

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1            Name and Address of Company**

Pan American Energy Corp. (the “**Company**”)  
100 - 521 3rd Avenue SW  
Calgary, Alberta  
Canada T2P 3T3

**Item 2            Date of Material Change**

February 7, 2023

**Item 3            News Release**

The Company disseminated a news release announcing the material change described herein through the news dissemination services of Globe Newswire on February 8, 2023, and a copy was subsequently filed on SEDAR.

**Item 4            Summary of Material Change**

The Company announced that it has entered into an arrangement agreement (the “**Arrangement Agreement**”) with a newly incorporated, wholly-owned subsidiary of the Company named Legacy Lithium Corp. (“**Legacy**”) with respect to the proposed “spin out” of the Company’s Green Energy Lithium Property, located in Cane Creek Anticline, Grand County, Utah, USA (the “**Property**”).

Pursuant to the Arrangement Agreement, the Company’s interest in the Property will be “spun out” to shareholders of the Company by way of a plan of arrangement (the “**Arrangement**”) under the Business Corporations Act (British Columbia), subject to the terms and conditions of the Arrangement. The Arrangement involves, among other things, the distribution of 100% of the common shares of Legacy (the “**Legacy Common Shares**”) to Company shareholders pursuant to the terms and subject to the conditions contained in the Arrangement Agreement, such that each shareholder as of a particular record date, occurring immediately prior to closing of the Arrangement (the “**Record Date**”) will receive one Legacy Common Share for each five common shares of the Company held as of the Record Date,

**Item 5            Full Description of Material Change**

**5.1                Full Description of Material Change**

The Company announced that it has entered into the Arrangement Agreement with Legacy with respect to the proposed “spin out” of the Property.

Pursuant to the Arrangement Agreement, the Company’s interest in the Property will be “spun out” to shareholders of the Company by way of the Arrangement, subject to the terms and conditions of the Arrangement Agreement. The Company’s shareholders will vote on the Arrangement at a special meeting of shareholders (the “**Meeting**”) to be held on April 11<sup>th</sup>, 2023. Prior to the effective date of the Arrangement, the Company plans to transfer all of its ownership interest in the Property, currently held in its wholly-owned subsidiary Pan American Energy, LLC, into Legacy, along with certain related assets, which, together, will be the initial assets of Legacy. To be effective, the Arrangement must be approved by a special resolution passed by at least 66<sup>2/3</sup>% of the votes cast by Company shareholders present in person or represented by proxy at the Meeting, which shareholders are entitled to one vote for each Company share held.

The Arrangement involves, among other things, the distribution of 100% of the Legacy Common Shares to Company shareholders pursuant to the terms and subject to the conditions contained in the Arrangement Agreement, such that each shareholder as of the Record Date will receive one Legacy Common Share for each

five common shares of the Company held as of the Record Date. It is anticipated that the Record Date of the Arrangement will be on or about April 17<sup>th</sup>, 2023 and the closing date of the Arrangement will occur on or about April 19<sup>th</sup>, 2023. In connection with the Arrangement, share purchase warrants of the Company will be adjusted in accordance with their terms, as described in more detail in the information circular (“**Circular**”) that will be mailed to shareholders prior to the Meeting.

Only Pan American shareholders as of the close of business on the Record Date will be entitled to Legacy Common Shares upon the closing of the Arrangement. Any Pan American shareholder who sells their Pan American shares prior to the Record Date, and who does not re-acquire Pan American shares before the Record Date, will not be entitled to Legacy Common Shares upon the closing of the Arrangement.

After careful consideration, the board of directors of the Company determined that the Arrangement is fair to shareholders and is in the best interests of the Company. A description of the various factors considered by the board of directors in arriving at this determination will be provided in the Circular.

After the closing of the Arrangement, the common shares of the Company are expected to continue trading on the Canadian Securities Exchange (the “**CSE**”) under the symbol PNRG, on the OTC Pink Market in the United States under the symbol “PAANF” and on the Frankfurt Exchange under the symbol “SS6”. Following the completion of the Arrangement, it is expected that Legacy will apply to be listed on the CSE.

There will be no change in shareholders’ holdings in Pan American as a result of the Arrangement.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

For further information, please contact Jason Latkowcer, Chief Executive Officer and Director of the Company, at 587-885-5970 or via email to [info@panam-energy.com](mailto:info@panam-energy.com).

**Item 9 Date of Report**

February 10, 2023