LITHIUM SOUTH DEVELOPMENT CORPORATION

CEO'S LETTER TO SECURITYHOLDERS
NOTICE OF MEETING
MANAGEMENT INFORMATION CIRCULAR

FOR THE

ANNUAL GENERAL AND SPECIAL MEETING OF SECURITYHOLDERS OF LITHIUM SOUTH DEVELOPMENT CORPORATION

TO BE HELD ON

THURSDAY, FEBRUARY 19, 2026
9:00 A.M. (PACIFIC TIME)
SUITE 400 – 1681 CHESTNUT STREET
VANCOUVER, BRITISH COLUMBIA, V6J 4M6, CANADA

LITHIUM SOUTH DEVELOPMENT CORPORATION

(the "**Company**")

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SECURITYHOLDERS

TO: The holders (the "**Shareholders**") of common shares ("**Shares**") of the Company

AND TO: The holders ("**Optionholders**") of incentive stock options ("**Options**") and holders ("**Warrantholders**") of common share purchase warrants ("**Warrants**") (the Shareholders, Optionholders and Warrantholders, collectively referred to as the "**Securityholders**")

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "**Meeting**") of the Securityholders will be held at the offices of the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia, V6J 4M6 on Thursday, February 19, 2026, at 9:00 am (Pacific Time), for the following purposes:

1. To consider and, if thought fit, pass with or without variation, a special resolution (the "**Disposition Resolution**") the full text of which is attached as **Appendix A** to the accompanying management information circular (the "**Circular**"), to approve an arm's length sale by the Company of all of the issued and outstanding shares of its wholly-owned subsidiary, NRG Metals Argentina S.A., which holds a 100% ownership interest in the Company's Hombre Muerto North Lithium property located in the Salta and Catamarca Provinces, Argentina, which transaction will constitute a sale of all or substantially all of the Company's undertaking (the "**Sale of Subsidiary**");

2. If the Disposition Resolution is approved at the Meeting, to consider and, if thought fit, pass with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is attached as **Appendix B** to the Circular, to approve an arrangement (the "**Going Private Arrangement"**) under Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), which involves the repurchase by the Company of all of its issued and outstanding securities, as more particularly described in the accompanying Circular;

3. To receive the audited financial statements of the Company for the financial year ended December 31, 2024, the auditor's report thereon and the management's discussion and analysis for the financial year ended December 31, 2024;

4. To fix the number of directors for the ensuing year at five (5) or alternatively, if the Disposition Resolution is approved at the Meeting, to fix the number of directors at three (3);

5. If the Disposition Resolution is approved at the Meeting, to elect three (3) directors of the Company for the ensuing year, as more particularly described in the accompanying Circular;

6. If the Disposition Resolution is not approved at the Meeting, to elect five (5) directors of the Company for the ensuing year, as more particularly described in the accompanying Circular;

7. To re-appoint Davidson & Company LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year and to authorize the board of directors to fix the auditor's remuneration;

8. To re-approve by ordinary resolution the 10% rolling stock option plan of the Company, as more particularly described in the accompanying Circular; and

9. To transact such further or other business as may properly come before the Meeting or any adjournments thereof.

For greater clarity, the Shareholders are entitled to one vote for each Share held and will be voting on all resolutions presented at the Meeting. The Optionholders and Warrantholders are entitled to one vote for each Option and/or Warrant held along with the Shareholders, as a single class, and will be voting on the Arrangement Resolution only.

The directors of the Company have fixed the close of business on Monday, January 5, 2026 as the record date for the determination of Securityholders entitled to receive this Notice of Meeting and to vote at the Meeting.

The Going Private Arrangement requires approval by the Supreme Court of British Columbia (the "**Court**"). Prior to the mailing of the Circular, the Company filed a Petition to the Court and obtained an interim order providing for the calling and holding of the Meeting and other procedural matters (the "**Interim Order**"). Subject to the approval of the Going Private Arrangement by Securityholders at the Meeting in the manner required by the Interim Order, a Court hearing for the final order in respect of the Going Private Arrangement (the "**Final Order**") is currently scheduled to take place on or about Wednesday, February 25, 2026 or as soon thereafter as counsel may be heard. The Notice of Hearing of Petition applying for the Final Order is attached to the Circular as **Appendix E**.

Accompanying this Notice of Meeting is the Circular, forms of Proxy for the Shares, Options and Warrants, Letter of Transmittal and a Financial Statement Request Card. The Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into this Notice of Meeting. Please advise the Company if there has been any change to your mailing address.

Registered Shareholders, Optionholders and Warrantholders: Every registered holder of Shares ("**Registered Shareholder**") at the close of business on the Record Date (as defined in the Circular) is entitled to receive notice of and to attend and vote such Shares at the Meeting. Every Optionholder and every Warrantholder is also entitled to receive notice of and to vote his or her Options and/or Warrants along with the Registered Shareholders, as a single class, at the Meeting only on the Arrangement Resolution. Registered Shareholders, Optionholders and Warrantholders who are unable to attend the Meeting in person and who wish to ensure that their Shares, Options or Warrants, as the case may be, will be voted at the Meeting are requested to complete, sign and deliver the applicable enclosed form of proxy c/o Proxy Dept., Computershare Investor Services Inc., 320 Bay Street, 14th Floor, Toronto, Ontario M5H 4A6. In order to be valid and acted upon at the Meeting, the completed proxies must be returned to the aforesaid address not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournments thereof. Further instructions with respect to the voting by proxy are provided in the form of proxy and in the Circular.

Non-Registered Shareholders: Shareholders may beneficially own Shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary (the "**Non-Registered Shareholders**"). Without specific instructions, intermediaries are prohibited from voting shares for their clients. **If you are a Non-Registered Shareholder, it is vital that the voting instruction form provided to you by your broker, intermediary or its agent is returned according to their instructions, sufficiently in advance of the deadline specified by the broker, intermediary or agent, to ensure that they are able to provided voting instructions on your behalf.**

Only Registered Shareholders are entitled to exercise dissent rights in respect of the Sale of Subsidiary and the Going Private Arrangement. Such Registered Shareholders wishing to exercise rights of dissent should do so in respect of the Sale of Subsidiary and the Going Private Arrangement in accordance with the dissent provisions of the *Business Corporations Act* (British Columbia), as summarized under, and modified as described under each of *Particulars of Other Matters to be Acted Upon - The Sale of Subsidiary – Dissent Rights with Respect to the Sale of Subsidiary* in the Circular, and *Particulars of Other Matters to be Acted Upon - The Going Private Arrangement – Dissent Rights with Respect to the Going Private Arrangement* in the Circular.

DATED at Vancouver, British Columbia, this 16th day of January, 2026.

LITHIUM SOUTH DEVELOPMENT CORPORATION

"Adrian Hobkirk"

Adrian Hobkirk,
President and CEO