NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE

SPECIAL MEETING OF SHAREHOLDERS

OF

PAN AMERICAN ENERGY CORP.

TO BE HELD ON

APRIL 11, 2023

With respect to a Proposed Plan of Arrangement involving Pan American Energy Corp. and Legacy Lithium Corp.

DATED: MARCH 8, 2023

PAN AMERICAN ENERGY CORP.
100 - 521 3rd Avenue SW
Calgary, Alberta, Canada, T2P 3T3

March 8, 2023

Dear fellow Shareholders:

On behalf of the Board of Directors (the "**Board**") of Pan American Energy Corp. ("**Pan American**" or the "**Company**"), I would like to invite you to attend the special meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of the Company to be held at the offices of the Company's legal counsel, DLA Piper (Canada) LLP, at 2800 – 666 Burrard Street, Vancouver, British Columbia, V6C 2Z7 on Tuesday, April 11, 2023, at 10:00 a.m. (Pacific Time).

At the Meeting, you will be asked to consider and vote upon a special resolution approving a statutory plan of arrangement (the "**Arrangement**") whereby the Company will spin out its Green Energy lithium project in Utah (the "**Green Energy Property**"), and certain related assets to the Shareholders. The Arrangement involves, among other things, the distribution of common shares (the "**Legacy Common Shares**") of Legacy Lithium Corp. to existing Shareholders such that each Shareholder will hold: (i) one new common share of the Company ("**New Common Share**") for each common share of the Company ("**Old Common Share**") held on the effective date of the Arrangement; and (ii) one-fifth of a Legacy Common Share for every Old Share held on the effective date of the Arrangement. Warrants of the Company will also be adjusted pursuant to the Arrangement, as described in more detail in the enclosed Notice of Meeting and Management Information Circular (the "**Circular**").

Upon completion of the Arrangement, Legacy will own 100% of the issued and outstanding shares of Pan American Energy, LLC, which owns the Green Energy Property. Shareholders will hold 100% of the outstanding Legacy Common Shares upon completion of the Arrangement. Detailed information regarding the Arrangement is contained in the attached Circular.

To be effective, the Arrangement must be approved by not less than two-third of the votes cast by the Shareholders present in person or represented by proxy at the Meeting. Without the required level of Shareholder approval, the proposed Arrangement cannot be completed. Completion of the Arrangement is also subject to certain required regulatory approvals, including the approval of the Supreme Court of British Columbia (the "**Court**"), and completion of other customary closing conditions, all of which are described in more detail in the Circular.

After careful consideration, the Board has unanimously 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 in arriving at this determination is contained in the enclosed Circular. **The Board has unanimously approved the Arrangement and recommends that Shareholders vote in favour of the special resolution approving the Arrangement.**

Your vote on the matters to be acted upon at the Meeting is important, regardless of how many securities of Pan American you own. We have ensured that voting is easy and accessible. You can vote in person or by proxy at the Meeting, and by proxy on the internet, by phone, by fax or by mail. If the requisite approvals are obtained, an order of the Court approving the Arrangement will be sought following the Meeting. We hope that you will be able to attend the Meeting in person; however, if you cannot attend, please complete and return the applicable enclosed form of proxy or voting information form in accordance with the instructions set out in the Circular.

If you have any questions about the information contained in the circular or require assistance in completing your proxy or voting information form, please contact myself, Jason Latkowcer, at info@panam-energy.com. We are always available to answer your questions.

On behalf of the Company, we thank you for your past and ongoing support.

Sincerely,

(Signed) *"Jason Latkowcer"*
President, CEO and Director

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 11, 2023

NOTICE IS HEREBY GIVEN that the special meeting (the "**Meeting**") of the holders of common shares (the "**Shareholders**") of Pan American Energy Corp. (the "**Company**" or "**Pan American**") will be held at the offices of the Company's legal counsel, DLA Piper (Canada) LLP, at 2800 – 666 Burrard Street, Vancouver, British Columbia, V6C 2Z7 on Tuesday, April 11, 2023, at 10:00 a.m. (Pacific Time). At the Meeting, shareholders will be asked to consider the following matters:

1. to consider and, if deemed appropriate, to pass, with or without variation, a special resolution of the Shareholders (the "**Arrangement Resolution**"), the full text of which is attached as Schedule "A" to the Circular for a statutory arrangement (the "**Arrangement**") under section 288 of the *Business Corporations Act* (British Columbia) which involves, among other things, the distribution of common shares of Legacy Lithium Corp ("**Legacy**") to the Shareholders on the basis of one-fifth of a Legacy common share for each common share of Pan American held on the effective date of the Arrangement. The warrants of Pan American will also be adjusted pursuant to the Arrangement as described in more detail in the enclosed management information circular (the "**Information Circular**"); and

2. to transact such further or other business as may be properly brought before the Meeting or at any continuation of the Meeting following an adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting. Copies of the Arrangement Resolution, the plan of arrangement, the interim order and notice of hearing for the final order are attached to the Circular as Schedules "A", "B", and "C", respectively. The board of directors of the Company (the "**Board**") has approved the contents of the Information Circular and the distribution of the Information Circular to Shareholders. All Shareholders are reminded to review the Information Circular before voting. Although no other matters are contemplated, the Meeting may also consider the transaction of such further or other business, and any permitted amendment to or variation of any matter identified in this Notice, as may properly come before the Meeting or at any continuation of the Meeting following an adjournment or postponement thereof.

The Board has fixed the close of business on February 27, 2023, as the record date for the determination of the Shareholders entitled to receive notice of, and to vote at, the Meeting, or at any continuation of the Meeting following an adjournment or postponement thereof. Only Shareholders at the close of business on February 27, 2023 are entitled to receive notice of and vote at the Meeting or at any continuation of the Meeting following an adjournment or postponement thereof. Shareholders are entitled to vote at the Meeting either in person or by proxy, as described in the Information Circular under the heading "*Section 2 – Proxies and Voting Rights*". For information with respect to Shareholders who own their shares through an intermediary, see "*Section 2 – Proxies and Voting Rights – Advice to Beneficial Holders (Non-Registered Holders)*" in the Information Circular.

Registered Shareholders have a right of dissent with respect to the proposed arrangement and to be paid the fair value of their common shares of the Company. The dissent rights are described in the accompanying Information Circular. A Registered Shareholder who intends to exercise a right of dissent should carefully consider and comply with the provisions of sections 237 to 247 of the *Business Corporations Act* (British Columbia), as modified by the interim order, which are attached to the Circular as Schedule "D", and should seek independent legal advice. Failure to strictly comply with the provisions of those sections, as modified by the interim order, and to adhere to the procedures established therein may result in the loss of all rights thereunder.

In order to streamline the Meeting process, the Company encourages Shareholders to vote in advance of the Meeting using the form of proxy or voting instruction form provided with the Meeting materials and submit votes no later than Thursday, April 6, 2023, at 10:00 a.m. (Pacific Time) (or no later than 48 hours, excluding Saturdays, Sundays and statutory holidays, prior to the date on which the Meeting or any postponement or adjournment thereof is held), the cut-off time for the deposit of proxies prior to the Meeting, or such earlier time as may be directed in the form.

The Canadian Securities Exchange has neither reviewed nor approved the disclosure in the Information Circular.

If you have any questions relating to the Meeting, please contact the Corporation at info@panam-energy.com.

DATED at Vancouver, British Columbia, this 8 day of March, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ *Jason Latkowcer*
Jason Latkowcer
Chief Executive Officer, President and Director

MANAGEMENT INFORMATION CIRCULAR
As at March 8, 2023

SECTION 1 - INTRODUCTION

This management information circular (the "**Information Circular**") accompanies the notice of special meeting (the **"Notice"**) and is furnished to shareholders (the **"Shareholders**") holding common shares ("**Common Shares**") in the capital of Pan American Energy Corp. (the "**Company**" or "**Pan American**") in connection with the solicitation by the management of the Company of proxies to be voted at the special meeting (the "**Meeting**") of the Shareholders to be held on Tuesday, April 11, 2023, at 10:00 a.m. (Pacific Time), in-person at the offices of the Company's legal counsel, DLA Piper (Canada) LLP, at 2800 – 666 Burrard Street, Vancouver, British Columbia, V6C 2Z7, or at any continuation of the Meeting following an adjournment or postponement thereof.

INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is given as of March 8, 2023.

No person has been authorized to give any information or to make any representation in connection with the matters being considered herein other than those contained in this Information Circular and, if given or made, such information or representation should be considered or relied upon as not having been authorized. This Information Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer of proxy solicitation. Neither the delivery of this Information Circular nor any distribution of securities referred to herein shall, under any circumstances, create any implication that there has been no change in the information set forth herein since the date of this Information Circular.

Information contained in this Information Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection with the matters considered in this Information Circular.

The Arrangement has not been approved or disapproved by any securities regulatory authority, nor has any securities regulatory authority passed upon the fairness or merits of the Arrangement or upon the accuracy or adequacy of the information contained in this Information Circular and any representation to the contrary is unlawful.

The Canadian Securities Exchange has neither reviewed nor approved the disclosure in this Information Circular.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND RISKS

This Information Circular and the documents incorporated into this Information Circular by reference, contain "forward-looking information" within the meaning of the applicable Canadian securities legislation

("**forward-looking statements**"). In some cases, forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict", "assume", "budget", "strategy", "scheduled", "forecast", "target" or "likely", or the negative forms of these terms, or other similar expressions (or variations of such words or phrases) or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. In particular, forward-looking statements in this Information Circular (and the documents incorporated by reference) include, but are not limited to, statements with respect to: the Arrangement; the timing for the implementation of the Arrangement and the potential benefits of the Arrangement; the likelihood of the Arrangement being completed; steps of the Arrangement; statements relating to the business and future activities of, and developments related to, the Company and Legacy after the date of this Information Circular and prior to the Effective Time of the Company and Legacy after the Effective Time; receipt of approval of the Shareholders and the Supreme Court of British Columbia (the "**Court**") approval of the Arrangement; regulatory approval of the Arrangement; market position, and future financial or operating performance of Legacy; financial or operating performance of the Company and Legacy; the Company's and Legacy's operating plans and strategies; planned exploration expenditures on the Green Energy Property (as defined below), the Big Mack property, located in the Paterson Lake Area, Ontario, Canada (the "**Big Mack Property**") and the Horizon property, located in the Big Smoky and Monte Cristo Basins of Esmeralda County, Nevada (the "**Horizon Property**"); the potential exercise of the options granted to the Company under the property option agreement dated August 22, 2022 for the Big Mack Property and the property option agreement dated September 28, 2022 for the Horizon Property; Legacy's plans regarding the Green Energy Property and the Company's plans regarding the Big Mack Property and the Horizon Property; proposed exploration activities at the Green Energy Property, the Big Mack Property and the Horizon Property, the potential of such activities to establish mineral resources or mineral reserves and the timing and results of any future mineral reserve or mineral resource estimates undertaken at any of the Company's or Legacy's properties; the anticipated timing, results, benefits, costs and parameters of other exploration and development plans; the future viability of the Green Energy Property, the Big Mack Property and the Horizon Property; the prospect of developing a mine at, or producing minerals from, the Green Energy Property, the Big Mack Property or the Horizon Property; Legacy's activities at the Green Energy Property and the Company's activities at the Big Mack Property and the Horizon Property; the potential acquisition of additional mineral properties or property concessions; the Company's and Legacy's ability to obtain and maintain licenses, permits and regulatory approvals required to implement their proposed activities; the future impact of, and future delays and disruptions caused by, the novel coronavirus, contagious diseases or other global pandemics or epidemics; the Company's and Legacy's requirements for additional capital, the adequacy of the Company's and Legacy's financial resources (and their ability to continue as a going concern) and the Company's and Legacy's ability to raise additional capital and/or pursue additional strategic options, including the potential impact on the Company's business, financial condition and results of operations of doing so or not; the intended use of proceeds from previously completed financings; and capital allocation plans. All statements other than statements of historical fact, included in this Information Circular (and the documents incorporated by reference), including, without limitation, statements regarding the future plans and objectives of the Company and Legacy, predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events are forward-looking statements.

These forward-looking statements are not historical facts and are not guarantees of future performance and involve assumptions, estimates and risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Forward-looking statements are based on the assumptions, beliefs, expectations and opinion of management on the date the statements are made concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration and development activities, commitments and future opportunities, many of which are difficult to predict and beyond our control. In connection with the forward-looking information contained in this Information Circular and the documents

incorporated by reference, we have made certain assumptions about, among other things, the anticipated approval of the Arrangement by Shareholders and the Court; the anticipated receipt of any required regulatory approvals and consents; the expectation that each of Pan American and Legacy will comply with the terms and conditions of the Arrangement Agreement; the expectation that no event, change or other circumstance will occur that could give rise to the termination of the Arrangement Agreement; that no unforeseen changes in the legislative and operating framework for the respective businesses of Pan American and Legacy will occur; that each company will meet its future objectives and priorities; that each company's future projects and plans will proceed as anticipated; general economic and industry growth rates; currency exchange and interest rates; competitive intensity in the Company's and Legacy's business operations; that no significant event will occur outside the Company's and Legacy's normal course of business operations; the future impact of pandemics, endemics and epidemics; the demand for and future prices of metals and other commodities; the Company's and Legacy's financial resources and their ability to raise any necessary additional capital on reasonable terms; the Company's and Legacy's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the actual geology of the Green Energy Property aligning with the description of the Green Energy Property in the NI 43-101 technical report on the Green Energy Property; the actual geology of the Big Mack Property aligning with the description of the Big Mack Property in the NI 43-101 technical report on the Big Mack Property; the accuracy of budgeted exploration costs and expenditures; operating conditions being favourable such that the Company and Legacy is able to operate in a safe, efficient and effective manner; the Company's and Legacy's ability to attract and retain skilled personnel and directors; political and regulatory stability; market (including labour, financial and capital market) conditions in Canada and the United States of America; the timely receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, licenses and permits on favourable terms and in a timely manner; stability in the requirements placed on the Company and Legacy under applicable laws; sustained labour stability; availability of certain consumables and services; labour and materials costs; stability in financial and capital markets; results, costs and timing of future exploration and drilling programs; and the Company's and Legacy's relationship with local groups. Although management considers those assumptions to be reasonable on the date of this Information Circular (or on the date that such assumptions were made) based on information available to them, these assumptions are subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements. The Company cautions that the foregoing list of assumptions is not exhaustive. Other events or circumstances could cause action results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained in this Information Circular or the documents incorporated by reference.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, actions, events, conditions, performance or achievements to be materially different from those expressed or implied by the forward-looking statements, including, without limitation, those related to: the Arrangement Agreement (as defined below) may be terminated at the discretion of the board of directors of the Company or Legacy; general business, economic, competitive, political, regulatory and social uncertainties; uncertainty related to mineral exploration properties; risks related to instability in the global economic climate; dilutive effects to Shareholders; risks related to the ability to complete acquisitions; risks related to the ability of the Company or Legacy to find appropriate joint venture partners; environmental risks; community and non-governmental actions and regulatory risks; risks with respect to the Company and Legacy continuing as a going concerns; the Company's ability to meet financial commitments in respect of the property option agreement dated August 22, 2022 for the Big Mack Property and the property option agreement dated September 28, 2022 for the Horizon Property; exploration, development and operating risks; the Company's and Legacy's dependence on few mineral properties; the early stage status of the Company's and Legacy's mineral properties and the nature of exploration;

fluctuations in commodity prices; the growth of the lithium market; fluctuations in currency rates; the dependence of the Company and Legacy on their key personnel; conflicts of interest; the conflict in Ukraine and related geopolitical risks; information technology, including cyber security risks; minority interests, earn-in agreements, joint venture operations and similar arrangements; relationships with local communities and Aboriginal Groups (as defined below); social and environmental activism; environmental laws, regulations and permitting requirements and environmental hazards; the application for and receipt of required permits and approvals; potential acquisitions and their integration with the Company's or Legacy's business; compliance with laws; the Company's and Legacy's requirements for additional capital; factors inherent in the exploration and development of mineral properties that are outside of the Company's and Legacy's control; title to mineral properties; adverse general economic conditions; access to and the availability of adequate infrastructure; limits of insurance coverage and the occurrence of uninsurable risks; competitive conditions in the mineral exploration and mining businesses; human error; the influence of third party stakeholders; the growth of the Company and Legacy; compliance with the *Canadian Extractive Sector Transparency Measures Act* (Canada); litigation or other proceedings; operating in foreign jurisdictions; reliance on international advisors and consultants; expansion into other geographical areas; outbreaks of contagious diseases; investment in the Common Shares (as defined below) and Legacy Common Shares (as defined below); the volatility of the market price for the securities of mining companies and the market price for the Common Shares; the Company's and Legacy's policy regarding the payment of dividends; the Company's inability to maintain the listing of the Common Shares on a stock exchange; Legacy's inability to obtain a listing of the Legacy Common Shares (as defined below) and the Company's and Legacy's compliance with evolving corporate governance and public disclosure regulations.

The factors identified above are not intended to represent a complete list of the risks and factors that could affect any of the forward-looking statements. For a further description of these and other factors that could cause actual results to differ materially from the forward-looking statements included in or incorporated into this Information Circular, see the risk factors discussed under "*Section 5 - Particulars of Matters to be Acted Upon – The Arrangement – Arrangement Risk Factors* " in this Information Circular and "*Schedule "K" – Information Concerning Legacy Lithium Corp. – Risk Factors"*, as well as the risk factors included in the annual information form of the Company dated December 14, 2022 for the year ended April 30, 2022 and as described from time to time in the reports and disclosure documents filed by Pan American with Canadian securities regulatory authorities, which are available under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results, actions, events, conditions, performance or achievements not to be as anticipated, estimated or intended. Forward-looking statements are not a guarantee of future performance. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

All forward-looking statements included in or incorporated by reference into this Information Circular are qualified by these cautionary statements. The forward-looking statements contained herein are made as of the date of this Information Circular (or, in the case of forward-looking statements incorporated by reference herein, as of the date they are made) and are subject to change after such date. Except as required by applicable law, neither Pan American nor Legacy undertakes any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

NOTICE TO SECURITYHOLDERS IN THE UNITED STATES

THE ARRANGEMENT AND THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN REVIEWED, APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ("SEC") OR BY

SECURITIES REGULATORY AUTHORITIES IN ANY STATE IN THE UNITED STATES, NOR HAS THE SEC NOR ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE IN THE UNITED STATES PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The securities to be issued to Shareholders pursuant to the Arrangement described in this Information Circular have not been and will not be registered under the U.S. Securities Act of 1933 (the "**U.S. Securities Act**") or any U.S. state securities laws, and are being issued and distributed, respectively, in reliance on the exemption from requirements of registration under the U.S. Securities Act set forth in Section 3(a)(10) thereof and exemptions provided under the securities laws of any state of the United States in which the Shareholders reside. Section 3(a)(10) of the U.S. Securities Act provides an exemption from registration under the U.S. Securities Act for offers and sales of securities to be issued in exchange for one or more bona fide outstanding securities where the terms and conditions of the issuance and exchange of such securities have been approved by a court authorized to grant such approval after a hearing upon the fairness of the terms and conditions of the issuance and exchange as to which all persons to whom the securities are proposed to be issued are provided timely notice and have the right to appear. The Court issued an interim order on March 8, 2023 (the "**Interim Order**") and, subject to the approval of the Arrangement by the Shareholders, a hearing for the final order approving the Arrangement will be held at 10:00 a.m. (Pacific time) on April 14, 2023 (or as soon thereafter as legal counsel can be heard) at 800 Smithe Street, Vancouver, British Columbia, Canada (the "**Final Order**"). All Shareholders are entitled to appear and be heard at this hearing. The Final Order will constitute a basis for the exemption from the registration requirements of the U.S Securities Act provided by Section 3(a)(10) thereof with respect to the securities to be issued pursuant to the Arrangement. Prior to the hearing on the Final Order, the Court will be informed of this effect of the Final Order. See " *Section 5 - Particulars of Matters to be Acted Upon – The Arrangement – Court Approval of the Arrangement*" in this Information Circular.

The securities of Pan American and Legacy to be issued to Shareholders pursuant to the Arrangement will generally be freely transferable under U.S. federal securities laws, except by persons who are "affiliates" (as such term is understood under U.S. securities laws) of Pan American and Legacy after the Effective Date, or were "affiliates" of Pan American and Legacy within 90 days prior to the Effective Date. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of such securities by such an affiliate (or former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent applicable exemptions therefrom, which exemptions may apply, subject to certain limitations, to resales outside the United States pursuant to and in accordance with Regulation S under the U.S. Securities Act, or transactions completed in accordance with Rule 144 under the U.S. Securities Act, if available.

Shareholders should be aware that the acquisition by Shareholders of the securities pursuant to the Arrangement described herein may have tax consequences both in Canada and the United States. Such consequences for Shareholders may not be described fully herein. Shareholders are advised to review the summary contained in this Information Circular under the heading "*Section 5 - Particulars of Matters to be Acted Upon - The Arrangement - Material Income Tax Considerations*", and all Shareholders are urged to consult their own tax advisors to determine the particular tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction.

Pan American is a company existing under the laws of British Columbia, Canada. The solicitation of the Company proxies is being made and the transactions contemplated herein are being undertaken by a

Canadian issuer in accordance with Canadian corporate and securities laws and is not subject to the requirements of Section 14(a) of the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**") by virtue of an exemption applicable to proxy solicitations by "foreign private issuers" (as defined in Rule 3b-4 under the U.S. Exchange Act). Accordingly, this Information Circular has been prepared in accordance with the applicable disclosure requirements in Canada, and the solicitations and transactions contemplated in this Information Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and securities laws, which are different from the requirements applicable to proxy solicitations under the U.S. Exchange Act. Shareholders should be aware that disclosure requirements under such Canadian laws are different from requirements under United States corporate and securities laws relating to issuers organized under United States laws, and this Information Circular has not been filed with or approved by the U.S. Securities and Exchange Commission (the "**SEC**") or the securities regulatory authority of any state within the United States.

The enforcement by Shareholders in the United States of civil liabilities under United States federal securities laws may be affected adversely by the fact that each of the Company and Legacy are incorporated in jurisdictions outside the United States, each of their directors and executive officers are residents of Canada and certain of their assets and the assets of such persons are located outside the United States. Shareholders in the United States may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court. As a result, it may be difficult or impossible for Shareholders in the United States to effect service of process within the United States upon the Company, Legacy, their respective officers or directors or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, Shareholders resident in the United States should not assume that Canadian courts: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the securities laws of the United States or "blue sky" laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the securities laws of the United States or "blue sky" laws of any state within the United States.

The financial statements of the Company and Legacy included herein have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and are subject to Canadian auditing and auditor independence standards. As a result, such financial statements and financial information of the Company and Legacy may not be comparable to and may differ in material ways to financial statements prepared in accordance with U.S. GAAP and United States auditing and auditor independence standards. Shareholders in the United States should consult with their own professional advisors for an understanding of the differences between IFRS and U.S. GAAP, and of how those differences might affect the financial information presented herein.

In addition, unless otherwise indicated, all disclosure regarding the Company's or Legacy's mineral properties included in this Information Circular and the documents incorporated by reference herein have been prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**") and the Canadian Institute of Mining, Metallurgy and Petroleum – CIM Definition Standards on mineral resources and mineral reserves, adopted by the CIM Council, as amended. These standards differ significantly from the mineral property disclosure requirements of the SEC in Regulation S-K Subpart 1300 (the "**SEC Modernization Rules**") under the U.S. Exchange Act. Accordingly, the Company's disclosure of scientific and technical information in this Information Circular and the documents incorporated herein by reference may differ significantly from the information that would be disclosed had the Company or Legacy prepared the information under the standards adopted under the SEC Modernization Rules.

No broker, dealer, salesperson or other person has been authorized to give any information or make any representation other than those contained in this Information Circular and, if given or made, such information or representation must not be relied upon as having been authorized by the Company.

CURRENCY

Unless otherwise indicated herein, references to "$", "CAD$" or "Canadian dollars" are to Canadian dollars, and references to "US$" or "U.S. dollars" are to United States dollars.

REPORTING CURRENCIES AND ACCOUNTING PRINCIPLES

The financial statements of the Company and Legacy in this Information Circular are reported in Canadian dollars and have been prepared in accordance with IFRS.

SECTION 2 – PROXIES AND VOTING RIGHTS

MANAGEMENT SOLICITATION

The solicitation of proxies by management of the Company ("**Management**") will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

REGISTERED SHAREHOLDERS APPOINTMENT OF PROXY

Registered Shareholders are entitled to vote at the Meeting. Registered Shareholders are entitled to one vote for each Common Share that any such Shareholder holds on the record date of February 27, 2023 (the "**Record Date**") on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The purpose of a proxy is to designate persons who will vote the proxy on a Registered Shareholder's behalf in accordance with the instructions given by the Registered Shareholder in the proxy. The persons named as proxyholders (the "**Management Nominees**") in the enclosed form of proxy are officers of the Company. Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person.

A REGISTERED SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE REGISTERED SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS SUCH SHAREHOLDER'S PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW SUCH SHAREHOLDER'S COMMON SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company's registrar and transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department, by mail, fax, telephone voting system or via the Internet at least two business days (excluding Saturdays, Sundays and holidays) prior to the scheduled time of the Meeting, or any adjournment(s) thereof. Proxies received after that time may be accepted by the Chair of the Meeting at the Chair of the Meeting's discretion, and the Chair of the Meeting is under no obligation to accept late proxies.

To vote by mail, complete, sign and date your form of proxy and return in the envelope provided. You may also deliver your completed, signed and dated form of proxy by hand to the address for the Transfer Agent in Toronto above or to 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3B9.

To vote by fax, complete, sign and date your form of proxy and forward it by fax (toll-free Canada and the U.S.) to 1-866-249-7775 or outside Canada and the U.S. to (416) 263-9524.

To vote using the telephone, please call 1-866-732-VOTE (8683) from a touch tone telephone. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed form of proxy for the holder's account number and the proxy access number.

To vote using the Internet, please visit the website www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed form of proxy for the holder's account number and the proxy access number.

To vote by telephone or the Internet, you will need to provide your Control Number as shown on your form of proxy.

Alternatively, please follow the voting instructions shown on the voting instruction form you receive.

A proxy is be valid unless it is dated and signed by the Registered Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Registered Shareholder or joint Registered Shareholders, or by an officer or attorney-in-fact for a corporate Registered Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarized certified copy thereof, must accompany the form of proxy.

REVOCATION OF PROXIES

A Registered Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Registered Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to Computershare Investor Services Inc., 100

University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned, any reconvening thereof, or (ii) to the Chair of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Registered Shareholder, or (b) submission of a subsequent proxy in accordance with the procedures discussed under the heading "*Registered Shareholders Appointment of Proxy*".

A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation. **Only registered Shareholders have the right to revoke a proxy. Non-Registered Shareholders who wish to change their vote must arrange for their respective intermediary to revoke the proxy on their behalf.**

VOTING OF SHARES AND PROXIES AND EXERCISE OF DISCRETION BY MANAGEMENT NOMINEES

A Registered Shareholder may indicate the manner in which the Management Nominees are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. If the instructions as to voting indicated in the proxy are certain, the shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. **The securities represented by a proxy will be voted or withheld from voting in accordance with the instructions of the registered Shareholder on any ballot that may be called for and if the registered Shareholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE MANAGEMENT NOMINEES, OR SUCH OTHER PERSON(S), NAMED IN THE FORM OF PROXY. THE MANAGEMENT NOMINEES INTEND TO VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, Management is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the shares on any matter, the shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL HOLDERS (NON-REGISTERED HOLDERS)

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders are "non-registered" Shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which Common Shares were purchased or are held. More particularly, a person is not a registered Shareholder in respect of Common Shares which are held on behalf of that person (the "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others,

banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depositary Services Inc. or CDS & Co.) of which the Intermediary is a participant. In accordance with the requirements set out in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), the Company has distributed copies of the Notice, this Information Circular, the form of proxy and the letter of transmittal (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

(a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of securities beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or

(b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a "**Proxy Authorization Form**") which the Intermediary must follow. Typically, the Proxy Authorization Form will consist of a one-page pre-printed form. Sometimes, instead of a one-page pre-printed form, the proxy authorization will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a Proxy Authorization Form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company. If you are an US beneficial holder, you must request a legal proxy form from your intermediary, granting you or your proxyholder, as the case may be, the right to attend the Meeting and vote during the Meeting, and return the legal proxy to Computershare by email at uslegalproxy@computershare.com at least two business days (excluding Saturdays, Sundays and holidays) prior to the scheduled time of the Meeting, or any adjournment(s) thereof.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of Common Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Management Nominees named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or Proxy Authorization Form is to be delivered.

There are two types of beneficial owners: (i) those who object to their identity being made known to the issuers of securities which they own ("**Objecting Beneficial Owners**" or "**OBOs**"), and (ii) those who do not object to their identity being made known to the issuers of securities which they own ("**Non-Objecting**

Beneficial Owners" or "**NOBOs**"). Subject to the provisions of NI 54-101, issuers may deliver proxy-related materials directly to NOBOs.

The Company is sending these Meeting Materials directly to registered Shareholders and NOBOs. If you are a NOBO, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares on your behalf.

The Company does not intend to pay for Intermediaries to forward the Meeting Materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. If you are an OBO, you will not receive the Meeting Materials unless your Intermediary assumes the cost of delivery.

NOTICE-AND-ACCESS

The Company is not relying on the "Notice and Access" delivery procedures outlined in NI 54-101 to distribute copies of proxy-related materials in connection with the Meeting. However, the Company is electronically delivering proxy-related materials to Shareholders who have requested such delivery method and encourages Shareholders to sign up for electronic delivery ("**e-Delivery**") of all future proxy materials. The proxy materials for the Meeting can be found on SEDAR at www.sedar.com under the Company's profile and on the Company's website at www.panam-energy.com.

SECTION 3 - VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

VOTING OF COMMON SHARES

The Company is authorized to issue an unlimited number of common shares without par value. As at the Record Date, determined by the Board to be the close of business on February 27, 2023, a total of 46,839,780 Common Shares were issued and outstanding.

Only registered Shareholders as at the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement thereof. There are not cumulative or similar voting rights attached to the Common Shares. Each Shareholder is entitled to one vote for each Common Share registered in his or her name.

PRINCIPAL HOLDERS OF COMMON SHARES

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to all outstanding Common Shares as at the Record Date.

QUORUM

Pursuant to the Company's Articles, subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of Shareholders is one (1) person who is, or represents by proxy, a Shareholder holding, in the aggregate, at least five percent (5%) of the issued Common Shares entitled to be voted at the meeting.

SECTION 4 - INTEREST OF CERTAIN PERSON AND COMPANIES IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting.

SECTION 5 - PARTICULARS OF MATTERS TO BE ACTED UPON

MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OTHER THAN THOSE REFERRED TO IN THE NOTICE. HOWEVER, IF ANY OTHER MATTERS THAT ARE NOT KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE ACCOMPANYING FORM OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN TO VOTE ON SUCH MATTERS IN ACCORDANCE WITH THEIR BEST JUDGMENT.

Additional detail regarding each of the matters to be acted upon at the Meeting is set forth below.

1. THE ARRANGEMENT

Terms used herein but not otherwise defined shall have the meaning ascribed to such term in the amended and restated arrangement agreement dated March 2, 2023 (the "**Arrangement Agreement**") between the Company and Legacy Lithium Corp. ("**Legacy**"), which amended and restated the arrangement agreement dated February 7, 2023 between the Company and Legacy.

At the Meeting, Shareholders will be asked to consider and, if determined advisable, to pass, the Arrangement Resolution to approve the Arrangement under the *Business Corporations Act* (British Columbia) ("**BCBCA**") pursuant to the terms of the Arrangement Agreement and the plan of arrangement proposed pursuant thereto (the "**Plan of Arrangement**"). The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which has been filed by the Company under its profile on SEDAR at www.sedar.com, and the Plan of Arrangement, which is attached to this Information Circular as Schedule "B".

In order to become effective, the Arrangement must be approved by at least two-thirds of the votes cast at the Meeting by the Shareholders, present in person or represented by proxy and entitled to vote at the Meeting. A copy of the Arrangement Resolution is set out in Schedule "A" of this Circular.

Unless otherwise directed, it is the intention of the Management Nominees, and the other members of the management and board of directors of the Company to vote FOR the Arrangement Resolution. If you do not specify how you want your Common Shares voted, the Management Nominees will cast the votes represented by your proxy at the Meeting FOR the Arrangement Resolution.

If the Arrangement is approved at the Meeting and the Final Order approving the Arrangement is issued by the Court and the other applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement will take effect commencing at the Effective Time (which will be at 12:01 a.m. (Vancouver time)) on the Effective Date (which is expected to be in April 2023).

Principal Steps of the Arrangement

The following description is qualified in its entirety by reference to the full text of the Plan of Arrangement, a copy of which is attached as Schedule "B" to this Information Circular. Shareholders are urged to carefully read the Plan of Arrangement in its entirety.

At the Effective Time and pursuant to the Plan of Arrangement, the following transactions, among others, will occur and will be deemed to occur sequentially in the following order:

- each Common Share outstanding in respect of which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights shall be directly transferred and assigned by such Dissenting Shareholder to the Company, without any further act or formality and free and clear of any liens, charges and encumbrances of any nature whatsoever, and will be cancelled and cease to be outstanding and such Dissenting Shareholders will cease to have any rights as Shareholders other than the right to be paid the fair value for their Common Shares by the Company;

- The authorized share structure of the Company will be reorganized and altered by:

    - renaming and redesignating all of the issued and unissued Common Shares as "Class A common shares without par value" and amending the special rights and restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the "**Pan Am Class A Shares**"; and

    - creating a new class consisting of an unlimited number of "common shares without par value" with terms and special rights and restrictions identical to those of the Common Shares immediately prior to the Effective Time, being the "**New Common Shares**";

- The Company's Notice of Articles shall be amended to reflect the alterations in Section 2.1(b) of the Plan of Arrangement*;*

- each issued and outstanding Pan Am Class A Share outstanding on the Distribution Record Date (as defined below) shall be exchanged for: (i) one New Common Share; and (ii) one-fifth of a common share of Legacy (a "**Legacy Common Share**"), the holders of the Pan Am Class A Shares will be removed from the central securities register of the Company as the holders of such and will be added to the central securities register of the Company as the holders of the number of New Common Shares that they have received on the exchange set forth in Section 2.1(d) of the Plan of Arrangement, and the Legacy Common Shares transferred to the then holders of the Pan Am Class A Shares will be registered in the name of the former holders of the Pan Am Class A Shares and the Company will provide Legacy and its registrar and transfer agent notice to make the appropriate entries in the central securities register of Legacy;

- all of the issued Pan Am Class A Shares shall be cancelled with the appropriate entries being made in the central securities register of the Company, and the aggregate paid-up capital (as that term is used for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**") of the New Common Shares will be equal to that of the Common Shares immediately prior to the Effective Time less the fair market value of the Legacy Common Shares distributed pursuant to Section 2.1(d) of the Plan of Arrangement; and

- the Notice of Articles of the Company shall be amended to reflect the alterations in Section 2.1(d) and Section 2.1(e) of the Plan of Arrangement.

The foregoing matters will be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not being completed until after the Effective Date.

The Board may, in its absolute discretion, determine whether or not to proceed with the Arrangement without further approval, ratification or confirmation by the Shareholders.

No Fractional Shares

No fractional Legacy Common Shares shall be distributed to the Shareholders, and, as a result, all fractional amounts arising under the Arrangement shall be rounded down to the next whole number without any compensation therefor. Any Legacy Common Shares not distributed as a result of so rounding down shall be cancelled by Legacy.

Treatment of Warrants

Pursuant to the terms of the respective warrant certificates representing the outstanding common share purchase warrants of the Company (the "**Pan American Warrants**"), each Pan Am Warrant will be deemed to be amended to entitle the holder of the Pan American Warrant (the "**Pan American Warrantholder**") to receive, upon due exercise of the Pan American Warrant, for the original exercise price: (a) one New Common Share for each Common Share that was issuable upon due exercise of the Pan American Warrant immediately prior to the Effective Time; and (b) one Legacy Common Share for every five Common Shares that were issuable upon due exercise of the Pan American Warrant immediately prior to the Effective Time. Legacy will upon receipt of written notice from the Company from time to time issue, as directed by the Company, that number of Legacy Common Shares as may be required to satisfy the exercise of Pan American Warrants.

Treatment of Options and RSUs

Notwithstanding the term of the Company's share-based compensation plan (the "**Equity Incentive Plan**"), including any agreement made thereunder, the holders of stock options and restricted share units of the Company have each provided a waiver to the Company irrevocably and unconditionally waiving the adjustment provisions of the Equity Incentive Plan as they apply to their respective stock options and/or restricted share units of the Company in respect of the Arrangement, such that all outstanding stock options and restricted share units of the Company remain outstanding and unaffected by the Arrangement.

Amendments to the Plan of Arrangement

The Company reserves the right to amend, modify or supplement (or do all of the foregoing) the Plan of Arrangement from time to time and at any time prior to the Effective Date provided that any such amendment, modification and/or supplement must be contained in a written document that is:

(a) filed with the Court and, if made following the Meeting, approved by the Court; and

(b) communicated to Shareholders in the manner required by the Court (if so required).

Any amendment, modification or supplement to the Plan of Arrangement may be proposed by the Company at any time prior to or at the Meeting, with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of the Plan of Arrangement for all purposes.

Any amendment, modification or supplement to the Plan of Arrangement which is approved by the Court following the Meeting shall be effective only:

(a) if it is consented to by Pan American; and

(b) if required by the Court or applicable law, it is consented to by the Shareholders.

Any amendment, modification or supplement to the Plan of Arrangement may be made following the Effective Date unilaterally by the Company, provided that it concerns a matter which, in the reasonable opinion of the Company, is of an administrative nature required to better give effect to the implementation of the Plan of Arrangement and is not adverse to the financial or economic interest of any holder of Common Shares.

Directors and Officers of Legacy

Following the Effective Date, the board of directors of Legacy (the "**Legacy Board**") is expected to be comprised of Jason Latkowcer, Sean Kingsley and William Gibbs. And Legacy is expected to be managed by Jason Latkowcer (as CEO and President) and Paul More (as CFO and Corporate Secretary).

The following table discloses the current positions and security holdings of directors and executive officers of Pan American as at the date of this Information Circular, as well as the anticipated positions and securityholdings in Legacy, post-Arrangement.

Director and/or Executive Officer	**Pan American Position(s), Common Shares[(1)], Pan American Options, Pan American RSUs and Pan American Warrants[(2)]**	**Post-Arrangement Legacy Position(s) and Legacy Common Shares[(1),] Legacy Options, Legacy RSUs and Legacy Warrants**
Jason Latkowcer	Chief Executive Officer, President and Director 200,000 Common Shares 250,000 Pan American Options 1,000,000 Pan American RSUs Nil Pan American Warrants	Chief Executive Officer, President and Director 40,000 Legacy Common Shares Nil Legacy Options Nil Legacy RSUs Nil Legacy Warrants
Paul More	Chief Financial Officer 400,100 Common Shares 200,000 Pan American Options Nil Pan American RSUs 400,000 Pan American Warrants	Chief Financial Officer and Corporate Secretary 80,020 Legacy Common Shares Nil Legacy Options Nil Legacy RSUs Nil Legacy Warrants
Sean Kingsley	Director Nil Common Shares 200,000 Pan American Options 100,000 Pan American RSUs Nil Pan American Warrants	Director Nil Legacy Common Shares Nil Legacy Options Nil Legacy RSUs Nil Legacy Warrants

William Gibbs	Director 40,000 Common Shares 200,000 Pan American Options 250,008 Pan American RSUs 40,000 Pan American Warrants	Director 8,000 Legacy Common Shares Nil Legacy Options Nil Legacy RSUs Nil Legacy Warrants

Notes:

(1) Holders of Common Shares will receive an aggregate of 9,367,956 Legacy Common Shares pursuant to the Arrangement, based on the number of Common Shares outstanding as of the record date. See *"Section 5 - Particulars of Matters to be Acted Upon – The Arrangement – Principal Steps of the Arrangement"*.

(2) Following the effective date of the Arrangement, in accordance with the terms of the Pan American Warrants, the Pan American Warrants outstanding on the Distribution Record date shall be exercisable, following the Distribution Record Date, for one Common Share and one-fifth of one Legacy Common Share. See *"Section 5 - Particulars of Matters to be Acted Upon – The Arrangement – Treatment of Warrants"*.

Fairness of the Arrangement

The Arrangement was determined to be fair to the Shareholders by the Board based upon the following factors, among others:

- the procedures by which the Arrangement will be approved, including the requirement for: (i) approval at the Meeting by at least 662/3% of the votes cast by Shareholders in person or by proxy; and (ii) approval by the Court after a hearing at which the fairness of the Arrangement will be considered;

- each Shareholder at the Effective Time (other than Dissenting Shareholders) will participate in the Arrangement such that each Shareholder will hold, upon completion of the Arrangement, the same proportionate interest in the Company and Legacy that such Shareholder held in the Company immediately prior to the Arrangement;

- each Pan American Warrantholder at the Effective Time will receive the same proportionate interest in the Company and Legacy that such Pan American Warrantholder held in the Company immediately prior to the Arrangement;

- each holder of options and restricted share units of the Company has waived the application of the provisions of the Equity Incentive Plan and holders who will participate in the operation and development of Legacy as directors, officers and/or service providers to Legacy are expected to be granted equity compensation securities of Legacy in the ordinary course of Legacy's operations; and

- the opportunity for Shareholders who are opposed to the Arrangement, upon compliance with certain conditions, to exercise Dissent Rights under the BCBCA, as modified by the Interim Order.

Reasons for the Arrangement

The Company believes that the Arrangement is in the best interests of the Company in order to unlock the value in the Company's assets at the Green Energy lithium project in Utah (the "**Green Energy Property**"), which the Company feels are not reflected in the current share price of the Common Shares, by transferring such assets into a separate entity and managing these assets accordingly. By completing the Arrangement, the Company will allow Shareholders to continue to benefit from the advancement of the Green Energy Property, and experience any value creation resulting from the Arrangement in the Company and Legacy. Additionally, the Company believes that, over time, the Arrangement will allow the Company to

concentrate its efforts on its other projects, while Legacy focuses on the advancement of the Green Energy Property.

Recommendation of the Board

The Board has reviewed the terms and conditions of the proposed Arrangement and has concluded that the Arrangement is fair and reasonable to Shareholders and in the best interests of the Company.

In arriving at this conclusion, the Board considered, among other matters:

(a) the financial condition, business and operations of Pan American, on both a historical and prospective basis, and of the financial position, opportunities and outlook for the future potential and operating performance of Legacy on a post-Arrangement basis;

(b) the assets to be held by each of Pan American and Legacy and the potential for the value of the Green Energy Property to be fully realized in Legacy following the Arrangement;

(c) historical information regarding the price of the Common Shares;

(d) the potential for Pan American, over time, to be able to concentrate its efforts on the advancement of its remaining mineral properties, and for Legacy to be able to concentrate its efforts on advancing the Green Energy Property;

(e) the procedures by which the Arrangement is to be approved, including the requirement for (i) approval at the Meeting by at least $66^{2/3}$% of the votes cast by Shareholders in person or by proxy and (ii) approval of the Arrangement by the Court after a hearing at which fairness of the Arrangement is considered;

(f) each Shareholder at the Effective Time (other than Dissenting Shareholders) will participate in the Arrangement such that each Shareholder will hold, upon completion of the Arrangement, the same proportionate interest in the Company and Legacy that such Shareholder held in the Company immediately prior to the Arrangement;

(g) that each holder of Warrants at the Effective Time will receive the same proportionate interest in the Company and Legacy that such securityholder held in the Company immediately prior to the Arrangement;

(h) the waivers received by all holders of options and restricted share units with respect to the terms of the Equity Incentive Plan, and that such holders who are directors, officers or service providers to Legacy are expected to be compensated for the role with and service to Legacy through participation in Legacy's equity compensation plan;

(i) the availability of rights of dissent to registered Shareholders who are opposed to the Arrangement, upon compliance with certain conditions;

(j) the Canadian tax treatment of Shareholders under the Arrangement; and

(k) Shareholders will own securities of two publicly listed companies, if the intended listing of the Legacy Common Shares is obtained.

The Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign a relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations. In addition, each individual director may have given different weights to different factors. Based on its review of all the factors, the Board considers the Arrangement to be advantageous to Pan American and fair and reasonable to the Shareholders. The Board also identified disadvantages associated with the Arrangement, including the fact that there will be the additional costs associated with running two companies and there is no assurance that the proposed Arrangement will result in positive benefits to Shareholders. See "*Section 5 - Particulars of Matters to be Acted Upon – The Arrangement – Arrangement Risk Factors" and "Schedule "K" – Information Concerning Legacy Lithium Corp. – Risk Factors*".

The Board recommends that Shareholders vote <u>FOR</u> the Arrangement Resolution. Each director and officer of Pan American who owns Common Shares has indicated his or her intention to vote his or her Common Shares in favour of the Arrangement Resolution.

Arrangement Risk Factors

Pan American and Legacy should each be considered as highly speculative investments and the transactions contemplated herein should be considered of a high-risk nature. Shareholders should carefully consider all of the information disclosed in this Information Circular prior to voting on the matters being put before them at the Meeting, including the following risk factors and the risk factors disclosed, or incorporated by reference into, Schedule "J" and Schedule "K".

1) *Termination of the Arrangement Agreement or Failure to Obtain Required Approvals*

   Each of the Company and Legacy has the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty, nor can the Company provide any assurance, that the Arrangement Agreement will not be terminated before the completion of the Arrangement. In addition, the completion of the Arrangement is subject to a number of conditions, certain of which are outside the control of the Company, including Shareholders approving the Arrangement and required regulatory approvals, including of the Court, being obtained. There is no certainty, nor can the Company provide any assurance, that these conditions will be satisfied. If for any reason the Arrangement is not completed, the market price of the Common Shares may be adversely affected and Shareholders will lose the prospective benefits of the Arrangement. Moreover, if the Arrangement Agreement is terminated, there is no assurance that the Company will pursue or be able to complete an alternative transaction to spin-out the Green Energy Property, and Shareholders will continue to be subject to the risk factors of the Company as disclosed in this Information Circular.

2) *Legacy Common Shares Not Listed on Stock Exchange*

   While the Company expects that the Legacy Common Shares will be listed on the Canadian Securities Exchange (the "**Exchange**"), until the Legacy Common Shares are listed on a stock exchange, holders of the Legacy Common Shares may not be able to sell their Legacy Common Shares. Even if a listing is obtained, the holding of Legacy Common Shares will involve a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity of their investment.

3) *Legacy has Limited Financial Resources*

Legacy presently does not have sufficient financial resources to undertake all of its currently planned activities beyond the completion of the Arrangement. In the event that the Arrangement is completed, Legacy will need to obtain further financing, whether through equity financing, debt financing or other means. There can be no assurance that Legacy will be able to raise the financing required for its business objectives or that such financing can be obtained without substantial dilution to its shareholders. Failure to obtain additional financing on a timely basis could cause Legacy to reduce or terminate its operations.

4) *The Legacy Common Shares Will Not Be "Qualified Investments"*

The Legacy Common Shares distributed to Shareholders pursuant to the Arrangement will not qualify as "qualified investments" under the Tax Act for Registered Plans (as defined herein) unless, on or before Legacy's filing due date for its first taxation year, the Legacy Common Shares are listed on a "designated stock exchange" as defined in the Tax Act (or Legacy otherwise satisfies the conditions to be a "public corporation" for purposes of the Tax Act) and Legacy validly elects to be a "public corporation" for purposes of the Tax Act from the commencement of its first taxation year. No assurance can be given as to whether Legacy will qualify as a "public corporation". Where a Registered Plan acquires a Legacy Common Share in circumstances where the Legacy Common Shares are not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the holder, annuitant or subscriber under the Registered Plan, including that the Registered Plan or the controlling individual of the Registered Plan may become subject to penalty taxes. See "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Eligibility for Investment – New Common Shares and Legacy Common Shares*".

5) *Income Tax*

The Arrangement may give rise to adverse tax consequences to Shareholders, and each Shareholder is urged to consult with his, her or its own tax advisor. See "*Material Income Tax Considerations*".

6) *Risks Inherent in the Businesses of Legacy and the Company*

The business of the Company, and the business of Legacy following the completion of the Arrangement, are subject to certain, inherent risks as a result of the early-stage nature of the Company and Legacy and the properties that they hold and the industry in which the Company and Legacy operate, including the risks set out, or incorporated by reference into Schedule "J" and Schedule "K". These risks will not change substantially as a result of the Arrangement, and Shareholders are encouraged to review these risks carefully prior to determining how to vote with respect to the Arrangement Resolution.

In addition, if the Arrangement is completed, as a result of the foregoing risks, and other risks currently unknown to the Company, the Company can provide no assurances that the anticipated benefits of the Arrangement will be recognized by the Company, Legacy or the Company's and/or Legacy's shareholders.

7) *Costs of the Arrangement*

There are certain costs related to the Arrangement, such as legal and accounting fees incurred, that must be paid even if the Arrangement is not completed.

8) *Exercise of Dissent Rights*

Registered Shareholders have the right to exercise Dissent Rights and demand payment equal to the fair value of their Common Shares in cash. If Dissent Rights are exercised in respect of a significant number of Common Shares, a substantial cash payment may be required to be made to such Shareholders, which could have an adverse effect on the Company's financial condition and cash resources. The Company may elect, in its sole discretion, not to complete the Arrangement if a significant number of Shareholders exercise Dissent Rights.

9) *Trading Price of the Common Shares may Fluctuate*

The trading price of Common Shares on the Effective Date may vary from the price as at the date of execution of the Arrangement Agreement, the date of this Information Circular and the date of the Meeting and may fluctuate depending on investors' perceptions of the merits of the Arrangement. Many of the factors that affect the market price of the Common Shares are beyond the control of Pan American. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

There can be no guarantee that the completion of the Arrangement will increase the value of the Common Shares, and the Arrangement may cause the value of the Common Shares to decrease as a result of investors' perceptions of the merits of the Arrangement or the value of the Green Energy Property and to the extent that the market price of the Common Shares reflects the value associated with the Green Energy Property. In addition, pursuant to the provisions of the Plan of Arrangement, the exchange ratio for Legacy Common Shares is fixed and the Company does not expect to adjust this ratio due to fluctuations in the market price of the Common Shares or the perceived value of the Green Energy Property. There can be no guarantee that the exchange ratio for Legacy Common Shares will accurately reflect the value of the Green Energy Property, whether at the time of the Arrangement Agreement, the Meeting or the completion of the Arrangement.

Effects of the Arrangement on Shareholders' Rights

As a result of the Arrangement, Shareholders will continue to be shareholders of Pan American and will also be shareholders of Legacy. Shareholders of Pan American and Legacy will have the same rights accorded to them as shareholders of each respective entity, as both Pan American and Legacy are governed by the BCBCA.

Distribution of Share Certificates

Concurrently with the mailing of the Information Circular, the Company will mail the Letter of Transmittal to Registered Shareholders, which will be used to exchange their certificates representing Common Shares for share certificates representing the New Common Shares and certificates representing the Legacy Common Shares.

Upon the Arrangement becoming effective and surrender to Computershare Investor Services Inc. (the "**Depositary**") for cancellation of a certificate or other entitlement which immediately prior to the Effective Time represented outstanding Common Shares together with a Letter of Transmittal which has been completed and signed in the manner required thereby in respect of such certificate and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate will be entitled to receive in exchange therefor, and the Depositary will deliver to such holder,

certificates representing that number (rounded down to the nearest whole number) of New Common Shares and Legacy Common Shares that such holder has the right to receive pursuant to the Plan of Arrangement and the surrendered certificate will be cancelled. A Letter of Transmittal accompanies this Information Circular.

Until exchanged, each certificate representing Common Shares will, after the Effective Time, represent only the right to receive, upon surrender, certificates representing the requisite numbers of New Common Shares and Legacy Common Shares. Shareholders will not receive any fractional Legacy Common Shares. Any fractional Legacy Common Shares will be rounded down to the nearest whole number and Shareholders will not receive any compensation in lieu thereof.

Cancellation of Rights After Six Years

Shareholders who fail to submit their certificates representing Common Shares together with a duly completed Letter of Transmittal and any other documents required by the Depositary on or before the sixth anniversary of the Effective Date will cease to have any right or claim against or interest of any kind or nature in Pan American or Legacy. Accordingly, persons who tender certificates for Common Shares after the sixth anniversary of the Effective Date will not receive any New Common Shares or Legacy Common Shares, will not own any interest in Pan American or Legacy and will not be paid any cash or other compensation in lieu thereof.

Effective Date of the Arrangement

If: (1) the Arrangement Resolution is approved by Special Resolution of the Shareholders, (2) the Final Order of the Court is obtained approving the Arrangement; (3) every requirement of the BCBCA relating to the Arrangement has been complied with; and (4) all other conditions disclosed under *"Section 5 - Particulars of Matters to be Acted Upon - The Arrangement - Arrangement Agreement – Conditions to the Arrangement Becoming Effective"* are met or waived, the Arrangement will become effective on the Effective Date.

The full particulars of the Arrangement are contained in the "*Plan of Arrangement*" appended as Schedule "B" to this Circular. See also *"Section 5 - Particulars of Matters to be Acted Upon - The Arrangement - Arrangement Agreement"* below.

Notwithstanding receipt of the above approvals, Pan American may abandon the Arrangement without further approval from the Shareholders.

CONDUCT OF MEETING AND OTHER APPROVALS

Shareholder Approval of the Arrangement

The Arrangement Resolution must be approved, with or without variation, by not less than two-thirds of the votes cast at the Meeting in person or by proxy by Shareholders. The Arrangement is not subject to the minority approval requirements of Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions*.

In the absence of any instruction to the contrary, the Common Shares represented by proxies appointing the Management Designees named in the form of proxy will be voted in favour of the Arrangement Resolution.

Court Approval of the Arrangement

Under the BCBCA, Pan American is required to obtain the approval of the Court to the calling and holding of the Meeting and to the Arrangement. On March 8, 2023, prior to mailing the material in respect of the Meeting, Pan American obtained an Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order and the Notice of Hearing (of Petition for Final Order) are appended as Schedule "C" to this Information Circular. As set out in the Notice of Hearing (of Petition for Final Order), the Court hearing in respect of the Final Order is scheduled to take place at 10:00 a.m. (Vancouver time) on April 14, 2023, following the Meeting or as soon thereafter as the Court may direct or counsel for Pan American may be heard, at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, subject to the approval of the Arrangement Resolution at the Meeting. **Pan American Shareholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the necessary requirements.**

At the Court hearing, any Shareholders who wish to participate or to be represented or to present evidence or argument may do so, subject to the rules of the Court. Although the authority of the Court is very broad under the BCBCA, the Court will consider, among other things, the procedural and substantive fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct. The Court's approval is required for the Arrangement to become effective. In addition, it is a condition of the Arrangement that the Court will have determined, prior to approving the Final Order, that the terms and conditions of the issuance of securities comprising the Arrangement are procedurally and substantively fair to the Shareholders.

Under the terms of the Interim Order, each Shareholder will receive proper notice that they will have the right to appear and make representations at the application for the Final Order. Any person desiring to appear at the hearing to be held by the Court to approve the Arrangement pursuant to the Notice of Hearing (of Petition for Final Order) is required to file with the Court and serve upon Pan American, at the address set out below, prior to 4:00 p.m. (Vancouver time) on April 12**,** 2023, a response to application ("**Application Response**"), including its address for service, together with any evidence or materials which are to be presented to the Court. The Application Response and supporting materials must be delivered,

DLA Piper (Canada) LLP
Suite 2800, Park Place
666 Burrard St
Vancouver, BC V6C 2Z7

Attention: J. Brent MacLean
Email: brent.maclean@dlapiper.com
Fax: 604.605.3744

ARRANGEMENT AGREEMENT

The Arrangement will be carried out pursuant to the provisions of the BCBCA and will be effected in accordance with the Arrangement Agreement, the Interim Order and the Final Order. The steps of the Arrangement, as set out in the Arrangement Agreement, are summarized under *"Section 5 - Particulars of Matters to be Acted Upon – The Arrangement – Principal Steps of the Arrangement"* herein.

The general description of the Arrangement Agreement which follows is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is available for review by

Shareholders, at the head office of Pan American as shown on the Notice of Meeting, during normal business hours prior to the Meeting and under Pan American's profile on SEDAR at www.sedar.com.

General

On March 2, 2023, Pan American and Legacy entered into the Arrangement Agreement, which amended and restated the arrangement agreement dated February 7, 2023 between Pan American and Legacy. The Arrangement Agreement includes the Plan of Arrangement, which is reproduced as Schedule "B" to this Information Circular. Pursuant to the Arrangement Agreement, Pan American and Legacy agree to effect the Arrangement pursuant to the provisions of Section 288 of the BCBCA on the terms and subject to the conditions contained in the Arrangement Agreement.

In the Arrangement Agreement, Pan American and Legacy provide representations and warranties to one another regarding certain customary commercial matters, including corporate, legal and other matters, relating to their respective affairs.

Under the Arrangement Agreement, Pan American has agreed to call the Meeting for the purpose of, among other matters, seeking Shareholder approval the Arrangement Resolution. If the Arrangement Resolution is approved by Shareholders as set forth in the Interim Order, as soon as reasonably practicable thereafter, Pan American will take the necessary steps to submit the Arrangement to the Court and apply for the Final Order.

Conditions to the Arrangement becoming Effective

The respective obligations of Pan American and Legacy to complete the transactions contemplated by the Arrangement Agreement are subject to the satisfaction, on or before the Effective Date, of a number of conditions precedent.

The mutual conditions precedent, among others, are as follows:

(a) the Interim Order shall have been granted in form and substance satisfactory to Pan American;

(b) the Arrangement Resolution, with or without amendment, shall have been approved at the Meeting, in accordance with the Interim Order;

(c) the Court shall have determined that the terms and conditions of the Arrangement are procedurally and substantively fair to the Shareholders and the Final Order shall have been granted in form and substance satisfactory to Pan American, and shall not have been set aside or modified in a manner unacceptable to Pan American, on appeal or otherwise;

(d) the securities to be issued in the United States pursuant to the Arrangement shall be issued in accordance with and exempt from the registration requirements under applicable exemptions from registration under the U.S. Securities Act;

(e) all governmental, court, regulatory, third party and other approvals, consents, expiry of waiting periods, waivers, permits, exemptions, orders and agreements and all amendments and modifications to, and terminations of, agreements, indentures and arrangements considered by Pan American to be necessary or desirable for the Arrangement to become effective shall have been obtained or received on terms that are satisfactory to Pan American;

(f) no action will have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of, or damages on account of or relating to the Arrangement and there will not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement and no cease trading or similar order with respect to any securities of any of the parties will have been issued and remain outstanding;

(g) none of the consents, orders, rulings, approvals or assurances required for the implementation of the Arrangement will contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by Pan American;

(h) no law, regulation or policy will have been proposed, enacted, promulgated or applied that interferes or is inconsistent with the completion of the Arrangement; and

(i) the Arrangement Agreement shall not have been terminated, unless such condition has been waived by either of the parties thereto.

If any of the conditions set forth in the Arrangement Agreement are not fulfilled or performed, on or prior to the Effective Time, the Company may terminate the Arrangement Agreement or waive, in its discretion, the applicable condition in whole or in part. As soon as practicable after the fulfilment (or waiver) of the conditions contained in the Arrangement Agreement, the Board intends to cause a copy of the Final Order to be filed with the Registrar under the BCBCA, together with such other material as may be required by the Registrar in order that the Arrangement will become effective.

Amendment

Subject to any restrictions under the BCBCA or in the Final Order, the Arrangement Agreement (including the schedules appended thereto) may, at any time and from time to time before or after the holding of the Meeting, but not later than the Effective Date, be amended by written agreement of the Company and Legacy without, subject to applicable law, further notice to, or authorization on the part of, the Shareholders. Without limiting the generality of the foregoing, any such amendment may:

(a) change the time for performance of any of the obligations or acts of the parties;

(b) waive any inaccuracies or modify any representation contained in the Arrangement Agreement or in any document to be delivered pursuant to the Arrangement Agreement;

(c) waive compliance with or modify any of the covenants contained in the Arrangement Agreement or waive or modify performance of any of the obligations of the parties; or

(d) make such alterations in the Arrangement Agreement (including the Plan of Arrangement) as the parties may consider necessary or desirable in connection with the Interim Order or the Final Order.

Termination

The Arrangement Agreement may, at any time before or after the holding of the Meeting but prior to the Effective Date, be unilaterally terminated by Pan American without further notice to, or action on the part of, the Shareholders for whatever reason Pan American may consider appropriate. The Arrangement Agreement will terminate without any further action by the Company or Legacy if the Effective Date has not occurred on or before June 1, 2023 or such later date as Pan American may determine.

Upon the termination the Arrangement Agreement pursuant to its terms, neither the Company nor Legacy shall have any liability or further obligation to the other party.

SHAREHOLDERS' RIGHTS OF DISSENT TO THE ARRANGEMENT

As indicated in the Notice of Meeting, any registered Shareholder is entitled to be paid the fair value of such holder's Common Shares in accordance with Section 238 of the BCBCA if such holder dissents to the Arrangement and the Arrangement becomes effective.

A registered Shareholder is not entitled to dissent with respect to such holder's Common Shares if such holder votes any of their Common Shares in favour of the Arrangement Resolution. For greater certainty, a Proxy submitted by a registered Shareholder that does not contain voting instructions will, unless revoked, be voted in favour of the Arrangement. A brief summary of the provisions of Sections 237 to 247 of the BCBCA is set out below. Such summary is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of its Common Shares and is qualified in its entirety by reference to the full text of Sections 237 to 247 of the BCBCA (which is attached to this Information Circular as Schedule "D") as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order.

The statutory provisions dealing with the right of dissent are technical and complex. Any Dissenting Shareholders should seek independent legal advice, as failure to comply strictly with the provisions of Sections 237 to 247 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order, may result in the loss of all Dissent Rights.

The Interim Order expressly provides registered Shareholders with the right to dissent with respect to the Arrangement Resolution. Each Dissenting Shareholder is entitled to be paid the fair value (determined as of the close of business on the day before the Effective Date) of all, but not less than all, of the holder's Common Shares, provided that the holder duly dissents to the Arrangement Resolution and the Arrangement becomes effective.

In many cases, Common Shares beneficially owned by a holder are registered either (a) in the name of an Intermediary that the Non-Registered Holder deals with in respect of such Common Shares, such as, among others, banks, trust companies, securities brokers, trustees and other similar entities, or (b) in the name of a depository, such as CDS & Co., of which the Intermediary is a participant. Accordingly, a Non-Registered Holder will not be entitled to exercise his, her or its rights of dissent directly (unless the Common Shares are re-registered in the Non-Registered Holder's name).

In connection to the Arrangement, pursuant to the Interim Order, a registered Shareholder as of the Distribution Record Date may exercise rights of dissent under Sections 237 to 247 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order; provided that, notwithstanding section 242(2) of the BCBCA, the written objection to the Arrangement Resolution must be sent to Pan American c/o DLA Piper (Canada) LLP, Suite 2800, Park Place, 666 Burrard Street, Vancouver, BC V6C 2Z7, Attention: Deepak Gill, by not later than 5:00 p.m. (Vancouver time) on April 6, 2023 or on the date which is two Business Days prior to any adjournment or postponement of the Meeting.

To exercise Dissent Rights, a Shareholder must dissent with respect to all Common Shares of which it is the registered and beneficial owner. A registered Shareholder who wishes to dissent must deliver written notice of dissent (a "**Notice of Dissent**") to Pan American and such Notice of Dissent must strictly comply with the requirements of Section 242 of the BCBCA. **Any failure by a Shareholder to fully comply with**

the provisions of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order, may result in the loss of that holder's Dissent Rights. Non-Registered Holders who wish to exercise Dissent Rights must cause each registered Shareholder holding their Common Shares to deliver the Notice of Dissent, or, alternatively, make arrangements to become a registered Shareholder.

To exercise Dissent Rights, a registered Shareholder must prepare a separate Notice of Dissent for himself, herself or itself, if dissenting on his, her or its own behalf, and for each other Non-Registered Holder who beneficially owns Common Shares registered in the Shareholder's name and on whose behalf the Shareholder is dissenting; and must dissent with respect to all of the Common Shares registered in his, her or its name or if dissenting on behalf of a Non-Registered Holder, with respect to all of the Common Shares registered in his, her or its name and beneficially owned by the Non-Registered Holder on whose behalf the Shareholder is dissenting. The Notice of Dissent must set out the number of Common Shares in respect of which the Dissent Rights are being exercised (the "**Notice Shares**") and: (a) if such Common Shares constitute all of the Common Shares of which the Shareholder is the registered and beneficial owner and the Shareholder owns no other Common Shares beneficially, a statement to that effect; (b) if such Common Shares constitute all of the Common Shares of which the Shareholder is both the registered and beneficial owner, but the Shareholder owns additional Common Shares beneficially, a statement to that effect and the names of the registered Shareholders, the number of Common Shares held by each such registered Shareholder and a statement that written notices of dissent are being or have been sent with respect to such other Common Shares; or (c) if the Dissent Rights are being exercised by a registered Shareholder who is not the beneficial owner of such Common Shares, a statement to that effect and the name of the Non-Registered Holder and a statement that the registered Shareholder is dissenting with respect to all Common Shares of the Non-Registered Holder registered in such registered holder's name.

If the Arrangement Resolution is approved by the Shareholders, and Pan American notifies a registered holder of Notice Shares of Pan American's intention to act upon the Arrangement Resolution pursuant to Section 243 of the BCBCA, then in order to exercise Dissent Rights, such Shareholder must, within one month after Pan American gives such notice, send to Pan American a written notice that such holder requires the purchase of all of the Notice Shares in respect of which such holder has given Notice of Dissent. Such written notice must be accompanied by the certificate or certificates representing those Notice Shares (including a written statement prepared in accordance with section 244(1)(c) of the BCBCA if the dissent is being exercised by the Shareholder on behalf of a Non-Registered Holder), whereupon, subject to the provisions of the BCBCA relating to the termination of Dissent Rights, the Shareholder becomes a Dissenting Shareholder, and is bound to sell and Pan American is bound to purchase those Common Shares. Such Dissenting Shareholder may not vote, or exercise or assert any rights of a Shareholder in respect of such Notice Shares, other than the rights set forth in Sections 237 to 247 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order.

If a Dissenting Shareholder is ultimately entitled to be paid for their Dissent Shares, then such Dissenting Shareholder may enter into an agreement with Pan American for the fair value of such Dissent Shares. If such Dissenting Shareholder does not reach an agreement with Pan American, then such Dissenting Shareholder, or Pan American, may apply to the Court, and the Court may determine the payout value of the Dissent Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on Pan American to make an application to the Court. The Dissenting Shareholder will be entitled to receive the fair value that the Common Shares had as of the close of business on the day before the Effective Date. After a determination of the fair value of the Dissent Shares, Pan American must then promptly pay that amount to the Dissenting Shareholder.

In no case will Pan American, Legacy, the Transfer Agent or any other person be required to recognize Dissenting Shareholders as Shareholders after the Effective Time, and the names of such Dissenting Shareholders will be deleted from the central securities register as Shareholders at the Effective Time.

In no circumstances will Pan American, Legacy, or any other person be required to recognize a person as a Dissenting Shareholder: (a) unless such person is the holder of the Common Shares in respect of which Dissent Rights are purported to be exercised immediately prior to the Effective Time; (b) if such person has voted or instructed a proxy holder to vote such Notice Shares in favour of the Arrangement Resolution; or (c) unless such person has strictly complied with the procedures for exercising Dissent Rights set out in Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order and does not withdraw such Notice of Dissent prior to the Effective Time.

Dissent Rights with respect to Notice Shares will terminate and cease to apply to the Dissenting Shareholder if, before full payment is made for the Notice Shares, the Arrangement in respect of which the Notice of Dissent was sent is abandoned or by its terms will not proceed, a court permanently enjoins or sets aside the corporate action approved by the Arrangement Resolution, or the Dissenting Shareholder withdraws the Notice of Dissent with Pan American's written consent. If any of these events occur, Pan American must return the share certificate(s) representing the Common Shares to the Dissenting Shareholder, the Dissenting Shareholder regains the ability to vote and exercise its rights as a Shareholder and the Dissenting Shareholder must return any money paid to the Dissenting Shareholder in respect of the Notice Shares.

The discussion above is only a summary of the Dissent Rights, which are technical and complex. A Shareholder who intends to exercise Dissent Rights must strictly adhere to the procedures established in sections 237 to 247 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order, and failure to do so may result in the loss of all Dissent Rights.

Persons who have their Common Shares registered in the name of an Intermediary, or in some other name, who wish to exercise Dissent Rights should be aware that only the registered owner of such Common Shares is entitled to dissent.

If you dissent, then there can be no assurance that the amount you receive as fair value for your Common Shares will be more than or equal to the consideration under the Arrangement.

Each Shareholder wishing to avail himself, herself or itself of the Dissent Rights should carefully consider and comply with the provisions of the Interim Order and sections 237 to 247 of the BCBCA, which are attached to this Information Circular as Schedules "C" and "D", respectively, and seek his, her or its own legal advice.

MATERIAL INCOME TAX CONSIDERATIONS

The tax consequences of the Arrangement may vary depending upon the particular circumstances of each Shareholder and other factors. Accordingly, Shareholders are urged to consult their own tax advisors to determine the particular tax consequences to them of the Arrangement.

Certain Canadian Federal Income Tax Considerations

The following summarizes certain Canadian federal income tax considerations under the Tax Act generally applicable to Shareholders in respect of the disposition of Common Shares pursuant to the Arrangement, and the acquisition, holding, and disposition of New Common Shares and Legacy Common Shares acquired pursuant to the Arrangement.

Comment is restricted to Shareholders who, for purposes of the Tax Act, (i) hold their Common Shares, and will hold their Pan Am Class A Shares, New Common Shares and Legacy Common Shares, solely as capital property, and (ii) deal at arm's length with and are not affiliated with the Company or Legacy (each such Shareholder, a "**Holder**").

Generally, Common Shares, Pan Am Class A Shares, New Common Shares and Legacy Common Shares will be considered to be capital property to a Holder thereof provided that the Holder does not use the Common Shares, Pan Am Class A Shares, New Common Shares or Legacy Common Shares, as the case may be, in the course of carrying on a business of trading or dealing in securities and such Holder has not acquired such shares in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder that:

(1) is a "financial institution" for the purposes of the mark-to-market rules in the Tax Act or a "specified financial institution" as defined in the Tax Act;

(2) is a person or partnership an interest in which is a "tax shelter investment" for purposes of the Tax Act;

(3) has elected to report its Canadian federal income tax results in a currency other than Canadian currency;

(4) has entered into or will enter into a "derivative forward agreement", a "synthetic disposition arrangement", or a "synthetic equity arrangement" as those terms are defined in the Tax Act;

(5) has acquired Common Shares, or will acquire Pan Am Class A Shares, New Common Shares or Legacy Common Shares, on the exercise of an employee stock option; or

(6) is otherwise a Holder of special status or in special circumstances.

All such Holders should consult their own tax advisors with respect to the consequences of the Arrangement.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada or a corporation that does not deal at arm's length, for purposes of the Tax Act, with a corporation resident in Canada, and is, or becomes as part of a transaction or event or series of transactions or events, controlled by a non-resident person, or a group of non-resident persons not dealing with each other at arms length, for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors.

In addition, this summary does not address the income tax considerations to holders of any other securities of Pan American.

The summary assumes that (i) the redesignation of Common Shares as Pan Am Class A Shares and the amendment of the terms of such shares to increase the number of votes that may be cast, as contemplated by the Plan of Arrangement, will not, in and of itself, result in Holders being deemed to have disposed of their Common Shares for the purposes of the Tax Act (for purposes of this summary, Pan Am Class A Shares are hereafter included in any reference to "**Common Shares**"), and (ii) the Share Exchange (as described below) will be considered to occur "in the course of a reorganization of capital" of Pan American such that section 86 of the Tax Act will apply in respect of the Share Exchange. **No tax ruling or legal**

opinion has been sought or obtained in this regard, or with respect to any of the assumptions made throughout this summary of Certain Canadian Federal Income Tax Considerations, and the summary below is qualified accordingly.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**"), and our understanding of the current published administrative practices and assessing policies of the Canada Revenue Agency. This summary takes into account all specific proposals to amend the Tax Act and Regulations (the "**Proposed Amendments**") announced by the Minister of Finance (Canada) prior to the date hereof. It is assumed that the Proposed Amendments will be enacted as currently proposed and that there will be no other change in law or administrative practice or assessing policy, whether by legislative, governmental, or judicial action or decision, although no assurance can be given in these respects. This summary does not take into account provincial, territorial or foreign income tax considerations, which may differ materially from the Canadian federal income tax considerations discussed below.

This summary is of a general nature only and is not and should not be construed as legal or tax advice to any particular person (including a Holder as defined above). Each person who may be affected by the Arrangement should consult the person's own tax advisors with respect to the person's particular circumstances.

Holders Resident In Canada

This portion of this summary applies only to Holders who are or are deemed to be resident solely in Canada for the purposes of the Tax Act and any applicable income tax treaty or convention (each, a "**Resident Holder**").

A Resident Holder whose Common Shares, New Common Shares or Legacy Common Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election permitted by subsection 39(4) of the Tax Act to deem such shares, and every other "Canadian security" (as defined in the Tax Act), held by such person, in the taxation year of the election and each subsequent taxation year to be capital property.

Exchange of Common Shares for New Common Shares and Legacy Common Shares

A Resident Holder who exchanges Common Shares for New Common Shares and Legacy Common Shares pursuant to the Arrangement (the "**Share Exchange**") will be deemed to have received a taxable dividend equal to the amount, if any, by which the fair market value of the Legacy Common Shares distributed to the Resident Holder pursuant to the Share Exchange at the time of the Share Exchange exceeds the "paid-up capital" (as defined in the Tax Act) ("**PUC**") of the Resident Holder's Common Shares determined at that time. Any such taxable dividend will be taxable as described below under "*Holders Resident in Canada — Taxation of Dividends — New Common Shares and Legacy Common Shares*". However, the Company expects that the fair market value of all Legacy Common Shares distributed pursuant to the Share Exchange under the Arrangement will not exceed the PUC of the Common Shares. Accordingly, the Company does not expect that any Resident Holder will be deemed to receive a taxable dividend on the Share Exchange.

A Resident Holder who exchanges Common Shares for New Common Shares and Legacy Common Shares on the Share Exchange will realize a capital gain equal to the amount, if any, by which the fair market value of those Legacy Common Shares at the effective time of the Share Exchange, less the amount of any taxable dividend deemed to be received by the Resident Holder as described in the preceding paragraph, exceeds the "adjusted cost base" (as defined in the Tax Act) ("**ACB**") of the Resident Holder's Common Shares

determined immediately before the Share Exchange. Any capital gain so realized will be taxable as described below under "*Holders Resident in Canada — Taxation of Capital Gains and Capital Losses*".

The Resident Holder will acquire the Legacy Common Shares received on the Share Exchange at a cost equal to their fair market value as at the effective time of the Share Exchange, and the New Common Shares received on the Share Exchange at a cost equal to the amount, if any, by which the ACB of the Resident Holder's Common Shares immediately before the Share Exchange exceeds the fair market value of the Legacy Common Shares as at the effective time of the Share Exchange.

Disposition of New Common Shares or Legacy Common Shares after the Arrangement

A Resident Holder who disposes or is deemed to dispose of a New Common Share or Legacy Common Share generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition therefor are greater (or less) than the ACB of the share to the Resident Holder, less reasonable costs of disposition. Any such capital gain or capital loss will be subject to the treatment generally described below under "*Holders Resident in Canada — Taxation of Capital Gains and Capital Losses*".

Taxation of Dividends - New Common Shares and Legacy Common Shares

A Resident Holder who is an individual (other than certain trusts) and receives or is deemed to receive a taxable dividend in a taxation year on the Resident Holder's New Common Shares or Legacy Common Shares will be required to include the amount of the dividend in income for the year, subject to the dividend gross-up and tax credit rules applicable to taxable dividends received by a Canadian resident individual from a taxable Canadian corporation, including the enhanced dividend gross-up and tax credit that may be applicable if and to the extent that the Company or Legacy designates the taxable dividend to be an "eligible dividend" in accordance with the Tax Act. There may be limitations on the ability of either corporation to designate dividends as "eligible dividends" and neither the Company nor Legacy has made commitments in this regard.

A Resident Holder that is a corporation and receives or is deemed to receive a taxable dividend in a taxation year on its New Common Shares or Legacy Common Shares must include the amount in its income for the year, but generally will be entitled to deduct an equivalent amount from its taxable income, subject to all restrictions under the Tax Act. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or capital gain. Resident Holders that are corporations are urged to consult their own tax advisers having regard to their particular circumstances.

In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or capital gain. Resident Holders that are corporations are urged to consult their own tax advisers having regard to their particular circumstances. A Resident Holder that is a "private corporation" or a "subject corporation" (as defined in the Tax Act) may also be liable under Part IV of the Tax Act to pay a special tax (refundable in certain circumstances) on any such dividends to the extent that the dividend is deductible in computing the corporation's taxable income.

Taxation of Capital Gains and Capital Losses

A Resident Holder who realizes a capital gain or capital loss in a taxation year on the actual or deemed disposition of a share, including a Common Share, New Common Share or Legacy Common Share, generally will be required to include one half of any such capital gain (a "**taxable capital gain**") in income for the year, and entitled to deduct one half of any such capital loss (an "**allowable capital loss**") against taxable capital gains realized in the year. Allowable capital losses in excess of taxable capital gains realized

in a taxation year may be carried back and deducted in any of the three preceding taxation years or any subsequent taxation year against net taxable capital gains realized in such years (but not against other sources of income), to the extent and in the circumstances specified in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on the share (or on a share substituted therefor) to the extent and in the circumstances described in the Tax Act. Similar rules may apply where the corporation is a member or beneficiary of a partnership or trust that held the share, or where a partnership or trust of which the corporation is a member or beneficiary is itself a member of a partnership or a beneficiary of a trust that held the share. Affected Resident Holders should consult their own tax advisors in this regard.

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout the relevant taxation year may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income", which includes taxable capital gains, for the year.

Minimum Tax on Individuals

A Resident Holder who is an individual (including certain trusts) and receives a taxable dividend on, or realizes a capital gain on the disposition of, a share, including a Common Share, New Common Share or Legacy Common Share, may thereby be liable for minimum tax to the extent and within the circumstances set out in the Tax Act.

Dissenting Resident Holders

A Resident Holder who validly exercises Dissent Rights (a "**Dissenting Resident Holder**") and who consequently transfers or is deemed to transfer Common Shares to the Company for payment by the Company will be deemed to receive a taxable dividend in the taxation year of payment equal to the amount, if any, by which the payment (excluding interest) exceeds the PUC of the Dissenting Resident Holder's Common Shares determined immediately before the Arrangement. Any such taxable dividend will be taxable as described above under "*Holders Resident in Canada — Taxation of Dividends — New Common Shares and Legacy Common Shares*". The Dissenting Resident Holder will also realize a capital gain (or capital loss) equal to the amount, if any, by which the payment (excluding interest), less any such deemed taxable dividend, exceeds (is exceeded by) the ACB of the Dissenting Resident Holder's Common Shares determined immediately before the Arrangement. Any such capital gain or loss will generally be taxable or deductible as described above under "*Holders Resident in Canada — Taxation of Capital Gains and Capital Losses*".

The Dissenting Resident Holder will be required to include any portion of the payment that is on account of interest in income in the year received.

Eligibility for Investment — New Common Shares and Legacy Common Shares

A New Common Share will be a "qualified investment" for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a registered disability savings plan, a tax-free savings account (collectively, "**Registered Plans**") or a deferred profit sharing plan as those terms are defined in the Tax Act at any time at which the New Common Shares are listed on a "designated stock exchange" as defined in the Tax Act (which includes the Exchange), or the Company is a "public corporation" as defined in the Tax Act.

A Legacy Common Share will not be a qualified investment for a Registered Plan or a deferred profit sharing plan unless the Legacy Common Shares are listed on a "designated stock exchange" as defined in the Tax Act on or before its filing due date for its first taxation year and Legacy validly elects to be a "public corporation" for purposes of the Tax Act from the commencement of its first taxation year. **There can be no assurance as to if, or when, the Legacy Common Shares will be listed or traded on any stock exchange and, therefore, no assurance Legacy will be able to make the election to be a public corporation. Should the Legacy Common Shares be distributed to or otherwise acquired by a Registered Plan other than as "qualified investments", adverse tax consequences not described in this summary should be expected to arise for the Registered Plan and the annuitant, holder, or subscriber thereunder. Resident Holders that hold Common Shares and will or may hold Legacy Common Shares within a Registered Plan should consult with their own tax advisors in this regard.**

Notwithstanding that the New Common Shares and/or Legacy Common Shares may be qualified investments at a particular time, the holder, annuitant or subscriber of a Registered Plan, as applicable, will be subject to a penalty tax in respect of a New Common Share or a Legacy Common Share held in the Registered Plan, if the share is a "prohibited investment" under the Tax Act. A New Common Share or Legacy Common Share generally will not be a prohibited investment for a Registered Plan of a holder, annuitant or subscriber thereof, as applicable, provided that (i) the holder, annuitant or subscriber of the account does not have a "significant interest" within the meaning of the Tax Act in the Company or Legacy, as applicable, and (ii) the holder, annuitant or subscriber deals at arm's length with the Company or Legacy, as applicable, for the purposes of the Tax Act. **Shareholders should consult their own tax advisers to ensure that the New Common Shares and Legacy Common Shares would not be a prohibited investment for a trust governed by a Registered Plan in their particular circumstances.**

Holders Not Resident In Canada

This portion of this summary applies only to Holders each of whom at all material times for the purposes of the Tax Act (i) has not been and is not resident or deemed to be resident in Canada for purposes of the Tax Act, and (ii) does not and will not use or hold Common Shares, New Common Shares, or Legacy Common Shares in connection with carrying on a business in Canada (each, a "**Non-Resident Holder**").

Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere, or an "authorized foreign bank" as defined in the Tax Act. Such Non-Resident Holders should consult their own tax advisers with respect to the Arrangement.

Exchange of Common Shares for New Common Shares and Legacy Common Shares

The discussion of the tax consequences of the Share Exchange for Resident Holders under the heading "*Holders Resident in Canada — Exchange of Common Shares for New Common Shares and Legacy Common Shares*" generally will also apply to Non-Resident Holders in respect of the Share Exchange. The general taxation rules applicable to Non-Resident Holders in respect of a deemed taxable dividend or capital gain arising on the Share Exchange are discussed below under the headings "*Holders Not Resident in Canada — Taxation of Dividends —New Common Shares and Legacy Common Shares*" and "*Holders Not Resident in Canada —Taxation of Capital Gains and Capital Losses*" respectively.

Taxation of Dividends - New Common Shares and Common Shares

A Non-Resident Holder to whom the Company or Legacy pays or credits (or is deemed to pay or credit) an amount as a dividend in respect of the Arrangement (if at all), or otherwise in respect of the Non-Resident Holder's New Common Shares or Legacy Common Shares, will be subject to Canadian withholding tax equal to 25% (or such lower rate as may be available under an applicable income tax convention, if any) of

the gross amount of the dividend. In general, in the case of a Non-Resident Holder who is a resident of the United States for the purposes of the Canada-US Tax Act Convention (1980), as amended (the "**Treaty**"), who is the beneficial owner of the dividend, and who qualifies for full benefits of the Treaty, the rate of such withholding tax will be reduced to 15%.

Taxation of Capital Gains and Capital Losses

A Non-Resident Holder will not be subject to Canadian federal income tax in respect of any capital gain arising on an actual or deemed disposition of a Common Share, New Common Share or Legacy Common Share unless, at the time of disposition, the share is "taxable Canadian property" as defined in the Tax Act, and is not "treaty-protected property" as so defined.

Generally, a Common Share, New Common Share or Legacy Common Share, as applicable, of the Non-Resident Holder will not be taxable Canadian property of the Non-Resident Holder at any time at which the share is listed on a "designated stock exchange" as defined in the Tax Act (which includes the Exchange) unless, at any time during the 60 months immediately preceding the disposition of the share:

(a) the Non-Resident Holder, one or more persons with whom the Non-Resident Holder did not deal at arm's length, partnerships in which the Non-Resident Holder or persons with whom the Non-Resident Holder did not deal at arm's length held membership interests (directly or indirectly), or any combination of the foregoing, owned 25% or more of the issued shares of any class of the capital stock of the Company or Legacy, as applicable; and

(b) the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real property situated in Canada, "Canadian resource properties", "timber resource properties" (as those terms are defined in the Tax Act), and interest, rights or options in or in respect of any of the foregoing.

Further, a Legacy Common Share of a Non-Resident Holder will not be taxable Canadian property of the Non-Resident Holder at any time at which the share is **not** listed on a "designated stock exchange" unless, at any time during the 60 months immediately preceding the disposition of the share, the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real property situated in Canada, "Canadian resource properties", "timber resource properties" (as those terms are defined in the Tax Act), and interest, rights or options in or in respect of any of the foregoing.

Shares may also be deemed to be "taxable Canadian property" under other provisions of the Tax Act.

A Non-Resident Holder who disposes or is deemed to dispose of a Common Share, New Common Share or Legacy Common Share that, at the time of disposition, is taxable Canadian property and is not treaty-protected property will generally be subject to the income tax consequences discussed above under the heading "*Holders Resident in Canada — Taxation of Capital Gains and Capital Losses*".

Non-Resident Holders who may hold shares as "taxable Canadian property" should consult their own tax advisors in this regard, including with respect to the potential Canadian income tax filing requirements of owning and disposing of such shares.

Dissenting Non-Resident Holders

The discussion above applicable to Resident Holders under the heading "*Holders Resident in Canada — Dissenting Resident Holders*" will generally also apply to a Non-Resident Holder who validly exercises Dissent Rights in respect of the Arrangement. In general terms, the Non-Resident Holder will be subject to

Canadian federal income tax in respect of any deemed taxable dividend arising as a consequence of the exercise of Dissent Rights generally as discussed above under the heading "*Holders Not Resident in Canada — Taxation of Dividends —New Common Shares and Legacy Common Shares*" and subject to the Canadian federal income tax treatment in respect of any capital gain or loss arising as a consequence of the exercise of Dissent Rights generally as discussed above under the heading "*Holders Not Resident in Canada — Taxation of Capital Gains and Capital Losses*".

Certain United States Federal Income Tax Considerations

The following summarizes certain U.S. federal income tax considerations under the Internal Revenue Code of 1986, as amended (the "**U.S. Tax Code**") generally applicable to Shareholders in respect of the acquisition, holding, and disposition of Legacy Common Shares acquired pursuant to the Arrangement.

This discussion is based upon the provisions of the U.S. Tax Code, existing final and temporary regulations promulgated thereunder (the "**Treasury Regulations**"), and current administrative rulings and court decisions, all of which are subject to change, possibly with retroactive effect. Changes in these authorities may cause the U.S. federal income tax consequences to vary substantially from those described below.

Pan American and Legacy have not requested and will not request a ruling from the Internal Revenue Service ("**IRS**") with respect to any of the U.S. federal income tax consequences described below. The IRS may disagree with and challenge any of the conclusions reached herein.

This discussion applies only to U.S. Holders (as defined below) that own Common Shares and will own Legacy Common Shares as "capital assets" within the meaning of Section 1221 of the U.S. Tax Code (generally, property held for investment), and does not comment on all aspects of U.S. federal income taxation that may be important to certain Shareholders in light of their particular circumstances, such as Shareholders subject to special tax rules (e.g., banks and other financial institutions, brokers, dealers or traders in securities or commodities, insurance companies, regulated investment companies, real estate investment trusts, traders that elect to mark-to-market their securities, certain expatriates or former long-term residents of the United States, personal holding companies, "S" corporations, U.S. expatriates, tax-exempt organizations, tax-qualified retirement plans, persons that own directly, indirectly, or constructively 10% or more of the vote or value of Pan American's stock or will own 10% or more of the vote or value of Legacy's stock, persons who are subject to alternative minimum tax, persons who hold shares as a position in a "straddle" or as part of a "hedging," "conversion" or "integrated" transaction, persons that have a functional currency other than the U.S. dollar, controlled foreign corporations, passive foreign investment companies, or persons who acquired Common Shares through the exercise of employee stock options or otherwise as compensation for services). If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) is a Shareholder, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. Partnerships or partners in a partnership holding Common Shares are urged to consult their own tax advisors regarding the tax consequences of the Arrangement.

THIS SUMMARY IS FOR GENERAL INFORMATION ONLY AND IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES RELATING TO THE ARRANGEMENT. SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM (INCLUDING THE APPLICATION AND EFFECT OF ANY STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX LAWS) OF THE ARRANGEMENT.

For purposes of this summary, a "**U.S. Holder**" is a beneficial owner of Common Shares that is: (i) a U.S. citizen or U.S. resident alien as determined for U.S. federal income tax purposes, (ii) a corporation, or other

entity taxable as a corporation for U.S. federal income tax purposes, that was created or organized under the laws of the United States, any State thereof or the District of Columbia, (iii) an estate whose income is subject to U.S. federal income taxation regardless of its source, or (iv) a trust that either is subject to the supervision of a court within the United States and has one or more U.S. persons with authority to control all of its substantial decisions or has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Treatment of the Arrangement

The distribution of Legacy Common Shares (including any amount withheld for Canadian taxes) to a U.S. Holder pursuant to the Arrangement will be treated as a distribution to the U.S. Holder with respect to the U.S. Holder's Common Shares in an amount equal to the fair market value of the Legacy Common Shares received. A distribution to a U.S. Holder will be taxable to the U.S. Holder as a foreign source dividend to the extent Pan American makes the distribution out of its current or accumulated earnings and profits. Pan American believes it has some current or accumulated earnings and profits and therefore that all or a portion of the value of Legacy Common Shares received by a U.S. Holder will be taxable as a dividend. The distribution of a New Common Share in respect of each existing Common Share will not be a taxable exchange and U.S. Holders will, subject to the discussion below concerning a non-taxable return of capital in connection with the distribution of Legacy Common Shares, have the same adjusted tax basis in New Common Shares as, and will include the holding period of, the existing Common Shares held by such U.S. Holder. Therefore, the remainder of this discussion refers simply to Common Shares.

A dividend received by a non-corporate U.S. Holder will be taxable at a preferential rate, provided that (1) the Common Shares are readily tradable on an established securities market in the United States or Pan Am is otherwise treated as a "qualified foreign corporation" within the meaning of the Code's provisions governing qualified dividend income, (2) Pan American is not a passive foreign investment company ("**PFIC**") in the taxable year in which such dividends are paid or any preceding taxable year such U.S. Holder held Common Shares, (3) such U.S. Holder satisfies a holding period requirement, and (4) certain other requirements are met. Pan Am believes it is a qualified foreign corporation. Pan American has not made any determination for any prior year whether it was then, and has not determined nor can it give any assurances with regard to the current year or any future year, whether it is or will become, a PFIC (see Passive Foreign Investment Company Rules below). If Pan American is a PFIC, the distribution of the Legacy Common Shares may constitute an "excess distribution" subject to the special tax treatment described for excess distributions under *Consequences of PFIC Status* below.

Subject to the PFIC rules discussed below, a dividend received by a corporate U.S. Holder will generally be taxable at regular rates and will not be eligible for the dividends-received deduction generally allowed to U.S. corporations in respect of dividends received from other U.S. corporations.

Distributions in excess of Pan American's current and accumulated earnings and profits will be treated first as a non-taxable return of capital to the extent of the U.S. Holder's tax basis in its Common Shares and thereafter as an amount realized in a sale or exchange of the U.S. Holder's Common Shares. Such amounts will be taxable in accordance with the section below titled "*Treatment of a Sale of Shares*."

A U.S. Holder's initial tax basis in its Legacy Common Shares generally will equal the fair market value of the Legacy Common Shares on the Effective Date. A U.S. Holder's holding period in its Legacy Common Shares generally will begin on the Effective Date.

Treatment of a Sale of Shares

Subject to the PFIC rules discussed below, a U.S. Holder that sells or is treated as selling all or a portion of its Common Shares or Legacy Common Shares will recognize capital gain or loss in an amount equal to the difference between (x) the sum of the amount of cash and fair market value of property received in the sale and the amount of any Canadian withholding tax withheld in respect of such U.S. Holder and (y) the U.S. Holder's adjusted tax basis in such Common Shares or Legacy Common Shares. The gain or loss recognized generally will be treated as long-term capital gain or loss if the U.S. Holder's holding period in the Common Shares or Legacy Common Shares is greater than one year as of the date of the sale.

Certain U.S. Holders, including individuals, may be eligible for preferential tax rates on long-term capital gains. A U.S. Holder's ability to deduct capital losses is limited.

Additional Tax on Investment Income

U.S. Holders who are individuals, estates, or trusts and whose income exceeds certain thresholds will be required to pay (in addition to U.S. federal income tax) a 3.8% tax on net investment income, including dividends and gains from the sale or other taxable disposition of Common Shares or Legacy Common Shares. U.S. Holders are urged to consult their tax advisors regarding whether this tax will apply to them.

Passive Foreign Investment Company Rules

In General

A foreign corporation is a PFIC for U.S. federal income tax purposes if either (A) at least 75% of its gross income in a taxable year, including its pro rata share of the gross income of any corporation in which it is considered to own at least 25% of the shares by value, is passive income, or (B) at least 50% of its assets in a taxable year, ordinarily determined based on fair market value and averaged quarterly over the year, including its pro rata share of the assets of any corporation in which it is considered to own at least 25% of the shares by value, are held for the production of or produce passive income. Passive income generally includes dividends, interest, rents and royalties, and gains from the disposition of passive assets. Pan American has not made any determination for any prior year whether it was then a PFIC. The determination of whether any corporation was, is or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the assets and income of such corporation over the entire course of each such tax year and, as a result, cannot be predicted by Pan American with certainty for the current tax year or for any future tax year as of the date of this document. Accordingly, there can be no assurance that Pan American is not or will not become a PFIC for the current year or any future tax year. Nor can there be any assurance that the IRS will not challenge any determination Pan American might make in the future concerning its PFIC status.

If Pan American is a PFIC for any year during which a U.S. Holder holds Common Shares, such holder will be subject to the rules described below under "*Consequences of PFIC Status*".

Each U.S. Holder should consult its own tax advisors regarding PFIC status.

In any year in which Pan American is a PFIC, a U.S. Holder may be required to file an annual report with the IRS containing such information as Treasury Regulations and/or other IRS guidance may require, including IRS Form 8621. In addition to penalties, a failure to satisfy such reporting requirements may result in an extension of the time period during which the IRS can assess a tax. (See *PFIC Reporting Requirements* below)

U.S. Holders should consult their own tax advisors regarding the requirements of filing such information returns under these rules, including the requirement to file an IRS Form 8621 annually.

Due to the limited assets and income streams of Legacy, the application of the PFIC rules discussed above are more clear and U.S. Holders should be aware that Legacy expects to be a PFIC for the current taxable year and potentially for any future year.

Consequences of PFIC Status

Although Legacy expects to be a PFIC, and Pan American has not made a PFIC determination, either corporation's actual PFIC status for any taxable year will not be determinable until after the end of such taxable year. If either Pan American is, or as Legacy expects, Legacy is, classified as a PFIC for any taxable year or portion of a taxable year that is included in a U.S. Holder's holding period of such corporation's shares, and the U.S. Holder does not timely make either a QEF election or does not or is not eligible to make a mark-to-market election, each as defined below, the U.S. Holder generally will be subject to the following "PFIC Distribution Rules" with respect to the applicable corporation's shares:

- Each distribution to the U.S. Holder will be deemed to be an "excess distribution" to the extent of its pro rata share of any excess of the aggregate of all distributions made to the U.S. Holder in the U.S. Holder's current taxable year over 125% of the three-year moving average of such aggregates;

- Gain recognized by a U.S. Holder on a sale or other disposition of Legacy Common Shares will also be deemed to be an excess distribution;

- Each excess distribution will be allocated pro rata to each day in the U.S. Holder's holding period, up to the date of the distribution;

- The amounts allocated to the U.S. Holder's current taxable year, and the amounts allocated to the period in the U.S. Holder's holding period which pre-dates such corporation's status as a PFIC, if there is such a period, will be taxed as ordinary income (not long-term capital gain);

- The amounts allocated to any other taxable year or part of a year will be taxed at the highest tax rate in effect for that year and applicable to the U.S. Holder; and

- The tax liabilities that arise from the amounts allocated to each such other taxable year will accrue retroactive interest as unpaid taxes.

A U.S. Holder that holds shares in a year in which the relevant corporation is a PFIC will continue to be treated as owning shares of a PFIC in later years even if such corporation is no longer a PFIC in those later years.

QEF Election

If Legacy or Pan American is a PFIC, a U.S. Holder may avoid the PFIC Distribution Rules with respect to such corporation's shares by making a timely QEF election during the first taxable year in which such corporation is a PFIC and in which the U.S. Holder holds or is deemed to hold such shares. If a U.S. Holder makes a QEF election, it will become subject to the following "QEF Allocation Rules":

- The U.S. Holder will include in its income in each of its taxable years in which or with which a taxable year of the corporation ends, its pro rata share of such corporation's net capital gain (as

long-term capital gain) and any other earnings and profits (as ordinary income), regardless of whether such corporation distributes such gain or earnings and profits to the U.S. Holder;

- The U.S. Holder's tax basis in its shares will be increased by the amount of such income inclusions;
- Distributions of previously included earnings and profits will not be taxable in the U.S. to the U.S. Holder;
- The U.S. Holder's tax basis in its shares will be decreased by the amount of such distributions; and
- Any gain recognized by the U.S. Holder on a sale, redemption or other taxable disposition of its shares will be taxable as capital gain and no interest charge will be imposed.

A U.S. Holder that makes a QEF election may make an additional election to defer payment of its liability for tax on included but undistributed income, but such deferred payments are subject to an interest charge.

A QEF election is made on a shareholder-by-shareholder basis and may be revoked only with the consent of the IRS. A U.S. Holder generally makes a QEF election by attaching a completed IRS Form 8621 (Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund), including the information provided in a PFIC annual information statement, to a timely filed U.S. federal income tax return for the tax year of the U.S. Holder to which the election relates. Retroactive QEF elections generally may be made only by filing a protective statement with such return and if certain other conditions are met or with the consent of the IRS. U.S. Holders are urged to consult their tax advisors regarding the availability and tax consequences of a retroactive QEF election under their particular circumstances.

To comply with the requirements of a QEF election, a U.S. Holder must receive a PFIC annual information statement from the corporation. If Legacy determines it is a PFIC for any taxable year it will endeavor to provide each U.S. Holder such information as the IRS may require, including a PFIC annual information statement, to enable the U.S. Holder to make and maintain a QEF election. However, there is no assurance that Legacy will have timely knowledge of its status as a PFIC in the future or of the information required to be provided.

A U.S. Holder that makes a QEF election in the first taxable year in which the corporation is a PFIC and in which the U.S. Holder holds or is deemed to hold its shares will avoid the PFIC Distribution Rules and will not be subject to the QEF Allocation Rules in any taxable year of the corporation that ends within or with a taxable year of the U.S. Holder and in which such corporation is not a PFIC. However, if the U.S. Holder's QEF election is not effective for each of the corporation's taxable years in which it is a PFIC and in which the U.S. Holder holds or is deemed to hold such corporation's shares, the PFIC Distribution Rules will apply to the U.S. Holder until the U.S. Holder makes a purging election. If a U.S. Holder makes a purging election the following occurs: (1) the U.S. Holder is deemed to sell its shares at their fair market value; (2) the gain recognized by the U.S. Holder in the deemed sale is taxed under the PFIC Distribution Rules; (3) the U.S. Holder obtains a new basis and holding period in its shares for PFIC purposes; and (4) the U.S. Holder becomes eligible to make a QEF election.

Mark-to-Market Election

If a PFIC's shares are regularly traded on a registered national securities exchange or certain other exchanges or markets, they would constitute "marketable stock" for purposes of the PFIC rules, and a U.S. Holder would not be subject to the foregoing PFIC rules if such U.S. Holder made a mark-to-market election with respect to such PFIC's shares. It is expected that the Legacy Common Shares will not be regularly

traded, so the mark-to-market election is not expected to be available with respect to the Legacy Common Shares.

Subsidiary PFICs

A PFIC may own interests in other entities that are classified as PFICs. In such event, a U.S. Holder will be deemed to own a portion of the parent corporation's shares in such subsidiary PFIC and could incur liability under the PFIC Distribution Rules if the parent corporation receives a distribution from (including a sale of its shares in) a subsidiary PFIC, or if the U.S. Holder is otherwise deemed to have disposed of an interest in a subsidiary PFIC. Legacy will endeavor to cause all subsidiary PFICs to provide U.S. Holders the information required to make or maintain QEF elections with respect to the subsidiary PFICs. If a U.S. Holder makes a QEF election with respect to a subsidiary PFIC, tracking the tax bases of the U.S. Holder's interests in the tiered PFIC structure will become extremely complicated. There is no assurance that Legacy will have timely knowledge of the PFIC status of any subsidiary. In addition, Legacy may not hold a controlling interest in any such subsidiary PFIC and thus there can be no assurance it will be able to cause the subsidiary PFIC to provide the required information. U.S. Holders are urged to consult their tax advisors regarding the tax issues surrounding subsidiary PFICs.

PFIC Reporting Requirements

A U.S. Holder that owns or is deemed to own PFIC shares in any taxable year of the U.S. Holder may have to file an IRS Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund, (whether or not a QEF or market-to-market election is made) and provide such other information as may be required by the U.S. Treasury Department. Failure to file a required form or provide required information will extend the statute of limitations on assessment of a deficiency until the required form or information is furnished to the IRS.

The rules for PFICs, QEF elections and mark-to-market elections are complex and affected by various factors in addition to those described above. U.S. Holders are urged to consult their tax advisors regarding the application of the rules to their particular circumstances.

Foreign Tax Credits and Limitations

A U.S. Holder that pays, through withholding, Canadian tax, with respect to any dividends paid on Common Shares or Legacy Common Shares or in connection with the sale, redemption or other taxable disposition of Common Shares or Legacy Common Shares may elect for any taxable year to receive either a credit or a deduction for all foreign income taxes paid by such holder during the year. Complex limitations apply to foreign tax credits. Each U.S. Holder should consult its own tax advisor regarding applicable foreign tax credit rules.

Foreign Currency

The amount of any distribution paid to a U.S. Holder in foreign currency, or the amount of proceeds paid in foreign currency on the sale, exchange or other taxable disposition of Common Shares or Legacy Common Shares, generally will be equal to the U.S. dollar value of such foreign currency based on the exchange rate applicable on the date of receipt (regardless of whether such foreign currency is converted into U.S. dollars at that time). A U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who converts or otherwise disposes of the foreign currency after the date of receipt may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally will be U.S. source income or loss for foreign tax credit purposes.

Different rules apply to U.S. Holders who use the accrual method of tax accounting. Each U.S. Holder should consult its own tax advisors concerning issues related to foreign currency.

Backup Withholding and Information Reporting

The proceeds of a sale or deemed sale by a U.S. Holder of Common Shares or Legacy Common Shares may be subject to information reporting to the IRS and to U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Holder that furnishes a correct taxpayer identification number and makes other required certifications, or that is otherwise exempt from backup withholding and establishes such exempt status.

Backup withholding is not an additional tax. Amounts withheld may be credited against a U.S. Holder's U.S. federal income tax liability, and a U.S. Holder generally may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing an appropriate claim for refund with the IRS and furnishing any required information.

Specified Foreign Financial Assets Reporting

Certain U.S. Holders that hold "specified foreign financial assets" are generally required to attach to their annual returns a completed IRS Form 8938, Statement of Specified Foreign Financial Assets, with respect to such assets (and can be subject to substantial penalties for failure to file). The definition of specified foreign financial asset includes not only financial accounts maintained in foreign financial institutions, but also, if held for investment and not held in an account maintained by a financial institution, securities of non-U.S. issuers (subject to certain exceptions, including an exception for securities of non-U.S. issuers held in accounts maintained by domestic financial institutions). U.S. Holders are urged to consult their tax advisors regarding the possible reporting requirements with respect to their investments in Common Shares or Legacy Common Shares and the penalties for non-compliance.

THIS DISCUSSION IS GENERAL IN NATURE AND DOES NOT DISCUSS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR SHAREHOLDER IN LIGHT OF THE SHAREHOLDER'S PARTICULAR CIRCUMSTANCES, OR TO CERTAIN TYPES OF SHAREHOLDERS SUBJECT TO SPECIAL TREATMENT UNDER U.S. FEDERAL INCOME TAX LAWS. YOU ARE URGED TO CONSULT WITH YOUR OWN TAX ADVISOR TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO YOU OF THE ARRANGEMENT, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL AND FOREIGN TAX LAWS.

CANADIAN SECURITIES LAWS AND RESALE OF SECURITIES

The following is a brief summary of the securities law considerations applicable to the transactions contemplated herein.

Each Shareholder is urged to consult such holder’s professional advisors to determine the Canadian conditions and restrictions applicable to trades in the Legacy Common Shares.

Canadian Securities Laws

Pan American is a reporting issuer in the following jurisdictions in Canada: British Columbia, Alberta, and Ontario. The Common Shares currently trade on the Exchange in Canada. After the Arrangement, Legacy will be a reporting issuer in British Columbia, Alberta, and Ontario; however, the Legacy Common Shares will not be listed and posted for trading on any exchange.

The distribution of the Legacy Common Shares pursuant to the Arrangement will constitute a distribution of securities which is exempt from prospectus requirements of Canadian securities legislation. With certain exceptions, the Legacy Common Shares may generally be resold in each of the provinces of Canada provided the trade is not a "control distribution" as defined in National Instrument 45-102 — *Resale of Securities* of the Canadian Securities Administrators, no unusual effort is made to prepare the market or create a demand for those securities, no extraordinary commission or consideration is paid to a person or company in respect of the trade and, if the selling security holder is an insider or officer of Legacy, the insider or officer has no reasonable grounds to believe that Legacy is in default of securities legislation.

U.S. Securities Laws

The securities issued or deemed to be issued to Shareholders pursuant to the Arrangement will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and will be distributed in reliance upon the exemption from requirements of registration under the U.S. Securities Act provided by Section 3(a)(10) thereof and available exemptions from applicable state registration requirements. Section 3(a)(10) of the U.S. Securities Act provides an exemption from registration under the U.S. Securities Act for offers and sales of securities to be issued in exchange for one or more outstanding securities where the terms and conditions of the issuance and exchange of such securities have been approved by a court authorized to grant such approval after a hearing upon the fairness of the terms and conditions of the issuance and exchange as to which all persons to whom the securities are proposed to be issued are provided timely notice and have the right to appear. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. Pan American expects the Court to issue the Interim Order on March 8, 2023 and, subject to the approval of the Arrangement by the Shareholders at the Meeting, it is expected that a hearing on the Arrangement will be held on April 14, 2023 at 10:00 a.m. (Vancouver time), or as soon thereafter as counsel may be heard, at the Law Courts, 800 Smithe Street, Vancouver, British Columbia. All Shareholders are entitled to appear and be heard at this hearing. The Final Order will constitute a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the securities to be issued pursuant to the Arrangement. Prior to the hearing on the Final Order, the Court will be informed of this effect of the Final Order.

The securities issued or deemed to be issued to Shareholders pursuant to the Arrangement will be freely tradable under the U.S. Securities Act, except by persons who are "affiliates" of Pan American or Legacy after the Arrangement or were affiliates of Pan American or Legacy within 90 days prior to completion of the Arrangement. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer.

Any resale of such securities by such an affiliate (or, if applicable, former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom. Subject to certain limitations, such affiliates (and former affiliates) may immediately resell such securities outside the United States without registration under the U.S. Securities Act pursuant to and in accordance with Regulation S under the U.S. Securities Act. Such securities may also be resold in transactions completed in accordance with Rule 144 under the U.S. Securities Act, if available.

The foregoing discussion is only a general overview of certain requirements of the U.S. Securities Act applicable to the resale of the securities issued or deemed to be issued to Shareholders pursuant to the Arrangement. All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.

2. OTHER BUSINESS

Management of the Company is not aware of any other business to be considered at the Meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If other items of business are properly brought before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

SECTION 6 - OTHER INFORMATION

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com or on the Corporation's website at www.panam-energy.com. Shareholders may contact the Company at 587-885-5970 to request copies of the Company's financial statements and related management's discussion and analysis.

Financial information is provided in the Company's comparative consolidated financial statements and management's discussion and analysis for its most recently completed financial year ended April 30, 2022 and the Company's comparative unaudited interim consolidated financial statements and related management's discussion and analysis the period ended December 31, 2022, in each case which are filed on the Company's SEDAR profile at www.sedar.com and are incorporated by reference into this Information Circular.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information Circular have been approved and the delivery of it to each Shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

Dated at Vancouver, British Columbia, this 8th day of March, 2023.

BY ORDER OF THE BOARD

PAN AMERICAN ENERGY CORP.

/s/ Jason Latkowcer
Jason Latkowcer
Chief Executive Officer, President and Director

SCHEDULE "A"

PAN AMERICAN ENERGY CORP.
(the "Company")

ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS THAT:

1. The arrangement (the "**Arrangement**") under Division 5 of Part 9 of the *Business Corporations Act (British Columbia*) (the "**BCBCA**") involving Pan American Energy Corp., a corporation existing under the laws of British Columbia ("**Pan Am**"), its shareholders and Legacy Lithium Corp., a corporation existing under the laws of British Columbia ("**Legacy**"), all as more particularly described and set forth in the management information circular (the "**Circular**") of Pan Am dated March 8, 2023 accompanying the notice of meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

2. The plan of arrangement (the "**Plan of Arrangement**"), implementing the Arrangement, the full text of which is appended to the Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

3. The amended and restated arrangement agreement (the "**Arrangement Agreement**") between Pan Am and Legacy dated effective March 2, 2023 and all the transactions contemplated therein, the actions of the directors of Pan Am in approving the Arrangement and the actions of the directors and officers of Pan Am in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved.

4. Notwithstanding that this resolution has been passed (and the Arrangement approved) by the shareholders of Pan Am or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Pan Am are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Pan Am:

    (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

    (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

5. Any director or officer of Pan Am is hereby authorized and directed, for and on behalf of Pan Am to execute and deliver all documents as are necessary or desirable under the BCBCA to affect the Arrangement.

6. Any director or officer of Pan Am is hereby authorized and directed, for and on behalf and in the name of Pan Am, to execute and deliver, whether under the corporate seal of Pan Am or otherwise, all such deeds, instruments, assurances, agreements, forms, waivers, notices, certificates, confirmations and other documents and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of

giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

(a) all actions required to be taken by or on behalf of Pan Am, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

(b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Pan Am;

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE “B”

PAN AMERICAN ENERGY CORP.
(the “Company”)

PLAN OF ARRANGEMENT

See attached.

SCHEDULE "A"

PLAN OF ARRANGEMENT

UNDER THE PROVISIONS OF DIVISION 5 OF PART 9

OF THE *BRITISH COLUMBIA BUSINESS CORPORATIONS ACT*

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Agreement**" means the amended and restated arrangement agreement dated as of March 2, 2023, including the Schedules attached hereto, as may be supplemented or amended from time to time;

"**Arrangement**" means the arrangement under Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in the Agreement and Plan of Arrangement, subject to any amendments or variations thereto made in accordance with this Agreement or the Plan of Arrangement or made at the direction of the Court in the Final Order with the consent of Pan Am;

"**Arrangement Resolution**" means the special resolution of the Pan Am Shareholders to approve the Arrangement, the full text of which is attached as Appendix "A" hereto;

"**BCBCA**" means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as promulgated or amended from time to time;

"**Board of Directors**" means the duly appointed board of directors of the applicable company;

"**Business Day**" means any day other than a Saturday, Sunday or statutory holiday in the City of Vancouver, British Columbia;

"**Circular**" means the management information circular of Pan Am to be prepared and sent to the Pan Am Shareholders in connection with the Meeting, together with any amendments of supplements thereto;

"**Court**" means the Supreme Court of British Columbia;

"**Depositary**" means Computershare Investor Services Inc. or such other depositary as may be designated by Pan Am;

"**Dissent Rights**" has the meaning set forth in Section 5.1 of the Plan of Arrangement;

"**Dissenting Shareholder**" means a registered Pan Am Shareholder who has duly exercised the Dissent Rights and is ultimately entitled to be paid for their Pan Am Common Shares as set forth in Section 5.1 of the Plan of Arrangement;

"**Dissent Shares**" means Pan Am Common Shares held by Dissenting Shareholders;

"**Distribution Record Date**" means the effective date of the Arrangement Agreement;

"**Effective Date**" means the date agreed to by Pan Am and Legacy in writing as the effective date of the Arrangement after all of the conditions precedent to the completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived, including that the Final Order has been granted by the Court;

"**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date or such other time on the Effective Date as agreed to in writing by Pan Am and Legacy;

"**Final Order**" means the final order to be obtained from the Court pursuant to section 291 of the BCBCA approving the Arrangement;

"**Final Proscription Date**" has the meaning set forth in Section 6.4 of the Plan of Arrangement;

"**Interim Order**" means the interim order to be obtained from the Court containing declarations and directions with respect to the Arrangement and the holding of the Meeting, as such order may be affirmed, amended and modified;

"**Legacy**" means Legacy Lithium Corp., a company incorporated pursuant to the laws of British Columbia;

"**Legacy Common Shares**" means the common shares of Legacy;

"**Letter of Transmittal**" means the letter of transmittal in respect of the Arrangement to be sent to Pan Am Shareholders together with the Circular;

"**Meeting**" means the special meeting of Pan Am Shareholders to be held on April 11, 2023 and any adjournment(s) or postponement(s) thereof, to be called and held in accordance with the Interim Order to consider and to vote on the Arrangement Resolution and any other matters set out in the Notice of Meeting;

"**New Pan Am Shares**" means a new class of voting common shares without par value which Pan Am will create and issue as described in Section 2.1(b)(ii) of this Plan of Arrangement and for which the Pan Am Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Pan Am Common Shares;

"**Notice of Meeting**" means the notice of the Meeting to be sent to the Pan Am Shareholders, which notice will accompany the Circular;

"**Pan Am**" means Pan American Energy Corp., a company incorporated pursuant to the laws of British Columbia;

"**Pan Am Class A Shares**" means the renamed and redesignated Pan Am Shares as described in Section 2.1(b)(i) of this Plan of Arrangement;

"**Pan Am Common Shares**" means the common shares of Pan Am which Pan Am is authorized to issue as the same are constituted on the date hereof;

"**Pan Am Shareholders**" means the holders of Pan Am Common Shares as at the Distribution Record Date;

"**Person**" or "**person**" means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;

"**Plan of Arrangement**" means this plan of arrangement and any amendments or variations thereto made in accordance with this Agreement, the Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of Pan Am;

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations made thereunder, as promulgated or amended from time to time; and

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.2 Sections and Headings

The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless otherwise expressly stated or the context otherwise requires, words importing the singular number shall include the plural and vice versa, and words importing gender shall include all genders.

1.4 Statutory References

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.5 Currency

Unless otherwise stated all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada.

1.6 Business Day

In the event that the date on which any action is required to be taken hereunder by either of the parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

1.7 Governing Law

This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.8 Binding Effect

This Plan of Arrangement will become effective at, and be binding at and after, the Effective Time on: Pan Am and all registered and beneficial Pan Am Shareholders and all Dissenting Shareholders. This Plan of Arrangement may be withdrawn prior to the occurrence of any of the events in Section 2.1 in accordance with the terms of the Arrangement Agreement.

ARTICLE 2
ARRANGEMENT

2.1 Arrangement

Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following sequence or as otherwise provided below or herein, without any further act or formality:

(a) each Pan Am Common Share outstanding in respect of which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights (each, a "**Dissenting Share**") shall be directly transferred and assigned by such Dissenting Shareholder to Pan Am, without any further act or formality and free and clear of any liens, charges and encumbrances of any nature whatsoever, and will be cancelled and cease to be outstanding and such Dissenting Shareholders will

cease to have any rights as Pan Shareholders other than the right to be paid the fair value for their Pan Am Common Shares by Pan Am;

(b) the authorized share structure of Pan Am shall be altered by:

(i) renaming and redesignating all of the issued and unissued Pan Am Common Shares as "Class A common shares without par value" and amending the special rights and restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the "Pan Am Class A Shares"; and

(ii) creating a new class consisting of an unlimited number of "common shares without par value" with terms and special rights and restrictions identical to those of the Pan Am Common Shares immediately prior to the Effective Time, being the "New Pan Am Shares";

(c) Pan Am's Notice of Articles shall be amended to reflect the alterations in Section 2.1(b);

(d) each issued and outstanding Pan Am Class A Share outstanding on the Distribution Record Date shall be exchanged for: (i) one New Pan Am Share; and (ii) one-fifth of a Legacy Common Share, the holders of the Pan Am Class A Shares will be removed from the central securities register of Pan Am as the holders of such and will be added to the central securities register of Pan Am as the holders of the number of New Pan Am Shares that they have received on the exchange set forth in this Section 2.1(d), and the Legacy Common Shares transferred to the then holders of the Pan Am Class A Shares will be registered in the name of the former holders of the Pan Am Class A Shares and Pan Am will provide Legacy and its registrar and transfer agent notice to make the appropriate entries in the central securities register of Legacy;

(e) all of the issued Pan Am Class A Shares shall be cancelled with the appropriate entries being made in the central securities register of Pan Am, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the New Pan Am Shares will be equal to that of the Pan Am Shares immediately prior to the Effective Time less the fair market value of the Legacy Shares distributed pursuant to Section 2.1(d); and

(f) the Notice of Articles of Pan Am shall be amended to reflect the alterations in Section 2.1(d) and Section 2.1(e).

2.2 Arrangement Effectiveness

The Arrangement and this Plan of Arrangement shall become final and conclusively binding on Pan Am, the Pan Am Shareholders (including Dissenting Shareholders) and Legacy at the Effective Time without any further act or formality as required on the part of any person, except as expressly provided herein.

2.3 Deemed Time for Redemption.

In addition to the chronological order in which the transactions and events set out in Section 2.1 shall occur and shall be deemed to occur, the time on the Effective Date for the exchange of Pan Am Class A Shares for New Pan Am Shares and Legacy Common Shares set out in Section 2.1(d) shall occur and shall be deemed to occur immediately after the time of listing of the New Pan Am Shares on the Canadian Securities Exchange on the Effective Date.

2.4 Deemed Fully Paid and Non-Assessable Shares.

All New Pan Am Shares, Pan Am Class A Shares and Legacy Common Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCBCA.

2.5 Supplementary Actions.

Notwithstanding that the transactions and events set out in Section 2.1 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of Pan Am and Legacy shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in Section 2.1, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, any necessary additions to or deletions from share registers, and agreements for stock options.

2.6 U.S. Securities Law Matters

The Court is advised that the Arrangement will be carried out with the intention that all securities issued on completion of the Arrangement will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act.

ARTICLE 3
CERTIFICATES AND FRACTIONAL SHARES

3.1 Delivery of Securities

(a) Recognizing that the Pan Am Common Shares shall be renamed and redesignated as Pan Am Class A Shares pursuant to Section 2.1(b)(i) and that the Pan Am Class A Shares shall be exchanged partially for New Pan Am Shares pursuant to Section 2.1(d), Pan Am shall not issue replacement share certificates representing the Pan Am Class A Shares.

(b) As soon as practicable following the Effective Date, Legacy shall deliver or cause to be delivered to the Depositary certificates representing the Legacy Common

Shares required to be issued to registered holders of Pan Am Shares as at immediately prior to the Effective Time in accordance with the provisions of Section 2.1(d) of this Plan of Arrangement, which certificates shall be held by the Depositary as agent and nominee for such holders for distribution thereto in accordance with the provisions of Section 6.1 hereof.

(c) As soon as practicable following the Effective Date, Pan Am shall deliver or cause to be delivered to the Depositary certificates representing the New Pan Am Shares required to be issued to registered holders of Pan Am Common Shares as at immediately prior to the Effective Time in accordance with the provisions of Section 2.1(d) of this Plan of Arrangement, which certificates shall be held by the Depositary as agent and nominee for such holders for distribution thereto in accordance with the provisions of Section 6.1 hereof.

3.2 Withholding Rights

Each of Pan Am, Legacy and the Depositary shall be entitled to deduct and withhold from any cash payment or any issue, transfer or distribution of New Pan Am Shares or Legacy Common Shares made pursuant to this Plan of Arrangement such amounts as may be required to be deducted and withheld pursuant to the Tax Act or any other applicable law, and any amount so deducted and withheld will be deemed for all purposes of this Plan of Arrangement to be paid, issued, transferred or distributed to the person entitled thereto under the Plan of Arrangement. Without limiting the generality of the foregoing, any New Pan Am Shares or Legacy Common Shares so deducted and withheld may be sold on behalf of the person entitled to receive them for the purpose of generating cash proceeds, net of brokerage fees and other reasonable expenses, sufficient to satisfy all remittance obligations relating to the required deduction and withholding, and any cash remaining after such remittance shall be paid to the person forthwith.

3.3 No Fractional Shares

Notwithstanding any other provision of this Arrangement, while each Pan Am Shareholder's fractional shares will be combined, no fractional Legacy Common Shares shall be distributed to the Pan Am Shareholders, and, as a result, all fractional amounts arising under this Plan of Arrangement shall be rounded down to the next whole number without any compensation therefor. Any Legacy Common Shares not distributed as a result of so rounding down shall be cancelled by Legacy.

3.4 Distribution Record Date

In Section 2.1(d) the reference to a holder of a Pan Am Class A Share shall mean a person who is a Pan Am Shareholder on the Distribution Record Date, subject to the provisions of Article 5.

3.5 Interim Period

Any Pan Am Common Shares acquired after the Distribution Record Date shall not carry any rights to receive Legacy Common Shares.

ARTICLE 4
AMENDMENTS

4.1 Right to Amend

Pan Am reserves the right to amend, modify or supplement (or do all of the foregoing) this Plan of Arrangement from time to time and at any time prior to the Effective Date provided that any such amendment, modification and/or supplement must be contained in a written document that is:

(a) if made following the Interim Order, filed with the Court; and, if made following the Meeting, approved by the Court; and

(b) communicated to Pan Am Shareholders in the manner required by the Court (if so required).

4.2 Amendment Before the Meeting

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Pan Am at any time prior to or at the Meeting, with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

4.3 Amendment After the Meeting

Any amendment, modification or supplement to this Plan of Arrangement which is approved by the Court following the Meeting shall be effective only:

(a) if it is consented to by Pan Am; and

(b) if required by the Court or applicable law, it is consented to by the Pan Am Shareholders.

4.4 Amendment After the Effective Date

Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by Pan Am, provided that it concerns a matter which, in the reasonable opinion of Pan Am, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interest of any holder of Pan Am Common Shares or Legacy Common Shares.

ARTICLE 5
RIGHTS OF DISSENT

5.1 Rights of Dissent

Pursuant to the Interim Order, registered holders of Pan Am Common Shares may exercise rights of dissent (the "**Dissent Rights**") under section 238 of the BCBCA, as modified by this Article 5, the Interim Order and the Final Order, with respect to Pan Am Common Shares in connection with the Arrangement, provided that the written notice setting forth the objection of such registered Pan Am Shareholders to the Arrangement and exercise of Dissent Rights must be received by Pan Am not later than 5:00 p.m. (Vancouver time) on the Business Day that is two Business Days before the Meeting or any date to which the Meeting may be postponed or adjourned and provided further that holders who exercise such rights of dissent and who:

(a) are ultimately entitled to be paid fair value for their Dissent Shares, which fair value, notwithstanding anything to the contrary contained in the BCBCA, shall be determined immediately prior to the approval of the Arrangement Resolution, shall be deemed to have transferred their Dissent Shares to Pan Am as of the Effective Time in consideration for a debt claim against Pan Am to be paid the fair value of such Dissent Shares and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights; and

(b) are ultimately not entitled, for any reason, to be paid fair value for their Pan Am Common Shares shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting holder of Pan Am Common Shares.

5.2 Recognition of Dissenting Shareholders

In no circumstances shall Pan Am or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is a registered holder of those Pan Am Common Shares in respect of which such rights are sought to be exercised. From and after the Effective Date, neither Pan Am nor any other Person shall be required to recognize a Dissenting Shareholder as a shareholder of Pan Am and the names of the Dissenting Shareholders shall be deleted from the register of holders of Pan Am Common Shares previously maintained or caused to be maintained by Pan Am.

5.3 General Dissent Rights

For greater certainty, in addition to any other restrictions in the BCBCA, Pan Am Shareholders who vote in favour of the Arrangement Resolution shall not be entitled to exercise Dissent Rights.

5.3 Reservation of Legacy Common Shares

If a Pan Am Shareholder exercises Dissent Rights, Pan Am shall, on the Effective Date, set aside and not distribute that portion of the Legacy Common Shares which is attributable to the Pan Am Common Shares for which Dissent Rights have been exercised. If the dissenting Pan Am Shareholder is ultimately not entitled to be paid for their Dissent Shares, Pan Am shall distribute to such Pan Am Shareholder his or her pro rata portion of the Legacy Common Shares. If a Pan Am Shareholder duly complies with its Dissent Rights and is ultimately entitled to be paid for their Dissent Shares, then Pan Am shall retain the portion of the Legacy Common Shares attributable to such Pan Am Shareholder and such shares will be dealt with as determined by the Board of Directors of Pan Am in its discretion.

ARTICLE 6
DELIVERY OF SHARES

6.1 Delivery of Shares

(a) Upon surrender to the Depositary for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Pan Am Common Shares, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate will be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, a certificate representing the New Pan Am Shares and a certificate representing the Legacy Common Shares that such holder is entitled to receive in accordance with Section 2.1 hereof.

(b) After the Effective Time and until surrendered for cancellation as contemplated by Section 6.1(a) hereof, each certificate that immediately prior to the Effective Time represented one or more Pan Am Common Shares shall be deemed at all times to represent only the right to receive in exchange therefor a certificate representing the New Pan Am Shares and a certificate representing the Legacy Common Shares that such holder is entitled to receive in accordance with Section 2.1 hereof.

6.2 Lost Certificates.

If any certificate that immediately prior to the Effective Time represented one or more outstanding Pan Am Common Shares that were exchanged for New Pan Am Shares and Legacy Common Shares in accordance with Section 2.1 hereof, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the New Pan Am Shares and Legacy Common Shares that such holder is entitled to receive in accordance with Section 2.1 hereof. When authorizing such delivery of New Pan Am Shares and Legacy Common Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such securities are to be delivered shall, as a

condition precedent to the delivery of such New Pan Am Shares and Legacy Common Shares give a bond satisfactory to Pan Am, Legacy and the Depositary in such amount as Pan Am, Legacy and the Depositary may direct, or otherwise indemnify Pan Am, Legacy and the Depositary in a manner satisfactory to Pan Am, Legacy and the Depositary, against any claim that may be made against Pan Am, Legacy or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of Pan Am.

6.3 Distributions with Respect to Unsurrendered Certificates.

No dividend or other distribution declared or made after the Effective Time with respect to New Pan Am Shares or Legacy Common Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Pan Am Common Shares unless and until the holder of such certificate shall have complied with the provisions of Section 6.1 or Section 6.2 hereof. Subject to applicable law and to Section 3.2 hereof, at the time of such compliance, there shall, in addition to the delivery of the New Pan Am Shares and Legacy Common Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such New Pan Am Shares and/or Legacy Common Shares, as applicable.

6.4 Limitation and Proscription.

To the extent that a former Pan Am Shareholder shall not have complied with the provisions of Section 6.1 or Section 6.2 hereof, as applicable, on or before the date that is six (6) years after the Effective Date (the "**Final Proscription Date**"), then the New Pan Am Shares and Legacy Common Shares that such former Pan Am Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the New Pan Am Shares and Legacy Common Shares to which such Pan Am Shareholder was entitled, shall be delivered to Legacy (in the case of the Legacy Common Shares) or Pan Am (in the case of the New Pan Am Shares) by the Depositary and certificates representing such New Pan Am Shares and Legacy Common Shares shall be cancelled by Pan Am and Legacy, as applicable, and the interest of the former Pan Am Shareholder in such New Pan Am Shares and Legacy Common Shares or to which it was entitled shall be terminated as of such Final Proscription Date.

6.5 Paramountcy.

From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all Pan Am Common Shares issued prior to the Effective Time; and (ii) the rights and obligations of the registered holders of Pan Am Common Shares, Legacy, the Depositary and any transfer agent or other depositary therefor, shall be solely as provided for in this Plan of Arrangement.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur at the time and in the manner set out in this Plan of Arrangement without any further act or formality, Pan Am and Legacy shall make, do and execute, or cause to be made, done or executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.

ARTICLE 8
TERMINATION

8.1 Termination

Notwithstanding any prior approvals by the Court or by the Pan Am Shareholders, the Board of Directors of Pan Am may decide not to proceed with the Arrangement and to revoke the Arrangement Resolution adopted at the Meeting without further approval of the Court or the Pan Am Shareholders.

SCHEDULE “C”

PAN AMERICAN ENERGY CORP.
(the “Company”)

COURT MATERIALS

See attached Interim Order and Notice of Hearing (of Petition for Final Order).

No. S231556
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTIONS 288-291 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING PAN AMERICAN ENERGY CORP. AND ITS SHAREHOLDERS AND LEGACY LITHIUM CORP.

PAN AMERICAN ENERGY CORP.

PETITIONER

ORDER MADE AFTER APPLICATION
(Interim Order)

BEFORE) MASTER Vos.) March 8, 2023
)

ON THE APPLICATION of the Petitioner, Pan American Energy Corp. ("**Pan American**"), without notice coming on for hearing at 800 Smithe Street, Vancouver, British Columbia, on the 8th day of March, 2023, and on hearing Michael Lisanti, counsel for the Petitioner, AND UPON READING the Petition herein and the Affidavit #1 of Paul More sworn March 6, 2023 and filed herein;

THIS COURT ORDERS that:

DEFINITIONS

1. As used in this Order, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the Notice of Special Meeting of Shareholders (the "**Notice of Meeting**") and Management Information Circular of Pan American Energy Corp. (collectively, the "**Circular**") attached as part of Exhibit "A" to Affidavit #1 of Paul More sworn on March 6, 2023 ("**More Affidavit #1**") and filed herein.

MEETING

2. Pursuant to Sections 288 through 291 of the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the "**BCBCA**"), Pan American is authorized and directed to call, hold and conduct a special meeting (the "**Meeting**") of the holders of common shares in the capital of Pan American

(the "**Pan American Shareholders**") to be held on **Tuesday, April 11, 2023,** at 10:00 a.m. (**Pacific Time**) at Suite 2800, Park Place, 666 Burrard Street, Vancouver, British Columbia, to:

(a) consider and, if deemed appropriate, to pass a special resolution adopting and approving, with or without variation, the proposed arrangement (the "**Arrangement Resolution**") substantially in the form set out at Exhibit "F" to More Affidavit #1;

(b) transact the business set out in the Notice of Meeting; and

(c) such other business as may properly come before the Meeting or any adjournment or postponement thereof.

3. The Meeting shall be called, held and conducted in accordance with the BCBCA, the Articles of Association of Pan American and the Circular subject to the terms of this Interim Order, and any further Order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order.

ADJOURNMENT

4. Pan American, if it deems advisable, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Pan American Shareholders respecting the adjournment or postponement and without the need for approval of the Court. Notice of any such adjournments or postponements shall be given by press release, news release, newspaper advertisement, or by notice sent to Pan American Shareholders by one of the methods specified in paragraph 9 of this Interim Order.

5. The Record Date (as defined in paragraph 7 below) shall not change in respect of adjournments or postponements of the Meeting.

AMENDMENTS

6. Prior to the Meeting, Pan American is authorized to make such amendments, revisions or supplements to the proposed Arrangement in accordance with the Amended and Restated Arrangement Agreement without any additional notice to the Pan American Shareholders, and the Arrangement as so amended, revised and supplemented shall be the Arrangement submitted to the Meeting, and the subject of the Arrangement Resolution.

RECORD DATE

7. The record date for determining the Pan American Shareholders entitled to receive notice of, attend and vote at the Meeting shall be 5:00 p.m. (Vancouver time) on February 27, 2023 (the "**Record Date**").

NOTICE OF MEETING

8. The Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of Section 290(1)(a) of the BCBCA, and Pan American shall not be required to send to the Pan American Shareholders any other or additional statement pursuant to Section 290(1)(a) of the BCBCA.

9. The Circular with schedules, form of proxy, and Notice of Hearing of Petition for Final Order (collectively the "**Meeting Materials**"), in substantially the same form as contained in Exhibits "A", "C" and "G" to More Affidavit #1, with such deletions, amendments or additions thereto as counsel for the Petitioner may advise are necessary or desirable, provided that such amendments are not inconsistent with the terms of this Interim Order, shall be sent to:

   (a) the Pan American Shareholders as they appear in the records of Pan American as at the Record Date, such Meeting Materials to be sent at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmittal and the date of the Meeting, by one or more of the following methods:

      (i) by prepaid ordinary, first class or air mail addressed to the Pan American Shareholder at his, her or its address as it appears in the applicable records of Pan American as at the Record Date;

      (ii) by delivery in person or by delivery to the addresses specified in paragraph 9(a)(i) above; or

      (iii) by e-mail or facsimile transmission to any Pan American Shareholder who identifies himself, herself, or itself to the satisfaction of Pan American, acting through its representatives, who requests such e-mail or facsimile transmission;

   (b) the directors, officers, and auditors of Pan American by personal delivery or by mailing the Meeting Materials by prepaid ordinary mail to such persons at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or transmittal and the date of the Meeting; and

(c) to non-registered Pan American Shareholders (those whose names do not appear in the securities register of Pan American), by providing the requisite number of copies of the Meeting Materials to intermediaries, and registered nominees for sending to non-registered United Lithium Shareholders in accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators at least three (3) business days prior to the twenty-first (21st) day prior to the date of the Meeting.

and substantial compliance with this paragraph shall constitute good and sufficient notice of the Meeting.

10. Accidental failure of or omission by Pan American to give notice to any one or more of the Pan American Shareholders, or the non-receipt of such notice by one or more Pan American Shareholders, or any failure or omission to give such notice as a result of events beyond the reasonable control of Pan American (including, without limitation, any inability to use postal services), shall not constitute a breach of this Interim Order or, in relation to notice to Pan American Shareholders, a defect in the calling of the Meeting, and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Pan American, then Pan American shall use reasonable best efforts to rectify such failure or omission by the method and in the time most reasonably practicable in the circumstances.

DEEMED RECEIPT OF NOTICE

11. The Meeting Materials shall be deemed, for the purposes of this Order, to have been received:

(a) in the case of mailing, the day, Saturdays, Sundays and holidays excepted, following the date of mailing;

(b) in the case of delivery in person, the day of personal delivery or the day following delivery to the person's address in paragraph 9 above; and

(c) in the case of any means of transmitted, recorded or electronic communication, when dispatched or delivered for dispatch.

UPDATING MEETING MATERIALS

12. Notice of any amendments, updates or supplement to any of the information provided in the Meeting Materials may be communicated to the Pan American Shareholders by press release, news release, newspaper advertisement or by notice sent to the Pan American Shareholders by

any of the means set forth in paragraph 9 herein, as determined to be the most appropriate method of communication by the Board of Directors of Pan American.

QUORUM AND VOTING

13. The quorum required at the Meeting shall be one person entitled to vote at the Meeting whether present in person or by proxy who, in the aggregate, hold or represent at least 5% of the Pan American Shares entitled to vote at the Meeting.

14. The votes taken at the Meeting shall be taken on the basis of one vote per each Pan American Share and the vote required to pass the Arrangement Resolution shall be the affirmative vote of at least two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by the Pan American Shareholders, present in person or represented by proxy at the Meeting.

15. For the purposes of the Meeting, any spoiled votes, illegible votes, defective votes and abstentions shall be deemed not to be votes cast.

16. In all other respects, the terms, restrictions and conditions of the Articles of Pan American will apply in respect of the Meeting.

PERMITTED ATTENDEES

17. The only persons entitled to attend the Meeting shall be (i) the Pan American Shareholders or their respective proxyholders as of the Record Date, (ii) Pan American's directors, officers, auditors, advisors, and (iii) any other person admitted on the invitation of the Chair, and the only persons entitled to be represented and to vote at the Meeting shall be the Pan American Shareholders as at the close of business on the Record Date, or their respective proxyholders.

SCRUTINEERS

18. A representative of Pan American's registrar and transfer agent, Computershare Investor Services Inc. (or any agent thereof) is authorized to act as scrutineer for the Meeting.

SOLICITATION OF PROXIES

19. Pan American is authorized to use the form of proxy in connection with the Meeting, in substantially the same form as attached as Exhibit "C" to Affidavit #1, and Pan American may in its discretion waive generally the time limits for deposit of proxies by the Pan American Shareholders if Pan American deems it reasonable to do so. Pan American is authorized, at its expense, to solicit proxies, directly and through its officers, directors and employees, and through

such agents or representatives as it may retain for the purpose, and by mail or such other forms of personal or electronic communication as it may determine.

20. The procedure for the use of proxies at the Meeting shall be as set out in the Meeting Materials.

DISSENT RIGHTS

21. Each registered Pan American Shareholder shall have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of sections 237-242 of the BCBCA, as modified by the terms of this Interim Order and the Plan of Arrangement. A beneficial holder of Pan American Shares registered in the name of a broker, custodian, nominee or other intermediary who wishes to dissent must make arrangements for the registered Pan American Shareholder to dissent on behalf of the beneficial holder of Pan American Shares.

22. In order for a Pan American Shareholder to exercise such right of dissent under sections 237-242 of the BCBCA:

(a) a dissenting Pan American Shareholder shall deliver a written notice of dissent to Pan American, c/o DLA Piper (Canada) LLP, Suite 2800-666 Burrard Street, Vancouver BC, V6C 2Z7 Attention: Deepak Gill, by 5:00 p.m. (Vancouver time) on April 6, 2023 or, in the event the Meeting is adjourned or postponed, by 5:00 p.m. (Vancouver time) on the last business day that is two full business days preceding the date that the Meeting is reconvened or held;

(b) delivery of a notice of dissent does not deprive such dissenting Pan American Shareholder of its right to vote at the Meeting, however, a vote in favour of the Arrangement Resolution will result in a loss of the dissent right;

(c) a vote against the Arrangement Resolution or an abstention shall not constitute the written notice of dissent required under subparagraph (a); and

(d) the exercise of such right of dissent must otherwise comply with the requirements of sections 237-247 of the BCBCA, as modified by this Interim Order.

23. The Supreme Court of British Columbia on hearing the application for the Final Order has the discretion to alter the dissent rights described in the Circular based on the evidence presented at such application.

24. Subject to further order of this Court, the rights available to the Pan American Shareholders under the BCBCA and the Arrangement to dissent from the Arrangement shall constitute full and sufficient rights of dissent for the Pan American Shareholders with respect to the Arrangement.

25. Notice to the Pan American Shareholders of their right of dissent with respect to the Arrangement Resolution and to receive, subject to the provisions of the BCBCA and the Arrangement, the fair value of their Pan American Shares shall be given by including information with respect to this right in the Circular to be sent to Pan American Shareholders in accordance with this Interim Order.

APPLICATION FOR FINAL ORDER

26. Upon the approval, with or without variation, by the Pan American Shareholders of the Arrangement, in the manner set forth in this Interim Order, Pan American may apply to this Court for, *inter alia*, an Order:

(a) pursuant to BCBCA Section 291(4)(a) approving the Arrangement; and

(b) pursuant to BCBCA Section 291(4)(c) declaring that the terms and conditions of the Arrangement are fair and reasonable

(together, the "**Final Order**")

and that the hearing of the Final Order will be held on Friday, April 14, 2023 at the Courthouse at 800 Smithe Street, Vancouver, British Columbia at 9:45 a.m. (Pacific Time) or as soon thereafter as the hearing of the Final Order may be heard or at such other date and time as this Court may direct.

27. The form of Notice of Hearing of Petition for Final Order attached as Exhibit "G" to More Affidavit #1 is hereby authorized for use for all purposes as the Notice of Hearing required by Rule 16-1 (8).

28. Any Pan American Shareholder or other party affected has the right to appear (either in person or by counsel) and make submissions at the hearing of the application for the Final Order.

29. Any Pan American Shareholder or other party affected seeking to appear at the hearing of the application for the Final Order shall:

(a) file and deliver a Response to Petition pursuant to Rule 16-1 (5) of, and in the form prescribed by, the Supreme Court Civil Rules, and a copy of all materials upon which they intend to rely, to the Petitioners' solicitors at:

DLA Piper (Canada) LLP
Suite 2800 - 666 Burrard Street
Vancouver, B.C. V6C 2Z7
Attention: Brent MacLean

Email: brent.maclean@ca.dlapiper.com
Fax: (604) 687-1612

by or before 4:00 p.m. (Vancouver time) on Wednesday, April 12, 2023 or as the Court may otherwise direct.

30. Sending the Notice of Hearing of Petition for Final Order and this Interim Order as herein set out shall constitute good and sufficient service of this proceeding and no other form of service need be made and no other material need be served on persons in respect of these proceedings. In particular, service of the Petition herein and Affidavit #1 and additional Affidavits as may be filed, is dispensed with. Upon the written request by, or on behalf of, any Pan American Shareholder Pan American shall deliver the Petition and other materials filed herein.

31. Additional service of the Notice of Hearing of Petition for Final Order upon the Pan American Shareholders and any other persons who may wish to appear may be made by Pan American posting the Circular on the SEDAR website maintained by the Canadian Securities Administrators.

32. In the event the hearing for the Final Order is adjourned, only those persons who have filed and delivered a Response in accordance with this Interim Order need be provided with written notice of the adjourned hearing date and any filed materials.

33. Pan American is at liberty to serve the Notice of Hearing of Petition for Final Order on persons outside the jurisdiction of this Honourable Court in the manner specified in this Interim Order.

VARIANCE

34. Pan American, or any other interested party, shall be entitled, at any time, to apply to vary this Interim Order or for such further order or orders as may be appropriate.

35. Rules 8-1 and 16-1(8)-(12) of the *Supreme Court Civil Rules* will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

M. Lisanti

Signature of ☑ lawyer for the Petitioner
DLA Piper (Canada) LLP (Michael Lisanti)

BY THE COURT

REGISTRAR

Form CHECKED

No. S231556

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTIONS 288-291 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
PAN AMERICAN ENERGY CORP. AND ITS SHAREHOLDERS
AND
LEGACY LITHIUM CORP.

PAN AMERICAN ENERGY CORP.

PETITIONER

ORDER MADE AFTER APPLICATION
(Interim Order)

DLA Piper (Canada) LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Tel. No. 604.687.9444
Fax No. 604.687.1612

Client Matter No.: 109367-00001 BZM/jid

No. S231556
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTIONS 288-291 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING PAN AMERICAN ENERGY CORP. AND ITS SHAREHOLDERS AND LEGACY LITHIUM CORP.

PAN AMERICAN ENERGY CORP.

PETITIONER

NOTICE OF HEARING OF PETITION FOR FINAL ORDER

TO: The Shareholders, Securityholders, Directors and Auditor of Legacy Lithium Corp.

TAKE NOTICE that the petition of the petitioner, dated March 6, 2023 will be heard at the courthouse at 800 Smithe Street, Vancouver, BC V6Z 2E1 on **Friday, April 14, 2023**, at 9:45 a.m. or soon thereafter as counsel may be heard.

1 Date of hearing

☒ The petition is unopposed, by consent or without notice.

2 Duration of hearing

☒ It has been agreed by the parties that the hearing will take 15 minutes.

3 Jurisdiction

☒ This matter is not within the jurisdiction of a master.

NOTICE IS HEREBY GIVEN that a Petition has been filed by the Petitioner, Pan American Energy Corp., ("**Pan American**"), in the Supreme Court of British Columbia (the "**Court**") for approval of a plan of arrangement (the "**Plan of Arrangement**"), pursuant to the *Business Corporations Act*, S.B.C., 2002, c. 57, as amended (the "**BCBCA**");

AND NOTICE IS FURTHER GIVEN that by an Interim Order of the Court, pronounced March 8, 2023, the Court has given directions as to the calling of a meeting (the "**Meeting**") the shareholders of Pan American (the "**Pan American Shareholders**"), for the purpose of, *inter alia*, considering, voting upon and approving the Plan of Arrangement;

AND NOTICE IS FURTHER GIVEN that if the Plan of Arrangement is approved at the Meeting, the Petitioner intends to apply to the Court for a final order approving the Plan of Arrangement and for a

determination that the terms of the Plan of Arrangement are procedurally and substantively fair and reasonable (the "**Final Order**"), which application shall be made before the presiding Judge in Chambers at the Courthouse, 800 Smithe Street, Vancouver, British Columbia on April 14, 2023 at 9:45 a.m. (Vancouver time), or as soon thereafter as counsel may be heard or at such other date and time as the Court may direct (the "**Final Application**").

AND NOTICE IS FURTHER GIVEN that the Court has been advised that, if granted, the Final Order approving the Plan of Arrangement and the declaration that the Plan of Arrangement is substantively and procedurally fair and reasonable to those who will receive securities of Pan American and Legacy Lithium Corp.. in exchange for their securities of Pan American in connection with the Plan of Arrangement, will serve as a basis of a claim for the exemption from the registration requirements of the United States *Securities Act of 1933*, as amended, set forth in Section 3(a)(10) thereof with respect to the issuance and exchange of such securities under the proposed Plan of Arrangement.

IF YOU WISH TO BE HEARD, any person affected by the Final Order sought may appear (either in person or by counsel) and make submissions at the hearing of the Final Application if such person has filed with the Court at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, a Response to Petition ("**Response**") pursuant to Rule 16-1 of, and in the form prescribed by, the *Supreme Court Civil Rules* and delivered a copy of the filed Response, together with all material on which such person intends to rely at the hearing of the Final Application, including an outline of such person's proposed submissions, to the Petitioner at its address for delivery set out below by or before 4:00 p.m. (Vancouver time) on April 12, 2023.

The Petitioner's address for delivery is:

DLA PIPER (CANADA) LLP
Barristers & Solicitors
Suite 2800 - Park Place
666 Burrard Street,
Vancouver, B.C. V6C 2Z7

Attention: Brent MacLean

Fax number: (604) 687-1612

Email address: brent.maclean@ca.dlapiper.com

IF YOU WISH TO BE NOTIFIED OF ANY ADJOURNMENT OF THE FINAL APPLICATION, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing and delivering the form of "Response" as aforesaid. You may obtain a form of Response at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

AT THE HEARING OF THE FINAL APPLICATION the Court may approve the Plan of Arrangement as presented, or may approve it subject to such terms and conditions as the Court deems fit.

IF YOU DO NOT FILE A RESPONSE and attend either in person or by counsel at the time of such hearing, the Court may approve the Plan of Arrangement, as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, all without any further notice to you. If the Plan of Arrangement is approved, it will significantly affect the rights of the Pan American Shareholders and securityholders.

A copy of the said Petition and other documents in the proceeding will be furnished to any Pan American Shareholder or securityholder upon request in writing addressed to the solicitors of the Petitioner at its address for delivery set out above.

March 8, 2023
Dated

M. Lisanti

Signature of ☒ lawyer for petitioner
DLA Piper (Canada) LLP (Michael Lisanti)

No. S231556
Vancouver Registry

IN THE MATTER OF SECTIONS 288-291 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING PAN AMERICAN ENERGY CORP. AND ITS SHAREHOLDERS AND LEGACY LITHIUM CORP.

PAN AMERICAN ENERGY CORP.

PETITIONER

NOTICE OF HEARING OF PETITION FOR FINAL ORDER

DLA Piper (Canada) LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 109367-00001 BZM/jid

SCHEDULE "D"

PAN AMERICAN ENERGY CORP.
(the "Company")

DIVISION 2 OF PART 8 OF THE BCBCA

Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2)(c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to: the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) or (f) must

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1)(g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240(2)(b) or (3)(b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238(1)(h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1)(a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under Section 244,

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242(4)(c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1)(c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244(1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2)(a) of this section, the company must

(a) pay to each dissenter who has complied with section 244(1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1)(b) or (3)(b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244(4) or (5), 245(4)(a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244(1)(b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244(6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE "E"

PAN AMERICAN ENERGY CORP.
(the "Company")

LEGACY LITHIUM CORP. - AUDITED FINANCIAL STATEMENTS FROM INCORPORATION TO JANUARY 31ST, 2023

See attached.

LEGACY LITHIUM CORP.

Financial Statements

For the period from incorporation on December 28, 2022 to January 31, 2023

In Canadian Dollars, unless noted

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Legacy Lithium Corp.

Opinion

We have audited the financial statements of Legacy Lithium Corp., which comprise the statement of financial position as at January 31, 2023, and the statement of loss and comprehensive loss, statement of changes in shareholder's equity and statement of cash flows for the period from incorporation on December 28, 2022 to January 31, 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2023, and its financial performance and its cash flows for the period from incorporation on December 28, 2022 to January 31, 2023 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements, which describes events and conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes

our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Anna C. Moreton.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
March 7, 2023

Legacy Lithium Corp.
Statement of Financial Position
As at January 31, 2023
In Canadian Dollars, unless noted

As at	Notes	January 31, 2023
ASSETS		
Cash		$ 1
TOTAL ASSETS		**$ 1**
LIABILITIES		
Accounts payable and accrued liabilities		$ 15,000
TOTAL CURRENT LIABILITIES		**15,000**
EQUITY		
Share capital	**5**	1
Deficit		(15,000)
TOTAL EQUITY		**(14,999)**
TOTAL LIABILITIES AND EQUITY		**$ 1**

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

Going concern (Note 2)

Subsequent event (Note 10)

Approved and authorized for issue by the Board of Directors on March 3, 2023:

"Jason Latkowcer" Director

"Paul More" Director

Legacy Lithium Corp.

Statement of Loss and Comprehensive Loss

For the Period from Incorporation on December 28, 2022 to January 31, 2023

In Canadian Dollars, unless noted

		Period ended January 31, 2023
EXPENSES		
Professional fees	$	15,000
TOTAL EXPENSES		15,000
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	$	(15,000)
Loss per share, basic and diluted		$(150)
Weighted average shares outstanding		100

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

Legacy Lithium Corp.

Statement of Changes in Shareholder's Equity

For the Period from Incorporation on December 28, 2022 to January 31, 2023

In Canadian Dollars, unless noted

	Share Capital			
	Number	**Amount**	**Deficit**	**Total Equity**
Incorporation, December 28, 2022	-	$ -	$ -	$ -
Incorporation shares	100	1	-	1
Net loss and comprehensive loss for the period	-	-	(15,000)	(15,000)
As of January 31, 2023	100	$ 1	$ (15,000)	$ (14,999)

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

Legacy Lithium Corp.
Statement of Cash Flows
For the Period from Incorporation on December 28, 2022 to January 31, 2023
In Canadian Dollars, unless noted

		Period ended January 31, 2023
OPERATING ACTIVITIES		
Net loss for the period	**$**	**(15,000)**
Change in non-cash working capital:		
Accounts payable		**15,000**
Net cash provided by operating activities		**-**
FINANCING ACTIVITY		
Proceeds from share issuances		1
Net cash provided by financing activities		**1**
Net increase in cash		**1**
Cash, beginning of period		-
Cash, end of period	$	**1**
Supplemental cash flow information		
Cash paid for interest	$	-
Cash paid for income taxes	$	-

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

1. NATURE OF OPERATIONS

Legacy Lithium Corp. (the "Company") was incorporated under the laws of British Columbia on December 28, 2022. The Company was incorporated for the purposes of a plan of arrangement with Pan American Energy Corp. (see Note 10). The Company's registered office and principal place of business is 666-2800 Burrard Street, British Columbia V6C 2Z7.

2. GOING CONCERN

These financial statements have been prepared by management 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. At January 31, 2023, the Company had not yet achieved profitable operations, had accumulated losses of $15,000 since its inception, and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. A number of alternatives including, but not limited to completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from the novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in future periods.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and the Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

3. BASIS OF PRESENTATION

Statement of compliance
These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of measurement
These financial statements have been prepared on an historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Functional and presentation currency
These financial statements are presented in Canadian dollars, which is the Company's functional currency.

Significant judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Provisions

Liabilities are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as a financing expense.

b) Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

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 fair value at the date the shares were issued. The fair value is determined by referring to concurrent financing or recent private placements for cash.

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as private placement units. The share component of the unit is measured at fair value determined by referring to concurrent financing or recent private placements for cash, and the warrant component is measured by reference to the residual value, if any. Any value allocated to the warrant component is credited to reserves.

d) Share-based payments

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled transactions and, when determinable, are recorded at the value of the goods and services received. If the value of the goods and services received is not determinable, then the fair value of the equity instruments issued is used.

The Company uses a fair value-based method (Black-Scholes Option Pricing Model) for all share options granted to directors, employees and certain non-employees. For directors and employees, the fair value of the share options is measured at the date of grant. For grants to non-employees where the fair value of the goods or services is not determinable, the fair value of the share options is measured on the date the services are received.

The fair value of share options is charged to profit or loss, with the offsetting credit to reserves. For directors, employees and consultants, the share options are recognized over the vesting period based on the best available estimate of the number of share options expected to vest. If options vest immediately, the expense is recognized when the options are issued.

Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods where vested. For non-employees, the share options are recognized over the related service period. When share options are exercised, the amounts previously recognized in reserves are transferred to share capital.

In the event share options are forfeited prior to vesting, the associated fair value recorded to date is reversed. The fair value of any vested share options that expire remain in reserves.

e) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. In a loss period, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive. Basic and diluted loss per share are the same for the period presented.

f) Financial instruments – recognition and measurement

Classification
The Company classifies its financial instruments in the following categories: at fair value through profit or 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.

The Company classifies its financial instruments as follows:

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized cost

Measurement – amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Amortized cost is calculated using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments over the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability.

Measurement – fair value through profit or loss
Financial assets and liabilities carried 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.

Measurement – fair value through other comprehensive income
Financial assets and liabilities carried at FVOCI are initially recorded at fair value plus or minus transaction costs. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVOCI are included in other comprehensive income or loss in the period in which they arise.

Impairment of financial assets at amortized cost
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.

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.

5. EQUITY

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

On December 28, 2022, the Company issued 100 common shares of the Company at $0.01 per common share for total proceeds of $1, pursuant to incorporation.

As at January 31, 2023, the Company had no outstanding warrants and stock options.

6. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

During the period ended January 31, 2023, the Company did not incur any key management compensation or other related party transactions.

In Canadian Dollars, unless noted

7. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

	January 31, 2023
	$
Net loss for the period	(15,000)
Statutory tax rate	27%
Expected income tax recovery	4,050
Current and prior tax attributes not recognized	(4,050)
Deferred income tax recovery	-

Details of deferred tax assets are as follows:

	January 31, 2023
	$
Non-capital loss	4,050
Less: Unrecognized deferred tax assets	(4,050)
	-

The Company has approximately $15,000 of non-capital losses available, which will expire in 2043 and may be applied against future taxable income. At January 31, 2023, the net amount which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in the future years.

8. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Board of Directors do not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements.

9. 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 one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's cash is no material. The Company has not experienced any significant credit losses and believes it is not exposed to any material credit risk.

(ii) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. As at January 31, 2023, the Company had a cash balance of $1 to settle current liabilities of $15,000.

(iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk, foreign currency risk, and other price risk.

Interest rate risk
Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk derived from currency conversions is negligible. The foreign exchange risk is therefore manageable and not material. The Company does not currently use any derivative instruments to reduce its exposure to fluctuations in foreign exchange rates.

Other price risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company does not have investments in financial instruments that would be affected by other price risk.

b) Fair values

The carrying values of accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

Financial instruments carried at fair value 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).

The Company's cash is considered to be Level 1 within the fair value hierarchy.

10. SUBSEQUENT EVENT

On February 7, 2023, Pan American Energy Corp. and the Company entered into a reorganization transaction by way of plan of arrangement whereby Pan American Energy Corp. undertook a reorganization and spin-out of its interests in the Green Energy Lithium Property located in the State of Utah, USA to the Company.

Pan American Energy Corp. will transfer all of the issued and outstanding common shares of its wholly owned subsidiary, Pan American Energy, LLC, to the Company in exchange for 8,702,956 Company common shares, assuming the number of shares were determined on the date the plan of arrangement was entered into.

After completion of the plan of arrangement, the Company will own 100% of Pan American Energy, LLC along with the assets of the Green Energy Lithium Property. The Company intends to operate the exploration and development business to advance its Green Energy Lithium Property and seek other exploration assets.

SCHEDULE "F"

PAN AMERICAN ENERGY CORP.
(the "Company")

LEGACY LITHIUM CORP. - MANAGEMENT DISCUSSION AND ANALYSIS FROM INCORPORATION TO JANUARY 31ST, 2023

See attached.

LEGACY LITHIUM CORP.

Management's Discussion and Analysis

For the period from incorporation on December 28, 2022 to January 31, 2023

In Canadian Dollars, unless noted

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the financial statements and notes thereto for the period from incorporation on December 28, 2022 to January 31, 2023 of Legacy Lithium Corp. (the "Company"). Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

DATE

This MD&A is prepared as of March 3, 2023.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this MD&A. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) the uncertainty of government regulation and politics (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (4) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

DESCRIPTION OF BUSINESS

Legacy Lithium Corp. (the "Company") was incorporated under the laws of British Columbia on December 28, 2022. The Company was incorporated for the purposes of a plan of arrangement with Pan American Energy Corp. (see Note 10 of the financial statements and notes thereto for the period from incorporation on December 28, 2022 to January 31, 2023 of the Company). The Company's registered office and principal place of business is 666-2800 Burrard Street, British Columbia V6C 2Z7.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

HIGHLIGHTS

- On December 28, 2022, the Company issued 100 common shares at $0.01 per common share for total proceeds of $1, pursuant to incorporation.

- On February 7, 2023, the Company entered into a reorganization transaction by way of plan or arrangement whereby Pan American Energy Corp. undertook a reorganization and spin-out of its interest in the Green Energy Lithium Property located in the State of Utah, USA to the Company. The shareholders of Pan American Energy Corp. will receive 8,702,956 shares, based on the number of shares issued and outstanding on the date the plan of arrangement was entered into, on a pro-rata basis of the Company pursuant to the transaction.

OVERALL PERFORMANCE

The Company has not generated revenues to date from operations as it is in the start up phase and continues to focus on the acquisition of strategic exploration assets.

At January 31, 2023 the Company had net assets of $(14,999) and working capital deficit of $14,999 .

The assets consisted of the following:

As at	January 31, 2023
	$
Cash	1
TOTAL ASSETS	**1**

The liabilities consisted of the following:

As at	January 31, 2023
	$
Accounts payable and accrued liabilities	15,000
TOTAL LIABILITIES	**15,000**

DISCUSSION OF OPERATIONS

The Company generated an operating loss of $15,000 for the period ended January 31, 2023. The following is the results of operations by category for the period ended January 31, 2023. As of January 31, 2023, a full year of operations has not taken place; thus, quarterly results are not shown.

	Period ended January 31, 2023
	$
EXPENSES	
Professional fees	15,000
NET LOSS AND COMPREHENSIVE LOSS	**(15,000)**

- Professional fees consists of costs legal and accounting fees accrued for general corporate matters relating to the newly formed entity.

LIQUIDITY

During the period ended January 31, 2023, the Company issued 100 common shares for total proceeds of $1.

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's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2023, the Company had cash of $1 and total liabilities of $15,000.

Operating Activities

The Company did not use or generate any cash in operating activities during the period ended January 31, 2023.

Financing Activities

The Company received net cash of $1 from financing activities during the period ended January 31, 2023, as a result of the equity transaction outlined under “Liquidity” above.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

During the period ended January 31, 2023, the Company did not incur any key management compensation or other related party transactions.

PROPOSED TRANSACTIONS

The Company has entered into a plan of arrangement with Pan American Energy Corp. (see Note 10 of the financial statements and notes thereto for the period from incorporation on December 28, 2022 to January 31, 2023 of the Company).

CHANGES IN ACCOUNTING POLICIES

The MD&A has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s audited financial statements for the period ended January 31, 2023.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Classification
The Company classifies its financial instruments in the following categories: at fair value through profit or 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.

The Company classifies its financial instruments as follows:

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized cost

Measurement – amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Amortized cost is calculated using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments over the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability.

Measurement – fair value through profit or loss
Financial assets and liabilities carried 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.

Measurement – fair value through other comprehensive income
Financial assets and liabilities carried at FVOCI are initially recorded at fair value plus or minus transaction costs. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVOCI are included in other comprehensive income or loss in the period in which they arise.

Impairment of financial assets at amortized cost
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.

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.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

An analysis of material components of the Company's expenses is disclosed in the "Overall Performance" section above.

DISCLOSURE OF OUTSTANDING SHARE DATA

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

On December 28, 2022, the Company issued 100 common shares at $0.01 per common share for total proceeds of $1, pursuant to incorporation.

As of the date of this MD&A, the Company has 100 common shares outstanding (January 31, 2023 – 100).

RISK FACTORS

Much of the information included in this MD&A includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

Risks Related to the Company's Business

The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

The Company has no operating history

The Company has no operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

History of losses

The Company has incurred losses in the period from incorporation on December 28, 2022 to January 31, 2023. The Company may not be able to achieve or maintain profitability and will continue to incur significant losses in the future.

Dependence on suppliers and skilled labour

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, and properties. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, and properties. This could have an adverse effect on the financial results of the Company.

Management of growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its human capital base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Internal controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and materially adversely affect the trading price of the Company's shares.

Liquidity

The Company cannot predict at what prices the Company's securities will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Company's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Company resources.

Privacy

The Company and its employees and consultants have access, in the course of their duties, to personal information of stakeholders of the Company. There can be no assurance that the Company's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future stakeholders whether or not such a breach of privacy were to have occurred as a result of the Company's employees or arm's length third parties. If a stakeholder's privacy is violated, or if the Company is found to have violated any law or regulation, it could be liable for damages or for criminal fines and/or penalties.

BOARD APPROVAL

The Board of Directors of the Company have approved this MD&A.

SCHEDULE "G"

PAN AMERICAN ENERGY CORP.
(the "Company")

AUDITED CARVE-OUT STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED MARCH 31, 2022

See attached.

Pan American Energy Corp. – Legacy Lithium Business

Carve-Out Statement of Financial Position

As at March 31, 2022

In Canadian Dollars, unless noted

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Pan American Energy Corp. Legacy Lithium Business

Opinion

We have audited the carve-out financial statement of Pan American Energy Corp. Legacy Lithium Business (the "Business"), which comprises the carve-out statement of financial position as at March 31, 2022 and notes to the financial statement, including a summary of significant accounting policies.

In our opinion, the accompanying carve-out statement of financial position presents fairly, in all material respects, the financial position of the Business as at March 31, 2022 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Business in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial statement, which describes the events and conditions indicating that a material uncertainty exists that may cast significant doubt on the Business's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the Business's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Business or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Business's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Business's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Business's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures to the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Business to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Anna C. Moreton.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
March 7, 2023

Pan American Energy Corp. – Legacy Lithium Business
Carve-Out Statement of Financial Position
As at March 31, 2022
In Canadian Dollars, unless noted

As at	Notes	March 31, 2022
		$
ASSETS		
Exploration and evaluation assets	**5**	167,422
TOTAL ASSETS		**167,422**
LIABILITIES		
Accounts payable and accrued liabilities		40,632
TOTAL LIABILITIES		**40,632**
EQUITY		
Contribution from Pan American Energy Corp.	**1**	126,790
TOTAL EQUITY		**126,790**
TOTAL LIABILITIES AND EQUITY		**167,422**

The accompanying notes are an integral part of this carve-out statement of financial position.

Reorganization and going concern (Note 1) and Subsequent event (Note 10)

Approved on behalf of the Board of Directors on March 3, 2023:

"Jason Latkowcer", Director

"Sean Kingsley", Director

1. REORGANIZATION AND GOING CONCERN

On December 28, 2022, Legacy Lithium Corp. ("LLC") was incorporated. All outstanding shares are currently held by Pan American Energy Corp. ("Pan American").

Pan American is in the process of completing a business reorganization, described in Note 10, that will ultimately result in a spin-out of its interests in the Green Energy Lithium Property located in the State of Utah to the newly formed LLC.

This carve-out statement of financial position of Pan American Energy Corp. – Legacy Lithium Business (the "Business") reflects the financial position of the Green Energy Lithium Property and upon completion of the reorganization, Legacy Lithium Corp.'s business as of March 31, 2022.

The Business has no current source of operating activities and is accordingly dependent upon the receipt of equity and/or debt financing on terms which are acceptable to it.

This carve-out statement of financial position has been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Business will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of a material uncertainty related to events or conditions that may cast significant doubt upon the Business' ability to continue as a going concern.

2. NATURE OF OPERATIONS

The Business is engaged in the exploration and development of its Green Energy Lithium Property in the State of Utah. The Business considers itself to be an acquisition and exploration stage business.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration and development programs will result in profitable mining operations. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, receipt of necessary permits and regulatory approvals, ability of the Business to obtain financing to complete their development, and future profitable operations or sale of the properties.

3. BASIS OF PRESENTATION

This carve-out statement of financial position was prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

3.1. Basis of measurement

All references to dollar amounts in this carve-out statement of financial position and related notes are in Canadian dollars, unless otherwise indicated. This carve-out statement of financial position has been prepared on a historical cost basis.

3.2. Significant judgments, estimates and assumptions

The preparation of this cave-out statement of financial position in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

(i) Exploration and evaluation assets and indicators of impairment
The Business is required to make significant judgments regarding the capitalization of the costs incurred in respect to its exploration and evaluation assets. The Business is also required to make significant judgments on the ongoing feasibility of mineral exploration, and whether there are indicators that the development of a specific area is unlikely and exploration and evaluation assets should be impaired. Management has assessed impairment indicators on the Business' exploration and evaluation assets and has concluded that no impairment indicators existed as of March 31, 2022 and 2021.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Exploration and Evaluation Assets

(i) Pre-license costs:

Costs incurred before the Business has obtained the legal right to explore are expensed as incurred.

(ii) Exploration and evaluation assets:

Once the legal right to explore has been acquired, exploration and evaluation expenditures are capitalized as incurred, unless future economic benefit is not expected to be realized. The Business capitalizes, on a property by property basis, the costs of acquiring, maintaining its interest in, and exploring and evaluating mineral assets until such time as the lease expires, it is abandoned, sold or considered impaired in value. Indirect administrative costs are expensed as incurred. Exploration and evaluation assets are not depreciated during the exploration and evaluation stage. Exploration and evaluation assets are classified as intangible assets.

Recovery of capitalized costs is dependent on successful development of economic mining operations or the disposition of the related mineral property.

Although the Business has taken steps to verify title to mineral assets in which it has an interest, these procedures do not guarantee the Business' title. Such assets may be subject to prior agreements or transfers, non-compliance with regulatory requirements or title may be affected by undetected defects.

4.2 Decommissioning and Restoration

The Business is subject to various governmental laws and regulations relating to the protection of the environment. The environmental regulations are continually changing and are generally becoming more restrictive.

Decommissioning and restoration obligations encompass legal, statutory, contractual or constructive obligations associated with the retirement of a long-lived tangible asset (for example, mine reclamation costs) that results from the acquisition, construction, development and/or normal operation of a long-lived asset. The retirement of a long-lived asset is reflected by an other-than-temporary removal from service, including sale of the asset, abandonment or disposal in some other manner.

The fair value of a liability for decommissioning and restoration is recorded in the period in which the obligation first arises. The Business records the estimated present value of future cash flows associated with site closure and reclamation as a long-term liability and increases the carrying value of the related assets for that amount. Over time, the liability is increased to reflect an interest element in the estimated future cash flows (accretion expense) considered in the initial measurement of fair value. The capitalized cost is depreciated on either the unit-of-production basis or the straight-line basis, as appropriate. The Business' estimates of its provision for decommissioning and restoration obligations could change as a result of changes in regulations, changes to the current market-based discount rate, the extent of environmental remediation required, and the means of reclamation or cost estimates. Changes in estimates are accounted for in the period in which these estimates are revised.

As at March 31, 2022, the Business has determined that it does not have any material decommissioning and restoration obligations related to current or former operations.

4.3 Impairment of Non-Financial Assets

For the purposes of assessing impairment, the recoverable amount of an asset, which is the higher of its fair value less costs to sell and its value in use, is estimated.

4.4 Provisions

Liabilities are recognized when the Business has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as a financing expense**.**

4.5 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 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 Business 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 calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset only when the Business 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.

4.6 Financial Instruments

(i) Classification

The Business 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 Business determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Business' 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 Business 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 Business has opted to measure them at FVTPL.

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried 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 of loss in the period in which they arise.

(iii) Impairment of financial assets at amortized cost.

The Business recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Business 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,

In Canadian Dollars, unless noted

the Business measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Business shall recognize in the 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

Financial assets

The Business 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.

4.7 Accounting standards anticipated to be effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRS Interpretations Committee that are mandatory for accounting periods beginning after December 28, 2022, or later periods. The Business has determined that there are no new standards or updates, which are expected to have a material impact on the carve-out statement of financial position.

5. EXPLORATION AND EVALUATION ASSETS

The Business has 208 mineral claims located in Cane Creek Anticline, Grand County, Utah, USA.

A summary of the capitalized acquisition and exploration expenditures and accumulated totals for the period ending March 31, 2022 are as follows:

	Amount ($)
Balance at December 4, 2021	**-**
Additions during the period	
Acquisition	50,000
Geological consulting	117,422
Balance at March 31, 2022	167,422

Green Energy Lithium Property

On December 4, 2021, Pan American 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, Pan American 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.

At March 31, 2022, Pan American had capitalized total costs of $167,422 related to the Green Energy Lithium Property, which consists of $50,000 in costs related to the acquisition and $117,422 in exploration and evaluation costs.

6. RELATED PARTY TRANSACTIONS

At March 31, 2022, the Business had no related party transactions.

7. INCOME TAXES

As at March 31, 2022, the Business has available mineral resource related expenditure pools totalling approximately $167,422 which may be deducted against future taxable income on a discretionary basis.

Management has not recognized certain deferred income tax assets, as they believe that sufficient uncertainty exists regarding the realization of those assets.

8. MANAGEMENT OF CAPITAL

The Business defines the capital that it manages as the contribution from Pan American Energy Corp., which totalled $126,790 as at March 31, 2022.

The Business' objective when managing capital is to maintain corporate and administrative functions necessary to support the Business' operations and corporate functions; and to seek out and acquire new projects of merit.

The Business manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds have secured, when necessary, through advances from Pan American. There can be no assurances that the Business will be able to obtain debt or equity capital in the case of working capital deficits.

The Business does not pay dividends and has no long-term debt or bank credit facility. The Business is not subject to any externally imposed capital requirements.

9. RISK MANAGEMENT

9.1 Financial Risk Management

The Business 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 Business' 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 Business is exposed are described below.

a. Credit Risk

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Business. The Business believes it is not exposed to any significant credit risk.

b. Liquidity Risk

Liquidity risk is the risk that the Business is not able to meet its financial obligations as they fall due. As at March 31, 2022, the Business' working capital deficit is $40,632, and it does not have any long-term monetary liabilities. The Business 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 Business or at all. As at March 31, 2022, the Business has no current assets and liabilities of $40,632.

c. Market Risk

Market risk incorporates changes in market factors such as interest rates, currency rates, and equity prices. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Business is not exposed to these risks.

9.2 Fair Values

The Business' financial instruments consist of accounts payable and accrued liabilities.

Assets and liabilities measured at fair value 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).

The carrying value of accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

10. SUBSEQUENT EVENT

i) On February 7, 2023, Pan American and the Business have agreed to proceed with a reorganization transaction by way of a plan of arrangement whereby, Pan American will undertake a reorganization and spin-out of various interests in mineral resource properties located in the State of Utah (the "Green Energy Lithium Property") to LLC.

Commencing at the date of execution, each of the events set out below shall occur and shall be deemed to occur in the following sequence:

a) Each Pan American common share where a shareholder has exercised dissent rights shall be deemed to have been repurchased by Pan American for cancellation in consideration for a debt-claim against Pan American.

b) Pan American will transfer all of the issued and outstanding common shares of its wholly owned subsidiary, Pan American Energy, LLC to LLC in exchange for all

of the issued and outstanding shares on the record date as per the plan of arrangement. As of December 31, 2022, and assuming the number of shares were determined on the date the plan of arrangement was entered into, 8,702,956 LLC common shares would be issued.

Pan American will distribute the LLC shares to the holders of Pan American common shares (other than a dissenting shareholder) on the basis of one-fifth of one LLC share for each Pan American common share held as at the record date.

After completion of the plan of arrangement, LLC will own 100% of Pan American Energy, LLC along with the assets of the Green Energy Lithium Property. LLC intends to operate the exploration and development business to advance its Green Energy Lithium Property and seek other exploration assets.

SCHEDULE "H"

PAN AMERICAN ENERGY CORP.
(the "Company")

CARVE-OUT STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED DECEMBER 31, 2022

See attached.

Pan American Energy Corp. – Legacy Lithium Business

Carve-Out Interim Statements of Financial Position

As at December 31, 2022 and March 31, 2022
In Canadian Dollars, unless noted

(Unaudited)

Pan American Energy Corp. – Legacy Lithium Business
Carve-Out Interim Statements of Financial Position
As at December 31, 2022 and March 31, 2022
In Canadian Dollars, unless noted (unaudited)

As at	Notes	December 31, 2022	March 31, 2022
		$	$
ASSETS			
Exploration and evaluation assets	**5**	279,594	167,422
TOTAL ASSETS		**279,594**	**167,422**
LIABILITIES			
Accounts payable and accrued liabilities		46,389	40,632
TOTAL LIABILITIES		**46,389**	**40,632**
EQUITY			
Contribution from Pan American Energy Corp.	**1**	233,205	126,790
TOTAL EQUITY		**233,205**	**126,790**
TOTAL LIABILITIES AND EQUITY		**279,594**	**167,422**

The accompanying notes are an integral part of this carve-out interim statements of financial position.

Reorganization and going concern (Note 1) and Subsequent events (Note 9)

Approved on behalf of the Board of Directors on March 3, 2023:

"Jason Latkowcer", Director

"Sean Kingsley", Director

1. REORGANIZATION AND GOING CONCERN

On December 28, 2022, Legacy Lithium Corp. ("LLC") was incorporated. All outstanding shares are currently held by Pan American Energy Corp. ("Pan American").

Pan American is in the process of completing a business reorganization, described in Note 9, that will ultimately result in a spin-out of its interests in the Green Energy Lithium Property located in the State of Utah to the newly formed LLC.

This carve-out interim statement of financial position of Pan American Energy Corp. – Legacy Lithium Business (the "Business") reflects the financial position of the Green Energy Lithium Property and now Legacy Lithium Corp.'s business as of December 31, 2022.

The Business has no current source of operating activities and is accordingly dependent upon the receipt of equity and/or debt financing on terms which are acceptable to it.

This carve-out interim statement of financial position has been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Business will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of a material uncertainty related to events or conditions that may cast significant doubt upon the Business' ability to continue as a going concern.

2. NATURE OF OPERATIONS

The Business is engaged in the exploration and development of its Green Energy Lithium Property in the State of Utah. The Business considers itself to be an acquisition and exploration stage business.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration and development programs will result in profitable mining operations. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, receipt of necessary permits and regulatory approvals, ability of the Business to obtain financing to complete their development, and future profitable operations or sale of the properties.

3. BASIS OF PRESENTATION

This carve-out statement of financial position was prepared in accordance with International Financial Reporting Standards ("IFRS") for interim financial statements as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

3.1. Basis of measurement

All references to dollar amounts in these interim carve-out interim financial statements and related notes are in Canadian dollars, unless otherwise indicated. These interim carve-out interim financial statements have been prepared on a historical cost basis.

3.2. Significant judgments, estimates and assumptions

The preparation of this cave-out interim statement of financial position in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

(i) Exploration and evaluation assets and indicators of impairment
The Business is required to make significant judgments regarding the capitalization of the costs incurred in respect to its exploration and evaluation assets. The Business is also required to make significant judgments on the ongoing feasibility of mineral exploration, and whether there are indicators that the development of a specific area is unlikely and exploration and evaluation assets should be impaired. Management has assessed impairment indicators on the Business' exploration and evaluation assets and has concluded that no impairment indicators existed as of December 31, 2022 and March 31, 2022.

4. SIGNIFICANT ACCOUNTING POLICIES

This carve-out interim statement of financial position has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Business' audited annual carve-out statement of financial position as at March 31, 2022.

Accounting standard anticipated to be effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRS Interpretations Committee that are mandatory for accounting periods beginning after April 1, 2022, or later periods. The Business has determined that there are no new standards and updates, which are expected to have a material impact on the carve-out interim statement of financial position.

In Canadian Dollars, unless noted (unaudited)

5. EXPLORATION AND EVALUATION ASSETS

The Business has 208 mineral claims located in Cane Creek Anticline, Grand County, Utah, USA.

A summary of the capitalized acquisition and exploration expenditures and accumulated totals for the nine months ending December 31, 2022 are as follows:

	Amount ($)
Balance at December 4, 2021	**-**
Additions during the period	
Acquisition	50,000
Geological consulting	117,422
Balance at March 31, 2022	167,422
Additions during the period	
Claim fees	46,217
Geological consulting	65,955
Balance at December 31, 2022	279,594

Green Energy Lithium Property

On December 4, 2021, Pan American 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, Pan American 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.

At December 31, 2022, Pan American has capitalized total costs of $279,594 related to the Green Energy Lithium Property, which consists of $50,000 in costs related to the acquisition and $229,594 in exploration and evaluation costs.

6. RELATED PARTY TRANSACTIONS

During the period ended December 31, 2022, the Business had no related party transactions.

7. MANAGEMENT OF CAPITAL

The Business defines the capital that it manages as the contribution from Pan American Energy Corp. which totalled $233,205 at December 31, 2022 (March 31, 2022 - $126,790).

The Business' objective when managing capital is to maintain corporate and administrative functions necessary to support the Business' operations and corporate functions; and to seek out and acquire new projects of merit.

The Business manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds have been secured, when necessary, through advances from Pan American. There can be no assurances that the Business will be able to obtain debt or equity capital in the case of working capital deficits.

The Business does not pay dividends and has no long-term debt or bank credit facility. The Business is not subject to any externally imposed capital requirements.

8. RISK MANAGEMENT

8.1 Financial Risk Management

The Business 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 Business' 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 Business is exposed are described below.

a. Credit Risk
Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Business. The Business believes it is not exposed to any significant credit risk.

b. Liquidity Risk
Liquidity risk is the risk that the Business is not able to meet its financial obligations as they fall due. As at December 31, 2022, the Business' working capital deficit is $46,389, and it does not have any long-term monetary liabilities. The Business 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 Business or at all. The Business' approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2022, the Business has no current assets and liabilities of $46,389.

c. Market Risk
Market risk incorporates changes in market factors such as interest rates, currency rates, and equity prices. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Business is not exposed to these risks.

8.2 Fair Values

The Business' financial instruments consist of accounts payable and accrued liabilities. Assets and liabilities measured at fair value 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).

The carrying value of accounts payable approximate their fair values due to their short-term to maturity.

9. SUBSEQUENT EVENT

i) On February 7, 2023, Pan American and the Business have agreed to proceed with a reorganization transaction by way of a plan of arrangement whereby, Pan American will undertake a reorganization and spin-out of various interests in mineral resource properties located in the State of Utah (the "Green Energy Lithium Property") to LLC.

Commencing at the date of execution, each of the events set out below shall occur and shall be deemed to occur in the following sequence:

a) Each Pan American common share where a shareholder has exercised dissent rights shall be deemed to have been repurchased by Pan American for cancellation in consideration for a debt-claim against Pan American.

b) Pan American will transfer all of the issued and outstanding common shares of its wholly owned subsidiary, Pan American Energy, LLC to LLC in exchange for all of the issued and outstanding shares on the record date as per the plan of arrangement. As of December 31, 2022, and assuming the number of shares were determined on the date the plan of arrangement was entered into, 8,702,956 LLC common shares would be issued.

Pan American will distribute the LLC shares to the holders of Pan American common shares (other than a dissenting shareholder) on the basis of one-fifth of one LLC share for each Pan American common share held as at the record date.

After completion of the plan of arrangement, LLC will own 100% of Pan American Energy, LLC along with the assets of the Green Energy Lithium Property. LLC intends to operate the exploration and development business to advance its Green Energy Lithium Property and seek other exploration assets.

SCHEDULE "I"

PAN AMERICAN ENERGY CORP.
(the "Company")

LEGACY PRO FORMA FINANCIAL STATEMENTS

See attached.

LEGACY LITHIUM CORP.

Pro Forma Financial Statements

For the nine months ended December 31, 2022
In Canadian Dollars, unless noted

(Unaudited)

Legacy Lithium Corp.
Pro Forma Statement of Financial Position
In Canadian Dollars, unless noted (unaudited)

As at	Legacy Lithium Corp. January 31, 2023	Carve-Out Pan American Energy Corp. – Legacy Lithium Business December 31, 2022	Pro Forma Adjustments	Note	Pro Forma Consolidated Balance December 31, 2022
ASSETS					
Current Assets					
Cash	$ 1	$ -	$ -		$ 1
	-	-	-		1
NON-CURRENT ASSETS					
Exploration and evaluation assets	-	279,594	-	4.iii 6	279,594
TOTAL ASSETS	$ 1	$ 279,594	$ -		$ 279,595
LIABILITIES					
Current					
Accounts payable and accrued liabilities	$ 15,000	$ 46,389	$ 50,000	4.ii	$ 111,389
EQUITY (DEFICIENCY)					
Share capital	1	-	233,205	4.i	233,206
Contributions from Pan American Energy Corp.	-	233,205	(233,205)	4.iii	-
Deficit	(15,000)	-	(50,000)	4.ii	(65,000)
Total equity (deficiency)	(14,999)	233,205	-		168,206
TOTAL LIABILITIES AND EQUITY (DEFICIENCY)	$ 1	$ 279,594	$ -		$ 279,595

1. BASIS OF PRESENTATION

Legacy Lithium Corp. (the "Company" or "LLC") was incorporated under the laws of British Columbia on December 28, 2022 for the purposes of a plan of arrangement with Pan American Energy Corp. ("Pan American"). The Company's registered office and principal place of business is 666-2800 Burrard Street, British Columbia V6C 2Z7.

Pan American and LLC propose to enter into the plan of arrangement whereby Pan American will spin out its wholly owned subsidiary, Pan American Energy, LLC. which holds various interests in minerals located in Cane Creek Anticline, Grand County, Utah, USA (the "Green Energy Lithium Property") to LLC (Note 3).

After completion of the Arrangement, LLC will own 100% Pan American Energy, LLC along with the assets of the Green Energy Lithium Property. LLC intends to operate the exploration and development business to advance its Green Energy Lithium Property and seek other exploration assets.

The unaudited pro forma consolidated financial statements of LLC have been prepared by management for inclusion in the Information Circular of Pan American dated March 3, 2023. They are prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards ("IFRS"), for illustrative purposes only, after giving effect to the plan of arrangement. The unaudited pro forma statement of financial position has been prepared from information derived from and should be read in conjunction with the audited carve-out financial statements of Pan American Energy Corp. – Legacy Lithium Business as at December 31, 2022 and the audited financial statements of Legacy Lithium Corp. for the period from incorporation on December 28, 2022 to January 31, 2023. The unaudited pro forma statement of financial position is intended to reflect the financial position of the Company as if the transaction had been effected on December 31, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

The unaudited pro forma financial statements have been compiled using the significant accounting policies as set out in note 4 of the carve-out financial statements of the Company for the nine months ended December 31, 2022.

3. PLAN OF ARRANGEMENT

On February 7, 2023, Pan American and the Company have agreed to proceed with a reorganization transaction by way of a plan of arrangement whereby Pan American will undertake a reorganization and spin-out of various interests in minerals located in the State of Utah (the "Green Energy Lithium Property") to LLC.

Commencing at the date of execution, each of the events set out below shall occur and shall be deemed to occur in the following sequence:

a) Each Pan American common share where a shareholder has exercised dissent rights shall be deemed to have been repurchased by Pan American for cancellation in consideration for a debt-claim against Pan American.

b) Pan American will transfer all of the issued and outstanding common shares of its wholly owned subsidiary, Pan American Energy, LLC to LLC in exchange for all of the issued and outstanding shares on the record date as per the plan of arrangement. As of December 31, 2022, and assuming the number of shares were determined on the date the plan of arrangement was entered into, 8,702,956 LLC common shares would be issued (Note 5).

Pan American will distribute the LLC shares to the holders of Pan American common shares (other than a dissenting shareholder) on the basis of one-fifth of one LLC share for each Pan American common share held as at the record date.

After completion of the plan of arrangement, LLC will own 100% of Pan American Energy, LLC along with the assets of the Green Energy Lithium Property. LLC intends to operate the exploration and development business to advance the Green Energy Lithium Property and seek other exploration assets.

Pan American and the Company are controlled by the same shareholders; consequently, the entities will be under common control at the time of the completion of the plan of arrangement. Business combinations involving entities under common control are outside the scope of IFRS 3 Business Combinations. IFRS provides no guidance on the accounting for these types of transactions and an entity is required to develop an accounting policy. The three most common methods utilized are the purchase method, the predecessor values since inception method, and the predecessor values from date of transaction method. A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party, both before and after the business combination, and control is not transitory.

Management has determined the predecessor values from date of transaction method to be most appropriate. This method requires the financial statements to be prepared using the predecessor carrying values without any step up to fair value. The difference between any consideration and the aggregate carrying value of the assets and liabilities is recorded as an equity contribution to subsidiary in shareholders' equity.

4. PRO FORMA

The unaudited pro-forma balance sheet as at December 31, 2022 gives effect to the following assumptions and adjustments:

i. On December 28, 2022, LLC was incorporated and issued 100 Class A common share at a price of $.01 per share for gross proceeds of $1;
ii. The estimated professional fees to complete this plan of arrangement total $50,000;
iii. Contributions from Pan American consist of the capitalized exploration and evaluation assets carved out of Pan American and moved into LLC; and
iv. The carve-out Pan American Energy Corp. – Legacy Lithium Business reflect the financial position and financial performance of the Legacy Lithium Business of Pan American Energy Corp. All balances that are not actually being transferred to LLC have been removed to reflect the actual values in Pan American Energy, LLC that are being transferred into the Company.

In Canadian Dollars, unless noted (unaudited)

5. PRO FORMA SHARE CAPITAL

	Number of shares	Amount	Contributions from Pan American
Opening balance, March 31, 2022			
Incorporation shares	100	$ 1	$ 1
Transfer of Pan American Energy, LLC from Pan American in exchange for LLC shares	8,702,956	-	233,205
Closing balance, December 31, 2022	8,703,056	$ 1	$ 233,206

6. EXPLORATION AND EVALUATION ASSETS

Green Energy Lithium Property

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

On December 4, 2021, Pan American 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, Pan American issued to Beta Energy Corp. 1,000,000 common shares and at any time within twenty-four months following the closing date, Pan American 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.

At December 31, 2022, Pan American has capitalized total costs of $279,594 related to the Green Energy Lithium Property, which consists of $50,000 in costs related to the acquisition and $229,594 in exploration and evaluation costs incurred since December 4, 2021.

SCHEDULE "J"

PAN AMERICAN ENERGY CORP.
(the "Company")

INFORMATION CONCERNING PAN AMERICAN ENERGY CORP.

The following information is provided by Pan American Energy Corp. The following information primarily presents the current status of Pan American Energy Corp.; however, this Schedule also includes certain information reflecting the status of Pan American Energy Corp. following the completion of the Arrangement. The following information should be read in conjunction with the disclosure provided in the management information circular to which this schedule is attached (the "Information Circular"). Unless otherwise indicated, all currency amounts are stated in Canadian dollars. Defined terms used but not otherwise defined herein have the meanings ascribed thereto in the Information Circular to which this Schedule is a part.

SUMMARY DESCRIPTION OF BUSINESS

The Company is a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating lithium projects in mining friendly jurisdictions.

The Company holds a 100% interest in and to the mining licenses comprising the Green Energy Property. The Company also has options to acquire (A) up to 90% of the Big Mack property, located in the Paterson Lake Area, Ontario, Canada (the "**Big Mack Property**") and (B) 100% of the Horizon property, located in the Big Smoky and Monte Cristo Basins of Esmeralda County, Nevada (the "**Horizon Property**").

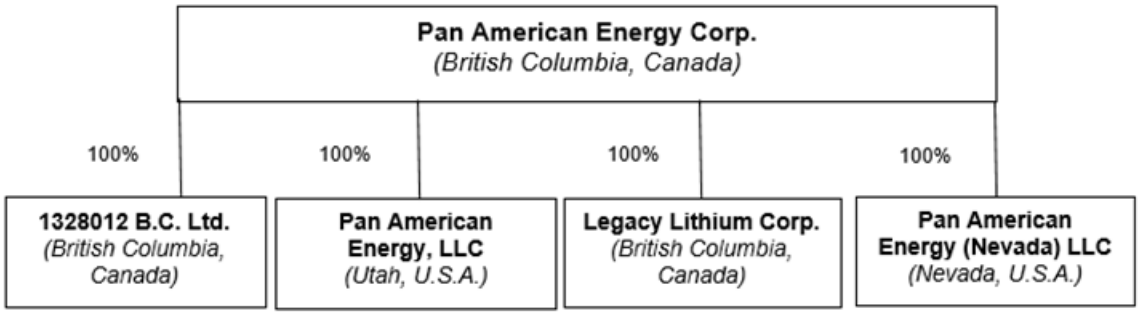
Currently, the Company has two material mineral projects, being the Green Energy Property and the Big Mack Property (as defined below). Immediately following the completion of the Arrangement, the Company anticipates having only one material mineral project, being the Big Mack Property.

For further information regarding the Company, the development of its business, its business activities and its corporate structure, see the Annual Information Form of the Company for the year ended April 30, 2022 (the "**AIF**") which is incorporated by reference in this Schedule.

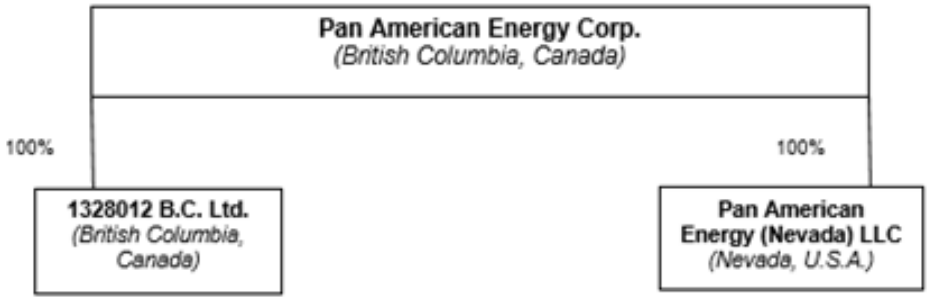
CORPORATE STRUCTURE

The Company is a corporation governed by the *Business Corporations Act* (British Columbia). Pan American is a public company and its Common Shares are listed on the Exchange trading under the symbol "PNRG", on the OTC Pink by OTC Markets Group (the "**OTC Pink**") in the United States under the symbol "PAANF" and on the Börse Frankfurt (Frankfurt Stock Exchange) ("**FRA**") under the symbol "SS6". The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

The following diagram illustrates the intercorporate relationships among the Company and its subsidiaries, as well as the jurisdiction of incorporation of each entity, prior to giving effect to the Arrangement or the transactions related thereto:



Pursuant to the Arrangement, and the transactions related thereto, the Company's interests in Pan American Energy, LLC will be transferred to Legacy, following which the Arrangement will occur and the Legacy Common Shares will be distributed to the Shareholders. The following diagram illustrates the intercorporate relationships among the Company and its subsidiaries, as well as the jurisdiction of incorporation of each entity, assuming the Arrangement is completed:



RECENT DEVELOPMENTS

On January 3, 2023, the Company announced that, following careful review, the Company intended to complete the Arrangement.

On January 23, 2023, the Company announced its participation in a UAV-borne magnetic survey to be flown by EarthEx Geophysical Solutions Inc. to be flown for the Company and Avalon Advanced Materials Inc. at the Big Mack Property and the Big Whopper Project near Kenora, Ontario. The survey is estimated to comprise 725 line-km with spacing of 25m and tie line spacing of 250m. The work program is focused on advancing an understanding of the structural framework and strain in the emplaced pegmatites in the Separation Rapids area. The Department of Earth Sciences, University of Manitoba, have done geological research and are interested in making use of the geophysical data for research purposes. Flying a larger area provides more structural context, and is expected to significantly aid in the interpretation of data. The cost of the survey is being shared by both companies, proportioned to their land holding size, and both companies will be provided access to all results. The University of Manitoba and EarthEx Geophysical Solutions Inc. are also granted use of the data for research, publication and case study purposes.

On January 26, 2023, the Company announced that it expects to drill eleven (11) high-priority drill targets, at an estimated cost of $1.5 million, commencing in February 2023, at the Horizon Property. RESPEC, the Company's technical partner for the Horizon Property, has been commissioned to design, manage, contract and run the drilling program. The proposed drilling program is designed to focus on assessing overburden, lithium concentration and the thickness and depth of the mineralized zone. The Company is currently permitted for twenty-two (22) drill holes. Following the drilling of the eleven (11) high-priority drill holes described above, the Company expects to re-evaluate its drill targets for the remaining permitted drill holes.

On February 8, 2023, the Company announced that it entered into the Arrangement Agreement with Legacy and the date for the Meeting.

On February 13, 2023, the Company announced that it had begun drilling at the Horizon Property.

On February 24, 2023, the Company announced that it had encountered 878 feet of nearly continuous potential lithium-bearing claystone at the maiden drill hole of the drilling at the Horizon Property. This drill hole is the furthest drill target to the northeast of the planned drilling program. The Company continued to observe potential lithium-bearing claystone at 989 feet of depth and did not encounter the base of the Siebert Formation along the margin of the basin.

On March 2, 2023, the Company announced that it had encountered 539 feet of continuous potential lithium-bearing claystone at the second drill hole, HL009. The Company reported that it continued to observe potential lithium-bearing claystone at a depth of 600 feet.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Schedule "J" from documents filed with the various securities commissions or similar regulatory authorities in the provinces of British Columbia, Alberta and Ontario. Copies of the documents incorporated herein by reference may be obtained on request without charge from Pan American at Suite 100 - 521 3rd Avenue SW, Calgary, Alberta T2P 3T3 (telephone: 587-885-5970), and are also available electronically under Pan American's profile on SEDAR at www.sedar.com. Pan American's filings through SEDAR are not incorporated by reference in this Schedule "J", except as specifically set out herein.

The following documents filed by Pan American with the securities commission or similar authorities in the provinces of British Columbia, Alberta and Ontario are specifically incorporated by reference in, and form an integral part of, this Schedule "J":

(a) the AIF;

(b) the audited consolidated financial statements of the Company for the years ended April 30, 2022 and 2021, together with the notes thereto and the auditor's report thereon, filed on SEDAR on August 29, 2022 (the "**Audited Financial Statements**");

(c) the management's discussion and analysis of financial condition and results of operations of the Company for the year ended April 30, 2022, filed on SEDAR on August 29, 2022;

(d) the condensed consolidated interim financial statements of the Company for the three and nine months ended December 31, 2022 and 2021, together with the notes thereto**,** filed on SEDAR on March 1, 2023 (the "**Interim Statements**");

(e) the management's discussion and analysis of financial condition and results of operations of the Company for the three and nine months ended December 31, 2022 and 2021, filed on SEDAR on March 1, 2023;

(f) the material change report of the Company dated August 23, 2022 in respect of the Company's entrance into a property option agreement with Magabra Resources Corporation dated August 22, 2022, pursuant to which the Company was granted the right to acquire up to a 90% interest in and

to the Big Mack Property in consideration for a series of cash payments, Common Share issuances and the Company incurring exploration expenditures on the Big Mack Property;

(g) the material change report of the Company dated September 2, 2022 in respect of the Company's grant of an aggregate of 2,350,000 restricted share units to certain directors, officers and consultants of the Company;

(h) the material change report of the Company dated September 29, 2022 in respect of the Company's execution of a master services agreement with RESPEC Consulting Inc. ("**RESPEC**"), pursuant to which the Company is working directly with RESPEC to develop an exploration plan aimed at establishing a mineral resource estimate at the Green Energy Property;

(i) the material change report of the Company dated September 29, 2022 in respect of the Company's entrance into a property option agreement with FMS Lithium Corporation and Horizon Lithium LLC, pursuant to which the Company was granted the right to acquire a 100% interest in the Horizon Lithium Property in consideration for completing a series of cash payments and issuances of Common Shares;

(j) the material change report of the Company dated October 18, 2022 in respect of the Common Shares commencing trading on the FRA on October 10, 2022 under the symbol "SS6";

(k) the material change report of the Company dated October 18, 2022 in respect of the closing of a non-brokered private placement by the Company, pursuant to which the Company issued 10,000,000 (non-flow through) units and 4,615,384 flow-through units, for aggregate gross proceeds of approximately $8,000,000;

(l) the material change report of the Company dated November 21, 2022 in respect of the Company's appointment of William Gibbs to the Board, effective November 10, 2022, and the concurrent resignation of Eli Dusenbury from the Board;

(m) the material change report of the Company dated January 10, 2023 in respect of the Company's intention to complete the Arrangement;

(n) the material change report of the Company dated February 10, 2023 in respect of the Company's entrance into the Arrangement Agreement; and

(o) the management information circular of the Company dated May 24, 2022, regarding the annual general and special meeting of shareholders of the Company held on June 29, 2022, filed on SEDAR on June 1, 2022.

Any documents of the type required by National Instrument 44-101 — *Short Form Prospectus Distributions* to be incorporated by reference into a short form prospectus, including any material change reports (excluding confidential reports), comparative interim financial statements, comparative annual financial statements and the auditor's report thereon, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms and business acquisition reports filed by the Company with the securities commissions or similar authorities in Canada subsequent to the date of this Information Circular and before the date on which the Arrangement becomes effective, are deemed to be incorporated by reference in this Information Circular and this Schedule "J". Shareholders should refer to these documents for important information concerning the Company.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Schedule "J" to the extent that statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or superseded such statement. Any statement so modified or superseded shall not constitute a part of this Schedule "J", except as so modified or superseded. 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 that is modifies or supersedes. Making such a modifying or superseding statement shall not be deemed to be an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement or a material fact, or an omission to state a material fact that is required to be stated or necessary to make a statement no misleading in light of the circumstances in which it is made.

AUTHORIZED AND ISSUED SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of Common Shares, of which 46,839,780 Common Shares are issued and outstanding as at the date of this Circular (84,981,910 Common Shares on a fully-diluted basis, assuming the exercise or settlement of all outstanding stock options, restricted share units and warrants, which are further described below).

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company (other than meetings at which only holders of another class or series of shares are entitled to vote) and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company (other than meetings at which only holders of another class or series of shares are entitled to vote). The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

The Company's share capital is not expected to change as a result of the Arrangement. The New Common Shares which are exchanged for the Pan Am Class A Shares pursuant to the Arrangement (following the Common Shares being redesignated as Pan Am Class A Shares) have all of the same rights and restrictions as the Common Shares, and will be exchanged on a one-to-one basis with the Pan Am Class A Shares.

PAN AMERICAN SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following table sets out selected consolidated financial information for the periods indicated and should be considered in conjunction with the more complete information contained in the Audited Financial Statements and the Interim Financial Statements which are incorporated by reference in this Schedule "J" and filed on SEDAR at www.sedar.com. All currency amounts are stated in Canadian dollars and the financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

	Year Ended April 30, 2022 ($)	**9 Months Ended December 31, 2022 ($)**
Loss	(456,953)	(4,473,554)

Comprehensive Loss	(456,953)	(4,473,554)
Basic and diluted loss per share	(0.18)	(0.15)
Total assets	279,296	10,679,989

CONSOLIDATED CAPITALIZATION

The following table sets forth the Company's consolidated capitalization as at April 30, 2022, the date of the Company's annual financial statements for the most recently completed financial period, and the date hereof. The table should be read in conjunction with the Audited Financial Statements.

There have been no material changes in the Company's consolidated share or debt capital, other than: (i) the issuance of 1,270,000 Common Shares on June 24, 2022 to settle certain debts of the Company; (ii) the issuance of 392,156 Common Shares on August 30, 2022 pursuant to the option agreement with respect to the Big Mack Property; (iii) the grant of 2,350,000 restricted share units to certain directors, officers and consultants of the Company pursuant to the Equity Compensation Plan on August 31, 2022; (iv) the issuance of 14,615,384 units of the Company comprised of one Common Share and one Common Share purchase warrant and the issuance of 676,738 finder's warrants on October 11, 2022; (v) the issuance of 3,012,174 Common Shares on October 17, 2022 pursuant to the option agreement with respect to the Horizon Property; (vi) the grant of 1,100,008 restricted share units and 200,000 stock options to certain consultants and a director of the Company pursuant to the Equity Compensation Plan on November 10, 2022; (vii) the grant of 50,000 stock options to a certain consultant of the Company pursuant to the Equity Compensation Plan on December 1, 2022; (ix) the settlement of 850,000 RSUs for Common Shares; and (x) the exercise of 2,600,000 warrants for Common Shares. No material change to the Company's consolidated share or debt capital is expected to arise from the completion of the Arrangement.

	Authorized	**Outstanding as at April 30, 2022**	**Outstanding as at March 8, 2023**
Common Shares	Unlimited	4,099,366[(1)]	46,839,780[(2)]
Share Capital	-	$6,769,503	$12,383,519
Total Equity (Deficiency)	-	$(1,013,130)	$9,159,114

Notes:

(1) As at April 30, 2022, there were an additional 300,000 Common Shares issuable on the exercise of outstanding stock options.

(2) Inclusive of the Common Shares issued pursuant to the events described above. As of the date hereof, there are an additional 1,850,000 Common Shares issuable upon the exercise of outstanding stock options and an additional 3,600,008 Common Shares issuable upon the settlement of restricted share units, in each case granted under the Equity Incentive Plan. There are also 32,692,122 issuable upon the exercise of warrants, 8,600,000 of which are exercisable at $0.10 per Common Share, 8,800,000 of which are exercisable at $0.12 per Common Share, 10,674,100 of which are exercisable at $0.75 per Common Share and 4,618,022 of which are exercisable at $0.85 per Common Share.

PRIOR SALES

Common Shares

The following table summarizes details of the Common Shares issued by Pan American during the 12 month period prior to the date of the Circular.

Date of Issuance	Price per Common Share ($)	Number of Common Shares
June 23, 2022	0.18	1,270,600(1)
August 30, 2022	0.51	392,156(2)
October 11, 2022	0.50	10,000,000(3)
October 11, 2022	0.65	4,615,384(3)
October 17, 2022	0.92	3,012,174(4)
January 13, 2023	N/A	25,000(5)
January 13, 2023	0.10	100,000(6)
February 6, 2023	N/A	225,000(5)
February 6, 2023	0.10	100,000(6)
February 06, 2023	0.12	100,000(6)
February 15, 2023	N/A	600,000(5)
February 15, 2023	0.12	100,000(6)
February 24, 2023	0.10	1,200,000(6)
February 24, 2023	0.12	1,000,000(6)

Notes:
(1) Common Shares issued to settle $228,708 in indebtedness to certain creditors of the Company.
(2) Common Shares issued to Big Mack Property owner pursuant to the option agreement with respect to the Big Mack Property.
(3) Common Shares issued as part of private placement of units of the Company comprised of one Common Share and one Common Share purchase warrant (see "*Convertible Securities*" below).
(4) Common Shares issued to Horizon Property owner pursuant to the option agreement with respect to the Horizon Property.
(5) Common Shares issued upon the settlement of restricted share units of the Company.
(6) Common Shares issued upon exercise of Common Share purchase warrants of the Company.

Convertible Securities

The following table summarizes details of the warrants, stock options and restricted share units issued by Pan American during the 12 month period prior to the date of the Circular.

Security	Date of Issue	Aggregate Number Issued	Issue / Exercise Price
Options	May 19, 2022	1,300,000	$0.35
RSUs	September 1, 2022	2,350,000	N/A
Warrants	October 11, 2022	10,674,100	$0.75
Warrants	October 11, 2022	4,618,022	$0.85
Options	November 10, 2022	200,000	$0.71
RSUs	November 10, 2022	1,100,008	N/A

Options	December 1, 2022	50,000	$0.80

TRADING PRICE AND VOLUME

The Common Shares are listed and posted for trading on the Exchange under the symbol "PNRG", on the OTC Pink under the symbol "PAANF" and FRA under the symbol "SS6". The following table sets forth trading information for the Common Shares on the Exchange since May 1, 2022, the commencement of the Company's most recently completed financial year ended April 30, 2022.

	Price Range		CSE
Month	**High $**	**Low $**	**Monthly Trading Volume**
May 2022[(1)]	$--	$--	278
June 2022	$0.42	$0.13	34,377
July 2022	$0.95	$0.15	15,456
August 2022	$1.60	$0.40	85.375
September 2022	$1.50	$0.70	88,938
October 2022	$0.88	$0.71	28,283
November 2022	$0.80	$0.58	726.359
December 2022	0.82	0.78	818,641
January 2023	0.95	0.70	3,082,045
February 2023	1.00	0.64	5,723,958
March 1 - 7 2023	0.80	0.69	1,654,605

Notes:
(1) The Common Shares did not begin trading on the Exchange until May 24, 2022.

At the close of business on March 7, 2023, the price of the Common Shares as quoted by the Exchange was $0.76.

RISK FACTORS

The business and operations of the Company are subject to risks. In addition to considering the other information in this Information Circular, Shareholders should consider carefully the risk factors set forth in the AIF, which is incorporated by reference herein.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As of the date of this Information Circular, the following securities of the Company are held in escrow or are subject to a contractual restriction on transfer.

Designation of class held in escrow	Number of securities held in escrow	Percentage of class[(4)]
Common Shares issued to shareholders of the Company pursuant to $0.05 Financing	150,000 Common Shares[(1)]	0.34%
Securities issued to former securityholders of 1328012	300,075 Common Shares[(2)]	0.64%

B.C. Ltd. in connection with the Share Purchase Agreement	300,000 Warrants[(2)]	0.92%
Common Shares issued pursuant to the Option Agreement with respect to the Horizon Property	2,259,130 Common Shares[(3)]	4.82%

Notes:

(1) These Common Shares are held by a company controlled by Jason Latkowcer, CEO and President of the Company, and are subject to a thirty-six (36) month escrow period pursuant to the Escrow Agreement (as defined below). The securities subject to the Escrow Agreement will be released as follows: (i) 10% were released on the May 24, 2022 (the "**Listing Date**"); (ii) 15% were released on November 24, 2022; (iii) 15% will be released on the date that is twelve (12) months following the Listing Date; (iv) 15% will be released on the date that is eighteen (18) months following the Listing Date; (v) 15% will be released on the date that is twenty-four (24) months following the Listing Date; (vi) 15% will be released on the date that is 30 months following the Listing Date; and (vii) 15% will be released on the date that is thirty-six (36) months following the Listing Date.

(2) These securities are held by a company controlled by Paul More, CFO of the Company, as well as in his personal capacity, and are subject to a thirty-six (36) month escrow period pursuant to the Escrow Agreement. The securities subject to the Escrow Agreement will be released as follows: (i) 10% were released on the Listing Date; (ii) 15% were released on November 24, 2022; (iii) 15% will be released on the date that is twelve (12) months following the Listing Date; (iv) 15% will be released on the date that is eighteen (18) months following the Listing Date; (v) 15% will be released on the date that is twenty-four (24) months following the Listing Date; (vi) 15% will be released on the date that is thirty (30) months following the Listing Date; and (vii) 15% will be released on the date that is thirty-six (36) months following the Listing Date.

(3) Subject to contractual restrictions on resale pursuant to the option agreement with respect to the Horizon Property. 753,043 of these Common Shares will be released from such restrictions on April 17, 2023, 753,044 of these Common Shares will be released from such restrictions on July 17, 2023 and 753,043 of these Common Shares will be released from such restrictions on October 17, 2023.

(4) On an undiluted basis, based on 46,839,780 Common Shares and 32,692,122 Warrants issued and outstanding of the Company.

Escrow Agreement

The securities beneficially owned by Jason Latkowcer and Paul More are held in escrow pursuant to an escrow agreement entered into between the Company, Odyssey Trust Company and Mr. Latkowcer, Mr. More and certain of their related parties (the "**Escrow Agreement**"), as required by and in compliance with National Policy 46-201 - *Escrow for Initial Public Offerings* ("**NP 46-201**") and CSE policy. The securities are subject to the release schedule specified in NP 46-201 for emerging issuers and as set out in the form of escrow required by Policy 2 – *Qualifications for Listing of the CSE*. The release schedule for these securities is set forth above and may be accelerated if the Company establishes itself as an "established issuer" as described in NP 46-201.

Pursuant to the terms of the Escrow Agreement, the securities subject to the Escrow Agreement will not be able to be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within escrow are:

- transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or a material operating subsidiary, with the approval of the Board;

- transfers to a person or company that, before the proposed transfer, holds more than 20% of the Company's outstanding Common Shares, or to a person or company that, after the proposed transfer, will hold more than 10% of the Company's outstanding Common Shares and has the right to elect or appointment one or more directors or senior officers of the Company or any material operating subsidiary;

- transfers to a registered retirement savings plan, registered retirement income fund or other similar registered plan or trustee fund, provided that the annuitant or the beneficiaries are the transferor or the transferor's spouse, children or parents;

- transfers upon bankruptcy to the trustee in bankruptcy or another person or company entitled to escrow securities on bankruptcy; and

- pledges, mortgages or charges to a financial institution as collateral for a loan, provided that, upon a realization, the securities remain subject to escrow.

Tenders of securities subject to the Escrow Agreement to a take-over bid or business combination are permitted, provided that, if the tenderer is a principal (as that term is defined in the Escrow Agreement) of the successor corporation, upon completion of the take-over bid or business combination, securities received in exchange for tendered securities subject to the Escrow Agreement are substituted in escrow on the basis of the successor corporation's escrow classification.

If Jason Latkowcer and Paul More beneficially acquire any additional securities of the Company of the types listed above, those securities will be added to the securities already in escrow, to increase the number of remaining securities subject to the Escrow Agreement. Such increased number of remaining securities will be released in accordance with the release schedule noted above.

Common Shares Subject to Horizon Option Agreement

All Common Shares issued pursuant to the option agreement with respect to the Horizon Property are subject to a twelve-month restricted period, during which time the holder may not, directly or indirectly, offer, sell, contract to offer or sell, transfer, assign, grant or sell any option or warrant to purchase, lend, hypothecate, secure, pledge or otherwise transfer or dispose of any such Common Shares, whether through the facilities of a stock exchange, by private placement, or otherwise, or agree to do any of the foregoing, without the prior approval of the Company. The Common Shares issuable pursuant to the option agreement with respect to the Horizon Property will be released from the restriction above in four equal tranches: (i) 25% will be released after three (3) months, (ii) a further 25% after six (6) months, (iii) a further 25% after nine (9) months, and (iv) the remaining 25% balance after twelve months. Notwithstanding the restrictions above, the holder may transfer, sell or otherwise dispose of Common Shares issued pursuant to the terms of the option agreement with respect to the Horizon Property pursuant to a third-party take-over bid made to all holders of Common Shares, or in connection with a merger, business combination, arrangement, consolidation, reorganization, restructuring or similar transaction of all the Common Shares outstanding at any time, provided, however, that in the event that such take-over bid or similar acquisition or transaction is not completed, such Common Shares shall remain subject to the restrictions set out above.

The option agreement with respect to the Horizon Property also contains customary "orderly sale" provisions with respect to sales by the holder of the Common Shares issued under the option agreement with respect to the Horizon Property, pursuant to which the holder will give five (5) business days' prior notice of any proposed sale of Common Shares issued pursuant to the option agreement with respect to the Horizon Property to the Company, and, provided that the Company wishes to arrange for a purchaser of the Common Shares, allow the Company thirty (30) days to organize a buyer for such Common Shares. If the Company obtains a commitment to purchase the Common Shares proposed to be sold by the holder within the allowable time period, the holder is required to sell such Common Shares to such purchaser(s) organized by the Company within twenty (20) days thereafter.

AUDITOR

Baker Tilly WM LLP, Chartered Professional Accountants, is the auditor of Pan American and is independent of Pan American within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Computershare Trust Company of Canada, with its principal office in Vancouver, British Columbia.

SCIENTIFIC AND TECHNICAL INFORMATION

The scientific and technical information regarding the early results of the Company's drilling at the Horizon Property was reviewed and approved by Tabetha Stirrett, P. Geo, who is a qualified person as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found in the AIF on SEDAR at www.sedar.com. Additional financial information is available in the Audited Financial Statements and the Interim Financial Statements, a copy of which have been filed on SEDAR at www.sedar.com. Copies of the documents may also be obtained on request without charge from Pan American at Suite 100 - 521 3rd Avenue SW, Calgary, Alberta T2P 3T3 (telephone: 587-885-5970).

SCHEDULE "K"

PAN AMERICAN ENERGY CORP.
(the "Company")

INFORMATION CONCERNING LEGACY LITHIUM CORP. ("Legacy")

The following information is provided by Legacy, is presented on a post-Arrangement basis and is reflective of the proposed business, financial and share capital position of Legacy. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. The following information should be read together with the Information Circular, the audited financial statements of Legacy from incorporation to January 31, 2023, appended to the Information Circular as Schedule "E", the audited "carve-out" statement of financial position of the Legacy business for the period ended March 31, 2022, appended to the Information Circular as Schedule "G", the "carve-out" statement of financial position of the Legacy business for the period ended December 31, 2022, appended to the Information Circular as Schedule "H", and the pro forma financial statements of Legacy giving effect to the Arrangement, appended to the Information Circular as Schedule "I".

NAME AND INCORPORATION

Legacy was incorporated under the BCBCA on December 28, 2022 for the purposes of the Arrangement. Legacy is currently a private company. No material amendments have been made to Legacy's articles or other constating documents since its incorporation.

Legacy's head office and principal business address is located at Suite 100 - 521 3rd Avenue SW, Calgary, Alberta T2P 3T3. Legacy's registered and records office address is located at Suite 2800, Park Place, 666 Burrard Street, Vancouver, British Columbia V6C 2Z7.

GENERAL DESCRIPTION OF THE BUSINESS

After completion of the Arrangement, Legacy will own a 100% interest in the Green Energy Property. Legacy intends to operate as a junior lithium exploration company, with a focus of continuing to advance the Green Energy Property (as its sole material property) as well as seek other mining assets. See "*Green Energy Property – Recommendations*" below for information on Legacy's proposed exploration program on the Green Energy Property.

The Asset Purchase Agreement

On December 4, 2021, the Company entered into an amended and restated asset purchase agreement with Beta Energy Corp. and Voltaic Minerals (USA), Inc. (the "**Asset Purchase Agreement**"), pursuant to which the Company agreed to acquire certain mineral claims comprising the Green Energy Property. As consideration, the Company (a) issued 1,000,000 Common Shares, and (b) agreed to issue, within twenty-four (24) months following closing of the acquisition of the Green Energy Property, $950,000 worth of Common Shares, either in a single tranche or multiple tranches, provided, however, that each respective tranche must be comprised of at least $100,000 worth of Common Shares (the "**Remaining Share Issuance Obligation**").

Prior to the completion of the Arrangement, it is expected that the Company will assign the Asset Purchase Agreement to Legacy, and Legacy, Beta Energy Corp. and Voltaic Minerals (USA), Inc. will enter into an amendment agreement with respect to the Asset Purchase Agreement, pursuant to which the Remaining Share Issuance Obligation will be amended such that Legacy will be required, within six (6) months following the listing of the Legacy Common Shares on a stock exchange, to issue $1,000,000 worth of

Legacy Common Shares, either in a single tranche or multiple tranches, provided that each respective tranche is comprised of at least $100,000 worth of Legacy Common Shares.

Principal Products

Following the Arrangement, Legacy will be in the mineral exploration business, and will not have any marketable products or be distributing any products. Legacy does not know when or if the Green Energy Property will reach the production stage and, as a result, whether it will ever commercially produce or sell minerals mined from the Green Energy Property.

Specialized Skills

Following the Arrangement, all aspects of Legacy's business will require specialized skills and knowledge. Such skills and knowledge include, but are not limited to, the areas of geology, drilling, permitting, engineering, logistical planning, geophysics, metallurgy and mineral processing, implementation of exploration programs, legal compliance and accounting. Legacy expects to rely upon various legal and financial advisors, contractors, consultants and others in the operation and management of its business, including consultants holding exploration and development expertise.

Competitive Conditions

Following the Arrangement, the Legacy's business will be intensely competitive in all its phases. Legacy will compete for the acquisition of attractive mineral properties, claims, leases and other mineral interests, capital to finance exploration and the recruitment and retention of qualified individuals with many companies and individuals, many of whom have substantial capabilities and greater financial resources and technical facilities than Legacy. The competition in the mineral exploration and development business could have an adverse effect on Legacy's ability to obtain additional capital or other types of financing on acceptable terms or at all, acquire properties of interest or retain qualified personnel and/or contractors. See "*Risk Factors — Competition*".

Business Cycles

Following the Arrangement, Legacy's mineral exploration activities may be subject to seasonality due to adverse weather conditions including, without limitation, inclement weather, frozen ground and restricted access due to snow, ice or other weather-related factors. In addition, the mining sector is very volatile and cyclical. The financial markets for mining in general, and mineral exploration and development in particular, continued to be volatile through 2021 to date. The mining and mineral exploration business is also subject to global economic cycles affecting, among other things, raw material costs, supply chain issues and the marketability of mineral products in the global marketplace. See "*Risk Factors*".

Environmental Protection Requirements

Following the Arrangement, Legacy's operations will be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations. A breach of such legislation may result in the imposition of fines and penalties. Certain types of operations may also require the submission and approval of environmental impact assessments.

Environmental legislation is evolving in a manner which imposes stricter standards, including more stringent enforcement, fines and penalties for non-compliance. Pursuant to these stricter standards,

environmental assessments of proposed mineral projects carry a heightened degree of responsibility for companies including their directors, officers and employees.

Following the Arrangement, Legacy expects to be engaged solely in exploration activities. Such activities are subject to various laws, rules and regulations governing the protection of the environment. As necessary, Legacy will make expenditures to ensure compliance with applicable laws and regulations, including those with respect to the environment. New environmental laws and regulations, amendments to existing laws and regulations, or more stringent implementations of existing laws and regulations, as well as the costs of complying with such laws and regulations, could have a material adverse effect on Legacy by potentially increasing capital and/or operating costs and reducing potential for profitability. A breach of such legislation may result in the imposition of fines and penalties against Legacy and its directors and officers. See "*Risk Factors*".

Social and Environmental Policies

Legacy is committed to conducting its operations in accordance with sound social and environmental practices. At present, the scale of operations has not required the adoption of formal policies. The anticipated scale of Legacy's activities following the Arrangement do not, in the opinion of management of Legacy, justify or require the adoption of formal policies with respect to social and environmental practices. Legacy will re-evaluate this position if and when necessary.

Following the Arrangement, Legacy will be subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. Legacy may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties. Following the Arrangement, Legacy will conduct its mineral exploration activities in compliance with applicable environmental protection legislation.

Employees

Legacy does not have any employees. Following the Arrangement, mineral exploration work on the Green Energy Property is anticipated to be carried out by contractors on an as-needed basis. Legacy also expects to rely on and engage consultants on a contract basis to assist it in carrying on its other business activities, including the administration of Legacy. The services of President, Chief Executive Officer and Chief Financial Officer are expected to be provided by contractors pursuant to consulting agreements.

Foreign Operations

The Green Energy Property is located in Utah, USA. Mineral exploration and mining activities in foreign jurisdictions are affected in varying degrees by government regulations relating to the mining industry, as well as local political, regional and economic developments, including expropriation, nationalization, invalidation of government orders, permits or agreements pertaining to property rights, political unrest, labour disputes, limitations on repatriation of earnings, limitations on mineral exports, limitations on foreign ownership, inability to obtain or delays ion obtaining necessary mining permits, opposition to mining from local, environmental or other non-governmental organizations, government participation, royalties, duties, rates of exchange, rates of inflation, price controls, exchange controls, currency fluctuations, taxation and changes in laws, regulations or policies, as well as by laws and policies of Canada affecting foreign trade, investment and taxation. Any changes in regulations or shifts in political conditions may adversely affect Legacy's business. See "*Risk Factors*."

Reorganizations

Other than the Arrangement, and the related acquisition of the Company's interests in Pan American Energy, LLC, Legacy has not been a party to any other reorganizations.

Bankruptcy and Similar Procedures

Legacy has not been involved in any bankruptcy, receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings since incorporation or completed during or proposed for the current financial year.

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Available Funds

Legacy will have no available funds following the completion of the Arrangement. Legacy expects that it will complete a private placement concurrently with, or following the Arrangement, to provide it with the necessary working capital to continue the exploration of the Green Energy Property. The working capital (being current assets less current liabilities) of Legacy as of the date hereof, and the expected working capital of Legacy following the completion of the Arrangement, is ($14,900).

There can be no assurance that Legacy will be able to raise the financing required for its business objectives or that such financing can be obtained without substantial dilution to its shareholders. Failure to obtain additional financing on a timely basis could cause Legacy to reduce or terminate its operations.

Principal Purposes

The following table summarizes the expenditures anticipated by Legacy required to achieve its business objectives during the 12 months following completion of the Arrangement.

Expenditures	Total Spend (April '23 – May '24)
Exploration expenditures on the Green Energy Property	$890,000
General and Administrative Costs	$525,000
Marketing and Investor Relations	$300,000
Expected Costs Associated with Listing of Legacy Common Shares	$50,000
Total	$1,765,000

The forecasted exploration expenditures with respect to the Green Energy Property represents the estimated $950,000 cost of the work program recommended in the Green Energy Technical Report (as defined below), less the $60,000 spent on the work program at the Green Energy Technical Report by the Company prior to the Arrangement.

Legacy intends to raise sufficient funds as stated in the table above following the Arrangement, and will arrange for additional future financings when additional funds are required. However, there may be

circumstances where, for sound business reasons, a reallocation of funds may be necessary for Legacy to achieve its objectives or to pursue other opportunities that management believes are in the best interests of Legacy. See "*Risk Factors*".

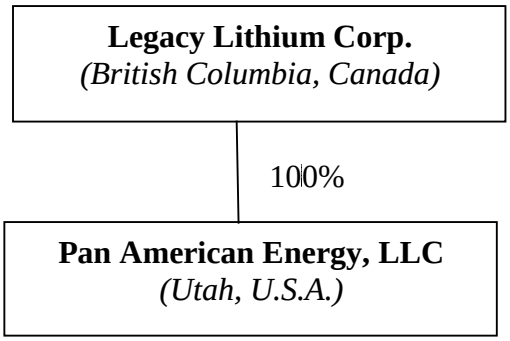
BUSINESS OBJECTIVES AND MILESTONES

Following the completion of the Arrangement, Legacy intends to operate as a junior lithium exploration company, with a focus of continuing to advance the Green Energy Property (as its sole material property) as well as seek other mining assets.

With the funds which it expects to raise following the Arrangement, as described above under the heading "*Available Funds*", Legacy intends to pursue the exploration activities recommended in the Green Energy Technical Report. See "*Green Energy Property – Recommendations*" below for information on Legacy's proposed exploration program on the Green Energy Property.

INTERCORPORATE RELATIONSHIPS

Legacy currently has no subsidiaries. Prior to the closing of the Arrangement, the Company expects to transfer to Legacy, in exchange for Legacy Common Shares, the Company's interests in Pan American Energy, LLC, which holds the Green Energy Property, along with certain related assets. As such, following the completion of the Arrangement, the intercorporate relationships among the Legacy and its subsidiaries are expected to be as follows (including the jurisdiction of incorporation of each entity):



GENERAL DEVELOPMENT OF THE BUSINESS – THREE YEAR HISTORY

Legacy was incorporated on December 28, 2022 and has had no business operations to date.

SIGNIFICANT ACQUISITIONS AND DISPOSITIONS

Legacy was incorporated on December 28, 2022 and has had no business operations to date. On February 7, 2023, Legacy entered into the Arrangement Agreement with the Company, which was subsequently amended and restated on March 2, 2023.

TRENDS

Management is not aware of any trend, commitment, event or uncertainty that is both presently known to management and reasonably expected to have a material effect on Legacy's business, financial condition or results of operations as at the date of the Information Circular, except as otherwise disclosed herein or except in the ordinary course of business.

GREEN ENERGY PROPERTY

Following the Arrangement, Legacy's only material property will be the Green Energy Property for which disclosure is provided below.

The following disclosure regarding the Green Energy Property is condensed and extracted from the NI 43-101 compliant technical report dated March 24, 2022, prepared by Bradley Peek, MSc., CPG, titled "Technical Report, Green Energy Lithium Project, Cane Creek Anticline, Grand County, Utah, USA" with an effective date of March 24, 2022 (the "**Green Energy Technical Report**").

The information regarding the Green Energy Property is based upon assumptions, qualifications and procedures that are not fully described herein. Reference should be made to the full text of the Green Energy Technical Report, a copy of which is available under Pan American's profile on SEDAR at www.sedar.com.

Bradley Peek, author of the Green Energy Technical Report (the "**Author**"), is a qualified person for the purposes of NI 43-101, and has reviewed and approved the scientific and technical information contained herein related to the Green Energy Property.

Property Description, Location and Access

The Green Energy Property is located in Grand County, southeastern Utah, approximately 12 air miles (19 km) west of the town of Moab. The Green Energy Property is roughly centered on T26S, R19E, Section 13. It is reached by driving northwest from Moab approximately 10 miles (16 km) on State Highway 191 and turning southwest on State Highway 313 for about 15 miles (24 km). Driving time to the Green Energy Property from Moab is approximately 30 minutes. The nearest commercial airport is at Grand Junction, Colorado, approximately 1.5 hours' drive north on State Highway 191 and east on Interstate 70.

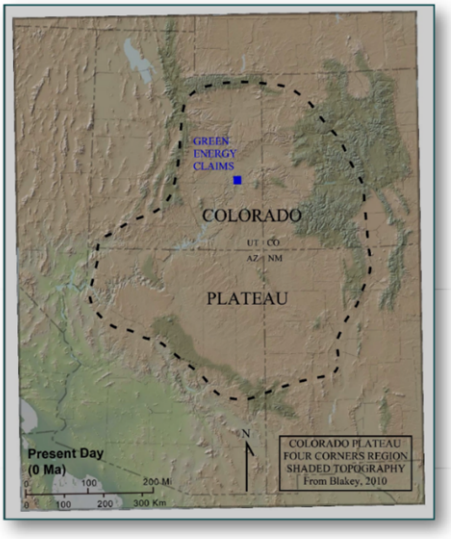


Figure 4.1 - Green Energy Project in the Colorado Plateau (after Blakey, 2010).

Land in the area is predominantly owned by the public and managed by the United States federal government, administered by the U.S. Bureau of Land Management ("**BLM**") and the National Park Service. For potash resources, federal leases are required. Brine resources are not considered leasable commodities and have traditionally been reserved using placer claims.

The Green Energy Property consists of the 208 unpatented placer mining claims, totaling approximately 4160 acres (1683 hectares). The claims with their associated BLM numbers are listed in Table 4.1. The outline of the claim block is shown in Figure 4.3.

The claims were staked to secure rights to any lithium resources that might lie beneath the claims. Other salts, including bromine, boron and magnesium chloride are also covered under the placer claims. Potash is not covered by placer claims as it is considered a leasable commodity. In 2016, the BLM released a Record of Decision and Moab Master Leasing Plan/Approved Resource Management Plan Amendments for the Moab and Monticello Field Offices. The plan covers the area of the Company placer claim group. The Company does not currently have a lease to produce potash from its Green Energy Property and it is unknown if the Company will be able to secure a potash lease.

The Green Energy Property was originally acquired between 2008 and 2011 through the staking of placer mining claims. These claims were re-staked in 2016 and 2017 and were acquired by the Company via the Asset Purchase Agreement completed on January 6, 2022. The claims were staked on United States government property which is administered by the U.S. Bureau of Land Management. There are no underlying agreements with other entities.

All claims are located on unencumbered public land. Annual holding costs for the claims are US$165 per claim per year to the BLM, due August 31st. There is also a small per-claim annual document fee to be paid to Grand County each year, due November 1st. There is no set expiration of the claims as long as these payments are made annually.

To the Author's knowledge, there are no environmental liabilities to which the Green Energy Property is subject and no other significant factors and risks that may affect access, title or the right or ability to perform work on the Green Energy Property.

If the Green Energy Property progresses to the point where it becomes necessary to re-enter an oil and gas well or to drill a new well to obtain brine samples for analysis and metallurgical testing, permits for such operations will be required from the BLM and the Utah Division of Oil, Gas and Mining. At the time of the Green Energy Technical Report, these permits had not yet been applied for or obtained by the Company. Since the effective date of the Green Energy Technical Report, the Company has submitted an exploration and drilling plan to the Bureau of Land Management – Moab Field Office within Grand County, Utah to re-enter the previously drilled and plugged Cane Creek Fed 11-1 well.

Canyonlands National Park and Dead Horse Point State Park are located 1 to 2 miles (1.6 to 3.2 km) south of the southern boundary of the Green Energy Property area. The Moab Potash evaporation ponds operated by Intrepid Potash Inc. (Figure 4.2) are immediately east of the State Park.

The Green Energy Property is accessible to a point within a few miles by an all-weather paved road from Moab, which becomes an access road to Dead Horse Point State Park. The center of the Green Energy Property area has numerous oil pump jacks and storage tanks, all of which are serviced by a network of all-weather dirt roads. The Green Energy Property is within Township 26 South, Ranges 19 and 20 East.

Figure 4.2 - Intrepid's Moab Potash brine ponds in front of the Cane Creek Anticline.

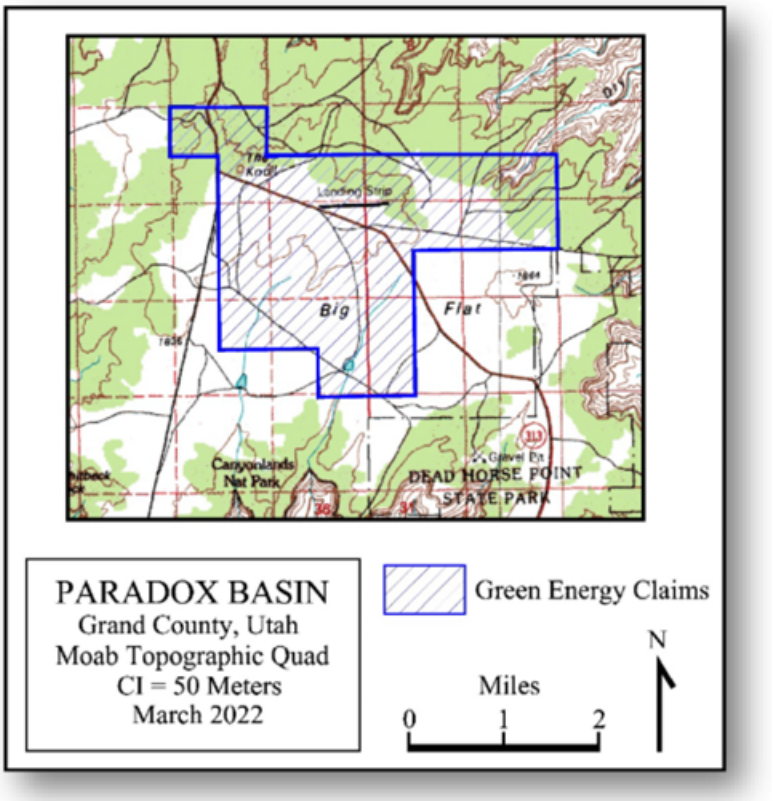


Figure 4.3 - Location of Green Energy Project's 208 placer mining claims.

Table 4.1 - Green Energy Property Claims Descriptions

Claim Name	Serial Number	TWP/RGE		Section	Quadrant	Date of Location	Case Disposition
GE 1	UT101389391	26S/19E		11	NW	1/31/2016	ACTIVE
GE 2	UT101389392	26S/19E		11	NE	1/31/2016	ACTIVE
GE 3	UT101389393	26S/19E		11	SE	1/31/2016	ACTIVE
GE 1B	UT101632448	26S/19E		11	NW	1/25/2018	ACTIVE
GE 1A	UT101856539	26S/19E		11	NW	3/20/2017	ACTIVE
GE 1C	UT101856540	26S/19E		11	SW	3/20/2017	ACTIVE
GE 1D	UT101856541	26S/19E		11	NW	3/20/2017	ACTIVE
GE 1E	UT101856542	26S/19E		11	NW	3/20/2017	ACTIVE
GE 1F	UT101856543	26S/19E		11	NW	3/20/2017	ACTIVE
GE 1G	UT101856544	26S/19E		11	SW	3/20/2017	ACTIVE
GE 2A	UT101856545	26S/19E		11	NE	3/20/2017	ACTIVE
GE 2B	UT101856546	26S/19E		11	NE	3/20/2017	ACTIVE
GE 2C	UT101856547	26S/19E		11	SE	3/20/2017	ACTIVE
GE 2D	UT101856548	26S/19E		11	NE	3/20/2017	ACTIVE
GE 2E	UT101856549	26S/19E		11	NE	3/20/2017	ACTIVE
GE 2F	UT101856550	26S/19E		11	NE	3/20/2017	ACTIVE
GE 2G	UT101856551	26S/19E		11	SE	3/20/2017	ACTIVE
GE 3A	UT101856552	26S/19E		11	SE	3/20/2017	ACTIVE
GE 3B	UT101856553	26S/19E		11	SE	3/20/2017	ACTIVE
GE 3D	UT101857526	26S/19E		11	SE	3/20/2017	ACTIVE
GE 3E	UT101857527	26S/19E		11	SE	3/20/2017	ACTIVE
GE 3F	UT101857528	26S/19E		11	SE	3/20/2017	ACTIVE
GE 18C	UT101859925	26S/19E		11	NW	3/20/2017	ACTIVE
GE 4	UT101389394	26S/19E		12	SW	1/31/2016	ACTIVE
GE 5	UT101389395	26S/19E		12	SE	1/31/2016	ACTIVE
GE 4A	UT101857530	26S/19E		12	SW	3/19/2017	ACTIVE
GE 4B	UT101857531	26S/19E		12	SW	3/19/2017	ACTIVE
GE 4D	UT101857533	26S/19E		12	SW	3/19/2017	ACTIVE
GE 4E	UT101857534	26S/19E		12	SW	3/19/2017	ACTIVE
GE 4F	UT101857535	26S/19E		12	SW	3/19/2017	ACTIVE
GE 5A	UT101857537	26S/19E		12	SE	3/19/2017	ACTIVE
GE 5B	UT101857538	26S/19E		12	SE	3/19/2017	ACTIVE
GE 5D	UT101857540	26S/19E		12	SE	3/19/2017	ACTIVE
GE 5E	UT101858703	26S/19E		12	SE	3/19/2017	ACTIVE
GE 5F	UT101858704	26S/19E		12	SE	3/19/2017	ACTIVE
GE 11	UT101389401	26S/19E		13	NW	1/31/2016	ACTIVE
GE 12	UT101389402	26S/19E		13	NE	1/31/2016	ACTIVE
GE 18	UT101470589	26S/19E		13	SW	2/1/2016	ACTIVE
GE 19	UT101470590	26S/19E		13	SE	2/1/2016	ACTIVE
GE 11A	UT101737596	26S/19E		13	NW	3/19/2017	ACTIVE
GE 11B	UT101737597	26S/19E		13	NW	3/20/2017	ACTIVE
GE 11C	UT101737598	26S/19E		13	SW	3/19/2017	ACTIVE
GE 11D	UT101737599	26S/19E		13	NW	3/19/2017	ACTIVE
GE 11E	UT101737600	26S/19E		13	NW	3/19/2017	ACTIVE
GE 11F	UT101739528	26S/19E		13	NW	3/19/2017	ACTIVE
GE 11G	UT101739529	26S/19E		13	SW	3/19/2017	ACTIVE
GE 12A	UT101739530	26S/19E		13	NE	3/19/2017	ACTIVE

GE 12B	UT101739531	26S/19E		13	NE	3/18/2017	ACTIVE
GE 12C	UT101739532	26S/19E		13	SE	3/18/2017	ACTIVE
GE 12D	UT101739533	26S/19E		13	NE	3/19/2017	ACTIVE
GE 12E	UT101739534	26S/19E		13	NE	3/20/2017	ACTIVE
GE 12F	UT101739535	26S/19E		13	NE	3/19/2017	ACTIVE
GE 12G	UT101739536	26S/19E		13	SE	3/19/2017	ACTIVE
GE 4C	UT101857532	26S/19E		13	NW	3/19/2017	ACTIVE
GE 4G	UT101857536	26S/19E		13	NW	3/19/2017	ACTIVE
GE 5C	UT101857539	26S/19E		13	NE	3/19/2017	ACTIVE
GE 5G	UT101858705	26S/19E		13	NE	3/19/2017	ACTIVE
GE 18A	UT101859923	26S/19E		13	SW	3/19/2017	ACTIVE
GE 18B	UT101859924	26S/19E		13	SW	3/19/2017	ACTIVE
GE 18D	UT101859926	26S/19E		13	SW	3/19/2017	ACTIVE
GE 18E	UT101859927	26S/19E		13	SW	3/19/2017	ACTIVE
GE 18F	UT101859928	26S/19E		13	SW	3/19/2017	ACTIVE
GE 19A	UT101859930	26S/19E		13	SE	3/18/2017	ACTIVE
GE 19B	UT101859931	26S/19E		13	SE	3/18/2017	ACTIVE
GE 19D	UT101859933	26S/19E		13	SE	3/19/2017	ACTIVE
GE 19E	UT101859934	26S/19E		13	SE	3/19/2017	ACTIVE
GE 19F	UT101859935	26S/19E		13	SE	3/19/2017	ACTIVE
GE 10	UT101389400	26S/19E		14	NE	1/31/2016	ACTIVE
GE 17	UT101470588	26S/19E		14	SE	2/1/2016	ACTIVE
GE 10A	UT101737589	26S/19E		14	NE	3/19/2017	ACTIVE
GE 10B	UT101737590	26S/19E		14	NE	3/19/2017	ACTIVE
GE 10C	UT101737591	26S/19E		14	SE	3/19/2017	ACTIVE
GE 10D	UT101737592	26S/19E		14	NW	3/20/2017	ACTIVE
GE 10E	UT101737593	26S/19E		14	NE	3/20/2017	ACTIVE
GE 10F	UT101737594	26S/19E		14	NE	3/20/2017	ACTIVE
GE 10G	UT101737595	26S/19E		14	SE	3/20/2017	ACTIVE
GE 3C	UT101856554	26S/19E		14	NE	3/19/2017	ACTIVE
GE 3G	UT101857529	26S/19E		14	NE	3/20/2017	ACTIVE
GE 17A	UT101858741	26S/19E		14	SE	3/19/2017	ACTIVE
GE 17B	UT101858742	26S/19E		14	SE	3/19/2017	ACTIVE
GE 17D	UT101858744	26S/19E		14	SE	3/20/2017	ACTIVE
GE 17E	UT101859920	26S/19E		14	SE	3/20/2017	ACTIVE
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GE 21	UT101470592	26S/19E		23	NE	2/1/2016	ACTIVE
GE 21A	UT101739552	26S/19E		23	NE	3/19/2017	ACTIVE
GE 21B	UT101739553	26S/19E		23	NE	3/19/2017	ACTIVE
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GE 21D	UT101739786	26S/19E		23	NE	3/19/2017	ACTIVE
GE 21E	UT101739787	26S/19E		23	NE	3/19/2017	ACTIVE
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GE 23	UT101470594	26S/19E		24	NE	2/1/2016	ACTIVE
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GE 22D	UT101739793	26S/19E		24	NW	3/19/2017	ACTIVE
GE 22E	UT101739794	26S/19E		24	NW	3/19/2017	ACTIVE
GE 22F	UT101739795	26S/19E		24	NW	3/19/2017	ACTIVE
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GE 19C	UT101859932	26S/19E		24	NE	3/18/2017	ACTIVE
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GE 25C	UT101855392	26S/19E		25	NE	3/18/2017	ACTIVE
GE 25G	UT101855396	26S/19E		25	NE	3/19/2017	ACTIVE
GE 6	UT101389396	26S/20E		7	SW	1/31/2016	ACTIVE
GE 7	UT101389397	26S/20E		7	SE	1/31/2016	ACTIVE
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GE 7F	UT101858718	26S/20E		7	SE	3/18/2017	ACTIVE
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GE 9A	UT101737582	26S/20E		8	SE	3/17/2017	ACTIVE
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GE 9F	UT101737587	26S/20E		8	SE	3/17/2017	ACTIVE
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GE 8E	UT101858724	26S/20E		8	SW	3/18/2017	ACTIVE
GE 15	UT101389405	26S/20E		17	NW	1/31/2016	ACTIVE
GE 16	UT101389406	26S/20E		17	NE	1/31/2016	ACTIVE
GE 8G	UT101737581	26S/20E		17	NW	3/18/2017	ACTIVE
GE 9C	UT101737584	26S/20E		17	NE	3/17/2017	ACTIVE
GE 9G	UT101737588	26S/20E		17	NE	3/17/2017	ACTIVE

GE 8C	UT101858722	26S/20E		17	NW	3/18/2017	ACTIVE
GE 15A	UT101858727	26S/20E		17	NW	3/18/2017	ACTIVE
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GE 15C	UT101858729	26S/20E		17	SW	3/18/2017	ACTIVE
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GE 13A	UT101739537	26S/20E		18	NW	3/18/2017	ACTIVE
GE 13B	UT101739538	26S/20E		18	NW	3/18/2017	ACTIVE
GE 13C	UT101739539	26S/20E		18	SW	3/18/2017	ACTIVE
GE 13D	UT101739540	26S/20E		18	NW	3/18/2017	ACTIVE
GE 13E	UT101739541	26S/20E		18	NW	3/18/2017	ACTIVE
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GE 14F	UT101858725	26S/20E		18	NE	3/18/2017	ACTIVE
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GE 20D	UT101859940	26S/20E		18	SW	3/18/2017	ACTIVE
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GE 24E	UT101855387	26S/20E		19	NW	3/19/2017	ACTIVE
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GE 26D	UT101855400	26S/20E		19	SW	3/18/2017	ACTIVE
GE 20C	UT101859939	26S/20E		19	NW	3/18/2017	ACTIVE
GE 26E	UT101859941	26S/20E		19	SW	3/18/2017	ACTIVE
GE 26F	UT101859942	26S/20E		19	SW	3/18/2017	ACTIVE
GE 26C	UT101855399	26S/20E		30	NW	3/18/2017	ACTIVE
GE 26G	UT101859943	26S/20E		30	NW	3/18/2017	ACTIVE

History

The Paradox Basin area, which includes the Green Energy Property, has been explored for oil and gas for quite some time. The earliest discoveries of potash in the area were made in 1924, but the correlation of the beds and the extent and richness of the deposits were not recognized until the 1950s and 1960s. In 1953, Delhi Oil Corporation ("**Delhi**") explored the Seven Mile area, seven miles NW of Moab, drilling 10 holes on one-half mile centers and identifying a substantial potash resource. In 1956, Delhi identified an excellent potash target at Cane Creek, nine miles south of the Seven Mile area. They drilled 7 test holes there and decided that the Cane Creek target was thicker and higher grade. In 1957, a wildcat oil hole 10 miles west of the Seven Mile area intersected a 16-foot thick high grade potash bed at the same stratigraphic horizon as Cane Creek and Seven Mile. This became known as the McRae area. In 1961, Pan American Petroleum discovered the Salt Wash oil field, 16 miles northwest of the Seven Mile area. This drilling revealed a northwestern extension of the same sylvite bed and other deeper ones.

In 1960, Texas Gulf Sulfur acquired the Delhi potash properties and was in full production from an underground mine by early in 1965. They announced that the Cane Creek potash bed was 11 feet thick and averaged 25 to 30% potash.

J.E. Roberts Jr. also recognized the possibility of producing potash and other salts from the area in 1958 and subsequently acquired control of much of what was called the White Cloud area and is now the Green Energy Lithium land package. In 1959, he drilled the White Cloud #1 hole in Sec 14, T26S, R20E to a depth of 4074 feet, gaining an understanding of the potash bearing zones. Other oil and gas drilling (including Delhi) passed through the same series of salt beds, at least 7 of which contain important deposits of potash, and one of which became the Cane Creek Mine, now currently operated by Intrepid Potash Inc. Brines were commonly encountered in these wells, but none of the wells was assumed of economic significance (for brines) until in 1962 when the Southern Natural Gas Company drilled a well (Long Canyon Unit #1 well) which encountered a most substantial flow of high density brine at a depth of 6,013 feet.

In 1964, the White Cloud #2 well was drilled by J. E. Roberts 535 feet northeast of the Long Canyon #1 well, specifically for testing the "Brine Zone". Brine was encountered at 6049 feet and it was recorded that artesian brine flow was so strong that drilling had to be suspended after penetrating only 6 feet of an anticipated 28-foot thick zone. The hole was eventually deepened. Records show that the pressure at the bottom of the hole was 4953 pounds per square inch, or twice the normal hydrostatic pressure at that depth. Several other wells in the immediate area had similar pressures (Mayhew and Heylman, 1965). The brine temperature was 145 degrees Fahrenheit.

Mayhew and Heylman's 1965 study provided brine analyses from 22 boreholes in the area. Unfortunately, these were only routine analyses for common elements in most cases. Some of the holes reported high concentrations of potassium, lithium, bromine, iodine and boron in later analyses, all of which have significant value and may be recoverable.

The Cane Creek mine switched to solution mining and solar evaporative precipitation in 1971 and as of Intrepid Potash's 2019 annual report is still producing at a rate between 75,000 and 120,000 tons of potash per year. Its expected mine life is +100 years.

In 1991 US Borax apparently re-entered the Roberts White Cloud #2 brine well to assess the brines for boron content, but it is unknown if data was acquired and preserved, as the well was not considered an oil and gas test.

The Roberts family eventually allowed their potash leases on the White Cloud area to lapse.

Since the staking of the original placer claims in 2008, no exploration has been completed by any of the owners of the Green Energy Property.

There have been no formal resource estimates for the Green Energy Property for either potash in situ or for the saturated brines.

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Green Energy Property is in the north central part of the Colorado Plateau geologic province and shown in Figure 7.1 on the Utah state geologic map. On the west, the province is separated from the Basin and Range province by a zone of normal faulted Wasatch Front and the Utah Overthrust Belt. The Uintah Arch to the north is an anticlinal structure cored by Precambrian strata. Within SE Utah in the area of the Paradox Basin, there are remnant Paleogene laccolith intrusions in three prominent local mountain ranges.

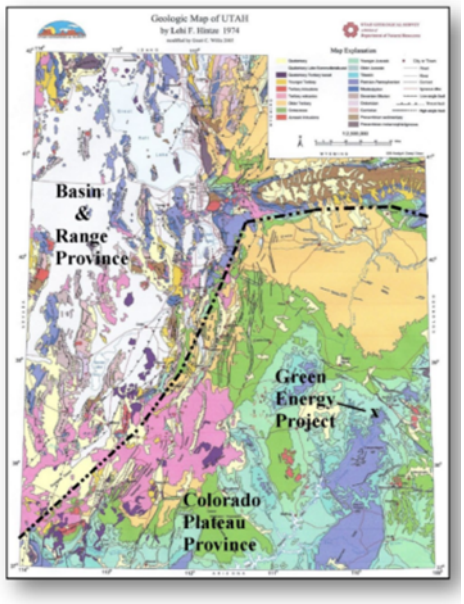

Figure 7.1 - Regional Geology of Utah (Hintze, 1974).

The Colorado Plateau is a large uplifted area of relatively undisturbed, flat lying to gently folded sedimentary units, largely of Upper Mesozoic age. Permian and older rocks are exposed in the more deeply eroded areas and lower Paleozoic to Precambrian rock units are exposed in the bottom of the Grand Canyon and in some local uplift areas. In the area east of the Green Energy Property, the predominant structural

trends are defined by NW-SE striking normal faults of moderate displacement. To the south of the Green Energy Property, fault trends are predominantly E-W.

District Geology

The portion of the Colorado Plateau underlying much of southeastern Utah and extending into southwestern Colorado is referred to as the Paradox Basin. A sequence of sedimentary rocks ranging in age from Precambrian to upper Cretaceous is present in the Basin. From Cambrian to Mississippian time the Paradox Basin was a foreland shelf where thick layers of limestone were deposited. Regional subsidence in early Pennsylvanian time created a large sedimentary basin, with cyclic restricted marine environments, resulting in multiple thick deposits of evaporate minerals including halite and potash. This Pennsylvanian stratigraphic sequence is named the Paradox Formation of the Hermosa Group, which contains interbedded limestone, dolomite, shale, siltstone, sandstone, anhydrite, halite and potash.

The axis of the Paradox Basin trends northwest-southeast. It is an asymmetrical basin with a more steeply dipping and faulted eastern flank and a relatively gently dipping western flank. Local and regional gentle folding has occurred, combined with complex uplift and faulting related to the lateral and upward movement of evaporites (mainly halite) within the Paradox Basin. A series of long linear NW-trending salt anticlines formed in and near the Green Energy Property area, caused by flowage of the relatively plastic, thick salt beds in the basin (see Figure 7.3 below). Economic interest in this area has centered on oil and gas production from strata of Devonian, Mississippian and Pennsylvanian age. There are thick halite and potash deposits in the Paradox Formation, but only one potash mine had been developed, the Cane Creek Mine, about 6 miles southwest of Moab, Utah. Potash strata in the mined area is now being successfully exploited using solution mining in vertical and horizontal boreholes.

Green Energy Property Area Geology

In the area of the Green Energy Property, large halite and potash deposits occur within a cyclic sequence of evaporites and fine grained clastic sediments. These are not exposed at the surface but have been intersected in the subsurface by at least 132 of the 166 oil and gas and potash test wells in the area. Stratigraphic units exposed at the surface range from the Jurassic Kayenta formation which forms the top of the Big Flat mesa, downward through the Jurassic Wingate, Triassic Chinle and Moenkopi, to the Permian Cutler Formation near the Colorado River, as shown in Figure 7.2 below (modified after Huntoon, 1982). The depths from the surface of Big Flat (12 miles west of Moab) to the tops of formations are in Table 7.1 below for the Long Canyon #1 well:

Table 7.1 - Generalized Stratigraphic Column (from Long Canyon # 1).

Age	Group	Formation	Depth from surface to top
Jurassic		Kayenta Formation	At Surface
		Wingate Sandstone	50 ft
Triassic		Chinle Formation	320 ft
		Moenkopi Formation	680 ft
Permian		White Rim SS / Organ Rock Fm	1046 ft
		Wolfcampian Elephant Canyon Fm	1309 ft
Pennsylvanian	Hermosa	Virgilian Elephant Canyon Fm / Missourian Honaker Trail Fm	1766 ft
		Desmoinesian-Atokan Paradox Fm - interbedded strata w/ halite/potash	3670 ft
		Atokan Lower Hermosa Fm	7491 ft
Mississippian		Leadville Fm – massive carbonate	7558 ft
Devonian		Ouray, Elbert, and McCracken	7752 ft

Figure 7.2 below is a map of the Green Energy Property surface geology with property outline and hatching (map modified from Huntoon, Billingsly and Breed, 1982). Recent to Pleistocene eolian sand and soil (Qal) covers most of Big Flat (yellow shading). Jurassic Navajo SS (Jn), Kayenta Fm (Jk) and older strata are exposed along the margins of Big Flat. The trend of the Cane Creek Anticline extends across the northern part of the map.

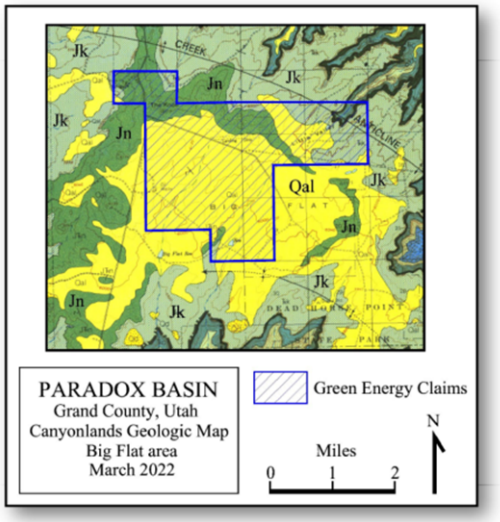

Figure 7.2 - Project Surface Geology (modified from Huntoon, Billingsly and Breed, 1982).

Geological Overview of the Paradox Basin

In order to understand the potential for the production of lithium-bearing brines in the Paradox Basin and in particular for the Green Energy Property area, it is necessary to have an overview of the complex geology of the Paradox Basin that is now better known than when exploration wells were drilled 50 or more years ago.

The Paradox Basin was active as an epicontinental seaway during Permo-Carboniferous icehouse times when there was a worldwide oceanic eustatic response to the waxing and waning of polar icesheets (Ross and Ross, 1987; Fielding and others, 2008; Heckel, 2008; Rygel and others, 2008; Warren, 2006, 2010). The basin is distinguished by very thick stratigraphic successions of Pennsylvanian, Permian and Triassic strata and the presence of extensive beds of salt in the Pennsylvanian Hermosa Group strata (Table 7.2 and Figure 7.3; e.g., Hite, 1960, 1961, 1968; Hite and others, 1972; Hite and Buckner, 1981; Rasmussen and Rasmussen, 2002; Rasmussen, 2010b, 2012b, 2013a). The basin is noteworthy because of the thick sequences of cyclic carbonates, evaporites, siliciclastics and mudstones (cyclothems) deposited during respective 300 foot (100 m) glacioeustatic sea-level fluctuations (Soreghan and Giles, 1999; Joachimski and others, 2006; Fielding and others, 2008; Warren, 2006, 2010). Heckel (1986), in his analysis of those fluctuations, determined that the cyclothems correspond “to the range of periods of Earth’s orbital parameters that constitute the Milankovitch insolation theory for the Pleistocene ice ages and it further supports Gondwanan glacial control for the Pennsylvanian cycles” (see also Heckel, 1994, 2002, 2008). Heckel’s estimates of cycle periods range from about 40,000 to 120,000 years for the minor cycles and up to about 235,000 to 400,000 years for the major cyclothems (Heckel, 1986). Peterson and Ohlen (1963), Peterson and Hite (1969), Hite and Buckner (1981), Goldhammer and others (1991), Raup and Hite (1992) and Weber and others (1995) have also attributed the cyclicity of the Pennsylvanian strata in the Paradox Basin to the periodic changes in sea level that were in response to the advance and retreat of glaciers in Gondwanaland.

Figure 7.3 below is the generalized stratigraphic nomenclature within the greater Paradox Basin area. North American series names have been added for the Mississippian, Pennsylvanian and Permian; however, there is not an intended exact respective match with the formations. Formations assigned to the Hermosa Group are after Rasmussen, D.L. and L. Rasmussen (2009) and Rasmussen (2014), which includes the 83 chronostratigraphic subdivisions (cycles) as illustrated below in Figure 7.4. The halite- and potash-bearing interval is marked by green shading. Regional unconformities are shown by the undulating line separating some formations and groups.

Table 7.2 - Generalized stratigraphic nomenclature within the greater Paradox Basin area.

AGE	SERIES	GROUP	FORMATION
Cretaceous		Mesaverde	Castlegate SS (north)
			Point Lookout SS (south)
		Mancos	Blue Gate Sh
			Ferron SS
			Tununk Sh
		Dakota	Dakota SS
			Cedar Mountain Fm / Burro Canyon Cong
Jurassic			Morrison Fm / Mbrs / Bluff SS
		San Rafael	Summerville Fm / Wanakah Fm
			Curtis Fm / Moab Tongue SS
			Entrada SS / Carmel Fm / Page SS
		Glen Canyon	Navajo SS
			Kayenta Fm
			Wingate SS
Triassic			Chinle Fm / Moss Back & Shinarump
			Moenkopi Fm / Sinbad Mbr
Permian	Guadalupian		Kaibab LS
	Leonardian		White Rim, Coconino & DeChelly SSs
			Organ Rock Fm / Cutler Fm
Pennsylvanian	Wolfcampian	Hermosa	Cedar Mesa SS / Elephant Canyon Fm
	Virgilian		Halgaito Fm
	Missourian		Honaker Trail Fm
	Desmoinesian		Paradox Fm (Halite/Potash)
	Atokan		Lower Hermosa Fm
	Morrowan		Round Valley Fm
Mississippian	Chesterian		Doughnut Fm
	Meramecian		Humbug Fm
	Osagean/Kinder.		Leadville Fm
Devonian			Ouray LS
			Elbert Fm / McCracken Mbr
			Aneth Fm
Cambrian			Lynch Fm
			Ophir Sh
			Muav Fm
			Bright Angel Sh
			Tapeats SS / Tintic SS / Ignacio SS
Precambrian			Undifferentiated strata
			Metasediments and Igneous Rocks

Table 7.3 below is a chart showing chronostratigraphic subdivisions and nomenclature for the Pennsylvanian-Permian Hermosa Group in the Paradox Basin (modified from Rasmussen, 2014). The entire Hermosa Group is subdivided into multiple cycles based on repetitive occurrences of specific strata which can be related to respective stacked transgressive (TST, THST), highstand (HST) and lowstand (ELST, TLST) systems tracts. The dashed horizontal line separating each cycle represents the chronostratigrahic position of strata in the THST and TST systems tracts (also known as the “Industry Clastics” for some cycles). The TST is usually black laminated mudstone that is essentially laterally contemporaneous throughout the basin and provides an approximate time-correlative interval within each cycle. For reference, the original 29 salt intervals of Hite (1960) are listed in a separate column, and the “Industry Clastic Numbers” are listed in the Comments column. Extensive basin-wide well data has provided detailed information concerning the distribution (limited to widespread) for carbonates, evaporites and siliciclastics within specific systems tracts for most of the cycles (systems tracts with sparse or inconclusive data are not colored). Cycles within the Hermosa Group are likely uninterrupted from the Atokan unconformity at the base to the Leonardian unconformity at the top and only a few local disconformities have been identified

within the entire sequence. The most widespread salt-bearing cycles are within the Paradox Formation that subsequently supplied the salt for the salt structures in the Paradox Basin. Siliciclastic deposition in the basin became more intense near the end of salt deposition during the Desmoinesian (coeval with the rise of the Uncompahgre Uplift) and continued intensely to the end of Hermosa Group deposition in the Permian Wolfcampian. The earliest significant salt deformation in the basin can be directly tied to this increase in siliciclastic deposition during the last three cycles within the Akah (PX7 through PX6A). Siliciclastic deposition for cycles PX39 through PX1 was mainly confined to the troughs within the Deep Fold and Fault Belt ("**DFFB**"). Evaporite type abbreviations used in this chart: A = Anhydrite; H = Halite; and P = Potash. "Industry Clastic Numbers" listed in the Comments column are from Mayhew and Heylmun, 1965.

Table 7.3 - Chronostratigraphic subdivisions and nomenclature for the Pennsylvanian-Permian Hermosa Group in the Paradox Basin (modified from Rasmussen, 2014).

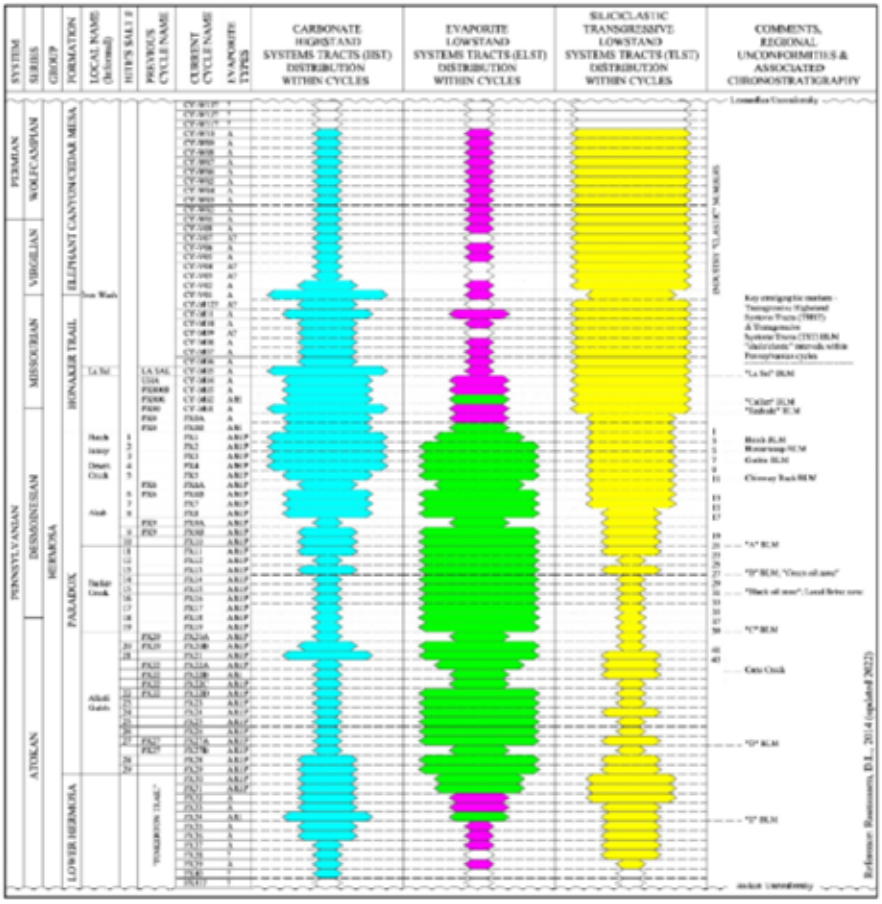

Figure 7.3 is a paleogeographic map for the Pennsylvanian (Desmoinesian stage) in the Ancestral Rocky Mountains of the Four Corners region (modified from Figure 12D, Blakey, 2009). The Cabezon, Eagle and Oquirrh accessways were open during highstands, as shown here, and allowed marine currents to move into and through the Paradox Basin. During lowstands the accessways were limited or blocked thereby allowing evaporite deposition throughout a smaller basin outline; perhaps largest near the Maximum Paradox Salt outline. The outline for the Uncompahgre Uplift is dashed since that uplift was most active from Late Desmoinesian into Permian (Leonardian). Present-day salt diapirs and anticlines (from surface geology, gravity, seismic and well control) are indicated by the solid green colours.

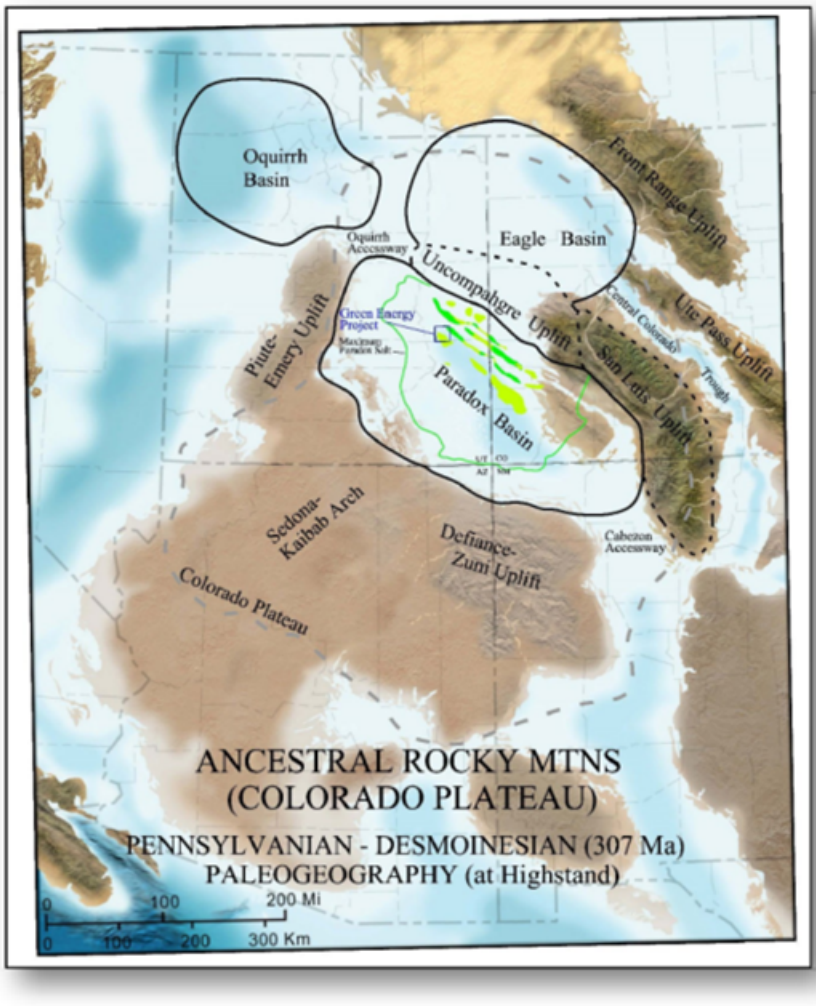

Figure 7.3 - Paleogeographic map for the Pennsylvanian (Desmoinesian stage) in the Ancestral Rocky Mountains of the Four Corners region (modified from, Blakey, 2009).

The Paradox Basin in the Four Corners Region of Colorado, Utah, Arizona and New Mexico was moderately large in size (158 miles [255 km] by 250 miles [403 km]) within the Late Paleozoic Ancestral Rocky Mountains (ARM). The basin margins varied throughout the Pennsylvanian and Early Permian because of regional tectonics and sea-level changes (see discussions in Peterson, 1959; Baars and Stevenson, 1984; Kluth, 1986, 1998, 2012, 2013; Ye and others, 1996, 1998; Barbeau, 2003; Blakey and Ranney, 2008; Blakey, 1996, 2009, 2010; Rasmussen and Rasmussen, 2009). The basin is asymmetric, having a deep (thick) northeastern portion marked by widespread salt flowage that is referred to herein as the DFFB (Rasmussen and Rasmussen, 2009), and a shallow (thinner) southwestern portion having mostly autochthonous salt, sometimes referred to as the "Southwestern Platform" or "Southwestern Shelf" (Hite and Buckner, 1981). Large salt diapirs and salt anticlines are within and along the deeper parts of the basin (Figures 7.4.-7.5). The basin terminates abruptly on the northeast against the Uncompahgre Uplift, which has a buried thrust-faulted front (see discussions in Kelley, 1955a, 1955b, 1958; Peterson, 1959; Fetzner, 1960; Elston and Shoemaker, 1963; Hite, 1968; Mallory, 1972a, 1972b; Stone, 1977; Frahme and Vaughn, 1983; Heyman and others, 1986; Huffman and Taylor, 2002; Rasmussen and Rasmussen, 2009). Stone (1977) and Frahme and Vaughn (1983) have previously suggested as much as 20,000 feet (6.1 km) of vertical separation on the Uncompahgre fault zone near where the Colorado River crosses the fault zone (Figure 7.5). Stevenson and Baars (1986) and Heyman and others (1986) have estimated 26,000 feet (7.8

km) of structural relief several miles to the southeast in Colorado (near the town of Gateway). Seismic and borehole data along the Uncompahgre front substantiate those large amounts of vertical separation. Use of the term “salt” in this paper refers to a stratigraphic succession (halite-bearing strata), structure, or some other salt-related feature, which is primarily composed of halite. Salt-bearing horizons in the Paradox Basin may contain beds of potash. Halite (NaCl) refers to the mineral or the primary component of a salt body (e.g., Hudec and Jackson, 2007).

Figure 7.4 below shows a Digital Elevation Model (DEM) for the Paradox Basin and Uncompahgre Uplift in the Four Corners region of Colorado, Utah, Arizona and New Mexico. The maximum depositional extent of Pennsylvanian Paradox salt is shown by the solid green line, and salt diapirs within the DFFB are indicated by red outlines (see Figure 7.5 below for diapir names). The present topography was developed since the Miocene; approximately since 15 million years ago. Major towns are shown by black dots.

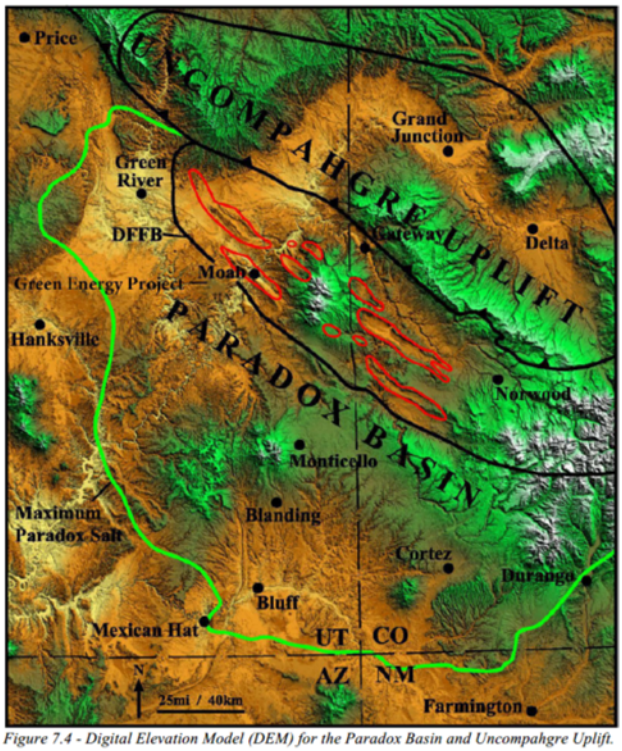

Figure 7.4 - Digital Elevation Model (DEM) for the Paradox Basin and Uncompahgre Uplift.

Figure 7.5 below is an index map for the Paradox Basin showing the locations and names of the main salt structures and the location for cross section A-A’ across the Deep Fold and Fault Belt. The Green Energy Property study area is shown by the blue box. Also shown are the Southwest and Four Corners platform areas, the Blanding Sub-Basin and the major Paleogene intrusive (laccolith) centers. The Uncompahgre Uplift was a Late Pennsylvanian-to-Early Permian structural feature on the northeastern margin of the basin. Modified from Rasmussen, D.L. and L. Rasmussen (2009), and Rasmussen (2014).

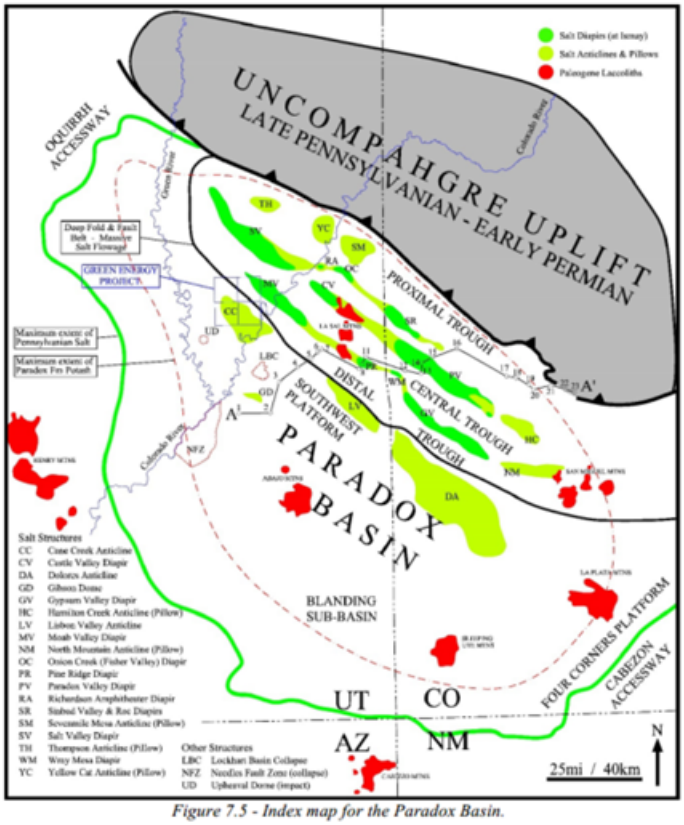

Figure 7.5 - Index map for the Paradox Basin.

Figure 7.6 is a structural cross section A-A' across the DFFB in the Paradox Basin of southwest Colorado and southeast Utah (updated from Rasmussen, D.L. and L. Rasmussen, 2009 and Rasmussen, 2014). Shown are the thrusted southwest margin of the Uncompahgre Uplift; the proximal, central and distal depositional troughs in the DFFB; two prominent salt diapirs; and the slightly disturbed Southwest Platform area (88 miles [141 km] straight line distance between the end wells in Figure 7.5). Note the general lack of salt and thick depositional intervals in the DFFB troughs compared to the autochthonous salt in the Southwest Platform. This cross section was updated by Rasmussen, D.L. and L. Rasmussen, 2018 using digital log data.

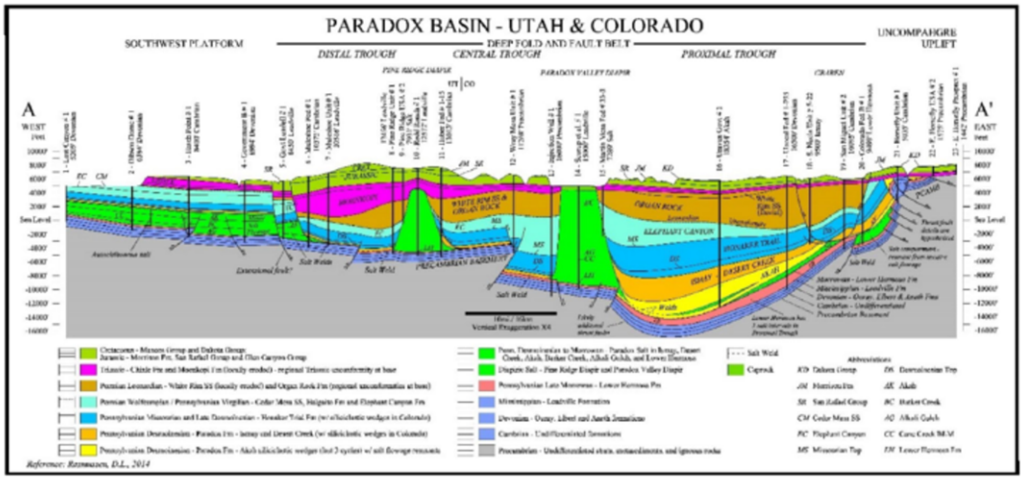

Figure 7.6 - Structural cross section A-A' across the DFFB in the Paradox Basin

The initial formation of the Paradox Basin was during the latest Mississippian or earliest Pennsylvanian and was related to plate tectonic events that formed the Ancestral Rocky Mountains (Peterson, 1959; Kluth and Coney, 1981: Lemke, 1985; Kluth, 1986, 1998; Ye and others, 1996, 1998; Hoy and Ridgway, 2002a, 2002b; Barbeau, 2003; Kues and Giles, 2004). The size and shape of the initial basin have yet to be determined, but certainly, the early basin contained the currently deepest part along the Uncompahgre Uplift and from seismic data had multiple horsts and grabens. Lemke (1985) and Barbeau (2003) have provided the most compelling explanation that the Paradox Basin is an intracontinental flexural basin that developed under the load of the thrust-bounded Ancestral Rocky Mountains (ARM) Uncompahgre Uplift. Strata of the Late Mississippian Chesterian Doughnut Formation (Table 7.2), which currently extend from the Oquirrh Basin into the very northwestern part of the basin in Utah (Chidsey, 2011; Morgan and Waanders, 2013), may have once extended further southeastward into the early basin prior to being eroded away during the earliest Pennsylvanian. The oldest marine strata in the basin are in the Pennsylvanian Atokan Lower Hermosa Formation seen in many deep wells, and those marine strata are angular or disconformable on underlying Mississippian and older rocks.

The San Luis Uplift (Fetzner, 1960) was the nearest uplift to the early basin and was the first area to have erosion into the Precambrian basement rocks as concluded by a few arkosic sands which prograded northwest into the early Paradox Basin during the Atokan (Table 7.2 and Figure 7.3). Nevertheless, as seen by the lack of massive siliciclastic wedges on the western side of the San Luis Uplift, much of the rocks eroded from the San Luis Uplift were likely carried by rivers dumping into the Central Colorado Trough. During the Morrowan, Atokan and Early Desmoinesian, the early Paradox Basin was reasonably connected with the Eagle Basin and the Central Colorado Trough (through the Eagle Accessway; Figure 7.4). There was no effective barrier between the two basins as evidenced by the fact that the extensive carbonates and halite- bearing evaporites of those ages in the Paradox Basin, which extend right up to the northeastern edge of the basin at the thrusted front of the Uncompahgre Uplift, were not at their depositional margin (Wengerd and Strickland, 1954; Szabo and Wengerd, 1975; Rasmussen, 2006, 2007).

Wengerd and Strickland (1954), Bass (1956), Fetzner (1960), Szabo and Wengerd (1975), De Voto and others (1986) and Dodge and Bartleson (1986) previously noted the strong similarity of the Pennsylvanian strata and evaporites in the Paradox Basin with strata and evaporites of the same age in the Eagle Basin. The interpretations in Figure 7.4 show the Uncompahgre Uplift (dashed outline) prior to its extensive uplift in the Late Desmoinesian, and also show the extent of the marine seas during a highstand interval in the medial Desmoinesian when the glacioeustatic sea level was high and the shorelines were pushed far back against the upland areas. During highstands there was a strong marine connection through the Paradox Basin from northwestern New Mexico via the Cabezon Accessway to the Oquirrh Basin in northern Utah via the Oquirrh Accessway, and the dominant current flow was to the northwest through the basin (Fetzner, 1960; Peterson, 1992). Other accessways (not shown in Figure 7.3) were likely open during the early history of the basin (Wengerd and Matheny, 1958; McKee, 1982; Rasmussen, 2007), but the exact history and importance of those accessways are incompletely known. The Central Colorado Trough (Figure 7.3) is an extension of the Taos Trough in New Mexico, which provided another accessway into the Eagle Basin during highstands in the Desmoinesian (Hoy and Ridgway, 2002b; Kues and Giles, 2004). During lowstands, the northwestern outlet for the Paradox Basin was closed or very limited, the southeastern inlet was probably open but limited, the northeastern margin might have been shallow or exposed, and the mostly isolated basin was dominated by the deposition of evaporites (evaporitic dolostone, gypsum, halite, and potash minerals). The line of maximum extent of Paradox salt as shown on Figures 7.4-7.5 resulted partly from the depositional edge, partly from the dissolution edge, and partly from tectonic truncation on the northeastern margin where the evaporite beds previously in that area were later uplifted and eroded away. The maximum deposition of Paradox salt was during the Akah; specifically cycles PX9B and PX6B (Figure 7.4).

Along the northeastern margin of the DFFB, during the latter part of the Desmoinesian, there was a massive influx of coarse arkosic sands and gravels (siliciclastic wedges) into the Paradox Basin from numerous rivers flowing southwest from the uplands of the Uncompahgre Uplift. Fetzner (1960), in his discussion of those coarse arkosic clastics, termed the area closest to the Uncompahgre Uplift, which exhibits the greatest thickness of arkosic clastics, as the "Silverton Embayment" and the coarse clastics as the "Silverton Delta" (also see Spoelhof, 1974, 1976). Currently, the "Silverton Embayment" is the Proximal Trough of the DFFB, and the siliciclastic wedges are a series of stacked wedges, with each wedge ("delta") belonging to a specific stratigraphic sequence within the Hermosa Group (Tables 7.2 and 7.3). On the northeastern side of the Uncompahgre Uplift there was an equivalent influx of thick siliciclastics in the Minturn Formation during the Desmoinesian (Hoy and Ridgway, 2002b). By the end of the Desmoinesian and continuing into the Early Permian (Wolfcampian and Leonardian), the Uncompahgre Uplift remained a prominent positive feature that provided an almost continuous supply of arkosic siliciclastic debris eroded from the Uncompahgre highlands and deposited in the DFFB during that long time interval (Honaker Trail and Elephant Canyon formations in the Paradox Basin). The incursion of multiple cyclic wedges of siliciclastics into the Proximal Trough of the DFFB during the Late Desmoinesian initiated salt flowage, which caused the first large salt anticlines to form in the salt basin along the southwestern margin of the Uncompahgre Uplift.

The "Hermosa Group", as shown in Table 7.2, includes strata of the Cedar Mesa, Halgaito, Elephant Canyon, Honaker Trail, Paradox and Lower Hermosa formations, and all of those correlative strata previously included in the Rico, type Cutler, Lower Cutler, Pinkerton Trail and Molas formations. This includes all of the strata between the regional Leonardian (Kungurian) angular unconformity at the base of the Organ Rock or White Rim formations (depending on location) and the regional Pennsylvanian Atokan (Bashkirian) angular unconformity at the top of older rocks (Mississippian, Devonian, Cambrian or Precambrian, depending on location) (modified from Rasmussen, 2013a). The most important characteristics of the "Hermosa Group" are the angular unconformity surfaces at the top and base, and the included cyclic sequences with carbonates, evaporites (including halite and potash), siliciclastics, mudstones and shale.

Of the 83 fourth-order cycles (sequences / cyclothems) currently identified within the Hermosa Group (Table 7.3), 72 have evaporites, 41 have halite intervals, and 37 have potash intervals. There are 12 cycles in the Lower Hermosa Formation, 36 in the Paradox Formation, 14 in the Honaker Trail Formation, and 21 in the Elephant Canyon Formation (which intertongues with the Cedar Mesa and Halgaito formations). Continuous uninterrupted deposition of cycles in the Paradox Basin starts in the Atokan Lower Hermosa Formation and continues through the Desmoinesian (Moscovian) Paradox Formation and Missourian (Kazimovian) Honaker Trail Formation, and through the Virgilian and Wolfcampian (Gzhelian into early Cisuralian) Elephant Canyon Formation. There are no regional unconformities within the strata of the Hermosa Group in the Paradox Basin; nevertheless, there are a few local disconformities with low-relief erosion into one or more of the underlying cycles.

Evaporite deposition was greatest in the DFFB during Atokan and Desmoinesian (Table 7.3), having an estimated thickness of up to 8000 feet (2.4 km) in the Proximal Trough, including interbedded strata (carbonates, siliciclastics, and organic-rich shales and mudstones) within the gross salt interval (Hite, 1961, 1968; Hite and others, 1984; Nuccio and Condon, 1996; Rasmussen and Rasmussen, 2002, 2009; Rasmussen, 2013a). There was increased fluid pressure in the strata as the evaporites were progressively buried in the Paradox Basin due to compaction and the conversion of gypsum to anhydrite, which released fluids. Increased fluid pressure in the strata also resulted from coeval generation of oil and gas and brines from the evaporites and organic-rich shales and mudstones. The resulting fluids and hydrocarbons were unable to escape from the autochthonous (basin-wide) thick succession of evaporites and associated strata, resulting in likely near-lithostatic fluid pressures throughout most of the basin (e.g., Schoenherr and others, 2007; Davison, 2009; Kukla and others, 2011). These autochthonous overpressured strata remained

essentially immobile (Rasmussen and Rasmussen, 2002; Rasmussen, 2013b) prior to the latter part of the Desmoinesian when enormous volumes of rock were eroded from the adjacent rising Uncompahgre Uplift and deposited in prograding wedges of siliciclastics in the Proximal Trough of the DFFB. The thick wedges of siliciclastics caused significant stress and movement of the thick underlying salt beds into salt bulges (rolls), anticlines, walls, and eventually diapirs, while leaving local isolated pillows of overpressured to normal-pressured salt beneath the wedges in the DFFB. Subsequent diapirism, faulting and erosion allowed much of the overpressured salt and fluids to reach normal pressures. However, there are horizons in the autochthonous strata that are still highly overpressured (e.g., Mayhew and Heylman, 1965, 1966; Grove and others, 1993; Rasmussen and others, 2010) as noted by overpressured fluids composed of brines and oil.

With incomplete surface data, sparse subsurface data and considerable insight, Harrison (1927) was the first to systematically review and report on the numerous salt structures in the Paradox Basin; he stated, "Salt Domes having similar structure to those in northwestern Europe have recently been recognized in western Colorado and southeastern Utah." Harrison described one group of structures as salt plugs or stocks (diapirs), a second group as salt anticlines that had not reached the plug stage, a third group as domes (pillows) not associated with anticlines, and a fourth group, a structural anticline (Meander Anticline) where gypsum (and halite and halite with potash) is rising beneath the "tortuous meanderings" of the Colorado River (refer to salt structures in Figure 7.5; e.g., Huntoon 1982, 1988). To account for the salt flowage, Harrison (1927) suggested, "Differential loading, though slight, may furnish the stress, and some external movement the impulse." Harrison (1927) further stated "this differential will be further increased by erosion of the rising beds;" [and] "the activity may continue as long as there is a supply of salt." Harrison speculated that the parallel orientation of the salt structures was related to "lines of weakness which originated in Precambrian time and that successive cycles of earth movements have accentuated the folds and at the same time deepened the basins [areas between the folds]."

Harrison's observations and insights published in 1927 were very close to the order of events concerning the origin and history of the salt structures, as we understand them now. Additional discussions and theories on the origin of the Paradox salt anticlines can be found in Prommel and Crum (1927a, 1927b); Baker (1933, 1935); Dane (1935); Stokes (1948, 1956), Stokes and others, 1948; Cater (1954, 1955c, 1964, 1970); Shoemaker (1954, 1956); Joesting and Byerly (1958); Shoemaker and others (1958); Jones (1959); Joesting and Case (1960); Elston and others (1962); Cater and Elston (1963); Elston and Shoemaker (1963); Baars (1966); Baars and Stevenson (1981a, 1981b); Lemke (1985); Stevenson and Baars (1986); Ge (1996); Barbeau (2003); Trudgill and others (2004); Kluth and DuChene (2009); Trudgill and Paz (2009); Trudgill (2011); Hudec and Jackson (2011); and Rasmussen and others (2013).

Cross section A-A' (Figure 7.6) is a regional structural section from the Southwest Platform near the Monument Uplift to the Uncompahgre Uplift (88 miles [141 km]). The thrusted character of the southwestern margin of the Uncompahgre Uplift involves multiple faults as identified in outcrop, seismic and well data. Huffman and Taylor (2002) inferred that the Uncompahgre "thrust duplex" had a total shortening of at least 6.2 miles (10 km) in the area northeast of the Uravan Government # 1 well (number 16 in Figures 7.5 and 7.6). Kluth and DuChene (2009) estimated approximately 5 miles (8 km) of shortening from their cross sections that were based on modelling of seismic data from the front of the Uncompahgre Uplift. Recent gravity and seismic data northeast of well number 17 in Figure 7.6 indicate that the leading edge of Precambrian basement rocks in the Uncompahgre thrust overrides Pennsylvanian Paradox salt and older Paleozoic strata (Bob Grundy, 2008, personal communication). Mississippian, Devonian and Cambrian strata generally underlie the Pennsylvanian strata in the basin and vary little in thickness except for a gradual overall thinning toward the south and east. Many of the deeper faults within the DFFB (Figures 7.5 and 7.6) are reverse faults, as interpreted from seismic and well data, and are parallel or sub-parallel to the trend of the Uncompahgre Uplift, thereby indicating that the uplift and tilting of the deep structures were also the result of ARM shortening (compressional) forces (Kelley, 1955b). These long linear fault

trends, which originate in Precambrian basement rocks (Harrison, 1927), formed the buttresses that deflected salt-flowage bulges upward into salt anticlines and eventually into salt walls and diapirs. The long salt walls and their associated diapirs divide the DFFB into the Proximal, Central and Distal troughs (Figure 7.6), and each of the troughs has its own unique depositional history. ARM shortening is even noted in the Southwest Platform (Figures 7.5 and 7.6), although it is minor in that area as compared to that in the DFFB. In the Southwest Platform, the autochthonous salt intervals (Figure 7.6) show local evidence of normal and reverse faults and associated distorted (recumbent) halite-bearing strata (Shoemaker and others, 1958; Hite, 1968; Evans and Linn, 1970). There is also localized evidence of salt flowage (including recumbent folding) and salt welds (e.g., at Cane Creek Anticline, Lisbon Valley Anticline and Dolores Anticline in Figure 7.5).

Normal faults (Williams, 1964), which cut through strata to the surface (as seen in Figure 7.6 and elsewhere in the basin), are mostly Laramide (Late Cretaceous into Eocene) or older (Kitcho, 1981), or are the result of Neogene salt dissolution and collapse (Cater, 1955c, 1970; Doelling, 1981, 1983, 1988; Ross, 1998; Gutierrez, 2004). However, salt dissolution was a minor factor since dissolution is only effective down to about 1000 feet (304 m) or less, where immobile halite is present. The inferred depth of immobile halite is based on multiple boreholes drilled in the cores of Paradox Basin salt structures (Cater, 1955c, 1970).

Deposit Types

Both the potash deposits and the brines at the Green Energy Property are stratigraphically controlled. The major potash zones of the Paradox Member of the Hermosa Formation are confined to an oval region which extends 120 miles in a NW-SE direction and over 50 miles in a NE-SW direction, as previously shown in Figure 7.5. In the Green Energy Property area there are at least seven significant potash beds within 6500 feet of the surface. Within the same stratigraphic interval as the deeper potash zones, the major brine flow in wells White Cloud #2 and Long Canyon #1 came from a clastic interval between two salt units identified as Shale 15 / Clastic 31 (Table 7.3).

<u>Lithium Bearing Brines</u>

There are 132 oil and gas and potash boreholes in the vicinity of the Green Energy Property. A few of the early wells had blowouts upon striking the high-pressure brine. Only two wells were drilled specifically for brines – the White Cloud #2 well and the nearby Long Canyon #1 well. However, in the Big Flat-Long Canyon area, brine flowed to the surface from clastic intervals in the Paradox Fm at several wells. The brines were usually flowing from fractured zones of clastic strata between overlying and underlying salt beds, but some brines are known from porous salt beds. Water analyses for several of these brines revealed the presence of lithium, plus other important minerals.

The following is a quote from the concluding paragraph of Mayhew and Heylman's 1965 paper on concentrated brines in the Moab area:

> *"Supersaturated brines, containing substantial quantities of many elements, are present in the subsurface of southeastern Utah, particularly in the Moab region. The town of Moab is in the central part of the Paradox Basin where the salts are well developed and the brines are supersaturated. Clastic breaks between various salt beds provide potential reservoirs for brine accumulation. Clastic break 31, a 5 to 30 foot [currently believed, by D. L. Rasmussen and the author, to be approximately a 6-foot] zone separating Hite's salt beds 15 and 16, is brine productive throughout the Big Flat-Long Canyon area, with some flows gauged in excess of 150 barrels (6,300 gallons) per hour. In addition to the clastic breaks in the Paradox Formation, porous dolomites and limestones of Mississippian age are within reach of the drill under much of southeastern Utah. With proper development of production techniques, concentrated brines could be commercially extracted in*

southeastern Utah."

Exploration

Surface Mapping

The Company has done no geologic mapping at the Green Energy Property. There are excellent detailed geologic maps by Huntoon, et al., (1982), Doelling (2002), and Doelling, et al, (2000). A portion of the Huntoon et al. map was used in this report for Figure 7.2.

Sampling

The Company has undertaken no sampling at the Green Energy Property. There are no surface exposures of mineralization or accessible underground workings which could be sampled.

Data Review

Of the 166 oil and gas and potash wells drilled in the area, at least 132 penetrated the Paradox Salt member of the Hermosa formation that contains the super- saturated brines and evaporite beds. Geologic and geophysical (sonic, density, neutron and/or resistivity) borehole logs are available for study for 75 of the 132 wells. It is this data that were used to study the distribution of the halite and interbed horizons in the Green Energy Property. Various prior workers created and sometimes published maps showing structure contours, isopach, and structural interpretations during oil and gas exploration and other studies in the past.

Drilling

Drilling Summary

This section reviews historic drilling on and adjacent to the Green Energy Property. The Company has done no drilling on the Green Energy Property. Table 10.1 displays data for 75 boreholes in the area that penetrated the Paradox Fm and have well logs and supporting data. It is from the basic data contained in the logs of these wells that the distribution of Paradox halite and interbeds and the target concepts were derived. These logs and data are mostly available online from the Utah Department of Natural Resources, however some logs and data not forwarded to the state agencies exist in company and private files or have been discarded or lost.

Table 10.1 - Green Energy Oil & Gas Well Table (holes penetrating Paradox Fm.)

API10	NAME	LOCATION	QQ	TD	FMTD	STAT	LAT	LONG
4301931363	KANE SPRINGS # 7-1	UT 25.0S 19.0E S07	SE NW	8472	ALKGU	P&A	38.647427	-109.867643
4301930050	BIG ROCK # 1	UT 25.0S 19.0E S26	NE NE	8875	LDVL	P&A	38.609916	-109.785258
4301950011	CANE CREEK UNIT # 26-2	UT 25.0S 19.0E S26	NE SW	7492	ALKGU	O&G	38.600999	-109.79392
4301950019	CANE CREEK UNIT # 26-3	UT 25.0S 19.0E S26	NE SW	7570	ALKGU	O&G	38.601024	-109.793756
4301910154	BIG FLAT UNIT # 6	UT 25.0S 19.0E S27	NW SE	7315	ALKGU	P&A	38.599258	-109.807002
4301911333	BIG FLAT UNIT # 5	UT 25.0S 19.0E S27	NW SE	7243	ALKGU	P&A	38.599276	-109.808119
4301930379	JUG ROCK UNIT # 1-R	UT 25.0S 19.0E S27	NW SE	7725	LDVL	P&A	38.599846	-109.808596
4301931310	KANE SPRING FEDERAL # 27-1	UT 25.0S 19.0E S27	NW SE	7710	ALKGU	O&G	38.598357	-109.80718
4301931325	KANE SPRINGS FEDERAL # 28-1	UT 25.0S 19.0E S28	NW SE	7253	ALKGU	P&A	38.59904	-109.826368
4301950020	CANE CREEK UNIT # 28-2	UT 25.0S 19.0E S28	NE SE	7307	ALKGU	O&G	38.599368	-109.820798
4301950045	CANE CREEK UNIT # 28-3-25-19	UT 25.0S 19.0E S28	NE SE	6600	BKCK	O&G	38.599306	-109.820714
4301950055	CANE CREEK UNIT # 30-1-25-19	UT 25.0S 19.0E S30	SW SE	11801	ALKGU	O&G?	38.595016	-109.86343
4301950037	CANE CREEK UNIT # 32-1-25-19	UT 25.0S 19.0E S32	SW SW	7672	ALKGU	O&G	38.582401	-109.853583
4301931334	KANE SPRINGS 25-19-34 # 1	UT 25.0S 19.0E S34	NW NE	6870	ALKGU	J&A	38.591253	-109.807118
4301950030	CANE CREEK UNIT # 36-1	UT 25.0S 19.0E S36	SW SW	7521	ALKGU	O&G	38.580056	-109.780105
4301950033	CANE CREEK UNIT # 36-2H	UT 25.0S 19.0E S36	SW SW	11484	ALKGU	O&G	38.580049	-109.78022o
4301950035	CANE CREEK UNIT # 36-3H	UT 25.0S 19.0E S36	SW SW	11976	ALKGU	O&G	38.580038	-109.780343
4301970017	UTAH # 11	UT 25.0S 20.0E S04	NW SE	7216	BKCK	P&A	38.657642	-109.714206
4301930910	MOAB FEDERAL # 16-9	UT 25.0S 20.0E S09	SE SE	9968	LDVL	P&A	38.638506	-109.711064
4301930810	GOLD BAR UNIT # 2	UT 25.0S 20.0E S23	SE SW	9682	LDVL	P&A	38.611698	-109.685878
4301930795	GOLD BAR UNIT # 1	UT 25.0S 20.0E S29	SW SE	8286	ALKGU	P&A	38.595804	-109.734421
4301950089	CANE CREEK UNIT # 32-1-25-20	UT 25.0S 20.0E S32	SW SE	7750	ALKGU	SI	38.580589	-109.735432
4301931446	CANE CREEK # 1-1	UT 26.0S 19.0E S01	NW SW	7355	ALKGU	O&G	38.569262	-109.778011
4301931396	CANE CREEK UNIT # 2-1	UT 26.0S 19.0E S02	SE NE	7220	ALKGU	O&G	38.573006	-109.784402
4301931119	MINERAL CANYON FEDERAL # 1-3	UT 26.0S 19.0E S03	SE NE	8184	ELBRT	P&A	38.572344	-109.805157
4301911331	BIG FLAT UNIT # 2	UT 26.0S 19.0E S11	SW SE	8061	LDVL	P&A	38.550967	-109.787931
4301911565	BIG FLAT UNIT # 1-A	UT 26.0S 19.0E S11	NW NW	8213	ELBRT	P&A	38.559878	-109.797301
4301911578	BIG FLAT UNIT # 74-11	UT 26.0S 19.0E S11	SE NW	8389	ELBRT	P&A	38.556756	-109.793586
4301931364	KANE SPRINGS # 11-1	UT 26.0S 19.0E S11	SE NW	9892	ALKGU	P&A	38.557008	-109.793728
4301950009	CANE CREEK UNIT # 12-1	UT 26.0S 19.0E S12	NE SW	8252	ALKGU	O&G	38.554645	-109.773849
4301950071	CANE CREEK UNIT # 12-2-26-19	UT 26.0S 19.0E S12	NE SW	12528	ALKGU	O&G	38.554552	-109.773847
4301950014	CANE CREEK UNIT # 13-1	UT 26.0S 19.0E S13	SE NE	8132	ALKGU	O&G	38.542945	-109.76719
4301911002	BIG FLAT UNIT # 2	UT 26.0S 19.0E S14	SW NE	7810	LDVL	P&A	38.542738	-109.789911
4301915777	BIG FLAT UNIT # 1	UT 26.0S 19.0E S14	SW SE	7954	ELBRT	P&A	38.535924	-109.789467
4301930357	USA SUNBURST # 1	UT 26.0S 19.0E S14	SW SW	8262	LDVL	P&A	38.535952	-109.798645
4301931156	MINERAL CANYON # 1-14	UT 26.0S 19.0E S14	SW SE	8160	ELBRT	P&A	38.536754	-109.789475
4301931332	KANE SPRINGS UNIT # 20-1	UT 26.0S 19.0E S20	SE SW	9320	ALKGU	P&A	38.522419	-109.847095
4301911332	BIG FLAT UNIT # 4	UT 26.0S 19.0E S23	NW NE	6721	BKCK	P&A	38.533168	-109.788168
4301915778	BIG FLAT UNIT # 3	UT 26.0S 19.0E S23	NE NE	8660	CMBR	P&A	38.532882	-109.78531
4301931447	CANE CREEK # 24-1	UT 26.0S 19.0E S24	NE NW	7850	ALKGU	O&G	38.532265	-109.773988

API10	NAME	LOCATION	QQ	TD	FMTD	STAT	LAT	LONG
4301950034	CANE CREEK UNIT # 24-2H	UT 26.0S 19.0E S24	NE NW	13400	ALKGU	O&G	38.532329	-109.773931
4301930620	MATTHEW FEDERAL # 1	UT 26.0S 20.0E S04	SE SE	6946	ALKGU	P&A	38.56521	-109.713317
4301930823	MATTHEW FEDERAL # 2	UT 26.0S 20.0E S04	SW NE	7253	ALKGU	P&A	38.574408	-109.716264
4301930796	SKYLINE UNIT # 1	UT 26.0S 20.0E S05	NW SE	7670	ALKGU	P&A	38.568534	-109.734438
4301910155	BIG FLAT UNIT # 7	UT 26.0S 20.0E S06	SE NW	7790	ALKGU	P&A	38.573185	-109.75749
4301950010	CANE CREEK UNIT # 7-1	UT 26.0S 20.0E S07	NE NE	6860	ALKGU	O&G	38.56087	-109.748825
4301950051	CANE CREEK UNIT # 7-2-26-20	UT 26.0S 20.0E S07	NE NE	6000	BKCK	O&G	38.560786	-109.748868
4301930273	SKYLINE FEDERAL # 8-44	UT 26.0S 20.0E S08	SE SE	8076	CURAY	P&A	38.550839	-109.729689
4301931489	CANE CREEK # 8-1	UT 26.0S 20.0E S08	SE NW	7720	ALKGU	O&G	38.55607	-109.740824
4301950068	CANE CREEK UNIT # 8-2-26-20	UT 26.0S 20.0E S08	SE NW	7498	ALKGU	O&G	38.556038	-109.740926
4301911143	LONG CANYON UNIT # 2	UT 26.0S 20.0E S09	SE SE	7791	LDVL	P&A	38.550197	-109.711001
4301915925	LONG CANYON UNIT # 1	UT 26.0S 20.0E S09	SE NW	8132	CMBR	SI	38.556732	-109.718888
43019UT031	WHITE CLOUD # 2	UT 26.0S 20.0E S09	SW NE	6050	BKCK	P&A	38.557428	-109.717237
4301931190	COORS USA # 1-10 LC	UT 26.0S 20.0E S10	SE SW	8550	ELBRT	P&A	38.551128	-109.701564
4301910987	WHITE CLOUD GOVERNMENT # 1	UT 26.0S 20.0E S14	SE NW	5638	BKCK	P&A	38.548958	-109.682248
4301931567	UTAH STATE # 16-1	UT 26.0S 20.0E S16	SE NW	7650	ALKGU	P&A	38.543821	-109.719983
4301950028	CANE CREEK UNIT # 17-1	UT 26.0S 20.0E S17	SW SE	7907	ALKGU	O&G	38.536711	-109.734491
4301950032	CANE CREEK UNIT # 17-2	UT 26.0S 20.0E S17	SW SE	11620	ALKGU	O&G	38.536791	-109.734488
4301950012	CANE CREEK UNIT # 18-1	UT 26.0S 20.0E S18	NE NE	7949	ALKGU	O&G	38.546628	-109.748429
4301950027	CANE CREEK UNIT # 18-2	UT 26.0S 20.0E S18	NE NE	6438	ALKGU	O&G	38.546596	-109.748297
4301931324	KANE SPRINGS FEDERAL # 19-1A	UT 26.0S 20.0E S19	SW SE	6700	ALKGU	O&G	38.521817	-109.752442
43019UT010	GOVERNMENT # M-16	UT 26.0S 20.0E S24	NW SE	2810	PRDX	P&A	38.526714	-109.661418
4301920039	SHAFER # 1-A	UT 26.0S 20.0E S25	NW SE	4128	AKAH	P&A	38.509014	-109.658195
4301911011	CANE CREEK # 1	UT 26.0S 20.0E S25	SW SE	2805	DRCK	P&A	38.506511	-109.660371
4301931452	TWO FER UNIT # 26-30	UT 26.0S 20.0E S26	SE SW	6508	ALKGU	P&A	38.506792	-109.683909
4301931624	LUCKLY CHARM # 26-1-3	UT 26.0S 20.0E S26	NE NW	7803	ALKGU	P&A	38.516781	-109.68338
4301910767	LITTLE VALLEY # 1	UT 26.0S 20.0E S29	NW SW	8600	MCCRN	P&A	38.510702	-109.743464
4301911336	GOVERNMENT # 1	UT 26.0S 20.0E S30	NW NW	4280	ISMY	P&A	38.518643	-109.760409
4301910145	BIG FLAT GOVERNMENT # 1	UT 26.0S 20.0E S31	NW NW	7669	LDVL	P&A	38.503768	-109.762341
4303711275	FEDERAL # 1	UT 26.0S 20.0E S36	NE SE	1835	ISMY	P&A	38.496187	-109.655825
4303711301	M G M # 1	UT 26.0S 20.0E S36	NW SE	7435	LDVL	P&A	38.494703	-109.658269
4303711302	M G M # 2	UT 26.0S 20.0E S36	NE SE	7355	LDVL	P&A	38.495447	-109.656652
4303711303	FEDERAL # 1-X	UT 26.0S 20.0E S36	NE SE	8010	MCCRN	P&A	38.496189	-109.655646
4303TUT015	FEDERAL # 14	UT 26.0S 20.0E S36	SW NE	2734	DRCK	P&A	38.498855	-109.659237
4303TUT246	SHAFER # 1-A	UT 26.0S 20.0E S36	SE SE	3095	PRDX	P&A	38.493216	-109.654893

Oil and Gas Well Drilling

There is information preserved regarding the drilling procedures for many of the oil and gas wells. The earliest drilling date mentioned in the available data is 1924 for a well just outside the 4-township study area, when the first potash beds were described. The Author must assume that little has changed in the basic process of oil well drilling, even over a span of 90 years. Nearly all of the drilling was conventional rotary drilling using heavy mud. Some of the holes drilled in the 1950's had blowouts when they encountered the super-saturated brines under artesian pressure. Older cable tool wells usually resulted in great sample data. Many of the current wells have multiple horizontal lateral boreholes from a single surface well site.

Core Drilling

Borehole exploration in conventional rotary wells may involve multiple cores taken in areas of interest resulting in considerable data when the core data is released to the state agencies. However, cores taken during many of the potash tests in the study area were never released to the public domain.

Drilling Summary and Interpretation

The drilling information that has been discussed herein is from historic accounts with most of it being more than 50 years in the past. The Author is not aware of all of the drilling, sampling or analytical practices used, so the historic results cannot be considered as up to NI 43-101 standards. This could materially impact the accuracy and reliability of the results. Yet, the data reported from various sources and from different drilling programs with chemical analyses from numerous different laboratories substantiates the presence of supersaturated brines carrying salts with important concentrations of several elements in the Paradox Formation, often at high pressures.

Exploration for Lithium-Bearing Brine in the Green Energy Property Area

The Paradox Basin Lithium Project study area includes townships T25-26S, R19-20E in Grand County, Utah (Figures 4.3 and 5.1). The area has at least 166 wells drilled for oil, gas, potash and brine. Of these, logs and data for 75 wells were used in the Green Energy Technical Report, with the remaining 57 wells lacking available logs and data, including for many proprietary potash wells in the vicinity of the Moab Potash Mine. The map in Figure 5.1 illustrates the location for most wells drilled within the study area, wells that were included in cross sections, and the location of five seismic lines examined to confirm the structure and faulting seen for four different structural horizons. The Paradox Basin Lithium project acreage is illustrated by the blue outline and hachured pattern in most of the maps below. This study was assisted by surface geology, seismic lines obtained from SEI for this study, published data, etc. The Author has examined the surface topography, geology, drilling activity, etc. during several trips to the area in the past.

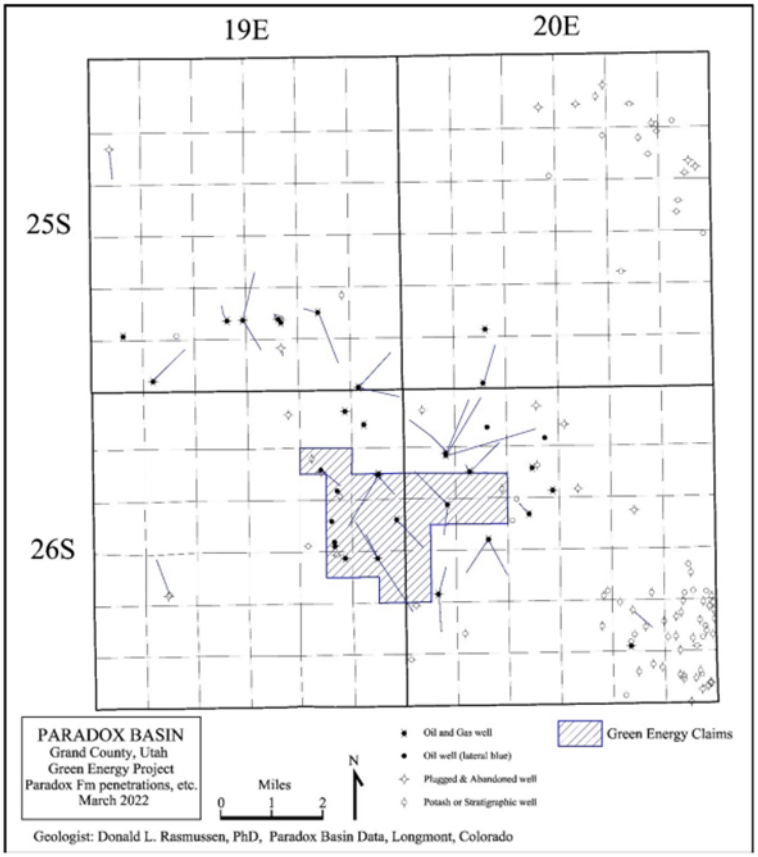

Figure 5.1- Wells penetrating the Paradox Formation.

In Figure 10.1, the Green Energy Property area is shown by blue hatching on the crest of the Cane Creek salt anticline, with wells in the active Cane Creek / Big Flat oil field, wells drilled in the Moab Potash area, and SEI seismic lines used in this study to define geologic structures. The oil and gas fields on the Cane Creek anticline are currently being developed by Wesco Corporation. Intrepid Potash Inc. is active in the Moab Potash mine area with solution mining of potash through boreholes. Anson Resources Ltd (aka A1 Lithium) is active in the search for and development of lithium-bearing bines in the clastic zones between salt horizons and in at least one deeper horizon.

Figure 10.1 below shows the Green Energy Property area (blue hatching) on the crest of the Cane Creek salt anticline, with wells in the Cane Creek / Big Flat oil field, and the SEI seismic lines used in this study to define geologic structures. The Moab Potash Mine is shown in the SE corner of the map.

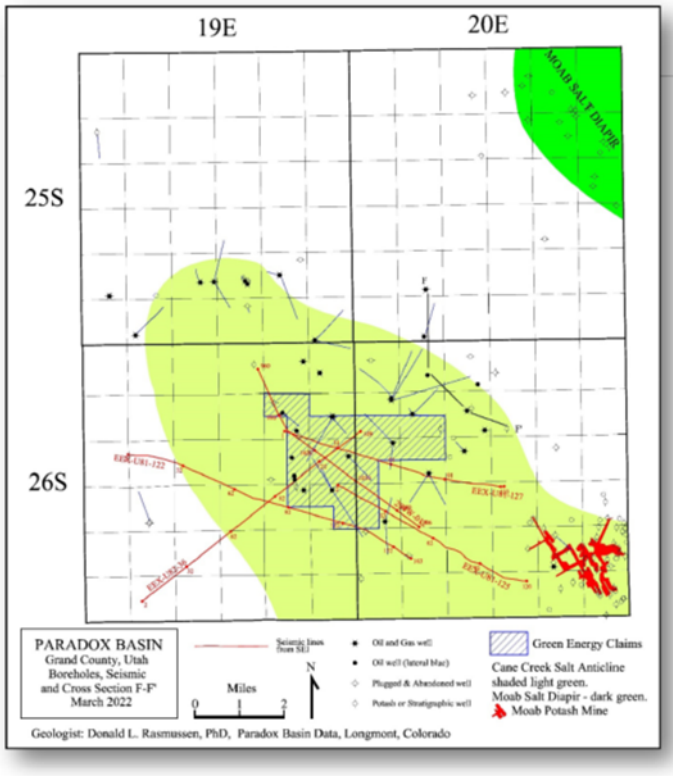

Figure 10.1 - Green Energy Project area on the crest of the Cane Creek salt anticline

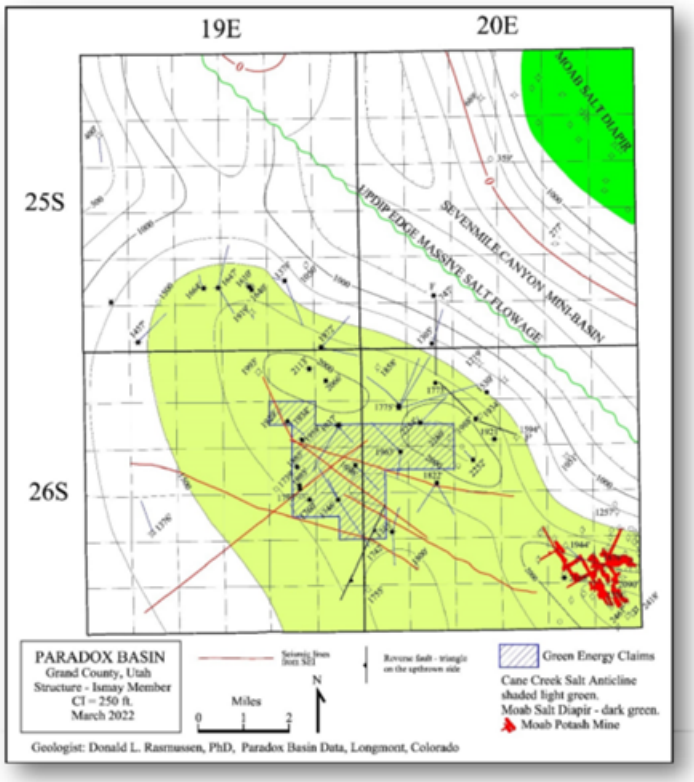

Figure 10.2 - Structure map for the Upper Ismay (top of cycle PX2).

The Upper Ismay map in Figure 10.2 clearly shows the trend of the Cane Creek Anticline as regionally mapped here and by the green-shaded area. The Cane Creek Anticline trend extends for a few more miles southeast of the Moab Potash Mine area on the crest of the anticline, and where breached by erosion is very prominent along the Colorado River (see Figure 4.2 above). The northeast flank of the Cane Creek Anticline is marked by the edge of massive salt flowage (sinuous green line on map) that is also known as the southwestern margin of the DFFB as illustrated in Figure 7.5 above. Along that margin the salt-bearing and associated stratigraphic intervals within the Paradox Formation have been abruptly squeezed out so that by the bottom of the Sevenmile Canyon Mini-basin, all the salt is absent. Thick deposition of strata above the salt-bearing Paradox Formation in the Sevenmile Canyon Mini-basin (within the Distal Trough in Figure 7.5) forced most of the salt-bearing strata toward the adjacent Moab Valley Salt Diapir, with perhaps a minor amount forced southwest into the adjacent Cane Creek Anticline. The Ismay structural surface on the Cane Creek Anticline mostly lacks faulting, except for a local area where there is a single high-angle reverse fault, likely formed during the Paleogene Laramide Orogeny. Minor small normal faults, not shown, are likely the result of local salt flowage. Faults become more prominent for the deeper horizons with the most intense former faulting in the Leadville Formation (Figure 10.5 below). Note that the original Cane Creek Potash Mine was constructed on the crest of the Cane Creek Anticline, as seen in the southeastern corner of the map. Overpressured salt-bearing deeper strata in the Cane Creek Anticline are a portion of the autochthonous Southwest Platform (Figures 7.5 and 7.6) that perhaps became “cut-off” from exposures of Pennsylvanian strata in the nearby Moab Valley Diapir, perhaps accounting for the continued overpressured strata seen in the subsurface of the Cane Creek Anticline.

Figure 10.3 below is stratigraphic cross section F-F’ in the eastern part of the study area in Figures 10.1 and 10.2 above. This cross section illustrates the halite- and potash-bearing cycles within the Pennsylvanian Paradox Formation as shown by the green (halite) and potash (red) color shading where crossing over a portion of the Cane Creek Anticline. This cross section was upgraded and published as F-F’ by Rasmussen, D.L. and L. Rasmussen, 2018 using digital log data.

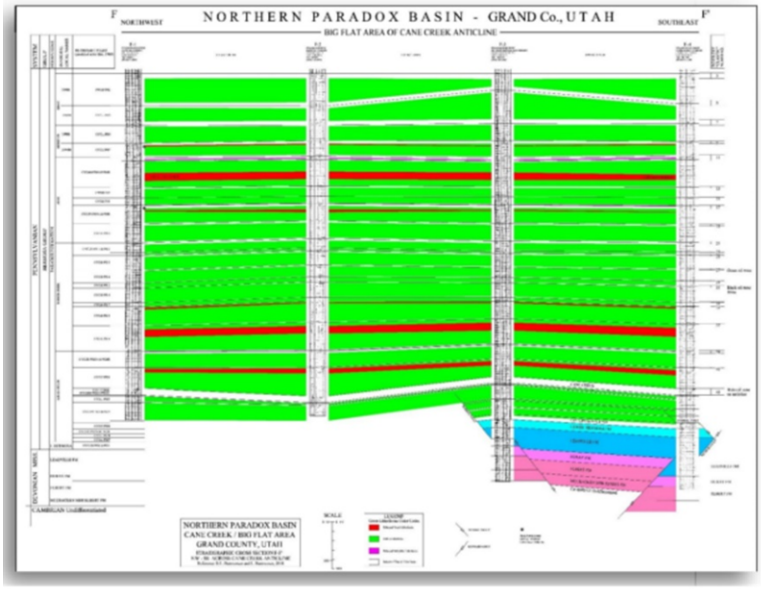

Figure 10.3 - Stratigraphic cross section F-F’ in the eastern part of the study area.

In cross section F-F’ (Figure 10.3 above) a couple thin cycles lack evaporite salt but do contain evaporite anhydrite as shown by the magenta color shading. “Clastic lithofacies” remain uncolored and may contain black laminated mudstone, shale, siliciclastics, thin anhydrites, and thin carbonates (usually dolostone).

Some of the Clastic lithofacies were assigned “Industry Clastic Numbers” as marked on the right end of the cross section. Industry Clastic Number 31 (cycle PX15 shale) is a known brine interval in the mapped area. The Cane Creek interval is the main oil and gas zone on the Cane Creek Anticline, and associated brine produced from the Cane Creek interval in oil and gas well C-3 was formerly marketed as “mag-chloride”. The potash zones within cycles PX5 and PX9B are the solution mining targets for the Moab Potash Mine in the southeastern corner of the area mapped in Figures 10.1 and 10.2 above (see Figure 10.4 below for a map of the original mined area). The rightmost two wells of the cross section were drilled into older Paleozoic strata that have been cut by faults (reverse faults and normal faults).

Figure 10.4 below is a map of the Moab Potash mine as found in the state well file for the proposed Intrepid Cane Creek # 26-30 oil and gas test (API number 4301931452). The yellow-shaded area shows the aerial extent of the original potash mines in cycle PX5 sylvite (see mapped area in Figures 10.1 and 10.2). Several boreholes drilled into the mined portion found rich potassium chloride fluids. Subsequent horizontal boreholes allowed access to unmined areas, and eventually solution mining began in the rich potash interval in the top of cycle PX9B (note the red-shaded cavern area for that potash interval). The potash operation is currently active.

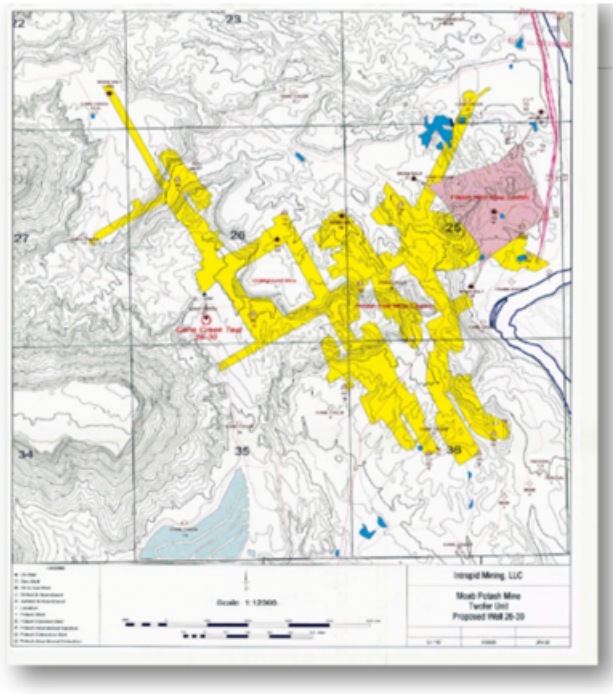

Figure 10.4 - Map of the Moab Potash mine.

Figure 10.5 below is a structure map interpreted for the top of the Mississippian Leadville Formation. Structural tops are from the few wells that penetrated the Leadville Fm, and the faults and contour shapes have been reinterpreted from various older structural maps, and from seismic data recently acquired from SEI.

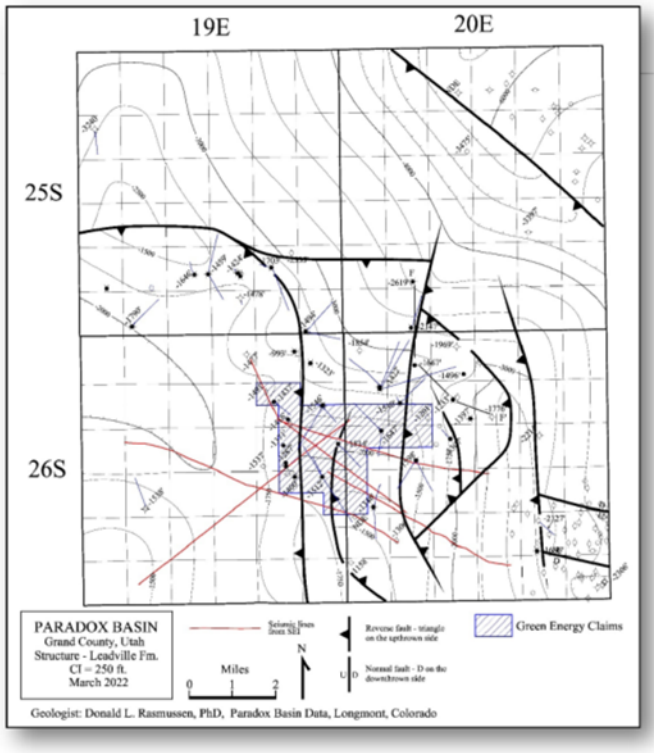

Figure 10.5 - Structure map interpreted for the top of the Mississippian Leadville Formation.

Some of the faults seen on the Leadville map in Figure 10.5 propagate upward to the Cane Creek horizon, but most of the faults (including those at the Cane Creek horizon mapped in Figures 10.6-10.9 below) completely die out before reaching the Shale 15 horizon as seen in Figure 10.11 below. Oil and gas, in non-commercial quantities, were found in the Leadville strata along the leading edge of the western high-angle reverse fault (thrust fault) and in a few other isolated wells on this map. One well flowed large quantities of carbon dioxide, nitrogen and methane, and showed 1.7% helium in the gas analysis. Water analyses of brines from the Leadville Fm in this area usually did not test for lithium, bromine, boron, iodine, etc.

There are likely several additional faults cutting through the Leadville Formation within this study area. The age of faulting for strata near basement is an ongoing problem in the Paradox Basin, and there is considerable evidence of early post-Leadville faulting (tectonic event) followed by erosion that left much of the Leadville surface exposed in the Paradox Basin. Several paleo-highs have been identified with the Leadville strata on the top of these highs severely eroded or in a few cases entirely stripped away. There is a prominent paleo-high beneath the Cane Creek Anticline, including beneath the Green Energy Property acreage. During deposition of the Atokan Lower Hermosa strata (see Figures 7.2 and 7.3) the Leadville erosional surface was gradually buried, with the topographically higher paleo-high areas being the last to be buried. Paleo-valleys have been recognized in the areas between and around the paleo-highs. The conclusion here is that some of the fault trends seen in Figure 10.5 may be from this early post-Leadville tectonic event. During the Paleogene Laramide Orogeny compression, most of the faults shown on this map were likely reactivated but mapping and seismic data show that these faults rapidly die out upward into the overlying salt-bearing strata of the Paradox Formation (including on the SEI seismic lines used in this study). Thus, there was renewed faulting by the compression, but the faulting could not propagate upward through the salt that was plastic enough to flow rather than break. Only one oil and gas trend is obvious for the Leadville Formation and that is along the leading edge of the reverse fault trend on the western part of the area. Additional structures are present within the area and remain untested.

Figure 10.6 is a structure map for the Mississippian Leadville Fm at Cane Creek oil- and gas-bearing

interval at Cane Creek oil field in Grand County, Utah. Map was made by Fidelity Exploration and Production Company using 2-D and 3-D (red outline) seismic data and subsurface well control. The Green Energy Claims block is shown by the blue outline.

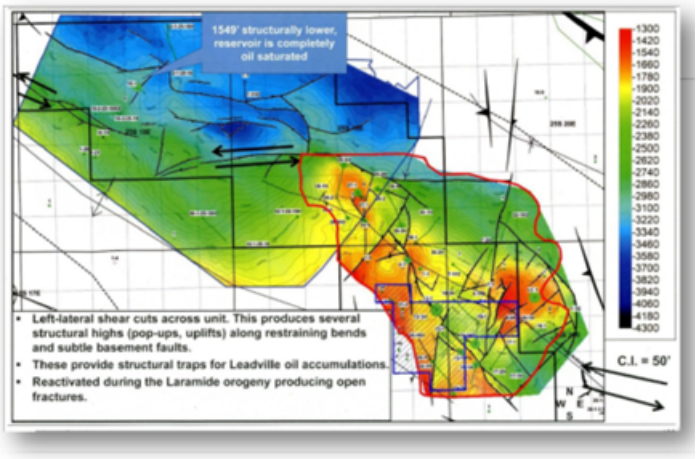

Figure 10.6 - Structure map for the top of the Mississippian Leadville Fm at Cane Creek oil field.

Figure 10.7 below is a structure map for the top of the Cane Creek oil- and gas-bearing interval on the crest of the Cane Creek Anticline (map from Utah state well file for Fidelity Cane Creek Unit # 36-1, API 4301950030). Map was made using 2-D and 3-D seismic data and Fidelity's subsurface well control. Reverse faults have triangular "teeth" and normal faults are black lines. Faults and contours on this map were used to prepare the Cane Creek structure map in Figure 10.9 below with updated subsurface well control.

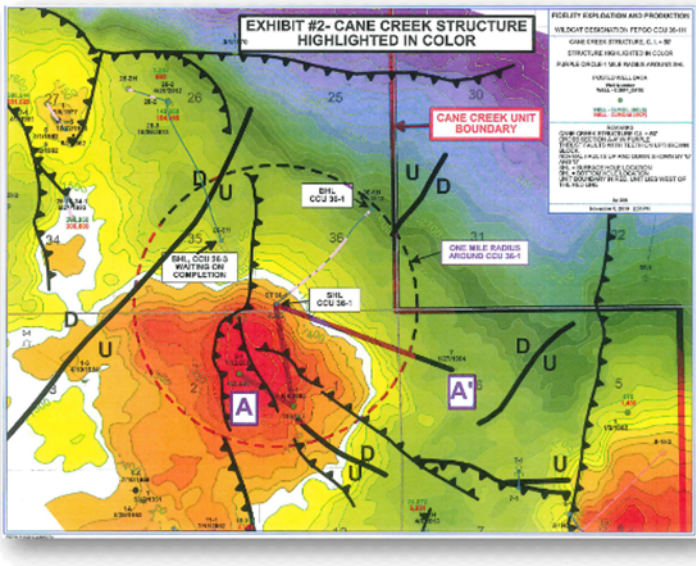

Figure 10.7 - Structure map for the top of the Cane Creek oil- and gas-bearing interval on the crest of the Cane Creek Anticline.

Figure 10.8 below is a structure map for the top of the Cane Creek oil- and gas-bearing interval (map from Utah state well file for Fidelity Cane Creek Unit # 36-1, API 4301950030). Structure is the same as the preceding Figure 10.7, but this map shows the variations of bottom hole pressures for drilled wells in the various structure compartments separated by faults and depths. Many pressures are overpressured, but some

lower values suggest pressures were depleted in some wells. Greater bottom hole pressures are noted for the overlying Shale 15 (Clastic 31) interval with lithium-bearing brines where pressures can exceed 11,000 psi (based on mud weights) in widely spaced wells.

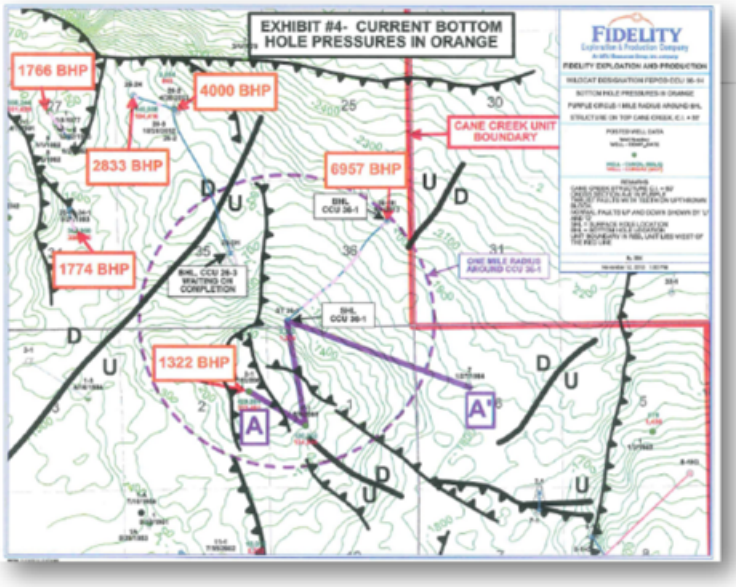

Figure 10.8 - Structure map for the top of the Cane Creek oil- and gas-bearing interval.

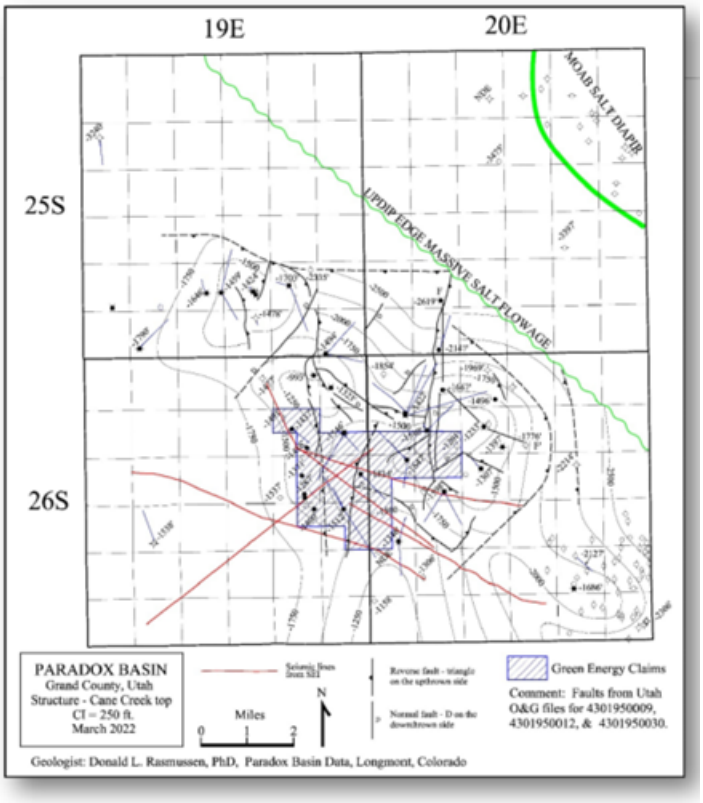

Figure 10.9 - Structure map for the top of the Cane Creek oil- and gas-bearing interval.

Oil and gas was first noted for the Cane Creek interval in wells drilled during the 1950s along the Colorado River on the crest of the Cane Creek Anticline. The best production now comes from the contoured map area in Figure 10.9 above and the area is still active with numerous new wells expected in the next several years because the limits of the oil and gas production have not been defined. Note that the Cane Creek surface is broken by numerous reverse and normal faults, resulting in multiple compartments for the oil and gas reservoirs in the Cane Creek horizon. Most of these fault trends were taken from 3-D seismic maps filed for three oil and gas tests proposed by Fidelity E&P Company (state well files for API numbers 4301950009, 4301950012 and 4301950030). Some of these faults were confirmed by seismic data recently acquired from SEI. Postulated fault trends are dashed. Tops for the Cane Creek interval were taken from vertical boreholes, vertical pilot holes for the horizontal laterals drilled into the Cane Creek, and some lateral boreholes drilled to the Cane Creek interval away from the surface location. All depths were converted to true vertical depths. Figure 10.10 below illustrates the Cane Creek producing interval in the Long Canyon #1 well.

Figure 10.10 below is a Gamma log for the Long Canyon Unit # 1 oil and gas well. This log illustrates the gross Cane Creek oil and gas producing zone in the well. Initial horizontal wells drilled in the Cane Creek zone in this area tried to stay within the soft black laminated mudstone at the top of the thick siliciclastic zone (orange), but subsequent later wells noted that the best fractures were in the siliciclastic zone (siltstone and silty dolostone).

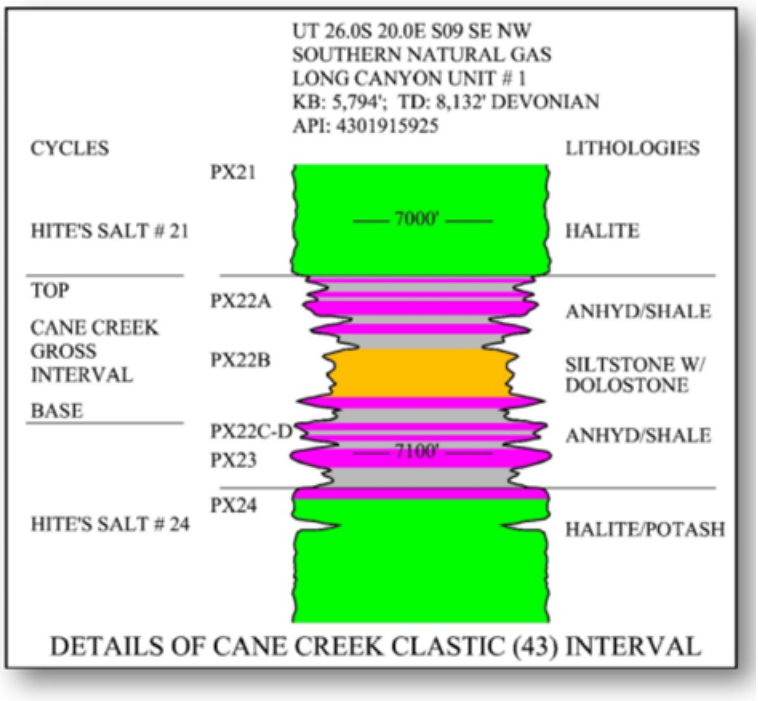

Figure 10.10 - Gamma log for the Long Canyon Unit # 1 oil and gas well.

Initial oil and gas production from the Cane Creek interval in the Long Canyon #1 well included brine that had to be hauled away for disposal. Gas was vented or burned on site. After Intrepid purchased the well in the 1990s, they used the gas to help concentrate the brine and marketed the brine as “mag-chloride” for road deicing. There were questions as to if the brine actually was coming from the Cane Creek interval, and it has been suggested that the brine is from another horizon through the poorly cemented casing. An analysis of the brine from the Cane Creek interval in this well is described in Mayhew and Heylmun (1965, p. 18);

lithium was not one of the cations listed, which is a contrast to lithium present in the analysis for brine from Shale 15 (Industry Clastic 31) on the same page.

Figure 10.11 is a structure map for the top of Shale 15, also known as “Industry Clastic Number 31”. This shale interval lies between the Ismay horizon (Figure 10.2) and the Cane Creek horizon (Figure 10.9) and is noted for the presence of overpressured brine (refer to Table 7.2 and 7.3 for stratigraphic position). This structure map is more like the map for the Ismay and lacks the intense faulting as seen in the Cane Creek structure map, indicating that most of the deeper faults seen in the Cane Creek have died upward before reaching the Shale 15 horizon. The Cane Creek Anticline at this horizon has two sub-parallel low-relief anticlinal trends on the crest, likely the result of local salt flowage trends. Red arrows indicate wells with brine recovered from Shale 15 (Clastic 31) or other horizons within the salt-bearing Paradox Formation. Recovered brine usually can be linked to a specific shale/classic interval, but brine was noted solely from a halite horizon in some wells. Several of the wells marked with a red arrow tested brine containing lithium and wells marked by a green arrow have been the target of Anson Resources during the last couple years in their search for commercial lithium-bearing brines from Shale 15 and other clastic horizons.

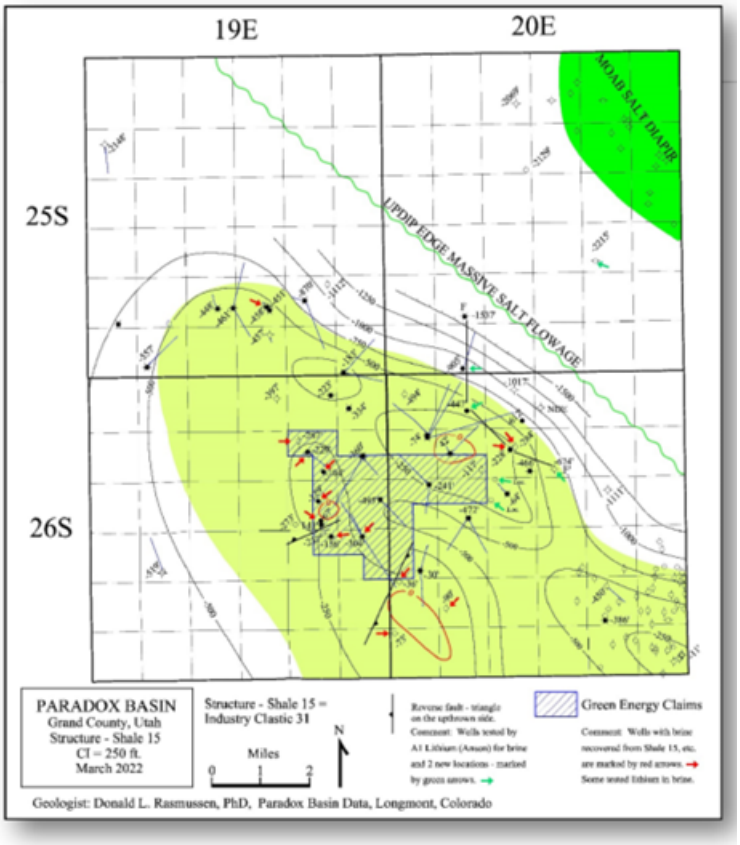

Figure 10.11 - Structure map for the top of Shale 15.

The structure map for Shale 15 in Figure 10.11 is more like the structure map for the Upper Ismay in Figure 10.2 but shows two prominent anticlines on the crest of the Cane Creek Anticline. The northeastern crest is located over the site of the Long Canyon #1 well that is also the site for the highest part of the paleostructure beneath the Cane Creek Anticline. On the southwestern margin of the Cane Creek Anticline the Shale 15 structure is a long anticline trend that has been heavily drilled with wells in the past. Note that most of the red “brine” arrows are on this separate anticline trend. Anson has started their lithium exploration on the northeastern anticline and even for one well on the flank of the Moab Salt Diapir. There are no records for any brine exploration on the southwestern anticlinal trend. Both anticlinal trends have overpressured brines

in Shale 15 / Clastic 31, with bottom hole pressures exceeding 11,000 psi based in mud weight.

The following five paragraphs discuss overpressured strata and brines associated with salt deposits. Many of these observations are pertinent to understanding the exploration and development of overpressured brines in the Paradox Basin and for the Green Energy Property.

Davison (2009) reviewed the rare examples of natural faulting in salt where there have been brine flows from the faulted and fractured salt. Davison's examples include mines and surface exposures of salt domes and extrusions, and other examples where "anomalous" zones exhibit unusually large grain-size halite with high gas and fluid content. Davison concludes, "Fracturing and faulting [in salt] are most likely to occur in the presence of overpressured fluids. Salt is the best hydraulic seal in a sedimentary basin, but it is not a perfect seal. Fluids can migrate either along grain boundaries at depths of approximately 3-4 km or through faults and fractures, which are usually induced by high fluid overpressure created by metamorphic reactions in the evaporite sequence." Davison's observations and conclusions can be directly related to similar situations in the Paradox Basin, as discussed below.

In their report of subsurface brines in the Paradox Basin, Mayhew and Heylmun (1966) reported that, "supersaturated brines under high pressures are common in southeastern Utah." In addition, "Brines occurring in the areas of known potassium and magnesium salts are unusually high in those elements as well as in lithium, boron, ammonia, bromine, strontium, rhodium and caesium [cesium]." However, the commercial production of those attractive brines is beset with problems, especially the need to pump fresh water into the bottom of the tubing and casing to keeping the supersaturated brines from precipitating and plugging up the well. Mayhew and Heylmun (1965, 1966) provide numerous chemical analyses of the brines from various horizons within the salt-bearing intervals in the Utah portion of Paradox Basin. A few of these will be discussed below. Their comment in 1966 that, "No wells have been successfully completed in the high-pressure supersaturated brine zones of the Paradox Formation," apparently no longer holds today based on the recent activity by A1 Lithium Inc. (Anson) as discussed below.

High-pressure brines and hydrocarbons have long been known from the numerous shallow and deep wells in the Paradox Basin. Several older wells, while using cable tool rigs to explore the salt diapirs for brine, potash and/or hydrocarbons, sometimes encountered pockets of high-pressured brine and gas which occasionally resulted in blowouts and even the burning of the rig. Current wells use heavy drilling mud to prevent blowouts when penetrating salt intervals in the basin. In the GCRL Seismosaur Federal # 1 well (4301931357; NW NE Section 20, T21S, R20E, which was drilled in 1997 on the plunging nose of a deep remnant pillow in the northwestern Proximal Trough in Utah), mud weights of 19.3 lb/g (0.999 psi/ft;22.592 kPa/m) were needed to hold back a flow of high-pressured brine and natural gas encountered while drilling at 15,482 ft (4.72 km) in the top of the Barker Creek interval (Shale11/Clastic 23) within the salt pillow. Lithostatic pressures are indicated for the strata and salt within the remnant pillow. Several miles to the southeast at the Onion Creek Federal # 1 well (4301930937; SW NW Section 18, T24S, R25E), Exxon encountered high-pressured gas at 13,446' (4.10 km) in a Lower Ismay sandstone (PX3) in the upper part of another remnant pillow in the Proximal Trough. Mud weight was increased from 9.4 lb/g (0.489 psi/ft; 11.059 kPa/m) to 13.0 lb/g (0.676 psi/ft; 15.288 kPa/m) to contain the strong flow of gas. Through the salt intervals below PX3, the mud weight was gradually increased to 15.5 lb/g (0.810 psi/ft; 18.318 kPa/m) just above the salt weld at 16,856 ft (5.14 km) and held there until circulation was lost at 17,950 ft (5.47 km) in porous dolomites in the top part of the Lower Hermosa Formation. After setting casing at 18,160 ft (5.54 km), the normal-pressured Lower Hermosa and Leadville formations were drilled with mud weights of 8.4 to 8.6 lb/g (0.440 psi/ft; 9.951 kPa/m). In a well drilled in 2009 south of Moab, Utah (4303731857; NE SE Section 18, T29S, R22E; Whiting Threemile # 43-18H), a highly-saline water flow, at or close to lithostatic pressure, was encountered following hydraulic frac-stimulation of the Cane Creek interval (Rasmussen et al., 2010). However, the brine was likely not from the Cane Creek interval, which contained very high-pressured oil and gas (0.938 psi/ft; 21.213 kPa/m), but more likely was from one or more permeable

intervals in the overlying halite (in cycle PX21) that were intersected during stimulation in the horizontal borehole. Rasmussen et al. (2010) noted several candidates, for the over-pressured water sources encountered in the well, in correlative coarse-grained and vuggy halite intervals observed in the cores taken from the nearby Gibson Dome # 1 well (well no. 2 in cross section A-A' in Figure 7.6).

In discussing salt and fluids, Kukla et al. (2011) noted that, "Salt can become permeable for one- or two-phase fluids under certain conditions of fluid pressure, temperature and deviatoric stress. The fluid pathways can be either along zones of diffuse grain-boundary dilatancy, or along open fractures, depending on the fluid overpressure and deviatoric stress. The fluid can form halite veins or networks of brine-filled grain boundaries, which conduct fluid from primary inclusions during recrystallization. The main criterion for this to occur is the presence of near-lithostatic fluid pressures." Two examples discussed by Kukla et al. (2011), where impermeable salt under stress became permeable (dilated) and then saturated with oil, are from the infra-Cambrian Ara Salt in Oman. Cores from the Ara Salt in two different oil fields in the South Oman Salt Basin show black-stained intervals with solid bitumen in the salt grain- boundaries (from Schoenherr et al., 2007). From detailed studies of the salt in these cores, Schoenherr et al. concluded that during stage 1 of 4 stages, oil entered the rock salt when the fluid pressures were very close to lithostatic and there was dilation by diffuse grain-boundary microcracking and intragranular microcracking. During stage 2, the salt recrystallized after oil impregnation. During stage 3, the oil was converted to solid bitumen and gaseous compounds were expelled. During stage 4, there was renewed dilation of the salt and another impregnation of new oil. The second example discussed by Kukla et al. is for black stained salt and bitumen seen in outcrops of the Ara Salt at the breached Qarn Nihayda salt diapir in the Ghaba Salt Basin in Oman (lat-long location 21.251243N, 56.890894E). They imply that the bitumen-stained Ara Salt and associated strata, which form dark patches within the breached diapir, had gone through the same stages as listed by Schoenherr et al. (2007).

Salt intervals within the Paradox Basin are also known to contain organic matter (sometimes as dead oil or bitumen) and liquid hydrocarbons. Cores are routinely taken for potash wells in the basin, and data and descriptions for the cores from two potash tests have been reported by Raup and Hite (1992). These same two cores were part of a separate study by Raup (1996) on the presence of bromine in Paradox salts. They noted that organic matter was often present in the evaporite beds within the cores, and that the "tan coloration" seen in some halite beds is due to inclusions of organic matter or to inclusions of fluid hydrocarbons. A detailed petrographic study of the halite intervals in the Paradox Basin, comparable to the study done by Schoenherr et al. (2007) for the Ara Salt in Oman, is needed to resolve if the liquid hydrocarbons present in some Paradox halite intervals are related to dilation of the halite by lithostatic pressures during impregnation by oil from the adjacent organic-rich source beds. Likewise, brines noted within many salt intervals in the Paradox Formation might be related to dilation of the halite by lithostatic pressures during extrusion of fluids by compaction of the halite and adjacent clastic intervals, concurrent with the impregnation by oil from the adjacent organic-rich source beds. Incomplete extrusion of the fluids likely accounts for the presence of brines in some halite and clastic intervals.

Examples of wells with overpressured brines from shale and halite intervals are given in Figures 10.12 – 10.14 below.

Figure 10.12 is a Neutron log for the Long Canyon Unit # 1 oil and gas well over Barker Creek cycles PX14, PX15 and PX16. A strong brine flow was encountered when the drill bit reached Shale 15 (Clastic 31) and brine flowed to the surface. A sample given to the USGS for analysis noted 500 ppm lithium (Mayhew and Heylmun, 1965, p. 18). Lithofacies in the colored column are green for salt, magenta for anhydrite, orange for siliciclastic and gray for black laminated mudstone.

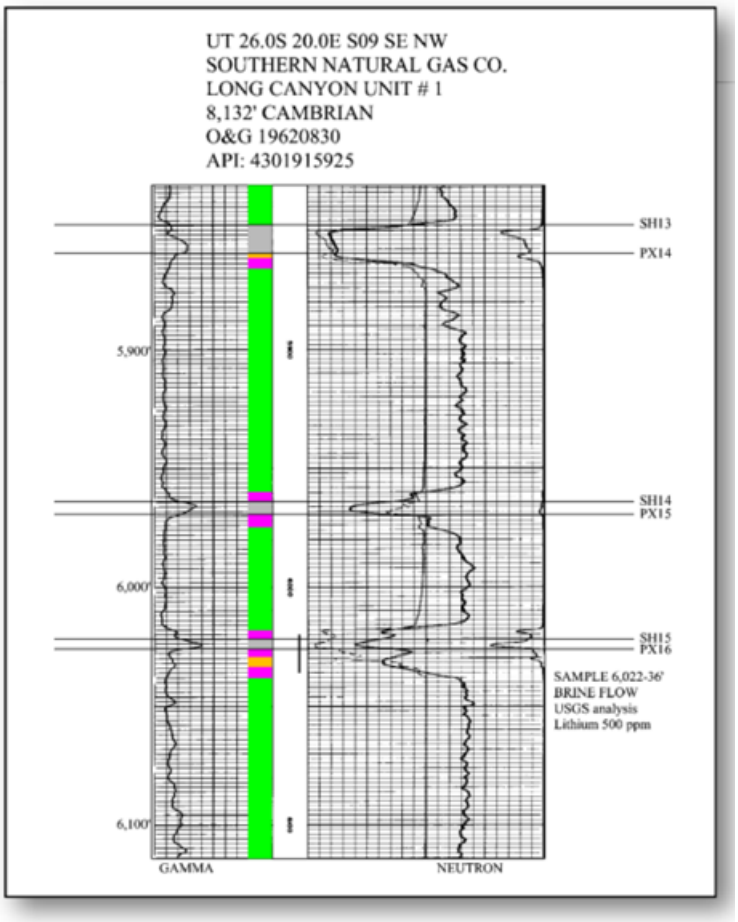

Figure 10.12 - Neutron log for the Long Canyon Unit # 1 oil and gas well over Barker Creek cycles PX14, PX15 and PX16.

Figure 10.13 below is a Microlog and Neutron log for the Big Flat Unit # 1 oil and gas well over Barker Creek cycle PX18. See Figure 10.12 for lithofacies colors and refer to the text for discussion of the drill stem test ("**DST**") within the halite interval of cycle PX18.

Figure 10.13 illustrates two logs from the Big Flat # 1 oil and gas well on the western part of the Cane Creek Anticline (within the Green Energy Property area). The microlog and gamma ray neutron logs are for the thick salt interval within cycle PX18 of the Barker Creek part of the Paradox Formation (see Figures Table 7.2 and 7.3). During drilling in the middle part of PX18 halite, the well tried to blow out with strong oil and gas shows. Additional footage was drilled within the salt, apparently thinking that a clastic horizon would be encountered, prior to when a DST was run. The DST recovery was 1080 feet of gas- and oil-cut bitter brine. DST pressures indicated an overpressured zone near lithostatic (gradient of 0.7229). This is one of several wells drilled in the area where overpressured fluids were encountered while drilling through a halite interval (most were never tested). There are no obvious indications on the logs of a porous zone within the halite. This example is one with a successful drill stem test of a likely highly overpressured porous salt reservoir that was invisible on electric logs run at that time. Modern log suites might be able to identify the porosity zones.

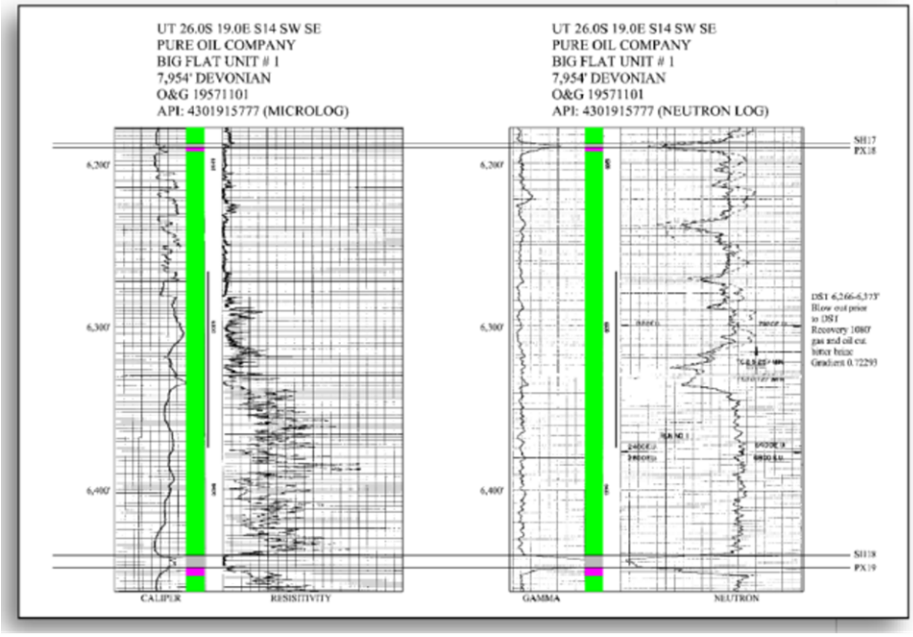

Figure 10.13 - Microlog and Neutron log for the Big Flat Unit # 1 oil and gas well over Barker Creek cycle PX18

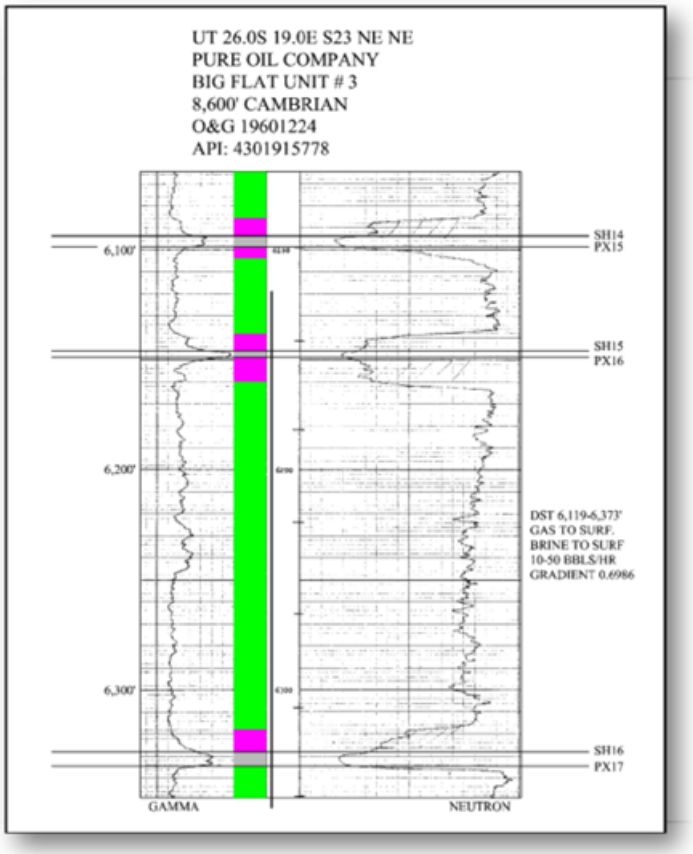

Figure 10.14 - Neutron log for the Big Flat Unit # 1 oil and gas well, with a drill stem test over Barker Creek cycles PX15, PX16 and PX17.

Figure 10.14 above is of a gamma ray neutron log from the Big Flat # 3 oil and gas well drilled on the western part of the Cane Creek Anticline (within the Green Energy Property area). A long-interval DST had gas and brine to surface, with the brine estimated flowing at a rate of 10-50 BBLS per hour. DST pressures indicated an overpressured zone near lithostatic (gradient of 0.6986). The DST interval is over two different clastic intervals (Shale 15 and Shale 16) and one thick salt, so it is uncertain if all or most of the fluid came from a single zone. Since many of the nearby zones had brines noted coming from Shale 15 (Industry Clastic 31), it is likely this was the brine zone tested.

Below are illustrations and a discussion of the exploration by Anson Resources (aka A1 Lithium Inc) in the search for lithium-bearing brines in one well on the eastern part of the Cane Creek Anticline. Figures 10.15 – 10.17 show Anson's activity at the re-entry of Long Canyon Unit # 2 well in Section 9 of T26S R20E (API 4301911143).

Figure 10.15 below is a Google Earth Image for A1 Lithium Inc (Anson) Long Canyon Unit #2 re-entry of the Southern Natural Gas well drilled in 1963. The small well site is on a narrow ridge with two tanks and a small rubber-lined pond.

Figure 10.15 - Google Earth Image for A1 Lithium Inc (Anson) Long Canyon Unit # 2 re-entry of the Southern Natural Gas well drilled in 1963

Figure 10.16 below is a Google Earth image of A1 Lithium Inc (Anson) Long Canyon Unit # 2 re-entry well (API 4301911143). Well head and two holding tanks. From Anson Resources website for Paradox Basin Brine Project.

Figure 10.16 - A1 Lithium Inc (Anson) Long Canyon Unit # 2 re-entry well

Figure 10.16 is a photo of A1 Lithium Inc (Anson) Long Canyon Unit #2 re-entry well (API 4301911143). Logging operation. From Anson Resources web site for Paradox Basin Brine Project.

Figure 10.17 - A1 Lithium Inc (Anson) Long Canyon Unit # 2 re-entry well logging operation.

In November 2018, A1 Lithium Inc. (Anson Resources) applied with Utah Department of Natural Resources Division of Oil, Gas and Mining (Utah DNR) to re-enter the Long Canyon # 2 well located in the SESE Section 9, township 26S, range 20E (API 4301911143). The intent was to re-enter and drill to 7691' MD (measured depth) with a TVD of 6733', which is just above the Mississippian Leadville Fm at 7770' vertical as drilled in the original well by Southern Natural Gas Company in 1963. In an application document for the proposed re-entry procedure, "A1 Lithium Inc. intends on re-entering the abandoned wellbore to evaluate several of the Clastic Zones for the presence of Lithium". In a letter dated December 11, 2018, from the Bureau of Land Management (BLM) to A1 Lithium Inc., the "Amount of Financial Guarantee" (Bond) was determined to be US$239,118. A1 Lithium Inc. received an approved "Permit to Drill" from the Utah DNR on December 21, 2018. A1 Lithium Inc. notified the Utah DNR on March 1, 2019, that a "workover rig has moved in" and "anticipate commencing re-entry operations on 03/02/2019". On January 24, 2022, the Utah DNR received a sundry notice from A1 Lithium Inc. with "daily reports for the re-entry of the Long Canyon # 2" (these detailed notes start on page 66 and continue through page 102 of the Utah DNR well file for API 4301911143). Highlights from the Daily Reports included: Initial startup was on 2/25/2019 to secure well and weld on casing head – cumulative cost was US$2000. Re-entry started on 3/01/2019 to clean out plugs. Deepest casing (5.5 inch) was at 7285' per former completion by Southern Natural – cumulative cost was US$28,710. On 3/8/2019 at a depth of 6169', fishing tools recovered 169 feet of 2 7/8 tubing from the borehole and milling continued on additional fish in the borehole – cumulative cost was US$128,066. On 3/17/2019 at a depth of 6527', the fish at top at 6209' was recovered and the borehole was cleaned down to 6527' – cumulative cost of US$291,136. On 3/19/2019 at a depth of 6527', a cement bond log was run from surface to 6499' (which is over Shale 15 / Clastic 31 at 6323-6328') – cumulative cost of US$325,926. On 3/20/2019 the casing was perforated 6318-6336' with 4 shots per foot and 72 total holes – there was no suck or blow after firing the guns. Two 400-barrel tanks were delivered to location. Tripped into hole with production string and set packer at 6260'. Pumped in breakdown fluid at 3600 pounds that broke back to 2800 pounds at 1.8 barrels per minute. Rigged up swabbing unit and began swabbing and made back the breakdown fluid plus recovered 31.6 barrels of formation fluid. Fluid level in the hole started to rise on the 6th swabbing run. Cumulative cost on 3/20/2019 was US$349,941. On 3/21/2019 the well was flowing to the pit and was turned into one of the 400-barrel tanks. A second breakdown was performed – cumulative cost was US$360,041. On 3/22/2019, the well was flowing brine

at the rate of 33.4 barrels per hour, with a daily rate of 801.6 barrels. Rig went back in hole to clean and gauge the tubing, but the tool stuck at 3600' (likely from crystallization of the supersaturated brine during the flowing process). They proceeded to "bullhead in 50 barrels of fresh water to dissolve the salts", which worked. Samples were taken for analysis. Cumulative cost on 3/22/2019 was US$380,166. A final report was made on 3/25/2019 with a cumulative cost of US$383,571. Rig was moved to another nearby location.

On January 11, 2022, A1 Lithium Inc. sent a Sundry notice to the Utah DNR requesting to deepen the Long Canyon # 2 well from the original total depth of 7691' to approximately 8100' to "test concentrations of lithium and other metal in brine solutions in the Mississippian strata" (Leadville Formation). This request was denied by the Utah Division of Oil, Gas and Mining, because "a new application cannot be processed via Sundry", [plus the] "H2S contingency plan is inadequate". In a borehole diagram submitted with the new application, it was noted that for the Shale 15 / Clastic 31 perforation interval (6318-6336') that the well was "capable of producing over 2000 barrels brine water per day. BHP pressure was measured at 5210 psi (15.9 ppg equivalent)". This indicates that the pressure gradient is 0.8246, which is near lithostatic for the brine from Shale 15 / Clastic 31. A duplicate Sundry notice was sent to the Utah DNR on January 24, 2022, to re-enter and deepen the well to 8100' to test the Mississippian strata and again it was denied on February 17, 2022. A1 Lithium (Anson Resources) filed a well completion report with the U DNR on January 26, 2022 and noted that for the completion date of 4/04/2019 the well was ready to produce.

Below is an illustration and discussion of a potential re-entry well site on the western part of the Cane Creek Anticline inside the Green Energy Property acreage.

Potential Re-entry Well

The significance of the re-entry of the Cane Creek Federal #11-1 (Figure 10.18 below) can be better understood in Figure 10.19 below that compares this well on the southwestern Cane Creek Anticline with two wells on the northeastern Cane Creek Anticline, with each of the three wells having significant brine flows from Shale 15 / Clastic 31 in the Paradox Formation.

Figure 10.18 below is a Google Earth Image for Aviara Energy Corporation Cane Creek Federal # 11-1 drill site next to State Highway 313 north of Dead Horse State Park and Canyonlands National Park (API 4301931364). Dry hole marker is inside partial red circle and the site has been reclaimed and now overgrown. This well is a potential re-entry well to test brine from Shale 15 (Clastic 31) behind casing at a depth of 6374 feet.

Figure 10.18 - Google Earth Image for Aviara Energy Corporation Cane Creek Federal # 11-1 drill site.

Figure 10.19 shows well logs for three wells in vicinity of the Green Energy Property on Big Flat that illustrate lithofacies above and below Shale 15 / Clastic 31. The center Figure is for the Southern Natural Gas Co. Long Canyon #1 well that first noted a strong brine flow from Shale 15 (same data as in Figure 10.12). The Figure on the right is for the Southern Natural Gas Co. Long Canyon #2 well that was re-entered by A1 Lithium Inc. (Anson) in 2019 and perforated and possibly completed from Shale 15 for lithium-bearing brine. The Figure on the left is for the Aviara Energy Corporation Cane Creek Federal # 11-1 well that encountered a strong brine from Shale 15 / Clastic 31. This well has Shale 15 behind casing and is considered a good candidate for re-entry and testing.

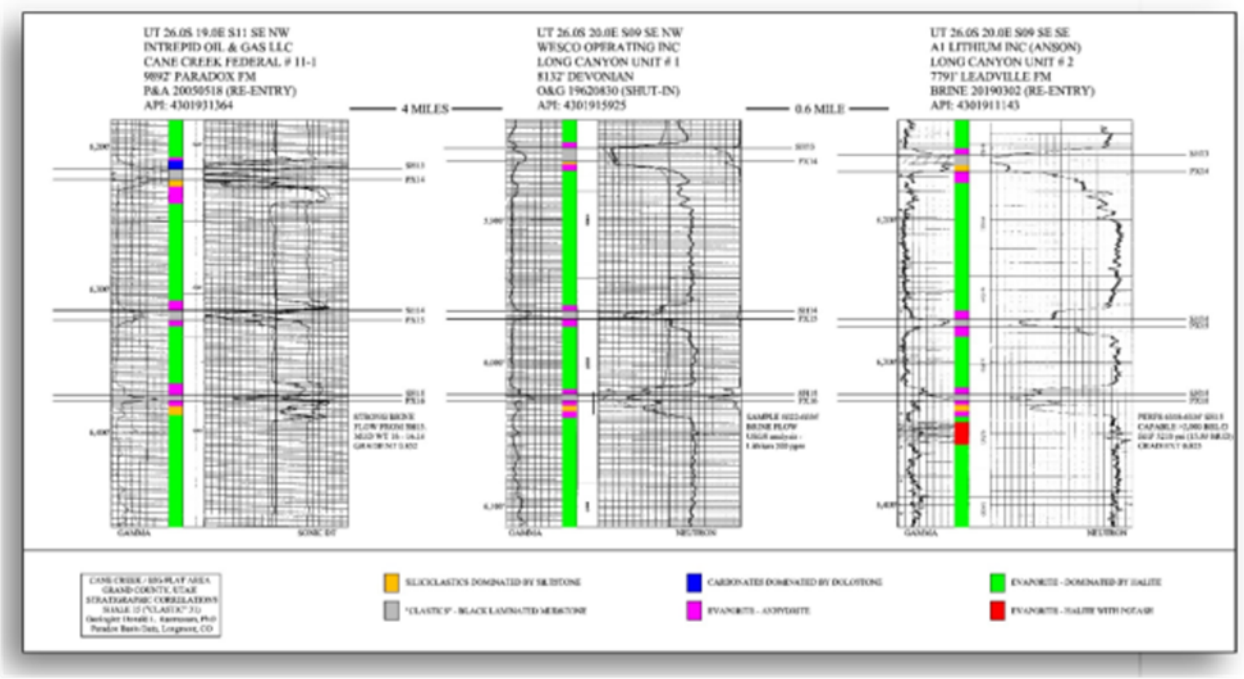

Figure 10.19 - Well logs for three wells in vicinity of the Green Energy Property on Big Flat.

For the Aviara Energy Corporation Cane Creek Federal # 11-1 well (API 4301931364) certain parts of the drilling progress are noted in the Geologic Wellsite Report by Brian Reddick, Consulting Geologist, and the completions by Aviara and Intrepid.

"The Cane Creek well was drilled primarily to test lower Cane Creek member of the middle Pennsylvanian Paradox Formation. Potential secondary objectives may include the other clastic portions of cycles 1-20, with particular interest in cycles 3, 5, 13, and 15-20."

"On the 5th of June [2002] [at depth of 6290-6558 feet], a brine flow from the 15th Clastic [Shale 15 / Industry Clastic 31] was encountered, as well as intermittent lost circulation. On the 9th of June the invert mud was replaced with water-based brine mud. Drilling resumed with the new mud system on the 13th of June."

Mud weight prior to reaching Shale 15 was between 11.3 and 13 lbs/gal and needed to be increased because of the influx of saltwater flow to 16-16.1 lbs/gal after drilling resumed (pressured gradient increased from 0.590 to 0.832 psi/foot depth, with a bottom hole pressure for Shale 15 above 11000 psi).

Cuttings samples of Shale 15 are: "6380-6388 Shale light gray, sub blocky to platy, soft, smooth to earthy, good trace white anhydrite." [sub blocky suggests fractured shale]

Aviara Energy completed the Cane Creek Federal # 11-1 well in the horizontal lateral to the Cane Creek interval in 2002 but had problems making it a successful producing well.

Aviara Energy, a Hunt Petroleum Inc. company, resigned as operator of the Kane Springs Federal Unit and designated Intrepid Oil & Gas LLC as successor operator in April 2003.

On May 15, 2004, Intrepid re-entered the Cane Creek Federal # 11-1 well with the intent to extend the horizontal lateral in the Cane Creek but temporarily abandoned the well on June 15, 2004, due to unsuccessful re-entry and drilling fluid loss. The well was subsequently plugged on May 18, 2005. In the well report by Intrepid for June 18, 2004, when the drilling rig was released, the cumulative cost for the re-entry was US$1,519,412. However, Intrepid's re-entry cost down to below the depth of Shale 15 and Paradox 16 and at approximately 7655' on May 22, 2004, was US$280,327 cumulative.

Plugging procedures by Intrepid starting on June 16, 2005, include the following portion of the report for that day and following couple days: "Well pressures: 0#. ND wellhead. NU BOP, test. TlH and round-trip wireline gauge ring to 7200'. TlH with 221 joints tubing and tag sub to 6990'. Load casing with 4 bbls of water and pressure test to 1000#, held OK. Procedure change approved by Jack Johnson with BLM to set plug at 6990'; because well is full of barite settled from mud. Plug #1 with 29 sxs Type III cement (38 cf) inside casing from 6990' to 6820' to isolate the open hole interval [below 7-inch casing to 7680']. PUH to 5914'. Plug #2 with 29 sxs Type Ill cement (38 cf) inside casing from 5914' up to 5755' to isolate the 7-inch casing interval. PUH to 4238'. Shut in well and WOC overnight."

The significance here is that the 7-inch casing initially run by Aviara was successfully plugged down to 6990 feet and below Shale 15, the interval with the strong brine flow. Thus, Shale 15 is safely behind the 7-inch casing and there is no evidence that the casing was ever perforated at the depths of Shale 15 (6374-6378 feet) by Aviara or Intrepid.

Sampling, Analysis and Data Verification

The Author is unaware of sample preparation, analysis or security procedures used in any sampling done in the oil and gas wells. To the Author's knowledge, no information regarding procedures has survived. It is believed that the sampling procedures were done to industry standards at the time the samples were collected, but the Author has not verified this.

The Company has not yet undertaken sampling of any type on the Green Energy Property.

All of the locations of the historic drill holes are listed in the online files of the Utah Department of Natural Resources. During the Author's site visit the locations of most of the plugged and abandoned wells on the subject property, and a few off of the property were located and the coordinates were checked with a handheld GPS and found to be accurate. Verification can also be done on Google Earth where many of the well sites, wells and even dry hole markers can be seen on the images.

Similarly, the locations of several of the claim corners and location monuments were checked in the field using a handheld GPS. All of those that were located were as indicated on claim maps supplied by the claim staking company.

Data used to construct structure contour maps and sections were derived by analysis of logs available from the Utah Geological Survey website. The logs are downloadable, along with other well information, and are copies of the original materials produced at the time the wells were active. These materials appear to be authentic. In all cases the Author has verified the data in the maps and cross sections by the data's

reasonableness of correlation to adjacent wells' structure and stratigraphy.

The Author believes that the data presented in the Green Energy Technical Report is adequate for the purposes it was used in the Green Energy Technical Report.

Mineral Processing and Metallurgical Testing

There has been no metallurgical work done by the Company at the Green Energy Property to date. It will be necessary to do metallurgical testing to determine the appropriate recovery techniques for the Green Energy Property.

Mineral Resource Estimates

The Company has not calculated a mineral resource for the Green Energy Property. Additional drilling and modeling is planned to move toward calculating an NI 43-101 compliant resource.

Exploration, Development and Production

From his review of the available data, it is apparent to the Author that mineralization exists as has been represented by prior workers. Considerable additional work by qualified persons, including drilling / well re-entry and examination of additional data are required to verify these findings.

The significant risks and uncertainties involved in the Green Energy Property are:

- The inability to obtain permits for the drilling of a new well or the re-entry of an existing well. This is considered unlikely based on past performance.
- If the re-entry of an existing well is attempted, the condition of the wellbore could prevent completion of the well, as planned. If this occurs, a different well could be chosen to re-enter or a new well could be drilled.
- If a new well is drilled, problems with drilling or well completion would have a negative impact on the Green Energy Property. Additional funds would be needed to drill and complete a second well.
- Insufficient lithium concentrations may be present in the brines to allow economic recovery. In this case, testing the brines at a different location would be required.
- There could be difficulties involving the metallurgical extraction of the lithium from the brine. New discoveries are being made in this arena at an increased pace. Additional time and funding may be required to overcome such an obstacle.

All of the above risk factors could negatively impact the short-term success of the Green Energy Property.

A longer-term risk to the Green Energy Property would be a significant downturn in the lithium market affecting the price of the final product, lithium carbonate or lithium hydroxide.

Recommendations

The Author has only reviewed some of the drill logs from the area. It would be a benefit to acquire and study many of the logs to better define the distribution and thicknesses of the target stratigraphic horizons. Chemical analyses are not available for all holes but will be available for many of them. This also needs further investigation.

Preliminary process engineering needs to be undertaken regarding recoveries of lithium, potash and other commodities from the brines. Reservoir modeling should be part of this effort.

A well has been chosen that would be a good candidate for re-entry and testing. The re-entry of the well for purposes of testing and possible production is recommended. It should be specifically designed to sample the lithium-bearing Shale 15 / Clastic Zone 31 brine and perhaps sample other brine-bearing horizons in the same borehole.

The planned program and budget for the next phase is as follows:

Evaluate recent and historic drilling data	$30,000
Development of 3-D model	$40,000
Permitting	$70,000
Bonding	$50,000
Re-enter one well to 6,200 feet	$600,000
On-site test and evaluation of brine aquifer	$40,000
Metallurgical testing	$60,000
Contingencies	$60,000
Total	**$950,000**

LEGACY SELECTED FINANCIAL INFORMATION

Included as Schedule "E" to this Information Circular are the audited financial statements of Legacy from the period from incorporation on December 28, 2022 to January 31, 2023 consisting of a statement of financial position, a statement of loss and comprehensive loss, a statement of changes in shareholders' equity, a statement of cash flows and the notes thereto. The following table sets out selected financial information in respect of Legacy's as at January 31, 2023. All currency amounts are stated in Canadian dollars. .

	As at January 31, 2023 ($)
Total assets	1
Exploration and Evaluation assets	nil
Total liabilities	15,000
Legacy Shareholders' equity	(14,999)

The following table sets out selected carve-out financial information in respect of Legacy's business as at March 31, 2022 and December 31, 2022, and should be read in conjunction with the more complete information provided in the audited "carve-out" statement of financial position of Legacy's business for the period ended March 31, 2022 and the "carve-out" statement of financial position of Legacy's business for the period ended December 31, 2022, appended as Schedule "G" and Schedule "H" to this Information Circular, respectively, in each case consisting of carve-out statements of financial position and the notes thereto. All currency amounts are stated in Canadian dollars.

	As at March 31, 2022 ($)	As at December 31, 2022
Exploration and Evaluation Assets	167,422	279,594
Total Liabilities	40,632	46,389
Total Equity	126,790	233,205

Included as Schedule "I" to this Information Circular are the pro forma financial statements of Legacy as at December 31, 2022 giving effect to the Arrangement, consisting of a pro forma statement of financial position that gives effect to the Arrangement as if it had taken place on such date and the notes thereto. The following table sets out selected pro forma financial information in respect of Legacy's business as at December 31, 2022, after giving effect to the Arrangement. All currency amounts are stated in Canadian dollars.

	As at December 31, 2022($)
Total assets	279,595
Exploration and Evaluation assets	279,594
Total liabilities	111,389
Legacy Shareholders' equity	168,206

This summary financial information has been prepared for illustrative purposes only and may not be indicative of the operating results or financial condition that would have been achieved if the Arrangement had been completed on the date or for the periods noted above, nor do they purport to project the results of operations or financial position for any future period or as of any future date.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Legacy's MD&A for the period from its incorporation on December 28, 2022 to January 31, 2023 is attached as Schedule "F" to this Information Circular. The attached MD&A should be read in conjunction with Legacy's audited financial statements from the period from incorporation on December 28, 2022 to January 31, 2023, attached as Schedule "E" to this Information Circular.

DESCRIPTION OF THE LEGACY COMMON SHARES

The authorized capital of Legacy consists of an unlimited number of common shares ("**Legacy Common Shares**"). As of the date of this Information Circular, 100 Legacy Common Shares were issued and outstanding. On completion of the Arrangement, it is anticipated that there will be 9,367,956 Legacy Common Shares outstanding (assuming there remain 46,839,780 Common Shares issued and outstanding on the Distribution Record Date).

Dividend Policy

Legacy has not paid dividends since its incorporation. Legacy currently intends to retain all available funds, if any, for use in its business and does not anticipate paying any dividends for the foreseeable future.

Voting and Other Rights

Holders of Legacy Common Shares are entitled to receive notice of and to attend and vote at all meetings of holders of Legacy Common Shares and each Legacy Common Share confers the right to one vote per share at all meetings of shareholders of Legacy. Holders of Legacy Common Shares are entitled to receive dividends as and when declared by the directors and to receive a *pro rata* share of the assets of Legacy available for distribution to holders of Legacy Common Shares in the event of liquidation, dissolution or winding up of Legacy. All Legacy Common Shares rank *pari passu*, each with the other, as to all benefits which might accrue to the holders of Legacy Common Shares. The Legacy Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions. When fully paid, the Legacy Common Shares will not be liable to further call or assessment.

CONSOLIDATED CAPITALIZATION

The following table sets forth Legacy's capitalization as at the date of this Information Circular. The following table should be read in conjunction with the audited financial statements of Legacy from the period from incorporation on December 28, 2022 to January 31, 2023, including the notes thereto, appended as Schedule "E" to this Information Circular.

Capital	**Authorized**	**Amount Outstanding on Incorporation**	**Amount Outstanding as at Date of Circular**	**Amount Expected to be Outstanding on Completion of Arrangement**
Legacy Common Shares	Unlimited	100	100	9,367,956
Long Term Debt	N/A	Nil	Nil	Nil

The pro forma fully-diluted share capital of Legacy, upon completion of the Arrangement and exercise of all warrants to acquire Legacy Shares is set out below:

Designation of Legacy Security	**Number of Legacy Common Shares**	**Percentage**
Legacy Common Shares issued to Shareholders in accordance with the Arrangement	9,367,956	58.89%
Legacy Common Shares that may be issued pursuant to the exercise of Pan American warrants	6,538,424	41.11%
Total	15,906,380	100%

OPTIONS AND OTHER RIGHTS TO PURCHASE SHARES

Warrants

As of the date of this Information Circular, Legacy does not have any warrants other than the 34,892,122 warrants of Pan American for which, as a result of the Arrangement, the holders of such warrants will receive, upon due exercise of each warrant, for the original exercise price, one New Common Share and one-fifth of a Legacy Common Share.

Immediately following the Effective Time, assuming the number of Pan American warrants outstanding does not change, it is currently expected that the outstanding Pan American warrants will entitle the holders thereof to, upon exercise of such warrants, an aggregate of 6,538,424 Legacy Common Shares. It is expected that, prior to the Effective Time, Legacy and Pan American will enter into an agreement to share the exercise price of such warrants proportionately in relation to the relative proportion of the market capitalization of Pan American represented by the Legacy Common Shares distributed to Shareholders pursuant to the Arrangement.

The following table sets out information regarding the outstanding Pan American warrants that will be exercisable for Legacy Common Shares following the Arrangement.

Position of Optionee	**Legacy Common Shares Underlying Warrants[(1)]**	**Exercise Price ($)[(2)]**	**Market Value of Legacy Common Shares Underlying the Warrants at the Date of Grant[(3)]**	**Expiration Date**
Executive officers and past executive officers of Legacy, as a group (1 individual)	80,000	0.10	N/A	October 25, 2023
Directors and past directors of Legacy who are not also executive officers, as a group (1 individual)	8,000	0.75	N/A	October 11, 2024
All other employees and past employees of Legacy as a group	N/A	N/A	N/A	N/A
All consultants of Legacy as a group	N/A	N/A	N/A	N/A
Total	88,000	N/A	N/A	N/A

Notes:

(1) Represents Legacy Common Shares underlying Pan American warrants. Following the Effective Time, the holders of such warrants will receive, upon due exercise of each warrant, for the original exercise price, one New Common Share and one-fifth of a Legacy Common Share.

(2) Exercise price of the Pan American warrants. It is expected that, prior to the Effective Time, Legacy and Pan American will enter into an agreement to share the exercise price of such warrants proportionately in relation to the relative proportion of the market capitalization of Pan American represented by the Legacy Common Shares distributed to Shareholders pursuant to the Arrangement.
(3) As the Legacy Common Shares are not listed on any stock exchange, the market value of the Legacy Common Shares underlying the Pan American warrants on the date of grant is not readily available.

Options, RSUs, PSUs and DSUs

The board of directors of Legacy (the "**Legacy Board**") has adopted an equity incentive plan (the "**Legacy Plan**"). The purpose of the Legacy Plan is to allow Legacy to grant options, restricted share units, performance share units and deferred share units (the "**Awards**") to directors, officers, employees and service providers of Legacy, to attract and retain such persons, align the interests of such persons with those of shareholders of Legacy through the incentive inherent in share ownership and by providing them an opportunity to participate in Legacy's future performance through Awards.

Management of Legacy believes the Legacy Plan will increase its ability to attract skilled individuals by providing them with the opportunity, through Awards, to benefit from the anticipated growth of Legacy. The Legacy Board has the authority to determine the directors, officers, employees and service providers to whom Awards will be granted, the number of Awards to be granted to each person and (in the case of stock options) the price at which Legacy Common Shares may be purchased, subject to the terms and conditions set forth the Legacy Plan.

No awards have been granted under the Legacy Plan or otherwise since incorporation.

The following is a summary of certain material terms of the Legacy Plan, and is qualified in its entirety by the full text of the Legacy Plan, a copy of which is attached as Schedule "L" to this Information Circular.

The Legacy Plan is administered by the Legacy Board. The Legacy Plan is a 20% "rolling plan". The Legacy Plan permits the grant of stock options ("**Options**"), restricted share units ("**RSUs**"), performance share units ("**PSUs**") and deferred share units ("**DSUs**") to eligible directors, officer, employees and service providers to the Company.

The following is a summary of the material terms of the Legacy Plan:

- Awards are non-assignable and non-transferable, except by will or by the laws of descent and distribution;

- Options granted under the Legacy Plan shall be exercisable for the number of Legacy Common Shares the Board shall designate and shall have the vesting provisions (if any) designated by the Board. Options granted under the Legacy Plan are not exercisable for a period longer than 10 years, and will terminate in the following circumstances:

    - if the holder dies, resigns or is terminated as a result of disability, vested Options held by the holder shall terminate 12 months following the date of death, resignation or termination (as the case may be) and Options that are not vested shall be terminated on the date of death, resignation or termination (as the case may be);

    - if the holder resigns (including as a result of retirement or the voluntary withdrawal of services by a service provider), is subject to termination without cause or, in the case of a director, is subject to removal, resignation or a failure to be re-elected, but excluding termination or resignation as a result of death or disability, vested Options held by the

holder shall terminate ninety (90) days following the date of resignation, termination, removal, resignation or failure to be re-elected (as the case may be) and Options that are not vested shall be terminated on the date of resignation, termination, removal, resignation or failure to be re-elected (as the case may be); and

- if the holder is terminated for cause, all Options held by the holder shall be immediately terminated.

Notwithstanding the foregoing, the Board may, at the time of a holder's termination, resignation, retirement, death or disability extend the expiry date for an Option, but not beyond the original expiry date for the Option and/or allow for continued vesting of some or all of a holder's Options during the period for exercise of such holder's options, in each case for a period of time not to exceed twelve (12) months following the date of a holder's termination, resignation, retirement, death or disability.

- RSUs, PSUs and DSUs granted under the Legacy Plan shall be settled by the issuance of Legacy Common Shares and shall have the terms and conditions, consistent with the Legacy Plan, as the Board may determine, including terms with respect to the vesting and settlement of RSUs and PSUs. Upon the resignation, death, disability or termination of a holder of RSUs or PSUs, all unvested RSUs and PSUs shall be terminated. Subject to specific provisions contained in the Legacy Plan with respect to DSUs held by US taxpayers, DSUs held by eligible directors shall be redeemed automatically and with no further action by the eligible director on the 20th business day following the date that the director ceases to hold any directorships with the Legacy and also ceases to serve as an employee or consultant with the Company. In the event that DSUs have been granted to an eligible director for service for that entire year, the eligible director will only be entitled to a pro-rated DSU payment in respect of such DSUs based on the number of days he or she was an eligible director that year. Notwithstanding the foregoing, the Board may, at the time of termination, resignation, retirement, death or disability, extend the period for vesting of RSUs or PSUs for a period of time not to exceed twelve (12) months following the date of termination, resignation, retirement, death or disability, but not beyond the original end of the applicable vesting period.

- settlement of RSUs and PSUs granted under the Legacy Plan will occur as soon as possible following the vesting thereof and, in any event, on or before December 31 of the third year following the year in which the participant performed the services to which the grant of RSUs or PSUs relates, unless the holder requests, in accordance with the Legacy Plan, to defer receipt of all or any part of the Legacy Common Shares underlying the RSUs or PSUs until a deferred payment date.

- the exercise price of Options granted under the Legacy Plan shall be equal to the fair market value of the underlying Legacy Common Shares on the date of grant, determined by reference to the closing price of the Legacy Common Shares on the stock exchange on which the Legacy Common Shares trade (if the Legacy Common Shares trade on a stock exchange) or by the Board (the "**Fair Market Value**"). The exercise price for an Option is payable at the time of exercise, provided that holders of Options granted under the Legacy Plan have the right to transfer an Option to Legacy on the exercise date (for cancellation) and elect to receive the number of Legacy Common Shares which is equal to the quotient obtained by:

    - subtracting the exercise price from the Fair Market Value and multiplying the remainder by the number of Legacy Common Shares underlying the Option to be terminated; and

- dividing the product by the Fair Market Value.

- when determining the value of the Legacy Common Shares underlying RSUs, PSUs and DSUs, at not less than the Fair Market Value.

- in the event that a cash dividend is declared and paid by Legacy on the Legacy Common Shares prior to the settlement of Legacy RSUs, PSUs or DSUs, a number of dividend equivalent RSUs, PSUs or DSUs will be credited to the holder equal to the quotient of (i) the total number of dividends that would have been paid if the RSUs, PSUs or DSUs had been outstanding Legacy Common Shares and (ii) the Fair Market Value.

- unless otherwise designated by the Board, Options granted under the Legacy Plan shall vest in four equal installments over a two (2) year period, with one quarter of the Options vesting on each of the six (6) month anniversary of the grant date, the one (1) year anniversary of the grant date, the eighteen (18) month anniversary of the grant date and the two (2) year anniversary of the grant date.

- if the expiry date of an Option occurs during a trading blackout period imposed by Legacy, the expiry date of such Option shall be deemed to be extended to the tenth (10^{th}) business day following the expiry of the blackout period. If RSUs, PSUs or DSUs would be otherwise be settled during a trading blackout period, such settlement shall be postponed until the earlier of the tenth (10^{th}) business day following the date on which such blackout period ends and the otherwise applicable date for the settlement of the RSUs, PSUs or DSUs under the Legacy Plan.

- the Board has the power to amend, modify, suspend or terminate the Legacy Plan or any Award granted under the Legacy Plan without shareholder approval, provided, however, that:

    - such amendment, modification, suspension or termination is in accordance with applicable laws and the rules of any stock exchange on which the Legacy Common Shares trade;

    - no amendment to the Legacy Plan or any Award will have the effect of impairing, derogating from or otherwise adversely affecting the terms of an Award which is outstanding at the time of such amendment without the written consent of the holder of such Award, provided that holder consent shall not be required where the amendment is required for purposes of compliance with applicable law;

    - the terms of an Option will not be amended once issued; and

    - the expiry date of an Option shall not be more than ten years from the date of grant of an Option.

  Notwithstanding the foregoing, the Board may amend the Legacy Plan or any Award without the approval of shareholders or participants in the Legacy Plan in order to satisfy the requirements of any exchange on which the Legacy Common Shares are listed.

Subject to applicable law, including, if necessary, approval by any exchange on which the Legacy Common Shares are listed, if there is a change in the Legacy Common Shares through consolidation, subdivision, reclassification, recapitalization, amalgamation, arrangement, merger, combination, exchange, distribution or other relevant change to the authorized or issued capital of Legacy, if the Board shall determine that an equitable adjustment should be made, such adjustment shall be made by the Board to (i) the number of Common Shares subject to the Legacy Plan, (ii) the securities subject to any Award, (iii) any Options

outstanding (including the exercise price therefor) and (iv) any RSUs, PSUs and DSUs then outstanding. In the event of a chance of control of Legacy (as that term is defined in the Legacy Plan), and subject to the terms of a participant's written employment agreement or services contract with Legacy and applicable law, including, if necessary, approval by any exchange on which the Legacy Common Shares are listed, the Board shall have full authority to determine the effect, if any, of a change of control on the vesting, exercisability, settlement or lapse of restrictions applicable to an Award.

PRIOR SALES

Legacy has not issued any shares except one hundred incorporation Legacy Common Shares to Pan American on December 28, 2022, for consideration of $1.00.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

On completion of the Arrangement, the following securities of Legacy are expected to be held in escrow.

Designation of class held in escrow	Number of securities held in escrow	Percentage of class[4]
Legacy Common Shares issued to Mr. Paul More	80,020 Common Shares[1]	0.85%

Notes:

(1) These securities are held by a company controlled by Paul More, who is expected to be the CFO of the Company following the Arrangement, as well as in his personal capacity, and are subject to the Escrow Agreement. As such, the securities are subject to the Escrow Agreement will be released as follows: (i) 25% will be released on the Effective Date; (ii) 15% will be released on the date that is twelve (12) months following the Listing Date; (iv) 15% will be released on the date that is eighteen (18) months following the Listing Date; (v) 15% will be released on the date that is twenty-four (24) months following the Listing Date; (vi) 15% will be released on the date that is thirty (30) months following the Listing Date; and (vii) 15% will be released on the date that is thirty-six (36) months following the Listing Date.

(2) On an undiluted basis, based on 9,367,956 Legacy Common Shares being issued and outstanding following the Arrangement.

For a description of the terms of the Escrow Agreement, please see Schedule "J" – *Information Concerning Pan American Energy Corp.*

RESALE RESTRICTIONS

See "Canadian Securities Laws and Resale of Securities" in the Information Circular.

STOCK EXCHANGE LISTING

There is currently no market through which the Legacy Common Shares may be sold and, unless the Legacy Common Shares are listed on a stock exchange, Shareholders may not be able to resell the Legacy Common Shares.

Following the closing of the Arrangement, the Legacy Common Shares will not be listed or posted for trading on any stock exchange. While Legacy intends to pursue a listing on the Exchange, it may not be successful in achieving a listing on the Exchange (or another stock exchange). While the Legacy Common Shares remain unlisted, the pricing of the Legacy Common Shares in the secondary market and the liquidity of the Legacy Common Shares may be impacted. See "*Risk Factors*".

PRINCIPAL SECURITYHOLDERS

To the knowledge of Legacy's directors and executive officers, and based on existing information as of the date hereof, no person or company, upon completion of the Arrangement will, beneficially own, or control or direct, directly or indirectly, voting securities of Legacy carrying 10% or more of the voting rights attached to any class of voting securities of Legacy.

DIRECTORS AND OFFICERS

The following table sets forth certain information with respect to each proposed director and executive officer of Legacy following the Arrangement.

Name, Jurisdiction of Residence and Position(s)[1] [2]	Principal Occupation[1]	Number of Legacy Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement[3]	Percentage of Legacy Common Shares Issued and Outstanding Immediately Following the Completion of the Arrangement[4]
Jason Latkowcer Alberta, Canada Chief Executive Officer, President and Director	Chief Executive Officer of Pan American (since April 23, 2021); Corporate Account Manager, Univar Solutions (from March 2014 to May 2021).	40,000 Legacy Common Shares	0.42%
Paul More British Columbia, Canada Chief Financial Officer and Corporate Secretary	Financial consultant to various private and public companies	80,020 Legacy Common Shares	0.85%
Sean Kingsley British Columbia, Canada Director	Strategy and communications consultant to various private and public companies.	Nil Legacy Common Shares	0%
William Gibbs Alberta, Canada Director	Senior executive and business development consultant for various companies.	8,000 Legacy Common Shares	0.09%

Notes:
(1) The information as to residence and principal occupation, not being within the knowledge of Pan American or Legacy, has been furnished by the respective directors and officers individually.
(2) Directors are expected serve until the earlier of the next annual general meeting or their resignation.

(3) The information as to securities beneficially owned or over which a director or officer exercises control or direction, not being within the knowledge of Pan American or Legacy, has been furnished by the respective directors and officers individually based on shareholdings in Pan American as of the date of the Information Circular.
(4) Assuming 9,367,956 Legacy Common Shares are outstanding after completion of the Arrangement.

Upon the completion of the Arrangement, it is expected that the directors and executive officers of Legacy as a group, will beneficially own, directly or indirectly, or exercise control or direction over an aggregate of approximately 128,020 Legacy Common Shares, representing approximately 1.37% of the issued Legacy Common Shares, assuming there remains 46,839,780 Common Shares as at the Distribution Record Date.

The principal occupations of each of the proposed directors and executive officers of Legacy within the past five years are disclosed in the brief biographies set forth below.

Jason Latkowcer – *Chief Executive Officer, President and Director*

Mr. Latkowcer has over 10 years of experience in chemical and technology business development. He has worked directly with energy, mining, industrial, water treatment and chemical manufacturing businesses across North and South America. While working with Univar Solutions, he oversaw and grew some of the largest oil and gas and engineering accounts in Canada and the USA, managing over $50 million per year in sales.

Over the past year, Mr. Latkowcer has been actively consulting in the capital markets as a Director of Corporate Development for Mara Advisory Corp., focusing on mining and renewable energy opportunities globally. He has experience in due diligence, mergers and acquisitions, finance and venture capital. He focuses on asset value creation, managing partnerships and driving strategic process innovation to advance ESG initiatives. He graduated from the University of Ottawa in 2011 and engages in on-going executive level learning.

Paul More – *Chief Financial Officer and Corporate Secretary*

Mr. More, CPA, CA is a finance and accounting professional with over 10 years of combined experience in both public and private sectors. Prior to joining the Company, Mr. More provided CFO consulting and accounting services to clients in the health, pharmaceutical, technology, mining and real estate sectors. Mr. More obtained his Chartered Professional Accountant designation in 2011 and holds a Bachelor of Commerce with a double major in Accounting and Finance from the University of Northern British Columbia.

Sean Kingsley – *Director*

Mr. Kingsley is a mining investor, communicator, educator and entrepreneur. He has 16 years experience specializing in corporate development, corporate strategy, strategic marketing, investor relations and corporate communications, advising and raising capital globally. He has a firm understanding of the financial markets and broad experience in utilizing diverse methods for public communications and raising capital. His education includes completing the Mining Company Disclosure 101 program hosted by the TSX-V and IIROC, Mining Essentials program at the British Columbia Institute of Technology and also the Public Companies' Financing, Governance and Compliance Course at Simon Fraser University.

Mr. Kingsley is director of Corporate Communications for Enduro Metals and is President & CEO of his own consulting firm Mango Research and Management Inc., Strategic Advisor to Stuhini Exploration Ltd. and director of Alpha Copper Corp. He served as Chair of the Association for Mineral Exploration BC's Communications and Marketing committee from 2014-2018 and remains a committee member. He has sat on the Executive and Advisory Council for the Centre of Training Excellence in Mining since 2016.

William Gibbs – *Director*

Mr. Gibbs is an executive strategy consultant with almost 20 years of experience in commodity and specialty chemical distribution. Mr. Gibbs spent 13 years with Univar Solutions, managing strategic energy accounts in North America and abroad. For the past 5 years Mr. Gibbs has been president of Griffina Abner Consulting LLC. He is currently consulting in the sustainable technology space creating plans for development and commercialization of sustainable green chemical alternatives in the energy, water treatment and mining industries. Mr. Gibbs is a graduate of the University of Calgary with a BSc in Chemistry/Math and graduated in 2005

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions or Individual Bankruptcies

Except as set forth below, to the knowledge of Legacy, no director or executive officer:

(A) is, as at the date of the Information Circular, or has been, within ten (10) years before the date of the Information Circular, a director, chief executive officer or chief financial officer of any company (including Legacy) that:

(I) was the subject, while the director was acting in that capacity as a director, chief executive officer or chief financial officer of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty (30) consecutive days; or

(II) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty (30) consecutive days, that was issued after the director ceased to be a director, chief executive officer or chief financial officer but which resulted from an event that occurred while the director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

(B) is, as at the date of the Information Circular, or has been within ten (10) years before the date of the Information Circular, a director or executive officer of any company (including Legacy) that, while that person was acting in that capacity, or within one (1) year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(C) has, within the ten (10) years before the date of the Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director; or

(D) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

On July 8, 2022, the British Columbia Securities Commission issued a cease trade order to Telecure Technologies Inc., a company that Mr. Paul More serves as director of, for failing to file audited financial

statements for the year ended December 31, 2021, along with the accompanying management's discussion and analysis, failing to file interim financial report for the period ended March 31, 2022, along with the accompanying management's discussion and analysis, and failing to file certification of annual and interim filings for the periods ended December 31, 2021 and March 31, 2022, within the required time period. The cease trade order currently remains in effect as of the date of this Circular.

On May 3, 2022, the British Columbia Securities Commission issued a cease trade order to Mr. Josh Rosenberg, Mr. Eli Dusenbury and Telecure Technologies Inc., a company that Mr. Paul More serves as director of, for failing to file audited financial statements for the year ended December 31, 2021, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order currently remains in effect as of the date of this Circular.

On July 10, 2019, the British Columbia Securities Commission issued a cease trade order to StartMonday Technology Corp., a company that Sean Kingsley was a former interim CEO and former director of, for failing to file audited financial statements for the year ended December 31, 2018, along with the accompanying management's discussion and analysis, as well as the interim financial statements for the period ended March 31, 2019, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order remains in effect as of the date of this Circular.

Indebtedness of Directors, Executive Officers and Senior Officers

There is and has been no indebtedness of any director, executive officer or senior officer or associate of any of them, to or guaranteed or supported by Legacy during the period from incorporation.

STATEMENT OF EXECUTIVE COMPENSATION

Securities legislation requires the disclosure of the compensation received by each Named Executive Officer of Legacy. "Named Executive Officer" is defined by securities legislation to mean:

(i) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a CEO;
(ii) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CFO, including an individual performing functions similar to a CFO;
(iii) the most highly compensated executive officer of the Company, including any of its subsidiaries, other than the CEO and CFO, or an individual performing similar functions, at the end of the most recently completed financial year whose total compensation was , more than $150,000 for that financial year; and
(iv) each individual who would be a "Named Executive Officer" under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in similar capacity, at the end of the most recently completed financial year.

Following the Arrangement, the Company expects to have two Named Executive Officers (collectively, the "Named Executive Officers" or "NEOs"): Jason Latkowcer, Chief Executive Officer, President and a director of the Company, and Paul More, Chief Financial Officer of the Company.

Compensation Discussion and Analysis

Legacy has not yet developed a compensation program. Legacy anticipates that it will adopt a compensation program that reflects its stage of development, the main elements of which are expected to be comprised of base salary, option-based awards and annual cash incentives, which elements are similar to those paid by Pan American.

Summary Compensation

No compensation has been paid to date. In addition, Legacy has no compensatory plan or other arrangements in respect of compensation received or that may be received by its CEO and CFO in its current financial year.

Following the completion of the Arrangement, the Legacy Board will administer the compensation mechanisms to be implemented in respect of Legacy.

On an annual basis, the Board will review the compensation of the Named Executive Officers to ensure that each is being compensated in accordance with the objectives of Legacy's compensation program, which will be to:

- provide competitive compensation that attracts and retains talented employees;
- align compensation with shareholder interests;
- pay for performance;
- support the Legacy's vision, mission and values; and
- be flexible to recognize the needs of Legacy in different business environments.

Legacy does not currently have any compensation policies or mechanisms in place. The compensation policies are anticipated to be comprised of three components; namely, base salary, equity compensation in the form of Awards, and discretionary performance-based compensation. A Named Executive Officer's base salary will be intended to remunerate the Named Executive Officer for discharging job responsibilities and will reflect the executive's performance over time. Base salaries are used as a measure to compare to, and remain competitive with, compensation offered by competitors and as the base to determine other elements of compensation and benefits. The Award component of a NEO's compensation, which may include a vesting element to ensure retention, will aim to meet the objectives of the compensation program to be implemented, by both motivating the executive towards increasing share value and enabling the executive to share in the future success of Legacy. Discretionary performance-based bonuses will be considered from time to time to reward those who have achieved exceptional performance and meet the objectives of Legacy's compensation program by rewarding pay for performance. Other benefits are not expected to form a significant part of the remuneration package of any of the Named Executive Officers of Legacy.

Share-Based Awards

The purpose of the Legacy Plan is to allow Legacy to grant Awards to directors, officers, employees and service providers to Legacy, as additional compensation, and as an opportunity to participate in the success of Legacy. The granting of such Awards is intended to align the interests of such persons with that of the shareholders. The Legacy Plan will be used to provide Awards which will be awarded based on the recommendations of the Legacy Board, taking into account the level of responsibility of such person, as well as his or her past impact on or contribution to, and/or his or her ability in future to have an impact on or to contribute to the longer-term operating performance of Legacy. In determining the number of Awards to be granted, the Legacy Board will take into account the number of Awards, if any, previously granted, and the exercise price of any outstanding Options, to ensure that such grants are in accordance with applicable regulatory policy and to closely align the interests of such person with the interests of shareholders. The Legacy Board will determine the vesting provisions of all Award grants.

Outstanding Option-Based Awards

Legacy does not have any incentive plans, other than the Legacy Plan, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to its Named Executive Officers. Legacy has made no option-based or share-based awards to any of its Named Executive Officers.

Pension Plan Benefits

Legacy does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Termination of Employment, Change in Responsibilities and Employment Contracts

Legacy has no employment contracts between it and either of its Named Executive Officers. Further, it has no contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of Legacy or its subsidiaries, if any, or a change in responsibilities of a Named Executive Officer following a change of control. Legacy will consider entering into contracts with its Named Executive Officers following completion of the Arrangement.

Defined Benefit or Actuarial Plan Disclosure

Legacy has no defined benefit or actuarial plans.

Director Compensation

Legacy currently has no arrangements, standard or otherwise, pursuant to which directors are compensated by Legacy for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert since its incorporation on December 28, 2022 and up to and including the date of the Information Circular.

Upon completion of the Arrangement, Legacy will adopt a compensation program for directors. The objectives of the director compensation program will be to attract, retain and inspire performance of members of the Legacy Board of a quality and nature that will enhance Legacy's growth. The compensation will be intended to provide an appropriate level of remuneration considering the experience, responsibilities, time requirements and accountability of directors. The philosophy, and market comparisons and review with respect to director compensation, will be the same as for the executive compensation programs to be implemented by Legacy.

The Legacy Plan will allow for the granting of awards to its officers, employees and directors. The purpose of granting such awards would be to assist Legacy in compensating, attracting, retaining and motivating the directors of Legacy and to closely align the personal interests of such persons to that of the shareholders of Legacy.

Aggregate Options Exercised and Option Values

No stock options have been granted by Legacy or exercised since the date of its incorporation on December 28, 2022.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

Legacy will appoint an audit committee (the "**Legacy Audit Committee**") following the completion of the Arrangement. Each member of the Legacy Audit Committee to be appointed will have adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Legacy's financial statements.

It is intended that the Legacy Audit Committee will establish a practice of approving audit and non-audit services provided by the external auditor. The Legacy Audit Committee intends to delegate to its Chair the authority, to be exercised between regularly scheduled meetings of the Legacy Audit Committee, to pre-approve audit and non-audit services provided by the independent auditor. All such preapprovals would be reported by the Chair at the meeting of the Legacy Audit Committee next following the pre-approval.

The charter adopted by the Legacy Board is appended hereto as Schedule "M".

To date, Legacy has paid no fees to its external auditor.

Corporate Governance

Board of Directors

Directors are considered to be "independent" if they have no direct or indirect material relationship with Legacy. A "material relationship" is a relationship which could, in the view of the Legacy Board, be reasonably expected to interfere with the exercise of a director's independent judgment. The Legacy Board is expected to be comprised of three directors, of which Messrs. Kingsley and Gibbs will be considered to be independent. Mr. Latkowcer will not be independent, as he will be the CEO and President of Legacy.

Directorships

Certain proposed directors of Legacy are directors of other reporting issuers, as disclosed in the Information Circular and in this Schedule under the heading "*Directors and Officers*".

Orientation and Continuing Education

All directors will be expected to pursue educational opportunities as appropriate to enable them to perform their duties as directors. Legacy will make appropriate funding available to directors to attend seminars or conferences relevant to their position as directors of Legacy. Following the Arrangement, Legacy will develop, with the assistance of management, an orientation and education program for new recruits to the Legacy Board, where necessary. Legacy's outside legal counsel will also provide directors and senior officers with summary updates of any developments relating to the duties and responsibilities of directors and officers and corporate governance matters.

Ethical Business Conduct

The Legacy Board will adopt a written Code of Business Conduct and Ethics (the "**Code**") for directors, officers, and employees of Legacy. Directors, officers or employees of Legacy who have concerns or questions about violations of laws, rules or regulations, or of the Code, once implemented, will be required to report them to the chair of the Legacy Audit Committee, once formed. Following receipt of any complaints, the chair of the Legacy Audit Committee will investigate each matter so reported and report to the Legacy Audit Committee. The Legacy Board will be ultimately responsible, acting through the Legacy Audit Committee, for the Code and monitoring compliance with the Code. In addition to the requirements of the Code, directors are also required to comply with the relevant provisions of the BCBCA regarding conflicts of interests. Directors with an interest in a material transaction are required to declare their interest and abstain from voting on such transactions. A thorough discussion of the documentation related to a material transaction is required for review by the Legacy Board, particularly independent directors.

Nomination of Directors

The Legacy Board will have the primary responsibility for identifying prospective Legacy Board members. Legacy Board will coordinate the search for qualified candidates with input from management, giving careful consideration to the competencies and skills that the Legacy Board as a whole should possess, and the skills and experience of existing Legacy Board members. Other factors will be considered which may include the ability of the individual candidate to contribute on an overall basis, the ability of the individual to contribute sufficient time and resources to the Legacy Board, as well as the individual's direct experience with public companies in general and mining companies, in particular.

Compensation

The Board will review and approve the compensation packages for the CEO and other senior officers, as well as-evaluating annually the performance of the CEO. The Legacy Board will meet at least annually to discuss compensation issues.

Other Board Committees

Other than the Legacy Audit Committee, it is not anticipated that Legacy will have any additional board committees immediately following the completion of the Arrangement. The Legacy Board may, however, establish additional committees after the completion of the Arrangement, depending on the needs of Legacy.

Assessments

Following the Arrangement, the Legacy Board will establish and administer a process for assessing the effectiveness of the Legacy Board as a whole, the committees of the Legacy Board, the chairman of the Legacy Board, the committee chairs and individual directors.

RISK FACTORS

In addition to the other information contained in the Circular, the following factors should be considered carefully when considering risk related to Legacy's proposed business.

Nature of the Securities and No Assurance of any Listing

Legacy Common Shares are not currently listed on any stock exchange and there is no assurance that the Legacy Common Shares will be listed. Even if a listing is obtained, the holding of Legacy Common Shares

will involve a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Legacy Common Shares should not be held by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in securities of Legacy should not constitute a major portion of an investor's portfolio.

Possible Non-Completion of Arrangement

There is no assurance that the Arrangement will receive regulatory, court or shareholder and warrantholder approval or will be completed. If the Arrangement does not complete, Legacy will remain a private company. If the Arrangement is completed, Legacy Shareholders (which will consist of Shareholders who receive Legacy Common Shares) will be subject to the risk factors described below relating to resource properties.

There is no assurance that the Arrangement will receive court or shareholder approval or will be completed. If the Arrangement does not complete, Legacy will remain a private company. If the Arrangement is completed, Legacy Shareholders (which will consist of Shareholders who receive Legacy Common Shares) will be subject to the risk factors described below relating to Legacy.

In addition, it is a condition of the Arrangement that Pan American's ownership interests in Pan American Energy, LLC, which holds the Green Energy Property, and all assets related to the Green Energy Property be transferred to Legacy. As part of that transfer, Pan American and Legacy intend to assign the Asset Purchase Agreement and amend the Remaining Share Issuance Obligation thereunder, which will require the consent of Beta Energy Corp. and Voltaic Minerals (USA), Inc. There is no assurance that Pan American and Legacy will complete the transfer of Pan American's interests in the Green Energy Property to Legacy. In the event that such transfer is not completed prior to the Effective Date of the Arrangement, the Arrangement will not proceed. In addition, Pan American and Legacy may not be successful in assigning the Asset Purchase Agreement to Legacy and amending the Remaining Share Issuance Obligation thereunder. If the Asset Purchase Agreement is not assigned to Legacy, Legacy will not receive the benefit of certain provisions thereunder with respect to the Green Energy Property. If the Remaining Share Issuance Obligation is not amended such that Legacy Common Shares are issued to Beta Energy Corp. and Voltaic Minerals (USA), Inc. under the Asset Purchase Agreement, Pan American will be responsible to issue its Common Shares to satisfy the Remaining Share Issuance Obligation, whether or not the Arrangement is completed. There can be no assurance that Beta Energy Corp. and Voltaic Minerals (USA), Inc. will be amenable to the assignment of the Asset Purchase Agreement or the amendment of the Remaining Share Issuance Obligation, on the terms contemplated in the Information Circular or at all.

Limited Operating History and Continuing as a Going Concern

Legacy was incorporated on December 28, 2022 and has a limited operating history and no operating revenues. Legacy is subject to all the risks inherent in a new business enterprise, and its ability to continue as a going concern is dependent on raising additional capital to fund its exploration activities and ultimately to attain profitable operations. The Green Energy Property is in the exploration stage and there are no known mineral resources or reserves located on the Green Energy Property. Significant capital investment will be required to achieve commercial production from the Green Energy Property and there is no assurance that it or other assets will be economically viable or will be advanced to generate earnings, operate profitably or provide a return on investment in the future. No operating revenues are anticipated until the Green Energy Property comes into production, which may or may not occur. The Company will experience losses unless and until it can successfully develop and begin profitable commercial production at the Green Energy Property. There can be no assurance that the Company will be able to do so.

The Legacy financial statements are prepared assuming that Legacy will continue as a going concern. As noted above, continued operations are dependent on Legacy's ability to obtain additional financial resources or generate profitable operations. Such additional financial resources may not be available or may not be available on reasonable terms. Our financial statements do not include any adjustments that may result from the outcome of this uncertainty. Such adjustments could be material.

Ability to Meet Financial Commitments

Legacy must have sufficient funds to pay general and administrative expenses and conduct other exploration activities, including exploration activities at the Green Energy Property. If Legacy is unable to fund these amounts by way of financings, including public or private offerings of equity or debt securities, Legacy will need to reorganize or significantly reduce its operations, which may result in an adverse impact on its business, financial condition and exploration activities. Legacy does not have credit, off-take or other commercial financing arrangements in place that would finance continued evaluation or development of the Green Energy Property, and Legacy believes that securing credit financing for the Green Energy Property at its current stage would be very difficult. Moreover, equity financing may not be available on attractive terms and, if available, will result in dilution to existing shareholders.

Dependence on Management and Personnel

Legacy will rely, in large part, on the efforts of its directors and officers and, as a result, Legacy is very dependent upon the personal efforts and commitment of its directors and officers. If one or more of Legacy's executive officers become unavailable for any reason, a severe disruption to the business and operations of Legacy could result and Legacy may not be able to replace them readily, if at all. As Legacy's business activity grows, Legacy will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that Legacy will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets is high. If Legacy is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on Legacy's results of operations and financial condition.

Management of Growth

If the Arrangement is completed, Legacy will be overseeing the advancement of the Green Energy Property along with other properties it may acquire. Work to advance these properties requires the dedication of considerable time and resources by Legacy and its management team and advisors. The advancement of several properties concurrently brings with it the associated risk of strains arising on managerial and other resources. Legacy's ability to successfully manage each of these properties will depend on a number of factors, including its ability to manage competing demands on time and other resources, financial or otherwise, and successfully retain personnel, consultants and advisors and recruit new personnel, consultants and advisors to support its growth and the advancement of such properties.

If Legacy experiences a period of significant growth, its management systems and resources may be strained. Legacy's future will depend in part on the ability of its officers and other key personnel to implement and improve Legacy's financial and management controls, reporting systems and procedures on a timely basis and to expand, train and manage its employee workforce. There can be no assurance that Legacy will be able to effectively manage its growth. The inability of Legacy to deal with growth effectively could have a material adverse impact on its business, plans, operations, financial condition and prospects.

Dependence on Few Mineral Properties

Following the Arrangement, Legacy's only material property for the purposes of NI 43-101 will be the Green Energy Property. Unless Legacy acquires additional property interests, any adverse developments affecting the Green Energy Property could have a disproportionately adverse effect upon Legacy and the financial performance or results of operations of Legacy. There is no assurance that Legacy's mineral exploration and development programs at the Green Energy Property will result in the definition of mineral resources or mineral reserves. There is also no assurance that even if mineral resources or mineral reserves are discovered at the Green Energy Property that it will be brought into commercial production. The failure to discover commercial quantities of mineralization on Legacy's material properties over time will have a material adverse impact on Legacy's potential future profitability and ability to operate as a going concern.

Legacy's Operations are Subject to Human Error

Human error could result in significant uninsured losses to Legacy. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Legacy might undertake and legal claims for errors or mistakes by Legacy personnel. The occurrence of any uninsured loss as a result of human error could have a material and adverse impact on Legacy's business, results of operations and financial condition.

Additional Capital

If the Arrangement completes, the exploration, development, expansion and mining of the Green Energy Property will require ongoing financing. Legacy will additionally be required to finance the fees and expenses necessary to maintain the Green Energy Property in good standing under applicable law and maintain its operations. Legacy will require additional funds if it encounters unexpected costs, problems or delays, if the costs of its activities are greater than Legacy has anticipated or if Legacy decides to obtain additional mineral properties. Legacy's ability to continue exploration and to engage in any development or production activities will depend on its ability to obtain additional external financing.

As Legacy has no expectations of generating cash flow from the Green Energy Property in the near term, Legacy will be required to rely on external financing. Legacy's future is dependent upon its ability to obtain financing. If Legacy does not obtain such financing, its business could fail and investors could lose their entire investment. The sources of external financing that Legacy may use for these purposes include project or bank financing, royalty, streaming or other similar arrangements, or, most likely, public (if listing is obtained) or private offerings of securities. In addition, Legacy may enter into one or more strategic alliances or joint ventures, decide to sell certain property interests, or utilize one or a combination of all of these alternatives. Legacy currently does not have any arrangements for further financing and it may not be able to obtain financing when required, on acceptable terms or at all. The ability of Legacy to arrange such additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business and performance of Legacy. Failure to obtain additional financing could result in the delay or indefinite postponement of exploration or development activities, require Legacy to sell the Green Energy Property or its interest therein or result in the loss of its interest in the Green Energy Property. Furthermore, even if Legacy raise sufficient additional capital, there can be no assurance that Legacy will achieve profitability or positive cash flow. In addition, any future equity offering will further dilute the equity interest of existing shareholders in Legacy, and any future debt financing will require Legacy to dedicate a portion of its cash flow to payments on indebtedness, and will limit its flexibility in planning for or reacting to changes in its business.

Legacy may encounter difficulty sourcing future financing in light of the recent economic downturn. The current financial equity market conditions and the inhospitable funding environment make it difficult to

raise capital through the issuance of Legacy Common Shares. The junior resource industry has been severely affected by the world economic situation, as it is considered speculative and high-risk in nature.

Conflicts of Interest

Certain directors and officers of Legacy are, and may continue to be, or may become involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Legacy, which may give rise to conflicts of interest. In addition, some of the directors and officers of Legacy have either other full-time employment or other business or time restrictions placed on them and, accordingly, Legacy will not be the only business enterprise of these directors and officers, which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with Legacy are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of Legacy. Any failure of the directors or officers of Legacy to address any conflict of interest in the appropriate manner or to allocate opportunities that they become aware of to Legacy could have a material adverse effect on Legacy's business, financial condition, results of operations or prospects.

No History of Earnings

Legacy has no history of earnings or of a return on investment, and there is no assurance that the Green Energy Property or any other property or business that Legacy may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. Legacy has no plans to pay dividends for some time in the future. The future dividend policy of Legacy will be determined by the Legacy Board.

Exploration, Development and Operating Risks

Legacy's business plan is focused on exploring the Green Energy Property to identify mineral resources and reserves and, if appropriate, to ultimately develop the Green Energy Property. To date, Legacy has not established any mineral resources or mineral reserves and remains in the exploration stage. Legacy may never enter the development or production stage. Exploration of mineralization and determination of whether mineralization might be extracted profitably is highly speculative, and it may take a number of years until production is possible, during which time the economic viability of a property may change. Substantial expenditures are required to establish mineral resources and mineral reserves, extract metals and construct mining and processing facilities.

Mining operations generally involve a high degree of risk. Legacy's operations are subject to all the hazards and risks normally encountered in mineral exploration and development, including environmental hazards, encounters with unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding, earthquakes, inclement or hazardous weather conditions and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mineral properties, mines and other facilities, personal injury or death, damage to property, environmental damage, delays in our exploration activities, asset write-downs, monetary losses and possible legal liability. Legacy may not be insured against all losses or liabilities, either because such insurance is unavailable, because Legacy has elected not to purchase such insurance due to high premium costs, because such liabilities might exceed policy limits or other reasons. The realization of any liabilities in connection with its activities could negatively affect its activities and operations.

Mineral exploration often involves unprofitable efforts, including drilling operations that ultimately do not further exploration efforts. The cost of mineral exploration is often uncertain, and cost overruns are common. Legacy's drilling and exploration operations may be curtailed, delayed or canceled as a result of numerous factors, many of which are beyond its control, including title problems, weather conditions, protests, compliance with governmental requirements, including permitting issues, and shortages or delays in the delivery of equipment and services. The financing, exploration, development and mining of any of Legacy's exploration properties is furthermore subject to a number of macroeconomic, legal, social and other factors, including the price of lithium, laws and regulations, political conditions, currency fluctuations, the ability to hire and retain qualified people, the inability to obtain suitable machinery, equipment, supplies, consumables or labour and obtaining necessary services in jurisdictions in which the Company operates. Unfavourable changes to these and other factors have the potential to negatively affect Legacy's business, plans, prospects, strategies, financial performance and condition and results.

Mineral exploration activities are also subject to the risk that no commercially productive or extractable resources will be encountered. Few mineral properties which are explored are ultimately developed into producing mines. The economic feasibility of any mineral exploration and/or development project is based upon, among other things, estimates of the size, grade and metallurgical characteristics of mineral reserves, proximity to infrastructure and other resources (such as water and power), anticipated production rates, capital and operating costs, governmental regulations, availability, terms and costs of additional funding, local community and landowner sentiment towards the project and metal prices. At present, the Green Energy Property does not have a known body of bankable commercial ore and the proposed work program on the Green Energy Property is exploratory in nature only. To advance from an exploration property to a development project, Legacy will need to overcome various hurdles, including completing favourable feasibility studies, securing necessary permits and raising significant additional capital to fund activities. There is no certainty that the expenditures made by Legacy towards the exploration and evaluation of the mineralization of the Green Energy Property will result in discoveries or production of commercial quantities of lithium or other minerals.

Substantial expenditures may be required to locate, evaluate and establish mineral resources or mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site, which expenditures may require substantial additional financing. It is impossible to guarantee that Legacy will be able to secure the necessary financing needed to pursue the exploration or development activities planned by Legacy or that its activities will result in an economically viable or profitable commercial mining operation.

Local Communities and Aboriginal Groups

Legacy's ongoing and future success depends on developing and maintaining productive relationships with the communities surrounding its operations, and other stakeholders in its operating locations. Local communities and stakeholders can become dissatisfied with its activities or the level of benefits provided, which may result in legal or administrative proceedings, civil unrest, protests, direct action or campaigns against us. Any such occurrences could materially and adversely affect Legacy's financial condition and results of operations.

The nature and extent of the rights of First Nations, Inuit, Metis and other aboriginal groups ("Aboriginal Groups") remains, in many cases, the subject of active debate, claims and litigation. Various national and provincial laws, codes, resolutions, conventions, guidelines, court decisions, and other materials relate to the rights of Aboriginal Groups, which provide Aboriginal Groups with a spectrum of rights in lands that have been traditionally used or occupied by such Aboriginal Groups. Many of these materials impose obligations on the government to respect the rights of Aboriginal Groups. Some mandate that government consult with Aboriginal Groups regarding government actions which may affect Aboriginal Groups,

including actions to approve or grant mining rights or permits. For example, the United Nations Declaration of the Rights of Indigenous People, which the Government of Canada has expressed a renewed commitment to implementing, requires governments to obtain the free, prior and informed consent of Aboriginal Groups who may be affected by government action, such as the granting of mining concessions or the approval of miner permits. The obligations of government and private parties under the various materials pertaining to Aboriginal Groups continue to evolve and be defined.

Legacy's current and future operations are subject to a risk that one or more Aboriginal Groups may oppose the operation or development of the Green Energy Property or Legacy's operations. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against Legacy's activities. Opposition by Aboriginal Groups to Legacy's operations may require modification of, or preclude operation or development of, the Green Energy Property or may require Legacy to enter into agreements with Aboriginal Groups. In order to facilitate exploration and development, Legacy may deem it necessary and prudent to obtain the cooperation and approval of local Aboriginal Groups. Any cooperation and approval may be predicated on its committing to take measures to limit the adverse impacts on local Aboriginal Groups and ensuring that some of the economic benefits of such exploration and development will be enjoyed by the local Aboriginal Groups. There can be no guarantee that any of its efforts to secure such cooperation or approval would be successful or that the assertion of rights or title, or claims of insufficient consultation or accommodation, by Aboriginal Groups will not create delays in approvals or unexpected interruptions in progress, requirements for consent from Aboriginal Groups, cancellation of permits and licenses, or result in additional costs to advance any property.

Social and Environmental Activism

There is an increasing level of public concern relating to the effect of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which has resulted in disruption and delays to the relevant operation. NGOs or local community organizations could direct adverse publicity against, and/or disrupt the operations of, Legacy in respect of its property, regardless of its compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which Legacy has an interest or Legacy's operations. Any such actions, and the resulting media coverage, could have an adverse effect on the reputation and financial condition of Legacy or its relationships with the communities in which it operates, which could have a material adverse effect on Legacy's business, financial condition, results of operations, cash flows or prospects.

Environmental Risks and Hazards

All phases of Legacy's operations are subject to environmental regulation by federal, state, provincial and local authorities. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which imposes stricter standards, including more stringent enforcement, fines and penalties for non-compliance. Pursuant to these stricter standards, environmental assessments of proposed projects carry a heightened degree of responsibility for companies, including their directors, officers and employees. As such, no assurance can be given that environmental standards imposed on Legacy will not continue to be changed or that such changes will not materially and adversely affect Legacy's current and proposed activities, or prohibit them altogether. Compliance with these environmental requirements may also necessitate significant capital outlays or may materially affect Legacy's earning power.

Environmental hazards which are unknown to Legacy at present and which have been caused by previous owners or operators, or occurred naturally, may exist on the Green Energy Property or any property in which Legacy may hold interests in the future. Legacy may be liable for remediating these liabilities and any liabilities that Legacy may cause. This liability could include costs for removing or remediating the release of hazardous substances or the damage to natural resources caused thereby, including ground water, as well as the payment of tines and penalties.

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Compliance with Laws

Legacy is headquartered in Calgary, Alberta and the Green Energy Property is located in the United States. As such, Legacy's business is subject to various laws and regulations in Canada and the United States, including various anti-corruption and anti-bribery laws. The legal and regulatory requirements in the United States are different from those in Canada. Legacy relies, to a great extent, on Legacy's local advisors in the United States with respect to legal, environmental compliance, banking, financing and tax matters in order to ensure compliance with material legal, regulatory and governmental developments as they pertain to and affect Legacy's operations in the United States.

Additionally, its exploration and development activities are subject to extensive federal, provincial, state and local laws, regulations and policies governing various matters, including, but not limited to:

- environmental protection;
- the management and use of toxic substances and explosives;
- the management of waste;
- the management of natural resources and land;
- the exploration and development of mineral properties;
- taxation;
- labour standards and occupational health and safety; and
- historic and cultural preservation.

Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations or requiring corrective measures, installation of additional equipment or remedial actions, any of which could result in significant expenditures. Legacy may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. Amendments to current laws, regulations and permitting requirements, future laws and regulations, or changes in the interpretation or the more stringent enforcement of current laws and regulations by governmental authorities, could have a material adverse impact on Legacy, including as a result of

additional expenses or capital expenditures, suspensions or delays of its activities or the abandonment of its properties.

Legacy's efforts to comply with new rules and regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from operating activities to compliance activities. If Legacy fails to comply with such regulations, it could have a negative effect on its business, results of operations and share price and investors could lose all or part of their investment. These rules and regulations continue to evolve in scope and complexity, and many new requirements have been created in response to laws enacted by governments, making compliance more difficult and uncertain.

Dilution

In order to finance future operations, Legacy may issue Legacy Common Shares, debt instruments or other securities convertible into Legacy Common Shares. Legacy cannot predict the size of future issuances of Legacy Common Shares or the size and terms of future issuances of debt instruments or other securities convertible into Legacy Common Shares. Likewise, Legacy cannot predict the effect, if any, that future issuances and sales of Legacy's securities will have on the future market and market price of the Legacy Common Shares. Any transaction involving the issuance of previously authorized but unissued Legacy Common Shares, or securities convertible into Legacy Common Shares, would result in dilution, possibly substantial, of the equity interests of any persons who may become Legacy Shareholders as a result of or subsequent to the Arrangement

Market for securities

There is currently no market through which the Legacy Common Shares may be sold and Legacy Shareholders may not be able to resell the Legacy Common Shares acquired under the Plan of Arrangement. There can be no assurance that an active trading market will develop for the Legacy Common Shares following the completion of the Plan of Arrangement, or if developed, that such a market will be sustained at the trading price of the Legacy Common Shares on the Exchange immediately after the Effective Date.

Early Stage Status and Nature of Exploration

As an exploration stage company, Legacy may never enter the development and production stages. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Even if the presence of mineral reserves is established at a project, the legal and economic viability of the project may not justify exploitation. The likelihood of Legacy's success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with an exploration stage business, and the competitive and regulatory environment in which Legacy operates and will operate, such as under-capitalization, personnel limitations and limited financing sources.

Exploration and development of mineral properties involves significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Mineral exploration is highly speculative and often non-productive. Where expenditures on a property have not led to the discovery of mineral reserves, Legacy may need to write-off part or all of our investment in such property. The economics of exploring and developing mineral properties is affected by many factors including the accuracy of mineral resource and mineral reserve estimates, metallurgical recoveries, the cost of capital and operations, variations in the grade of mineralization, fluctuations in metal markets, fluctuations in the concentrate sales markets, which may be independent of metals prices, fluctuations in the markets for lithium-based end products, costs of mining and processing equipment and government regulations,

including regulations relating to prices, taxes, royalties, land tenure, land use, allowable production, importing and exporting of minerals and environmental management and protection. Major expenses may be required to establish mineral resources and mineral reserves and develop those mineral resources and reserves into a commercial mining operation by drilling, developing metallurgical processes, constructing mining and processing facilities at a particular site and extracting metals from ore. Development projects are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits and availability of adequate financing. It is impossible to guarantee that the current planned exploration programs of Legacy will result in the discovery of mineral resources or mineral reserves or the eventual commencement of economically viable or profitable commercial mining operations. The ultimate profitability of Legacy's operations will be, in part, directly related to the costs and success of its exploration and development programs, which will be impacted by many factors, including those set forth herein.

Legacy's future growth and productivity will depend on its ability to develop commercially mineable mineral rights at the Green Energy Property or identify and acquire other commercially mineable mineral rights, and on the costs and results of continued exploration and potential development programs. No assurance can be given that mineral resources or mineral reserves will ever be declared at the Green Energy Property, or that any such mineral resources and mineral reserves, if declared, can ever be legally and economically exploited. In addition, if Legacy discovers mineralization that is deemed to have economic potential, it will take several years from the initial phases of exploration until production is possible. During this time, the economic feasibility of producing from the mineralization may change.

No Operating History

Exploration projects have no operating history upon which to base estimates of future cash flows. Substantial expenditures are required to develop mineral projects. It is possible that actual costs and future economic returns may differ materially from Legacy's estimates. There can be no assurance that the underlying assumed levels of expenses for any project will prove to be accurate. Further, it is not unusual in the mining industry for new mining operations to experience unexpected problems during start-up, resulting in delays and requiring more capital than anticipated. There can be no assurance that Legacy's projects will move beyond the exploration stage and be put into production, achieve commercial production or that Legacy will produce revenue, operate profitably or provide a return on investment in the future. Mineral exploration involves considerable financial and technical risk. There can be no assurance that the funds required for exploration and future development can be obtained on a timely basis. There can be no assurance that Legacy will not suffer significant losses in the near future or that Legacy will ever be profitable.

Mineral Price Volatility

Legacy's activities, including its ability to establish reserves through its exploration activities, its future profitability and its long-term viability, are influenced by the prices of commodities, including lithium and lithium-based end products, such as lithium carbonate and lithium hydroxide. These prices fluctuate widely and are affected by numerous factors beyond Legacy's control, including pricing characteristics for alternate energy sources, interest rates, expectations for inflation, speculation and hedging, currency values, global and regional demand and consumption patterns, political and economic conditions, supply and production costs in major metal-producing regions of the world. Furthermore, the price of lithium products, and the number of customers for those products, is significantly affected by their purity and performance.

Weakness in the global economy could increase volatility in metals prices or depress metals prices, which could in turn reduce the value of its properties, make it more difficult to raise additional capital and make it uneconomic for Legacy to continue its exploration activities.

Lithium Market Growth

Legacy's success is highly dependent upon the demand for and uses of lithium-based end products. This includes lithium-ion batteries for electric vehicles and other large format batteries that currently have limited market share and whose projected adoption rates are not assured. To the extent that such markets do not develop in the manner contemplated by Legacy, then the long-term growth in the market for lithium products would be adversely affected, which would inhibit the potential for development of the Green Energy Property and its potential commercial viability and would otherwise have a negative effect on the business and prospects of Legacy. In addition, as a commodity, lithium market demand is subject to the substitution effect in which end-users adopt an alternate commodity in response to supply constraints or increases in market pricing. To the extent that these factors arise in the market for lithium, it could have a negative impact on overall prospects for growth of the lithium market and pricing, which in turn could have a negative effect on Legacy and its property.

Currency Exchange Rates

Legacy's financial condition is affected in party by currency exchange rates, as portions of its exploration costs in the United States are denominated in local currency. A weakening Canadian dollar relative to the U.S. dollar may have the effect of increasing exploration costs while a strengthening Canadian dollar may have the effect of reducing exploration. The exchange rates between the Canadian dollar and the U.S. dollar have fluctuated widely in response to international political conditions, general economic conditions and other factors, all of which are beyond Legacy's control.

Acquisition Strategy

As part of Legacy's business strategy, it has sought and will continue to seek new exploration and development opportunities in the resource industry. Any acquisition that Legacy may choose to complete may change the scale of its business and operations, and may expose it to new or greater geographic, political, operating, financial, legal and geological risks. Legacy's success in its acquisition activities depends on its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition and integrate the acquired business and/or assets into Legacy successfully. The identification of attractive candidates and integration of acquired properties, assets or entities involve inherent risks, including but not limited to:

- accurately assessing the value, strengths weaknesses, contingent and other liabilities and potential profitability of acquisition candidates;
- ability to achieve identified and anticipated operating and financial synergies;
- unanticipated costs;
- diversion of management attention from existing business;
- potential disruption in ongoing business and operations or loss of its key employees or key employees of any business acquired;
- unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition;
- decline in the value of acquired properties, companies or securities; and

- other risks associated with exploration, development and mining of mineral resources and mineral reserves.

Any one or more of these factors or other risks could cause Legacy not to realize the anticipated benefits of an acquisition of properties or companies, and could have a material adverse effect on its financial condition. Legacy may not be able to successfully overcome these risks and other problems associated with acquisitions, and this may adversely affect its business, financial condition or results of operations.

The process of managing acquisitions may involve unforeseen difficulties and may require a disproportionate amount of management resources, which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. Any acquisitions would be accompanied by risks. There can be no assurance that we will be able to successfully manage the integration and operations of business or properties Legacy acquire or that the anticipated benefits of its acquisitions will be realized.

In connection with any future acquisitions, Legacy may incur indebtedness or issue equity securities, resulting in increased interest expense or dilution of the percentage ownership of existing shareholders. Acquisition costs, additional indebtedness or issuances of securities in connection with such acquisitions, may adversely affect the price of the Legacy Common Shares and negatively affect its results of operations.

Dividends

No dividends on the Legacy Common Shares have been paid by Legacy to date, and Legacy does not expect to pay any dividends, in cash or otherwise, in the future, in favor of utilizing cash to support the development of its business. Any future determination relating to Legacy's dividend policy will be made at the discretion of the Legacy Board and will depend on a number of factors, including future operating results, capital requirements, financial condition and the terms of any credit facility or other financing arrangements Legacy may obtain or enter into, future prospects and other factors the Legacy Board may deem relevant at the time such payment is considered. As a result, shareholders will have to rely on capital appreciation, if any, to earn a return on their investment in the Legacy Common Shares for the foreseeable future. There can be no assurance that we will pay dividends.

Permitting

Legacy's current and anticipated future activities will require approvals and permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, exploration, development, mining, production, exports, taxes, labour standards, health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There is no assurance that Legacy will be able to acquire all required licenses, permits or property rights on reasonable terms, in a timely manner or at all, that such terms will not be adversely changed, that required extensions will be granted, or that the issuance of such licenses, permits or property rights will not be challenged by third parties. Delays in obtaining or a failure to obtain any licenses or permits or extensions thereto, challenges to the issuance of such licences or permits, whether successful or unsuccessful, changes to the terms of such licences or permits or a failure to comply with the terms of any such licences or permits that Legacy has obtained, could have a material adverse effect on Legacy by delaying, preventing or making more expensive exploration and/or development.

No Assurance of Title to Property

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Legacy cannot give an assurance that title to its property

interests will not be challenged or impugned. Title to a property may be subject to prior unregistered agreements, interests or land claims by Aboriginal Groups, and title may be affected by undetected defects. Further, Legacy cannot give an assurance that the existing description of mining titles will not be changed due to changes in policy, rulings, or law in the jurisdiction where the property is located. A successful claim that Legacy, or the underlying property holder, does not have title to a property could cause Legacy to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property, or impair such rights. Challenges to permits or property rights (whether successful or unsuccessful), changes to the terms of permits or property rights, or a failure to comply with the terms of any permits or property rights that have been obtained, could have a material adverse effect on its business by delaying or preventing, or making continued operations, economically unfeasible.

The property interests of Legacy may now or in the future be the subject of land claims by Aboriginal Groups. The legal nature of Aboriginal Group land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in its properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of rights of Aboriginal Groups in the area in which the properties of Legacy are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities or ownership interest in such properties. Even in the absence of such recognition, Legacy may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the properties owned or optioned by Legacy.

If there are title defects with respect to Legacy's property, Legacy, or the underlying property owner, might be required to compensate other persons or may have its interest in the property reduced or eliminated. Title insurance is generally not available, and its ability to ensure that Legacy have obtained secure title to individual mineral properties or mining concessions may be severely constrained. Additionally, Legacy may be unable to operate its property as permitted, or to enforce its rights with respect to its property. Also, in any such case, the investigation and resolution of title issues would divert management's time from ongoing exploration and advancement programs at Legacy's property.

Earn-Ins, Joint Ventures and Similar Arrangements

Legacy may, in the future, operate some of its activities and properties through joint ventures, or similar arrangements. Any failure of any partner to meet its obligations to Legacy, or any disputes with respect to third parties' respective rights and obligations under these agreements could have a material adverse effect on Legacy and its rights under such agreements. Furthermore, Legacy may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying mineral claims. In addition, Legacy may, in the future, be unable or refuse to meet its required expenditures, payments or Legacy Share issuances, or its share of costs incurred, under such arrangements and may have its property interests subject to such arrangements reduced or eliminated as a result.

Influence of Third Party Stakeholders

The mineral properties in which Legacy holds an interest, or the exploration equipment and road or other means of access which Legacy intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, Legacy's work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for Legacy.

Insurance

Legacy's business is subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, fires, floods, hurricanes, earthquakes, ground or slope failures and cave-ins), encountering unusual or unexpected geological conditions, mechanical failures and changes in the regulatory environment. Many of the foregoing risks and hazards could result in damage to, or destruction of, the Green Energy Property or Legacy's facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of its exploration or development activities, or costs, monetary losses, legal liability or adverse governmental action. Insurance will not cover all of the potential risks associated with Legacy's operations. Legacy may also be unable to maintain insurance to cover these risks at economically feasible premiums, or at all, and insurance coverage may not be available or may not be adequate to cover any liability that Legacy may suffer or incur. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution or other hazards as a result of exploration or development is not generally available to Legacy or to other companies in the mining industry on acceptable terms. Legacy might also become subject to liability for pollution or other hazards which may not be insured against or which Legacy may elect not to insure against because of premium costs or other reasons. Legacy may suffer a material adverse effect on Legacy's business, operations and financial condition as a result of losses related to any event that is not covered, or adequately covered, by insurance.

Infrastructure

Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources, communication networks and water supply are important determinants which affect capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of its properties. If adequate infrastructure is not available in a timely manner, Legacy cannot assure that the exploration or development of its property will be commenced, conducted or completed on a timely basis, or at all, or that the costs associated with such exploration and/or development of its property will not be higher than anticipated. In addition, unusual or infrequent weather phenomena, fires, sabotage, community, government, Aboriginal Group or other interference or activism or other sources of damage to, or interference in the maintenance or provision of, infrastructure could adversely affect its operations and/or result in a material adverse effect to Legacy's financial condition.

Competition

The mineral exploration and mining business is intensely competitive in all of its phases. Legacy competes for the acquisition of attractive mineral properties, claims, leases and other mineral interests, capital to finance exploration and the recruitment and retention of qualified individuals with numerous other companies and individuals, including competitors with greater financial, technical and other resources than Legacy. Legacy's ability to acquire properties in the future will depend not only on its ability to develop its present property, but also on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that Legacy will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

Additionally, as a result of this competition, Legacy may have to compete for financing and may be unable to acquire financing on terms it considers acceptable, or at all. Legacy may also have to compete with other mining companies for the recruitment and retention of qualified managerial and technical employees.

If Legacy is unable to successfully compete for the acquisition of attractive mineral properties, claims,

leases and other mineral interests, capital to finance exploration and the recruitment and retention of qualified individuals, Legacy's operations may be delayed or impeded, and Legacy may be required to cease operations entirely.

Adverse General Economic Conditions

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mineral resource industry, have been and continue to be impacted by these market conditions. Some of the key impacts of the financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market confidence. A continued or worsened slowdown in the financial markets or volatility in other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, interest rates and tax rates, may adversely affect its growth and ability to obtain financing.

A number of issues related to economic conditions could have a material adverse effect on its business, financial conditions and results of operations, including, without limitation:

- contraction in credit markets, volatility in lithium and other metal prices and recessionary pressures could impact the cost and availability of financing and its overall liquidity

- volatility in energy, commodity and consumable prices and currency exchange rates could impact its operating costs; and

- the devaluation and volatility of global stock markets could impact the valuation of its Common Shares and potentially limit the ability to complete offerings of its securities.

Conflict in Ukraine

The recent outbreak of hostilities in Ukraine, and the accompanying international response, including economic sanctions, has been extremely disruptive to the world economy, with increased volatility in commodity markets, including higher oil and gas prices, international trade and financial markets, all of which have a trickle-down effect on supply chains and equipment. There is substantial uncertainty about the extent to which this conflict will continue to impact economic and financial affairs, as the numerous issues arising from the conflict are in flux and there is the potential for escalation of the conflict both within Europe and globally. There is a risk of substantial market and financial turmoil arising from the conflict which could have a material adverse effect on Legacy's ability to operate its business and advance its exploration plans.

Cyber Security Risks

As Legacy continues to increase its dependence on information technologies to conduct its operations, the risks associated with cyber security also increase. Legacy's information systems, along with those of any of its counterparties may be vulnerable to the increasing threat of continually evolving cyber security risks. The successful operation of Legacy's business depends, in part, on how well Legacy and its counterparties protect networks, equipment, information technology systems and software against damage from threats. The failure of information systems, or a component of information systems could, depending on the nature of any such failure, seriously harm Legacy's reputation and materially adversely affect its results of operations. There can be no assurance that Legacy or its counterparties will not incur such losses in the future. Cyber security risks include attacks on information technology and infrastructure by hackers,

damage or loss of information due to viruses, the unintended disclosure of confidential information, the loss of control over computer control systems, and breaches due to employee error. Legacy has implemented security procedures and measures in order to protect its systems and information from being vulnerable to cyber-attacks. To date, Legacy has not experienced any material impact from cyber security events; however, Legacy's risk and exposure to these matters cannot be fully mitigated, as a result of the evolving nature of these threats, and it may not have the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to its information and control systems could have severe financial and other business implications.

Canada's Extractive Sector Transparency Measures Act

The Canadian Extractive Sector Transparency Measures Act ("**ESTMA**"), which became effective June 1, 2015, requires public disclosure of payments to governments by entities engaged in the commercial development minerals who are either publicly listed in Canada or with business or assets in Canada. Mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments, including Aboriginal Groups. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments and any other prescribed payment. Failure to report, false reporting or structuring payments to avoid reporting may result in fines. Legacy has not yet been required to begin ESTMA reporting. If Legacy becomes subject to an enforcement action or in violation of ESTMA, this may result in significant penalties, fines and/or sanctions imposed resulting in a material adverse effect on Legacy's reputation.

Legal and Litigation

Due to the nature of its business, Legacy may be subject to regulatory investigations, claims, lawsuits and other proceedings. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which Legacy may become subject cannot be predicted with certainty and could have a material adverse effect on Legacy's business, prospects, financial condition, and operating results. To the knowledge of Legacy, there are no current claims or litigation outstanding against Legacy.

Additionally, in the event of a dispute involving the foreign operations of Legacy, Legacy may be subject to the exclusive jurisdiction of foreign courts. Legacy's ability to enforce its rights under, and its potential exposure to, judgments from foreign courts could have an adverse effect on Legacy's results of operations and financial condition.

Foreign Operations

If the Arrangement is completed, Legacy will conduct business in the United States and, as such, its activities will be exposed to various levels of foreign political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, terrorism, hostage taking, fluctuations in currency exchange rates, high rates of inflation, labor unrest, war or civil unrest, expropriation and nationalization, changes in taxation policies, changing political conditions and governmental regulations that favor or require the rewarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes, if any, in mining or investment policies, or shifts in political attitude, in the United States may adversely affect Legacy's exploration and possible future development activities. Legacy may also be affected to varying degrees by government regulations with respect to, but not limited to, foreign investment, maintenance of claims, environmental legislation, land use, land claims of Aboriginal Groups,

water use and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on Legacy's operations. In addition, legislation in Canada or the United States regulating foreign trade, investment and taxation could have a material adverse effect on Legacy's financial condition.

International Advisors and Consultants

The legal and regulatory requirements in the United States with respect to conducting mineral exploration and mining activities are different from those in Canada. The officers and directors of Legacy must rely, to a great extent, on Legacy's local legal counsel and local consultants retained by Legacy in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect Legacy's business operations. Legacy relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing, labour, litigation and tax matters in the United States. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices are beyond the control of Legacy. The impact of any such changes may adversely affect the business of Legacy.

Expansion into other Geographic Areas

Legacy may, in the future, expand into geographic areas outside of the United States and Canada, which could increase Legacy's operational, regulatory, compliance, reputational and foreign exchange rate risks. The failure of Legacy's operating infrastructure to support such expansion could result in operational failures and regulatory fines or sanctions. Future international expansion could require Legacy to incur a number of up-front expenses, including those associated with obtaining regulatory approvals, as well as additional ongoing expenses, including those associated with infrastructure, staff and regulatory compliance. Legacy may not be able to successfully identify suitable acquisition and expansion opportunities, or integrate such operations successfully within Legacy's existing operations.

Outbreaks of Contagious Diseases

Global outbreaks of contagious diseases, including COVID-19, have the potential to significantly and adversely impact Legacy's operations and business. Pandemics or disease outbreaks, such as COVID-19, may have a variety of adverse effects on Legacy's business, including by depressing commodity markets and the market value of securities, impacting its ability to obtain additional financing, including by limiting the ability of its management to meet with potential financing sources, and impacting its ability to travel to the regions where projects are located and complete the work required to maintain the any of its existing or future properties (or interests therein) in good standing.

Factors Beyond the Control of Legacy

The exploration and development of a mining property is inherently challenging and involves many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome, including, without limitation:

- unusual or unexpected geological formations and other forms of geological, mineralogical, geochemical or geotechnical complexities associated with natural systems and conditions;

- metallurgical problems;

- environmental hazards;
- power outages;
- labour disruptions;
- community relations issues;
- industrial accidents;
- periodic interruptions due to inclement or hazardous weather conditions;
- climate change-related impacts;
- flooding, explosions, fire, rockbursts, cave-ins and landslides;
- mechanical equipment and facility performance problems;
- the availability of materials and equipment.

These risks could result in damage to, or destruction of, mineral properties, facilities or other properties, personal injury or death, including to its personnel, environmental damage, delays in operations, asset write downs, monetary losses and possible legal liability and/or facility and workforce evacuation. Legacy may not be able to obtain insurance to cover these risks at economically feasible premiums, or at all. Insurance against certain risks, including potential liability for pollution and other hazards as a result of the disposal of waste products, is not generally available to companies within the mining industry. Legacy may suffer a material adverse impact on its business if Legacy incur losses related to any significant events that are not insurable losses.

PROMOTER

No person or company is, or has been since Legacy's date of incorporation, a promoter of Legacy or a subsidiary of Legacy.

LEGAL PROCEEDINGS

Legacy is not a party to any material legal proceedings and Legacy is not aware of any such proceedings known to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or greater than 10% shareholder of Legacy and no associate or affiliate of the foregoing persons has or had any material interest, direct or indirect, in any transaction since incorporation or in any proposed transaction which in either such case has materially affected or will materially affect Legacy save as described herein.

AUDITORS

The auditor of Legacy is Baker Tilly WM LLP, Chartered Professional Accountants at Suite 900, 400 Burrard Street, Vancouver, British Columbia V6C 3B7.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent for the Legacy Common Shares will be Computershare Investor Services Inc. at 3rd Floor, 510 Burrard Street, Vancouver, BC, V6C 3B9.

MATERIAL CONTRACTS

The only agreement or contract that Legacy has entered into since its incorporation or will enter into as part of the Arrangement which may be reasonably regarded as being material is the Arrangement Agreement dated March 2, 2023 between Legacy and Pan American, which amended and restated the arrangement agreement dated February 7, 2023 between the Company and Legacy. See "*Section 5 - Particulars of Matters to be Acted Upon - The Arrangement - Arrangement Agreement*" in the Information Circular.

A copy of the Arrangement Agreement may be inspected at any time up to the commencement of the Meeting during normal business hours at Legacy's offices located at 100 - 521 3rd Avenue SW, Calgary, Alberta T2P 3T3 and under Pan American's profile on the SEDAR website at www.sedar.com.

INTEREST OF EXPERTS

Baker Tilly WM LLP, Chartered Professional Accountants, is the auditor of Legacy and is independent of Legacy within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Bradley C. Peek, MSc., CPG. prepared the Green Energy Technical Report. As of the date of the Circular, Mr. Peek and his firm do not own any of the issued and outstanding Common Shares.

SCHEDULE "L"

PAN AMERICAN ENERGY CORP.
(the "Company")

LEGACY LITHIUM CORP. - EQUITY INCENTIVE PLAN

See attached.

LEGACY LITHIUM CORP.

EQUITY INCENTIVE PLAN

MARCH 3, 2023

PART 1
PURPOSE

1.1 Purpose

The purpose of this Plan is to:

(a) promote further alignment of interests between officers, directors, employees and other service providers of the Company and the shareholders of the Company;

(b) associate a portion of the compensation payable to officers, directors, employees and other service providers of the Company with the returns achieved by shareholders of the Company; and

(c) attract and retain officers, directors, employees and other service providers of the Company with the knowledge, experience and expertise required by the Company.

1.2 Available Awards

Awards that may be granted under this Plan include:

(a) Options;

(b) Deferred Share Units; and

(c) Restricted Share Units (including Restricted Share Units deemed to be Performance Share Units pursuant to Section 4.14).

PART 2
INTERPRETATION

2.1 Definitions

(a) "**Affiliate**" has the meaning set forth in the BCA.

(b) "**Award**" means any Option, Deferred Share Unit, Restricted Share Unit or Restricted Share Unit deemed to be a Performance Share Unit pursuant to Section 4.14.

(c) "**BCA**" means the *Business Corporations Act* (British Columbia).

(d) "**Blackout Period**" means a period in which the trading of Shares or other securities of the Company is restricted under any policy of the Company then in effect.

(e) "**Board**" means the board of directors of the Company.

(f) "**cause**" means:

(A) subject to (B) or (C), as applicable, below, "just cause" or "cause" for termination by the Company or a subsidiary of the Company as determined under applicable law;

(B) where a Participant has a written employment agreement with the Company or a subsidiary of the Company, as defined in such employment agreement, if applicable; or

(C) where a Participant provides services as an independent contractor pursuant to a contract for services with the Company or a subsidiary of the Company, any material breach of such contract.

(g) "**Change of Control**" means the occurrence and completion of any one or more of the following events:

(A) any consolidation, reorganization, merger, amalgamation, arrangement or similar transaction of the Company with or into another entity or pursuant to which the Shares would be converted into cash, securities or other property, other than a transaction in which shareholders immediately prior to such transaction have the same proportionate ownership of the surviving entity immediately following the transaction as they did in the Company immediately preceding the transaction;

(B) the Company shall sell or otherwise transfer, including by way of the grant of a leasehold interest or joint venture interest (or one or more subsidiaries of the Company shall sell or otherwise transfer, including without limitation by way of the grant of a leasehold interest or joint venture interest) property or assets (i) aggregating more than 50% of the consolidated assets (measured by either book value or fair market value) of the Company and its subsidiaries, taken as a whole, measured as at the end of the most recently completed financial year of the Company or (ii) which during the most recently completed financial year of the Company generated, or during the then current financial year of the Company are expected to generate, more than 50% of the consolidated operating income or cash flow of the Company and its subsidiaries, taken as a whole to any other person or persons (other than to an Affiliate of the Company), in which case the Change of Control shall be deemed to occur on the date of transfer of the assets or property;

(C) the approval by the shareholders of the Company of any plan of liquidation or dissolutions of the Company;

(D) the acquisition by any "offeror" (as that term is defined in National Instrument 62-104 – *Take-Over Bids and Issuer Bids*) of ownership (including beneficial ownership) of, or control or direction (including, without limitation, the power to vote) over, more than 50% of the Company's outstanding voting securities; or

(E) the replacement by way of election or appointment at any time of one-half or more of the total number of the then incumbent members of the Board, unless such election or appointment is approved by 50% or more of the Board in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made other than as a result of a dissident public proxy solicitation, whether actual or threatened.

For the purposes of the foregoing, "voting securities" means Shares and any other shares entitled to vote for the election of directors and shall include any securities, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors, including any options or rights to purchase such shares or securities.

(h) "**Code**" means the United States Internal Revenue Code of 1986, as amended, and any applicable United States Treasury Regulations and other binding guidance thereunder.

(i) "**Company**" means Legacy Lithium Corp., a company incorporated under the laws of British Columbia.

(j) "**Deferred Payment Date**" for a Participant means the date after the Restricted Period which is the earlier of (i) the date which the Participant has elected to defer receipt of Restricted Shares in accordance with Section 4.5; and (ii) the Participant's Separation Date.

(k) "**Deferred Share Unit**" means a right granted pursuant to the terms hereof to a Participant to receive a Deferred Share Unit Payment, evidenced by way of book-keeping entry in the books of the Company and administered pursuant to this Plan.

(l) "**Deferred Share Unit Grant Letter**" has the meaning ascribed thereto in Section 5.2 of this Plan.

(m) "**Deferred Share Unit Payment**" means, subject to any adjustment in accordance with this Plan, including pursuant to Section 5.6, the issuance to a Participant of one previously unissued Share for each whole Deferred Share Unit credited to such Participant.

(n) "**Director Retirement**" in respect of a Participant, means the Participant ceasing to hold any directorships with the Company, any affiliate of the Company or any entity related to the Company for purposes of the *Income Tax Act* (Canada) after attaining a stipulated age in accordance with the Company's normal retirement policy, or earlier with the Company's consent.

(o) "**Director Separation Date**" means the date that a Participant ceases to hold any directorships with the Company and any affiliate due to a Director Retirement or Director Termination and also ceases to serve as an employee or consultant with the Company, any affiliate of the Company and any entity related to the Company for the purposes of the *Income Tax Act* (Canada).

(p) "**Director Termination**" means the removal of, resignation of or failure to re-elect an Eligible Director (excluding a Director Retirement) as a director of the Company, an affiliate or any entity related to the Company for purposes of the *Income Tax Act* (Canada).

(q) "**Disability**" means:

(A) subject to (B) below, a Participant's physical or mental incapacity that prevents him/her for substantially fulfilling his or her duties and responsibilities on behalf of the Company or, if applicable, a subsidiary of the Company, as determined by the Board and, in the case of a Participant who is an employee of the Company or a subsidiary of the Company, in respect of which the Participant commences receiving, or is eligible to receive, disability benefits under the Company's or subsidiary's long-term disability plan, if any; or

(B) where a Participant has a written employment agreement with the Company or a subsidiary of the Company, as defined in such employment agreement, if applicable.

(r) "**Effective Date**" means March 3, 2023, being the date upon which this Plan was adopted by the Board.

(s) "**Eligible Directors**" means the directors of the Company or any Affiliate who are, as such, eligible for participation in this Plan.

(t) "**Eligible Employees**" means employees of the Company or any affiliate thereof, whether or not they have a written employment contract with Company, rendering services to the Company (excluding services exclusively as a director). Eligible Employees shall include Service Providers.

(u) "**Exchange**" means any stock exchange on which the Shares are listed from time to time.

(v) **"Fair Market Value"** with respect to the Shares as of any date, means (a) the closing market price of the Shares on the trading day prior to such date if the Shares trade on an Exchange or (b) if the Shares do not trade on an Exchange, the fair market value as determined by the Board. Notwithstanding the foregoing, for the purposes of establishing the exercise price per Share of any Option, or the value of any Share underlying a Restricted Share Unit or Deferred Share Unit on the grant date, if the Shares trade on an Exchange, the Fair Market Value means the greater of the closing market price of the Shares on (a) the trading day prior to the date of grant of the applicable Award; and (b) the date of grant of the applicable Award.

(w) **"Grant Value**" means the dollar amount allocated to an Eligible Director or Eligible Employee in respect of a grant of Restricted Share Units or Deferred Share Units, as applicable.

(x) "**Net Settlement Right**" has the meaning set forth in Section 3.5 of this Plan.

(y) "**Option**" means an option to purchase a Share granted by the Board to an Eligible Employee or Eligible Director under the terms of this Plan.

(z) "**Option Period**" means the period during which an Option is outstanding.

(aa) "**Optionee**" means an Eligible Employee or Eligible Director to whom an Option has been granted under the terms of this Plan.

(bb) "**Participant**" means an Eligible Employee or Eligible Director to whom an Award is granted under this Plan and which Award or a portion thereof remains outstanding.

(cc) "**Performance Conditions**" means such financial, personal, operational or transaction-based performance criteria as may be determined by the Board in respect of an Award to any Participant or Participants. Performance Conditions may apply to the Company, a subsidiary of the Company, the Company and its subsidiaries as a whole, a business unit of the Company or group comprised of the Company and some subsidiaries of the Company or a group of subsidiaries of the Company, either individually, alternatively or in any combination, and measured either in total, incrementally or cumulatively over a specified performance period, on an absolute basis or relative to pre-established targets or milestones, to previous years' results or to a designated comparator group, or otherwise, and may incorporate multipliers or adjustments based on the achievement of any such performance criteria.

(dd) "**Performance Share Unit**" has the meaning ascribed to such term in Section 4.14 of this Plan.

(ee) "**Plan**" means this Equity Incentive Plan, as it may be amended and restated from time to time.

(ff) "**Restricted Period**" means, with respect to a grant of Restricted Share Units, the period specified by the Board, commencing on the grant date and ending on the last date on which the applicable time Vesting, Performance Conditions and/or any other conditions for a Restricted Share Unit becoming Vested are met.

(gg) "**Retirement**" in respect of an Eligible Employee, means the Eligible Employee ceasing to hold any employment with the Company or any affiliate after attaining a stipulated age in accordance with the Company's normal retirement policy, or earlier with the Company's consent.

(hh) "**Restricted Share Unit**" has such meaning as ascribed to such term at Section 4.1 of this Plan, and includes Restricted Share Units deemed to be Performance Share Units pursuant to Section 4.14.

(ii) "**Restricted Share Unit Grant Letter**" has the meaning ascribed to such term in Section 4.2 of this Plan.

(jj) "**Separation Date**" means the date that a Participant ceases to be an Eligible Director or Eligible Employee.

(kk) "**Service Provider**" means any person or company engaged by the Company or an affiliate to provide services for an initial, renewable or extended period of 12 months or more.

(ll) "**Shares**" means the common shares of the Company or, in the event of an adjustment contemplated by Section 7.3, such other security to which a Participant may be entitled upon the exercise or settlement of an Award as a result of such adjustment.

(mm) "**Specified Employee**" means a U.S. Taxpayer who meets the definition of "specified employee", as defined in Section 409A(a)(2)(B)(i) of the Code.

(nn) "**Termination**" means, with respect to an Eligible Employee, (i) the termination of such Eligible Employee's employment by or provision of services to the Company or a subsidiary of the Company (other than in connection with the Eligible Employee's transfer to employment by or the provision of services to the Company or another subsidiary of the Company), which shall occur on the date on which the Eligible Employee ceased to render services to the Company or a subsidiary of the Company, as applicable, whether such termination is lawful or otherwise (including, without limitation, by reason of resignation, frustration of contract, termination for cause, termination without cause or constructive dismissal), without giving effect to any pay in lieu of notice (paid by way of lump sum or salary continuance), severance pay, benefits continuance or other termination-related payments or benefits to which the Eligible Employee may be entitled pursuant to the common law or otherwise (except as may be expressly required to satisfy the minimum requirements of applicable employment or labour standards legislation), but, for greater certainty, an Eligible Employee's absence from active work during a period of vacation, temporary illness, maternity or parental leave or any other authorized leave of absence shall not be considered to be a Termination, and (ii) in the case of an Eligible Employee who does not return to active employment by or the active provision of services to the Company or a subsidiary of the Company immediately following a period of absence due to vacation, temporary illness, maternity or parental leave or other authorized leave of absence, such cessation shall be deemed to occur on the last day of such period of absence as approved by the Company or a subsidiary of the Company.

(oo) "**US Taxpayer**" means a Participant who is a US citizen, US permanent resident or other person who is subject to taxation on their income under the Code.

(pp) "**Vested**" means, with respect to any Option, Restricted Share Unit or Deferred Share Unit, that the applicable conditions with respect to the passage of time or continued service with the Company or a subsidiary of the Company, achievement of Performance Conditions and/or any other conditions established by the Board have been satisfied or, to the extent permitted under the Plan, waived (and any applicable derivative term shall be construed accordingly).

2.2 Interpretation

(a) This Plan is created under and is to be governed, construed and administered in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Board may provide that any dispute to any Award shall be presented and determined in such forum as the Board may specify, including through binding arbitration.

(b) Whenever the Board (or Board committee, as the case may be) is to exercise discretion in the administration of the terms and conditions of this Plan, the term "**discretion**" means the sole and absolute discretion of the Board (or Board committee, as the case may be).

(c) As used herein, the terms "**Part**" or "**Section**" mean and refer to the specified Part or Section of this Plan, respectively.

(d) Where the word "**including**" or "**includes**" is used in this Plan, it means "including (or includes) without limitation".

(e) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

(f) Unless otherwise specified, all references to money amounts are to Canadian dollars.

(g) If any provision or part of the Plan is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provisions or part hereof.

(h) Headings, whenever used herein, are for reference purposes only and do not limit or extend the meaning of the provisions herein contained.

PART 3
STOCK OPTIONS

3.1 Participation

The Company may from time to time grant Options to Participants pursuant to this Plan on such terms and conditions, consistent with this Plan, as the Board shall determine.

3.2 Price

The exercise price per Share pursuant to any Option shall be not less than one hundred per cent (100%) of the Fair Market Value, and shall be established by the Board on the date of grant of the Option.

3.3 Grant of Options

The Board may at any time authorize the granting of Options to such Participants as it may select, exercisable for the number of Shares that it shall designate, subject to the provisions of this Plan. The date of grant of an Option shall be the date such grant was approved by the

Board.

Each Option granted to a Participant shall be evidenced by a stock option agreement with terms and conditions consistent with (and which incorporate by reference the terms of) this Plan and as approved by the Board (and in all cases which terms and conditions need not be the same in each case and may be changed from time to time, subject to Section 7.8 of this Plan and any required approval of any Exchange).

3.4 Terms of Options

The Option Period shall be five years from the date such Option is granted, or such greater or lesser duration as the Board may determine at the date of grant, provided that the Option Period shall not be greater than ten (10) years from the grant date of an Option, and may thereafter be reduced with respect to any such Option as provided in Section 3.7 hereof; provided, however, that at any time the expiry date of the Option Period in respect of any outstanding Option under this Plan (as the same may be reduced pursuant to Section 3.7 hereof) should be determined to occur during a Blackout Period, the expiry date of such Option Period shall, without any further action, be deemed to be extended to the date that is the tenth (10^{th}) business day following the expiry of the Blackout Period.

Unless otherwise designated by the Board in the applicable stock option agreement with respect to Options, the Options included in an Award shall Vest in four equal instalments over a two (2) year period, with one quarter of the Options vesting on each of the six (6) month anniversary of the grant date, the one (1) year anniversary of the grant date, the eighteen (18) month anniversary of the grant date and the two (2) year anniversary of the grant date.

Except as set forth in Section 3.7, no Option may be exercised unless the Optionee is at the time of such exercise:

(a) in the case of an Eligible Employee, in the employ (or retained as a Service Provider) of the Company or an Affiliate and shall have been continuously so employed or retained since the grant of the Option; or

(b) in the case of an Eligible Director, a director of the Company or an Affiliate and shall have been such a director continuously since the grant of the Option.

3.5 Net Settlement Right

Participants have the right (the "**Net Settlement Right**"), in lieu of paying the exercise price of an Option in cash, to indicate in the exercise notice that such Participant intends to transfer such Option in whole or in part to the Company to be cancelled and, in such case, the Participant shall surrender the Options being transferred and cancelled and elect to receive the number of Shares, conditional upon payment of any applicable withholding taxes in accordance with Part 6, which is equal, disregarding fractions, to the quotient obtained by:

(a) subtracting the applicable Option exercise price per Share from the Fair Market Value per Share on the day or trading day (in the event the Shares trade on an Exchange) immediately prior to the exercise of the Net Settlement Right, and multiplying the remainder by the number of Shares underlying the Option to be terminated; and

(b) dividing the product obtained under subsection 3.5(a) by the Fair Market Value per Share on the day or trading day (in the event the Shares trade on an Exchange) immediately prior to the exercise of the Net Settlement Right.

If a Participant elects to exercise the Net Settlement Right in connection with an Option, the Participant may do so only to the extent and on the same conditions that the related Option is exercisable under this Plan, disregarding the requirement for the payment of the exercise price in connection with the exercise of the Option.

3.6 Exercise of Option

Subject to the provisions of the Plan and the terms governing the granting of an Option, including Section 3.5, and subject to payment or other satisfaction of all related withholding obligations in accordance with Part 6, Vested Options, or a portion thereof, may be exercised from time to time by delivery to the Company at its registered office of a notice in writing signed by the Participant or the Participant's legal personal representative, as the case may be, and addressed to the Company. This notice shall state the intention of the Participant or the Participant's legal personal representative, as the case may be, to exercise the said Options and the number of Shares in respect of which the Options are then being exercised, and, subject to Section 3.5, must be accompanied by payment in full of the exercise price under the Options which are the subject of the exercise.

3.7 Effect of Termination, Death or Disability

Outstanding Options held by a Participant as of the Participant's Termination or Director Termination (as applicable), resignation (including Retirement, Director Retirement or the voluntary withdrawal of services by a Service Provider), death or Disability shall be subject to the provisions of this Section 3.7, as applicable, except that, in all events, the Option Period shall end no later than the last day of the maximum term thereof established under Section 3.4. Options that are not exercised prior to the expiration of the Option Period, including any extended exercise period contemplated by this Section 3.7, following a Participant's Termination or Director Termination (as applicable), resignation (including Retirement, Director Retirement or the voluntary withdrawal of services by a Service Provider), death or Disability, as the case may be, shall automatically expire on the last day of such period.

Subject to the applicable stock option agreement governing an Option, if an Optionee:

(a) dies or resigns or is subject to a Termination as a result of Disability while employed by or providing services to, or while a director of, the Company or an Affiliate, (i) any Options that have become Vested prior to the date of such death, Termination or resignation and are held by him or her at such date continue to be exercisable in whole or in part during the twelve (12) month period following such date and (ii) any Options that are not Vested on the date of such death, Termination or resignation and are held by him or her at such date shall be forfeited;

(b) resigns (including a Retirement or a Director Retirement or the voluntary withdrawal of services by a Service Provider), is subject to a Termination without cause (including by way of constructive dismissal) or is subject to a Director Termination, excluding a Termination or resignation as a result of death or Disability, (i) the Participant's outstanding Options that have become Vested prior

to the date of the Participant's resignation, Termination without cause or Director Termination and are held by him or her at such date shall continue to be exercisable during the ninety (90) day period following the Participant's resignation, Termination without cause or Director Termination and (ii) the Participant's outstanding Options that are unvested on the date of the Participant's resignation, Termination without cause or Director Termination and are held by him or her at such date shall be forfeited; or

(c) is subject to a Termination for cause, any and all then outstanding Vested and unvested Options granted to the Participant shall be immediately forfeited and cancelled, without any consideration, as of such Termination.

In addition to the Board's rights under Section 7.8, the Board may, at the time of a Participant's Termination, Director Termination, resignation (including Retirement, Director Retirement or the voluntary withdrawal of services by a Service Provider), death or Disability, extend the Option Period, but not beyond the original expiry date of the Option Period established pursuant to Section 3.4, and/or allow for the continued Vesting of some or all of the Participant's Options during the period for exercise of a Participant's Options, or a portion of it, in each case for a period of time not to exceed twelve (12) months following the date of a Participant's Termination, Director Termination, resignation (including Retirement, Director Retirement or the voluntary withdrawal of services by a Service Provider), death or Disability.

For greater certainty, a Participant shall have no right to receive Shares or a cash payment as compensation, damages or otherwise with respect to any Options that do not become Vested, that have been forfeited or that are not exercised before the expiry date of an Option Period (as may be curtailed pursuant to the terms of this Section 3.7), whether related or attributable to any Termination, termination of entitlement or otherwise.

PART 4
RESTRICTED SHARE UNITS

4.1 Grant of Restricted Share Units

The Board has the right to grant, in its sole and absolute discretion, to any Participant, rights to receive any number of fully paid and non-assessable Shares ("**Restricted Share Units**") on such terms and conditions, consistent with this Plan, as the Board shall determine, provided that, in determining the Participants to whom Awards of Restricted Share Units are to be made and the Grant Value for each Award of Restricted Share Units, the Board shall take into account the terms of any written employment agreement or contract for services between an Eligible Employee and the Company or any subsidiary of the Company, and may take into account such other factors as it shall determine in its sole and absolute discretion.

The Board shall determine the Grant Value on the date of grant of a Restricted Share Unit. For purposes of calculating the number of Restricted Share Units to be granted, the Board shall value the Shares underlying such Restricted Share Units at not less than one hundred per cent (100%) of the Fair Market Value on the date of grant. The number of Restricted Share Units to be covered by each such grant of Restricted Share Units shall be determined by dividing the Grant Value for such grant by the Fair Market Value on the date of grant, rounded down to the next whole number.

4.2 Restricted Share Unit Grant Letter

Each grant of a Restricted Share Unit under this Plan shall be evidenced by a grant letter (a "**Restricted Share Unit Grant Letter**") issued to the Participant by the Company and shall set forth, at a minimum, the grant date of the Restricted Share Units, the number of Restricted Share Units subject to such grant, the applicable Vesting conditions, the applicable Restricted Period and the treatment of the grant upon Termination or Director Termination, Retirement or Director Retirement, resignation, voluntary cessation of services, death or Disability. Such Restricted Share Unit Grant Letter shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including, without limitation, any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a Restricted Share Unit Grant Letter. The provisions of the various Restricted Share Unit Grant Letters issued under this Plan need not be identical.

4.3 Restricted Share Unit Account

An account, called a "**Restricted Share Unit Account**", shall be maintained by the Company, or a subsidiary of the Company, as specified by the Board, for each Participant who has received a grant of Restricted Share Units and will be credited with such grants of Restricted Share Units as are received by a Participant from time to time pursuant to Section 4.1, along with any dividend equivalent Restricted Share Units pursuant to Section 4.10. Restricted Share Units that fail to Vest to a Participant or are forfeited, or that are settled, shall be cancelled and shall cease to be recorded in the Participant's Restricted Share Unit Account as of the date on which such Restricted Share Units are forfeited or cancelled under the Plan or are settled, as the case may be.

4.4 Vesting and Settlement

Subject to this Section 4.4 and the applicable Restricted Share Unit Grant Letter, Restricted Share Units subject to a grant and dividend equivalent Restricted Share Units credited to the Participant's Restricted Share Unit Account in respect of such Restricted Share Units shall Vest in such proportion(s) and on such Vesting Date(s) as may be specified in the Restricted Share Unit Grant Letter governing such grant, provided that the Restricted Share Unit has not been forfeited prior to such date in accordance with the terms of this Plan or the applicable Restricted Share Unit Grant Letter.

A Participant's Restricted Share Units, adjusted in accordance with the applicable multiplier, if any, as set out in the Restricted Share Unit Grant Letter, and rounded down to the nearest whole number of Restricted Share Units, as the case may be, shall be settled, by a distribution as provided herein, to the Participant following the Vesting thereof. Settlement will occur upon or as soon as reasonably practicable following Vesting and, in any event, on or before December 31 of the third year following the year in which the Participant performed the services to which the grant of Restricted Share Units relates, subject to Section 4.5 and Section 4.6. Settlement shall be made by the issuance of one Share for each Restricted Share Unit then being settled, subject to the payment or other satisfaction of all related withholding obligations in accordance with Part 6.

Subject to the terms of the Restricted Share Unit Grant Letter and this Part 4, all Restricted Share Units that are not Vested and do not become Vested shall be immediately forfeited. For greater certainty, a Participant shall have no right to receive Shares or a cash payment as compensation, damages or otherwise, whether related or attributable to any contractual or

common law notice period or otherwise, with respect to any Restricted Share Units that do not become Vested or are forfeited hereunder.

4.5 Deferred Payment Date

Participants who are residents of Canada for the purposes of the *Income Tax Act* (Canada) (and for greater certainty, who are not US Taxpayers), may elect to defer to receive all or any part of the Shares underlying Restricted Share Units until one or more Deferred Payment Dates. Any other Participants may not elect a Deferred Payment Date.

4.6 Prior Notice of Deferred Payment Date

Participants who elect to set a Deferred Payment Date must, in respect of each such Deferred Payment Date, give the Company written notice of the Deferred Payment Date(s) not later than thirty (30) days prior to the expiration of the applicable Restricted Period. For certainty, Participants shall not be permitted to give any such notice after the day which is thirty (30) days prior to the expiration of the Restricted Period and a notice once given may not be changed or revoked. For the avoidance of doubt, the foregoing shall not prevent a Participant from electing an additional Deferred Payment Date, provided, however that notice of such election is given by the Participant to the Company not later than thirty (30) days prior to the expiration of the subject Restricted Period.

4.7 Resignation, Death or Disability

Subject to the applicable Restricted Share Unit Grant Letter and Section 4.12, in the event that a Participant resigns (which is not in connection with a constructive dismissal by the Corporation or a subsidiary of the Corporation, including a Director Retirement, Retirement or a voluntary withdrawal of services by a Service Provider), dies or resigns or is subject to a Termination as a result of Disability, no Restricted Share Units that have not Vested prior to such resignation, death or Termination, including dividend equivalent Restricted Share Units in respect of such Restricted Share Units, shall Vest and all such Restricted Share Units shall be forfeited immediately.

4.8 Termination of Employment Without Cause

Subject to the applicable Restricted Share Unit Grant Letter and Section 4.12, in the event a Participant is subject to Termination without cause (which shall include a constructive dismissal by the Company or a subsidiary of the Company), no Restricted Share Units that have not Vested prior to such Termination, including dividend equivalent Restricted Share Units in respect of such Restricted Share Units, shall Vest and all such Restricted Share Units shall be forfeited immediately.

4.9 Termination of Employment For Cause

In the event a Participant is subject to a Termination for cause by the Company or a subsidiary of the Company, no Restricted Share Units that have not Vested prior to the date of the Participant's Termination for cause, including dividend equivalent Restricted Share Units in respect of such Restricted Share Units, shall Vest, and all such Restricted Share Units shall be forfeited immediately, except only as may be required to satisfy the express minimum requirements of applicable employment or labour standards legislation. The Participant shall have no further entitlement to Restricted Share Units following the Termination and waives any claim to damages in respect thereof, whether related or attributable to any contractual or

common law termination entitlements or otherwise.

4.10 Payment of Dividends

Except as otherwise provided in the Restricted Share Unit Grant Letter, in the event that a cash dividend (other than an extraordinary or special dividend) is declared and paid by the Company on the Shares to shareholders of record as of a record date occurring during the period from the grant date of a Restricted Share Unit (as set out in the Restricted Share Unit Grant Letter) to the date of settlement of the Restricted Share Units, a number of dividend equivalent Restricted Share Units shall be credited to the Restricted Share Unit Account of the Participant. The number of such dividend equivalent Restricted Share Units will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Participant if the Restricted Share Units (including Restricted Share Units in which the Restricted Period has expired but such Restricted Share Units have not been settled) in the Participant's Restricted Share Unit Account on the dividend record date had been outstanding Shares (and the Participant held no other Shares) by (b) the Fair Market Value of the Shares on the date on which such dividends were paid. The additional Restricted Share Units granted to a Participant will be subject to the same terms and conditions, including with respect to Vesting and settlement, as the corresponding Restricted Share Units.

4.11 Blackout Period

If a Participant's Restricted Share Units would, in the absence of this Section 4.11, be settled within a Blackout Period applicable to such Participant, such settlement shall be postponed until the earlier of the tenth (10^{th}) business day following the date on which such Blackout Period ends and the otherwise applicable date for the settlement of the Participant's Restricted Share Units, as determined in accordance with Section 4.4 or Section 4.5.

4.12 Extension of Vesting

The Board may, at the time of Termination, resignation (including a Director Retirement, Retirement or a voluntary withdrawal of services by a Service Provider), death or Disability, extend the period for Vesting of Restricted Share Units for a period of time not to exceed 12 months following the date of a Participant's Termination, resignation (including a Director Retirement, Retirement or a voluntary withdrawal of services by a Service Provider), death or Disability, but not beyond the original end of the applicable Restricted Period.

4.13 No Rights to Shares

Restricted Share Units are not Shares and a grant of Restricted Share Units will not entitle a Participant to any shareholder rights, including, without limitation, voting rights, dividend entitlement or rights on liquidation.

4.14 Performance Share Units

Where a Restricted Share Unit is granted with Vesting subject to the satisfaction of specified Performance Conditions, such Restricted Share Unit shall be deemed a "**Performance Share Unit**". The Restricted Share Unit Grant Letter governing the grant of Performance Share Units shall set out the Performance Conditions to be achieved during any performance period and the length of any performance period, and such Performance Conditions may include a threshold level of performance below which no Vesting will occur, levels of performance at which specified

Vesting will occur or a maximum level of performance above which full Vesting will occur, all as set forth in the applicable Restricted Share Unit Grant Letter.

PART 5
DEFERRED SHARE UNITS

5.1 Deferred Share Unit Grants

The Board has the right to grant, in its sole and absolute discretion, Deferred Share Units to one or more Eligible Directors in a lump sum amount or on regular intervals, based on such formulas or criteria as the Board may from time to time determine, and on such other terms and conditions, consistent with this Plan, as the Board shall determine. The Board shall determine the Grant Value on the date of grant of a Deferred Share Unit. For purposes of calculating the number of Deferred Share Units to be granted, the Board shall value the Shares underlying such Deferred Share Units at not less than one hundred per cent (100%) of the Fair Market Value. The number of Deferred Share Units to be covered by each such grant of Deferred Share Units shall be determined by dividing the Grant Value for such grant by the Fair Market Value on the date of grant, rounded down to the next whole number.

5.2 Deferred Share Unit Grant Letter

Each grant of a Deferred Share Unit under this Plan shall be evidenced by a grant letter (a "**Deferred Share Unit Grant Letter**") issued to the Eligible Director by the Company and shall set forth, at a minimum, the grant date of the Deferred Share Units, the number of Deferred Share Units subject to such grant, the applicable Vesting conditions and the treatment of the grant upon a Director Termination, Director Retirement, resignation, death or Disability. Such Deferred Share Unit Grant Letter shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a Deferred Share Unit Grant Letter. The provisions of Deferred Share Unit Grant Letters issued under this Plan need not be identical.

5.3 Deferred Share Unit Account

An account, called a "**Deferred Share Unit Account**", shall be maintained by the Company, or a subsidiary of the Company, as specified by the Board, for each Eligible Director who has received a grant of Deferred Share Units and will be credited with such grants of Deferred Share Units as are received by an Eligible Director from time to time pursuant to Section 5.1, along with any dividend equivalent Deferred Share Units pursuant to Section 5.6. Deferred Share Units that fail to Vest to an Eligible Director or are forfeited, or that are settled, shall be cancelled and shall cease to be recorded in the Eligible Director's Deferred Share Unit Account as of the date on which such Deferred Share Units are forfeited or cancelled under the Plan or are settled, as the case may be.

5.4 Redemption of Deferred Share Units and Issuance of Shares

The Deferred Share Units held by each Eligible Director who is not a US Taxpayer shall be redeemed automatically and with no further action by the Eligible Director on the 20th business day following the Director Separation Date for that Eligible Director. For US Taxpayers, Deferred Share Units held by an Eligible Director who is a Specified Employee will be automatically redeemed with no further action by the Eligible Director on the date that is six months following

the Director Separation Date for the Eligible Director, or if earlier, upon such Eligible Director's death. Subject to the remaining provisions of this Section 5.4, upon redemption, the former Eligible Director shall be entitled to receive, and the Company shall issue, a number of Shares issued from treasury equal to the number of whole Deferred Share Units in the Eligible Director's account, subject to the payment or other satisfaction of all related withholding obligations in accordance with Part 6. No fractional Shares will be issued. In the event a Director Separation Date occurs during a year and Deferred Share Units have been granted to such Eligible Director for service for that entire year, the Eligible Director will only be entitled to a pro-rated Deferred Share Unit Payment in respect of such Deferred Share Units based on the number of days that he or she was an Eligible Director in such year.

No amount will be paid to, or in respect of, an Eligible Director under this Plan or pursuant to any other arrangement, and no other additional Deferred Share Units will be granted, to compensate for a downward fluctuation in the value of the Shares of the Company nor will any other benefit be conferred upon, or in respect of, an Eligible Director for such purpose.

Subject to the terms of the Deferred Share Unit Grant Letter and this Part 5, all Deferred Share Units that are not Vested and do not become Vested shall be immediately forfeited. For greater certainty, an Eligible Director shall have no right to receive Shares or a cash payment as compensation, damages or otherwise, whether related or attributable to any contractual or common law notice period or otherwise, with respect to any Deferred Share Units that do not become Vested or are forfeited hereunder.

5.5 Death of Participant

In the event of the death of an Eligible Director, the Deferred Share Units then credited to such Eligible Director's Deferred Share Unit Account shall be redeemed automatically and with no further action on the 20th business day following the death of an Eligible Director.

5.6 Payment of Dividends

Except as otherwise provided in the Deferred Share Unit Grant Letter, in the event that a cash dividend (other than an extraordinary or special dividend) is declared and paid by the Company on the Shares to shareholders of record as of a record date occurring during the period from the grant date of a Deferred Share Unit (as set out in the Deferred Share Unit Grant Letter) to the date of settlement of the Deferred Share Units, a number of dividend equivalent Deferred Share Units shall be credited to the Deferred Share Unit Account of the Eligible Director. The number of such dividend equivalent Deferred Share Units will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Eligible Director if the Deferred Share Units (including Deferred Share Units that have Vested but have not been settled) in the Participant's Deferred Share Unit Account on the dividend record date had been outstanding Shares (and the Participant held no other Shares) by (b) the Fair Market Value of the Shares on the date on which such dividends were paid. The additional Deferred Share Units granted to an Eligible Director will be subject to the same terms and conditions, including with respect to Vesting and settlement, as the corresponding Deferred Share Units.

5.7 Blackout Period

If an Eligible Director's Deferred Share Units would, in the absence of this Section 5.7, be settled within a Blackout Period applicable to such Eligible Director, such settlement shall be postponed until the earlier of the tenth (10th) business day following the date on which such

Blackout Period ends and the otherwise applicable date for the settlement of the Eligible Director's Deferred Share Units, as determined in accordance with Section 5.4 or Section 5.5.

5.8 No Rights to Shares

Deferred Share Units are not Shares and a grant of Deferred Share Units will not entitle an Eligible Director to any shareholder rights, including, without limitation, voting rights, dividend entitlement or rights on liquidation.

PART 6
WITHHOLDING TAXES

6.1 Withholding Taxes

So as to ensure that the Company or a subsidiary of the Company, as applicable, will be able to comply with the applicable obligations under any federal, provincial, state or local law relating to the withholding of tax or other required deductions, the Company or any subsidiary of the Company shall take such steps as are considered necessary or appropriate to so comply, including (a) withholding or causing to be withheld from an amount payable to a Participant, whether under the Plan or otherwise, such amount as may be necessary to permit the Company or any subsidiary of the Company to so comply, (b) selling on a Participant's behalf, or requiring a Participant to sell, Shares issued under this Plan, and retaining any amount payable which would otherwise be provided or paid to such Participant in connection with any such sale or (c) requiring, as a condition to the delivery of Share hereunder, that such Participant make such arrangements as the Company may require so that the Company and its subsidiaries can so comply, including requiring such Participant to remit an amount to the Company or a subsidiary of the Company in advance, or reimburse the Company or any subsidiary of the Company for payments made, in satisfaction of any such withholding obligations or other required deductions.

PART 7
GENERAL

7.1 Number of Shares

The aggregate number of Shares that may be issued under this Plan from treasury shall not exceed 20% of the outstanding issue from time to time. For the purposes of this Section 7.1, "outstanding issue" means the total number of Shares, on a non-diluted basis, that are issued and outstanding immediately prior to the date that any Shares are reserved for issuance pursuant to an Award. Where an Award is subject to Performance Conditions, the maximum aggregate number of Shares that might possible be issued pursuant to such Performance Conditions must be included in calculating the total number of Shares available for grant under the Plan. All dividend equivalent Restricted Share Units and Deferred Share Units shall also be included when computing the total number of Shares available for grant under the Plan.

7.2 Lapsed Awards

If any Awards shall expire, terminate or be cancelled for any reason without being exercised or settled in the form of Shares issued from treasury, subject to any restrictions that may be imposed by an Exchange, any unissued Shares to which such Award related shall be available for the purposes of the granting of further Awards under the Plan. Notwithstanding the foregoing, if Shares are issued pursuant to Section 3.5, the number of Options surrendered, and not the number of Shares actually issued by the Company, shall be included in computing the

total number of Shares available for grant under the Plan.

7.3 Adjustment in Shares Subject to this Plan

Notwithstanding any other provision of the Plan, and subject to applicable law, including, if necessary, the approval of any Exchange, if there is any change in the Shares through the declaration of a dividend (other than dividends in the ordinary course), through any consolidation, subdivision or reclassification of Shares, through any recapitalization, amalgamation, arrangement, merger, combination or exchange of Shares, through the distribution of rights to holders of Shares or any other relevant changes to the authorized or issued capital of the Company, if the Board shall determine that an equitable adjustment should be made, such adjustment shall, subject to applicable law, including, if necessary, the approval of any Exchange, be made by the Board to (i) the number of Shares subject to the Plan, (ii) the securities subject to any Award, (iii) any Options then outstanding, including the exercise price of any such Option and (iv) any Restricted Share Units or Deferred Share Units then outstanding, and such adjustment shall be effective, conclusive and binding for all purposes of this Plan.

No adjustment provided for pursuant to this Section 7.3 shall require the Company to issue fractional Shares or consideration in lieu thereof in satisfaction of its obligations under the Plan. Any fractional interest in a Share that would, except for the provisions of this Section 7.3, be deliverable upon the exercise or settlement of any Award shall be cancelled and not deliverable by the Company.

7.4 Change of Control

In the event of a Change of Control prior to the Vesting of an Award, and subject to the terms of a Participant's written employment agreement or contract for services with the Company or a subsidiary of the Company and the applicable instrument of grant evidencing an Award and applicable law, including, if required, the approval of any Exchange, the Board shall have full authority to determine, in its sole discretion, the effect, if any, of a Change of Control on the Vesting, exercisability, settlement or lapse of restrictions applicable to an Award, which effect may be specified in the applicable instrument of grant evidencing an Award or determined at a subsequent time. Subject to applicable law, including, if required, the approval of any Exchange, the Board shall, at any time prior to, coincident with or after the effective time of a Change of Control, take such actions as it may consider appropriate, including, without limitation:

(a) provide for the acceleration of any Vesting or exercisability of an Award;

(b) provide for the deemed attainment of Performance Conditions relating to an Award;

(c) provide for the lapse of restrictions relating to an Award;

(d) provide for the assumption, substitution, replacement or continuation of any Award by a successor or surviving entity (or a parent or subsidiary thereof) with cash, securities, rights or other property to be paid or issued, as the case may be, by the successor or surviving entity (or a parent or subsidiary thereof);

(e) provide that an Award shall terminate or expire unless exercised or settled in full on or before a date fixed by the Board; or

(f) terminate or cancel any outstanding Award in exchange for a cash payment (provided that, if as of the date of the Change of Control, the Board determines that no amount would have been realized upon the exercise or settlement of the Award, then the Award may be cancelled by the Company without payment of consideration).

7.5 Transferability

Any Awards accruing to any Participant in accordance with the terms and conditions of this Plan shall not be transferable unless specifically provided herein. During the lifetime of a Participant, all Awards may only be exercised by the Participant. Awards are non-transferable except by will or by the laws of descent and distribution.

7.6 Employment/ No Additional Rights

Nothing contained in this Plan or any agreement or instrument made or issued pursuant to this Plan shall confer upon any Participant any right with respect to employment or continuance of employment with or service or continued service to the Company or any Affiliate, to be entitled to any remuneration or benefits not set forth in the Plan or any agreement or instrument made or issued pursuant to this Plan or interfere in any way with the right of the Company or any Affiliate to terminate the Participant's employment or service arrangement at any time. Participation in this Plan by a Participant is voluntary.

Neither the designation of an individual as a Participant, nor the grant of any Award to any Participant, entitles any person to an Award, or any additional Award, as the case may be. For greater certainty, the Board's decision to approve an Award in any period shall not require the Board to approve an Award to any Participant in any other period; nor shall the Board's decision with respect to the size or terms and conditions of an Award in any period require it to approve an Award of the same or similar size or with the same or similar terms and conditions to any Participant in any other period. The Board shall not be precluded from approving an Award to any Participant solely because such Participant may have previously received an Award under this Plan or any other similar compensation arrangement of the Company or a subsidiary of the Company. No Eligible Director or Eligible Employee has any claim or right to receive an Award except as may be provided in a written employment or services agreement between an Eligible Director or Eligible Employee and the Company or a subsidiary of the Company.

7.7 Record Keeping

The Company shall maintain a register in which shall be recorded:

(a) the name and address of each Participant;

(b) the number of Awards granted to each Participant and relevant details regarding such Awards; and

(c) such other information as the Board may determine.

7.8 Amendments to Plan/Termination

The Board shall have the power to, at any time and from time to time, either prospectively or retrospectively, amend, modify, suspend or terminate this Plan or any Award granted under this

Plan without shareholder approval, including, without limiting the generality of the foregoing: changes of a clerical, grammatical or "housekeeping" nature, changes regarding the persons eligible to participate in this Plan, changes to the exercise price, Vesting, term and termination provisions of the Award, changes to the Net Settlement Right provisions, changes to the provisions relating to a Change in Control, changes to the authority and role of the Board under this Plan, and any other matter relating to this Plan and the Awards that may be granted hereunder, provided however that:

(a) such amendment, modification, suspension or termination is in accordance with applicable laws and the rules of any Exchange;

(b) no amendment to this Plan or to an Award granted hereunder will have the effect of impairing, derogating from or otherwise adversely affecting the terms of an Award which is outstanding at the time of such amendment without the written consent of the holder of such Award, provided that holder consent shall not be required where the amendment is required for purposes of compliance with applicable law;

(c) the terms of an Option will not be amended once issued; and

(d) the expiry date of an Option Period in respect of an Option shall not be more than ten years from the date of grant of an Option, except as expressly provided in Section 3.4.

Notwithstanding the foregoing, the Board may amend the Plan and any Award without the approval of shareholders or Participants in order to satisfy the requirements of any Exchange.

If this Plan is terminated, the provisions of this Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Award or any rights pursuant thereto remain outstanding and, notwithstanding the termination of this Plan, the Board shall remain able to make such amendments to this Plan or the Award as they would have been entitled to make if this Plan were still in effect.

7.9 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of this Plan.

7.10 Section 409A

It is intended that any payments under this Plan to US Taxpayers shall be exempt from or comply with Section 409A of the Code, and all provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes and penalties under Section 409A of the Code.

7.11 Compliance with Applicable Law, etc.

The Company's obligation to deliver (or cause to be delivered) any Shares hereunder is subject to compliance with applicable law. Each Participant acknowledges and agrees (and shall be conclusively deemed to have so acknowledged and agreed by participating in the

Plan) that the Participant will, at all times, act in strict compliance with applicable law and all other laws and any policies of the Company applicable to the Participant in connection with the Plan, including, without limitation, any insider trading policies of the Company, and to furnish the Company all information and undertakings as may be required to permit compliance with applicable law.

7.12 Term of the Plan

This Plan shall remain in effect until it is terminated by the Board.

PART 8
ADMINISTRATION OF THIS PLAN

8.1 Administration by the Board

(a) Unless otherwise determined by the Board, this Plan shall be administered by the Board or a Board committee designated by the Board in accordance with its terms and subject to applicable law.

(b) The Board (or Board committee, as the case may be) shall have full and complete discretionary authority, where consistent with the general purpose and intent of this Plan and subject to the specific provisions of this Plan and applicable law, including the policies of any Exchange, in addition to any authority of the Board specified under any other terms of the Plan, to:

(i) interpret the Plan and instruments of grant evidencing Awards (including Restricted Share Unit Grant Letters and Deferred Share Unit Grant Letters);

(ii) prescribe, adopt, rescind and amend such rules and regulations and make all determinations necessary or desirable for the administration and interpretation of this Plan and instruments of grant evidencing awards, including (A) requiring, as a condition of any such Award, the Participant receiving the Award to complete any requisite forms or filings required by applicable law and (B) such rules and regulations as are necessary to ensure that Eligible Employees are eligible to receive Awards hereunder;

(iii) correct any defect or supply any omission or reconcile any inconsistency in this Plan or in any related agreement or instrument in the manner and to the extent it shall deem expedient to carry this Plan into effect;

(iv) determine those Eligible Directors and Eligible Employees who may receive Awards as Participants, grant one or more Awards to such Participants and approve or authorize the applicable form and terms of the related instruments of grant evidencing such Awards;

(v) determine the terms and conditions of Awards granted to any Participant, including, without limitation, as applicable (A) the number of Shares subject to an Award, (B) the exercise price for Shares subject to an Option, (C) the conditions to the Vesting of an Award or any portion thereof, including, as applicable, the period for achievement of any

applicable Performance Conditions as a condition to Vesting and the conditions, if any, upon which Vesting of any Award or portion thereof will be waived or accelerated without any further action by the Board, (D) the circumstances upon which an Award or any portion thereof shall be forfeited, cancelled or expire, (E) the consequences of a Termination with respect to an Award, (F) the manner of exercise or settlement of the Vested portion of an Award and (G) whether, and the terms upon which, any Shares delivered upon exercise or settlement of an Award must be held by a Participant for any specified period of time;

(vi) determine whether, and the extent to which, any Performance Conditions or other conditions applicable to the Vesting of an Award have been satisfied or shall be waived or modified;

(vii) make such rules, regulations and determinations as it deems appropriate under the Plan in respect of any leave of absence or Disability of any Participant. Without limiting the generality of the foregoing, the Board shall be entitled to determine (A) whether or not any such leave of absence shall constitute a Termination within the meaning of the Plan and (B) the impact, if any, of any such leave of absence on Awards issued under the Plan made to any Participant who takes such leave of absence (including, without limitation, whether or not such leave of absence shall cause any Awards to expire and the impact upon the time or times such Awards shall be exercisable);

(viii) amend the terms of any instruments of grant evidencing Awards;

(ix) delegate, in whole or in part, any of its responsibilities, rights or powers under this Plan to a Board committee, on terms and conditions as it may determine and, the Board may appoint or engage a trustee, custodian or administrator to administer or implement the Plan or any aspect of it; and

(x) otherwise exercise the powers under this Plan as set forth herein.

(c) Provided that they are made in accordance with this Plan and applicable law, including the policies of any Exchange, all determinations, interpretation, constructions, rules, regulations or other acts of the Board (or Board committee, as the case may be) shall be final and conclusive and binding on all persons subject to the Plan.

(d) Subject to Section 7.8, the Board (or a Board committee, as the case may be) may, from time to time, amend the Plan for the purpose of establishing one or more sub-plans for the benefit of Eligible Directors or Eligible Employees who are subject to the laws of a jurisdiction other than Canada in connection with their participation in the Plan. The Board (or a Board committee, as the case may be) may also prescribed terms for any instruments of grant evidencing Awards in respect of Eligible Directors or Eligible Employees who are subject to the laws of a jurisdiction other than Canada in connection with their participation in the Plan that are different than the terms of the instruments of grant evidencing Awards for Eligible Directors or Eligible Employees who are subject to the laws of Canada and/or deviate from the terms of the Plan set out herein, for the purpose of

compliance with applicable law in such other jurisdiction or where, in the Board's (or the Board committee's, as the case may be) opinion, such terms or deviations are necessary or desirable to obtain more advantageous treatment for the Company a subsidiary of the Company or the Eligible Director or Eligible Employee in respect of the Plan under the applicable law of the other jurisdiction. Notwithstanding the foregoing, the terms of any instruments of grant evidencing Awards authorized pursuant to this Section 8.1(d) shall be consistent with the Plan to the extent practicable, having regard to the applicable law of the jurisdiction in question and in no event shall contravene any such applicable law.

SCHEDULE “M”

PAN AMERICAN ENERGY CORP.
(the “Company”)

LEGACY LITHIUM CORP. - AUDIT COMMITTEE CHARTER

See attached.

AUDIT COMMITTEE CHARTER

(*Approved by the Board of Directors on March 3, 2023)*

LEGACY LITHIUM CORP.

AUDIT COMMITTEE CHARTER

1. PURPOSE

The main purpose of the Audit Committee (the **"Committee"**) of the Board of Directors (the **"Board"**) of Legacy Lithium Corp. (the **"Company"**) is to assist the Board in fulfilling its statutory responsibilities in relation to internal control and financial reporting, and to carry out certain oversight functions on behalf of the Board, including the oversight of:

(a) the integrity of the Company's financial statements and other financial information provided by the Company to securities regulators, governmental bodies and the public to ensure that the Company's financial disclosures are complete, accurate, in accordance with International Financial Reporting Standards (**"IFRS"**) as issued by the International Accounting Standards Board and interpretations by the International Financial Reporting Interpretations Committee and fairly present the financial position and risks of the Company;

(b) assessing the independence, qualifications and performance of the Company's independent auditor (the **"Auditor"**), appointing and replacing the Auditor, overseeing the audit and non-audit services provided by the Auditor and approving the compensation of the Auditor;

(c) Senior Management's (as defined below) responsibility for assessing and reporting on the effectiveness of internal controls;

(d) financial matters and management of financial risks;

(e) compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information;

(f) the prevention and detection of fraudulent activities; and

(g) investigation of complaints and submissions regarding accounting or auditing matters and unethical or illegal behavior,

all as delegated by the Board, whether pursuant to this charter or otherwise.

The Committee provides an avenue for communication between the Auditor, the Company's executive officers and other senior managers (**"Senior Management"**) and the Board, and has the authority to communicate directly with the Auditor. The Committee shall have a clear understanding with the Auditor that they must maintain an open and transparent relationship with the Committee. The Auditor is ultimately accountable to the Committee and the Board.

It is the intention of the Board, through the Committee, that the external audit will be conducted independently of Senior Management to ensure that the Auditor serves the interests of shareholders rather than the interests of Senior Management.

2. COMPOSITION

(a) The Committee shall consist of at least three members of the Board.

(b) At least two (2) members of the Committee shall be "independent" in accordance with Sections 1.4 and 1.5 of National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), which sections are reproduced in Appendix "A" of this charter, and the Board shall endeavour to appoint a majority of "independent" directors to the Committee who, in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. All members of the Committee that are not "financially literate" in accordance with the definition set out in Section 1.6 of NI 52-110, which definition is reproduced in Appendix "A" of this charter, will work towards becoming "financially literate" to obtain a working familiarity with basic finance and accounting practices applicable to the Company.

For purposes of subparagraph **Error! Reference source not found.** above, the position of non-executive Chair of the Board is considered to be an executive officer of the Company.

Committee members and the chair of the Committee (the **"Committee Chair"**) shall be appointed annually by the Board at the first Board meeting that is held after every annual general meeting of the Company's shareholders, provided that if the composition of the Committee is not so determined, each director who was then serving as a member of the Committee shall continue as a member of the Committee until their successor is appointed. If a Committee Chair is not appointed by the Board, the members of the Committee shall designate a Committee Chair by majority vote of the full Committee membership, provided that if the designation of the Committee Chair is not made, then the director who was then serving as Committee Chair shall continue as Committee Chair until their successor is appointed. Each member of the Committee shall serve at the pleasure of the Board, until the member resigns, is removed or ceases to be a member of the Board. The Board may, at any time, remove or replace any member of the Committee and may fill any vacancy on the Committee.

If a Committee member simultaneously serves on the audit committees of more than two other public companies, the Committee shall seek the Board's determination as to whether such simultaneous service would impair the ability of such member to effectively serve on the Committee and ensure that such determination is disclosed in the Company's management information circular.

3. MEETINGS

The Committee shall meet at least once per financial quarter and as many additional times as the Committee deems necessary to carry out its duties effectively.

The Committee shall meet:

(a) within 60 days following the end of each of the first three financial quarters to review and discuss the unaudited financial results for the preceding quarter and the related management's discussion and analysis (**"MD&A"**); and

(b) within 120 days following the end of the Company's fiscal year end to review and discuss the audited financial results for the year and related MD&A.

As part of its job to foster open communication, as the Committee deems appropriate, the Committee shall periodically meet, at unscheduled or regularly scheduled meetings or portions of meetings, in executive sessions or otherwise, with Senior Management and the Auditor in separate sessions to discuss

any matters that the Committee or any of these groups believe should be discussed privately. Notwithstanding the foregoing, at least once per year, the Committee shall meet with Senior Management to discuss any matters that the Committee or Senior Management consider appropriate.

A majority of the members of the Committee shall constitute a quorum for any Committee meeting. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by unanimous written consent of the Committee members. Members may be present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

The Committee Chair shall preside at each Committee meeting. In the event the Committee Chair is unable to attend or chair a Committee meeting, the Committee will appoint a chair for that meeting from the other Committee members.

A Committee member other than the Committee Chair, or such individual as appointed by the Committee, shall act as secretary for the Committee (the **"Committee Secretary"**) and, upon receiving a request to convene a Committee meeting from any Committee member, the Auditor, the Board or any member of Senior Management, shall arrange for such meeting to be held.

The Committee Chair, in consultation with the other Committee members, shall set the agenda of items to be addressed at each Committee meeting. The Committee Secretary shall ensure that the agenda and any supporting materials for each upcoming Committee meeting are circulated to each Committee member in advance of such meeting. As part of each meeting of the Committee, the Committee shall hold an *in camera* session, at which management and non-independent directors of the Board are not present, and the agenda for each Committee meeting will afford an opportunity for such a session.

The Auditor is entitled to receive notice of, to attend and be heard at each Committee meeting. In addition, the Committee may invite such officers, directors and employees of the Company and other advisors as it may see fit from time to time to attend at one or more Committee meetings and assist in the discussion and consideration of any matter. For purposes of performing their duties, members of the Committee shall, upon request, have immediate and full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the duties and responsibilities of the Committee with officers, directors and employees of the Company, with the Auditor and with other advisors subject to appropriate confidentiality agreements being in place.

Unless otherwise provided herein or as directed by the Board, proceedings of the Committee shall be conducted in accordance with the Articles of the Company or, if the articles are silent, with the rules applicable to meetings of the Board.

4. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board and the Articles of the Company, in order to carry out its oversight responsibilities, the Committee shall have the functions and responsibilities set out below. In addition to these functions and responsibilities, the Committee shall perform the functions and responsibilities required of an audit committee by any exchange upon which securities of the Company are traded or any governmental or regulatory body exercising authority over the Company as are in effect from time to time.

4.1 **Financial Reporting Process** – In general, the Committee is responsible for overseeing the Company's financial statements and financial disclosures, including the following, having regard for the fact that management is responsible for the preparation, presentation and integrity of the Company's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Company, and that the Company's Auditor is responsible for auditing the Company's annual financial statements and may be responsible for reviewing the Company's unaudited interim financial statements:

(a) Regularly review the Company's critical accounting policies followed and critical accounting and other significant estimates and judgments underlying the Company's financial statements, including any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements of the Company.

(b) Consider the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

(c) Review Senior Management's process for formulating sensitive accounting estimates and the reasonableness of these estimates.

(d) Review with the Auditors alternative accounting treatments that have been discussed with Senior Management.

(e) Consider any matter required to be communicated to the Committee by the Auditor under generally accepted auditing standards, applicable law and stock exchange rules, if applicable, or any other matters related to the financial statements that are brought forward by the Auditor or Senior Management, including the Auditor's report to the Committee (and the response of Senior Management thereto) and specifically:

  (i) the contents of such report;

  (ii) the scope and quality of the audit work performed;

  (iii) adequacy of the Company's financial and auditing personnel;

  (iv) co-operation received from the Company's personnel during the audit;

  (v) internal resources used;

  (vi) significant transactions outside of the normal business of the Company;

  (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and

  (viii) the non-audit services provided by the Auditors.

(f) Discuss with the Auditor and Senior Management, at least annually, their views about the quality, not just the acceptability, of accounting principles and policies used by the Company, including estimates and judgements made by Senior Management and their selection of accounting principles, and whether there are any concerns relative to the quality or aggressiveness of Senior Management's accounting policies.

(g) Discuss with Senior Management and the Auditor:

(i) any recorded and unrecorded audit adjustments;

(ii) any accounting adjustments that were noted or proposed (immaterial or otherwise) by the Auditor but were not reflected in the financial statements;

(iii) any material correcting adjustments that were identified by the Auditor in accordance with IFRS or applicable law;

(iv) any communication reflecting a difference of opinion between the audit team and the Auditor's national office on material auditing or accounting issues raised by the engagement; and

(v) any "management" or "internal control" letter issued, or proposed to be issued, by the Auditor to the Company.

(h) Discuss with Senior Management and the Auditor any significant financial reporting issues considered during the fiscal period and the method of resolution, and resolve disagreements between Senior Management and the Auditor regarding financial reporting.

(i) Review with Senior Management and the Auditor:

(i) any off-balance sheet financing mechanisms being used by the Company and their effect on the Company's financial statements; and

(ii) the effect of regulatory and accounting initiatives on the Company's financial statements, including the potential impact of proposed initiatives, requirements relating to complex or unusual transactions, significant changes to accounting principles and alternative treatments under IFRS.

(j) Review with Senior Management any significant changes in IFRS, as well as emerging accounting and auditing issues, and their potential effects.

(k) Review with Senior Management and the Auditor and legal counsel, if necessary, any litigation, claim or other contingency, including tax assessments, that could have a material effect on the financial statements of the Company, and the manner in which these matters have been disclosed or reflected in the financial statements.

(l) Review with Senior Management matters that may have a material effect on the financial statements.

(m) Review the factors identified by Senior Management as factors that may affect future financial results.

(n) Review with the Auditor any audit problems or difficulties experienced by the Auditor in performing the audit, including any restrictions or limitations imposed by Senior Management, and the response of Senior Management, and resolve any disagreements between Senior Management and the Auditor regarding these matters.

(o) Review the results of the Auditor's work, including findings and recommendations, Senior Management's response and any resulting changes in accounting practices or policies and the impact such changes may have on the financial statements.

(p) Review and discuss with Senior Management and the Auditor the audited annual financial statements, the Auditor's report thereon and the related MD&A and, after completing its review, if advisable, the Committee shall make recommendations to the Board with respect to approval thereof before their release to the public.

(q) Review and discuss with Senior Management and, if such financial statements are reviewed, the Auditor all interim unaudited financial statements, including the impact of unusual items and changes in accounting principles, the review report, if any, prepared thereon and the related interim MD&A and, after completing its review, if advisable, the Committee shall make recommendations to the Board with respect to the approval thereof before their release to the public.

(r) In connection with Sections 4.1 and 5.1 of National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**"NI 52-109"**), obtain confirmation from the Chief Executive Officer (**"CEO"**) and the Chief Financial Officer (**"CFO"**) (and considering the Auditor's comments, if any, thereon) to their knowledge, having exercised reasonable diligence:

(i) that the audited financial statements, together with any financial information included in the annual MD&A and annual information form, fairly present in all material respects the Company's financial condition, financial performance and cash flows; and

(ii) that the interim financial statements, together with any financial information included in the interim MD&A, fairly present in all material respects the Company's financial condition, financial performance and cash flows.

(s) Review news releases to be issued in connection with the audited annual financial statements and related MD&A and the interim unaudited financial statements and related interim MD&A, before being disseminated to the public.

(t) Review financial disclosure in a prospectus or other securities offering document of the Company, as well as press releases disclosing, or based upon, financial results of the Company and any other publicly disseminated material financial disclosure, including material financial outlook (e.g. earnings guidance) and future-oriented financial information (e.g., forecasted financial information) provided to analysts, rating agencies or otherwise publicly disseminated, and material non-IFRS financial measures.

(u) Review and approve any disclosure regarding the Committee required by applicable laws in the Company's public disclosure documents.

(v) Review regulatory filings and decisions as they relate to the Company's financial statements.

(w) Ensure that satisfactory procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess those procedures.

(x) Review the appointment of the CFO and have the CFO report to the Committee on the qualifications of new key financial personnel involved in the financial reporting process.

4.2 Internal Controls

(a) The Committee shall require Senior Management to implement and maintain appropriate systems of internal controls in accordance with applicable laws, including internal controls over financial reporting and disclosure and to review, evaluate and approve these procedures.

(b) The Committee shall consider and review with Senior Management and the Auditor, at least annually, the adequacy and effectiveness of, or weaknesses or deficiencies in, the design or operation of the Company's internal controls over accounting and financial reporting within the Company, the overall control environment for managing business risks and accounting, financial and disclosure controls, non-financial controls, legal and regulatory controls, management reporting, the policies and business practices of the Company which impact on the financial integrity of the Company, including those relating to internal auditing, insurance and accounting information services and systems, and the impact of any identified weaknesses in any of the foregoing;

(c) The Committee shall consider and review with Senior Management and the Auditor, at least annually, any proposed significant changes in internal controls over financial reporting that are disclosed, or considered for disclosure, including those in the Company's periodic regulatory filings.

(d) The Committee shall consider and discuss any Auditor's comments on the Company's internal controls, together with Senior Management responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

(e) The Committee shall discuss, at least annually, with Senior Management and the Auditor any material issues raised by any inquiry or investigation by the Company's regulators any other material issues as to the adequacy of the Company's internal controls and any special audit steps in light of any such issues.

(f) The Committee shall consider and review with Senior Management and the Auditor, at least annually, the Company's fraud prevention and detection program, including deficiencies in internal controls that may impact the integrity of financial information, or may expose the Company to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against management or other employees who have a significant role in financial reporting.

(g) The Committee shall review annually the Company's disclosure controls and procedures.

(h) The Committee shall receive confirmation from the CEO and the CFO of the effectiveness of disclosure controls and procedures, and whether there are any significant deficiencies and

material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information or any fraud, whether or not material, that involves Senior Management or other employees who have a significant role in the Company's internal control over financial reporting. In addition, receive confirmation from the CEO and the CFO that they are prepared to sign the annual and quarterly certificates required by Sections 4.1 and 5.1 of NI 52-109, as amended from time to time.

(i) The Committee shall periodically review the Company's financial and auditing procedures, including policies and procedures used in the preparation of the Company's financial statements and other required disclosure documents, and the extent to which recommendations made by the Auditor have been implemented, and consider recommendations for any material change to such policies and procedures.

4.3 The Auditor

Oversight

(a) The Committee shall be directly responsible for the oversight of the work of the Auditor, including the Auditor's work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work. When a change of Auditor is proposed, the Committee shall review all issues related to the change, including the information required to be disclosed by applicable legal requirements, and the planned steps for an orderly transition.

Qualifications and Selection

(b) The Committee shall review and, if advisable, recommend for Board approval the Company's Auditor to be nominated and shall approve the compensation of such Auditor. The Committee shall have ultimate authority to approve all audit engagement terms and fees, including the Auditor's audit plan.

(c) The Committee shall instruct the Auditor that:

(i) they are ultimately accountable to the Board and the Committee; and

(ii) they must report directly to the Committee.

(d) The Committee shall ensure that the Auditor has direct and open communication with the Committee and that the Auditor meets with the Committee once each financial quarter without the presence of Senior Management to discuss any matters that the Committee or the Auditor believe should be discussed privately.

(e) The Committee shall evaluate the Auditor's qualifications, performance and independence. As part of that evaluation:

(i) at least annually, request and review a formal report by the Auditor describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry

or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;

(ii) annually, and before the Auditor issues their report on the annual financial statements, obtain from the auditors a formal written statement describing all relationships between the Auditor and the Company and confirming that the Auditor is objective and independent within the meaning of the applicable rules of professional conduct/code of ethics adopted by the provincial institute or order of chartered accountants to which the auditors belong and other applicable requirements; and review, discuss and confirm with Senior Management and the Auditor any disclosed relationships that may affect the objectivity and independence of the Auditors, the amount of fees received by the Auditors for the audit services, the extent of non-audit services and fees therefor, the extent to which the compensation of the audit partners of the Auditor is based upon selling non-audit services, the timing and process for implementing the rotation of the lead audit partner, reviewing partner and other partners providing audit services for the Company and whether there should be a regular rotation of the audit firm itself;

(iii) annually review and evaluate senior members of the audit team of the Auditor, including their expertise and qualifications; in making this evaluation, the Committee should consider the opinions of Senior Management;

(iv) at least annually, discuss with the Auditor such matters as are required by applicable auditing standards to be discussed by the Auditor with the Committee; and

(v) regularly assess the effectiveness of the working relationship of the Auditor with Senior Management.

The Committee shall take appropriate action to oversee the independence of the Auditor. Conclusions on the independence of the Auditor should be reported by the Committee to the Board.

(f) The Committee shall approve and review, and verify compliance with, the Company's policies for hiring of partners, former partners, employees and former employees of the Auditor and former auditors. Such policies shall include, at minimum, a one-year hiring "cooling off" period.

Other Matters

(g) The Committee shall meet with the Auditor to review and approve the annual audit plan of the Company's financial statements prior to the annual audit being undertaken by the Auditor, including reviewing the year-to-year co-ordination of the audit plan and the planning, staffing and extent of the scope of the annual audit. This review should include an explanation from the Auditor of the factors considered by the Auditor in determining their audit scope, including major risk factors. The Auditor shall report to the Committee all significant changes to the approved audit plan.

(h) To the extent that the Company's financial statements are reviewed, the Committee shall review the review report in respect of each of the interim financial statements of the Company.

(i) The Committee shall review and pre-approve in advance any and all audit and permissible non-audit services to be performed by the Auditor, and the associated and engagement fees and terms in accordance with applicable law, including those provided to the Company's subsidiaries by the Auditor or any other person in its capacity as independent auditor of such subsidiary. The Committee shall consider the impact of such service and fees on the independence of the Auditor. Between scheduled Committee meetings, the Committee Chair, on behalf of the Committee, is authorized to pre-approve any audit or non-audit services and engagement fees and terms up to $25,000. At the next Committee meeting, the Committee Chair shall report to the Committee on any such pre-approval given.

(j) The Committee shall review all reportable events, including disagreements, unresolved issues and consultations with the Auditor, whether or not there is to be a change of auditors, and receive and review all reports prepared by the auditors.

(k) The Committee shall establish and adopt procedures for all of the foregoing matters.

4.4 Compliance

(a) The Committee shall monitor compliance by the Company with all payments and remittances required to be made in accordance with applicable law, where the failure to make such payments could render the Company's directors personally liable.

(b) The Committee shall review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information.

(c) The Committee shall receive regular updates from Senior Management regarding compliance with applicable laws and regulations, the effectiveness of the process in place to monitor such compliance, any material communications received from regulators and Senior Management's plans to remediate any deficiencies identified; provided that such oversight shall exclude legal compliance matters subject to the oversight of the Corporate Governance and Nominating Committee of the Board, if any.

(d) The Committee shall establish and oversee the procedures in the Company's Whistleblower Policy to address:

(i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters or unethical or illegal behaviour; and

(ii) confidential, anonymous submissions by employees of concerns regarding questionable accounting and auditing matters or unethical or illegal behaviour.

Any such complaints or concerns that are received shall be reviewed by the Committee and, if the Committee determines that the matter requires further investigation, it will direct the

Committee Chair to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with Board and (if appropriate) Senior Management and legal counsel to reach a satisfactory conclusion.

(e) The Committee shall ensure that political and charitable donations conform with policies and budgets approved by the Board.

(f) The Committee shall oversee Senior Management's identification and assessment of the principal risks to the operations of the Company and the establishment and management of appropriate systems to manage such risks, with a view to achieving a proper balance between risks incurred and potential return to holders of securities of the Company and to the long-term viability of the Company. In this regard, the Committee shall require Senior Management to report on a quarterly basis to the Committee, and the Committee shall review such reports provided by Senior Management, on the risks inherent in the business of the Company (including appropriate crisis preparedness, business continuity, information system controls, cybersecurity and disaster recovery plans), the appropriate degree of risk mitigation and risk control, overall compliance with and the effectiveness of the Company's risk management policies and residual risks remaining after implementation of risk controls. The Committee shall report to the Board on a quarterly basis, with respect to the principal risks faced by the Company and the steps implemented by management to manage these risks.

(g) The Committee shall monitor the management of hedging, debt and credit, make recommendations to the Board respecting policies for management of the risks associated with such financial instruments and review the Company's compliance therewith.

(h) The Committee shall approve the review and approval process for the expenses submitted for reimbursement by the CEO.

4.5 Financial Oversight

(a) The Committee shall assist the Board in its consideration and ongoing oversight of matters pertaining to:

(i) capital structure and funding, including finance and cash flow planning;

(ii) capital management planning and initiatives;

(iii) property and corporate acquisitions and divestitures including proposals which may have a material impact on the Company's capital position;

(iv) the Company's annual budget;

(v) the Company's insurance program;

(vi) directors' and officers' liability insurance and indemnity agreements; and

(vii) matters the Board may refer to the Committee from time to time.

4.6 Other

(a) The Committee shall perform such other duties as may be specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations.

(b) The Committee shall annually review and assess the adequacy of its charter and recommend any proposed changes to the Corporate Governance and Nominating Committee.

(c) The Committee shall review its own performance annually, and provide the results of such evaluation to the Board for its review.

(d) The Committee shall review the Company's policies relating to the avoidance of conflicts of interest and review and approve all payments to be made pursuant to any related party transactions involving executive officers and members of the Board or any significant shareholders of the Company, as may be necessary or desirable under applicable laws. The Committee shall consider the results of any review of these policies and procedures by the Auditor.

5. AUTHORITY

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to:

a. conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities and duties as described above;

b. select, retain and terminate special or independent counsel, accountants, consultants or other experts, as it deems appropriate, and set and approve the fees and other retention terms of any such counsel, accountants, consultants or other experts; and

c. obtain appropriate funding to pay, or approve the payment of, such approved fees, without seeking approval of the Board or Senior Management, but with notice to the Board.

The Committee may, to the extent permissible by applicable laws, designate a sub-committee to review any matter within this mandate as the Committee deems appropriate.

6. ACCOUNTABILITY

The Committee Chair shall make periodic reports to the Board, as requested by the Board, on matters that are within the Committee's area of responsibility.

The Committee shall maintain minutes or other records of its meetings and activities in sufficient detail as to convey the substance of all discussions held, and shall provide an oral report to the Board at the next Board meeting that is held after a Committee meeting.

7. NO RIGHTS CREATED

This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Company. While it should be interpreted in the context of all applicable laws, as well as in the context of the Company's articles and notice of articles, it is not intended to establish any legally binding obligations.

Appendix "A"

Definitions from National Instrument 52-110 Audit Committees

Section 1.4 Meaning of Independence

(1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.

(2) For the purposes of subsection (1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgement.

(3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:

(a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;

(b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;

(c) an individual who:

(i) is a partner of a firm that is the issuer's internal or external auditor,

(ii) is an employee of that firm, or

(iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;

(d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:

(i) is a partner of a firm that is the issuer's internal or external auditor,

(ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or

(iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;

(e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and

(f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than $75,000 in direct compensation from the issuer during any 12 month period within the last three years.

(4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because

(a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or

(b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.

(5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.

(6) For the purposes of clause (3)(f), direct compensation does not include:

(a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and

(b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

(7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member

(a) has previously acted as an interim chief executive officer of the issuer, or

(b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.

(8) For the purpose of Section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

Section 1.5 Additional Independence Requirements

(1) Despite any determination made under Section 1.4, an individual who

(a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or

(b) is an affiliated entity of the issuer or any of its subsidiary entities, is considered to have a material relationship with the issuer.

(2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by

(a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or

(b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.

(3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

Section 1.6 Meaning of Financial Literacy

For the purposes of this Instrument, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.