

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus supplement (the "Prospectus Supplement"), together with the short form base shelf prospectus dated March 4, 2013 to which it relates (the "Prospectus"), and each document incorporated or deemed to be incorporated by reference into the Prospectus Supplement or the Prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

The securities offered under the Prospectus Supplement have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws. Accordingly, these securities may not be offered or sold within the United States (as such term is used in Regulation S under the 1933 Act) except in compliance with exemptions from the registration requirements of the 1933 Act and applicable state securities laws. The Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See "Plan of Distribution".

Information has been incorporated by reference in the Prospectus Supplement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the President, Chief Executive Officer and Secretary of Nemaska Lithium Inc. at 450 rue de la Gare-du-Palais, 1st Floor, Québec, Québec, G1K 3X2, telephone: (418) 704-6038 and are also available electronically at www.sedar.com.

PROSPECTUS SUPPLEMENT NO. 5 DATED JANUARY 30, 2015, To the Short Form Base Shelf Prospectus dated March 4, 2013

New Issue

January 30, 2015



Nemaska Lithium Inc.
(the "Corporation")
Minimum Offering: \$1,000,000 or 5,000,000 Units
Maximum Offering: \$2,000,000 or 10,000,000 Units
Price: \$0.20 per Unit

Nemaska Lithium Inc. (the "Corporation"), as securities issuer, is hereby qualifying the distribution of a minimum of 5,000,000 units of the Corporation (the "Units") for an aggregate gross proceeds of \$1,000,000 (the "Minimum Offering") and a maximum of 10,000,000 Units for an aggregate gross proceeds of \$2,000,000 (the "Maximum Offering") at a price of \$0.20 per Unit (the "Offering Price"). Each Unit consists of one common share of the share capital of the Corporation (a "Common Share") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "Warrant"). Each Warrant entitles its holder to purchase one Common Share at a price of \$0.28 at any time prior to 5:00 p.m. (Montreal time) on the date that is 24 months following the Closing Date (as hereinafter defined). The Offering Price was determined by the Corporation as securities issuer. See "Plan of Distribution".

The Corporation's outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange (the "TSXV") under the symbol "NMX" and on the OTCQX under symbol "NMKEF".

An investment in the Units is subject to certain risks. See "Risk Factors" in the Prospectus Supplement, the Prospectus and those in documents incorporated herein and therein by reference.

	Number of Units	Offering Price	Registrant Commission ⁽¹⁾	Net Proceeds to the Corporation ⁽²⁾
Per Unit	1	\$0.20	\$0.01	\$0.19
The Minimum Offering	5,000,000 Units	\$1,000,000	\$50,000	\$950,000
The Maximum Offering	10,000,000 Units	\$2,000,000	\$100,000	\$1,900,000

Notes:

- In connection with the Offering, the Corporation may, at its entire discretion, pay to a registrant registered pursuant to *Regulation 31-103 respecting Registration Requirements Exemptions and Ongoing Registrant Obligations* (the "Regulation 31-103") a cash commission up to 5% of the gross proceeds of the Offering (the "Registrant Commission"). The net proceeds to the Corporation is calculated assuming the full payment of the Registrant Commission.
- After deducting the Registrant Commission, if any, but before deducting the expenses and costs relating to the Offering which are estimated to be \$50,000 upon completion of the Minimum Offering or to be \$60,000 upon completion of the Maximum Offering. See "Use of Proceeds and Other Available Funds".

The Offering is subject to the receipt by the Corporation of subscriptions for 5,000,000 Units for an aggregate gross proceeds of \$1,000,000 and subject to the approval of certain legal matters by Stein Monast L.L.P., on behalf of the Corporation. All funds received from the subscriptions for the Units will be deposited and held by the Corporation and will not be released until \$1,000,000 has been deposited. If subscriptions for 5,000,000 Units have not been received within 90 days of the filing of the Prospectus Supplement or such other time as may be permitted by applicable securities legislation and consented to by persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Corporation. See "*Plan of Distribution*".

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing date will occur on or about February 4, 2015 (the "Closing Date") or such earlier or later date as may be agreed to by the Corporation. See "*Plan of Distribution*".

The Common Shares and the Warrants will be deposited with CDS Clearing and Depository Services Inc. ("CDS"), its nominees or any other entity as directed by the Corporation on the Closing Date of the Offering. Transfers of ownership of Common Shares and Warrants deposited with CDS in Canada will be effected through records maintained by participants in the CDS depository service ("CDS Participants"), which include securities brokers and dealers, banks and trust companies. Indirect access to the CDS book entry system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly. Each purchaser of Common Shares and Warrants in Canada will receive a customer confirmation of purchase from the CDS Participant from or through which such Common Shares and Warrants are purchased in accordance with the practices and procedures of such CDS Participant. No certificates representing the Common Shares and the Warrants will be issued unless it is specifically required. No certificate representing the Units in this regard will be issued.

The Corporation's head and registered offices are located at 450 rue de la Gare-du-Palais, 1st Floor, Québec, Québec G1K 3X2.

The TSXV has conditionally approved the listing of the Common Shares and the Common Shares underlying the Warrants. The TSXV listing will be subject to the Corporation fulfilling all of the listing requirements of the TSXV. There is currently no market through which the Warrants may be sold and subscribers may not be able to resell the Warrants acquired hereunder. This may affect the pricing of the Warrants, the transparency and availability of trading prices for the Warrants and the liquidity of the Warrants. See "Risk Factors" of the Prospectus.

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GENERAL MATTERS

This document is in two parts. The first part is the Prospectus Supplement, which describes the specific terms of the Offering and also adds to and updates certain information contained in the Prospectus, dated March 4, 2013, the prospectus supplement dated March 14, 2013, as amended by amendment no. 1 dated April 4, 2013, the prospectus supplement no. 2 dated October 16, 2013, the prospectus supplement no. 3 dated March 13, 2014 as amended and restated by the amended and restated prospectus supplement no. 3 dated March 28, 2014, the prospectus supplement no. 4 dated October 20, 2014 as amended and restated by the amended and restated prospectus supplement no. 4 dated November 5, 2014 and the documents incorporated by reference herein and therein. The second part is the Prospectus, which gives more general information, some of which may not apply to the Offering. The Prospectus Supplement is deemed to be incorporated by reference into the Prospectus solely for the purposes of the Offering. If the description of the Units, Common Shares and/or Warrants varies between the Prospectus Supplement and the Prospectus, you should rely on the information in the Prospectus Supplement. In the Prospectus Supplement, all capitalized terms used and not otherwise defined herein have the meanings provided in the Prospectus.

Unless otherwise indicated or the context suggests otherwise, all references in the Prospectus Supplement and the Prospectus to “Nemaska Lithium Inc.” and the “Corporation” are to Nemaska Lithium Inc. You should rely only on the information contained in, or incorporated by reference into, the Prospectus Supplement and the Prospectus.

The Corporation has not authorized any other person to provide you with different or inconsistent information. If anyone provides you with different or inconsistent information, you should not rely on it. The Corporation is not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in the Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein is accurate only as of the respective dates of the documents in which such information appears. The Corporation's financial condition, results of operations and prospects may have changed since those dates.

CURRENCY AND FINANCIAL STATEMENT PRESENTATION

Unless stated otherwise or as the context otherwise requires, all references to dollar amounts in the Prospectus Supplement and the Prospectus are references to Canadian dollars. References to “\$” are to Canadian dollars.

The Corporation's financial statements that are incorporated by reference into the Prospectus Supplement and the Prospectus have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and are presented in Canadian dollars.

DOCUMENTS INCORPORATED BY REFERENCE

The Prospectus Supplement is deemed, as of the date hereof, to be incorporated by reference into the Prospectus, solely for the purposes of the Offering.

The following documents which have been filed by the Corporation with securities commissions or similar regulatory authorities in Canada, are specifically incorporated by reference into, and form an integral part of the Prospectus, as supplemented by the Prospectus Supplement:

- (a) the Material Change Report filed on SEDAR on July 10, 2013 pertaining to the appointment of Mr. Paul-Henri Couture to the Corporation's board of directors;
- (b) the Material Change Report filed on SEDAR on October 21, 2013 pertaining to the announcement of the filing of the prospectus supplement no. 2 dated October 16, 2013 (the “Supplement no.2”) for a maximum offering of \$2,500,000;
- (c) the Material Change Report filed on SEDAR on November 1st, 2013 pertaining to the announcement of the closing of the first tranche of the Supplement no. 2 for an aggregate gross proceeds of \$2,000,444;

- (d) the Material Change Report filed on SEDAR on November 18, 2013 pertaining to the announcement of the closing of the second tranche of the Supplement no. 2 for an aggregate gross proceeds of \$199,999.92;
- (e) the Material Change Report filed on SEDAR on November 22, 2013 pertaining to the announcement of the closing of the third tranche of the Supplement no. 2 for an aggregate gross proceeds of \$299,556;
- (f) the Material Change Report filed on SEDAR on March 19, 2014 pertaining to the announcement of the filing of the amended and restated prospectus supplement no.3 dated March 28, 2014 amending and restating the prospectus supplement no. 3 dated March 13, 2014 (the "Supplement no. 3") for a minimum offering of \$3,500,000 or 20,000,000 Units and a maximum offering of \$5,000,000 or 28,571,429 Units;
- (g) the Material Change Report filed on SEDAR on March 19, 2014 pertaining to the revision of the terms of the offering contained in Supplement no. 3;
- (h) the Material Change Report filed on SEDAR on April 4, 2014 pertaining to the announcement of the closing of the first tranche of the Supplement no. 3 for an aggregate gross proceeds of \$3,250,000;
- (i) the Material Change Report filed on SEDAR on April 16, 2014 pertaining to the closing of the second tranche of the Supplement no. 3 for an aggregate gross proceeds of \$487,500;
- (j) the Material Change Report filed on SEDAR on May 22, 2014 announcing the results of a feasibility study on the Whabouchi Lithium deposit, the concentrator and the Hydromet Plant;
- (k) the positive feasibility report on the Whabouchi Lithium deposit and the Hydromet plant filed on SEDAR on June 27, 2014;
- (l) the Material Change Report filed on SEDAR on July 22, 2014 announcing the last payment for the acquisition of the Whabouchi property;
- (m) the Annual Information Form ("AIF") dated October 28, 2014 for the fiscal year ended June 30, 2014;
- (n) the Annual Audited Financial Statements as at and for the years ended June 30, 2014 and June 30, 2013 and the independent auditors' report thereon;
- (o) the Management's Discussion and Analysis ("MD&A") of the financial situation and the results of the Corporation for the fourth quarter and year ended June 30, 2014;
- (p) the Management Proxy Circular dated October 31, 2014 prepared in connection with the annual general and special meeting of shareholders of the Corporation held on November 28, 2014;
- (q) the Material Change Report filed on SEDAR on November 24, 2014 pertaining to the announcement of the closing of the first tranche of the amended and restated supplement no. 4 dated November 5, 2014 amending and restating the prospectus supplement dated October 20, 2014 (the "Supplement no. 4") for an aggregate gross proceeds of \$1,250,000;
- (r) the Material Change Report filed on SEDAR on November 24, 2014 pertaining to the announcement of the last tranche of the Supplement no. 4 for an aggregate gross proceeds of \$250,000 and the closing of a private placement for an amount of \$42,500;
- (s) the Unaudited Condensed Interim Financial Statements for the three-month period ended September 30, 2014; and
- (t) the MD&A of the financial situation and the results of the Corporation for the first quarter ended September 30, 2014.

Any AIF, annual or interim financial statements and related MD&As, material change report (other than a confidential material change report), business acquisition report, information circular or any other disclosure documents required to be incorporated by reference herein under *Regulation 44-101 respecting Short Form Prospectus Distributions* filed by the Corporation with any securities commission or similar regulatory authority in Canada after the date of the Prospectus Supplement and prior to the termination of the Offering shall be deemed to be incorporated by reference into the Prospectus Supplement and the Prospectus.

Any statement contained in the Prospectus Supplement, the Prospectus or in a document (or part thereof) incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of the Prospectus Supplement, to the extent that a statement contained in the Prospectus Supplement or in any subsequently filed document (or part thereof) that also is, or is deemed to be, incorporated by reference in the Prospectus Supplement modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of the Prospectus Supplement or the Prospectus. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be considered in its unmodified or superseded form to constitute part of the Prospectus Supplement; rather only such statement as so modified or superseded shall be considered to constitute part of the Prospectus Supplement.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

The Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein contain forward-looking statements and forward-looking information (the "Forward-Looking Information"). Forward-Looking Information is necessarily based on estimates and assumptions made by the Corporation in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. These estimates and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies, many of which, with respect to future events, are subject to change.

These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed or implied in any Forward-Looking Information made by the Corporation, or on its behalf. In providing the Forward-Looking Information in the Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein, the Corporation has made several assumptions that it believes are appropriate, including, but not limited to, the assumptions that:

- the expectations for the Phase 1 plant performance will be as expected;
- market fundamentals will result in reasonable demand and prices for lithium hydroxide and lithium carbonate in the future;
- the Corporation will not be subject to any environmental disasters, significant litigation, significant regulatory changes or material labor disruptions;
- the effectiveness of the Corporation's proprietary technology;
- the advice the Corporation has received from its employees, consultants and advisors relating to matters such as mineral resource and mineral reserve estimates, engineering, construction planning, permitting and environmental matters is reliable and correct;
- the Corporation will be able to attract and retain qualified employees; and
- financing will be available on reasonable terms.

The Corporation cannot assure you that any of these assumptions will prove to be correct. Forward-Looking Information included or incorporated by reference in the Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein, include statements with respect to anticipated future results, the Corporation's objectives concerning the Whabouchi property, expectations regarding the ability to raise capital and get the required permits to start construction of the Whabouchi mine and concentrator, information concerning mineral resource estimates, events and conditions and other statements that are not statements of historical fact. The words "expect," "anticipate," "estimate," "may," "could," "might," "will," "would," "should," "intend," "believe," "target," "budget," "plan," "strategy," "goals," "objectives," "projection" or the negative of any of these words and similar expressions are intended to identify Forward-Looking Information, although these words may not be present in all Forward-Looking Information. In light of the risks and uncertainties inherent in all Forward-Looking Information, including future-oriented financial information, the inclusion or incorporation by reference of Forward-Looking Information in the Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein, should not be considered as a representation by the Corporation or any other person that the Corporation's objectives or plans will be achieved. Numerous factors could cause the Corporation's actual results to differ materially from those expressed or implied in the Forward-Looking Information, including the following, which are discussed in greater detail under the heading "Risk Factors" in the Prospectus Supplement and elsewhere in the Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein:

- weak prices of lithium carbonate or lithium hydroxide or fluctuations in the prices of these commodities;
- the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting availability of financing and lithium supply and demand;
- fluctuations in foreign currency exchange rates, particularly the Canadian dollar/U.S. dollar exchange rate;
- the ability of the Corporation to meet capital expenditure and operating cost estimates of the Phase 1 plant;
- the accuracy of mineral reserves;
- the demand for, and cost of, construction services and equipment;
- the Corporation's history of losses and the possibility of future losses;
- the inherent risks and hazards associated with processing operations;
- the potential uncertainty related to title to the Corporation's mineral properties and intellectual properties;
- the Corporation's dependence on third parties for critical operational supplies or equipment as well as spodumene concentrate and lithium sulfate;
- costs of complying with environmental, health and safety laws and regulations;
- costs of complying with other government regulations;
- the risk that permits and regulatory approvals necessary to build the Whabouchi mine and concentrator will not be available on a timely basis, on reasonable terms or at all;
- competition from other producers of lithium hydroxide and lithium carbonate and from potential new producers;
- loss of key personnel;
- risks involved in litigation or regulatory proceedings; and

- the ability of the Corporation to maintain adequate internal control over financial reporting and disclosure controls and procedures.

These factors should be considered carefully, and readers should not place undue reliance on the Corporation's Forward-Looking Information. No assurance can be given that the expectations reflected in the Forward-Looking Information, including future-oriented financial information, contained in the Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein will prove to be correct. In addition, although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward-Looking Information, including future-oriented financial information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Corporation undertakes no obligation to disclose publicly any future revisions or to update Forward-Looking Information, including future-oriented financial information, to reflect events or circumstances after the date of the Prospectus Supplement or to reflect the occurrence of unanticipated events, except as expressly required by law. Additionally, the Forward-Looking Information, including future-oriented financial information, contained herein is presented solely for the purpose of conveying management's belief as to the direction of the Corporation and may not be appropriate for other purpose.

THE OFFERING

This summary highlights information contained elsewhere in the Prospectus Supplement, in the Prospectus and the documents incorporated by reference herein and therein. It does not contain all the information that may be important to you. You should carefully read the entire Prospectus Supplement and the Prospectus, including the documents incorporated by reference herein and therein. See "Documents Incorporated by Reference" in the Prospectus Supplement. You should also carefully consider the matters discussed under "Risk Factors" in the Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein.

Issuer:	Nemaska Lithium Inc.
Securities Offered:	A minimum of 5,000,000 and a maximum of 10,000,000 Units of the Corporation are being offered at the Offering Price for a minimum aggregate gross proceeds of \$1,000,000 and a maximum gross proceeds of \$2,000,000. Each Unit consists of one Common Share and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "Warrant"). Each Warrant entitles its holder to purchase one Common Share at a price of \$0.28 at any time prior to 5:00 p.m. (Montreal time) on the date that is 24 months following the Closing Date. See "Description of the Securities Offered".
Offering Price:	\$0.20 per Unit
Offering:	The Offering is made by the Corporation as securities issuer. A minimum of 5,000,000 and a maximum of 10,000,000 Units of the Corporation are being offered under the Prospectus Supplement in the Canadian provinces of Alberta, British Columbia, Ontario and Québec (the "Selling Jurisdictions").
Registrant Commission:	In consideration for the services rendered in connection with the Offering, the Corporation may, at its entire discretion, pay a commission up to 5% of the gross proceeds of the Offering to registrants registered pursuant to Regulation 31-103. See "Use of Proceeds and Other Available Funds" and "Plan of Distribution".
Use of Proceeds and other available funds:	The net proceeds to the Corporation from the Offering and other available funds are estimated to be approximately \$1,400,000 upon completion of the Minimum Offering or at \$2,340,000 upon completion of the Maximum Offering, after deducting the estimated expenses and costs relating to the Offering and assuming the payment of the Registrant Commission. The Corporation anticipates using the net proceeds of the Offering and other available funds for: i) general working capital and administrative expenses; and ii) Phase 1 plant detailed engineering. See "Use of Proceeds and Other Available Funds".
Stock Exchange Symbol:	The Common Shares are listed on the TSXV under the symbol "NMX" and on the OTCQX under "NMKEF".
Risk Factors:	See "Risk Factors" in the Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein for a discussion of factors you should carefully consider before deciding to invest in the Units.

RISK FACTORS

An investment in the Units offered hereunder should be considered highly speculative due to the nature of the Corporation's business and its present stage of development. Investors may lose their entire investment. An investment in the Units should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment. Prospective investors should consult with their professional advisors to assess an investment in the Corporation. In evaluating the Corporation and its business, investors should carefully consider, in addition to the other information contained in the Prospectus Supplement, in the Prospectus and in those documents that are incorporated herein and therein by reference, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Corporation or in connection with the Corporation's operations. If any event arising from these risks occurs, the Corporation's business, prospects, financial condition, results of operations or cash flows, or your investment in the Units could be materially adversely affected.

Additional Funding Requirements

The further activities of the Corporation will require additional equity or debt financing. Failure to obtain additional financing could result in delay or indefinite postponement of such activities. Events in the equity market may impact the Corporation's ability to raise additional capital in the future.

While the Corporation may generate additional working capital through further offerings, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to subscribers under the Offering. At present, it is impossible to determine what amounts of additional funds, if any, may be required.

History of Losses

The Corporation does not have a history of profitable operations. It sustained net losses in the fiscal years ended June 30, 2014 and 2013, respectively. Management of the Corporation does not expect any income for the fiscal years to come and assesses that the Corporation may incur ongoing losses in the near future, and there is no guarantee it will become profitable in the short term.

Historically, the Corporation has not generated sufficient cash flows from its business to meet its capital requirements and depends on the financing from equity and debt to meet its funding requirements.

The Corporation's future success will depend to a large extent on its ability to ensure the respect of its contractual commitments which are important from an operational and financial point of view.

USE OF PROCEEDS AND OTHER AVAILABLE FUNDS

Assuming no exercise of the Warrants, the net proceeds from the Offering are estimated at \$900,000 upon completion of the Offering in case of the Minimum Offering and at \$1,840,000 in case of the Maximum Offering. As of December 31, 2014, the Corporation also has short term working capital of approximately \$500,000 to finance its operations. Together with the short term working capital as of December 31, 2014, the available funds after the Offering are estimated at \$1,400,000 in case of the Minimum Offering and at \$2,340,000 in case of the Maximum Offering, after deducting the estimated expenses and costs relating to the Offering and assuming the full payment of the Registrant Commission.

Proceeds and other available funds	The Minimum Offering	The Maximum Offering
Gross proceeds from the Offering	\$1,000,000	\$2,000,000
Short term working capital as of December 31, 2014 ⁽¹⁾	\$500,000	\$500,000
Gross proceeds and other available funds	\$1,500,000	\$2,500,000
Less:		
Estimated expenses and costs relating to the Offering ⁽²⁾	\$50,000	\$60,000
Registrant Commission ⁽³⁾	\$50,000	\$100,000
Net proceeds and other available funds	\$1,400,000	\$2,340,000

Notes:

1. The estimated short term working capital as of December 31, 2014 is expected to be included in the financial statements of the Corporation for the six-month period ended December 31, 2014. These financial statements will be reviewed by the auditors of the Corporation, since the Corporation has opted for a quarterly review of its financial statements.
2. Includes the Corporation's legal fees, auditors' fees and filing fees with the TSXV and the other regulatory authorities.
3. Assuming the full payment of the Registrant Commission.

Principal purposes – Generally

The Corporation intends to use the net proceeds of the Offering and the short term working capital as of December 31, 2014 as follows:

Net proceeds and other available funds	The Minimum Offering	The Maximum Offering
General working capital and administrative expenses	\$1,150,000 ⁽¹⁾	\$1,840,000 ⁽¹⁾
Phase 1 plant detailed engineering	\$250,000	\$500,000
Total use of net proceeds and other available funds	\$1,400,000	\$2,340,000

Note:

1. Includes the estimated short term working capital as of December 31, 2014.

The Corporation intends to use the net proceeds of the Offering as described above, but such use will depend on its operating needs, the implementation of its strategic plan and changes in the prevalent business environment and operating conditions.

Pending such use, the net proceeds of the Offering will be part of the working capital of the Corporation and will be invested in interest-bearing short-term investments.

The actual amount that the Corporation will spend in connection with each of the intended uses of proceeds may vary significantly and will depend on a number of factors, including those listed under "Risk Factors" in the Prospectus Supplement, the Prospectus and in documents incorporated herein and therein by reference.

The burn rate of the Corporation for general working capital and administrative expenses is estimated at \$175,000 per month.

The Corporation estimates that the net proceeds to be raised under the Offering as well as the short term working capital as of December 31, 2014 will fund its operations for the next 7 months in case of the Minimum Offering or for the next 11 months in case of the Maximum Offering. The Corporation does not expect to incur any material capital expenditures during that period of time unless additional financing is completed by the Corporation in which case such expenditures could be incurred as disclosed in the Prospectus.

Business Objectives and Milestones

The principal business objectives that the Corporation expects to accomplish in the near term is to pursue the work to complete the process required to obtain the certificates of authorization from the Québec Ministère du Développement durable, de l'Environnement, de la Faune et des Parcs (the "MDEFP") and from the Canadian Environmental Assessment Agency (the "CEAA") for the construction of a mine and a concentrator on the Whabouchi property.

The permitting process includes notably the conduct of consultation and public hearings. The Quebec Review Committee (the "COMEX") public hearings that are required under the Québec regulations will only be scheduled once the MDEFP has completed its examination of the last reports required for their review of the Corporation's Environmental and Social Impact Assessment on the Whabouchi mine and concentrator, which reports were filed on December 22, 2014 with the COMEX. The Corporation is expecting these public hearings to be held in March 2015. The COMEX public hearings will constitute the final step before the Minister of Sustainable Development, Environment, and The Fight against Climate Change makes the decision to issue the certificate of authorization required to build and operate the Whabouchi mine. The Corporation has also filed these last reports with the CEAA. The CEAA held public consultations in the Cree community of Nemaska on the project in November 2013. The filing of these documents constitutes the final step before the CEAA issues its Environmental Assessment Report for public consultation.

Furthermore, the Corporation intends to complete in the near term the financing in order to launch the construction and operation of the Phase 1 plant.

CONSOLIDATED CAPITALIZATION

Since September 30, 2014, there have been no material changes in the Corporation's share capital or loan capital other than:

- (i) The issuance of 7,352,942 Common Shares and 3,676,471 Warrants on November 14, 2014, pursuant to the terms of the Supplement no. 4;
- (ii) The issuance of 1,720,588 Common Shares and 860,294 Warrants on November 17, 2014, pursuant to the terms of the Supplement no. 4;

The following table represents the Corporation's share capital as of September 30, 2014, as at January 29, 2015 and upon completion of the Minimum Offering and Maximum Offering, as the case may be. It should be read in conjunction with the unaudited condensed interim financial statements of the Corporation for the three-month period ended September 30, 2014 and September 30, 2013, including the notes thereto, incorporated by reference herein. The Corporation has no outstanding loans.

Date	Designation	Issued or to be issued Minimum Offering	Issued or to be issued Maximum Offering
As at September 30, 2014	Common shares	170,522,574	170,522,574
As at January 29, 2015	Common shares	179,596,104	179,596,104
Proforma as at January 29, 2015, after giving effect to the Offering	Common shares	184,596,104	189,596,104
As at September 30, 2014	Warrants	30,393,250	30,393,250
As at January 29, 2015	Warrants	34,930,015	34,930,015
Proforma as at January 29, 2015, after giving effect to the Offering	Warrants	37,430,015	39,930,015
As at September 30, 2014	Brokers compensation options	981,140	981,140
As at January 29, 2015	Brokers compensation options	981,140	981,140
Proforma as at January 29, 2015, after giving effect to the Offering	Brokers compensation options	981,140	981,140
As at September 30, 2014	Options issued under the stock option plan of the Corporation	6,035,575	6,035,575
As at January 29, 2015	Options issued under the stock option plan of the Corporation	6,035,575	6,035,575
Proforma as at January 29, 2015, after giving effect to the Offering	Options issued under the stock option plan of the Corporation	6,035,575	6,035,575

As at the Closing Date, in the case of the Minimum Offering there will be 184,596,104 Common Shares and 37,430,015 Warrants issued and outstanding and in the case of the Maximum Offering there will be 189,596,104 Common Shares and 39,930,015 Warrants issued and outstanding.

DESCRIPTION OF SECURITIES OFFERED

General

The Offering consists of the issuance of a minimum of 5,000,000 Units for an aggregate gross proceeds of \$1,000,000 and a maximum of 10,000,000 Units for an aggregate gross proceeds of \$2,000,000. Each Unit consists of one Common Share in the share capital of the Corporation and one-half of a Warrant. The Common Shares and the Warrants have the following attributes and characteristics:

Common Shares

The Corporation's authorized capital is made up of an unlimited number of Common Shares without par value. As of January 29, 2015, there were 179,596,104 Common Shares issued and outstanding as fully paid and non-assessable. The holders of Common Shares of the Corporation are entitled to vote at all shareholder meetings. They are also entitled to dividends, if, as and when declared by the board of directors of the Corporation and, upon liquidation or winding-up of the Corporation, to share the residual assets of the Corporation. The Common Shares do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Common Shares, all of which rank equally as to all benefits which might accrue to the holders of the Common Shares.

Warrants

Each Warrant will entitle the holder to purchase one Common Share at an exercise price of \$0.28 at any time prior to 5:00 p.m. (Montreal time) on the date that is 24 months following the Closing Date. The Common Shares underlying the Warrants, when issued upon exercise of the Warrants, will be fully paid and non-assessable. The Warrants may be transferred or assigned.

The Warrants shall not constitute the holder a shareholder of the Corporation, nor entitle it to any right or interest in respect thereof, except as may be expressly provided in the Warrants.

The Warrants will provide for adjustment in the number of Common Shares purchasable upon the exercise of the Warrants or the exercise price per Common Share upon the occurrence of certain events, including:

In the event the Corporation shall:

- (i) pay a dividend in Common Shares or make a distribution in Common Shares;
- (ii) subdivide its outstanding Common Shares;
- (iii) combine its outstanding Common Shares into a smaller number of Common Shares;
- (iv) issue by reclassification of its Common Shares other securities of the Corporation (including any such reclassification in connection with a consolidation, merger, amalgamation or other combination in which the Corporation is the surviving corporation);
- (v) issue rights, options or warrants to all or substantially all holders of its outstanding Common Shares, without any charge to such holders, entitling them to subscribe for or purchase Common Shares at a price per share which is lower than 95% of the current market price;
- (vi) distribute to all or substantially all holders of its Common Shares evidences of its indebtedness or assets; or
- (vii) distribute to all or substantially all of the holders of its Common Shares of shares of a subsidiary or securities convertible or exercisable for such shares.

Whenever the number of Common Shares purchasable upon the exercise of the Warrants or the exercise price of such Common Shares is adjusted, the Corporation shall promptly send to the holder by first class mail, postage prepaid, notice of such adjustment or adjustments.

No adjustment in the number of Common Shares purchasable upon the exercise of the Warrants shall be required unless such adjustment would require an increase or decrease of at least one percent (1%) in the number of Common Shares purchasable upon the exercise of each Warrant; provided, however, that any adjustments which are not required to be made shall be carried forward and taken into account in any subsequent adjustment.

Subject to requisite TSXV approval, as the case may be, the Corporation may, at its option, at any time during the term of the Warrants, reduce the then current exercise price to any amount deemed appropriate by the Corporation's board of directors.

There is currently no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased in the Offering.

TRADING PRICE AND VOLUME

The Common Shares of the Corporation are listed and posted for trading on the TSXV under the symbol "NMX". The following table sets forth trading information for the Common Shares on the TSXV during the 12-month period prior to the date of the Prospectus Supplement.

Month	High (\$) ⁽¹⁾	Low (\$) ⁽²⁾	Trading volume ⁽³⁾
January 2014	0.12	0.10	2,530,566
February 2014	0.185	0.10	8,155,012
March 2014	0.19	0.11	15,743,382
April 2014	0.125	0.095	15,434,903
May 2014	0.13	0.10	8,726,148
June 2014	0.11	0.09	8,125,820
July 2014	0.20	0.10	17,150,876
August 2014	0.25	0.16	15,173,018
September 2014	0.24	0.165	6,236,172
October 2014	0.20	0.15	4,961,441
November 2014	0.19	0.12	5,788,986
December 2014	0.205	0.15	7,300,129
January 1, 2015 to January 29, 2015 inclusively	0.175	0.15	3,768,616

Notes:

1. Includes intra-day high prices.
2. Includes intra-day low prices.
3. Total volume traded in the relevant period.

PLAN OF DISTRIBUTION

The Corporation, as securities issuer, is hereby qualifying the distribution of a minimum of 5,000,000 Units of the Corporation for an aggregate gross proceeds of \$1,000,000 and a maximum of 10,000,000 Units for an aggregate gross proceeds of \$2,000,000 at a price of \$0.20 per Unit. The Offering Price was determined by the Corporation as securities issuer.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing date will occur on or about February 4, 2015 (the "Closing Date") or such earlier or later date as may mutually be agreed to by the Corporation.

The Offering is not underwritten or guaranteed by any person. The Corporation, as securities issuer, has agreed to conditionally offer the Units for sale subject to the receipt by the Corporation of subscriptions for 5,000,000 Units for an aggregate gross proceeds of \$1,000,000 and subject to the approval of certain legal matters on behalf of the Corporation by Stein Monast L.L.P.

There is currently no market through which the Warrants may be sold and subscribers may not be able to resell the Warrants acquired hereunder. This may affect the pricing of the Warrants, the transparency and availability of trading prices for the Warrants and the liquidity of the Warrants. See "*Risk Factors*" of the Prospectus.

The TSXV has conditionally approved the listing of the Common Shares and the Common Shares underlying the Warrants. The TSXV listing will be subject to the Corporation fulfilling all of the listing requirements of the TSXV.

The Common Shares and the Warrants comprised in the Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”) or any state securities laws of the United States and, subject to certain exceptions, may not be offered or sold in the United States or to or for the account of, or benefit of, any U.S. person, as that term is defined in Regulation S under the 1933 Act. However, the Units may be offered and sold in the United States pursuant to Rule 144A (“Rule 144A”) under the 1933 Act only to persons who are “Qualified Institutional Buyers” within the meaning of such Rule. Any Common Shares and Warrants comprised in the Units acquired by a Qualified Institutional Buyer in the United States pursuant to Rule 144A will be considered “restricted securities” within the meaning of Rule 144 under the 1933 Act and may not be resold in the United States except pursuant to a registration statement or an exemption from the registration requirements of the 1933 Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units within the United States by a dealer (whether or not participant in the Offering) may violate the registration requirements of the 1933 Act if such offer or sale is made other than pursuant to Rule 144A.

The Common Shares and the Warrants will be deposited with CDS Clearing and Depository Services Inc. (“CDS”), its nominees or any other entity as directed by the Corporation on the Closing Date of the Offering. Transfers of ownership of Common Shares and Warrants deposited with CDS in Canada will be effected through records maintained by participants in the CDS depository service (“CDS Participants”), which include securities brokers and dealers, banks and trust companies. Indirect access to the CDS book entry system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly. Each purchaser of Common Shares and Warrants in Canada will receive a customer confirmation of purchase from the CDS Participant from or through which such Common Shares and Warrants are purchased in accordance with the practices and procedures of such CDS Participant. No certificates representing the Common Shares and the Warrants will be issued unless it is specifically required. No certificate representing the Units in this regard will be issued.

PRIOR SALES

During the 12-month period prior to the date of the Prospectus Supplement, the Corporation issued securities as follows:

Issue Date	Number and Class of Securities	Issue Price or Exercise Price per Security
April 2, 2014	26,000,000 Common Shares ⁽¹⁾	\$0.125 per Common Share
April 2, 2014	13,000,000 warrants ⁽¹⁾	\$0.20 per Common Share
April 15, 2014	3,900,000 Common Shares ⁽²⁾	\$0.125 per Common Share
April 15, 2014	1,950,000 warrants ⁽²⁾	\$0.20 per Common Share
May 27, 2014	400,000 stock options ⁽³⁾	\$0.10 per Common Share
May 27, 2014	500,000 stock options ⁽⁴⁾	\$0.125 per Common Share
July 15, 2014	500,000 Common Shares ⁽⁴⁾	\$0.155 per Common Share
August 22, 2014	690,000 Common Shares ⁽⁵⁾	\$0.18 per Common Share
August 22, 2014	240,500 Common Shares ⁽⁵⁾	\$0.20 per Common Share
August 26, 2014	100,000 Common Shares ⁽⁵⁾	\$0.20 per Common Share
August 27, 2014	200,000 Common Shares ⁽⁵⁾	\$0.20 per Common Share
August 28, 2014	749,500 Common Shares ⁽⁵⁾	\$0.20 per Common Share
August 28, 2014	55,000 Common Shares ⁽⁵⁾	\$0.18 per Common Share
September 18, 2014	1,254,000 Common Shares ⁽⁶⁾	\$0.144 per Common Share
November 14, 2014	7,352,942 Common Shares ⁽⁷⁾	\$0.17 per Common Share
November 14, 2014	3,676,471 warrants ⁽⁷⁾	\$0.25 per Common Share
November 17, 2014	1,720,588 Common Shares ⁽⁷⁾	\$0.17 per Common Share
November 17, 2014	860,294 warrants ⁽⁷⁾	\$0.25 per Common Share

Notes:

1. These securities were issued under the terms of the Supplement no. 3.

2. These securities were issued in connection with Secutor Capital Management Corporation over-allotment option under the terms of the Supplement no. 3.
3. These stock options were granted to directors and officers of the Corporation for a period of five years in accordance with the terms of the Corporation's stock option plan. These stock options are vested at the issue date with a holding period of 4 months.
4. These securities were issued under the terms of the acquisition agreement of the Whabouchi property dated as of September 19, 2009 as amended on June 11, 2010.
5. These securities were issued following the exercise of warrants.
6. These common shares were issued following the exercise of options granted in favor of directors and officers of the Corporation.
7. These securities were issued under the terms of the Supplement no. 4.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stein Monast L.L.P., legal counsels to the Corporation, provided that the Common Shares and the Common Shares acquired upon the exercise of Warrants are listed on a "designated stock exchange" (which currently includes the TSXV) for purposes of the *Income Tax Act* (Canada) and the regulations thereunder (the "Tax Act"), the Common Shares will be qualified investments under the Tax Act for trusts governed by a registered retirement savings plan ("RRSP"), registered retirement income funds ("RRIF"), registered education savings plan, registered disability savings plan, deferred profit sharing plan (other than a trust governed by a deferred profit sharing plan in respect of which the Corporation or a corporation with which the Corporation does not deal at arm's length for the purposes of the Tax Act pays contributions) and tax-free savings account ("TFSA"), each as defined in the Tax Act (collectively, "Deferred Plans"). The Warrants will be qualified investment for a Deferred Plan provided that the Common Shares which can be acquired upon the exercise of the Warrants are listed on a "designated stock exchange", as defined in the Tax Act, at the time of issuance of the Warrants and that the Corporation is not a "connected person" under the Deferred Plan. A "connected person", in relation to a Deferred Plan, is defined in the Tax Act as a person who is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, the Deferred Plan, as well as any other person who does not deal at arm's length with that person.

Notwithstanding the foregoing, the holder of the TFSA or annuitant of the RRSP or RRIF will be subject to a penalty tax under the Tax Act if the Common Shares or the Warrants held by a particular TFSA, RRSP or RRIF are "prohibited investments" for purposes of the Tax Act. The Common Shares and the Warrants will generally be a "prohibited investment" for these purposes if the holder of the TFSA or the annuitant under the RRSP or RRIF, as applicable, (i) does not deal at arm's length with the Corporation for the purposes of the Tax Act or (ii) has a "significant interest" as defined in the Tax Act in the Corporation. In addition, the Common Shares and the Warrants will generally not be a "prohibited investment" if the Common Shares and the Warrants are "excluded property" as defined in the Tax Act for a TFSA, RRSP or RRIF.

Holders or annuitants should consult their own tax advisors with respect to whether the Common Shares and the Warrants would be prohibited investments, including with respect to whether the Common Shares and the Warrants would be "excluded property" as defined in the Tax Act provisions.

LEGAL MATTERS

Certain legal matters in connection with the Offering will be being passed upon by Stein Monast L.L.P. on behalf of the Corporation.

AUDITORS, TRANSFER AGENT AND INTERESTS OF EXPERTS

KPMG LLP are the Corporation's current auditors and are independent of the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada.

The transfer agent, registrar and paying agent of the Corporation is Computershare Investor Services Inc. at its office located at 1500, University Street, Suite 700, Montréal, Québec H3A 3S8.

As of the date of the Prospectus Supplement, none of the partners or associates of Stein Monast L.L.P. has any beneficial or registered interests, direct or indirect, in the Corporation's securities or properties, except for Mr. Richard Provencher, a partner of Stein Monast L.L.P., who owns directly less than 1% of Common Shares and Warrants of the Corporation.

As of the date of the AIF dated October 28, 2014, for the fiscal year ended June 30, 2014, Messrs. Jean-Philippe Paiement, M. Sc., P. Geo., Nicolas Skiadas, Eng., Noël Journeaux, P. Geo., Eng., Gary H.K. Pearse, M. Sc., P. Eng., Martin Stapinsky, P. Geo., Ph. D. Hydrogeologist, Clive Brereton, Dr. Peter G. Symons, Paul Bonneville, Eng., Daniel Gagnon, Eng., Jeffrey Cassoff, Eng., Geneviève Clayton, Eng., Ewald Pengel, P. Eng., Alain Michaud, Eng., Michel Bilodeau, Eng., M. Sc. (App.), Ph. D., and André Boilard, PMP, Eng. had no beneficial or registered interests, direct or indirect, in the Corporation's securities or properties, had no beneficial or registered interests, direct or indirect, in the Corporation's securities or properties.

As of the date of the AIF dated October 28, 2014, for the fiscal year ended June 30, 2014, none of the partners or associates of KPMG LLP, the Corporation's current auditor, have beneficial or registered interests, direct or indirect, in the Corporation's securities or properties.

OTHER MATERIAL FACTS

Pro-Rata rights held by Chengdu Tianqi Industry Group Co., Ltd.

According to a Subscription Agreement dated December 31, 2010, Chengdu Tianqi Industry Group Co., Ltd. ("Tianqi") was granted a pro-rata rights on any future issuance of Common Shares or convertible securities of the Corporation (the "Offered Securities") by way of private placement or public offering via prospectus (a "Future Offering") for so long as Tianqi owns, or exercises control or direction over at least 10% of the issued and outstanding Common Shares of the Corporation (the "Pro-Rata Rights").

As of the date of the Prospectus Supplement, Tianqi owns, or exercises control or direction over 10.64% of the issued and outstanding Common Shares of the Corporation.

Under the provisions granting the Pro-Rata Rights, the Corporation has agreed to use its commercially reasonable best efforts to enable Tianqi to purchase a number of Offered Securities issued pursuant to a Future Offering representing a percentage of the Offered Securities corresponding to (i) the total number of Common Shares owned, or over which control or direction is exercised, by Tianqi; divided by (ii) the total number of Common Shares issued and outstanding at the time of the Future Offering is announced or on the day the documents, notices or forms required in connection with the first application with the TSXV or any other stock exchange are filed.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the provinces of British Columbia, Alberta, Ontario and Québec provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment thereto. In several of the provinces, the securities legislation further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus, the accompanying prospectus supplement relating to securities purchased by an investor and any amendment thereto is limited, in certain provincial securities legislation, to the price at which the Warrants is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons authorized to sell such securities. The securities offered under this short form base shelf prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws. Accordingly, these securities may not be offered or sold within the United States (as such term is used in Regulation S under the 1933 Act) except in compliance with exemptions from the registration requirements of the 1933 Act and applicable state securities laws. This short form base shelf prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See "Plan of Distribution".

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the President, Chief Executive Officer and Secretary of Nemaska Lithium Inc. at 450 rue de la Gare-du-Palais, 1st Floor, Québec, Québec, G1K 3X2, telephone: (418) 704-6038 and are also available electronically at www.sedar.com.

This short form base shelf prospectus has been filed under legislation in the provinces of Alberta, British Columbia, Ontario and Québec, that permits certain information about these securities to be determined after this prospectus has become final and permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing this omitted information within a specified period of time after agreeing to purchase any of these securities.

SHORT FORM BASE SHELF PROSPECTUS



New Issue

March 4, 2013

**Nemaska Lithium Inc.
(the "Corporation")
\$100,000,000
Common Shares
Debt Securities
Convertible Securities
Subscription Receipts
Warrants
(the "Offering")**

Nemaska Lithium Inc. (the "Corporation") may, from time to time, during the 25 month period that this short form base shelf prospectus (the "Prospectus"), including any amendments hereto, remains valid, offer and issue common shares (the "Common Shares"), debt securities (the "Debt Securities"), securities convertible into or exchangeable for Common Shares (the "Convertible Securities"), subscription receipts (the "Subscription Receipts") and warrants (the "Warrants") of the Corporation (collectively, Common Shares, Debt Securities, Convertible Securities, Subscription Receipts and Warrants are referred to herein as the "Securities") having an aggregate offering price of up to \$100,000,000. Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying shelf prospectus supplement (a "Prospectus Supplement"). In addition, Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Corporation or a subsidiary of the Corporation. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities.

The Corporation's outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange Inc. (the "TSXV") under the symbol "NMX". **There is no market through which the Debt Securities, Convertible Securities, Subscription Receipts or Warrants may be sold and purchasers may not be able to resell any Debt Securities, Convertible Securities, Subscription Receipts or Warrants purchased under this Prospectus.** This may affect the pricing of these Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities and the extent of issuer regulation.

An investment in the Securities is subject to certain risks. Prospective investors should carefully consider the risk factors incorporated by reference in this Prospectus and included under the heading "Risk Factors" in this Prospectus.

The Corporation may offer and sell Securities to or through dealers, underwriters or agents and may also offer and sell certain Securities directly to purchasers or through agents pursuant to exemptions from registration or qualification under applicable securities laws. A Prospectus Supplement relating to each issue of Securities offered thereby will set forth the names of any underwriters, dealers or agents involved in the offering and sale of such Securities and will set forth the terms of the offering of such Securities, the method of distribution of Securities including, to the extent applicable, the proceeds to the Corporation and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution. **No underwriter, dealers or agents have been involved in the preparation of this Prospectus nor has any underwriter, dealers or agents performed any review of the contents of this Prospectus.**

The specific terms of the Securities with respect to a particular offering will be set out in the applicable Prospectus Supplement and may include, where applicable: (i) in the case of Common Shares, the number of Common Shares offered, the issue price and any other terms specific to the Common Shares being offered; (ii) in the case of Debt Securities, the specific designation, aggregate principal amount, the maturity, interest provisions, authorized denominations, offering price, covenants, events of default, any terms for redemption or retraction, any exchange or conversion terms and any other terms specific to the Debt Securities being offered; (iii) in the case of Convertible Securities, the number of Convertible Securities offered, the offering price, the procedures for the conversion or exchange of such Convertible Securities into or for Common Shares and any other specific terms; (iv) in the case of Subscription Receipts, the number of Subscription Receipts offered, the offering price, the terms of the release conditions, the designation, number and terms of the Common Shares or Warrants receivable upon satisfaction of the release conditions, any procedures that will result in the adjustment of those number, any additional payments to be made to holders of Subscription Receipts upon satisfaction of the release conditions, the terms governing the escrow of all or a portion of the gross proceeds from the sale of the Subscription Receipts, the terms for the refund of all or a portion of the purchase price for Subscription Receipts, the terms for the refund of all or a portion of the purchase price for Subscription Receipts in the event that the release conditions are not met and any other specific terms applicable to the offering of Subscription Receipts; and (v) in the case of Warrants, the designation, number and terms of the Common Shares or Debt Securities issuable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, dates and periods of exercise and any other specific terms.

Unless provided otherwise in a Prospectus Supplement relating to a particular offering of Securities and subject to applicable laws, the dealers, underwriters or agents may, in connection with the Offering, effect transactions which stabilize or maintain the market price of the Common Shares at levels other than that which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

All shelf information permitted under applicable law to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

The Corporation's head and registered offices are located at 450 rue de la Gare-du-Palais 1st Floor, Québec, Québec G1K 3X2.

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ABOUT THIS PROSPECTUS

In this Prospectus and in any Prospectus Supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to "\$" are to Canadian dollars. Unless otherwise indicated, all financial information included and incorporated by reference in this Prospectus or included in any Prospectus Supplement is determined using International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, which have been adopted as Canadian generally accepted accounting principles, referred to as "Canadian GAAP".

This Prospectus provides a general description of the Securities that the Corporation may offer. Each time the Corporation offer and sell Securities under this Prospectus, it will provide the purchasers with a Prospectus Supplement that will contain specific information about the terms of that offering. The Prospectus Supplement may also add, update or change information contained in this Prospectus. Before investing in any Securities, the purchasers should read both this Prospectus and any applicable Prospectus Supplement together with additional information described below under "Documents Incorporated by Reference".

All information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be made available together with this Prospectus.

The purchasers should rely only on the information contained in or incorporated by reference in this Prospectus or any applicable Prospectus Supplement. The Corporation has not authorized anyone to provide the purchasers with different or additional information. The Corporation is not making an offer to sell the Securities in any jurisdiction where the offer or sale is not permitted by law. The purchasers should not assume that the information in this Prospectus, in any applicable Prospectus Supplement or any documents incorporated by reference is accurate as of any date other than the date on the front of those documents as the Corporation's business, operating results, financial condition and prospects may have changed since that date.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the President, Chief Executive Officer and Secretary of Nemaska Lithium Inc. at 450 rue de la Gare-du-Palais, 1st Floor, Québec, Québec G1K 3X2, telephone: 418 704-6038. These documents are also available electronically on SEDAR which can be accessed at www.sedar.com.

The following documents of the Corporation are specifically incorporated by reference into and form an integral part of this Prospectus:

- (a) the Amended Annual Information Form ("AIF") dated January 18, 2013, as amended on February 6 and March 4, 2013, for the fiscal year ended June 30, 2012;
- (b) the Annual Audited Financial Statements as at June 30, 2012, June 30, 2011 and July 1, 2010 and the independent auditors' report thereon;
- (c) the Management's Discussion and Analysis ("MD&A") of the financial situation and the results of the Corporation for the fourth quarter and year ended June 30, 2012;
- (d) the Unaudited Condensed Interim Financial Statements for the periods ended December 31, 2012 and 2011;
- (e) the MD&A of the financial situation and results of the Corporation for the second quarter ended December 31, 2012;
- (f) the Amended Management Proxy Circular dated November 1, 2012, as amended on November 23, 2012, prepared in connection with the annual general and special meeting of the shareholders of the Corporation held on November 27, 2012;
- (g) the French version of the Material Change Report filed on SEDAR on November 21, 2012 and the English version on February 6, 2013 pertaining to the announcement of positive preliminary economic assessment for Whabouchi mine and lithium hydroxide/lithium carbonate plant;
- (h) the Material Change Report filed on SEDAR on February 25, 2013 pertaining to the announcement by the Corporation to proceed with the building of a Phase 1 lithium hydroxide and lithium carbonate processing plant (the "Phase 1 plant") which intends to be in production in January 2014;
- (i) the Material Change Report filed on SEDAR on February 28, 2013 pertaining to clarification provided by the Corporation on the October 2, 2012 press release announcing the results of its preliminary economic assessment on the Whabouchi mine and concentrator and chemical plant; and
- (j) the Material Change Report filed on SEDAR on March 1, 2013 pertaining to clarification provided by the Corporation on the February 7, 2013 press release announcing the decision to build the Phase 1 plant.

Any AIF, annual or interim financial statements and related MD&As, material change report (other than a confidential material change report), business acquisition report, information circular or any other disclosure documents required to be incorporated by reference herein under *Regulation 44-101 respecting Short Form Prospectus Distributions* filed by the Corporation with any securities commission or similar regulatory authority in Canada subsequent to the date of this Prospectus and prior to the termination of the Offering shall be deemed to be incorporated by reference into this Prospectus, as well as any other document so filed by the Corporation which expressly states it to be incorporated by reference into this Prospectus.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes that statement. Any such modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be considered in its unmodified or superseded form to constitute part of this Prospectus; rather only such statement as so modified or superseded shall be considered to constitute part of this Prospectus.

Upon a new AIF and corresponding annual financial statements and related MD&As being filed by the Corporation with securities commissions or similar regulatory authorities in Canada during the currency of this Prospectus, the previous AIF and corresponding annual financial statements and related MD&As, all interim financial statements and MD&As, and all material change reports filed prior to the commencement of the then current financial year will be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities hereunder.

Upon each new filing of interim financial statements and related MD&As filed with securities commissions or similar regulatory authorities in Canada during the currency of this Prospectus, the previous interim financial statements and MD&As filed prior to the commencement of the then current interim period will be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities hereunder.

A Prospectus Supplement or Prospectus Supplements containing the specific terms for an issue of Securities will be delivered to purchasers of the Securities together with this Prospectus to the extent required by applicable securities laws, and will be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement but only for the purposes of the Securities issued thereunder.

FORWARD-LOOKING STATEMENTS

This Prospectus, including the documents incorporated by reference herein, contains certain forward-looking statements. These statements relate to future events or future performance and reflect management's expectations and assumptions regarding the growth, results of operations, performance and business prospects and opportunities of the Corporation. Such forward-looking statements reflect management's current beliefs and are based on information currently available to the Corporation's management. In some cases, forward-looking statements can be identified by terminology such as "may", "would", "could", "will", "should", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative of these terms or other similar expressions concerning matters that are not historical facts. In particular, statements regarding the Corporation's future operating results and economic performance are or involve forward-looking statements.

A number of factors could cause actual events, performance or results, including those in respect of the foregoing items, to differ materially from the events, performance and results discussed in the forward-looking statements. In evaluating these statements, purchasers should carefully consider various factors, including the risks factors incorporated by reference in this Prospectus and included under the heading "Risk Factors" in this Prospectus, which may cause actual events, performance or results to differ materially from any forward-looking statement. Although the forward-looking statements contained in this Prospectus and in the documents incorporated by reference are based on what the Corporation's management considers to be reasonable assumptions based on information currently available to it, there can be no assurance that actual events, performance or results will be consistent with these forward-looking statements, and management's assumptions may prove to be incorrect. These forward-looking statements are made as of the date of this Prospectus and, subject to the applicable laws, the Corporation does not intend, and does not assume any obligation, to update or revise them to reflect new events or circumstances.

THE CORPORATION

Name and Incorporation

The Corporation was incorporated under the *Canada Business Corporations Act* (the “CBCA”) by articles of incorporation on May 16, 2007 under the name “James B Resources Inc.” and its French version “Ressources James B inc.” On November 5, 2008, the Corporation filed articles of amendment in order to change its name for “NEMASKA EXPLORATION INC.” and its French version “EXPLORATION NEMASKA INC.” On November 22, 2011, the Corporation filed articles of amendment in order to change its name for “Nemaska Lithium Inc.” and in order to allow the directors of the Corporation to appoint one or more additional directors in accordance with the provisions of subsection 106(8) of the CBCA.

The Corporation’s head and registered offices are located at 450 rue de la Gare-du-Palais, 1st Floor, Québec, Québec G1K 3X2.

General Business Activities

The Corporation is an exploration and development company that is currently focusing on developing its Whabouchi lithium deposit in the James Bay Region in the province of Québec, developing technologies to process spodumene ore into lithium compounds, mainly lithium hydroxide and lithium carbonate and finally, advancing its Sirmac lithium exploration project located about 125 km south of its Whabouchi deposit. All the projects of the Corporation are located in the province of Québec. The Corporation has filed two patent applications regarding methods of transforming spodumene and producing lithium hydroxide from lithium sulfate and lithium carbonate from lithium hydroxide.

The Corporation plans to become a lithium hydroxide/lithium carbonate producer based in the province of Québec. For that purpose and as the first step of its operational strategy, the Corporation intends to proceed with the building of the Phase 1 plant in Salaberry-de-Valleyfield, which step was not addressed in the technical report entitled: *Preliminary Economic Assessment of the Whabouchi Lithium Deposit and Hydromet Plant*, effective as of October 2, 2012, issued on November 16, 2012 and revised on February 27, 2013 (the “Technical Report”), a summary of which is included in the AIF. The Phase 1 plant will allow the Corporation to produce lithium hydroxide and lithium carbonate, and to supply samples of products to potential clients with the objective of securing numerous additional off-take agreements. The experience of running and operating the Phase 1 plant will dictate the timeline in order to start the construction of the mine and concentrator on the Whabouchi property and the hydrometallurgical plant in Salaberry-de-Valleyfield, and will be the trigger to properly size such installations.

The business objective of the hydrometallurgical plant project, as described in the Technical Report, a summary of which is included in the AIF, is mainly the production of lithium hydroxide and lithium carbonate in order to fulfill orders generated from, but not limited to, the off-take agreements that were signed during the operations of the Phase 1 plant.

The AIF contains additional information on the business and properties of the Corporation. See “Documents Incorporated by Reference”.

Recent Developments

On February 13, 2013, the Corporation announced the recent hiring of lithium expert Mr. Jean-François Magnan as technical manager.

On February 7, 2013, the Corporation announced that it is proceeding with the building of the Phase 1 plant which intends to be in production in January 2014.

On November 28, 2012, the Corporation announced, among other things, the re-election of Messrs. Michel Baril, Guy Bourassa, Bangkui Gao and René Lessard as well as Ms. Judy Baker and Ms. Wei Wu as directors of the Corporation during its annual general and special meeting of shareholders held on November 27, 2012.

On November 8, 2012, the Corporation announced the hiring of Mr. Daniel Dufort as Vice President Operations, in replacement of Mr. Pierre Demers, and Mr. Marc Vicaire as Director of Human Resources.

On November 1, 2012, the Corporation announced that it has entered into discussions with Sichuan Tianqi Lithium Industries Inc. on strategies to jointly market and pursue off-take agreements with global end users of lithium hydroxide and lithium carbonate.

On October 10, 2012, the Corporation announced the appointment of Mr. Jean-Marc Lacoste as President and Chief Executive Officer of Monarques Resources Inc., effective immediately, in replacement of Mr. Guy Bourassa who has acted as President and Chief Executive Officer of this corporation since its inception.

On October 4, 2012, the Corporation announced the signature of an off-take and collaboration agreement with Phostech Lithium Inc. ("Phostech"), a Clariant AG group company, pursuant to which, Phostech agrees to evaluate and purchase from the Corporation the output of the lithium hydroxide monohydrate to be produced by the Phase 1 plant. The Corporation and Phostech also agree to collaborate in order to determinate the economic and technical feasibility of tailoring the lithium hydroxide fabrication process according to Phostech's specifications.

On October 2, 2012 and October 12, 2012, the Corporation announced the results of the Preliminary Economic Assessment for the Whabouchi mine and lithium hydroxide/lithium carbonate plant.

CONSOLIDATED CAPITALIZATION

Since December 31, 2012, there have been no material changes in the Corporation's share or loan capital.

USE OF PROCEEDS AND OTHER AVAILABLE FUNDS

Proceeds

As set out in the table below, the net proceeds to the Corporation from the Offering and other available funds are estimated to be approximately \$94,400,000, after deducting the estimated expenses and costs relating to the Offering estimated at \$7,000,000.

Net Proceeds and Available Funds	Maximum Offering
Gross proceeds from the Offering	\$100,000,000
Estimated expenses and costs relating to the Offering ⁽¹⁾	\$7,000,000
Net proceeds to the Corporation	\$93,000,000
Estimated net working capital as at December 31, 2012 (unaudited)	\$1,400,000
Total funds available to the Corporation	\$94,400,000

Note:

1. Include estimates of fees and expenses to be paid to agent or investment dealers as well as the Corporation's legal fee, audit fee and filing fee with the TSXV and the other regulatory authorities.

Principal purposes – Generally

The Corporation intends, over the next 25 months from the date of this Prospectus, to use the net proceeds of the Offering as well as the estimated net working capital as at December 31, 2012, as follows:

Use of Net Proceeds and Available Funds	Maximum Offering
Construction of the Phase 1 plant in Salaberry-de-Valleyfield, including financial deposits on long lead items for such plant	\$23,500,000
Feasibility study and permitting process for the integrated project, including the mine and the concentrator on the Whabouchi property as well as a hydrometallurgical plant in Salaberry-de-Valleyfield	\$2,300,000
Land acquisition for the hydrometallurgical plant in Salaberry-de-Valleyfield	\$700,000
Site preparation at both locations (Whabouchi and Salaberry-de-Valleyfield)	\$5,500,000
Financial deposits on long lead items for the mine and the concentrator on the Whabouchi property as well as for the hydrometallurgical plant in Salaberry-de-Valleyfield ⁽¹⁾	\$40,000,000
The Phase 1 plant operating expenses	\$7,000,000
General and administrative expenses for the next two years	\$6,100,000
Working capital and contingency funds	\$9,300,000
Total of net proceeds and available funds	\$94,400,000

Note:

1. This intended use of proceeds remains subject to the final decision, to be taken in January 2014, to proceed with the construction of the mine and the hydrometallurgical plant, which is directly related to the ability of the Corporation to secure off-take agreements for the sale of lithium hydroxide and lithium carbonate and to the receipt of the certificates of authorization to be obtained from the provincial and federal environmental authorities for the construction of the mine and concentrator on the Whabouchi property.

The Corporation intends to use the net proceeds from the Offering as described above, but such use will depend on its operating needs, the implementation of its strategic plan and changes in the prevalent business environment and operating conditions.

Pending such use, the net proceeds from the Offering will be part of the working capital of the Corporation and will be invested in interest-bearing short-term investments.

The actual amount that the Corporation will spend in connection with each of the intended uses of proceeds may vary significantly and will depend on a number of factors, including those listed under “Risk Factors” in this Prospectus and those discussed in the AIF and in the MD&As, which risk factors are incorporated herein by reference.

Principal Purposes – Asset Acquisition

As per the construction and installation revised budget prepared by Met-Chem Canada Inc., approximately 25% of the net proceeds of the Offering, namely \$23,500,000, will fund the construction of the Phase 1 plant in Salaberry-de-Valleyfield, estimated at \$18,500,000, and financial deposits on long lead items for such plant, estimated at \$5,000,000. The main purpose of such plant is to allow the Corporation to produce lithium hydroxide and lithium carbonate, and to supply samples of products to potential clients with the objective of securing numerous additional off-take agreements, which will dictate the timeline in order to start the construction of the mine and concentrator on the Whabouchi property and the hydrometallurgical plant in Salaberry-de-Valleyfield, and which will be the trigger to properly size such installations. The Corporation will be the sole owner and operator of the Phase 1 plant, which will be installed in rented premises located near the planned land for the construction of the hydrometallurgical plant.

Also, approximately 43% of the net proceeds of the Offering, namely \$40,000,000, will serve for the financial deposits on long lead items required for the mine and concentrator on the Whabouchi property, and also the hydrometallurgical plant. The Corporation will become owner of such equipments upon full payment.

Business Objectives and Milestones

The principal business objectives that the Corporation expects to accomplish in the near term is the commissioning of the Phase 1 plant in Salaberry-de-Valleyfield, and the completion of the feasibility study and permitting process for the integrated project, including the mine and the concentrator on the Whabouchi property and the hydrometallurgical plant in Salaberry-de-Valleyfield. During 2014, the Corporation expects to start the detailed engineering for the mine and the concentrator as well as for the hydrometallurgical plant, which objective remains subject to the ability of the Corporation to secure off-take agreements for the sale of lithium hydroxide and lithium carbonate and to the receipt of the certificates of authorization to be obtained from the provincial and federal environmental authorities for the construction of the mine and concentrator on the Whabouchi property.

Until then, the Corporation will have certain milestones to achieve: the first milestone will consist of financial deposits, estimated at \$5,000,000, to be made for the acquisition of long lead items for the Phase 1 plant in March 2013. Also, the acquisition of the land where the hydrometallurgical plant is to be located, estimated at \$700,000, will be completed. The next milestone to occur will be the actual construction of the Phase 1 plant, estimated at \$18,500,000, from June to December 2013.

Meanwhile, from February to December 2013, the Corporation will progress in the permitting process to build a mine and a concentrator on the Whabouchi property by filing the relevant environmental, social and economic impacts study reports with the provincial and federal governmental authorities and following which, public hearings will be held, most likely in Nemaska, Mistissini and Chibougamau. The Corporation expects the permitting process, estimated at \$1,500,000, to be completed within the next 12 months. As such process evolves, the Corporation intends to issue update reports. During the same period, the Corporation's consultant will advance the feasibility study, estimated at \$800,000 for the integrated project, including the mine and the concentrator on the Whabouchi property as well as a hydrometallurgical plant. The results of the feasibility study are expected to be announced in the second quarter of the 2013 calendar year.

In December 2013, tests will be made on the equipment installed for the operation of the Phase 1 plant with the purposes of beginning production in January 2014. The Phase 1 plant will initially be supplied with spodumene concentrate and lithium sulphate available on the open market and possibly spodumene concentrate from the Whabouchi deposit through a bulk sample program. This plant will also be used to recover lithium from by-product lithium sulphate sourced from industrial rejects. The experience of running and operating a plant on a smaller scale will help the Corporation in deciding to proceed with the construction of the mine and the hydrometallurgical plant as described in the Technical Report, a summary of which is included in the AIF.

In January 2014, the Corporation expects taking a final decision with respect to the construction of the mine on the Whabouchi property and the hydrometallurgical plant in Salaberry-de-Valleyfield. In the event the decision is to proceed with such construction, which will be mainly based on the ability of the Corporation to have secured off-take agreements for the sale of its products, financial deposits, estimated at \$40,000,000, on long lead items for the mine and concentrator and for the hydrometallurgical plant will be made. Therefore, during 2014, site preparation for both locations, Whabouchi and Salaberry-de-Valleyfield, estimated at \$5,500,000, will be carried out.

To pursue the development of its activities, the Corporation will require additional financings to fund its milestones in full. Prospective investors should carefully consider the risk factors incorporated by reference in this Prospectus and included under the heading “Risk Factors” in this Prospectus.

DESCRIPTION OF COMMON SHARES

The Corporation’s authorized capital is made up of an unlimited number of Common Shares without par value. As of February 28, 2013, there were 101,877,074 Common Shares issued and outstanding as fully paid and non-assessable.

The holders of Common Shares of the Corporation are entitled to vote at all shareholder meetings. They are also entitled to dividends, if, as and when declared by the board of directors of the Corporation and, upon liquidation or winding-up of the Corporation, to share the residual assets of the Corporation. The Common Shares do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Common Shares, all of which rank equally as to all benefits which might accrue to the holders of the Common Shares.

DESCRIPTION OF DEBT SECURITIES

The following description sets forth certain general terms and provisions of the Debt Securities. This section provides the particular terms and provisions of a series of Debt Securities and a description of how the general terms and provisions described below may apply to that series in a Prospectus Supplement.

The Debt Securities will be issued in registered or bearer form under, and will be governed by, an indenture to be entered into between the Corporation and one or more trustees (the “**Trustee**”) and will be named in a Prospectus Supplement for a series of Debt Securities (hereinafter referred to as the “**Indenture**”). The Indenture will be subject to and governed by the CBCA, subject to obtaining an exemption from the requirements of the legislation, if required.

The following is a summary of the Indenture to be concluded, as the case may be, that sets forth certain general terms and provisions of the Debt Securities. This summary is not intended to be complete.

The Corporation may issue Securities (including Debt Securities) and incur additional debt other than through the offering of Debt Securities under this Prospectus.

General

The Indenture does not limit the aggregate principal amount of Debt Securities that the Corporation may issue under the Indenture and will not limit the amount of other debt the Corporation may incur. The Indenture will provide that Debt Securities may be issued from time to time in one or more series and may be denominated and payable in Canadian dollars or any foreign currency. Unless otherwise indicated in a Prospectus Supplement, the Debt Securities will be unsecured obligations.

The applicable Prospectus Supplement will describe the specific terms of the Debt Securities of any series being offered and may include, but is not limited to, any of the following:

- the specific designation, title and the aggregate principal amount of the Debt Securities;

- the date or dates, or the method by which such date or dates will be determined or extended, on which the principal of (and premium, if any, on) the Debt Securities will be payable and the portion (if less than the principal amount) to be payable upon a declaration of acceleration of maturity;
- the rate or rates (whether fixed or variable) at which the Debt Securities will bear interest, if any, or the method by which such rate or rates will be determined and the date or dates from which such interest will accrue;
- the date or dates, or the method by which such date or dates will be determined or extended, on which any interest will be payable and the regular record dates for the payment of interest on the Debt Securities in registered form, or the method by which such date or dates will be determined, and the basis upon which interest shall be calculated from time to time, including if applicable on the basis of a 360+day year or twelve 30+day months;
- the place or places where the principal of (and premium, if any) and interest, if any, on the Debt Securities will be payable and each office or agency where the Debt Securities may be presented for registration of transfer or exchange;
- each office or agency where the principal of (and premium, if any) and interest, if any, on the Debt Securities of such series will be payable;
- the period or periods within which, the price or prices at which and other terms and conditions upon which the Debt Securities may be redeemed or purchased, in whole or in part, by the Corporation;
- the terms and conditions upon which the Corporation or the holders may redeem the Debt Securities prior to maturity and the price or prices at which and the currency or currency unit in which the Debt Securities are payable;
- any mandatory or optional redemption or sinking fund or analogous provisions;
- any index formula or other method used to determine the amount of payments of principal of (and premium, if any) or interest, if any, on the Debt Securities;
- whether the series of the Debt Securities are to be registered securities, bearer securities (with or without coupons) or both;
- whether the Debt Securities will be issuable in the form of one or more global securities and, if so, the identity of the depository for the global securities;
- whether and under what circumstances the Corporation will be required to pay any Additional Amounts (defined below under “**Additional Amounts**”) for withholding or deduction for Canadian taxes with respect to the Debt Securities, and whether the Corporation will have the option to redeem the Debt Securities rather than pay the Additional Amounts;
- the terms, if any, on which the Debt Securities may be converted or exchanged for other Securities or securities of other entities;
- if payment of the Debt Securities will be guaranteed by any other person;
- the extent and manner, if any, in which payment on or in respect of the Debt Securities will be subordinated to the prior payment of the other liabilities and obligations;
- the percentage or percentages of principal amount at which the Debt Securities will be issued;

- rights, if any, on a change of control; and
- any other terms, conditions, rights and preferences (or limitations on such rights and preferences) of the Debt Securities, including covenants and events of default which apply solely to a particular series of the Debt Securities being offered which do not apply generally to other Debt Securities, or any covenants or events of default generally applicable to the Debt Securities which do not apply to a particular series of the Debt Securities.

Unless otherwise indicated in a Prospectus Supplement, the Indenture will not afford holders of the Debt Securities the right to tender such Debt Securities to the Corporation for repurchase or provide for any increase in the rate or rates of interest at which the Debt Securities will bear interest, in the event the Corporation should become involved in a highly leveraged transaction or in the event the Corporation has a change in control.

This Prospectus does not qualify the issuance of Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to one or more underlying interests including, for example, an equity or debt security, a statistical measure of economic or financial performance including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula, or any combination or basket of the foregoing items. For greater certainty, this Prospectus may qualify the issuance of Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or bankers' acceptance rate, or to recognized market benchmark interest rates such as LIBOR.

The Debt Securities may be issued under the Indenture bearing no interest or at a discount below their stated principal amount. Canadian federal income tax consequences and other special considerations applicable to any such discounted Debt Securities or other Debt Securities offered and sold at par which are treated as having been issued at a discount for Canadian federal income tax purposes will be described in a Prospectus Supplement.

Ranking and Other Indebtedness

Unless otherwise indicated in an applicable Prospectus Supplement (i) the Debt Securities will be unsecured obligations and will rank equally with all of our other unsecured and unsubordinated debt from time to time outstanding and equally with other securities issued under the Indenture and (ii) the Debt Securities will be structurally subordinated to all existing and future liabilities, including trade payables and other indebtedness.

Form, Denominations and Exchange

A series of the Debt Securities may be issued solely as registered securities, solely as bearer securities or as both registered securities and bearer securities. Registered securities will be issuable in denominations of \$1,000 and any integral multiple thereof and bearer securities will be issuable in denominations of \$5,000 or, in each case, in such other denominations (which may be US\$) as may be set out in the terms of the Debt Securities of any particular series.

The Indenture will provide that a series of the Debt Securities may be issuable in global form. Unless otherwise indicated in a Prospectus Supplement, bearer securities will have interest coupons attached.

Registered securities of any series will be exchangeable for other registered securities of the same series and of a like aggregate principal amount and tenor of different authorized denominations. If, but only if, provided in a Prospectus Supplement, bearer securities (with all unmatured coupons, except as provided below, and all matured coupons in default) of any series may be exchanged for registered securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor. In such event, bearer securities surrendered in a permitted exchange for registered securities between a regular record date or a special record date and the relevant date for payment of interest shall be surrendered without the coupon relating to such date for payment of interest, and interest will not be payable on such date for payment of interest in respect of the registered security issued in exchange for such bearer security, but will be payable only to the holder of such coupon when due in accordance with the terms of the Indenture. Unless otherwise specified in a Prospectus Supplement, bearer securities will not be issued in exchange for registered securities.

The applicable Prospectus Supplement may indicate the places to register a transfer of the Debt Securities. Except for certain restrictions set forth in the Indenture, no service charge will be made for any registration of transfer or exchange of the Debt Securities, the Corporation may, in certain instances, require a sum sufficient to cover any tax or other governmental charges payable in connection with these transactions.

The Corporation shall not be required to:

- issue, register the transfer of or exchange any series of the Debt Securities during a period beginning at the opening of business 15 days before any selection of that series of the Debt Securities to be redeemed and ending at the close of business on, (A) if the series of the Debt Securities are issuable only as registered securities, the day of mailing of the relevant notice of redemption and (B) if the series of the Debt Securities are issuable as bearer securities, the day of the first publication of the relevant notice of redemption or, if the series of the Debt Securities are also issuable as registered securities and there is no publication, the mailing of the relevant notice of redemption;
- register the transfer of or exchange any registered security, or portion thereof, called for redemption, except the unredeemed portion of any registered security being redeemed in part;
- exchange any bearer security selected for redemption, except that, to the extent provided with respect to such bearer security, such bearer security may be exchanged for a registered security of that series and like tenor, provided that such registered security shall be immediately surrendered for redemption with written instruction for payment consistent with the provisions of the Indenture; or
- issue, register the transfer of, or exchange any of the Debt Securities which have been surrendered for repayment at the option of the holder, except the portion, if any, thereof not to be so repaid.

Global Securities

A series of the Debt Securities may be issued in whole or in part in global form as a “global security” and will be registered in the name of and be deposited with a depositary, or its nominee, each of which will be identified in the Prospectus Supplement relating to that series. Unless and until exchanged, in whole or in part, for the Debt Securities in definitive registered form, a global security may not be transferred except as a whole by the depositary for such global security to a nominee of the depositary, by a nominee of the depositary to the depositary or another nominee of the depositary or by the depositary or any such nominee to a successor of the depositary or a nominee of the successor.

The specific terms of the depositary arrangement with respect to any portion of a particular series of the Debt Securities to be represented by a global security will be described in a Prospectus Supplement relating to such series. The Corporation anticipates that the following provisions will apply to all depositary arrangements.

Upon the issuance of a global security, the depositary therefore or its nominee will credit, on its book entry and registration system, the respective principal amounts of the Debt Securities represented by the global security to the accounts of such persons, designated as “participants”, having accounts with such depositary or its nominee.

Such accounts shall be designated by the underwriters, dealers or agents participating in the distribution of the Debt Securities or by the Corporation if such Debt Securities are offered and sold directly by the Corporation. Ownership of beneficial interests in a global security will be limited to participants or persons that may hold beneficial interests through participants. Ownership of beneficial interests in a global security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the depository therefore or its nominee (with respect to interests of participants) or by participants or persons that hold through participants (with respect to interests of persons other than participants). The laws of some jurisdictions may require that certain purchasers of Debt Securities take physical delivery of the Debt Securities in definitive form.

So long as the depository for a global security or its nominee is the registered owner of the global security, such depository or such nominee, as the case may be, will be considered the sole owner or holder of the Debt Securities represented by the global security for all purposes under the Indenture. Except as provided below, owners of beneficial interests in a global security will not be entitled to have a series of the Debt Securities represented by the global security registered in their names, will not be entitled to receive payment related to the Debt Securities, will not receive or be entitled to receive physical delivery of such series of the Debt Securities in definitive form and will not be considered the owners or holders thereof under the Indenture.

If a depository for a global security representing a particular series of the Debt Securities is at any time unwilling or unable to continue as depository and the Corporation does not appoint a successor depository within 90 days, the Corporation will issue such series of Debt Securities in definitive form in exchange for a global security representing such series of Debt Securities. In addition, the Corporation may at any time and in our sole discretion determine not to have a series of Debt Securities represented by a global security and, in such event, will issue a series of Debt Securities in definitive form in exchange for all of the global securities representing the series of Debt Securities.

Payment

Unless otherwise indicated in a Prospectus Supplement, payment of principal of, and premium, if any, and interest, if any, on, the Debt Securities will be required to be made at the office or agency of the Trustee, or at its option the Corporation can pay principal, interest, if any, and premium, if any, (1) by check mailed or delivered to the address of the person entitled as the address appearing in the security register of the Trustee, or (2) from time to time, by electronic funds transfer to an account designated by the person entitled to receive payments.

Unless otherwise indicated in a Prospectus Supplement, payment of any interest will be required to be made to the persons in whose name the Debt Securities are registered at the close of business on the day or days specified by the Corporation.

Any payments of principal, premium or interest, if any, on global securities registered in the name of a depository or its nominee will be required to be made to the depository or its nominee, as the case may be, as the registered owner of the global security representing such Debt Securities. None of the Corporation, the Trustee or any paying agent for the Debt Securities represented by the global securities will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of the global security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Corporation expects that the depository for a global security or its nominee will, upon receipt of any payment of principal, premium or interest, credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the global security as shown on the records of such depository or its nominee. The Corporation also expects that payments by participants to owners of beneficial interests in a global security held through such participants will be governed by standing instructions and customary practices, as is now the case with Securities held for the accounts of customers registered in "street name", and will be the responsibility of such participants.

Consolidation, Amalgamation, Merger and Sale of Assets

The Indenture will generally permit the Corporation to amalgamate or consolidate with or merge with any other person, and to transfer or dispose of substantially all of its assets, so long as the resulting person is a Canadian entity and will assume the Corporation's obligations on the Debt Securities and under the Indenture and the Corporation or such successor person will not be in default under the Indenture immediately after the transaction.

If the resulting person assumes the Corporation's obligations, the Corporation will be relieved of those obligations, subject to certain exceptions.

Additional Amounts

Unless otherwise specified in a Prospectus Supplement, all payments made by or on behalf of the Corporation under or with respect to the Debt Securities will be required to be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) imposed or levied by or on behalf of the Government of Canada or any province or territory thereof or by any authority or agency therein or thereof having power to tax ("**Canadian Taxes**"), unless the Corporation is required to withhold or deduct Canadian Taxes by law or by the interpretation or administration thereof. If the Corporation is so required to withhold or deduct any amount for or on account of Canadian Taxes from any payment made under or with respect to the Debt Securities, the Corporation will pay to each holder of such Debt Securities as additional interest such additional amounts ("**Additional Amounts**") as may be necessary so that the net amount received by each such holder after such withholding or deduction (and after deducting any Canadian Taxes on such Additional Amounts) will not be less than the amount such holder would have received if such Canadian Taxes had not been withheld or deducted.

However, no Additional Amounts will be payable with respect to a payment made to a holder of Debt Securities (such holder, an "**Excluded Holder**") in respect of the beneficial owner thereof:

- with which the Corporation does not deal at arm's length (within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**")) at the time of making such payment;
- which is subject to such Canadian Taxes by reason of the beneficial owner of the Debt Securities being a resident of, or carrying on business in, or maintaining a permanent establishment or other physical presence or taxable presence in, or otherwise having some connection with, Canada or any province or territory thereof, otherwise than by the mere holding of Debt Securities or the receipt of payments thereunder;
- which is subject to such Canadian Taxes by reason of the beneficial owner of the Debt Securities failing to comply with any certification, identification, documentation or other reporting requirements if compliance is required by law, regulation, administrative practice or an applicable treaty as a precondition to exemption from, or a reduction in the rate of deduction or withholding of, such Canadian Taxes; or
- which is a "specified non-resident shareholder" of the Corporation, or not dealing at arm's length with a "specified shareholder" of the Corporation, for purposes of subsection 18(5) of the Tax Act.

The Corporation will also be required to (i) make such withholding or deduction and (ii) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law.

The Corporation will be required to furnish to the holders of the Debt Securities, within 60 days after the date the payment of any Canadian Taxes is due pursuant to applicable law, certified copies of tax receipts or other documents evidencing such payment by the Corporation.

The Corporation will be required to indemnify and hold harmless each holder of Debt Securities (other than an Excluded Holder) and upon written request reimburse each such holder for the amount, excluding any payment of Additional Amounts by the Corporation, of:

- any Canadian Taxes levied or imposed and paid by such holder as a result of payments made under or with respect to the Debt Securities;
- any interest, penalties or other expenses imposed by a relevant authority in connection with any Canadian Taxes that are subject to reimbursement under the first bulleted item; and any Canadian Taxes imposed with respect to any reimbursement under the first two bulleted items above this paragraph, but excluding any such Canadian Taxes on such holder's net income or capital.

Wherever in the Indenture there will be mentioned, in any context, the payment of principal (and premium, if any), interest or any other amount payable under or with respect to a Debt Security, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Tax Redemption

Unless otherwise specified in a Prospectus Supplement, a series of Debt Securities will be subject to redemption at any time, in whole but not in part, at a redemption price equal to the principal amount thereof together with accrued and unpaid interest, if any, to the date fixed for redemption, upon the giving of a notice as described below, if the Corporation (or its successor) determine that (i) as a result of (A) any amendment to or change in the laws (or any regulations thereunder) of Canada (or its successor's jurisdiction of organization) or of any political subdivision or taxing authority thereof or therein, as applicable, or (B) any amendment to or change in an interpretation or application of such laws or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), which amendment or change is announced or becomes effective on or after the date specified in the applicable Prospectus Supplement (or the date a party organized in a jurisdiction other than Canada becomes our successor), the Corporation has or will become obligated to pay, on the next succeeding date on which interest is due, additional amounts with respect to any Debt Security of such series as described under "Additional Amounts", or (ii) on or after the date specified in the applicable Prospectus Supplement (or the date a party organized in a jurisdiction other than Canada becomes its successor), any action has been taken by any taxing authority of, or any decision has been rendered by a court of competent jurisdiction in Canada or any political subdivision or taxing authority thereof or therein, including any of those actions specified in (i) above, whether or not such action was taken or decision was rendered with respect to the Corporation, or any change, amendment, application or interpretation shall be officially proposed, which, in any such case, in the written opinion to the Corporation's legal counsel, will result in the Corporation becoming obligated to pay, on the next succeeding date on which interest is due, Additional Amounts with respect to any Debt Security of such series.

In the event that the Corporation elects to redeem a series of the Debt Securities pursuant to the provisions set forth in the preceding paragraph, the Corporation shall deliver to the Trustee a certificate, signed by an authorized officer, stating that the Corporation are entitled to redeem such series of the Debt Securities pursuant to their terms.

Notice of intention to redeem such series of our Debt Securities will be required to be given not more than 60 nor less than 30 days prior to the date fixed for redemption and will be required to specify the date fixed for redemption, provided that, at the time such notice of redemption is given, the obligation to pay such Additional Amounts must continue to be in effect. Such notice may be conditional.

Events of Default

When the Corporation uses the term “event of default” in the Indenture with respect to any series of Debt Securities, the Corporation will mean:

- failure to pay principal of, or any premium on, any Debt Security, or any Additional Amounts related thereto, of that series when it is due;
- failure to pay interest or any Additional Amounts related thereto on any Debt Security of that series for 30 days from the date such amounts are due;
- failure to comply with any other covenant or warranty of the Corporation contained in the Indenture (other than a covenant added to the Indenture solely for the benefit of a series of Debt Securities other than that series) for 60 days after written notice to the Corporation by the Trustee or to the Corporation and the Trustee by holders of at least 25% in aggregate principal amount of the outstanding Debt Securities of that series;
- default under any bond, note, debenture or other evidence of indebtedness of or guaranteed by the Corporation or under any mortgage, indenture or other instrument of the Corporation;
- certain events involving bankruptcy or insolvency; and
- any other event of default provided for in that series of Debt Securities.

A default under one series of Debt Securities will not necessarily be a default under another series. The Trustee may withhold notice to the holders of Debt Securities of any default (except in the payment of principal, premium, if any, or interest or Additional Amounts, if any, related thereto) if in good faith it considers it in the interests of the holders to do so.

If an event of default for any series of Debt Securities occurs and continues, the Trustee or the holders of at least 25% in aggregate principal amount of the Debt Securities of that series, subject to any subordination provisions, may require the Corporation to repay immediately:

- the entire principal of, accrued interest, premium, if any, and Additional Amounts, if any, on, the Debt Securities of the series; or
- if the Debt Securities are discounted Securities, that portion of the principal as is described in the Prospectus Supplement and Indenture.

If an event of default relates to events involving bankruptcy or insolvency, the principal of all Debt Securities will become immediately due and payable without any action by the Trustee or any holder.

Subject to certain conditions, the holders of a majority of the aggregate principal amount of the Debt Securities of the affected series can rescind any accelerated payment requirement.

Other than its duties in case of a default, the Trustee is not obligated to exercise any of its rights or powers under the Indenture at the request, order or direction of any holders, unless the holders offer the Trustee reasonable indemnity. If they provide this reasonable indemnity, the holders of a majority in principal amount of any series of Debt Securities may, subject to certain limitations, direct the time, method and place of conducting any proceeding or any remedy available to the Trustee, or exercising any power conferred upon the Trustee, for any series of Debt Securities.

The Corporation will be required to furnish to the Trustee a statement annually as to the compliance by it with all conditions and covenants under the Indenture and, if the Corporation is not in compliance, it must specify any defaults. The Corporation will also be required to notify the Trustee as soon as practicable upon becoming aware of any event of default.

No holder of a Debt Security of any series will have any right to institute any proceeding with respect to the Indenture, or for the appointment of a receiver or a trustee, or for any other remedy, unless:

- the holder has previously given to the Trustee written notice of a continuing event of default with respect to the Debt Securities of the affected series;
- the holders of at least 25% in principal amount of the outstanding Debt Securities of the series affected by an event of default have made a written request, and the holders have offered reasonable indemnity, and a deposit if required, to the Trustee to institute a proceeding as Trustee; and
- the Trustee has failed to institute a proceeding, and has not received from the holders of a majority in aggregate principal amount of the outstanding Debt Securities of the series affected by an event of default a direction inconsistent with the request, within 60 days after their notice, request and offer.

However, the above limitations do not apply to a suit instituted by a holder of Debt Securities for the enforcement of payment of principal of, premium, if any, or interest or Additional Amounts, if any, related thereto on, a Debt Security on or after the applicable due date specified in the Debt Security.

Defeasance

When the term “defeasance” in this Prospectus, it means discharge from some or all of the Corporation obligations under the Indenture. If the Corporation deposits with the Trustee sufficient cash or government securities to pay the principal, interest, any premium and any other sums due to the stated maturity date or a redemption date of the Debt Securities of a series, then at the Corporation’s option:

- the Corporation will be discharged from its obligations with respect to the Debt Securities of that series; or
- the Corporation will no longer be under any obligation to comply with certain restrictive covenants under the Indenture, and certain events of default will no longer apply to the Corporation.

If this happens, the holders of the Debt Securities of the affected series will not be entitled to the benefits of the Indenture except for registration of transfer and exchange of Debt Securities and the replacement of lost, stolen or mutilated Debt Securities. These holders may look only to the deposited fund for payment on their Debt Securities.

To exercise our defeasance option, the following conditions must be met:

- no event of default or event that, with the passing of time or the giving of notice, or both, shall constitute an event of default shall have occurred and be continuing for the Debt Securities of the affected series;
- the Corporation is not “insolvent” within the meaning of applicable bankruptcy and insolvency legislation; and
- other customary conditions precedent are satisfied.

Modification and Waiver

Modifications and amendments of the Indenture may be made by the Corporation and the Trustee with the consent of the holders of a majority in principal amount of the outstanding Debt Securities of each series issued under the Indenture affected by such modification or amendment (voting as one class); provided, however, that no such modification or amendment may, without the consent of the holder of each outstanding Debt Security of such affected series:

- change the stated maturity of the principal of (or premium, if any), or any installment of interest, if any, on any Debt Security;
- reduce the principal amount of, or the premium, if any, or interest rate, if any, on any Debt Security;
- change the place of payment;
- change the currency or currency unit of payment of principal of (or premium, if any) or interest, if any, on any Debt Security;
- impair the right to institute suit for the enforcement of any payment on or with respect to any Debt Security;
- reduce the percentage of principal amount of outstanding Debt Securities of such series, the consent of the holders of which is required for modification or amendment of the applicable Indenture or for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults; or modify any provisions of the Indenture relating to the modification and amendment of the Indenture or the waiver of past defaults or covenants except as otherwise specified in the Indenture.

The holders of a majority in principal amount of the outstanding Debt Securities of any series may, on behalf of the holders of all Debt Securities of that series, waive, insofar as that series is concerned, compliance by the Corporation with certain restrictive provisions of the Indenture. The holders of a majority in principal amount of outstanding Debt Securities of any series may waive any past default under the Indenture with respect to that series, except a default in the payment of the principal of (or premium, if any) and interest, if any, on any Debt Security of that series or in respect of a provision under the Indenture that cannot be modified or amended without the consent of the holder of each outstanding Debt Security of that series. The Indenture or the Debt Securities may be amended or supplemented, without the consent of any holder of such Debt Securities, in order to, among other things, cure any ambiguity or inconsistency or to make any change that, in each case, does not adversely affect the rights of any holder of such Debt Securities.

The Corporation may modify the Indenture without the consent of the holders to:

- evidence the successor under the Indenture;
- add covenants or surrender any right or power for the benefit of holders;
- secure any Debt Securities;
- add events of default;
- establish the forms of the Debt Securities;
- appoint a successor Trustee under the Indenture;
- add provisions to permit or facilitate the defeasance or discharge of the Debt Securities as long as there is no material adverse effect on the holders thereof;

- correct any ambiguity or correct or supplement any defective or inconsistent provision or alter any other provisions; in each case that would not adversely affect the rights of holders of outstanding Securities and related coupons, if any;
- comply with any applicable laws of Canada in order to effect and maintain the qualification of the Indenture under the *Canada Business Corporations Act*, subject to obtaining an exemption from the requirements of the latter, if required; or
- change or eliminate any provisions where such change takes effect when there are no Securities outstanding under the Indenture.

Resignation of Trustee

The Trustee may resign or be removed with respect to one or more series of the Debt Securities and a successor Trustee may be appointed to act with respect to such series. In the event that two or more persons are acting as Trustee with respect to different series of Debt Securities, each such Trustee shall be a Trustee of a trust under the Indenture separate and apart from the trust administered by any other such Trustee, and any action described herein to be taken by the “Trustee” may then be taken by each such Trustee with respect to, and only with respect to, the one or more series of Debt Securities for which it is Trustee.

EARNINGS COVERAGE RATIOS

The Corporation has no revenue from operations and no debt bearing interest for the period of 12 months ending on June 30, 2012 and for the six-month period ending December 31, 2012.

DESCRIPTION OF CONVERTIBLE SECURITIES

This description sets forth certain general terms and provisions that could apply to any Convertible Securities that the Corporation may issue pursuant to this Prospectus. The Corporation will provide particular terms and provisions of a series of Convertible Securities, and a description of how the general terms and provisions described below may apply to that series, in a Prospectus Supplement.

The Convertible Securities will be convertible or exchangeable into Common Shares. The Convertible Securities convertible or exchangeable into Common Shares may be offered separately or together with other Securities, as the case may be.

The applicable Prospectus Supplement will include details of the agreement, indenture or other instrument to which such Convertible Securities will be created and issued. The following sets forth the general terms and provisions of such Convertible Securities under this Prospectus.

The particular terms of each issue of such Convertible Securities will be described in the related Prospectus Supplement. This description will include, where applicable: (i) the number of such Convertible Securities offered; (ii) the price at which such Convertible Securities will be offered; (iii) the procedures for the conversion or exchange of such Convertible Securities into or for Common Shares or Debt Securities; (iv) the number of Common Shares or Debt Securities that may be issued upon the conversion or exchange of such Convertible Securities; (v) the period or periods during which any conversion or exchange may or must occur; (vi) the designation and terms of any other Convertible Securities with which such Convertible Securities will be offered, if any; (vii) the gross proceeds from the sale of such Convertible Securities; (viii) material Canadian federal income tax consequences of owning such Convertible Securities; and (ix) any other material terms and conditions of such Convertible Securities.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

This section describes the general terms that will apply to any Subscription Receipts that may be offered pursuant to this Prospectus. Subscription Receipts may be offered separately or together with Common Shares, Debt Securities or Warrants, as the case may be. The Subscription Receipts will be issued under a subscription receipt agreement.

The applicable Prospectus Supplement will include details of the subscription receipt agreement covering the Subscription Receipts being offered. A copy of the subscription receipt agreement relating to an offering of Subscription Receipts will be filed by the Corporation with securities regulatory authorities in Canada after being entered into. The specific terms of the Subscription Receipts, and the extent to which the general terms described in this section apply to those Subscription Receipts, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Subscription Receipts;
- the price at which the Subscription Receipts will be offered;
- the procedures for the exchange of the Subscription Receipts into Common Shares, Debt Securities or Warrants;
- the number of Common Shares, Debt Securities or Warrants that may be exchanged upon exercise of each Subscription Receipt;
- the designation and terms of any other securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each security;
- terms applicable to the gross or net proceeds from the sale of the Subscription Receipts plus any interest earned thereon;
- material Canadian federal income tax consequences of owning the Subscription Receipts; and
- any other material terms and conditions of the Subscription Receipts.

The subscription receipt agreement covering the Subscription Receipts being offered will provide that any misrepresentation in this Prospectus, the applicable Prospectus Supplement, or any amendment hereto or thereto, will entitle each initial purchaser of Subscription Receipts to a contractual right of rescission following the issuance of the underlying Common Shares, Debt Securities or Warrants to such purchaser entitling the purchaser to receive the amount paid for the Subscription Receipts upon surrender of the underlying securities, provided that the remedy for rescission is exercised within the time frame stipulated in the subscription receipt agreement.

DESCRIPTION OF WARRANTS

This section describes the general terms that will apply to any Warrants for the purchase of Common Shares (the **"Equity Warrants"**) or for the purchase of Debt Securities (the **"Debt Warrants"**).

Warrants may be offered separately or together with other Securities, as the case may be. Each series of Warrants may be issued under a separate warrant indenture or warrant agency agreement to be entered into between the Corporation and one or more banks or trust companies acting as Warrant agent or may be issued as stand-alone contracts. The applicable Prospectus Supplement will include details of the Warrant agreements governing the Warrants being offered. The Warrant agent will act solely as the agent of the Corporation and will not assume a relationship of agency with any holders of Warrant certificates or beneficial owners of Warrants. The following sets forth certain general terms and provisions of the Warrants offered under this Prospectus. The specific terms of the Warrants, and the extent to which the general terms described in this section apply to those Warrants, will be set forth in the applicable Prospectus Supplement. A copy of any warrant indenture or any warrant agency agreement relating to an offering of Warrants will be filed by the Corporation with the securities regulatory authorities in Canada after it has been entered into.

The Corporation will not offer Warrants or other convertible or exchangeable Securities for sale separately (as opposed to part of a unit offering) to any member of the public in Canada unless the offering is in connection with and forms part of the consideration for an acquisition or merger transaction or unless a Prospectus Supplement containing the specific terms of the Warrants or other convertible or exchangeable Securities to be offered separately is first approved for filing by the securities commissions or similar regulatory authorities in each of the provinces of Canada where the Warrants will be offered for sale.

Equity Warrants

The particular terms of each issue of Equity Warrants will be described in the related Prospectus Supplement. This description will include, where applicable:

- the designation and aggregate number of Equity Warrants;
- the price at which the Equity Warrants will be offered;
- the currency or currencies in which the Equity Warrants will be offered;
- the date on which the right to exercise the Equity Warrants will commence and the date on which the right will expire;
- the class and/or number of Common Shares that may be purchased upon exercise of each Equity Warrant and the price at which and currency or currencies in which the Common Shares may be purchased upon exercise of each Equity Warrant;
- the terms of any provisions allowing for adjustment in (i) the class and/or number of Common Shares that may be purchased, (ii) the exercise price per Common Share, or (iii) the expiry of the Equity Warrants;
- whether the Corporation will issue fractional shares;
- the designation and terms of any Securities with which the Equity Warrants will be offered, if any, and the number of the Equity Warrants that will be offered with each Security;
- the date or dates, if any, on or after which the Equity Warrants and the related Securities will be transferable separately;
- whether the Equity Warrants will be subject to redemption and, if so, the terms of such redemption provisions;
- whether the Corporation has applied to list the Equity Warrants and/or the related Common Shares on a stock exchange;
- material Canadian federal income tax consequences of owning the Equity Warrants; and
- any other material terms or conditions of the Equity Warrants.

Debt Warrants

The particular terms of each issue of Debt Warrants will be described in the related Prospectus Supplement. This description will include, where applicable:

- the designation and aggregate number of Debt Warrants;

- the price at which the Debt Warrants will be offered;
- the currency or currencies in which the Debt Warrants will be offered;
- the designation and terms of any Securities with which the Debt Warrants are being offered, if any, and the number of the Debt Warrants that will be offered with each Security;
- the date or dates, if any, on or after which the Debt Warrants and the related Securities will be transferable separately;
- the principal amount of Debt Securities that may be purchased upon exercise of each Debt Warrant and the price at which and currency or currencies in which that principal amount of Debt Securities may be purchased upon exercise of each Debt Warrant;
- the date on which the right to exercise the Debt Warrants will commence and the date on which the right will expire;
- the minimum or maximum amount of Debt Warrants that may be exercised at any one time;
- whether the Debt Warrants will be subject to redemption, and, if so, the terms of such redemption provisions;
- material Canadian federal income tax consequences of owning the Debt Warrants; and
- any other material terms or conditions of the Debt Warrants.

PLAN OF DISTRIBUTION

The Corporation may sell the securities to or through underwriters, dealers or agents and, subject to applicable securities laws, may also offer the Securities directly to potential purchasers pursuant to applicable statutory exemptions at prices and upon terms negotiated between the purchasers and the Corporation.

Underwriters, dealers or agents who participate in the distribution of the Securities may be entitled, under agreements to be entered into with the Corporation, to indemnification by the Corporation against certain liabilities, including liabilities under Canadian securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Corporation in the ordinary course of business.

The Corporation and, if applicable, the dealers, underwriters or agents reserve the right to reject any offer to purchase the Securities in whole or in part. The Corporation also reserves the right to withdraw, cancel or modify the Offering under this Prospectus without notice.

The Securities may be sold, from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices, including sales made directly on the TSXV or other existing trading markets for the Securities. The prices at which the Securities may be offered may vary as between purchasers and during the period of distribution.

In connection with any offering of Securities, the dealers, underwriters or agents may, when acting as an agent, over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The dealers, underwriters or agents, if applicable, may from time to time purchase and sell the Securities in the secondary market but are not obliged to do so. The Corporation's outstanding Common Shares are listed and posted for trading on the TSXV under the symbol ("NMX"). Unless otherwise indicated in a Prospectus Supplement or pricing supplement, there is no market through which Debt Securities, Convertible Securities, Subscription Receipts and Warrants may be resold and purchasers may not be able to resell the Securities purchased under this Prospectus. The offering price and other selling terms for any sales in the secondary market may, from time to time, be varied by the dealers, underwriters or agents.

The Offering hereunder is directed only to residents of the provinces of Alberta, British Columbia, Ontario and Québec and in the United States in certain transactions exempt from the provisions of the 1933 Act. The Securities have not been and will not be registered under the 1933 Act and may not be offered or sold within the United States except in certain transactions exempt from the registration requirements of the 1933 Act, including transactions under Rule 144A under the 1933 Act.

The applicable Prospectus Supplement will state the terms of the offering, including the name or names of any underwriters, dealers or agents, the initial offering price (in the event that the offering is a fixed price distribution), the manner of determining the initial offering price(s) (in the event the offering is made at prices which may be changed, at market prices prevailing at the time of the sale, at prices related to such prevailing market prices or at negotiated prices), the proceeds to the Corporation from the sale of the Securities, any underwriting discount or commission and any discounts, concessions or commissions allowed or reallocated or paid by any underwriter to other underwriters, dealers or agents. Any initial offering price and discounts, concessions or commissions allowed or reallocated or paid to dealers may be changed from time to time.

PRIOR SALES

During the 12-month period prior to the date of this Prospectus, the Corporation issued securities as follows:

Issue Date	Number and Class of Securities	Issue Price or Exercise Price per Security
May 14, 2012	1,600,000 Common Shares ⁽¹⁾	\$0.39 ⁽²⁾
May 18, 2012	350,000 stock options ⁽³⁾	\$0.40 per Common Share
June 20, 2012	2,730,000 flow-through units ⁽⁴⁾	\$0.50
June 20, 2012	191,100 compensation options ⁽⁵⁾	\$0.50 per Common Share
June 29, 2012	500,000 flow-through units ⁽⁶⁾	\$0.50
June 29, 2012	35,000 compensation options ⁽⁷⁾	\$0.50 per Common Share
July 1, 2012	300,000 stock options ⁽⁸⁾	\$0.40 per Common Share
September 19, 2012	182,875 Common Shares ⁽⁹⁾	\$0.144
September 24, 2012	500,000 stock options ⁽¹⁰⁾	\$0.425 per Common Share
September 28, 2012	30,078 Common Shares ⁽¹¹⁾	\$0.40
September 28, 2012	211,593 Common Shares ⁽¹¹⁾	\$0.383
October 3, 2012	229,406 Common Shares ⁽¹¹⁾	\$0.40
October 3, 2012	113,050 Common Shares ⁽¹¹⁾	\$0.50
October 3, 2012	145,498 Common Shares ⁽¹¹⁾	\$0.479
October 17, 2012	209,000 Common Shares ⁽¹²⁾	\$0.526
October 18, 2012	20,900 Common Shares ⁽¹²⁾	\$0.526
November 6, 2012	100,000 stock options ⁽¹³⁾	\$0.40 per Common Share

Issue Date	Number and Class of Securities	Issue Price or Exercise Price per Security
November 8, 2012	500,000 stock options ⁽¹⁴⁾	\$0.40 per Common Share
January 7, 2013	375,000 stock options ⁽¹⁵⁾	\$0.50 per Common Share

Notes:

1. These Common Shares were issued in favour of the vendor of the Whabouchi property pursuant to the acquisition agreement dated September 17, 2009, as amended on June 11, 2010.
2. These Common Shares were valued by using the closing market price on May 14, 2012.
3. These stock options were granted to directors of the Corporation for a period of five years in accordance with the terms of the Corporation's stock option plan. These stock options were immediately vested.
4. These flow-through units were issued upon closing of the first tranche of a brokered private placement co-led by Industrial Alliance Securities Inc. and Casimir Capital Ltd. Each flow-through unit is comprised of one flow-through common share in the capital of the Corporation and one-half of one common share purchase warrant. Each whole common share purchase warrant shall entitle the holder thereof to acquire one non flow-through common share of the capital of the Corporation, at a price of \$0.65 per non flow-through common share, until December 20, 2013.
5. These compensation options shall entitle their holders thereof to subscribe for an aggregate number of 191,100 Common Shares until December 20, 2013.
6. These flow-through units were issued upon closing of the second tranche of a brokered private placement co-led by Industrial Alliance Securities Inc. and Casimir Capital Ltd. Each flow-through unit is comprised of one flow-through common share in the capital of the Corporation and one-half of one common share purchase warrant. Each whole common share purchase warrant shall entitle the holder thereof to acquire one non flow-through common share of the capital of the Corporation, at a price of \$0.65 per non flow-through common share, until December 30, 2013.
7. These compensation options shall entitle their holders thereof to subscribe for an aggregate number of 35,000 Common Shares until December 30, 2013.
8. These stock options were granted to an investor relations firm for a period of three years in accordance with the terms of the Corporation's stock option plan. These stock options are vested at a rate of 25% at the issue date with a holding period of 4 months and 25% every three months following the issue date.
9. These Common Shares were issued upon exercise of stock options that were granted to a director of the Corporation in accordance with the terms of the Corporation's stock option plan.
10. These stock options were granted to employees of the Corporation for a period of five years in accordance with the terms of the Corporation's stock option plan. These stock options were immediately vested.
11. These Common Shares were issued upon exercise of broker warrants and compensation options.
12. These Common Shares were issued upon exercise of warrants.
13. These stock options were granted to a new employee of the Corporation for a period of five years in accordance with the terms of the Corporation's stock option plan. These stock options are vested at a rate of 25% at the issue date with a holding period of 4 months and 25% every three months following the issue date.
14. These stock options were granted to a new employee of the Corporation for a period of five years in accordance with the terms of the Corporation's stock option plan. These stock options are vested at a rate of 6.25% at the issue date with a holding period of 4 months and 6.25% every three months following the issue date.
15. These stock options were granted to a new employee of the Corporation for a period of five years in accordance with the terms of the Corporation's stock option plan. These stock options are vested at a rate of 8.33% at the issue date with a holding period of 4 months and 8.33% every three months following the issue date.

TRADING PRICE AND VOLUME

The Common Shares of the Corporation are listed and posted for trading on the TSXV under the symbol "NMX". The following table sets forth trading information for the Common Shares on the TSXV during the 12-month period prior to the date of this Prospectus.

Month	High (\$) ⁽¹⁾	Low (\$) ⁽²⁾	Trading volume ⁽³⁾
March 2012	0.42	0.36	1,591,447
April 2012	0.41	0.36	906,795
May 2012	0.40	0.36	1,178,659
June 2012	0.40	0.33	1,023,268
July 2012	0.40	0.34	646,386
August 2012	0.41	0.32	843,662
September 2012	0.59	0.365	4,825,082
October 2012	0.65	0.385	7,473,764
November 2012	0.47	0.38	2,721,593
December 2012	0.52	0.41	1,108,375
January 2013	0.53	0.455	1,780,552
February 2013	0.50	0.39	1,991,587
March 1, 2013	0.42	0.38	48,000

Notes:

1. Includes intra-day high prices.
2. Includes intra-day low prices.
3. Total volume traded in the relevant period.

RISK FACTORS

In addition to the risk factors set forth below, additional risk factors relating to the Corporation's business are discussed in the AIF and in the MD&As, which risk factors are incorporated herein by reference. An investment in the Securities offered hereby involves certain risks. Before investing, purchasers of Securities should carefully consider the information contained in this Prospectus as well as the other information contained in and incorporated by reference in this Prospectus and in the applicable Prospectus Supplement before purchasing the Securities offered hereby. If any event arising from these risks occurs, the Corporation's business, prospects, financial condition, results of operations or cash flows, or your investment in the Securities could be materially adversely affected.

Future Operational and Marketing Risks may Affect the Corporation

The Corporation does not have a history of mining operations. There is a risk that the Phase 1 plant, when commissioned, may not be or continue to be profitable or successful. There can be no assurance that the Phase 1 plant will commence commercial operation on schedule or at all, or that the Phase 1 plant will operate at planned production capacity.

There are also many risks associated with the operating facilities, including the ability to secure materials and components, utility prices, the failure or substandard performance of equipment, hiring and maintain a productive and reliable workforce, labour disputes, natural disasters, suspension of operations and compliance with existing and new governmental statutes, regulations, and policies. The occurrence of material operational problems, including but not limited to any of the events described above, could have a material adverse effect on the Corporation's business, prospects, financial position, financial condition and/or results of operations.

Achieving market success will require substantial marketing efforts and the expenditure of significant funds to inform potential customers of the distinctive characteristics and benefits of the Corporation's products. The Corporation's long-term success may also depend, to a significant extent, on its ability to expand its present internal marketing organization. The Corporation will, among other things, have to attract and retain experienced marketing and sales personnel. No assurance can be given that the Corporation will be able to attract and retain qualified or experienced marketing and sales personnel or that any efforts undertaken by such personnel will be successful.

Lack of Revenue

As the Corporation does not have revenues, it will be dependent upon future financings to continue its plan of operation. The Corporation has not generated any revenues since incorporation. The Corporation's business objectives include the implementation and execution of exploration programs on its properties. There is no assurance that these exploration activities will result in the establishment of commercially exploitable mineral deposits on its properties. Even if commercially exploitable mineral deposits are discovered, the Corporation may require substantial additional financing in order to carry out the full exploration and development of the its properties before the Corporation is able to achieve revenues from sales of mineral resources that the Corporation is able to extract.

Conflicts of Interest

Some of the directors and officers of the Corporation are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Corporation. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Canada Business Corporations Act*. Some of the directors and officers of the Corporation are or may become directors or officers of other companies engaged in same or other business ventures.

Dividend Policy

Except for the distribution by the Corporation, on June 27, 2011, of 3,685,645 common shares of Monarques Resources Inc. to all its shareholders of record as of June 22, 2011, no dividends on the Common Shares have been paid to date. The Corporation's current policy is to reinvest future earnings in order to finance the growth and development of its business. The Corporation does not intend to pay dividends in the foreseeable future. Any future determination to pay cash dividends is at the discretion of the board of directors of the Corporation and will depend on the Corporation's financial condition, results of operation, capital requirements and such other factors as the board of directors deems relevant.

Protection and Maintenance of Intellectual Property

The Corporation's success will depend in part on its ability to protect and maintain its intellectual property rights. No assurance can be given that the rights used by the Corporation will not be challenged, invalidated, infringed or circumvented, nor that the rights granted thereunder will provide competitive advantages to the Corporation. Two patent applications have been filed by the Corporation regarding methods of transforming spodumene and producing lithium hydroxide from lithium sulfate and lithium carbonate from lithium hydroxide. Therefore, it is not clear whether the pending patent applications will result in the issuance of patents. Moreover, it is not clear whether the patents to be issued regarding these methods will be challenged by third parties, whether the patents of others will interfere with the Corporation's ability to use those patents and know-how to market the lithium. There is no assurance that the Corporation will be able to develop or obtain alternative technology in respect of patents issued to third parties that incidentally cover its production processes. Moreover, the Corporation could potentially incur substantial legal costs in defending legal actions which allege patent infringement or by instituting patent infringement suits against others. The Corporation's commercial success also depends on the Corporation not infringing patents or proprietary rights of others.

Volatility of Share Price and Market Price of the Common Shares

The price of the shares of resource companies tends to be volatile. Fluctuations in the world price of lithium and many other elements beyond the control of the Corporation could materially affect the price of the Common Shares.

There can be no assurance that an active market for the Common Shares will be sustained after the Offering. Securities of companies with smaller capitalizations have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include global economic developments and market perceptions of the attractiveness of certain industries. There can be no assurance that continuing fluctuations in price will not occur. If an active market for the Common Shares does not continue, the liquidity of a purchaser's investment may be limited. If such a market does not develop, purchasers may lose their entire investment in the Common Shares.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the long term value of the Corporation. Securities class-action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Lithium Market Dynamics

Lithium is considered as an industrial mineral and the sales prices for the different lithium compounds are not public. Sales agreements are negotiated on an individual and private basis with each different end-user. In addition, there are a limited number of producers of lithium compounds and it is possible that these existing producers try to prevent new comers in the chain of supply by increasing their production capacity and lowering sales prices. In such case, the Corporation's results of operations and prospects may be materially adversely affected.

Lack of Potential Buyers for Lithium

The Corporation may not be able to enter into agreements in the near future for the sales of lithium compounds. Moreover, these agreements may be affected by counterparties to its sales contracts being unable to or refusing to accept or pay for contracted volumes of lithium compounds or pay the contracted price for lithium compounds. The Corporation intends to produce mainly lithium hydroxide monohydrate to address the increasing demand for that compound due to the use in the making of cathodes for rechargeable batteries. If cathode manufacturers use less hydroxide than expected or if the demand for rechargeable batteries, mainly in the electric and hybrid vehicles, is less than forecasted, it could have an effect on the sales prices of that compound. The Corporation may incur significant costs and ultimately be unsuccessful in recovering from counterparties in breach of their contractual obligations with regarding to sales and supply of lithium compounds.

Inaccuracy of Mineral Resource Estimates

The Corporation cannot be certain that its mineral resource estimates are accurate and cannot guarantee that it will recover the expected quantities of minerals. Future production could differ dramatically from such estimates for the following reasons:

- actual mineralization or mineral resources could be different from those predicted by drilling, sampling or technical reports;
- increases in the capital or operating costs of the mine;
- changes in the life-of-mine plan; or

- the grade of mineral resources may vary over the life of the mine and the Corporation cannot give any assurances that any particular mineral resource estimate will ultimately be recovered.

The occurrence of any of these events may cause the Corporation to adjust its mineral resource estimates or change its mining plans, which could negatively affect the Corporation's financial condition and results of operations. Moreover, short-term factors, such as the need for additional development of the orebody or the processing of new or different grades, may adversely affect the Corporation.

Limited Property Portfolio

At present, the Corporation's only material mineral properties are the Whabouchi property and the Sirmac property. Unless the Corporation acquires or develops additional mineral properties, the Corporation will be solely dependent upon these properties. If no additional mineral properties are acquired by the Corporation, any adverse development affecting the progress of the Whabouchi property and the Sirmac property may have a material adverse effect on the Corporation's financial condition and results of operations.

No Existing Market

There is no existing trading market for the Debt Securities, Convertible Securities, Subscription Receipts, or Warrants. As a result, there can be no assurance that a liquid market will develop or be maintained for those securities, or a purchaser will be able to sell any of those securities at a particular time (if at all). The Corporation may not list the Debt Securities, Convertible Securities, Subscription Receipts or Warrants on any Canadian or U.S. securities exchange, and the Common Shares may be delisted or suspended. The liquidity of the trading market in those securities, and the market price quoted for those securities, may be adversely affected by, among other things:

- changes in the overall market for those securities;
- changes in the financial performance or prospects of the Corporation;
- changes or perceived changes in our creditworthiness;
- the prospects for companies in our industry generally;
- the number of holders of those securities;
- the interest of securities dealers in making a market for those securities; and
- prevailing interest rates.

Debt Securities may be Unsecured Debt of the Corporation

The Debt Securities may be unsecured debt of the Corporation and, if so, will rank equally in right of payment with all other existing and future unsecured debt of the Corporation. Unless collateralized or guaranteed, the Debt Securities will be effectively subordinated to all existing and future secured debt of the Corporation to the extent of the assets securing such debt.

If the Corporation is involved in any bankruptcy, dissolution, liquidation or reorganization, the secured debt holders would, to the extent of the value of the assets securing the secured debt, be paid before the holders of unsecured debt securities, including if applicable, the Debt Securities. In that event, a holder of Debt Securities may not be able to recover any principal or interest due to it under the Debt Securities.

Discretion in the Use of Proceeds

The Corporation's management will have certain discretion concerning the use of proceeds of the Offering as well as the timing of their expenditures. As a result, investors will be relying on the judgment of management as to the specific application of the proceeds of the Offering. Management may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and effectiveness of the application of the net proceeds are uncertain. If the net proceeds are not applied effectively, the Phase 1 plant commissioning may be materially adversely affected and the Corporation's results of operations and prospects may be materially adversely affected. See "Use of Proceeds" for a more detailed description of how the Corporation's management intends to apply the net proceeds of the Offering.

Forward-Looking Information may Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions and known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

LEGAL MATTERS

Certain legal matters in connection with the Offering are being passed upon by Stein Monast L.L.P., on behalf of the Corporation.

AUDITORS, INTERESTS OF EXPERTS AND TRANSFER AGENT

KPMG LLP are the Corporation's current auditors and are independent of the Corporation within the meaning of the Code of Ethics of the Ordre des Comptables Professionnels Agréés du Québec.

The transfer agent, registrar and paying agent of the Corporation is Computershare Investor Services Inc at its office located at 1500, University Street, Suite 700, Montréal, Québec H3A 3S8.

As of the date of this Prospectus, none of the partners or associates of Stein Monast L.L.P. has any beneficial or registered interests, direct or indirect, in the Corporation's securities or properties, except for Mr. Richard Provencher, a partner of Stein Monast L.L.P., who owns directly less than 1% of Common Shares and Warrants of the Corporation.

As of the date of this Prospectus, Mr. Yves Dessureault, Eng. of BBA Inc. and Ms. Céline M. Charbonneau, Eng. M. Sc. of Met-Chem Canada Inc. reviewed the technical information included in the French version of the Material Change Report filed on SEDAR on November 21, 2012 and the English version filed on February 6, 2013 pertaining to the announcement of positive preliminary economic assessment for Whabouchi mine and lithium hydroxide/lithium carbonate plant. They also reviewed the technical information included in the Material Change Report filed on SEDAR on February 28, 2013 pertaining to clarification provided by the Corporation on the October 2, 2012 press release in order to clarify the terms, proven reserves and probable reserves, to be replaced by in-pit measured resources and in-pit indicated resources, since it was a preliminary economic assessment study. Mr. Dessureault and Ms. Charbonneau have no beneficial or registered interests, direct or indirect, in the Corporation's securities or properties.

As of the date of this Prospectus, Messrs. André Laferrière, P. Geo., Yves Dessureault, Eng., Patrice Live, Eng., Nicolas Skiadas, Eng., Gary H.K. Pearse, M. Sc., P. Eng., Ann Lamontagne, Eng., Isabelle Larouche, Eng., Alain Michaud, Eng., Michel Bilodeau, Eng., Céline M. Charbonneau, Eng. M. Sc. and Noël Journeaux, P. Geo., Eng., authors of the latest NI 43-101 compliant technical report, herein referred to as the Technical Report, entitled: *Preliminary Economic Assessment of the Whabouchi Lithium Deposit and Hydromet Plant* which is effective as of October 2, 2012, issued on November 16, 2012 and revised on February 27, 2013, have no beneficial or registered interests, direct or indirect, in the Corporation's securities or properties.

As of the date of this Prospectus, Messrs. Stéphane Rivard, Eng., Alain Michaud, Eng. and Ms. Isabelle Larouche, Eng. of Met-Chem Canada Inc. have prepared the construction and installation revised budget pertaining to the Phase 1 plant in Salaberry-de-Valleyfield which was addressed in the Material Change Report filed on SEDAR on February 25, 2013. On March 1, 2013, the Corporation filed a Material Change Report on SEDAR to clarify the annual capacity of production of the Phase 1 plant. Messrs. Stéphane Rivard, Eng., Alain Michaud, Eng. and Ms. Isabelle Larouche, Eng. of Met-Chem Canada Inc. have no beneficial or registered interests, direct or indirect, in the Corporation's securities or properties.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the provinces of British Columbia, Alberta, Ontario, Québec and provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment thereto. In several of the provinces, the securities legislation further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

AUDITORS' CONSENT

We have read the short form base shelf prospectus of Nemaska Lithium Inc. (the "Corporation") dated March 4, 2013 relating to the offering of up to \$100,000,000 of common shares, debt securities, convertible securities, subscription receipts and warrants of the Corporation (the "Prospectus"). We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the Prospectus of our report to the shareholders of the Corporation on the financial statements of the Corporation, which comprise the statements of financial position as at June 30, 2012, June 30, 2011 and July 1, 2010, the statements of comprehensive loss, changes in shareholders' equity and cash flows for the years ended June 30, 2012 and June 30, 2011, and notes, comprising a summary of significant accounting policies and other explanatory information. Our report is dated October 23, 2012.

(s) *KPMG LLP*

KPMG LLP

Montréal, Québec
March 4, 2013

*CPA auditor, CA, public accountancy permit No. A115894

CERTIFICATE OF THE CORPORATION

Dated: March 4, 2013

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus and the supplement(s) as required by the securities legislation of British Columbia, Alberta, Ontario and Québec.

(s) Guy Bourassa
Guy Bourassa
President, Chief Executive Officer
and Secretary

(s) Steve Nadeau
Steve Nadeau
Chief Financial Officer

On Behalf of the Board of Directors

(s) Michel Baril
Michel Baril
Chairman of the Board

(s) René Lessard
René Lessard
Director