



## **ARGENTINA LITHIUM & ENERGY CORP.**

(the "Company")

Suite 312 - 837 West Hastings Street  
Vancouver, British Columbia V6C 3N6

### **2019 INFORMATION CIRCULAR**

(Containing information as at May 14, 2019)

#### **GENERAL PROXY INFORMATION**

You have received this Management Information Circular (the "**Circular**") because you owned shares of the Company as of the record date of May 14, 2019 (the "**Record Date**") for the 2019 Annual General Meeting of Shareholders (the "**Meeting**") to be held on Tuesday, June 18, 2019 at 10:00 a.m. (Vancouver time) and at any adjournments thereof. You have the right to attend the Meeting and vote on various items of business.

Both the Board of Directors of the Company (the "**Board**" or the "**Board of Directors**") and management of the Company encourage you to vote. On behalf of the Board and Management, we will be soliciting votes for the Meeting and any meeting that is reconvened if it is postponed or adjourned. The costs of solicitation by management will be borne by the Company.

#### **SOLICITATION OF PROXIES**

**This Circular is furnished in connection with the solicitation of proxies by the management of the Company for use at the Meeting and any adjournments thereof.**

While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Company. The Company may reimburse shareholders, nominees or agents for any costs incurred in obtaining from their principals, proper authorization to execute proxies. The Company may also reimburse brokers and other persons holding shares in their own name or in the names of their nominees for expenses incurred in sending proxies and proxy materials to the beneficial owners thereof to obtain their proxies. All costs of all solicitations on behalf of management of the Company will be borne by the Company.

#### **APPOINTMENT OF PROXYHOLDER**

A duly completed form of proxy for the Company will constitute the persons named in the enclosed form of proxy as the Shareholder's proxyholder. The persons whose names are printed in the enclosed form of proxy for the Meeting are directors or officers of the Company (collectively, the "**Management Proxyholders**").

**A Shareholder has the right to appoint a person other than the Management Proxyholders, to represent the Shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Shareholder.**

#### **VOTING BY PROXY**

Shares represented by properly executed proxies of the Company and in the accompanying form will be voted or withheld from voting on each respective matter where a poll is requested or required in accordance with the instructions of the Shareholder, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly.

If no choice is specified and one of the Management Proxyholders is appointed by a Shareholder as proxyholder, it is intended that such person will vote in favour of the matters to be voted on at the Meeting.

**The enclosed form of proxy also confers discretionary authority upon the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.**

#### COMPLETION AND RETURN OF PROXY

Each proxy must be dated and signed by the Intermediary (see “*Non-Registered Shareholders*” below) acting on behalf of a Shareholder or by the Shareholder or his/her attorney authorized in writing. In the case of a corporation, the proxy must be dated and executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

Completed forms of the proxy must be returned to the Company’s registrar and transfer agent, Computershare Investor Services Inc. by mail or delivery to 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 or as otherwise indicated in the instructions contained on the form of proxy (including, where applicable, through the transfer agent’s internet and telephone proxy voting services). All proxies in respect of the Meeting must be completed and received not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the commencement of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

#### NON-REGISTERED SHAREHOLDERS

**Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting.**

**Most Shareholders are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares.** More particularly, a Non-Registered Shareholder holds shares which are registered either in the name of: (a) an Intermediary that the Non-Registered Shareholder deals with in respect of said shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP’s, RRFs, RESPs and similar plans); or (b) a clearing agency (such as CDS of which the Intermediary is a participant). The Company has distributed copies of the Meeting Materials to its Registered Shareholders and to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either be given:

- (a) a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should otherwise properly complete the form of proxy and **deliver it to the Company’s transfer agent** as provided above; or
- (b) more typically, a VIF, **which the Non-Registered Shareholder must complete and sign** in accordance with the directions on the VIF. The majority of brokers now delegate the responsibility for obtaining voting instructions to a third party called Broadridge. Broadridge typically will send a VIF by mail and ask that it be returned to them (the Broadridge VIF also allows voting by telephone and Internet). Broadridge tabulates the results and provides the instructions to the Company’s transfer agent respecting the voting of shares to be represented at the Meeting. As a beneficial owner, a VIF received from Broadridge cannot be used to vote the Non-Registered Shareholder’s shares directly at the Meeting. The VIF must be **returned to Broadridge** well in advance of the Meeting in order to have your shares voted.

In either case, the purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the shares which they beneficially own. Should a Non-Registered Shareholder receive one of the above forms and wish to vote at the Meeting in person, the Non-Registered Shareholder should strike out the names of the Management Proxyholders and insert the Non-Registered Shareholder's name in the blank space provided. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

#### **REVOCABILITY OF PROXY**

Any registered Shareholder who has returned a proxy may revoke it at any time before it has been used. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, including a proxy bearing a later date, executed by the registered Shareholder or by his attorney authorized in writing or, if the registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. The instrument revoking the proxy must be deposited at the registered office of the Company at Suite 312, 837 West Hastings Street, Vancouver, British Columbia Canada V6C 3N6, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of such Meeting. **Only Registered Shareholders have the right to revoke a proxy. Non-Registered Shareholders who wish to change their vote must arrange for their respective Intermediaries to revoke the proxy on their behalf well in advance of the Meeting.**

#### **RECORD DATE**

The Record Date for the determination of Shareholders entitled to receive notice of, attend and vote at the Meeting was fixed by the Board as May 14, 2019, but failure to receive such notice does not deprive a shareholder of his right to vote at the Meeting.

#### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

None of the directors or officers of the Company, any person who has held such a position since the beginning of the last completed financial year of the Company nor any associate or affiliate of the foregoing persons, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting. For the purpose of this disclosure, "associate" of a person means: (a) an issuer of which the person beneficially owns or controls, directly or indirectly, voting securities entitling the person to more than 10% of the voting rights attached to outstanding securities of the issuer; (b) any partner of the person; (c) any trust or estate in which the person has a substantial beneficial interest or in respect of which a person serves as trustee or similar capacity; and (d) a relative of that person if the relative has the same home as that person.

No person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors, the appointment of auditors or the approval of the stock option plan.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

Issued and Outstanding without par value:	<b>18,603,168</b> Common shares
Authorized Capital:	Unlimited Common Shares without par value

Only Shareholders of record at the close of business on **May 14, 2019** are eligible for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or who complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their shares voted at the Meeting.

Each Shareholder is entitled to one vote for each common share registered in his name on the list of Shareholders.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

### QUORUM

The Articles of the Company provide that a quorum for the transaction of business at any meeting of Shareholders shall be two Shareholders or one or more proxyholders representing two Shareholders or one Shareholder and one proxyholder representing another Shareholder.

### ELECTION OF DIRECTORS

The Board of Directors of the Company currently consists of four (4) directors, all of whom are elected annually. Shareholders will be asked to approve an ordinary resolution that the number of directors elected be fixed at three. The term of office of each of the current directors will end at the conclusion of the Meeting.

It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next Annual General Meeting of the Company or until his successor is duly elected or appointed pursuant to the Articles of the Company unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Company's Articles.

**It is the intention of the management designees, if named as proxy, to vote for the election of the said persons to the Board of Directors, unless the Shareholder has specified in its proxy that its Common Shares are to be withheld from voting on the election of directors. Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following information relating to the nominees for election to the Board of Directors is based on information received by the Company from said nominees:

Name, province and country of residence and present office held <sup>(1)</sup>	Period as director	Number of securities beneficially owned, or controlled or directed, directly or indirectly <sup>(1)</sup>	Principal occupation or employment and, if not a previously elected director, occupation during the past five years
NIKOLAOS CACOS <sup>(2) (3)</sup> British Columbia, Canada Director, President & CEO	Director since September 2013	50,200 (directly) 479,589 (indirectly)	President of Cacos Consulting Ltd.; director and officer of Grosso Group Management Ltd.; director of several mineral exploration companies.
JOSEPH GROSSO <sup>(2) (3)</sup> British Columbia, Canada Chairman & Director	Director since November 2016	1,218,253 (directly) 10,000 (indirectly)	Chairman, President and director of Grosso Group Management Ltd. since 2004; Executive Chairman, director, President and CEO of Golden Arrow Resources Corporation since 2004; and Chairman and director of Blue Sky Uranium Corp. since 2017.
DR. DAVID TERRY <sup>(2) (3)</sup> Ph.D., P.Geol British Columbia, Canada Director	Director since November 2016	148,625 (directly) 15,834 (indirectly)	Professional Geologist, Senior Executive and Corporate Director.

**Notes:**

- (1) Shares beneficially owned, controlled or directed, directly or indirectly at May 14, 2019 based upon information furnished to the Company by the nominee or on SEDI. Unless otherwise indicated, such shares are held directly.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation and Governance Committee.

***Advance Notice Provision***

At the Company's annual general and special meeting held November 2, 2016, the shareholders approved an amendment to the Company's Articles to include an Advance Notice Provision, which allows the Company to fix a deadline for receipt of director nominations submitted by holders of record of Common Shares of the Company prior to any annual or special meeting of shareholders. The Advance Notice Provision also sets out the information requirements to be included in the written form of notice of such director nominations.

At the date of this Information Circular, the Company has not received notice of a nomination in compliance with the Company's Articles, and any nominations for director, other than nominations by or at the direction of the Board or an authorized officer of the Company, will be disregarded at the Meeting.

**CORPORATE CEASE TRADE ORDERS AND BANKRUPTCIES**

To the knowledge of the Company, none of the directors or any proposed Management nominee for election as a director of the Company:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the information circular, a director, chief executive officer or chief financial officer of any company (including the company in respect of which the Information Circular is being prepared) that:
  - i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - ii) 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,
- (b) is, as at the date of the Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the company in respect of which the Information Circular is being prepared) 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, or
- (c) has, within the 10 years before the date of the Information 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.

***Penalties or Sanctions***

No director or proposed director of the Company has been subject to:

- (a) 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 has been subject to
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## EXECUTIVE COMPENSATION

### Definitions:

#### For the purpose of this Information Circular:

**"Chief Executive Officer"** or **"CEO"** of the Company means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

**"Chief Financial Officer"** or **"CFO"** of the Company means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year.

**"closing market price"** means the price at which the Company's security was last sold, on the applicable date, in the security's principal marketplace in Canada.

**"executive officer"** of the Company means an individual who at any time during the most recently completed financial year was:

- (a) a chair, vice-chair or president of the Company;
- (b) a vice-president of the Company in charge of a principal business unit, division or function including sales, finance or production; or
- (c) performing a policy-making function in respect of the Company.

**"incentive plan"** means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period.

**"incentive plan award"** means compensation awarded, earned, paid or payable under an incentive plan.

**"Named Executive Officers"** or **"NEOs"** means the following individuals:

- (a) each CEO;
- (b) each CFO;
- (c) the Company's most highly compensated executive officer, including any of its subsidiaries, or the most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each additional individual who would be a NEO under (c) above, but for the fact that the individual was neither an executive officer of the Company or its subsidiary, nor acting in a similar capacity, at the end of the most recently completed financial year.

**"option-based award"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

**"plan"** includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons.

**"share-based award"** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

## STATEMENT OF EXECUTIVE COMPENSATION

### **Currencies**

All financial amounts are stated in Canadian dollars unless otherwise indicated.

### **Director and NEO Compensation Excluding Options and Compensation Securities**

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in the two most recently completed financial years:

Table of compensation excluding compensation securities							
Name and position <sup>(1)</sup>	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Nikolaos Cacos <sup>(2)</sup> President, CEO & Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Darren Urquhart <sup>(3)</sup> CFO	2018	12,000	Nil	Nil	Nil	Nil	12,000
	2017	12,000	Nil	Nil	Nil	Nil	12,000
Joseph Grosso Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
David Terry <sup>(4)</sup> Director	2018	48,000	Nil	Nil	Nil	Nil	48,000
	2017	48,000	Nil	Nil	Nil	Nil	48,000
Nicolas Galli <sup>(5)</sup> Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Nick DeMare <sup>(6)</sup> Former Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

1) Fiscal year end December 31.

2) Mr. Cacos does not receive any compensation in his capacity as a director or as President and CEO.

3) The Company paid Darren Urquhart Chartered Accountant Inc. (“**DUCAI**”), a private company controlled by Mr. Urquhart, \$12,000 for his professional services as CFO.

4) The Company paid Vinland Holdings Inc., a private company controlled by Dr. Terry, professional fees for geological consulting services of \$48,000 (2017 - \$48,000).

5) Mr. Galli is not standing for re-election at this Meeting.

6) Mr. DeMare resigned from the Board on February 28, 2019.

7) The value of perquisites and benefits, if any, for each NEO or director was less than the lesser of \$50,000 and 10% of the total annual salary and bonus.

### **STOCK OPTIONS AND OTHER COMPENSATION SECURITIES**

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Company to each NEO and director of the Company for the financial year ended December 31, 2018, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security <sup>(1)</sup>	Number of compensation securities, number of underlying securities, and percentage of class <sup>(2)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$) <sup>(3)</sup>	Closing price of security or underlying security at year end (\$)	Expiry date
Nikolaos Cacos <sup>(4)</sup> President, CEO & Director	Options	187,500	Jan 26, 2018	2.00	1.72	0.09	Jan 26, 2023
Darren Urquhart <sup>(5)</sup> CFO	Options	37,500	Jan 26, 2018	2.00	1.72	0.09	Jan 26, 2023
Joseph Grosso <sup>(6)</sup> Director	Options	250,000	Jan 26, 2018	2.00	1.72	0.09	Jan 26, 2023
David Terry <sup>(7)</sup> Director	Options	87,500	Jan 26, 2018	2.00	1.72	0.09	Jan 26, 2023
Nicolas Galli <sup>(8)</sup> Director	Options	50,000	Jan 26, 2018	2.00	1.72	0.09	Jan 26, 2023
Nick DeMare <sup>(9)</sup> Director	Options	50,000	Jan 26, 2018	2.00	1.72	0.09	Jan 26, 2023

1) Options vest immediately upon issuance for employees, officers and directors. Each option is exercisable for one common share of the Company.

2) On October 10, 2018, the Company completed a consolidation of its shares on a 4 old for 1 new basis. The closing price on October 9, 2018 was \$0.05 and the Company began trading at \$0.22 on October 12, 2018. The pre-consolidation exercise price of the options was \$0.50 (\$2.00 post-consolidation) and the pre-consolidation closing price of the underlying security on the date of grant was \$0.43 (\$1.72 post-consolidation).

3) Post-consolidation closing price on December 31, 2018, being the last day of the financial year on which the Company's shares traded.

4) Mr. Cacos held 187,500 post-consolidation options (750,000 pre-consolidation) as at December 31, 2018.

5) Mr. Urquhart held 37,500 post-consolidation options (150,000 pre-consolidation) as at December 31, 2018.

6) Mr. Grosso held 250,000 post-consolidation options (1,000,000 pre-consolidation) as at December 31, 2018.

7) Dr. Terry held 87,500 post-consolidation options (350,000 pre-consolidation) as at December 31, 2018.

8) Mr. Galli held 50,000 post-consolidation options (200,000 pre-consolidation) as at December 31, 2018.

9) Mr. DeMare held 50,000 post-consolidation options (200,000 pre-consolidation) as at December 31, 2018.

#### **Exercise of Compensation Securities by Directors and NEOs**

No director or NEO exercised any compensation securities, being solely comprised of stock options, during the year ended December 31, 2018.

#### **STOCK OPTION PLANS AND OTHER INCENTIVE PLANS**

The Company does not have a share-based award plan other than the stock option plan referred to herein. The Company also does not have a pension plan or a long term incentive plan.

The significant terms of the Company's stock option plan are set out below under the heading "Particulars of Matters to be Acted Upon – Approval of Stock Option Plan".



## EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS

### ***Mr. Darren Urquhart and Darren Urquhart Chartered Accountant Inc. (“DUCAI”) – CFO***

Pursuant to an engagement agreement between the Company and DUCAI, a private company controlled by Mr. Urquhart, with effect as of April 25, 2014 and amended June 30, 2016 (the “**DUCAI Agreement**”), DUCAI shall cause performance of all duties customarily performed by a CFO of a publicly-traded company engaged in a business similar to the Company’s business including formulating strategy, assisting in the affairs of the Company, the financial, compliance and regulatory requirements, and executing the Company’s business plan. Darren Urquhart, who is a principal of DUCAI, was the designated personnel to perform the duties set out in the DUCAI Agreement.

The termination provisions of the DUCAI Agreement provide that a fee of 12 months’ compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, DUCAI would receive an amount equal to 12 months’ compensation.

During the year 2018, DUCAI received total compensation of \$12,000 (2017 - \$12,000) comprised of consulting fees to the Company pursuant to a consulting agreement.

### ***Dr. David Terry and Vinland Holdings Ltd.***

During the year ended December 31, 2018, Vinland Holdings Ltd. (“**Vinland**”), a private company controlled by Dr. Terry, a director of the Company, provided executive services as a consultant to the Company pursuant to a consulting agreement. Vinland’s total compensation was \$48,000 (2017 - \$48,000), for geological services which included monthly consultant fees. Dr. Terry’s agreement does not include termination, severance, constructive dismissal or change of control clauses.

## **EXTERNAL MANAGEMENT COMPANY**

Presently, Argentina Lithium is party to the following management agreement:

Grosso Group Management Ltd.: During fiscal 2016, Argentina Lithium entered into a Management Services Agreement with the Grosso Group, which provides its member companies with administrative and management services. The Grosso Group’s areas of experience encompass financing, marketing, property acquisition, community relations, socioeconomic issues, regulatory compliance, government relations, and property exploration and investor relations. The Grosso Group staff is available to the member companies on a cost recovery basis without the expense of full time personnel.

The member companies pay monthly fees to the Grosso Group. The fee is based upon a reasonable pro-rating of the Grosso Group’s costs including its staff and overhead costs among each member company. The fee is reviewed and adjusted quarterly based on the level of services required.

During the financial year ended December 31, 2018 and 2017 the Grosso Group invoiced Argentina Lithium for a total of \$162,650 (2018) and \$153,300 (2017).

The Management Services Agreement may be terminated by the Grosso Group upon 30 days’ written notice to Argentina Lithium, and terminated by Argentina Lithium upon 90 days’ written notice to the Grosso Group. Upon termination by Argentina Lithium, a termination fee is payable up to a maximum of \$750,000. In the event that Argentina Lithium is required to pay an early termination fee, the fees are the aggregate of the termination fee in addition to the lesser of the monthly fees calculated to the end of the term and the monthly fees calculated for eighteen months, up to a maximum of \$1,000,000.

Joseph Grosso, Nikolaos Cacos and Darren Urquhart are directors and/or officers of the Grosso Group. Mr. Grosso is a director of, Mr. Cacos is an officer and a director of and Mr. Urquhart is an officer of Argentina Lithium. Messrs. Grosso and Cacos do not currently have compensation agreements in place with Argentina Lithium. See “*Employment, Consulting and Management Agreements*” for details of the agreements with Mr. Urquhart. Mr. Urquhart’s compensation is disclosed in the “*Table of Compensation Excluding Compensation Securities*” above.

Each of the member companies which have entered into the Grosso Group Management Services Agreement has its own separate board of directors (whose members may include persons employed by the Grosso Group); however, some directors will serve on multiple boards and on the board of directors of companies which are not members of the Grosso Group.

No management functions of Argentina Lithium are performed to any substantial degree by a person or persons other than the directors or executive officers of Argentina Lithium.

## **OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NEO COMPENSATION**

### ***Compensation Governance***

The Company has a Compensation and Governance Committee to assist the board of directors in discharging its duties relating to all compensation (including stock options) paid by the Company to the CEO, all other executive officers of the Company and the members of the board of directors. The Committee is also responsible for the governance roles, responsibilities, authorities and powers including the general responsibility for developing and reviewing the approach of the Company to governance issues. The Compensation and Governance Committee is presently comprised of David Terry, Joseph Grosso and Nikolaos Cacos. All members are independent as defined in National Instrument 52-110, except for Mr. Cacos who is the President & CEO.

In establishing salaries for the Company's CEO, other executive officers and directors, consideration is given to salary ranges for comparable positions in similar size companies. Data for such comparisons is obtained from the engagement of a third party consulting firm to evaluate compensation against industry peers including those with a similar market capitalization, in the business of exploring similar minerals in similar jurisdictions, and from reviewing similar other companies' compensation information included in their information circulars. In setting salaries within competitive ranges, the Committee considers performance related factors including the Company's overall results during the past year and its performance relative to a budgeted plan or stated objectives. Consideration also is given to an individual's contribution to the Company and the accomplishments of departments for which that officer has management responsibility, and the potential for future contributions to the Company.

### ***Compensation Discussion and Analysis***

#### *Philosophy and Objectives*

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- to align executive compensation with shareholders' interests;
- to attract and retain highly qualified management at a level of compensation that is competitive within the Canadian marketplace;
- to focus performance by linking incentive compensation to the achievement of business objectives and financial results; and
- to encourage retention of key executives for leadership succession.

Generally, the Company's executive compensation program comprises three elements: base salary, bonus incentives and equity participation.

#### *Base Compensation*

In the Board's view, paying base salaries or management fees which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Base compensation is compensation for discharging job responsibilities and reflects the level of skills and capabilities demonstrated by the executive, based on time allocated to the Company.

#### *Bonus Incentive Compensation*

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the executive meeting those strategic objectives and milestones, the executive's individual performance and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon comparable compensation levels based on recommendations of the Board as a whole, and such recommendations are generally based on survey data provided by independent consultants.

*Equity Participation*

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's stock option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors.

The compensation program is designed to pay for performance. Employees, including senior executives, are rewarded for the achievement of annual operating and financial goals, progress in executing the Company's long-term growth strategy and delivering strong total shareholder return performance.

The Company reviews industry compensation information and compares its level of overall compensation with those of comparable sized mineral exploration companies. Generally, the Company targets base management fees at levels approximating those holding similar positions in comparably sized companies in the industry and hopes to achieve competitive compensation levels through the fixed and variable components.

The Company's total compensation program places a significant portion of the executive's compensation at risk and relies heavily on the award of stock options. The program takes into account individual and corporate performance. Due to the recent decreased activity of the Company's exploration activities, the flexibility to quickly increase or decrease appropriate human resources is critical. Accordingly, the Company does not enter into long-term commitments with its officers.

*Compensation Risk*

The Company has a Compensation and Governance Committee to assist the board of directors in discharging its duties relating to compensation of the Company's directors and executive officers, together with the general responsibility for developing and reviewing the approach of the Company to governance issues and matters of the Company.

Due to the small size of the Company, and the current level of the Company's activity, the board of directors and the Compensation and Governance Committee are able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular board of directors' meetings during which, financial and other information of the Company are reviewed, and which information includes executive compensation. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

*Share-Based and Option-Based Awards*

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the long-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability by providing them with the opportunity to acquire and increase proprietary interest in the Company. The Company awards stock options to its executive officers based upon the recommendation of the Board, which recommendation is based upon the recommendation of the Compensation and Governance Committee. Previous grants of incentive stock options are taken into account when considering new grants. Other than stock options, the Company does not issue equity securities as compensation. Implementation and amendments to the existing stock option plan are the responsibility of the Board.

**PENSION PLAN BENEFITS**

No pension or retirement benefit plans or deferred compensation plans have been instituted by the Company and none are proposed at this time.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The Company has no compensation plans under which equity securities are authorized for issuance as at the fiscal year ended December 31, 2018, with the exception of the Company's Stock Option Plan. The significant terms of the Company's stock option plan are set out below under the heading "Particulars of Matters to be Acted Upon – Approval of Stock Option Plan".

The following table sets forth information with respect to the Company's Stock Option Plan as at the year ended December 31, 2018.

#### Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(1)</sup>
Equity compensation plans approved by securityholders	1,142,500	\$2.00	717,817
Equity compensation plans not approved by securityholders	n/a	n/a	n/a
<b>Total</b>	<b>1,142,500</b>	<b>\$2.00</b>	<b>717,817</b>

Notes:

- (1) This figure is based on the total number of Options authorized for issuance under the Company's Option Plan, less the number of Options outstanding as at the Company's year ended December 31, 2018.

#### **INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS OF THE COMPANY**

No director or senior officer of the Company, proposed management nominee for election as a director of the Company or each associate or affiliate of any such director, senior officer or proposed nominee is or has been indebted to the Company or any of its subsidiaries at any time during the Company's last completed financial year, other than routine indebtedness.

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than transactions carried out in the normal course of business of the Company or any of its affiliates, none of the directors or senior officers of the Company, a proposed management nominee for election as a director of the Company, any Shareholder beneficially owning shares carrying more than 10% of the voting rights attached to the shares of the Company nor an associate or affiliate of any of the foregoing persons had any material interest, direct or indirect, in any transactions which materially affected the Company or any of its subsidiaries or in any proposed transaction which has or would materially affect the Company or any of its subsidiaries.

#### **PARTICULARS OF MATTERS TO BE ACTED UPON**

##### **APPOINTMENT OF AUDITORS**

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the re-appointment of Crowe MacKay LLP, Chartered Accountants, as auditors of the Company for the ensuing year and to authorize the directors to fix their remuneration. Crowe MacKay LLP, Chartered Accountants (formerly MacKay LLP) has been the auditor for the Company since 2009.

**Management recommends shareholders to vote for the ratification of the re-appointment of Crowe MacKay LLP, Chartered Accountants, as the Company's auditors at remuneration to be fixed by the Company's board of directors.**

##### **APPROVAL OF THE STOCK OPTION PLAN**

On April 13, 2004, the board of directors approved the adoption of a stock option plan (the "Existing Plan"), subject to shareholder and regulatory approval. The shareholders first approved the Existing Plan on June 30, 2004, and have approved and ratified the Existing Plan, subsequently, at each annual meeting thereafter. On March 14, 2011, the Board of Directors approved an amended and restated stock option plan (the "Option Plan"), substantially the same as the Existing Plan, with amendments being of a general administrative or housekeeping nature which brought

the Option Plan up to date for consistency with current TSX Venture Exchange policies. The shareholders first approved the Option Plan on April 18, 2011.

The Option Plan is a rolling stock option plan whereby the maximum number of common shares issuable pursuant to the Option Plan may not exceed 10% of the Company's issued and outstanding common shares from time to time.

The purpose of the Option Plan is to give to directors, senior officers, Employees, Consultants, Consultant Company or Management Company Employees (as such terms are defined in the Option Plan) of the Company and its subsidiaries, (collectively "Eligible Persons"), as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals options, exercisable over periods of up to ten years, as determined by the board of directors of the Company, to buy shares of the Company permitted by the policies of the TSX Venture Exchange and approved by the Board.

The Option Plan is administered by the board of directors of the Company, which has full and final authority with respect to the granting of all options thereunder. Options may be granted under the Option Plan to such Eligible Employees as the board of directors may from time to time designate.

The exercise prices shall be determined by the board of directors, but shall, in no event, be less than the closing market price of the Company's shares on the TSX Venture Exchange, less the maximum discount permitted under the TSX Venture Exchange policies.

The Option Plan provides that the number of common shares of the Company issuable on the exercise of options granted to all Eligible Employees, together with all of the Company's other previously granted options may not exceed 10% of the Company's issued and outstanding common shares. In addition, the number of common shares which may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued common shares on a yearly basis, unless otherwise approved by the disinterested shareholders of the Company, or not exceed a maximum of 2% of the issued shares on a yearly basis if the optionee is a consultant or an optionee performing investor relations duties.

Subject to earlier termination and in the event of dismissal for cause, termination other than for cause the option shall be exercisable any time up to but not after the earlier of the Expiry Date and the date which is 90 days after the optionee ceases to be an Eligible Person. Options granted under the Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

The rules of the TSX Venture Exchange require shareholder approval annually for a rolling stock option plan, and that approval of the Option Plan be an affirmative vote of a majority of at least 50% of the votes cast at the Meeting either in person or by proxy. Shareholders will be asked at the Meeting to pass an ordinary resolution in the form set out below.

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the Company's stock option plan, approved by the directors on March 14, 2011 and approved by the shareholders on April 18, 2011 (the "**Option Plan**"), be and is hereby ratified, approved and confirmed including the reserving for issuance under the Option Plan at any time of a maximum of 10% of the issued and outstanding shares of the Company, subject to any amendments or approval that may be required by the TSX Venture Exchange;
2. the Company be authorized to abandon or terminate all or any part of the Option Plan if the directors of the Company deems it appropriate and in the best interests of the Company to do so;
3. the Company be and is hereby authorized to grant options pursuant and subject to the terms and conditions of the Option Plan;
4. the Company be and is hereby authorized, at the discretion of the directors, to amend the exercise price of previously granted option agreements, without further approval by the shareholders, all in accordance with the policies of the TSX Venture Exchange; and
5. any one or more of the directors and officers of the Company be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Company or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commissions forms, as may be required to give effect to the true intent of this resolution."

The board of directors recommends that shareholders vote FOR the Option Plan resolution. In the absence of a contrary instruction, the persons designated by our management in the enclosed form of proxy intend to vote FOR this resolution.

#### **OTHER MATTERS**

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

#### **CORPORATE GOVERNANCE**

The board of directors believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices ("NI 58-101")* prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

##### ***Board of Directors***

The Company's board of directors facilitates its exercise of independent supervision over the Company's management through frequent meetings of the board of directors. The Board has functioned, and is of the view that it can continue to function, independently of management, as required.

The Company's board of directors is presently comprised of four (4) directors, of whom each of Joseph Grosso, David Terry, and Nicolas Galli are independent for the purposes of NI 58-101. Nikolaos Cacos is a member of the Company's management and is not independent as he serves as President and Chief Executive Officer of the Company.

##### ***Directorships***

The current directors are presently a director of one or more other reporting issuers as set out below.

<b>Name of Director of the Company</b>	<b>Names of Other Reporting Issuers</b>
Nikolaos Cacos	Golden Arrow Resources Corporation Blue Sky Uranium Corp.
Joseph Grosso	Golden Arrow Resources Corporation Blue Sky Uranium Corp.
David Terry	Golden Arrow Resources Corporation Blue Sky Uranium Corp. Great Bear Resources Ltd. Aftermath Silver Ltd.
Nicolas Galli	n/a

##### ***Orientation and Continuing Education***

New members of the board of directors receive an orientation package which includes reports on operations and results, and public disclosure filings by the Company. Meetings of the board of directors are generally held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all members of the board of directors.

##### ***Ethical Business Conduct***

The board of directors of the Company has responsibility for the stewardship of the Company including responsibility for strategic planning, identification of the principal risks of the Company's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training

and monitoring senior management), communications with investors and the financial community and the integrity of the Company's internal control and management information systems. To facilitate meeting this responsibility, the board of directors seeks to foster a culture of ethical conduct by striving to ensure the Company carries out its business in line with high business and moral standards and applicable legal and financial requirements. In that regard, the Board:

- has adopted a written **Code of Business Conduct and Ethics** (the "Code") for its directors, officers, employees and consultants. A copy of the Code can be found on the Company website at [www.argentinolithium.com](http://www.argentinolithium.com) and has been posted on SEDAR at [www.sedar.com](http://www.sedar.com);
- has adopted a written **Whistleblower Policy** for its directors, officers, employees and consultants which details procedures to report financial concerns and ethical business dilemmas. The Board has appointed a Compliance Officer who is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code of Business Conduct and Ethics. The Compliance Officer has direct access to the Audit Committee and the Board and the Compliance Officer is required to report to the Board at least annually on compliance activity;
- is cognizant of the Company's timely disclosure obligations and has adopted a written **Corporate Disclosure and Insider Trading Policy** for its directors, officers, employees and consultants. The Board has established a Disclosure Committee to review material disclosure documents such as financial statements, management's discussion and analysis and press releases prior to their distribution, and identify material information. The Disclosure Committee is comprised of the Company's Chief Executive Officer (CEO), Chief Financial Officer (CFO) and any one director of the Company;
- has adopted a **Privacy Policy** which sets forth how the Company gathers, manages, protects and disposes of the personal information of members of the public, investors and employees;
- encourages management to consult with legal and financial advisors to ensure the Company is meeting those requirements;
- relies on its Audit Committee to annually review the systems of internal financial control and discuss such matters with the Company's external auditor;
- actively monitors the Company's compliance with the Board's directives and ensures that all material transactions are thoroughly reviewed and authorized by the Board before being undertaken by management;
- The Board must also comply with the conflict of interest provisions of the British Columbia Business Corporations Act, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

#### ***Nomination of Directors***

The Board considers its size annually and from time to time when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee; however, these functions are currently performed by the Compensation and Governance Committee (see *Other Board Committees* below). Additionally, each member of the Board, together with the assistance of executive management, assists with identifying new candidates through various means, including representatives of the mineral exploration industry.

#### ***Compensation***

The Board has established a Compensation and Governance Committee, presently comprised of Nikolaos Cacos (not independent), David Terry (independent) and Joseph Grosso (independent), which recommends to the board of directors of the Company the compensation of the Company's directors and officers, including stock options, among other things, and has adopted a Compensation and Governance Committee Charter (see *Other Board Committees* below).

#### ***Other Board Committees***

As noted above, the board of directors of the Company currently has the following Committees, described below.

*Compensation and Governance Committee:* The Compensation and Governance Committee is responsible for the review and setting of all compensation (including stock options) paid by the Company to the CEO, all other executive officers of the Company and the members of the board of directors. The Committee is also responsible for the governance roles, responsibilities, authorities and powers including the general responsibility for developing and reviewing the approach of the Company to governance issues. (See: “*Oversight And Description Of Director And NEO Compensation - Compensation Governance*” above for further details of the Compensation Committee).

The Compensation and Governance Committee is also responsible for reviewing and assessing the effectiveness of the Board; making recommendations to the Board regarding the composition and the appropriate size of the Board; reviewing the corporate governance policies and practices of the Company generally and making recommendations thereon to the directors of the Company.

*Disclosure Committee:* The Board has established a Disclosure Committee, presently comprised of the Company’s CEO, CFO and any one director, to assist the Company in the identification and disclosure of material information, fulfilling its responsibilities regarding disclosures to its security holders and the investment community, made on a timely basis. The Disclosure Committee will assist with controls and procedures regarding material information disclosure; determine ‘blackout’ periods for trading; and pre-approve all news releases prior to dissemination.

*Audit Committee:* The Audit Committee is described in the next section.

### **Assessments**

The Compensation and Governance Committee is responsible for reviewing and assessing the effectiveness of the board of directors of the Company.

## **AUDIT COMMITTEE DISCLOSURE**

National Instrument 52-110 *Audit Committees* (“**NI 52-110**”) requires the Company’s Audit Committee to meet certain requirements. It also requires the Company to disclose in this Information Circular certain information regarding the Audit Committee. That information is disclosed below.

### **Overview**

The overall purpose of the Audit Committee of the Company is to ensure that the Company’s management has designed and implemented an effective system of internal financial controls, to review and report on integrity of the consolidated financial statements of the Company and to review the Company’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts.

### **The Audit Committee’s Charter**

The Company’s Board of Directors has adopted a Charter for the Audit Committee which sets out the Committee’s mandate, organization, powers and responsibilities. The complete Charter is attached as Schedule “A” to this Information Circular.

### **Composition of the Audit Committee**

The Audit Committee consists of three directors.

The following table sets out the names of the current members of the Audit Committee and whether they are ‘independent’ and ‘financially literate’ for the purpose of NI 52-110.

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Nikolaos Cacos	No	Yes
David Terry	Yes	Yes
Joseph Grosso	Yes	Yes

(1) To be considered independent, a member of the Committee must not have any direct or indirect ‘material relationship’ with the Company. A material relationship is a relationship which could, in the view of the Board of Directors of the Company, reasonably interfere with the exercise of a member’s independent judgment.



- (2) To be considered financially literate, a member of the Committee must have the ability to read and understand a set of 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 the Company's financial statements.

### Relevant Education and Experience

The education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting, and are as follows:

Member	Education/Experience
Nikolaos Cacos	Mr. Cacos has over 25 years of management expertise in the mineral exploration industry. He holds extensive experience in administration and providing strategic planning for public companies. Mr. Cacos served as Director and officer of several publicly traded companies. He holds a Master of International Management degree from Heidelberg, Germany, and a Bachelor of Science degree from the University of British Columbia.
David Terry	Dr. Terry is a professional economic geologist, senior executive and corporate director with more than 25 years of international experience in the mineral resources sector. He has played key roles in the successful acquisition, exploration and development of a number of precious and base metal deposits, primarily in North and South America, and has expertise in advanced project evaluation, M&A, corporate finance, and design and execution of effective exploration programs. Dr. Terry holds a B.Sc. and Ph.D. in geology from Western University in Ontario and is a member of the Association of Professional Engineers and Geoscientists of British Columbia.
Joseph Grosso	Mr. Grosso has over 25 years of expertise in the mineral exploration industry. He has successfully formed strategic alliances and negotiated with mining industry majors such as Barrick, Teck, Newmont, Viceroy (now Yamana Gold) and Vale, and government officials at all levels. Mr. Grosso's specialty is financing, negotiations, corporate and marketing strategies.

### Complaints

The board of directors has established, and the Audit Committee is responsible for the effectiveness of the "Whistleblower Policy" which outlines procedures for the confidential, anonymous submission by directors, officers, employees and consultants regarding the Company's compliance with all applicable government laws, rules and regulations, corporate reporting and disclosure, accounting practices, accounting controls, auditing practices and other matter relating to fraud against shareholders (the "**Accounting Concerns**"), without fear of retaliation of any kind. If an applicable individual has any concerns about any of the Accounting Concerns which they consider to be questionable, incorrect, misleading or fraudulent, the applicable individual is urged to come forward with any such information, complaints or concerns, without regard to the position of the person or persons responsible for the subject matter of the relevant complaint or concern.

The applicable individual may report their concern in writing, by telephone or e-mail and forward it to the Company's Compliance Officer. All submissions will be treated on a confidential and anonymous basis, except when the Accounting Concerns refer to violation of any applicable law, rule or regulation that relates to the corporate reporting and disclosure, and to violation of the Company's Code of Business Conduct and Ethics, when the person

making the submission must be identified for purposes of performing the investigation. Further, the Company will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any person who submits in good faith an Accounting Concern.

Promptly following the receipt of any complaints submitted to it, the Audit Committee will investigate each complaint and take appropriate corrective actions.

The effectiveness of the "Whistleblower Policy" is monitored by the Audit Committee and it is posted on the Company's website at [www.argentalithium.com](http://www.argentalithium.com), under *Corporate - Corporate Governance*.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Company's Board of Directors.

### **Reliance on Exemptions in NI 52-110**

#### *Audit Committee Composition & Reporting Obligations*

Since the Company is a Venture Issuer it is relying on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 *Composition of the Audit Committee* (as described in 'Composition of the Audit Committee' above) and Part 5 *Reporting Obligations* of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in the Company's Annual Information Form, if any, and this Information Circular).

#### *De Minimis Non-Audit Services or on a Regulatory Order Generally*

At no time since the commencement of the Company's most recently completed financial year, has the Company relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit); or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

### **Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in section 2(e) of the Audit Committee Charter, attached hereto.

### **External Auditor Service Fees (By Category)**

The following table discloses the fees billed to the Company by its external auditor during the last two financial years.

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
December 31, 2018	\$27,540	\$Nil	\$Nil	\$Nil
December 31, 2017	\$26,000	\$Nil	\$Nil	\$Nil

Notes:

- (1) The aggregate fees billed by the Company's auditor for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning. These services include the filing of the Company's annual tax returns.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) or the Company's website [www.argentinalithium.com](http://www.argentinalithium.com) Financial information relating of Argentina Lithium & Energy Corp. is provided in the Company's audited financial statements and management's discussion and analysis ("MD&A") for the financial year ended December 31, 2018. Shareholders may contact the Company to request copies of financial statements and related MD&A at the following address:

ARGENTINA LITHIUM & ENERGY CORP.  
Suite 312, 837 West Hastings Street  
Vancouver, BC V6C 3N6  
Phone: (604) 687-1828; Fax: (604) 687-1858

**CERTIFICATION AND BOARD APPROVAL**

The undersigned hereby certifies that the contents and the sending of this Information Circular to the Company's shareholders have been approved by the board of directors.

DATED at Vancouver, British Columbia, as of May 14, 2019.

ON BEHALF OF THE BOARD OF  
ARGENTINA LITHIUM & ENERGY CORP.

"Nikolaos Cacos"  
President, CEO and Director

## SCHEDULE "A"

### ARGENTINA LITHIUM & ENERGY CORP.

(the "Company")

#### AUDIT COMMITTEE CHARTER

*(Adopted by the Board of Directors on June 22, 2009; amended May 26, 2010; amended November 28, 2017)*

#### **A. PURPOSE**

The overall purpose of the Audit Committee (the "Committee") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information.

#### **B. COMPOSITION, PROCEDURES AND ORGANIZATION**

The Committee shall consist of at least three members of the Board of Directors (the "Board"), the majority of whom shall not be officers, employees or control persons of the Company or its associates or affiliates (as the terms "control person", "associate" and "affiliate" are defined in the TSX Venture Exchange's Corporate Finance Manual).

- 1) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- 2) Unless the Board has appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
- 3) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- 4) The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
- 5) Meetings of the Committee shall be conducted as follows:
  - a) the Committee may meet as circumstances dictate, at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
  - b) the external auditors may receive notice of and have the right to attend all meetings of the Committee; and
  - c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
- 6) The external auditors shall communicate directly to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

#### **C. ROLES AND RESPONSIBILITIES**

- 1) The overall duties and responsibilities of the Committee shall be as follows:
  - a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and interim consolidated financial statements and related financial disclosure;
  - b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
  - c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
  - d) to report regularly to the Board on the fulfilment of its duties and responsibilities.

## SCHEDULE "A"

- 2) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
  - b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
  - c) review the audit plan of the external auditors prior to the commencement of the audit;
  - d) to review with the external auditors, upon completion of their audit:
    - (i) the contents of their report;
    - (ii) the scope and quality of the audit work performed;
    - (iii) the adequacy of the Company's financial and auditing personnel;
    - (iv) the co-operation received from the Company's personnel during the audit;
    - (v) the internal resources used;
    - (vi) any significant transactions outside of the normal business of the Company;
    - (vii) any significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
    - (viii) any non-audit services provided by the external auditors;
  - e) to pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the external auditors; provided that:
    - (i) the Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that such independent members must report such pre-approval to the Committee at the first scheduled meeting of the Committee following such pre-approval; and
    - (ii) the Committee shall have satisfied the requirement for pre-approval in paragraph 6)e) if:
      - 1) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five percent of the total amount of fees paid by the Company and its subsidiary entities to the external auditors during the fiscal year in which the services are provided;
      - 2) the Company or its subsidiary entity, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
      - 3) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or one of its members to whom pre-approval authority has been granted pursuant to subparagraph 6)e)(i);
  - f) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles;
  - g) to implement structures and procedures to ensure that the Committee meets with the external auditors on a regular basis in the absence of management; and
  - h) to review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and any former external auditor of the Company.
- 3) The duties and responsibilities of the Committee as they relate to the Company's internal auditors are to:
- a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
  - b) review and approve the internal audit plan; and
  - c) review significant internal audit findings and recommendations, and management's response thereto.
- 4) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

## SCHEDULE "A"

- a) establish adequate procedures for:
    - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
    - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
  - b) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - c) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
  - d) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
  - e) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- 5) The Committee is also charged with the responsibility to:
- a) review the Company's annual and interim financial statements and related Management's Discussion & Analysis ("MD&A") and earnings press releases, including the impact of unusual items and changes in accounting principles and estimates, and any press releases related to the foregoing, and report to the Board with respect thereto;
  - b) review and approve the financial sections of:
    - (i) the annual report to shareholders;
    - (ii) the annual information form;
    - (iii) prospectuses;
    - (iv) news releases discussing financial results of the Company; and
    - (v) other public reports of a financial nature requiring approval by the Board;and report to the Board with respect thereto, or alternatively establish adequate procedures for the review of the financial sections of such disclosure documents and periodically assess the adequacy of such procedures;
  - c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
  - d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
  - e) review and report on the integrity of the Company's consolidated financial statements;
  - f) review the minutes of any audit committee meeting of subsidiary companies;
  - g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements; and
  - h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information.