

## **Form 51-102F3 Material Change Report**

### **Item 1: Name and Address of Company**

Lancaster Resources Inc. (the “**Company**” and “**Lancaster**”)  
2569 Marine Drive  
West Vancouver, BC V7V 1L5

### **Item 2: Date of Material Change**

April 2, 2024

### **Item 3: News Release**

A news release was disseminated on April 2, 2024. A copy of the news releases is attached as Schedule “A” hereto.

### **Item 4: Summary of Material Change**

The plan of arrangement between the Company and Nelson Lake Copper Corp. (“**Nelson Lake**”) (the “**Arrangement**”), including the spin-off of Lancaster’s wholly-owned subsidiary, Nelson, closed on April 2, 2024.

The Arrangement was approved by the shareholders (the “**Shareholders**”) of the Company’s common shares at an annual and special meeting held on March 15, 2024, and by the British Columbia Supreme Court in its final order dated March 25, 2024.

As part of the Arrangement, Lancaster was issued 1,650,000 Nelson common shares at a price of \$0.02 per share, and Lancaster completed the spin-off of a majority of its ownership in Nelson through the issuance of a stock dividend of 1,046,269 Nelson shares to the Shareholders at a ratio of 0.02 Nelson common shares for each common share held in Lancaster as of February 5, 2024 (the record date). Nelson also subscribed for 550,000 shares of Lancaster at a price of \$0.06 per share.

### **Item 5: Full Description of Material Change**

On April 2, 2024, pursuant to the Arrangement entered into on January 29, 2024, between Lancaster and its former wholly-owned subsidiary, Nelson Lake, and following the approval by Lancaster’s shareholders at a special meeting held on March 15, 2024, and subsequent approval by the British Columbia Supreme Court on March 25, 2024, several key transactions were completed to effectuate the spin-off of Nelson Lake from Lancaster. These actions were undertaken in accordance with the provisions set out under the Business Corporations Act (British Columbia).

The Arrangement involved issuances of securities between both companies, a distribution of Nelson Lake common shares to Lancaster shareholders and an exchange of securities. As part of the Arrangement, Lancaster acquired 1,650,000 common shares of Nelson Lake at a deemed price of \$0.02 per share for a total of \$33,000, and Nelson Lake acquired 550,000

Lancaster at a deemed price of \$0.06 per share for a total of \$33,000. Lancaster also issued a promissory note valued for \$100 to Nelson Lake in consideration of \$100 cash and one common share of Nelson Lake. Lancaster also distributed 1,046,269 of the common shares it held in Nelson Lake by issuing Lancaster's shareholders 0.2 Nelson Lake common shares for each Lancaster share held as of the record date of February 5, 2024. Of the 1,046,269 shares that were distributed, 183,000 shares were deposited into escrow as they were issued as stock dividends to shares subject to escrow provisions pursuant to an escrow agreement of Lancaster dated June 9, 2023.

Following the transaction, Lancaster continues to own 703,731 common shares of Nelson, and Nelson is now a separate unlisted "reporting issuer" in each of British Columbia, Alberta, Saskatchewan, and Ontario.

Nelson owns 100% of the Nelson Lake Copper Project, which consists of 1 mining claim covering a contiguous block of 5,746 hectares in Saskatchewan (the "**Nelson Lake Copper Project**").

After the transaction, Nelson Lake continues to hold a 100% interest in the Nelson Lake Copper Project, as described in the Technical Report entitled, Nelson Lake Copper Property, Saskatchewan Canada dated February 1, 2024, prepared by Nikolay Bashaev, Sc., P. Geo, and Fallon Clarke, B.Sc., P. Geo, of APEX Geoscience Ltd., of Edmonton, Alberta, Canada (the "Technical Report"). The Technical Report was prepared in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum definition standards and best practice guidelines (2014, 2018, 2019) and the Canadian Securities Administration's Standards for Disclosure of Mineral Projects, National Instrument 43-101.

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

Not applicable.

**Item 7: Omitted Information**

None.

**Item 8: Executive Officer**

Penny White  
CEO and President  
Telephone: +1 (604) 923 6100

**Item 9: Date of Report**

April 4, 2024

## Schedule "A"

April 2, 2024

### Lancaster Resources Closing of Spin-Off of Nelson Lake Copper Corp.

**Vancouver, British Columbia - Lancaster Resources Inc. (CSE:LCR | OTCQB:LANRF | FRA:6UF0)** ("Lancaster" or the "Company") and Nelson Lake Copper Corp. ("Nelson") announce that the plan of arrangement previously announced on January 30, 2024 (the "Arrangement"), including the spin-off of Lancaster's wholly-owned subsidiary, Nelson, closed today.

The Arrangement was approved by the shareholders (the "Shareholders") of the Company's common shares at an annual and special meeting held on March 15, 2024, and by the British Columbia Supreme Court in its final order dated March 25, 2024.

Today the Arrangement closed pursuant to which Lancaster was issued 1,650,000 Nelson common shares at a price of \$0.02 per share, and Lancaster completed the spin-off of a majority of its ownership in Nelson through the issuance of stock dividend of 1,046,269 Nelson shares to the Shareholders at a ratio of 0.02 Nelson common shares for each common share held in Lancaster as of February 5, 2024. Nelson also subscribed for 550,000 shares of Lancaster at a price of \$0.06 per share.

Following the transaction, Lancaster continues to own 703,731 common shares of Nelson, and Nelson is now a separate unlisted "reporting issuer" in each of British Columbia, Alberta, Saskatchewan, and Ontario. Nelson owns 100% of the Nelson Lake Copper Project, which consists of 1 mining claim covering a contiguous block of 5,746 hectares in Saskatchewan (the "**Nelson Lake Copper Project**").

Further details regarding the Arrangement can be found in the Company's management information circular dated February 8, 2024, which can be found under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

More detailed information about the Nelson Lake Copper Project is contained in the Technical Report entitled, *Nelson Lake Copper Property, Saskatchewan Canada* dated February 1, 2024, prepared by Nikolay Bashaev, Sc., P.Geo, and Fallon Clarke, B.Sc., P. Geo, of APEX Geoscience Ltd., of Edmonton, Alberta, Canada (the "**Technical Report**"). The Technical Report is prepared in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum definition standards and best practice guidelines (2014, 2018, 2019) and the Canadian Securities Administration's Standards for Disclosure of Mineral Projects, National Instrument 43-101 which can be found under the SEDAR+ profile for Nelson.

#### **About Lancaster Resources Inc.**

Lancaster Resources (CSE:LCR | OTCQB:LANRF | FRA:6UF0) is engaged in exploring lithium and uranium and other critical minerals. Its Alkali Flat Lithium Project, in Lordsburg, New Mexico, USA, involves the exploration of a below-surface lithium brine target. Lancaster's goal at Alkali Flat is to produce Net-Zero Lithium through the use of direct lithium extraction (DLE) technology and solar power. Lancaster is also collaborating to deploy advanced satellite hyperspectral acquisition, geospatial data aggregation, and AI-driven predictive modelling services exploration.

Lancaster holds a 100-per-cent interest in the Catley Lalk and Centennial East Uranium projects in the Athabasca basin in Saskatchewan, Canada. Lancaster's project portfolio includes rights to acquire the Trans-Taiga Lithium Property located within the James Bay lithium district of Quebec and the Nelson Lake

Copper Project in Saskatchewan, Canada, held through its subsidiary Nelson Lake Copper Corp. Lancaster is in the process of divesting a majority of its ownership in Nelson Lake through a spin-off transaction. Guiding Lancaster's journey is a skilled management and technical team with collective involvement in over 15 commercial mineral discoveries and endowed with extensive experience in the creation of lithium brine targets and the exploration and development of exploration projects across Canada, the American West, Mexico, and South America.

*Penny White, President & Chief Executive Officer*

*Lancaster Resources Inc.*

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### **Cautionary Statement Regarding Forward-Looking Statements**

*Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or Lancaster's future performance. The use of any of the words "could," "expect," "believe," "will," "projected," "estimated," and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on Lancaster's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, the ability of Lancaster to enter into an Arrangement Agreement and meet the other conditions precedent of the Spin-Off Agreement, the ability of Lancaster to execute its exploration plans, obtain exploration and drilling permits, raise capital, retain key personnel, identify, acquire, explore, and develop high-quality mineral-rich properties, and integrate sustainable energy sources and innovative technologies for climate-positive resource production constitute forward-looking information. Actual results and developments may differ materially from those contemplated by forward-looking information.*

*Readers are cautioned not to place undue reliance on forward-looking information. The statements made in this press release are made as of the date hereof. Lancaster disclaims any intention or obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as may be expressly required by applicable securities laws.*

*The Canadian Securities Exchange has not reviewed, approved or disapproved the contents of this news release.*