



MANAGEMENT INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of August 24, 2022.

This Information Circular is being mailed by the management of Advance Lithium Corp. (“**Advance Lithium**” or the “**Company**”) to everyone who was a shareholder of record of our company on August 24, 2022, which is the date that has been fixed by our directors as the record date to determine the shareholders who are entitled to receive notice of the meeting.

We are mailing this Information Circular in connection with the solicitation of proxies by and on behalf of our management, for use at the annual general meeting of the shareholders of Advance Lithium that is to be held on **Monday, October 3, 2022 at 1:00 p.m. (Pacific time) via Zoom meeting due to the ongoing concerns related to the spread of COVID-19, and in order to mitigate potential risks to the health and safety of the Company’s shareholders, employees, communities and other stakeholders. Shareholders are strongly encouraged to vote on the matters before the meeting by proxy. There will be no voting via teleconference. The Company requests that shareholders who wish to attend the virtual meeting contact the Company in advance to make arrangements by emailing info@advancelithiumcorp.com or phoning 1-250-314-0186. Despite the foregoing, it is desirable that as many common shares as possible be represented at the Meeting.** The solicitation of proxies will be primarily by mail. Certain employees or directors of Advance Lithium may also solicit proxies by telephone or in person. The cost of solicitation will be borne by Advance Lithium.

Under our Articles, two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting must be present or represented at the meeting before any action may validly be taken at the meeting. If such a quorum is not present in person or by proxy, we will reschedule the meeting.

PART 1 – VOTING

HOW A VOTE IS PASSED

All of the matters that will come to a vote at the meeting, as described in the attached Notice for the meeting, are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, then the resolution is approved. See Part 3 – The Business of the Meeting for details on the proposed resolutions to be put to shareholders at the meeting.

WHO CAN VOTE?

If you are a registered shareholder of Advance Lithium as at August 24, 2022, you are entitled to attend at the meeting and cast a vote for each share registered in your name on all resolutions put before the meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer’s authority should be presented at the meeting. If you are a registered shareholder but do not wish to, or cannot, attend the meeting in person you can appoint someone who will attend the meeting and act as your proxyholder to vote in accordance with your instructions (see “Voting by Proxy” below). If your shares are registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled “Non-registered Shareholders” set out below.

It is important that your shares be represented at the meeting regardless of the number of shares you hold. If you will not be attending the meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented. **Shareholders who intend to attend the Meeting should note that there will be no voting via teleconference.**

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The solicitation of proxies involve securities of an issuer located in Canada and are being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (“BCA”), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

VOTING BY PROXY

If you do not come to the meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

In order to be valid, you must return the completed form of proxy by 1:00 p.m. (Pacific time) on Thursday, September 29, 2022, to our transfer agent, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 (facsimile numbers: within North America 1-866-249-7775; outside North America 1-416-263-9524); or vote by telephone or through the Internet following the instructions included in the enclosed form of proxy.

What is a proxy?

A form of proxy is a document that authorizes someone to attend the meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can use any other legal form of proxy.

Appointing a proxyholder

You can choose any individual to be your proxyholder. It is not necessary for the person whom you choose to be a shareholder of Advance Lithium. To make such an appointment, simply fill in the person’s name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxyholder must attend the meeting. As this meeting will be held virtually, there will be no voting via teleconference. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder. Those persons are directors and/or officers of Advance Lithium.

Instructing your proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares at the meeting as follows:

- ✓ **FOR the resolution setting the number of directors at six;**
- ✓ **FOR the election of the proposed nominees as directors;**
- ✓ **FOR the resolution to ratify and approve the continuation of the Company’s 10% Rolling Stock Option Plan;**

✓ **FOR the re-appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, as the auditor of Advance Lithium.**

For more information about these matters, see Part 3 – The Business of the Meeting.

The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting. At the time of printing this Information Circular, the management of Advance Lithium is not aware of any other matter to be presented for action at the meeting. If, however, other matters do properly come before the meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Changing your mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates clearly that you want to revoke your proxy and delivering this signed written statement to the registered office of Advance Lithium at PO Box 27, 1400 – 1040 West Georgia Street Vancouver, BC V6E 4H1; or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 5:00 in the afternoon (Pacific time) on the last business day before the day of the meeting, or any adjournment thereof. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, your shares will not be counted as there will be no voting via teleconference.

NON-REGISTERED SHAREHOLDERS

If your shares are not registered in your own name, they will be held in the name of a “nominee,” usually a bank, trust company, securities dealer or other financial institution and, as such, your nominee will be the entity legally entitled to vote your common shares and must seek your instructions as to how to vote your shares. Accordingly, unless you have previously informed your nominee that you do not wish to receive material relating to shareholders’ meetings, you will have received this Information Circular from your nominee, together with a form of proxy or a request for voting instruction form. If that is the case, **it is most important that you comply strictly with the instructions that have been given to you by your nominee on the voting instruction form.** If you have voted and wish to change your voting instructions, you should contact your nominee to discuss whether this is possible and what procedures you must follow.

If your shares are not registered in your own name, our transfer agent will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder, will have no knowledge of your entitlement to vote. If you wish to vote in person at the meeting, therefore, please insert your own name in the space provided on the form of proxy or voting instruction form that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. Please adhere strictly to the signature and return instructions provided by your nominee. It is not necessary to complete the form in any other respect, since you will be voting at the meeting in person. Please register with the scrutineer upon arrival at the meeting.

The Notice of Annual General Meeting, this Information Circular and a form of proxy are being sent to both registered and non-registered owners of common shares in the capital of Advance Lithium. If you are a non-registered owner and we have sent these materials to you directly, your name and address and information about your holdings of common shares of Advance Lithium have been obtained in accordance with applicable securities regulatory requirements from the nominee holding the securities on your behalf. By choosing to send these materials to you directly, Advance Lithium (and not your nominee) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions form that is included with this Information Circular.

In accordance with National Instrument 54-101 – *Communication With Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) of the Canadian Securities Administrators, Advance Lithium has elected to send proxy-related materials directly to non-objecting beneficial owners of its common shares. Advance Lithium is unable to send proxy-related materials directly to the objecting beneficial owners (“**OBOs**”) of its common shares (because OBOs are beneficial shareholders who have objected to the release of security ownership details to issuers).

Advance Lithium has chosen to not use the notice-and-access delivery procedures provided by NI 54-101.

PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Advance Lithium has authorized voting capital of unlimited common shares. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on August 24, 2022, the date fixed by our directors as the record date for determining who is entitled to receive notice of and to vote at the meeting.

At the close of business on August 24, 2022, 75,216,472 of our common shares were outstanding. As of the date of this Circular and to the knowledge of our management, the only persons or companies who or which beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of our common shares on that date were:

Name ⁽¹⁾	Number of common shares ⁽¹⁾	Percentage of issued shares
CDS & Co.	56,566,337	75.20%
Brad Newell	9,344,151	12.42%

⁽¹⁾ Information as to ownership of shares, not being within the knowledge of the management of Advance, has been taken from the list of registered shareholders maintained by Computershare Trust Company, has been provided by the individuals, or has been derived from publicly available documents through the Internet on the Canadian System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.

Also of note: Allan Laboucan, President, CEO and Director of the Company, as of the date of this Circular and to the knowledge of our management, beneficially owned, directly or indirectly, or exercised control or direction over 2,868,333 common shares, 1,250,000 options and 1,700,000 warrants. If Mr. Laboucan chooses to exercise all of the options and warrants under his direction he could own, directly or indirectly, or exercise control or direction over 5,818,333 common shares or approximately 7.18% of our common shares on a partially diluted basis.

PART 3 - THE BUSINESS OF THE MEETING

FINANCIAL STATEMENTS

The consolidated financial statements of Advance Lithium for the year ended May 31, 2021, will be placed before you at the meeting. These financial statements have been electronically filed with the regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Copies of our annual financial statements and Management's Discussion and Analysis can be viewed on our website at www.advancelithiumcorp.ca and will be available at the meeting or upon request by any shareholder who wishes to receive a copy. You can contact Advance Lithium at PO Box 25056 RPO Brocklehurst, Kamloops, British Columbia, V2B 8R6 – telephone: (250) 314-0186; facsimile: (250) 828-2269.

ELECTION OF DIRECTORS

Directors of Advance Lithium are elected for a term of one year. The term of office of each of the current directors, each of whom is a nominee proposed for election as a director, will expire at the meeting, and each of them, if re-elected, will serve until the close of the next annual general meeting, unless he resigns or otherwise vacates office before that time.

Number of Directors

Under Advance Lithium's Articles, the number of directors may be fixed or changed from time to time by ordinary resolution but shall not be fewer than three, the number of directors having been previously set by ordinary resolution of our shareholders at six, each of whom is being nominated by management for re-election at the meeting. Our Board of Directors believes six is a sufficient number of directors to efficiently carry out the duties of the Board, as well as enhance the diversity of views, skills and experience the directors bring to the Board.

Nominees for Election

The following are the nominees proposed for election as directors of Advance Lithium together with the number of common shares that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee. All of the nominees are currently directors of Advance Lithium, each of whom was previously elected as a director by shareholders at previous shareholder meetings. Each of the nominees has agreed to stand for election and we are not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

Advance Lithium has not, as yet, adopted a majority voting policy for election of directors at uncontested shareholder meetings at which directors are to be elected. See Part 7 - Corporate Governance – Nomination and Election of Directors.

Voting for election of directors of Advance Lithium is by individual voting and not by slate voting. You can vote your shares for the election of all of these nominees as directors of Advance Lithium; or you can vote for some of these nominees for election as directors and withhold your votes for others; or you can withhold all of the votes attaching to the shares you own and, thus, not vote for the election of any of these nominees as directors of Advance Lithium.

We recommend that shareholders vote in favour of these nominees for election as directors. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the six nominees as directors of Advance Lithium for the ensuing year.**

Name and jurisdiction of residence	Principal occupation ⁽¹⁾	Director since	Number of shares ⁽¹⁾
Allan Barry Laboucan British Columbia, Canada <i>Director, President & CEO</i>	Businessman	December 16, 2016	2,868,333
William Atkinson ⁽²⁾ British Columbia, Canada <i>Director</i>	Accountant	April 24, 2019	129,166
Jeffrey S. Ackert Ontario, Canada <i>Director, and past Vice President Exploration & Business Development</i>	Geologist; Vice President of Business Development of Carube Copper Corp	June 9, 2008	151,250
Ali Afif Fawaz Tanzania <i>Director</i>	International transportation supply chain professional and licensed customs broker; Managing director (since 2000) of Villa Plast Ltd., Dar es Salaam, Tanzania; Managing director (since 2001) of BNM Company Ltd., Democratic Republic of Congo.	August 28, 2012	Nil
Duke Greenstein ⁽²⁾ British Columbia, Canada <i>Director</i>	Businessman	October 3, 2017	Nil
Brad Newell ⁽²⁾ British Columbia, Canada <i>Director</i>	Businessman	July 9, 2018	9,344,151

⁽¹⁾ The information as to shares beneficially owned, not being within our knowledge, has been furnished by the respective individuals, has been extracted from the register of shareholdings maintained by our transfer agent or has been obtained from insider reports filed by the individuals and available through the Internet at the Canadian System for Electronic Disclosure by Insiders (SEDI). Shareholdings are as of August 24, 2022, the record date for the meeting to which this Circular relates.

⁽²⁾ Member of the Audit Committee (see Part 6 – Audit Committee and Part 7 – Corporate Governance).

APPOINTMENT OF THE AUDITOR

Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, of Vancouver, British Columbia, are recommended by management for reappointment as auditor of Advance Lithium for the ensuing year. Dale Matheson Carr-Hilton LaBonte LLP was appointed as Advance Lithium's auditor by our directors on March 17, 2011, on the resignation of Hay & Watson, Chartered Accountants, who had been Advance Lithium's auditor since April 2007.

Pursuant to Advance Lithium's Articles, the directors are authorized to set the auditor's remuneration. See Part 6 – Audit Committee – External Auditor Service Fees.

Advance Lithium's management recommends that shareholders vote in favour of the reappointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, as Advance Lithium's auditor for the ensuing year. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the reappointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, as our auditor until the close of our next annual general meeting.**

ANNUAL APPROVAL OF STOCK OPTION PLAN

TSX Venture Exchange policy requires that rolling stock option plans which set the number of shares issuable under the plan at a maximum of 10% of the issued and outstanding shares from time to time must be approved and ratified by shareholders and submitted to the Exchange for approval on an annual basis. As Advance's Amended and Restated Incentive Stock Option Plan (the "Plan") is a 10% rolling plan, shareholders will be asked at the Meeting to give approval to approve and ratify the Plan. See PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Background and Summary of the Plan

Advance Lithium's 2021 10% Rolling Stock Option Incentive Plan (the "Plan") was approved by its shareholders at the annual general meeting held March 31, 2021. Optionees must be Eligible Persons who, by the nature of their jobs or their participation in the affairs of the Company, in the opinion of the Board, are in a position to contribute to the success of the Company. Options granted under the Stock Option Plan are not exercisable for a period of more than 10 years and the exercise price must be paid in full upon exercise of the option. Advance Lithium's 2022 10% Rolling Stock Option Incentive Plan was amended in order to align with TSX Policy 4.4 requirements as of November 23, 2021. The TSX Venture Exchange has conditionally accepted the Stock Option Plan for filing, pending shareholder approval at the Annual General Meeting.

Recommendation of Management

Advance's management recommends that shareholders vote to approve and ratify the Plan.

PART 4 – EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

The purpose of this Compensation Discussion and Analysis is to provide information about Advance Lithium's executive compensation objectives and processes and to discuss compensation decisions relating to its named executive officers ("Named Executive Officers") listed in the Summary Compensation Table that follows. During its fiscal year ended May 31, 2021, the following individuals were Named Executive Officers (as determined by applicable securities legislation) of Advance Lithium:

- Allan Barry Laboucan, President and Chief Executive Officer (since November 22, 2016);
- Brad Newell, Chairman of the Board of Directors (since March 27, 2020); and
- Marie Cupello, Chief Financial Officer and Corporate Secretary (since August 8, 2013).

No executive officer of Advance Lithium, nor any other individual, received total compensation of more than \$150,000 from Advance Lithium during the financial year ended May 31, 2021.

Background

Advance Lithium is an exploratory stage mineral exploration company engaged in the evaluation and exploration of mineral property interests. Advance Lithium has no significant revenues from operations and often operates with limited financial resources to ensure that funds are available to complete exploration programs. As a result, the Board of Directors has to consider not only the financial situation of Advance Lithium at the time of the determination of executive compensation, but also the estimated financial situation of Advance Lithium in the mid- and long-term. An important element of executive compensation is that of stock options, which does not require cash disbursement from Advance Lithium. Additional information about Advance Lithium and its operations is available in our audited consolidated financial statements and Management's Discussion & Analysis for the year ended May 31, 2021, which have been electronically filed with regulators

and are available for viewing through the Internet at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Compensation Philosophy, Objectives and Process

The primary goal of Advance Lithium's executive compensation process is to attract and retain the key executives necessary for its long term success, to encourage executives to further the development of Advance Lithium and its operations, and to motivate top quality and experienced executives. Advance Lithium does not have a formal compensation program. The Board of Directors meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of Advance Lithium's compensation strategy are to (a) compensate management in a manner that encourages and rewards a high level of performance and results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; (c) provide a compensation package that is commensurate with industry standards; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that Advance Lithium is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

The key elements of executive compensation awarded by Advance Lithium are: (i) base salary and/or management fees; (ii) potential annual incentive awards; and (iii) incentive stock options. The directors are of the view that all elements should be considered, rather than any single element.

The Board, as a whole, endeavours to ensure that compensation of its Named Executive Officers is fair and reasonable. The Board relies on the experience of its members, as officers and directors with other junior mining companies, in assessing compensation levels.

Long Term Compensation and Option-Based Awards

Options to purchase common shares of Advance Lithium are intended to align the interests of Advance Lithium's directors and its executive officers with those of its shareholders, to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value and to reduce the cash compensation Advance Lithium would otherwise have to pay. Advance Lithium's Option Plan is administered by the Board of Directors. In determining the level of incentive stock option compensation, the Board of Directors considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding common shares, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the individual. See Part 4 – Executive Compensation – Named Executive Officer Compensation – Incentive Plan Awards - Outstanding Option-Based Awards (below), as well as Part 5 – Securities Authorized for Issuance under Equity Compensation Plans.

Benefits and Perquisites

Advance Lithium does not, as of the date of this Information Circular, offer any benefits or perquisites to its Named Executive Officers other than entitlement to options as otherwise disclosed and discussed herein.

Pension Plan Benefits

Advance Lithium does not offer any pension plan benefits.

Risks Associated with Compensation Practises

At the time of preparation of this Circular, the directors of Advance Lithium had not considered the implications of any risks to Advance Lithium associated with decisions regarding compensation of its executive officers.

Hedging by Named Executive Officers or Directors

At the time of preparation of this Circular, Advance Lithium had not adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Circular, entitlement to grants of incentive stock options under the Advance Lithium Option Plan is the only equity security element awarded by Advance Lithium to its executive officers and directors (see Part 5 – Securities Authorized for Issuance Under Equity Compensation Plans).

NAMED EXECUTIVE OFFICER COMPENSATION

Summary Compensation Table

The following table provides a summary of the compensation over the last three completed fiscal years earned by, paid to, or accrued and payable to the Named Executive Officer who served as such during the fiscal year ended May 31, 2021. Amounts reported in the table below are in Canadian dollars, the currency that Advance Lithium uses in its financial statements.

Name and principal position	Fiscal year ended May 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Allan Laboucan <i>President, Director & CEO</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil	90,000 ⁽¹⁾	90,000
	2020	Nil	Nil	Nil	Nil	Nil	Nil	72,500 ⁽¹⁾	72,500
	2019	Nil	Nil	30,000 ⁽²⁾	Nil	Nil	Nil	60,000 ⁽³⁾	90,000
Brad Newell <i>Director & Chairman of the Board of Directors</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Marie Cupello <i>CFO & Corporate Secretary</i>	2021	28,637	Nil	Nil	Nil	Nil	Nil	28,961	57,598
	2020	Nil	Nil	Nil	Nil	Nil	Nil	19,250	19,250
	2019	Nil	Nil	11,250 ⁽⁴⁾	Nil	Nil	Nil	7,240	18,490

⁽¹⁾ Management Services Agreement between Advance Lithium and Mr Laboucan is effective from August 12, 2020, automatically renewing for a further one year term if not cancelled. The Agreement can be cancelled with 30 days written notice by either party.

⁽²⁾ Mr. Laboucan was granted 200,000 stock options exercisable until April 24, 2024.

⁽³⁾ Management Services Agreement between Advance Lithium and Mr Laboucan was effective from November 22, 2018 until August 12, 2020. The Agreement expired and a new one was drawn up effective August 12, 2020.

⁽⁴⁾ Ms. Cupello was granted 75,000 stock options exercisable until April 24, 2024.

Incentive Plan Awards

Outstanding Option-Based Awards

Incentive stock options were granted by Advance Lithium to its Named Executive Officers during the fiscal year ended May 31, 2021 as follows:

Named Executive Officer	Number of common shares underlying unexercised options (#)	Option exercise price (\$)	Option expiry date
Allan Laboucan	Nil	-	-
Brad Newell	Nil	-	-
Marie Cupello	Nil	-	-

The following table sets out option-based awards granted to the Named Executive Officers in prior years that were outstanding at the fiscal year ended May 31, 2021. No share-based awards, other than incentive stock options, have been granted by Advance Lithium to its Named Executive Officers.

Named Executive Officer	Option-based Awards			Share-based Awards			
	Number of common shares underlying unexercised options (#)	Option exercise price (\$)	Option expiry date	Value of unexercised in-the-money options ⁽¹⁾⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Allan Laboucan	200,000	0.12	April 24, 2024	-	N/A	N/A	N/A
	500,000	0.12	September 23, 2025	-	N/A	N/A	N/A
	300,000	0.08	May 4, 2026	-	N/A	N/A	N/A
Brad Newell	Nil	-	-	-	N/A	N/A	N/A
Marie Cupello	200,000	0.12	April 17, 2023	-	N/A	N/A	N/A
	75,000	0.12	April 24, 2024	-	N/A	N/A	N/A
	275,000	0.12	September 23, 2025	-	N/A	N/A	N/A
	200,000	0.08	May 4, 2026	-	N/A	N/A	N/A

⁽¹⁾ The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying stock on the TSX Venture Exchange on May 31, 2021, the last day of trading prior to the fiscal year-end.

⁽²⁾ The market value of the shares is the closing price of Advance Lithium’s common shares on the TSX Venture Exchange on May 31, 2021. The closing price of the shares on May 31, 2021, the last day of trading prior to the fiscal year-end, was \$0.08.

Incentive Plan Awards – Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. As all options previously granted by Advance Lithium to its Named Executive Officers fully vested prior to the commencement of the fiscal year ended May 31, 2021, no value vested in favour of Advance Lithium’s Named Executive Officers during the fiscal year ended May 31, 2021, as a result of options vesting.

Name	Option-based awards – Value vested ⁽¹⁾ during the fiscal year ended May 31, 2021 (\$)	Share-based awards – Value vested during the fiscal year ended May 31, 2021 (\$)	Non-equity incentive plan compensation – Value earned during the fiscal year ended May 31, 2021 (\$)
Allan Laboucan	N/A	N/A	N/A
Brad Newell	N/A	N/A	N/A
Marie Cupello	N/A	N/A	N/A

⁽¹⁾ Represents the aggregate dollar value that would have been realized if the incentive stock options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the respective vesting date.

As no options were exercised by the Named Executive Officers during the fiscal year ended May 31, 2021, there was no value earned by the Named Executive Officers as a result of exercise of options during the fiscal year ended May 31, 2021.

TERMINATION AND CHANGE OF CONTROL BENEFITS

As of the date of this Circular, Advance Lithium is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of Advance Lithium or a change in a Named Executive Officer’s responsibilities.

MANAGEMENT CONTRACTS

The management functions of Advance Lithium and its subsidiaries are performed by our directors and executive officers. Advance Lithium has a consulting services agreement with Allan Laboucan dated August 12, 2020 for a term of one year, automatically renewing for one year, unless earlier terminated by either party with 30 days written notice. Compensation for services rendered are in the amount of \$7,500 CAD per month. There are no other management agreements or arrangements under which such management functions are performed by persons other than the directors and officers of Advance Lithium. See Part 4 – Executive Compensation.

DIRECTOR COMPENSATION

Advance Lithium does not compensate its directors for their services as such. Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors, and Advance Lithium may, from time to time, grant to its directors incentive stock options to purchase common shares (see “Incentive Plan Awards – Outstanding Option-Based Awards” below).

The following disclosure of director compensation for Advance Lithium’s financial year ended May 31, 2021 and excludes compensation of Allan Laboucan and Brad Newell, Named Executive Officers during the fiscal year ended May 31, 2021, whose compensation is disclosed above at “Summary Compensation Table”. Neither Mr. Laboucan, nor Mr. Newell received any additional compensation to that disclosed in the Summary Compensation Table above for serving as a director of Advance Lithium during the year ended May 31, 2021.

Director	Fees earned (\$)	Share-based awards (\$)	Option- based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Jeffrey S. Ackert	Nil	Nil	20,000	Nil	Nil	Nil	20,000
William Atkinson	Nil	Nil	16,000	Nil	Nil	Nil	16,000
Ali Afif Fawaz	Nil	Nil	16,000	Nil	Nil	Nil	16,000
Duke Greenstein	Nil	Nil	16,000	Nil	Nil	Nil	16,000
Gennen McDowall ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ Gennen McDowall agreed to sit on the Board of Directors on May 4, 2021. He resigned November 5, 2021 in order to pursue other business opportunities.

Incentive Plan Awards

Outstanding Option-Based Awards

Incentive stock options were granted by Advance Lithium to its directors during the fiscal year ended May 31, 2021 as follows:

Director	Number of common shares underlying unexercised options (#)	Option exercise price (\$)	Option expiry date
Jeffrey S. Ackert	250,000	0.08	May 4, 2026
William Atkinson	200,000	0.08	May 4, 2026
Ali Afif Fawaz	200,000	0.08	May 4, 2026
Duke Greenstein	200,000	0.08	May 4, 2026
Gennen McDowall	Nil	-	-

The following table sets out option-based awards granted to the directors in prior years that were outstanding at the fiscal year ended May 31, 2021. No share-based awards, other than incentive stock options, have been granted by Advance Lithium to its directors. For detail of option-based awards granted to Allan Laboucan and Brad Newell, who were members of Advance Lithium’s Named Executive Officer during the fiscal year ended May 31, 2021, see “Named Executive Officer Compensation – Incentive Plan Awards – Outstanding Option-Based Awards” above.

	Option-based Awards				Share-based Awards		
Director	Number of common shares underlying unexercised options (#)	Option exercise price (\$)	Option expiry date	Value of unexercised in-the-money options ⁽¹⁾⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jeffrey Ackert	150,000	0.12	April 24, 2024	Nil	N/A	N/A	N/A
	275,000	0.12	September 23, 2025	Nil	N/A	N/A	N/A
	250,000	0.08	May 4, 2026	Nil	N/A	N/A	N/A
William Atkinson	150,000	0.12	April 24, 2024	Nil	N/A	N/A	N/A
	150,000	0.12	September 23, 2025	Nil	N/A	N/A	N/A
	200,000	0.08	May 4, 2026	Nil	N/A	N/A	N/A
Ali Afif Fawaz	150,000	0.12	April 24, 2024	Nil	N/A	N/A	N/A
	150,000	0.12	September 23, 2025	Nil	N/A	N/A	N/A
	200,000	0.08	May 4, 2026	Nil	N/A	N/A	N/A
Duke Greenstein	100,000	0.12	April 17, 2023	Nil	N/A	N/A	N/A
	150,000	0.12	April 24, 2024	Nil	N/A	N/A	N/A
	150,000	0.12	September 23, 2025	Nil	N/A	N/A	N/A
	200,000	0.08	May 4, 2026	Nil	N/A	N/A	N/A
Gennen McDowall	Nil	-	-	Nil	N/A	N/A	N/A

⁽¹⁾ The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying stock on the TSX Venture Exchange on May 31, 2021, the last day of trading prior to the fiscal year-end.

⁽²⁾ The market value of the shares is the closing price of Advance Lithium’s common shares on the TSX Venture Exchange on May 31, 2021. The closing price of the shares on May 31, 2021, the last day of trading prior to the fiscal year-end, was \$0.08.

Incentive Plan Awards – Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. As all options previously granted by Advance Lithium to its directors fully vested prior to the commencement of the fiscal year ended May 31, 2021, no value vested in favour of Advance Lithium’s directors during the fiscal year ended May 31, 2021, as a result of options vesting.

Director	Option-based awards – Value vested ⁽¹⁾ during the fiscal year ended May 31, 2021 (\$)	Share-based awards – Value vested during the fiscal year ended May 31, 2021 (\$)	Non-equity incentive plan compensation – Value earned during the fiscal year ended May 31, 2021 (\$)
Jeffrey S. Ackert	Nil	N/A	N/A
William Atkinson	Nil	N/A	N/A
Ali Afif Fawaz	Nil	N/A	N/A
Duke Greenstein	Nil	N/A	N/A
Gennen McDowall	Nil	N/A	N/A

⁽¹⁾ Represents the aggregate dollar value that would have been realized if the incentive stock options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the respective vesting date.

As no options were exercised by the directors during the fiscal year ended May 31, 2021, there was no value earned by the directors as a result of exercise of options during the fiscal year ended May 31, 2021.

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following information is as of May 31, 2021, Advance Lithium’s fiscal year end.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders ⁽¹⁾	5,675,000	\$0.11	33,313
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Totals	5,675,000	\$0.11	33,313

⁽¹⁾ Advance Lithium’s 2020 10% Rolling Stock Option Incentive Plan was approved by the TSX. The TSX granted conditional approval for the 2022 10% Rolling Stock Option Incentive Plan on August 28, 2022.

Summary of the Advance Lithium Option Plan

Advance Lithium’s 2022 10% Rolling Stock Option Incentive Plan (the “**Option Plan**”) is administered by the Board of Directors of Advance Lithium. Pursuant to the Option Plan, whereby the aggregate number of common shares reserved for issuance pursuant to the Plan and any other share compensation arrangement granted or made available by the Company from time to time shall not exceed in aggregate 10% of the total number of issued and outstanding Common Shares (the “Option Plan Shares”). The number of Option Plan Shares shall be increased or decreased from time to time as required if more or less Option Plan Shares are required to be issued due to any reorganization of the share capital of the Company. The term of any options granted under the Plan will be fixed by the Board of Directors and may not exceed ten years. The exercise price of options granted under the Plan will be determined by the Board of Directors, provided that it is not less than the lowest price permitted by the Exchange.

Any options granted pursuant to the Plan will terminate within 30 days of the option holder ceasing to act as an “Eligible Person” pursuant to and as defined in the Plan, unless such cessation is on account of death, disability or termination of employment with cause. If such cessation is on account of disability or death, the options terminate on the first anniversary of such cessation, and if it is on account of termination of employment with cause, the options terminate immediately. The Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the Company’s shares with prior approval from the TSX Venture Exchange.

The purpose of the Plan is to allow the Company to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to ten years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company’s shares prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange. Pursuant to the Plan, the Board of Directors may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company. The Plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion. The Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

The full text of the Plan is available for viewing up to the date of the Meeting at the Company's Vancouver offices located at 1400, 1040 West Georgia Street, Vancouver, BC, V6E 4H1, and will also be available for review at the Meeting.

Subject to prior approval of any stock exchange on which Advance Lithium's securities are then listed, the Board may terminate, suspend or amend the terms of the Option Plan, provided that the Board may not do any of the following without obtaining, within 12 months either before or after the Board's adoption of a resolution authorizing such action, shareholder approval, and, where required, disinterested shareholder approval as contemplated by the policies of the TSX Venture Exchange, or by the written consent of the holders of a majority of the securities of Advance Lithium entitled to vote:

- increase the aggregate number of common shares which may be issued under the Option Plan;
- materially modify the requirements as to the eligibility for participation in the Option Plan that would have the potential of broadening or increasing insider participation; and
- materially increase the benefits accruing to participants under the Option Plan.

However, the Board may amend the terms of the Option Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

- amendments to the Option Plan of a housekeeping nature;
- a change to the vesting provisions of a security or the Option Plan; and
- a change to the termination provisions of a security or the Option Plan which does not entail an extension beyond the original expiry date.

PART 6 – AUDIT COMMITTEE

AUDIT COMMITTEE CHARTER

The charter for the Audit Committee of Board of Directors of Advance Lithium Corp. is attached to this Circular as Appendix A.

AUDIT COMMITTEE MEMBERS

William Atkinson, Duke Greenstein and Brad Newell are the members of Advance Lithium's Audit Committee. William Atkinson and Duke Greenstein are considered by Advance Lithium's Board to be independent of management, having applied the guidelines contained in applicable securities legislation, and all three of the Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Advance Lithium's financial statements. Mr. Newell is not independent of management as he is Advance Lithium's Chairman of the Board and 10% shareholder. See Part 7 – Corporate Governance, which follows this Part 6.

RELEVANT EDUCATION AND EXPERIENCE

All of the Audit Committee members are businessmen with experience in financial matters, each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor. In addition, each of the members of the Audit Committee have knowledge of the role of an Audit Committee in the realm of reporting companies from their respective years of experience as directors of public companies.

William Atkinson

William Atkinson is a partner of Atkinson & Company, CPA and has extensive governance, financial reporting and auditing experience.

Duke Greenstein

Duke Greenstein is a businessman with extensive experience in management of complex manufacturing systems for some well-known consumer brands. He also has extensive experience in contract negotiations, and in sales and marketing.

Brad Newell

Brad Newell leads his family owned private businesses that include a leading retail flooring company serving the Vancouver region and a popular golf course. In addition to his business interests, he is also an active philanthropist.

PRE-APPROVED POLICIES AND PROCEDURES FOR NON-AUDIT SERVICES

Advance Lithium's Audit Committee Charter provides that the Audit Committee approve all non-audit services to be provided to Advance Lithium, or any of its subsidiaries, by its external auditor, prior to engaging the external auditor to perform those non-audit services.

EXTERNAL AUDITOR SERVICE FEES

Aggregate audit and audit related fees (inclusive of applicable tax) billed by Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, the Company's external auditor, for services rendered during and in connection with the fiscal years ended May 31, 2021 and May 31, 2020, are as follows:

	Fiscal year ended May 31, 2021	Fiscal year ended May 31, 2020
Audit fees ⁽¹⁾	\$24,293	\$20,244
Audit related fees.....	Nil	Nil
Tax fees	Nil	Nil
All other fees (other than fees reported above).....	Nil	Nil

⁽¹⁾ Fees for audit of annual financial statements.

RELIANCE ON EXEMPTION

As Advance Lithium is a "venture issuer" pursuant to relevant securities legislation, we are relying on the exemption in Section 6.1 of National Instrument 52-110 – *Audit Committees* ("NI 52-110") from the Audit Committee composition requirements of Part 3 and the reporting obligations of Part 5 of NI 52-110.

At no time since the commencement of Advance Lithium's fiscal year ended May 31, 2021, has Advance Lithium relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis* Non-Audit Services), or the exemptions in Section 6.1.1 of NI 52-110 with respect to composition of an audit committee of a venture issuer (*Circumstance Affecting the Business or Operations of the Venture Issuer, Events Outside Control of Member and Death, Incapacity or Resignation*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

PART 7 – CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of a Board of Directors, whose members are elected by and are accountable to shareholders. Advance Lithium is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute effective and efficient decision-making. Follows is a summary of Advance Lithium's approach to corporate governance.

CONSTITUTION AND FUNCTIONING OF THE BOARD OF DIRECTORS

We currently have six directors, all of whom are being proposed by management for election as directors at the meeting to which this Circular relates. The size and composition of the Board reflects a breadth of backgrounds and experience that is important for effective governance of a corporation in the mineral exploration industry.

Under applicable legislation, a director is considered to be “independent” if the director is free from any direct or indirect material relationship with the issuer that could, or could reasonably be perceived to, materially interfere with that director’s ability to act with a view to the best interests of the corporation. As such, a director who is an officer of a corporation and a member of day-to-day management is considered to be non-independent. The Board of Directors has considered the relationship to Advance Lithium of each of its nominees for election and has determined that four of our directors are independent of management, namely William Atkinson, Ali Fawaz, Jeffrey Ackert and Duke Greenstein. Allan Laboucan, by virtue of his position as President and Chief Executive Officer of Advance Lithium is not considered to be independent. Brad Newell, by virtue of his position as Chairman of the Board of Directors and his shareholdings in the Company, is not considered to be independent of management.

The independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, to facilitate open and candid discussion among its independent directors, and to facilitate the Board’s exercise of independent judgment in carrying out its responsibilities, Advance Lithium’s independent directors are encouraged to meet at any time they consider necessary without any members of management or non-independent directors being present.

The Board is satisfied that it is not constrained in its access to information, in its deliberations or in its ability to satisfy the mandate established by law to supervise the business and affairs of Advance Lithium, and that there are sufficient systems and procedures in place to allow the Board to have a reasonable degree of independence from day-to-day management. The Board is satisfied as to the extent of its exercise of independent supervision over management.

MANDATE OF THE BOARD OF DIRECTORS, ITS COMMITTEES AND MANAGEMENT

The Board of Directors is responsible for overseeing the overall management of Advance Lithium and for the conduct of Advance Lithium’s affairs generally. The Board actively participates in the strategic planning process and is responsible for overseeing management’s day-to-day operation of Advance Lithium. The Board is responsible for identifying the principal risks of Advance Lithium’s business and ensuring the implementation of appropriate systems to manage these risks. The Board looks to senior management to keep apprised of all significant developments affecting Advance Lithium and its operations. All major acquisitions, dispositions and investments, as well as financings and other significant matters outside the ordinary course of Advance Lithium’s business, are subject to approval by the Board. The Board is also responsible for succession planning of management, although it is not currently considered to be of singular importance given the relative age of Advance Lithium’s current principal operating officers and directors. Finally, the Board is responsible for the implementation of a communications policy for Advance Lithium, and for the integrity of Advance Lithium’s internal control, management information and public disclosure systems.

The Board and the Chief Executive Officer have not, to date, adopted a formal mandate for the Chief Executive Officer, as the responsibilities of such office are well understood by both the Board and management. There are no specific mandates for the Board, although the Board of Directors has ultimate responsibility for all aspects of Advance Lithium.

The Board generally requires that all material transactions receive prior Board approval. In this regard, virtually all financing transactions are considered to be material to Advance Lithium. Any property acquisitions and significant exploration programs receive the approval of the plenary Board of Directors.

DIRECTORSHIPS IN OTHER PUBLIC COMPANIES

The following is a list of those directors of Advance Lithium who are presently a director of any other issuer that is a reporting issuer (or the equivalent):

Director	Reporting Issuer
Jeffrey Ackert	Altai Resources Inc. C3 Metals Inc. (formerly Carube Copper Corp.) Mayo Lake Minerals Inc.
William Atkinson	Nil
Ali Afif Fawaz	Nil
Allan Laboucan	Silver Valley Metals Corp.
Duke Greenstein	Nil
Brad Newell	Nil

ORIENTATION AND CONTINUING EDUCATION

The Board and management will provide each new director with a comprehensive orientation. The orientation will fully identify (i) the role of the Board and any committees; (ii) the nature and operation of the business of Advance Lithium; and (iii) the contribution which individual directors are expected to make to the Board in terms of both time and resource commitments.

To enable each director to better perform his duties and to recognize and deal appropriately with issues that arise, Advance Lithium will provide all directors with continuing education opportunities with respect to Advance Lithium, its subsidiaries and its business and operations. Our management endeavours to provide a continuous flow of information to our directors for continuing education purposes relating to Advance Lithium's business and operations, as well as information and other initiatives intended to keep the Board abreast of new developments and challenges that Advance Lithium may face.

The Board shall have the power to hire and consult with independent legal, financial or other advisors for the benefit of the Board or any committee, as they may deem necessary. The Board may at any time retain outside financial, legal or other advisors at the expense of Advance Lithium. Any director may, subject to the approval of the Board, retain an outside advisor at the expense of Advance Lithium. All directors have at all reasonable times and on reasonable notice, full and free access to officers and employees of Advance Lithium.

ETHICAL BUSINESS CONDUCT

The Board of Directors seeks to carry out its business with high business and moral standards and following all applicable legal and financial requirements. In that regard, the Board has adopted a written Code of Business Conduct and Ethics for its directors, officers, employees and consultants. The Code of Business Conduct and Ethics adopted by the Board of Directors of Advance Lithium may be accessed through the Internet on SEDAR at www.sedar.com. The Code establishes practices regarding compliance with the law and internal policies and guidelines, a Whistleblower Policy which details complaint procedures for financial concerns, disclosure obligations, and internal financial control. Each employee is provided with a copy of the Code. Compliance with the Code is based on the cooperation of all persons subject to the Code.

Further, the Board has found that the fiduciary duties placed on individual directors by our governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, ensure that the Board operates independently of management and in the best interests of Advance Lithium and its shareholders.

NOMINATION AND ELECTION OF DIRECTORS

Advance Lithium has not yet appointed a nominating committee. The Board of Directors, as a whole, is responsible for considering the Board's size and the number of directors to recommend to Advance Lithium's shareholders for election at annual general meetings, taking into account the number of directors required to carry out the Board's duties effectively and to maintain representation by independent directors and a diversity of view and experience.

We have not yet considered adopting an advance notice policy requiring that a shareholder proposing to nominate a person for election as a director at a meeting of shareholders must provide Advance Lithium with advance notice of, and prescribed details concerning, the proposed nominee.

Voting for election of directors of Advance Lithium is by individual voting and not by slate voting. Advance Lithium has not, as yet, adopted a majority voting policy for election of directors at uncontested shareholder meetings at which directors are to be elected.

COMPENSATION

The Board of Directors is responsible for determining all forms of compensation to be granted to the Chief Executive Officer and Chief Financial Officer of Advance Lithium, as well as to its directors, and for reviewing the Chief Executive Officer's recommendations respecting compensation of the other officers of Advance Lithium, to ensure such arrangements reflect the responsibilities and risks associated with each position. See Part 4 – Executive Compensation.

BOARD COMMITTEES

The Board of Directors of Advance Lithium has, to date, established only one committee, the Audit Committee. See Part 6 – Audit Committee.

ASSESSMENTS

The Board does not yet formally review the contributions of individual directors. The directors believe that the Board's current size facilitates informal discussion and evaluation of members' contributions within that framework.

PART 8 – OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the fiscal year ended May 31, 2021, and as at the date of this Circular, no director, executive officer or employee or former director, executive officer or employee of Advance Lithium, nor any nominee for election as a director of Advance Lithium, nor any associate of any such person, was indebted to Advance Lithium or its subsidiaries, nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Advance Lithium or its subsidiary.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed below, no proposed nominee for election as a director, and no director or officer of Advance Lithium who has served in such capacity since the beginning of the last financial year of Advance Lithium, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of Advance Lithium's outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had or has any interest in any transaction with Advance Lithium since the beginning of the last completed financial year, or in any proposed transaction, that has materially affected Advance Lithium, or is likely to do so.

As at August 24, 2022 Brad Newell owned 9,344,151 common shares or 12.42% of the Issuer's issued and outstanding shares on an undiluted basis and approximately 12.09% of the Issuer's issued and outstanding shares of the Company on a partially diluted basis.

See Part 2 – Voting Shares and Principal Holders Thereof and Part 3 – Business of the Meeting – Election of Directors.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING

None of the directors or executive officers of Advance Lithium, no proposed nominee for election as a director of Advance Lithium, none of the persons who have served as directors or executive officers of Advance Lithium since the commencement of Advance Lithium's recently completed financial year, none of the other insiders of Advance Lithium and no associate or affiliate of any of the foregoing persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the meeting to which this Circular relates other than the election of the directors.

PENALTIES AND SANCTIONS

As at the date of this Information Circular, no proposed nominee for election as a director of Advance Lithium (nor any personal holding company of a proposed director) has been subject to:

1. any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
2. any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

CEASE TRADE ORDERS AND BANKRUPTCY

Except as otherwise disclosed below, no proposed nominee for election as a director of Advance Lithium is, or has been, within 10 years before the date of this Circular:

1. a director, chief executive officer or chief financial officer of any company (including Advance Lithium and any personal holding company of the proposed director) that, while that person was acting in that capacity:
 - (a) was subject to:
 - (i) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or
 - (ii) an order similar to a cease trade order, or
 - (iii) an order that denied the relevant company access to any exemption under securities legislation,that was in effect for a period of more than 30 consecutive days (an “Order”); or
 - (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
2. a director or executive officer of any company (including Advance Lithium and any personal holding company of the proposed director) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

On March 8, 2016, the British Columbia Securities Commission (and by reciprocation, the Alberta Securities Commission) ordered that all trading in the securities of Cassidy Gold Corp. cease until the issuer files annual audited financial statements and Management’s Discussion and Analysis for the year ended October 31, 2015, in accordance with applicable legislation. James T. Gillis, a former director and the Past President of Advance Lithium, was a director and the past President and Chief Executive Officer of Cassidy Gold Corp.; and Marie Cupello, the Chief Financial Officer and Corporate Secretary of Advance Lithium, was the Chief Financial Officer and Corporate Secretary of Cassidy Gold Corp. On April 28, 2017, shareholders approved the proposed consolidation of the Company’s outstanding common shares and the voluntary delisting of the Company’s common shares from trading on the TSX Venture Exchange. The Consolidation and delisting was effected on June 20, 2017. In August 2020, Cassidy Gold Corp. sold its subsidiary company, Cassidy Gold Guinea SA and was thereafter dissolved.

On September 10, 2015, the British Columbia Securities Commission ordered that all trading in the securities of Navasota Resources Inc. cease until the issuer files annual audited financial statements and Management’s Discussion and Analysis for the year ended April 30, 2015, in accordance with applicable legislation. James T. Gillis, a former director and the past President of Advance Lithium, a past director and the past President and Chief Executive Officer of Navasota Resources Inc.; and Marie Cupello, the Chief Financial Officer and Corporate Secretary of Advance Lithium, was the Chief Financial Officer and Corporate Secretary of Navasota Resources Inc. On February 21, 2017, a partial Revocation Order was issued by the British Columbia Securities Commission. On June 20, 2018 Navasota Resources Inc. received the requisite

shareholder approval for the voluntarily delisting of its common shares from the NEX board of the TSX Venture Exchange (the "Exchange"). The Exchange has issued a bulletin approving such delisting and has advised that as at the close of trading on June 18, 2018, the Company's common shares will no longer be listed on the Exchange. In November 2019, Navasota Resources Inc. changed its name to IM Cannabis and began trading on the CSE under the symbol IMCC.

PERSONAL BANKRUPTCY

No proposed nominee for election as a director of Advance Lithium has, within the ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

OTHER MATTERS

Management of Advance Lithium is not aware of any other matters to come before the meeting other than as set forth in the Notice for the meeting that accompanies this Information Circular. If any other matter properly comes before the meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

You may obtain additional financial information about Advance Lithium in our consolidated financial statements and our Management's Discussion and Analysis for the fiscal year ended May 31, 2021, which have been electronically filed with regulators and are available for viewing the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Copies may be obtained without charge upon request to us at Box 25056 RPO Brocklehurst, Kamloops, British Columbia V2B 8R6 - telephone (250) 314-0186; fax (250) 828-2269; email info@advancelithiumcorp.com. You may also access our disclosure documents through the Internet on SEDAR at www.sedar.com.

APPENDIX A

ADVANCE LITHIUM CORP. (the “Company”)

AUDIT COMMITTEE CHARTER

PURPOSE OF THE COMMITTEE

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company is to provide an open avenue of communication between management, the Company’s independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Company’s financial reporting and disclosure practices;
- the Company’s compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Company’s independent auditor.

The Committee shall also perform any other activities consistent with this Charter, the Company’s articles and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chairman from among their number. The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Company or of an affiliate of the Company. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee’s role is one of oversight. Management is responsible for preparing the Company’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with international financial reporting standards (“IFRS”). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor’s responsibility is to audit the Company’s financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with IFRS.

The Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Company’s financial statements, preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the independent auditor. The Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Committee.

AUTHORITY AND RESPONSIBILITIES

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Company’s Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Company’s accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company’s financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor’s judgment about the quality and appropriateness of the Company’s accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Company by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.
11. Establish and review the Company’s procedures for the:
 - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
 - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (British Columbia) and the articles of the Company.