notwithstanding the terms and conditions of this Amendment and the Amended and Restated Promissory Note and the execution and delivery of this Amendment the Amended and Restated Promissory Note by the Parties:

(a) the Limited Recourse Guarantee shall be and remain in full force and effect as a valid and binding continuing guarantee in accordance with the terms of such guarantee without impairment or novation thereof; and

(c) the Pledge Agreement and the Deed of Charge shall continue in full force and effect unamended.

4. **Acknowledgement.** The Parties acknowledge that except as otherwise expressly indicated herein, the Stream Agreement shall continue unamended and without novation and remain in full force and effect. Subject to the Amended Stream Agreement, the provisions of this Amendment shall not operate to in any way limit or otherwise restrict the rights and remedies of the Purchaser in respect of the payment and performance of by the Seller or BG Parent with respect to obligations under the Stream Agreement prior to the entering into, execution and delivery of this Amendment.

5. **Further Assurances.** The Seller, BG Parent, BG Cayman and BGM shall at all times hereafter at the reasonable request of the Purchaser execute and deliver all such further documents and instruments and shall do and perform such acts as may be necessary to give full effect to the intent and meaning of this Amendment.

6. **Successors and Assigns.** This Amendment shall enure to the benefit of and shall be binding upon the Parties and their respective successors and permitted assigns.

7. **Severability.** The provisions of this Amendment are intended to be severable. If any provision hereof is held to be invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

8. **Survival of Representations, Warranties and Covenants.** All agreements, representations, warranties, indemnities and covenants made by any party in this Amendment or in any certificate, instrument or document delivered by or on behalf of a Party pursuant hereto shall be considered to have been relied upon by the recipient thereof notwithstanding any investigation made at any time by or on behalf of such recipient and shall survive the execution and delivery of this Amendment and continue in full force and effect without termination.

9. **Modifications; Waiver.** Any amendment or modification or waiver of any right under any provision hereof shall be in writing and signed by the Parties. Any waiver hereunder shall be effective only for the specific purpose for which it is given and for the specific time period, if any, contemplated in such waiver. No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver of such right, power or privilege and any waiver of any breach of the provisions hereof shall be without prejudice to any rights with respect to any other further breach.

10. **Notices.** All notices hereunder shall be given and received as provided in Section 15.7 of the Amended Stream Agreement.

11. **Governing Law.** This Agreement is governed by, and is to be interpreted, construed and enforced in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein, excluding any rule or principle of conflicts of law that may provide otherwise.

12. **Counterparts.** This Amendment may be executed in counterparts and by different Parties hereto in separate counterparts, each of which when so executed shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.

*[Remainder of Page Intentionally Left Blank]*

**IN WITNESS WHEREOF** the Parties have executed this Amendment as of the day and year first written above.

**SOUTH STAR GRAPHITE CANADA  
CORP.**

Per: "*Richard Pearce*"

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Name: Richard Pearce

Title: CEO

**SOUTH STAR BATTERY METALS CORP.**

Per: "*Richard Pearce*"

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Name: Richard Pearce

Title: CEO

**BRASIL GRAPHITE CORP.**

Per: "*Richard Pearce*"

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Name: Richard Pearce

Title: CEO

**BRASIL GRAPHITE MINERAÇÃO LTDA.**

Per: "*Richard Pearce*"

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Name: Richard Pearce

Title: CEO

**SPROTT PRIVATE RESOURCE  
STREAMING AND ROYALTY (B) CORP.**

Per: "*Michael Harrison*"

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Name: Michael Harrison

Title: Chief Executive Officer