

This letter describes significant uncertainties and financial, legal, and political risks facing Lithium Americas Corp.'s proposed Thacker Pass lithium mine project ("Thacker Pass project") in northern Nevada.

Presumably, you all have agreed to Lithium Americas' Code of Business Conduct and Ethics ("Code of Conduct") which declares: "We require the highest standards of professional and ethical conduct from our consultants, employees, officers and directors. Our reputation for honesty and integrity is important for the success of our business." The Code of Conduct also states: "Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions and to meet our reporting obligations to our stakeholders." Because of the commitment to honesty in reporting of information that your Code of Conduct requires, we wanted to provide specific information regarding significant uncertainties facing the Thacker Pass project so that you could accurately report this information to shareholders and other appropriate parties.

First, it is important that Lithium Americas, Lithium Americas' subsidiary Lithium Nevada Corporation ("LNC"), shareholders, and potential investors understand that serious opposition to the Thacker Pass open pit lithium mine is growing at the proposed mining site, nationally, and internationally. This letter has been signed by national and international organizations as well as individuals committed to resisting construction of the mine.

The opposition now includes Bartell Ranch, Basin and Range Watch, Western Watersheds Project, Progressive Leadership Alliance of Nevada, Great Basin Resource Watch, Wildlands Defense, Protectors of the Salish Sea, Illahee Spirit Runners, Deep Green Resistance, Prairie Protection Colorado, Communities that Protect and Resist, San Antonio Bay Estuarine Waterkeepers, Fertile Ground Institute for Social and Ecological Justice, The REAL Green New Deal Project, Mountains and Waters Alliance, Association for the Tree of Life, Center for Interdisciplinary Environmental Justice, local residents of the Quinn River and King's River valleys, members of the Northern Paiute and Western Shoshone nations, as well as other indigenous nations, an array of small businesses, and the grassroots alliance at the camp calling themselves "Protect Thacker Pass," which includes U.S. military veterans, veterans of the "Standing Rock" battle against the Dakota Access Pipeline, and other activists.

The growing opposition to the Thacker Pass project is multi-pronged. Recently, a local rancher and ranching business filed suit in the United States District Court, District of Nevada alleging that the Bureau of Land Management ("BLM") violated the National Environmental Policy Act for permitting the Thacker Pass project. This lawsuit was filed just a year after a whistleblower filed a complaint with the U.S. Office of Special Counsel and Department of Interior Office of Inspector General alleging "illegalities and wrongdoing" by managers at the BLM's Nevada state office. This complaint alleged that the office failed to enforce the National Environmental Policy

Act and accused a BLM Nevada district manager of “abusing his authority by fast-tracking mining and oil and gas drilling projects...”<sup>1</sup>

To contest mine construction on the ground, on January 15, 2021, the Protect Thacker Pass occupation camp was established on the proposed mining site. Individuals from around the United States are converging on Thacker Pass to resist the project and the occupation has steadily grown in size. These protectors are demanding the complete cancellation of the project and are willing to engage in massive acts of civil disobedience. The occupation has drawn support from the local communities of Orovada and King’s Valley, located east and west of Thacker Pass, respectively. These communities expressed their opposition to the mine in a series of hotly contested public meetings during the BLM permitting process and they feel their concerns were ignored.

Second, we know that Lithium Americas, LNC, and shareholders hope that all regulatory approvals for the project will be obtained in a timely manner. However, it is unclear whether this will happen.

In the Bureau of Land Management’s (“BLM”) Record of Decision, it was stipulated that no work is authorized under the Plan of Operations “until LNC has complied with all federal, state, and local regulations, including obtaining all necessary permits from the Nevada Department of Environmental Protection and other federal, state, and local agencies.” LNC still has not obtained four public water permits that must be approved by the State of Nevada’s Division of Water Resources. All four of those permits have been protested by two local businesses – Bartell Ranch, LLC and Kings River Land and Cattle Co. Meanwhile, LNC still has not obtained an Eagle Take Permit from the United States Fish and Wildlife Service to account for effects to golden eagles from the destruction and disturbance caused by the mine’s construction and operation. Impacts to golden eagles are particularly concerning to tribal communities.

Additionally, BLM has obligated LNC and the Thacker Pass project with navigating compliance with the Migratory Bird Treaty Act. According to the Record of Decision, the Migratory Bird Treaty Act forces LNC to avoid the project site if “active bird nests or other evidence of nesting be observed (i.e., mating pairs, territorial defense, carrying nesting material, transporting of food, etc.)” during the avian breeding season, which is March 1 to August 31. Unfortunately, March 1 to August 31 overlaps with the time the ground at Thacker Pass is optimally thawed for construction.

Though Lithium Americas President and CEO Jon Evans has characterized the Thacker Pass permitting process as “complete,” it is not. The lawsuit recently filed by Bartell Ranch, LLC and Edward Bartell (collectively “Bartell Ranch”) against BLM asks a federal district judge to consider the mine’s impacts to threatened Lahontan-Cutthroat Trout and Lahontan-Cutthroat Trout habitat; to endangered Sage-Grouse and Sage-Grouse habitat; to wetlands and

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<sup>1</sup> <https://thenevadaindependent.com/article/whistleblower-puts-nevada-blms-chummy-industry-relationships-in-the-spotlight>

streamflows; to air quality (especially because LNC's Final Environmental Impact Statement included a proposed amount of sulfur to be used that was double the amount proposed in the draft Environmental Impact Statement); and to water quality through contamination by toxins such as arsenic, antimony, and uranium. These kinds of determinations can require lengthy litigation and expensive experts. The Bartell Ranch lawsuit also has the potential to gain a court order preventing construction to commence at Thacker Pass. Even if this order is not achieved, a court may remand the Final Environmental Impact Statement and Record of Decision for deeper consideration. In short, resolving the Bartell Ranch claims could be costly and time intensive and could push the project into legal limbo.

Third, the Thacker Pass project is proposed for land traditionally inhabited by the Paiute and Western Shoshone peoples. If Lithium Americas takes its Code of Conduct seriously – especially where the Code declares “We aim for our business practices to be compatible with, and sensitive to, the economic and social priorities of each location in which we operate” – then Lithium Americas should consider that the United Nations' Committee For the Elimination of Racial Discrimination has called upon the United States and its federal agencies like BLM, with special regard for the Western Shoshone, to “guarantee, in law and in practice, the right of indigenous peoples to effective participation in public life and in decisions that affect them based on their free, prior, and informed consent.”

Lithium Americas, LNC, and investors should pay close attention to the fact that the Committee has expressed “particular concern” about efforts to privatize Western Shoshone ancestral lands for transfer to multinational extractive industries and energy developers. The Committee has also urged the United States and federal agencies like BLM “to pay particular attention to the right to health and cultural rights of the Western Shoshone people, which may be infringed upon by activities threatening their environment and/or disregarding the spiritual and cultural significance they give to their ancestral lands.” See: United Nations Committee for the Elimination of Racial Discrimination “Early Warning and Urgent Action Procedure 1 (68)” (March 10, 2006).

The mounting local, national, and international opposition to the Thacker Pass project; BLM's requirement that LNC obtain all local, state, and federal permits before mine construction can begin; the Bartell Ranch lawsuit; the growing numbers of protectors occupying the proposed mine site; and the United Nations' declaration about how multi-national extractive industries and energy developers threaten Western Shoshone human rights all create a financial and political risk for investment in the Thacker Pass project. Your investors and partners should consider whether continued investment in this project is wise.

Sincerely,