

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Spirit Banner Capital Corp.
90 Adelaide Street West, Suite 400
Toronto, Ontario
M5H 4A6

Item 2 Date of Material Change

March 4, 2019

Item 3 News Release

The news release attached as Schedule "A" was disseminated on March 4, 2019.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule "A".

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule "A".

Item 6 Reliance of subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Aneel Waraich
Chief Executive Officer
+1.647.998.4149
awaraich@atmacapitalmarkets.com

Item 9 Date of Report

March 4, 2019

Schedule “A”

Spirit Banner Capital Corp. and Ion Energy Ltd. Enter into Letter of Intent to Complete Qualifying Transaction

TORONTO, March 4, 2019 – Spirit Banner Capital Corp (TSX.V:SBCC.P) (“**Spirit Banner**” or the “**Corporation**”) and Ion Energy Ltd. (“**Ion Energy**”) are pleased to announce that they have entered into a binding letter of intent dated February 27, 2019 which outlines the terms and conditions pursuant to which Spirit Banner and Ion Energy will complete a transaction that will result in the reverse takeover of Spirit Banner by Ion Energy (the “**Proposed Transaction**”). The Proposed Transaction will, if completed, constitute Spirit Banner’s “Qualifying Transaction” as such term is defined in Policy 2.4 (“**Policy 2.4**”) of the TSX Venture Exchange (the “**TSXV**”).

Ion Energy Ltd.

Ion Energy is a private company incorporated under the *Business Corporations Act* (Ontario) on August 3, 2017, and has been engaged in the business of seeking and identifying lithium assets in Asia since incorporation.

Ion Energy LLC, company incorporated in Mongolia and a wholly owned subsidiary of Ion Energy, is the owner of a lithium exploration license (the “**License**”) to explore an area approximately 81,758 hectares in size containing lithium brine and spodumene targets (the “**Baavhai-Uul Project**”). Limited work by the Mongolian University of Science and Technology has indicated lithium content in brines of up to 810ppm Li for brine and lake sediment samples on the Baavhai-Uul Project.

Financial information with respect to Ion Energy will be disclosed in a subsequent news release.

Spirit Banner Capital Corp.

Spirit Banner was incorporated under the *Business Corporations Act* (Alberta) on June 5, 2017 and is a Capital Pool Company (as defined in the policies of the TSXV) listed on the TSXV. Spirit Banner has no commercial operations and no assets other than cash.

The principal business of Spirit Banner is to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction, and, once identified and evaluated, to negotiate an acquisition or participation in such assets or businesses. Until the completion of the Proposed Transaction, Spirit Banner will not carry on business other than the identification and evaluation of assets or businesses in connection with a potential Qualifying Transaction. The Proposed Transaction is intended to be Spirit Banner’s Qualifying Transaction.

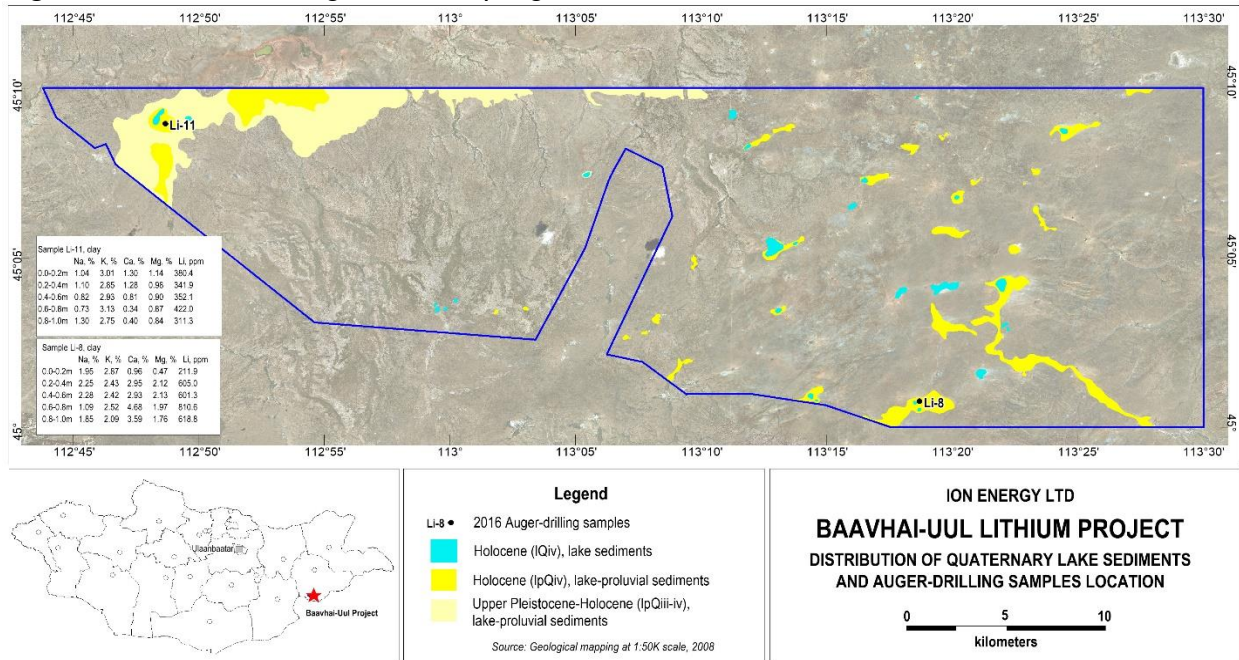
Baavhai-Uul Project (81758.9 ha)

The Baavhai-Uul Project is located in Sukhbaatar province, southeastern Mongolia, 200 kilometers south from the town of Baruun urt in the province Sukhbaatar of and approximately 30 km Southeast from Ongon sum and covers an area of approximately 81,758 hectares in size.

Recent sampling work done by geoscientists from the Technical University of Mongolia in dry lake areas of the Baavhai-Uul Project indicated an average of 462.64 ppm Li. The sampling consisted of 2 pits drilled by hand auger in the lake bottom and collected in 20 cm intervals. The lithium samples were sent to and assayed by the independent certified assay lab Khanlab LLC located in Ulaanbaatar, Mongolia. Khanlab LLC is a certified assay lab pursuant to the ILAC Mutual Recognition Arrangement (IILAC MRA).

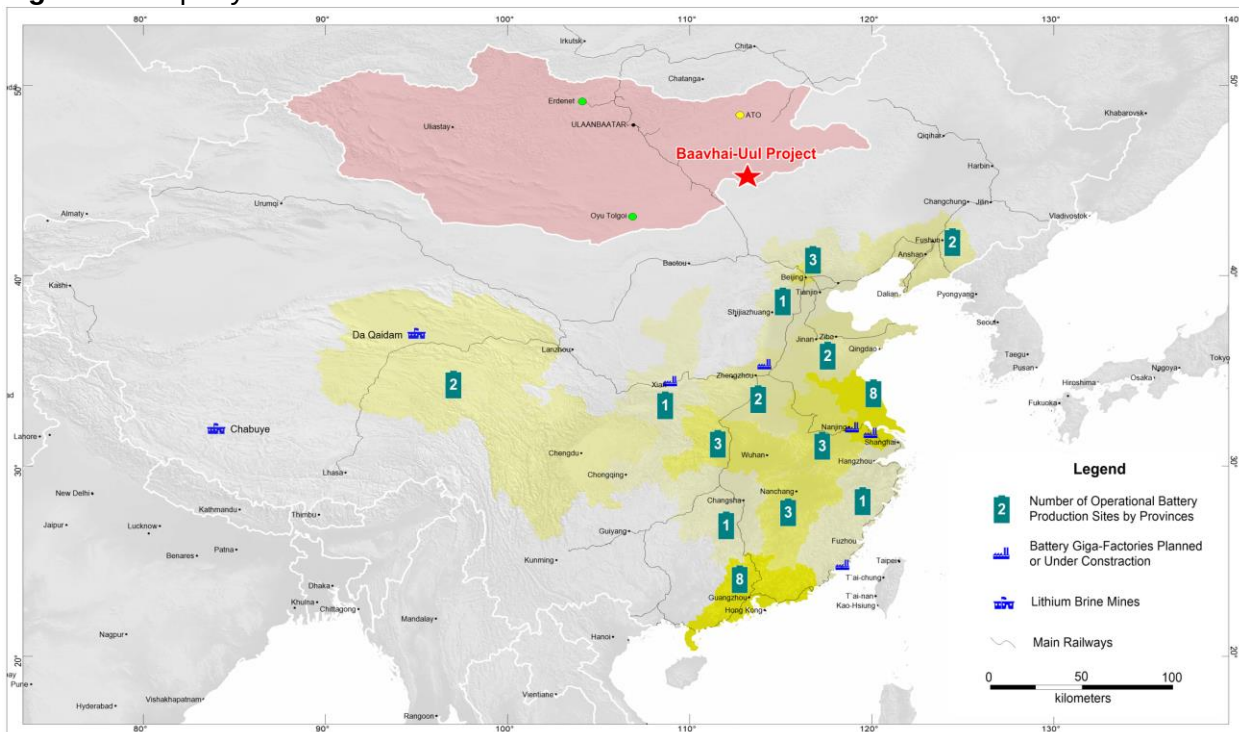
License Package and Sampling Results

Figure 1: License Package and Sampling Results



Location of the Baavhai-Uul Project

Figure 2: Property Location



Certain approvals and permits will be required to be obtained prior to the Corporation commencing exploration activities on the Baavhai-Uul Project, the details of which will be disclosed in a future press release and fully described in a NI 43-101 technical report on the Baavhai-Uul Project to be completed in connection with the Proposed Transaction.

The Qualifying Transaction

The Proposed Transaction is expected to be structured as a three-cornered amalgamation, whereby a wholly-owned subsidiary of Spirit Banner will amalgamate with Ion Energy (the "**Amalgamation**") to form a newly amalgamated corporation ("**Amalco**"). Pursuant to the Amalgamation, it is anticipated holders of common shares of Ion Energy ("**Ion Energy Shares**") will receive Spirit Banner common shares ("**New Spirit Banner Common Shares**") in exchange for their Ion Energy Shares held immediately prior to the Amalgamation and after completion of the Concurrent Financing (as defined hereinafter). As of the date hereof, the number of New Spirit Banner Common Shares to be issued to shareholders of Ion Energy remains subject to the final valuation of Ion Energy, which is expected to be based on the Concurrent Financing (as defined hereinafter) to be undertaken by Ion Energy concurrently with the Proposed Transaction. The parties have agreed on the valuation of Spirit Banner for the purposes of the Proposed Transaction and the ownership ratio for the respective shareholders of the Corporation and Ion Energy upon closing of the Proposed Transaction will be subject to the final valuation of Ion Energy. The Amalgamation will result in Spirit Banner acquiring all of the issued and outstanding securities of Ion Energy in consideration for the issuance of New Spirit Banner Common Share to holders of Ion Energy Shares.

As of the date of this news release, the outstanding securities of Spirit Banner consists of 19,030,780 common shares, 1,903,078 stock options and 1,000,000 broker warrants, with each stock option and broker warrant exercisable to acquire one common share at \$0.10 per common share.

In order to obtain working capital for the Proposed Transaction, Ion Energy is currently conducting a non-brokered offering of up to 7,500,000 Ion Energy Shares at a price of \$0.10 per Ion Energy Share for gross proceeds of up to \$750,000 (the "**Initial Financing**"). The Corporation and Ion Energy will issue a press release announcing closing of the Initial Financing which is anticipated to occur on or about March 19, 2019.

Upon completion of the Proposed Transaction, Spirit Banner will be the parent and sole shareholder of Amalco and thus will indirectly carry on the business of Ion Energy. As a result, Spirit Banner intends to change its name to "Ion Energy Ltd." or such other name as is acceptable to the regulators. It is anticipated that the Proposed Transaction will not be subject to approval of Spirit Banner shareholders, however, a special meeting of shareholders of the Corporation will be called for the purpose of changing the name of the Corporation to "Ion Energy Ltd" or such other name that the board of directors of Ion Energy decides (the "**Name Change**"). The Resulting Issuer is expected to carry on the business of Ion Energy after completion of the Proposed Transaction.

The Proposed Transaction does not constitute a Non-Arm's Length Qualifying Transaction under Policy 2.4 and is not a "related party transaction" as defined in Multilateral Instrument 61-101, although certain directors of Spirit Banner are also directors of Ion Energy. Aneel Waraich is a director of Ion Energy as well as the President, CEO and Corporate Secretary of Spirit Banner. Mr. Waraich currently holds 2.6% of the issued and outstanding common shares of Spirit Banner and 6.9% of the issued and outstanding Ion Energy Shares. Additionally, Bataa Tumor-Ochir is a director of Ion Energy as well as a director of Spirit Banner. Mr. Tumor-Ochir currently holds 4.9% of the issued and outstanding common shares of Spirit Banner and 14.68% of the issued and outstanding Ion Energy Shares.

Following completion of the Proposed Transaction, it is anticipated that the Resulting Issuer will be listed on the Exchange as a Tier 2 mining issuer.

Concurrent Financing

Concurrent with the completion of the Proposed Transaction, Ion Energy intends to complete a brokered and/or non-brokered private placement financing on terms to be determined (the “**Concurrent Financing**”). The net proceeds of the Concurrent Financing will be used for financing Ion Energy’s obligations in connection with the completion of the Proposed Transaction, a recommended work program on the Baavhai-Uul Project and for general working capital requirements. Details of the terms and conditions of the Concurrent Financing will be disclosed when they become available.

Sponsorship

Spirit Banner intends to make an application to the TSXV for a waiver from sponsorship requirements, but there is no assurance that such waiver will be granted.

Information Circular

In connection with the Proposed Transaction and pursuant to the requirements of the TSXV, Spirit Banner will file a filing statement or a management information circular on its issuer profile on SEDAR (www.sedar.com), which will contain details regarding the Proposed Transaction, Amalgamation, Concurrent Financing, Spirit Banner, Ion Energy and the Resulting Issuer.

Trading in Spirit Banner Common Shares

Trading in Spirit Banner common shares has been halted in compliance with the policies of the TSXV and will remain halted pending the review of the Proposed Transaction by the TSXV and satisfaction of the conditions of the TSXV for resumption of trading. It is likely that trading in Spirit Banner common shares will not resume prior to the closing of the Proposed Transaction.

Conditions of Closing of the Qualifying Transaction

Satisfaction of the following conditions are required for completion of the Proposed Transaction:

- a) Spirit Banner must be satisfied in its sole discretion, with its due diligence review of Ion Energy, including the title, nature and value of the Licenses and the nature and extent of Ion Energy’s financial position, liabilities and obligations;
- b) Ion Energy must have delivered to Spirit Banner an independent geological report in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects;
- c) The Proposed Transaction must receive any third party consents and approvals by all regulatory bodies having jurisdiction in connection therewith including, the TSXV;
- d) The Concurrent Financing must be completed; and
- e) Spirit Banner shall have received shareholder approval for the Name Change.

Directors and Management of the Resulting Issuer

Subject to applicable approvals, it is anticipated that the directors of the Resulting Issuer will be Mathew Wood, Ali Haji, Aneel Waraich, and Bataa Tumor-Ochir. Management of the resulting issuer will include Ali Haji as Chief Executive Officer and a Chief Financial Officer to be determined at a later date. Biographies for the officers and directors of the Resulting Issuer are described below.

Ali Haji – Chief Executive Officer and Director

Mr. Haji has extensive knowledge of the financial services sector after having spent over 11 years in the asset management industry performing strategic and process improvement roles. He started his career as a technology analyst at Invesco Ltd. in 2006 and advanced into various roles including technology risk, controls, program management, and process improvement with international assignments involving mergers and acquisitions in Hong Kong, U.S.A and Australia. Most recently, he was also a principal contributor to the creation of a Center of Excellence in London, England for Invesco Ltd.

Mr. Haji currently serves as an advisor to ATMA Capital Markets Ltd. and ATMACORP Ltd., a merchant bank providing advisory services to public companies such as Steppe Gold Ltd. and Five Star Diamonds Ltd., in addition to multiple private companies in the mining space.

Mr. Haji currently serves on the board of Antler Hill Mining Ltd. (TSXV: AHM.H) and is the CEO of Spirit Banner II Capital Corp. (TSXV: SBTC.P)

Mr. Haji attended The University of Western Ontario and holds a BSc in Computer Science.

Matthew Wood – Chairman of the Board

Mr. Wood is a mineral resource explorer and developer with over 25 years of global industry experience in mining and commodities investments.

Mr. Wood has managed investment deals in diamonds, coal, energy, ferrous metals, base and precious metals, and other commodities. His skills in technical and economic evaluation of resource opportunities have resulted in an established record of developing resource deals from early stage, to market listings and exit strategies for his investors.

Mr. Wood is CEO and co-founder of Steppe Gold Ltd. (TSX: STGO), a listed near-term gold producer in Mongolia. He was formally the founder and executive Chairman of Mongolian coal company, Hunnu Coal Limited. Hunnu Coal was IPO of the year for all sectors on the ASX in 2010, and its sale for approximately A\$500M in 2011 to Banpu PCL was recognized as the Mines and Money 2012 Deal of the Year. Mr. Wood has founded and been involved in many other resource companies and investments through the years.

Mr. Wood has an Honours Degree in Geology from the University of New South Wales and a Graduate Certificate in Mineral Economics from the Western Australian School of Mines.

Aneel Waraich – Director

Mr. Waraich is the President, Chief Executive Officer and a director of Spirit Banner. Mr. Waraich is also Vice-President and co-founder of Steppe Gold Ltd., a listed near-term gold producer in Mongolia, founder of ATMA Capital Markets Ltd. and ATMACORP Ltd. and a financial services professional with experience in both the asset management and corporate finance businesses.

Mr. Waraich focuses primarily on advising public and private companies in the Natural Resources sector. In previous roles at Goodman and Company Investment Counsel and Dundee Capital Markets he worked as an analyst valuing private companies. Most recently Mr. Waraich worked as an investment banker focusing on deal origination, going-public transactions and financings for both public and private companies in the resource and technology sectors.

Mr. Waraich completed his MBA from the Goodman Institute of Investment Management at the John Molson School of Business.

Bataa Tumor-Ochir – Director

Mr. Tumor-Ochir is a director of Spirit Banner as well as a director and Vice-President (Mongolia) of Steppe Gold Ltd. Mr. Tumor-Ochir is a Mongolian citizen and will be responsible for new business acquisitions, development and government and community relations. Mr. Tumor-Ochir will be responsible for daily operations in Mongolia. Mr. Tumor-Ochir is currently executive director of ASX listed Wolf Petroleum.

Mr. Tumor-Ochir has relationships at all levels of government in Mongolia and was recently appointed independent advisor to the Ministry of Mining and Heavy Industry responsible for foreign investment and promotion.

Mr. Tumor-Ochir holds a bachelor's degree in business administration and graduate certificates in international business and marketing from Australia and Singapore.

Qualified Person

Mr. Enkhtuvshin Khishigsuren, Certified Professional Geologist from AIPG, certification number CPG-11964 and independent of Spirit Banner has reviewed and approved the technical information contained in this news release.

For further information, contact:

Spirit Banner Capital Corp.
Aneel Waraich, CEO
+1.647.998.4149
Awarach@atmacapitalmarkets.com

Ion Energy Ltd.
Ali Haji, CEO
+1.647.951.6508
Ali@IonEnergy.ca

Information set forth in this news release contains forward-looking statements. These statements reflect management's current estimates, beliefs, intentions and expectations; they are not guarantees of future performance. Spirit Banner cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond Spirit Banner's control. Such factors include, among other things: risks and uncertainties relating to Spirit Banner's ability to complete the proposed Qualifying Transaction, including those described in Spirit Banner's Prospectus dated December 12, 2017, available on the Corporation's SEDAR profile at www.sedar.com. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under

applicable securities legislation, Spirit Banner undertakes no obligation to publicly update or revise forward-looking information.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release. A halt in trading shall remain in place until after the Qualifying Transaction is completed or such time that acceptable documentation is filed with the TSX Venture Exchange.

The information contained in this press release relating to Ion Energy and the Baavhai-Uul Project has been furnished by Ion Energy. Although Spirit Banner has no knowledge that would indicate that any statements contained herein concerning Ion Energy and the projects are untrue or incomplete, neither Spirit Banner nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information or for any failure by Ion Energy to ensure disclosure of events or facts that may have occurred which may affect the significance or accuracy of any such information.

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.