



CONFIDENTIALITY & SECURITIES TRADING POLICY

1. Purpose of the Policy

The rules and procedures outlined below have been formulated by the Senior Management of American Lithium Corp. ("American Lithium Corp.") and approved by the Board of Directors of American Lithium Corp. in order to prevent improper insider trading and the improper communication of undisclosed material information regarding American Lithium Corp. and to ensure that the Directors, Officers and employees of American Lithium Corp. and persons or companies related to or controlled by them act, and are perceived to act, in accordance with applicable laws and the highest standards of ethical and professional behaviour. A summary of the relevant insider trading laws is annexed to this Policy as Schedule A.

The onus of complying with this Policy and the relevant insider trading and other rules is on each individual Director, Officer and employee of American Lithium Corp., each of whom is expected to be familiar with this Policy and those rules and to comply fully with them. It is in your interest that the rules and procedures outlined in this Policy be complied with fully. **Failure to comply with these rules and procedures may result in the immediate suspension or dismissal of any director, officer or employee of American Lithium Corp.**

It is fundamental to the reputation and ongoing success of American Lithium Corp. that its Directors, Officers and employees respect and adhere to the rules and procedures outlined in this Policy. Members of the families of the Directors, Officers and employees of American Lithium Corp. and others living with them and all holding companies and other related entities and all persons or companies acting on behalf of or at the request of any of the foregoing also are expected to comply with this Policy, as if they themselves were Directors, Officers or employees of American Lithium Corp.

2. Insider Trading

Each Director, Officer and employee of American Lithium Corp. and each of the other persons and companies to whom this Policy applies is expected to comply fully with the provisions of applicable securities law relating to insider trading, as described in Schedule A to this Policy. The penalties and civil liability that may be incurred if the insider trading laws are violated are substantial. In Canada, those penalties include possible imprisonment for a term up to five years and fines of up to the greater of \$5,000,000 and three times any profit made.

In order to prevent insider trading violations or any appearance of impropriety, none of the Directors, Officers or employees of American Lithium Corp. or any of the other persons or companies to whom this Policy applies will be permitted to purchase or sell any shares or other securities of American Lithium Corp. or to exercise any outstanding stock options (including similar forms of stock based compensation such as stock appreciation rights, deferred share units or restricted stock awards) granted or warrants issued by American Lithium Corp. unless permission for the proposed transaction is first obtained from the CEO or CFO of American Lithium Corp. using the authorization request attached to this Policy as Schedule B. This restriction will also apply to any other security, such as an exchangeable or convertible security, which, whether or not issued by American Lithium Corp., is expected to trade at a price varying materially with the market price of the shares of American Lithium Corp.

Unless it is clear that the proposed transaction will not contravene applicable insider trading restrictions and unless it is clear that there is no undisclosed material information concerning American Lithium Corp., permission to complete the transaction will be denied. The policy of American Lithium Corp. to err on the side of caution in granting or denying trading permission is in recognition of the fact that trades that create notoriety, but ultimately are found to be proper, nonetheless tarnish the reputation and goodwill of American Lithium Corp., especially among its shareholders and the analysts who follow American Lithium Corp.

If approval for a proposed transaction is granted, that approval will be effective for ten business days, unless revoked prior to that time. No securities of American Lithium Corp. may be purchased or sold or options or warrants exercised after the tenth business day following the receipt of the approval unless the approval is renewed. If for any reason a previously granted approval is revoked before the trade is affected or the warrant or option is exercised, the transaction will not be permitted to proceed.

It is also improper for the Officers, Directors, or employees to enter a trade immediately after American Lithium Corp. has made a public announcement of material information. Because American Lithium Corp. non-employee shareholders and the investing public should be afforded the time to receive the information and act upon it, as a general rule, Officers, Directors, or employees should not engage in any transactions until one business day after the information has been widely disseminated.

3. Blackout Periods

American Lithium has and may from time to time designate certain periods of time as “Blackout Periods”, which may apply generally throughout our organization or only to specific individuals. Even if no Blackout Period is in effect, keep in mind that you (a) may not trade in our securities or those of another publicly traded company if you are aware of material non-public information about us or such other company, respectively, and (b) if applicable to you, must comply with the procedures described in “Pre-Clearance Procedures” below before trading in our securities.

If it is determined that a special Blackout Period is required, either the Chief Financial Officer or the Vice President of Capital Markets or a Designated Individual thereafter will distribute a confidential notice informing of the applicable special Blackout Period. The Company will typically not provide a reason for a special Blackout Period. Unless the notice states otherwise, you are not permitted to trade in our securities from the time that you receive the notice until notified that the Blackout Period has ended.

4. Insider Trading and Other Reports

Every "insider" of American Lithium Corp. is required to file an insider trading report in prescribed form with the British Columbia Securities Commission and Securities Commissions in any other applicable jurisdictions within 5 days after the date of the trade where the person was or became an insider, disclosing his beneficial ownership of or control or direction over securities of American Lithium Corp. Each insider also is responsible for reporting changes in the information contained in a previously filed report within 5 calendar days from the date on which the change occurs. The Directors and Senior Officers of American Lithium Corp. are considered to be "insiders" of American Lithium Corp. for these purposes.

An "early warning" requirement is triggered under the *Securities Act* (British Columbia) and under the securities legislation of certain other provinces of Canada when an investor acquires beneficial ownership of or control or direction over 10% or more of American Lithium Corp. common shares. As a result, it is imperative that any Director, Officer or employee who intends to complete a share acquisition that will

result in the crossing of the threshold referred to above consult with the Chairman of American Lithium Corp. to determine the nature of the individual's reporting obligations under applicable Canadian securities legislation.

5. Other Trading Restrictions

It is inappropriate for any of the Directors, Officers or employees of American Lithium Corp. or any of the other persons or companies to whom the Policy applies, acting alone or together with any other person or Corporation, to directly or indirectly engage in any activity: (i) that is or appears to be contrary to the interests of American Lithium Corp. or its ongoing success; (ii) that creates or may create a false or misleading appearance of trading activity in the shares of American Lithium Corp.; (iii) that has the direct or indirect effect of setting an artificial price for those shares; or (iv) that otherwise interferes with the free determination by the market of the market price for those shares. While it is not possible to list all of the trading activities prohibited by the foregoing, the activities listed below are typical of the type of activities that are prohibited and consequently should not be engaged in:

- (a) selling shares of American Lithium Corp. short (i.e. selling shares not owned by the seller in anticipation of a falling price for the shares of American Lithium Corp.);
- (b) lending shares of American Lithium Corp. to others for any purpose not approved in advance by the Chief Financial Officer of American Lithium Corp.;
- (c) purchasing, writing or otherwise trading inputs, calls or other options on the shares of American Lithium Corp. (other than options granted under American Lithium Corp. Employee Stock Option Plan) or other derivative securities which are expected to trade at a price varying materially with the market price of the shares of American Lithium Corp. without the prior approval of the Chief Financial Officer of American Lithium Corp.;
- (d) purchasing or selling shares or other securities of American Lithium Corp. primarily for the purpose of influencing the price or the volume of trading of those shares or other securities;
- (e) being both a buyer and a seller (directly or indirectly) of the shares or other securities of American Lithium Corp. at the same time or at approximately the same time; or
- (f) retaining or causing to be retained any person or company to engage in any form of stock promotion in respect of the shares or other securities of American Lithium Corp..

6. Confidentiality

In the course of American Lithium Corp. ongoing business operations, the Directors, Officers and employees of American Lithium Corp. often are engaged in transactions or other activities that are or may become material to American Lithium Corp. but which have not been generally disclosed to the public. Examples of transactions or activities that may give rise to material information include the acquisition or sale of significant assets, the acquisition or development of new products or technology, the entering into of a significant new contract or any other development that would reasonably be expected to significantly affect the market price or value of the outstanding shares of American Lithium Corp..

Communication of confidential information regarding American Lithium Corp. may be made to other American Lithium Corp. Directors, Officers and employees only when the recipient of the information has a legitimate need to know that information in connection with his or her duties. No

one in possession of confidential information should disclose that information to any outside party except in the necessary course of business and then only with the approval of the Chief Executive Officer and/or Chief Financial Officer of American Lithium Corp.

In order to prevent the misuse or inadvertent disclosure of confidential information, the procedures set forth below should be observed at all times:

1. Confidential matters should not be discussed in places such as elevators, hallways, restaurants, airplanes, taxis or other places where the discussion may be overheard.
2. Confidential documents should not be read in public places and should not be discarded where they can be retrieved by others.
3. Transmission of documents by electronic means, such as by email or directly from one computer to another, should only be made where it is reasonable to believe that the transmission can be made and received under secure conditions.
4. Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
5. Access to confidential electronic data should be restricted by senior management on a “need to know basis” or through the use of passwords.
6. Documents and files containing confidential information should be kept in locked cabinets to which access is restricted to individuals who have a "need to know" that information in the necessary course of business.
7. To the fullest extent practicable, if American Lithium Corp. is involved in a project that may give rise to material information, the project should be given a code name and documents prepared in connection with that project should utilize code names rather than names which would themselves reveal confidential information.
8. All proprietary information, including computer programs and other records, remain the property of American Lithium Corp. and may not be removed, disclosed, copied or otherwise used except in the normal course of employment or with the prior permission of American Lithium Corp.

7. Secret Commissions

The Criminal Code of Canada prohibits the payment of secret commissions by providing that it is an offence, punishable by imprisonment for a term of up to five years, for an employee or agent of a Corporation to agree to accept any benefit as consideration for doing or forbearing to do any act in relation to the business or affairs of the employer. This provision prohibits any Director, Officer or employee of American Lithium Corp. from accepting a gift or other benefit of any nature in consideration for causing American Lithium Corp. to enter into any type of contract or arrangement with a third party and from giving a gift or other benefit to an employee or agent of another company in return for such company agreeing to do something for or in relation to American Lithium Corp., including the purchase of its shares or other securities, whether issued or un-issued.

8. Designation of Officers

The Board of Directors of American Lithium Corp. has appointed the Chief Executive Officer and Chief Financial Officer of American Lithium Corp. to perform various functions under this Policy. The Board of Directors may designate other Officers of American Lithium Corp. to perform all or any of those functions, in which event a notice to that effect will be circulated to all interested persons.

9. Acknowledgement Form

Each Director and Officer of American Lithium Corp. and each employee of American Lithium Corp. or its subsidiaries having managerial or similar responsibility will be required to sign an Acknowledgement in the form accompanying this Corporate Governance Manual. The signed Acknowledgement will be placed in each individual's personnel record.

10. Corporation Assistance

Any person who has any questions about this Policy may obtain additional guidance from American Lithium Corp. Senior Management and legal counsel. However, the ultimate responsibility for adhering to the Policy and avoiding improper transactions rests with each Director, Officer or employee of American Lithium Corp.

POLICY REVIEW

The Committee will annually review and reassess the adequacy of this policy and submit any recommended changes to the Board for approval.

ADOPTION

This Policy was adopted by the Board on March 22, 2022.

Summary of Insider Trading Laws in Canada

The two most common areas which see disciplinary action against issuers and non-registrants under the securities regulation are: (1) trading in securities without an appropriate exemption from the prospectus and registration requirements, and (2) insider trading.

Insider trading laws cover transactions in an issuer's securities by insiders and other persons in a special relationship with the issuer, and impose strict liability for realizing profits from certain transactions as well as other fines and criminal penalties. In addition, the provisions against insider tipping prohibit disclosure of non-public material information by insiders and individuals who are in a special relationship with an issuer.

Who is an Insider?

An insider typically includes any of the following:

- A director or officer of an issuer.
- A director or officer of a person that is itself an insider or subsidiary of an issuer.
- A person that has beneficial ownership of and/or control or direction over (directly or indirectly) securities of an issuer carrying more than 10% of the voting rights attached to the issuer's outstanding voting securities (a significant shareholder).

The definition of an officer typically includes all of:

- A chair or vice chair of the board of directors, a chief executive officer (CEO), a chief operating officer (COO), a chief financial officer (CFO), a president, a vice-president, a secretary, an assistant secretary, a treasurer, an assistant treasurer and a general manager.
- Every individual who is designated as an officer under a by-law or similar authority of the issuer.
- Every individual who performs functions similar to those normally performed by an individual referred to above.

Likewise, the definition of a director includes anyone performing a similar function or occupying a similar position for a reporting issuer.

A reporting issuer can also be an insider itself if it has purchased, redeemed or otherwise acquired its own securities and will be an insider for so long as it holds such securities.

Who is a Person in a Special Relationship?

A person in a special relationship is defined as any of the following:

- (a) **Insiders, Affiliates and Associates.** Any person that is an insider, affiliate or associate of:
- the issuer;
 - a person proposing a take-over bid of the issuer;
 - a person proposing a reorganization, amalgamation, merger or plan of arrangement or similar business combination with the issuer or a transaction to acquire a substantial portion of the issuer's property.
- (b) **Doing Business.** Any person that is engaging in or proposing to engage in any business or a professional activity (such as legal or auditing services) with:
- the issuer;
 - a person proposing a takeover bid of the issuer;

- a person proposing a reorganization, amalgamation, merger or plan of arrangement or similar business combination with the reporting issuer or a transaction to acquire a substantial portion of the issuer's property.
- (c) **Directors, Officers and Employees.** Any person who is a director, officer or employee of:
- the issuer or a subsidiary of the issuer;
 - a person that controls (directly or indirectly) the issuer;
 - a person proposing a takeover bid of the issuer;
 - a person proposing a reorganization, amalgamation, merger or plan of arrangement or similar business combination with the issuer or a transaction to acquire a substantial portion of the issuer's property;
 - any person that is or is engaging in or proposing to engage in business or a professional activity with:
 - the issuer;
 - a person proposing a takeover bid of the issuer;
 - a person proposing a reorganization, amalgamation, merger or plan of arrangement or similar business combination with the issuer or a transaction to acquire a substantial portion of the issuer's property.
- (d) **Possession of Material Information.** Any person that learned material information about the issuer while that person was in a special relationship with the issuer.
- (e) **Tippee.** Any person that learned material information about the issuer from a person that is in a special relationship with the issuer (or learned material information while such person was in a special relationship with the issuer) and ought to have known that the other person was in a special relationship with the issuer.

What is Material Information?

Material information includes material facts and material changes and is, generally, any information relating to the business and affairs of the issuer that results in or would reasonably be expected to result in a significant change in the market price or value of any of the issuer's listed securities. Some common examples of material information include:

- Proposed changes in capital structure including stock splits and stock dividends
- Proposed or pending financings
- Material increases or decreases in the amount of outstanding securities or indebtedness
- Material increases or decreases in mineral reserves or resources
- Proposed changes in corporate structure including amalgamations and reorganizations
- Proposed acquisitions of other companies including take-over bids or mergers
- Material acquisitions or dispositions of assets
- Material changes or developments in products or contracts which would materially affect earnings upwards or downwards
- Material changes in the business of the Company
- Changes in senior management or control of the Company
- Bankruptcy or receivership
- Changes in the Company's auditors
- The financial condition and results of operations of the Company
- Indicated changes in revenues or earnings upwards or downwards of more than recent average size
- Material legal proceedings
- Defaults in material obligations
- The results of the submission of matters to a vote of securityholders
- Transactions with directors, officers or principal securityholders
- The granting of options or payment of other compensation to directors or officers

What are the Prohibitions on Insider Trading and Tipping?

The British Columbia *Securities Act* (the "BCSA") prohibits anyone in a special relationship with an issuer from trading securities of the issuer with knowledge of material information that has not been generally disclosed to the public. This is the law against insider trading. The BCSA also prohibits an issuer and anyone in a special relationship with the issuer from providing material information to anyone (except in the necessary course of business) before the material information has been generally disclosed to the public. This is the law against insider tipping. There are also prohibitions against insider trading and tipping under the *Criminal Code*, a discussion of which are beyond the scope of this article.

Sanctions. Under the BCSA, companies or persons found guilty of insider trading or insider tipping can be:

- Subject to a fine of not more than \$3,000,000 or imprisonment for a term of not more than three years for contravening securities laws.
- In addition to any imprisonment imposed above, subject to a minimum fine equal to the profit made or loss avoided and a maximum fine of the greater of \$3,000,000 and an amount equal to triple the profit made or loss avoided.
- Liable to compensate for damages to the buyer or seller of securities (insider trading) or any person that bought or sold securities to or from a tippee (insider tipping).
- Prohibited in trading in securities or acting as an officer or director of an issuer.

In addressing selective disclosure matters (tipping), the Canadian Securities Administrators has indicated that they will consider mitigating factors, including:

- Whether and to what extent the issuer has implemented, maintained and followed reasonable disclosure policies and procedures to prevent contraventions of the tipping provisions.
- Whether any selective disclosure was unintentional.
- What steps were taken by the issuer to disseminate information that had been unintentionally disclosed (including how quickly the information was generally disclosed).

Defences and Exemptions. The BCSA and the regulations to the BCSA include a number of defences or exemptions to the prohibition against insider trading and tipping.

If a person in a special relationship with the issuer trades securities with knowledge of undisclosed material information, they will be liable to compensate the buyer or seller for damages unless they prove that they reasonably believed that the material information had been generally disclosed.

A person guilty of tipping will be liable to compensate anyone who bought or sold securities from a tippee unless they can prove they reasonably believed that the material information had been generally disclosed.

An insider that proves that they reasonably believed that the other party to a trade or who had been tipped actually had knowledge of the material information is exempt from insider trading and tipping laws.

SCHEDULE "B"

**Authorization request for purchase, sale or
exercise of stock options or warrants in American Lithium Corp.**

I wish to:

' Purchase _____ American Lithium Corp. shares

' Sell _____ American Lithium Corp. shares

I wish to exercise the following:

' Stock Option

' Share Purchase Warrant

Amount:

_____ (+ Withholding tax, if applicable) = \$ _____
(No. of warrants/options) x (exercise price) = (total)

Date:

Signature:

Name:
