

FORM 10

NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)¹

Name of Listed Issuer: Lithos Energy Ltd. (the "Issuer").

Trading Symbol: LITS

Issued and Outstanding Securities of the Issuer Prior to Transaction: 81,739,922

Date of News Release Fully Disclosing the Transaction: November 7, 2023

1. Transaction

Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: Pursuant to an agreement dated November 6 2023 (the "Agreement"), the Issuer has engaged Oak Hill Financial Inc. ("Oak Hill") to provide business and capital markets advisory services to the Issuer for an initial term of four (4) months commencing on November 7, 2023 and ending on March 7, 2024 with provisions for automatic renewals unless a written notice is provided by the Issuer or Oak Hill within five business days of a monthly renewal. Oak Hill will work to generate investment interest from the registered brokerage channels, registered family offices, investment funds and registered high net worth individuals. Oak Hill will use its own sales force to effect such outreach and the promotional activity is verbal, by email and occasionally, through LinkedIn. In consideration for the services, the Issuer will pay to Oak Hill a monthly advisory fee of \$12,000, plus expenses pre-approved by the Issuer during the term of the Agreement and the grant of 300,000 stock options (each, an "Option"), which Options shall vest on a quarterly basis and are exercisable into one common share of the Company (each, an "Option Share") at an exercisable price of \$0.56 per Option Share for a period of eighteen (18) months. The address and contact details for Oak

¹ If the transaction involved the issuance of securities, other than debt securities that are not convertible into listed securities, use Form 9.

- for a period of eighteen (18) months. The address and contact details for Oak Hill is: 161 Bay Street, Suite 2460, Toronto, ON M5J 2T3, attention: Anil Singh, email: asingh@oakhillfinancial.ca, telephone: 647.479.5803. Oak Hill is an arms' length consultant to the Issuer and does not currently own any securities of the Issuer.
2. Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:
- (a) Total aggregate consideration in Canadian dollars: \$48,000
- (b) Cash: \$48,000
- (c) Other: 300,000 stock options (each, an "Option") to purchase up to 300,000 common shares (each, a "Share") at an exercise price of \$0.56 per Share. The Options will vest on a quarterly basis commencing on the date that is three months from the date of execution of the Agreement. If the Agreement is terminated for any reason, Oak Hill shall have 60 days to exercise all vested Options, after which point they are cancelled. The Options shall have an 18-month term.
- (d) Work commitments: Not applicable.
3. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).
- Arm's-length negotiation.
4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: Not applicable.
5. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: Not applicable.
6. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the transaction (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): N/A
- (b) Cash Not applicable.
- (c) Other Not applicable.
7. State whether the vendor, sales agent, broker or other person receiving compensation in connection with the transaction is a Related Person or has any other relationship with the Issuer and provide details of the relationship. Oak Hill is a Related Person to the Issuer as they are engaged in Investor Relations Activities for the Issuer. See Item 1 above for additional details of the relationship between the Issuer and Oak Hill.
8. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. Not applicable.

Development

Provide details of the development. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: Not applicable.

3. Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated November 7, 2023.

Scott Taylor
Name of Director or Senior
Officer

"Scott Taylor"
Signature

Chief Executive Officer
Official Capacity