**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

Grounded Lithium Corp. (the "**Corporation**")
500, 400 – 5th Ave SW
Calgary, AB T2P 0L6

**Item 2 Date of Material Change**

November 4, 2022.

**Item 3 News Release**

A press release was disseminated on November 7, 2022 through the newswire services of Cision Newswire and subsequently filed on SEDAR.

**Item 4 Summary of Material Change**

On November 4, 2022, the Corporation closed its previously announced non-brokered financing of special warrants of the Corporation ("**Special Warrants**") for gross proceeds of $3.0 million (the "**Offering**").

**Item 5.1 Full Description of Material Change**

On November 4, 2022, the Corporation closed the Offering. In total, 12,000,000 Special Warrants were issued in connection with the Offering, with each Special Warrant entitling the holder, upon the exercise of each Special Warrant, to receive without payment of additional consideration, one unit of the Corporation (a "**Unit**"). Each Unit is comprised of one common share of the Corporation (a "**Common Share**") and one common share purchase warrant (a "**Warrant**"). Each Warrant shall be exercisable to acquire one Common Share (a "**Warrant Share**") at a price of $0.50 per Warrant Share for a period of 24 months from the closing of the Offering.

The Special Warrants shall be automatically exercisable for Units on a one-for-one basis on the date which is the earlier of:

i. the second business day following the date on which a receipt is obtained from the Alberta Securities Commission, as principal regulator on behalf of the applicable securities regulatory authorities in each of the provinces and territories of Canada in which the Special Warrants are sold for a (final) prospectus to qualify the distribution of the Units underlying the Special Warrants; and

ii. the date which is four months and a day following the closing date of the Offering.

The Corporation's resulting capital structure with completion of the Offering is as follows:

| | *Number of Shares* | *Potential Future Proceeds* |
|---|---|---|
| Common shares, basic | 68,872,750 | $ - |
| Warrants, $0.50 exercise price | 12,000,000 | $ 6,000,000 |
| Management incentives | 7,409,100 | $ 1,455,000 |
| Finders warrants, financings to date | 2,351,862 | $ 447,676 |
| Common shares, fully diluted | 90,633,712 | |
| Potential future proceeds | | $ 7,902,676 |

The Corporation will earmark these funds towards two important short-term objectives: (1) engagement of Hatch Ltd. with that contract's corresponding lithium extraction technology assessment and selection for the Corporation's brine resources, and (2) completion of a preliminary economic assessment on the Corporation's Kindersley Lithium Project. Attainment of these two short-term objectives sets the stage for further operational and valuation milestones as the Corporation measurably moves towards the goal of commercial production.

The Corporation paid an aggregate of approximately $87,000 in finders fees and issued an aggregate of 347,725 finder warrants ("**Finder Warrants**") to certain arms-length finders in connection with the Offering. Each Finder Warrant entitles the finder to purchase Common Shares at a price of $0.25 for a period of two years from the date of issue.

The purchase of Special Warrants under the Offering, directly or indirectly, by: (i) Gregg Smith in the amount of 80,000 Special Warrants; (ii) Greg Phaneuf in the amount of 60,000 Special Warrants; (iii) Mark McMurray in the amount of 100,000 Special Warrants; (iv) Dale Shipman in the amount of 72,760 Special Warrants; (v) Brian Bidyk in the amount of 160,800 Special Warrants; (vi) Geoff Speers in the amount of 40,000 Special Warrants; (vii) Lawrence Fisher in the amount of 20,000 Special Warrants; and (viii) Wayne Gaskin in the amount of 20,000 Special Warrants, each constituted a related party transaction within the meaning of Multilateral Instrument 61-101 ("**MI 61-101**"). None of the foregoing subscriptions constituted a material change in the percentage of securities of the Corporation held by such insiders of the Corporation. The Corporation was exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the insiders' participation in the Offering in reliance on sections 5.5(a) and 5.7(1)(a) of MI 61-101 in that the fair market value (as determined under MI 61-101) of the consideration for securities of the Corporation to be issued to related parties did not exceed 25% of the Corporation's market capitalization (as determined under MI 61-101). The Offering was approved by the board of directors of the Corporation after considering a range of financing alternatives. The closing of the Offering is subject to regulatory approval including that of the TSX Venture Exchange. The Finder Warrants and prior to the automatic exercise of the Special Warrants, the Special Warrants, will be subject to a hold period expiring March 5, 2023.

**Item 5.2 Disclosure For Restructuring Transaction**

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**

Inquiries regarding the material change and this Material Change Report may be directed to:

Greg Phaneuf
VP Finance & Chief Financial Officer
greg.phaneuf@groundedlithium.com

587.319.6220

**Item 9 Date of Report**

November 9, 2022

This Material Change Report may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws. The opinions, forecasts, projections and statements about future events of results, are forward looking information, forward-looking statements or financial outlooks (collectively, "**forward-looking statements**") under the meaning of applicable Canadian securities laws. These statements are made as of the date of this Material Change Report and the fact that this Material Change Report remains available does not constitute a representation by the Corporation that the Corporation believes these forward-looking statements continue to be true as of any subsequent date. Although the Corporation believes that the assumptions underlying, and expectations reflected in, these forward-looking statements are reasonable, it can give no assurance that these assumptions and expectations will prove to be correct. Such statements include, but are not limited to, statements regarding the Offering, including the use of proceeds of the Offering, the timing of the automatic exercise of the Special Warrants, obtaining a receipt for a final prospectus and achieving project milestones, and commercializing the Corporation's operations.

Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: the Corporation's expectation that its operations will be in Western Canada, unexpected problems can arise due to technical difficulties and operational difficulties which impact the production, transport or sale of the Corporation's products; geographic and weather conditions can impact the production; the risk that current global economic and credit conditions may impact commodity prices and consumption more than the Corporation currently predicts; the failure to obtain financing on the terms set out herein or other reasonable terms; risks relating to the ability of the Corporation to obtain required approvals to complete the Offering on the terms announced; volatility in the trading price of the Common

Shares; the risk that unexpected delays and difficulties in developing currently owned properties may occur; the failure of drilling to result in commercial projects; unexpected delays due to the limited availability of drilling equipment and personnel; and the other risk factors detailed from time to time in the Corporation 's periodic reports. The Corporation 's forward-looking statements are expressly qualified in their entirety by this cautionary statement.