

**FORM 62-103F1**

**REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS**

**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 the acquisition of common shares (the "**Common Shares**") of Rhyolite Resources Ltd. (the "**Corporation**").

The Corporation's head office address is Suite 1703, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1.

*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 Common Shares were acquired pursuant to the Non-Brokered Private Placement (as defined below).

**Item 2 - Identity of the Acquiror:**

*2.1 State the name and address of the acquiror.*

Anthony (Tony) Georges Chedraoui (the "**Acquiror**")  
9 Avenue J.F. Kennedy  
Monaco, 98000

*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 21, 2021, the Corporation completed a "bought deal" brokered private placement of 16,000,000 Common Shares at a price of C\$0.88 per Common Share (the "**Offering Price**") for gross proceeds of approximately C\$14 million (the "Bought Deal Private Placement").

The Corporation also closed a non-brokered private placement of approximately C\$4 million at a price per Common Share equal to the Offering Price (the "**Non-Brokered Private Placement**", and together with the Bought Deal Private Placement, the "**Offering**").

As part of the Non-Brokered Private Placement, on December 21, 2021, Tyrus Capital Event Master Fund Limited ("**Tyrus**"), an investment fund managed by the Acquiror, and the Corporation entered into a subscription agreement (the "**Subscription Agreement**") pursuant to which Tyrus agreed to purchase 3,098,864 Common Shares at the Offering Price for total consideration of C\$2,727,000.32.

*2.3 State the names of any joint actors.*

Tyrus Capital Event Master Fund Limited

**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 the report and the change in the acquiror's securityholding percentage in the class of securities.*

Tyrus subscribed for 3,098,864 Common Shares under the Non-Brokered Private Placement.

The Acquiror and Tyrus held, respectively, 3,830,000 and 8,000,000 Common Shares prior to triggering the requirement to file this report, representing collectively approximately 12.3% of the issued and outstanding Common Shares on a non-diluted basis.

Following completion of the Offering, the Acquiror, together with Tyrus, hold and control 14,928,864 Common Shares, representing approximately 12.8% of the issued an outstanding Common Shares on a non-diluted basis.

*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 the report.*

The Acquiror, through Tyrus' subscription under the Non-Brokered Private Placement, acquired control over 3,098,864 Common Shares .

*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 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,*

Following completion of the Offering, the Acquiror, together with Tyrus, hold and control 14,928,864 Common Shares, representing approximately 12.8% of the issued an outstanding Common Shares on a non-diluted basis.

*(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.*

Following completion of the Offering, the Acquiror has exclusive control over the 11,098,864 Common Shares held by Tyrus, but does not have ownership of these Common Shares.

*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 Acquiror, through Tyrus' subscription under the Non-Brokered Private Placement, acquired control of 3,098,864 Common Shares at the Offering Price for total consideration of C\$2,727,000.32.

*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 Acquiror, through Tyrus' subscription under the Non-Brokered Private Placement, acquired the securities for investment purposes. Neither the Acquiror nor Tyrus currently have any future intentions relating to the matters listed in clauses (a) to (k) above.

**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.*

The Acquiror manages investments made by, and the securities of the Corporation held by, Tyrus.

**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.*

Not applicable.

**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**

**Certificate**

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.

Date: December 22, 2021

“SIGNED”

Signature

Anthony (Tony) Georges Chedraoui

Name