PAN AMERICAN ENERGY CORP.

(FORMERLY GOLDEN SUN MINING CORP.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED JUNE 30, 2022

(Unaudited)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of Pan American Energy Corp. have been prepared by and are the responsibility of management. These condensed consolidated interim financial statements for the three months ended June 30, 2022, have not been reviewed or audited by the Company's independent auditors. All amounts are stated in Canadian Dollars unless otherwise stated.

Pan American Energy Corp.
Condensed Consolidated Interim Statements of Financial Position
In Canadian Dollars, unless noted (unaudited)

As at	Notes	June 30, 2022	March 31, 2022
		$	$
ASSETS			
Cash		915,595	1,310,469
Accounts receivable		30,974	-
Prepaid expenses		10,103	-
Promissory note receivable	7	-	151,397
TOTAL CURRENT ASSETS		**956,672**	**1,461,866**
Exploration and evaluation assets	5	167,422	-
TOTAL ASSETS		**1,124,094**	**1,461,866**
LIABILITIES			
Accounts payable and accrued liabilities		646,418	119,210
Loan payable	6	160,591	-
TOTAL LIABILITIES		**807,009**	**119,210**
EQUITY (DEFICIENCY)			
Share capital	8	2,443,590	1,500,001
Reserves	8	3,991	-
Deficit		(2,130,496)	(157,345)
TOTAL EQUITY (DEFICIENCY)		**317,085**	**1,342,656**
TOTAL LIABILITIES AND EQUITY (DEFICIENCY)		**1,124,094**	**1,461,866**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Going concern (Note 2), Commitments (Note 10) and Subsequent events (Note 12)

Approved on behalf of the Board of Directors:

"Jason Latkowcer ", Director *"Eli Dusenbury",* Director

Pan American Energy Corp.

Condensed Consolidated Interim Statement of Loss and Comprehensive Loss

In Canadian Dollars, unless noted (unaudited)

For the three months ended June 30,	Notes	2022
		$
EXPENSES		
Consulting fees	**9**	107,000
Filing fees		47,449
Office and miscellaneous		6,597
Professional fees		72,251
Share-based compensation	**8,9**	3,991
OPERATING EXPENSES		**(237,288)**
Listing expense		(1,430,919)
Loss on debt settlement		(304,944)
NET LOSS AND COMPREHENSIVE LOSS		**(1,973,151)**
Loss per share, basic and diluted		(0.09)
Weighted average number of common shares outstanding – Basic and diluted		21,989,853

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Pan American Energy Corp.
Condensed Consolidated Interim Statements of Changes in Equity (Deficiency)
In Canadian Dollars, unless noted (unaudited)

	Common Shares	Share Capital	Reserves	Deficit	Total Equity (Deficiency)
	Number	**$**	**$**	**$**	**$**
Incorporation, October 12, 2021	-	-	-	-	-
Incorporation shares	100	1	-	-	1
Shares issued - private placements	20,000,000	1,500,000	-	-	1,500,000
Net loss and comprehensive loss for the period	-	-	-	(157,345)	(157,345)
Balance, March 31, 2022	20,000,100	1,500,001	-	(157,345)	1,342,656
Balance, March 31, 2022	20,000,100	1,500,001	-	(157,345)	1,342,656
Shares issued - corporate transaction	4,099,366	409,937	-	-	409,937
Shares issued - settlement of indebtedness	1,270,600	533,652	-	-	533,652
Share-based compensation	-	-	3,991	-	3,991
Net loss and comprehensive loss for the period	-	-	-	(1,973,151)	(1,973,151)
Balance, June 30, 2022	**25,370,066**	**2,443,590**	**3,991**	**(2,130,496)**	**317,085**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Pan American Energy Corp.
Condensed Consolidated Interim Statement of Cash Flows
In Canadian Dollars, unless noted (unaudited)

For the three months ended June 30,	**2022**
	$
OPERATING ACTIVITIES	
Net loss for the period	(1,973,151)
Items not affecting cash	
Listing expense	1,430,919
Loss on debt settlement	304,944
Share-based compensation (Note 8)	3,991
Net changes in non-cash working capital items:	
Accounts receivable	(6,815)
Accounts payable and accrued liabilities	(333,564)
Cash used in operating activities	(573,676)
INVESTING ACTIVITY	
Cash acquired through reverse takeover	27,405
Cash used in investing activity	27,405
FINANCING ACTIVITY	
Net change in pre-acquisition loan receivable from acquiree	151,397
Cash received from financing activity	151,397
Net change in cash	(394,874)
Cash, beginning of period	1,310,469
Cash, end of period	915,595

No cash interest nor income taxes paid during the three months ended June 30, 2022.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS

a. Corporate information

Pan American Energy Corp. (formerly “Golden Sun Mining Corp.”) (the “Company”) was incorporated under the laws of British Columbia on March 14, 2007. The Company's corporate office and principal place of business is 521 3rd Avenue SW, Suite 100, Calgary, Alberta T2P 3T3.

On May 5, 2022, the Company entered into a share purchase agreement (the “Agreement”) with 1328012 B.C. Ltd. (“Numberco”). Pursuant to the terms of the Agreement, the Company acquired all of the outstanding securities of Numberco in exchange for securities of the Company. The shareholders of Numberco received securities of the Company such that they collectively control the Company subsequent to the completion of the transaction. The transaction constitutes a reverse acquisition of the Company by Numberco for accounting purposes. Consequently, the comparative figures reported are those of Numberco.

Numberco was incorporated under the laws of the Business Corporations Act (British Columbia) on October 12, 2021, and as such, there are no comparative periods for presentation in the condensed consolidated statement of loss and comprehensive loss and statement of cash flows.

On May 19, 2022, the Company listed its common shares on the Canadian Securities Exchange (the “CSE”) under the symbol “GSU”. On June 29, 2022, the Company changed its name to “Pan American Energy Corp.” from “Golden Sun Mining Corp.” and began trading under the symbol “PNRG”.

The Company is Canadian corporation that is in the business of exploration and evaluation of mineral properties.

These condensed consolidated interim financial statements were approved by the Board of Directors on August 29, 2022.

b. Corporate transaction

On May 5, 2022, the Company entered into a share purchase agreement (the “Agreement”) with Numberco, pursuant to which the Company acquired 100% of the Company’s issued and outstanding securities of Numberco in exchange for 20,000,100 common shares and 20,000,000 share purchase warrants of the Company. As a result of the Agreement, securityholders of Numberco hold 20,000,100 common shares of the Company representing 82.99 percent and securityholders of the Company hold 4,099,366 common shares representing 17.01 percent of the Company. The securityholders of Numberco, therefore, control the Company upon completion of the Agreement. The transaction was accounted for as a reverse acquisition, with Numberco identified as the acquirer.

The fair value of the consideration was determined based on 4,099,366 common shares issued at the price of $0.10 per share, which corresponds to the price of the most recent financing closed totaling $409,936.

In Canadian Dollars, unless noted (unaudited)

The preliminary purchase price allocation was allocated as follows:

	$
Net assets acquired	
Cash	27,405
Accounts receivable	24,159
Prepaid expenses	10,103
Exploration and evaluation assets	167,422
Accounts payable and accrued liabilities	(940,900)
Promissory note payable	(150,000)
Loan payable	(159,171)
Deemed transaction costs(1)	1,430,919
Net assets acquired	**409,937**
Consideration	
Fair value of 4,099,366 shares issued	**409,937**

(1) The deemed transaction costs, primarily relating to the acquired public exchange listing, were expensed.

The purchase price allocation herein is preliminary. The final purchase price allocation will be determined after completion of a thorough analysis to determine the fair value of all assets acquired and liabilities assumed but in no event later than one year following completion of the acquisition. Accordingly, the final acquisition accounting adjustments could differ materially from the adjustments presented herein.

2. GOING CONCERN

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company did not generate cash flow from operations to fund its exploration activities and has therefore relied upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its future operations and exploration activities to the extent such instruments are issuable under terms acceptable to the Company. While the Company has been successful in raising funds in the past, it is uncertain whether it will be able to raise sufficient funds in the future.

These events and conditions create a material uncertainty that may cast significant doubt upon the Company’s ability to continue as a going concern. If the Company is unable to secure additional financing, repay liabilities as they come due, negotiate suitable joint venture agreements, and/or continue as a going concern, then material adjustments may be required to the carrying value of assets and liabilities and the condensed consolidated statement of financial position classifications used. These condensed consolidated interim financial statements do not include any adjustments relating to the classification of assets and liabilities that may arise should the Company be unable to continue as a going concern.

The COVID-19 pandemic continues to impact the global economic recovery. The current situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Company is not known at this time. Estimates and judgements made by management in the preparation of these financial statements are subject to a higher degree of measurement uncertainty during this volatile period.

3. BASIS OF PRESENTATION

a. Basis of preparation

In these condensed consolidated interim financial statements, unless otherwise indicated, all amounts are expressed in Canadian dollars, which is the Company's functional and presentation currency.

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These consolidated interim financial statements are condensed as they do not include all of the information required by IFRS for annual financial statements and therefore should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2022.

b. Basis of consolidation

These condensed consolidated interim financial statements include the operations of the Company and its wholly owned subsidiary, 1328012 B.C. Ltd. which is incorporated in British Columbia.

Control exists when the parent company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. The condensed consolidated interim financial statements include the accounts of the Company and its subsidiary. All significant intercompany transactions and balances have been eliminated.

c. Foreign currencies

The Company's functional and presentation currency is the Canadian dollar.

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined, and the related translation differences are recognized in net income or other comprehensive loss consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

d. Significant accounting judgments and estimates

The timely preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to estimates are recognized prospectively. As at June 30, 2022 management has identified the following as material estimates:

i. **Share-based compensation**
Management determines fair value for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Similar calculations are made to value warrants. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

In the preparation of these condensed consolidated interim financial statements, management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. The following critical judgments can have an effect on the amounts recognized in the condensed consolidated financial statements:

ii. **Exploration and evaluation assets**
The Company is required to make certain judgments in assessing indicators of impairment of exploration and evaluation assets. Judgment is required to determine if the right to explore will expire in the near future or is not expected to be renewed. Judgment is required to determine whether substantive expenditures on further exploration for and evaluation of mineral resources in specific areas will not be planned or budgeted. Judgment is required to determine if the exploration for and evaluation of mineral resources in specific areas have not led to the commercially viable quantities of mineral resources and the Company will discontinue such activities. Judgment is required to determine whether there are indications that the carrying amount of an exploration and evaluation property is unlikely to be recovered in full from successful development of the project or by sale.

4. SIGNIFICANT ACCOUNTING POLICIES

a. Financial instruments

The following is the Company's accounting policy for financial instruments under IFRS 9:

i. **Classification**
The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition.

The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by- instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

ii. Measurement

Financial assets and liabilities at amortized cost are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at amortized cost using the effective interest rate method, net of any impairment.

Financial assets and liabilities at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Financial assets and liabilities carried at FVTOCI are initially recorded at fair value. Unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVOCI are included in comprehensive income or loss in the period in which they arise.

iii. Impairment of financial assets at amortized costs

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

iv. Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Financial liabilities are removed from the statement of financial position when the contract is extinguished, or, when the obligation specified in the contract is either discharged or cancelled or expires. Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss is recorded in profit or loss.

b. Impairment

At each consolidated financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash- generating unit) is increased to the revised estimate of its recoverable amount, as long as the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

c. Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the shares were granted. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units.

The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in private placements to be the more easily measurable

component of unit offerings and the common shares are valued at their fair value, as determined by the closing quoted bid price on the issue date. The balance, if any, is allocated to any attached warrants or other features. Any fair value attributed to warrants is recorded as reserves.

d. Share-based compensation

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of employee options is measured at grant date and the fair value of non-employee options is at the date or over the period such services are received. Each tranche of employee and non-employee options granted is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black- Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Share-based payments granted to non-employees that are related to the issuance of shares are recorded as a reduction of share capital. All share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in the reserve is credited to share capital, adjusted for any consideration paid.

e. Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax assets and liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects taxable profit or accounting profit. Deferred tax liabilities on temporary differences associated with shares in subsidiaries and joint ventures is not provided for if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are likely to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the substantive enactment date. Deferred tax assets are recognized for all temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different entities which intend to settle current tax assets and liabilities on a net basis or simultaneously in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Changes in deferred tax assets or liabilities are recognized as a component of income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

f. Loss per share

Basic loss per share is computed by dividing net loss the numerator by the weighted average number of outstanding common shares for the period denominator. In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments.

In the periods when the Company reports a net loss, the effect of potential issuances of shares under share options and other convertible instruments is anti-dilutive. Therefore, basic and diluted loss per share are the same.

g. Exploration and evaluation assets

Exploration and evaluation expenditures incurred before the Company has obtained legal rights to explore an area of interest are expensed as incurred. All costs related to the acquisition, exploration and evaluation of mineral properties incurred subsequent to the acquisition of legal rights to explore, including property maintenance costs, are capitalized by property. Mineral properties acquired from entities under common control are recorded at the same carrying value which the common control entity carried the mineral properties at. If economically recoverable mineral reserves are determined to exist, capitalized costs of the related property will be reclassified as mineral assets and amortized using the unit of production method.

When a property is abandoned, all related costs are written off or derecognized. Exploration and evaluation assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

In circumstances where indicators of impairment exist, an impairment test is required to determine if the carrying amount of the exploration and evaluation asset exceeds its estimated recoverable amount. The estimated recoverable amount is the greater of fair value less costs of disposal, and value in use. If the exploration and evaluation asset is determined to be impaired, the exploration and evaluation asset is written down to the estimated recoverable amount.

The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing and permitting to explore and complete the development of the properties, and future profitable production from the disposition of the minerals produced from the properties or by sale. Pre-exploration costs and general and administrative costs are expensed as incurred.

5. EXPLORATION AND EVALUATION ASSETS

As a result of the Agreement, exploration and evaluation assets were acquired which relate to the following:

- On December 4, 2021, the Company entered into the Amended and Restated Asset Purchase Agreement with Beta Energy Corp. and Voltaic Minerals (USA), Inc. for the purchase of the mineral property referred to as the Green Energy Project located in the State of Utah. Pursuant to the terms of the agreement, the Company issued to Beta Energy Corp. 1,000,000 common shares and at any time within twenty-four months following the closing date, the Company has the option to complete the acquisition by issuing to Beta Energy Corp. $950,000 worth of common shares at the market price, either in a single or multiple tranches.
- The total value of the acquisition was $50,000 (1,000,000 common shares, issued at $0.05 per share) and has been recorded as “Exploration and Evaluation Assets” on the statement of financial position.
- In addition, the Company had capitalized $117,422 in costs related to the exploration and evaluation of the property acquired.

In Canadian Dollars, unless noted (unaudited)

6. LOAN PAYABLE

As a result of the Agreement, loans payable were assumed which relate to the following:

- On November 18, 2020, the Company entered into a loan agreement with a non-arm's length party for $50,000, bearing interest at Prime plus 1% per annum due on November 18, 2021. On January 28, 2021, the Company entered into a further loan agreement with a non-arm's length party for $152,518 bearing interest at a rate of 4.00% per annum due on demand or before July 1, 2021. On April 19, 2021, the Company repaid $50,000 under the 4.00% loan payable.

As at June 30, 2022, $161,565 (March 31, 2022- $Nil) is outstanding, including $152,518 in principal plus $9,047 in accrued interest payable (March 31, 2022 - $Nil and $Nil, respectively).

7. PROMISSORY NOTE RECEIVABLE

During the year ended March 31, 2022, the Company and Numberco entered into a promissory note agreement ("Loan") to borrow up to $500,000 for the purpose of pursuing the Agreement. The Loan accrued interest at 10% per annum payable along with the principal on the earlier of the maturity date of six months from the effective date of the initial advance or the demand date. As a result of the Agreement, the total Loan of $150,000 and interest receivable of $2,630, were eliminated upon consolidation. See Note 1(b) for additional information.

8. SHARE CAPITAL

a) Authorized and Issued Share Capital

The authorized share capital consists of an unlimited number of common shares without par value.

Common shares issued and outstanding as at June 30, 2022 are 25,370,066 (March 31, 2022 – 20,000,100).

During the three months ended June 30, 2022, the Company had the following common share transactions:

	Description	Number of Shares	Amount ($)
Balance, March 31, 2022		**20,000,100**	**1,500,001**
May 19, 2022	Corporate transaction (Note 1b)	4,099,366	409,937
June 23, 2022	Settlement of indebtedness	1,270,600	533,652
Balance, June 30, 2022		**25,370,066**	**2,443,590**

On June 23, 2022, the Company entered into debt settlement agreements with certain creditors of the Company, pursuant to which it discharged aggregate indebtedness of $228,708 in consideration of the issuance of a total of 1,270,600 common shares of the Company at a fair value of $0.42 per common share. The Company recognized a loss on debt settlement of $304,944.

In Canadian Dollars, unless noted (unaudited)

b) Share Purchase Warrants

A summary of the Company's share purchase warrants ("warrants") is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, March 31, 2022	-	$ -
Granted - corporate transaction	10,000,000	0.10
Granted - corporate transaction	10,000,000	0.12
Balance, June 30, 2022	**20,000,000**	**$ 0.11**

As at June 30, 2022, the following warrants were outstanding and exercisable:

Number of Warrants	Exercise Price	Expiry Date
10,000,000	$0.10	October 25, 2023
10,000,000	$0.12	December 8, 2023
20,000,000		

The share purchase warrants have a weighted average remaining life of 1.38 years.

c) Share Purchase Options

A summary of the Company's share purchase options ("options") is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, March 31, 2022	**-**	**-**
Granted - corporate transaction	300,000	$0.50
Granted	1,300,000	$0.35
Balance, June 30, 2022	**1,600,000**	**$0.38**

At June 30, 2022, the following options were outstanding:

Grant Date	Number of Options	Exercisable	Exercise Price	Expiry Date	Weighted Average Remaining Life
April 22, 2021	300,000	300,000	$0.50	April 22, 2026	3.81
May 19, 2022	1,300,000	1,300,000	$0.35	May 19, 2024	1.89
	1,600,000	**1,600,000**	$0.38		2.25

Inputs used to calculate the fair value of the options issued were a stock price of $0.10, expected life of 2 years, volatility of 100% and a discount rate of 2.70%.

During the three months ended June 30, 2022, the Company recorded $1,833 as share-based compensation expense related to the fair value options vesting.

In Canadian Dollars, unless noted (unaudited)

d) Restricted Share Rights

A summary of the Company's restricted share rights ("RSRs") is as follows:

	Number of RSRs
Balance, March 31, 2022	**-**
Granted	1,000,000
Balance, June 30, 2022	**1,000,000**

The Company issued and granted 1,000,000 RSRs to it's CEO, with the following performance-based milestones:

- 500,000 RSRs will be released quarterly in four equal tranches beginning four months after the date of final acceptance of the Company's listing. As the Company was successfully listed on the CSE the RSRs were released on May 19, 2022.

  As a result, $2,158 has been recorded as share-based compensation expense related to the vesting of RSRs for the three months ended June 30, 2022.

- 500,000 of the RSRs will vest in three equal tranches based on the successful completion of the following:

  a) Successful launch of a pilot project;
  b) Successful fundraise of $5,000,000 in a single financing or in a series of financings; and
  c) Complete an acquisition or series of acquisitions in total value over $2,000,000.

  Management has applied vesting probability of 0% to the vesting of these RSRs and as a result, no share-based compensation has been recorded related to the remaining 500,000 RSRs.

9. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are those personnel having the authority and responsibility for planning, directing, and controlling the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

Related party transactions are conducted in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

The aggregate value of transactions relating to key management personnel during the three months ended June 30, 2022 were as follows:

For the Three Months Ended	**June 30, 2022**
	$
Consulting fees (to a company owned by the CEO)	26,000
Consulting fees (to a company owned by the CFO)	30,750
Share-based compensation (to directors and officers)	3,991
Total	**60,741**

As at June 30, 2022, a $77,406 balance was owing to key management personnel for fees and expenses incurred on behalf of the Company with these amounts all included in accounts payable and accrued liabilities. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

10. COMMITMENTS

The Company has a contract with a company controlled by the CEO and Director of the Company for monthly payments of $12,000 for a period of two years beginning in May 2021. The CEO shall receive and be granted an aggregate of 1,000,000 RSRs under the Company's equity incentive plan, with vesting subject to performance-based milestones (Note 8d).

11. RISK MANAGEMENT

a) Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

i. Credit Risk

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk on its $915,595 in cash (March 31, 2022 - $1,310,469) is low as the Company's cash is held with major Canadian financial institutions, or in trust with the Company's legal counsel. Credit risk related to account receivable is also low, as the balance related to GST refundable from the Government of Canada.

ii. Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at June 30, 2022 the Company's working capital surplus is $149,663 (March 31, 2022 - $1,342,656), and it does not have any long-term monetary liabilities. The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company intends to seek additional financing to better manage its liquidity risk to ensure it will have sufficient liquidity to meet its current and future liabilities.

iii. Market Risk

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and interest rate risk, affect the fair values of financial assets and liabilities. The Company is not exposed to these risks.

iv. Currency Risk

The operating results and financial position of the Company are reported in Canadian dollars. As the Company is exploring opportunities in an international environment, some of the Company's financial instruments and transactions are denominated in currencies other than the Canadian dollar. The results of the Company's operations are subject to minimal currency risk.

The Company has not entered into any agreements or purchased any foreign currency hedging instruments to hedge possible currency risks at this time. Management believes the foreign exchange risk derived from currency conversions is not significant, and therefore, does not hedge its foreign exchange risk.

b) Fair Values

The carrying values of cash, accounts receivable, prepaid expenses, accounts payable and accrued liabilities and loan payable approximate their fair values due to their short-term to maturity.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

12. SUBSEQUENT EVENTS

Subsequent to June 30, 2022, the Company:

i. Changed its name to “Pan American Energy Corp.” from “Golden Sun Mining Corp.”

ii. Entered into a property option agreement with Magabra Resources Corporation (the “Vendor”) pursuant to which the Company has been granted the right to acquire up to a 90% interest in the Big Mack Property (the “Property”), which consists of a single mining lease in the Paterson Lake Area. The Company has the right to acquire up to 90% in the following three phases of cash and share considerations:

1. Phase One
    - In phase one, the Company shall be entitled to acquire a 51% interest in and to the Property by:
    - $80,000 in cash payable to the Vendor within thirty days following the date of the agreement;
    - Issuing, within sixty days following the date of the agreement, such number of common shares of the Company to the Vendor having a value equal to $200,000, calculated on the date of issuance using the market price of the Shares on the Canadian Securities Exchange (the “CSE”) on such date, such common shares being subject to voluntary resale restrictions whereby, subject to applicable securities laws and stock exchange rules, 50% of such common shares shall be released to the Vendor immediately upon the date of issuance, and the remaining 50% shall be released four (4) months after the date of issuance; and
    - Incurring, within twelve months following the date of the agreement, $1,000,000 worth of exploration expenditures on the Property.

2. Phase Two
- Conditional upon completion of phase one, the Company shall be entitled to acquire an additional 24% interest in and to the Property, for a total interest of 75%, by:
- An additional $90,000 in cash payable to the Vendor on or before the date that is twelve months following the date of the agreement;
- Issuing, on or before the date that is twenty-four months following the date of the agreement, such additional number of common shares to the Vendor having a value equal to $400,000, calculated on the date of issuance using the market price of the common shares on the CSE on such date, such shares being subject to voluntary resale restrictions whereby, subject to applicable securities laws and stock exchange rules, 50% of such common shares shall be released
- to the Vendor immediately upon the date of issuance, and the remaining 50% shall be released four (4) months after the date of issuance; and
- Incurring, within twenty-four months following the Effective Date, an additional $1,000,000 worth of exploration expenditures on the Property.

3. Phase Three
- Conditional upon completion of phase one and phase two, the Company shall be entitled to acquire an additional 15% interest in and to the Property, for a total interest of 90%, by:
- An additional $30,000 in cash payable to the Vendor on or before the date that is thirty-six months following the date of the agreement;
- Issuing, on or before the date that is thirty-six months following the date of the agreement, such additional number of common shares to the Vendor having a value equal to $100,000, calculated on the date of issuance using the market price of the Shares on the CSE on such date, such common shares being subject to voluntary resale restrictions whereby, subject to applicable securities laws and stock exchange rules, 50% of such common shares shall be released to the Vendor immediately upon the date of issuance, and the remaining 50% shall be released four (4) months after the date of issuance; and
- Incurring, within thirty-six months following the date of the agreement, an additional $1,000,000 worth of exploration expenditures on the Property.
- Upon satisfaction of phase three, the Company will grant the Vendor a 2% net smelter returns royalty (the “NSR Royalty”), with the Company retaining the right to buy back from the Vendor the NSR Royalty for $2,000,000.