

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

**Item 1            Name and Address of Company**

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

**Item 2            Date of Material Change**

May 24, 2023.

**Item 3            News Release**

The Company disseminated a news release announcing the material change described herein through the news dissemination services of Globe Newswire on May 24, 2023, and a copy was subsequently filed on SEDAR.

**Item 4            Summary of Material Change**

The Company announced the drill results from its initial exploratory subsurface drill program, Phase 1, at its Horizon Lithium Project (“**Horizon**”) in Big Smoky Valley, Nevada consisting of eleven targeted diamond core drill holes on the Company’s 17,334 acres of claims (the “**Claims**”).

**Item 5            Full Description of Material Change**

**5.1                Full Description of Material Change**

The Company announced positive drill results from its initial exploratory subsurface drill program, Phase 1, at Horizon in Big Smoky Valley, Nevada. The program involved targeted drilling in strategic locations based on extensive geological research conducted by the Company’s strategic contractor partner, RESPEC (“**RESPEC**”). This initial exploratory drilling program consisted of eleven targeted diamond core drill holes on the Claims.

**Highlights from this Phase 1 drilling program include:**

- Peak lithium grade of 2,040 ppm;
- 1,118 intervals of lithium-bearing Siebert Fm. sent for assay with 63% returning grades at or above 300 ppm and 44% greater than 600 ppm of lithium;
- Total of 7,486.5 ft drilled with outstanding core recovery of Siebert Fm. exceeding 98%;
- Setup and implementation of a streamlined core processing facility in Tonopah, NV to provide geotechnical and lithologic logging, core cutting & storage, and sample selection & preparation;
- Phase 1 operational success included controlled surface disturbance, minimized environmental impact, and respectable performance by KB Drilling, Inc.; and
- Drilling was halted on drill hole HL018 at 162 ft and is being evaluated for re-entry.

**Lithium Concentrations:** Lithium concentrations presented in the table below incorporate no cut-off reflecting a more robust weighted average of the full dataset per hole. Assay results indicated excellent core recovery and encountered high lithium concentrations with thick zones of mineralization.

**Shallow Overburden:** The alluvium cover on the property is comparable to industry peers with a similar range of depths. Of the distribution of fifty-five (55) samples taken from depths shallower than 130 ft, 21 of such samples have ppm values over 300 ppm of lithium.

**Depth of Mineralization:** Drill holes were advanced as far as 998 ft depth, doubling the regional peer standard total depth of approximately 500 ft. In doing so, the Company demonstrated that lithium mineralization extends to a more

significant range. In addition, lithium bearing claystone at Horizon is extensive and several decimeters thick. The bedrock of the Siebert Formation was not encountered allowing for further exploration at depth.

**Deposit Significance:** The Company is thrilled by the presence of exceptional lithium concentrations observed in the thorough exploratory drill holes and sample depths. This exciting discovery validates the Company’s geological hypotheses and is motivation to expedite further exploration and assessment of these claims.

**Future Plans:** Building upon the outcomes of the Phase 1 program, the Company has begun drilling the Phase 2 comprehensive step-out drill program. This next phase will focus on gaining a better understanding of the deposit. By conducting additional drilling and obtaining more data during Phase 2, the Company will be able to determine the overall grade and thickness of the lithium deposit in the immediate area. These crucial findings will enable the Company to advance the deposit towards a quantified resource assessment and position the Company for follow-on exploration programming across the rest of Horizon.

**Table 1: Summary of Phase 1 Exploration Results**

Hole ID	From (ft)	To (ft)	Drilled Siebert Thickness (ft)	Weighted Li Grade (ppm)	Peak Li Grade (ppm)
HL005	448.0	908.0	460.0	809	1,785
HL006	215.0	908.0	693.0	762	1,810
HL007	120.0	998.0	878.0	776	1,485
HL008	126.0	424.0	298.0	753	2,040
HL009	59.0	600.0	541.0	173	459
HL010	74.0	989.0	915.0	185	928
HL018	Siebert not intercepted				
HL019	435.0	698.0	263.0	248	703
HL020	74.5	598.0	523.5	880	1,740
HL021	100.0	600.0	500.0	699	1,300
HL022	89.0	601.5	512.5	345	960

ppm = parts per million

(a) No cut off grade enforced

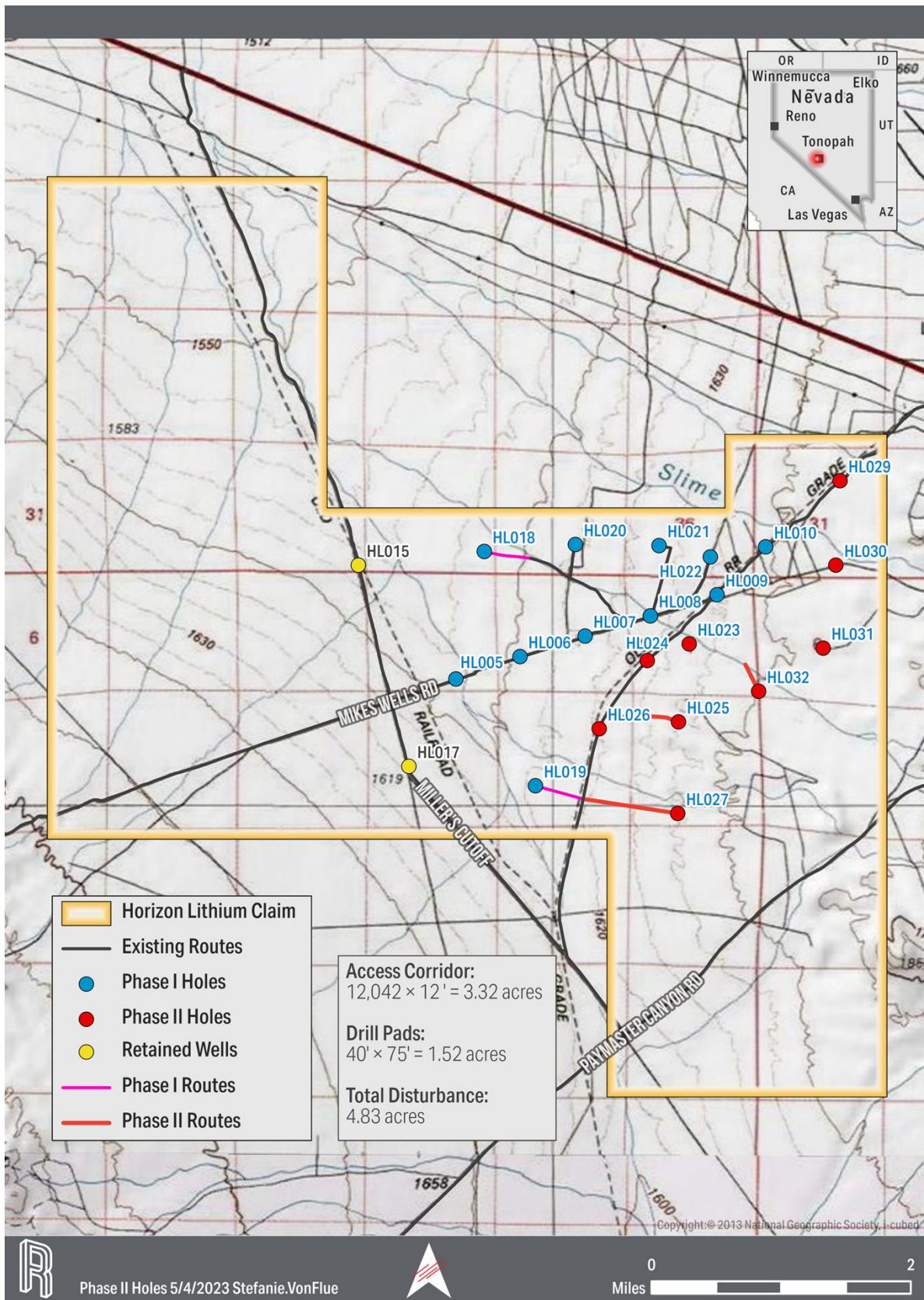


Figure 1 - Drill Hole Locations

## **Core Handling and Sampling Procedures:**

Core handling and sampling procedures are as follows:

- Cored samples transported twice daily from the drill pad to RESPEC/Company core logging headquarters in Tonopah, NV, by RESPEC geologists.
- Detailed core examination of the samples was completed using industry standards for core descriptions by RESPEC geologists. Logging criteria include Geotechnical and Structural parameters (RQD, structure types and infill, planarity, roughness, hardness, and angle to core axis), lithologic qualifiers (lithofacies, mineralogical composition, and cementation), and acid reactivity for calcium carbonate.
- On-site core-slab sampling program was performed by the RESPEC geologists with a 5% quality control insertion rate using Certified Reference Materials (2 pulp types of known lithium content and 2 separate pulp blanks). Sample selection was completed on every 5-foot depth increment and accounts for notable lithological variations. The program also included random core-slab sample duplicates from every drill hole in the study area. Once coarse and pulp rejects are returned from ALS Geochemistry, located in Reno, NV, a small percentage will be sent to a check lab.
- Core photography and database management of all sampled intervals and core boxes was performed by RESPEC's field personnel.
- Samples were transported to ALS Geochemistry located in Reno, NV, by RESPEC field personnel.
- Chain of custody and sample assaying tracking/controls were kept throughout the entire program. ALS Geochemistry is independent of the Company.
- ALS Geochemistry performed ME-MS61 multi-element analyses by four acid digestion and ICP-MS on all of our Lithium-Bearing claystone samples.

## **Qualified Person**

The technical content of this material change report has been reviewed and approved by Tabetta Stirrett, P.Geo, who is a Qualified Person as defined by NI 43-101 and is independent of the Company.

## **5.2 Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

## **Item 7 Omitted Information**

Not applicable.

## **Item 8 Executive Officer**

For further information, please contact Jason Latkowcer, Chief Executive Officer and Director of the Company, at 585-885-5970 or via email to [info@panam-energy.com](mailto:info@panam-energy.com).

## **Item 9 Date of Report**

May 26, 2023.