

Majority Voting Policy

The board of directors (the “Board”) of NextSource Materials Inc. (the “Company”) have unanimously adopted this statement of policy. Nominees for election to the Board will be asked to subscribe to this statement before their names are put forward.

The Company has adopted a majority voting policy stipulating that if the votes in favour of the election of a director nominee at a Shareholder meeting represent less than a majority of the Shares voted and withheld at such meeting, the nominee will submit their resignation promptly after such meeting, for the Nomination Committee’s consideration.

Forms of proxy or voting instruction forms for the vote at a Company shareholders’ meeting where Directors are to be elected will enable the shareholder to vote in favour of, or to withhold from voting, separately for each nominee.

Ordinarily, a “withhold vote” will not have an effect on the vote of a proposal under a plurality standard. However, the standard required for this proposal (often referred to as “plurality plus”) differs from an ordinary plurality standard due to Company’s adoption of a majority voting policy. A “withhold” vote on this proposal may have an effect if the number of “withhold” votes exceeds the number of votes in favour of a nominee resulting in such nominee’s submission of their resignation for consideration by the Nomination Committee. Broker non-votes on the election of directors will have no effect as they will not represent votes cast for the purpose of electing directors.

In an uncontested election of Directors of the Company, any nominee for Director who receives a number of votes “withheld” from his or her election equal to or greater than votes “for” such election (a “Majority Withheld Vote”) shall immediately tender his or her resignation to the Chairman of the Board following the shareholders’ meeting. In this policy, an “uncontested election” means an election where the number of nominees for Director is equal to the number of Directors to be elected.

The Nomination Committee of the Board shall consider and shall recommend to the Board, and the Board shall determine, whether or not to accept the resignation. The Board shall accept the offer of resignation absent exceptional circumstances that would warrant the Director continuing to serve on the Board, as determined by the Board in accordance with its fiduciary duties to the Company. The decision of the Board shall be made within 90 days after the date of the shareholders’ meeting. The resignation shall be effective immediately upon acceptance by the Board.

Following the Board’s decision on the resignation, the Board shall promptly disclose, via press release, its decision whether to accept the Director’s resignation offer including fully stating its reasons for rejecting the resignation, if applicable, and shall provide a copy to the Toronto Stock Exchange. If a resignation is accepted, the Board may, in accordance with the Canada Business Corporations Act, appoint a new Director to fill any vacancy created by the resignation or reduce the size of the Board.

Any Director who tenders his or her resignation pursuant to this Policy shall not participate in any meeting of the Nomination Committee, if he or she is a member of that committee, to consider the decision to recommend to the Board whether his or her resignation shall be accepted. However, if each member of the Nomination Committee received a Majority Withheld Vote in the same election, or a sufficient number of committee members receive a Majority Withheld Vote in the same election such that that committee no longer has a quorum, then the remaining independent Directors shall appoint a committee among themselves to consider the resignation offers and recommend to the Board whether to accept them.

Any Director who tenders his or her resignation pursuant to this Policy shall not participate in any meeting of the Board to consider the decision whether his or her resignation shall be accepted. However, if the only Directors who did not receive a Majority Withheld Vote in the same election do not constitute a quorum for a Board meeting under the Company’s by-laws, all Directors may participate in the determination of whether or not to accept the resignation offers provided that a Director who received a Majority Withheld Vote shall not speak or otherwise participate in any part of such Board meeting where his or her resignation or a related resolution is discussed or voted upon.

The Nomination Committee may adopt such procedures in its determinations with respect to this policy.