

## FORM 51-102F3

### MATERIAL CHANGE REPORT

**Item 1. Name and Address of Company**

**TARGA EXPLORATION CORP.** (the “Company”)  
Suite 700, 1090 West Georgia Street  
Vancouver, BC V6E 3V7

**Item 2. Date of Material Change**

May 11, 2023

**Item 3. News Release**

The news release was issued pre-market on May 11, 2023 and was disseminated by Cision and filed on SEDAR.

**Item 4. Summary of Material Change**

The Company announces that it has agreed to acquire 100% of the issued and outstanding shares of Pan Canadian Lithium Corp. pursuant to a share exchange dated May 10.

Pan Canadian Lithium holds the mining claims to highly prospective lithium projects located in Saskatchewan and Ontario, Canada. The claims cover a total of 49,248 hectares and were identified using regional lake sediment samples obtained from provincial geochemical data that were highly anomalous with lithium pathfinder elements. Targa believes that the projects display significant potential for lithium bearing pegmatites.

**Item 5. Full Description of Material Change**

The Company announced that it has agreed to acquire 100% of the issued and outstanding shares of Pan Canadian Lithium Corp. (“**Pan Canadian Lithium**”) pursuant to a share exchange agreement (the “**Acquisition Agreement**”) dated May 10, 2023 (the “**Acquisition**”).

Pan Canadian Lithium holds the mining claims to highly prospective lithium projects located in Saskatchewan and Ontario, Canada. The claims cover a total of 49,248 hectares and were identified using regional lake sediment samples obtained from provincial geochemical data that were highly anomalous with lithium pathfinder elements. Targa believes that the projects display significant potential for lithium bearing pegmatites.

**Highlights**

- Targa is acquiring a portfolio of lithium exploration projects in world-class mining jurisdictions totalling 49,248ha.
- Pan Canadian Lithium holds two projects in Saskatchewan never before explored for lithium, including district-scale White Metal Project, with local known lithium occurrences.
- Pan Canadian Lithium also holds two projects in Ontario with year-round road access and local rail line, located in same geological belt as other known lithium deposits.

**The Projects**

Pan Canadian Lithium owns a 100% interest in four exploration projects with two located in each of the provinces of Saskatchewan and Ontario.

## **White Metal Project**

The White Metal Project, located 40km north of Stony Rapids in northern Saskatchewan, consists of eight contiguous mineral concessions totalling 38,765ha. The claims cover the highest concentration in Saskatchewan of regional lake sediment samples from the Geological Survey of Canada dataset that are anomalous for cesium, rubidium, and tantalum, elements considered pathfinders for lithium mineralization.<sup>1</sup> Several noted pegmatites from the Saskatchewan Mineral Deposit Index are also located on or adjacent to the White Metal Project with anomalous lithium concentrations up to 271ppm.<sup>2</sup>

With historical exploration activities in the region primarily focused on uranium, White Metal represents a district-scale opportunity to explore for lithium mineralization in a mining-friendly jurisdiction.

## **Prince Albert Project**

The Prince Albert Project, located in northeast Saskatchewan, covers 2,895ha of prospective geology including a band of metasediments and metavolcanic rocks in close proximity to a granite intrusion. Boulders with lithium contents over 3,400ppm have been found several kilometers to the southwest by other explorers, potentially in the down-ice glacial direction from Prince Albert.<sup>3</sup> The Prince Albert Project is adjacent to other active lithium exploration projects held by ACME Lithium and ALX Resources.

## **Slim Jim and Sky Lake Projects**

The Slim Jim and Sky Lake projects are located in the Quetico Subprovince in northwestern Ontario. The Quetico Subprovince is host to several known lithium pegmatite deposits and occurrences, most notably the Georgia Lake and Jackpot deposits and the Wisla Lake and Hearst/Lowther occurrences.

Both the Slim Jim and Sky Lake projects have good local infrastructure with year-round road access from the nearby provincial highway and are near a rail line. The projects are approximately 115km northeast of Marathon, Ontario and 60km east of the community of Longlac.

The Slim Jim Project covers 4,746 ha of mostly metasediments along the boundary of a muscovite-bearing granite intrusive with noted pegmatite. Local lake sediment samples across the Slim Jim Project have elevated values of lithium, cesium, rubidium, and tantalum<sup>4</sup>. The majority of the Slim Jim Project area has never been mapped in detail and lies within the 4km “Goldilocks Zone” for LCT-type pegmatite emplacement around the parental granite.<sup>5</sup> Several faults also run through the Slim Jim Project and could present favorable pathways for pegmatite intrusion.

The Sky Lake Project is located about 16km east of Slim Jim and is 2,842ha in size. The Sky Lake Project is centered on a cluster of lake sediment samples with anomalous lithium, cesium, rubidium, and tantalum and has a fault structure running north-south through the project<sup>4</sup>. A muscovite-bearing peraluminous granite unit is exposed just south of the Sky Lake claim boundary and beryliferous and tourmaline/garnet-bearing pegmatites have been observed approximately 6km north of the Sky Lake Project.<sup>6</sup> Sky Lake is also covered with a network of logging roads, making for easy access and low-cost future exploration work.

## **Acquisition Agreement**

Pursuant to the Acquisition Agreement, the Company will issue 5,766,666 common shares in the capital of the Company (the “Consideration Shares”) to the shareholders of Pan Canadian Lithium (the “Vendors”). Upon completion of the Acquisition and other transactions previously announced by the Company, the Vendors will own approximately 9.9% of the issued and outstanding shares in the capital of the Company, on a non-diluted basis.

The Consideration Shares will be subject to a four-month hold period pursuant to applicable Canadian securities laws. The Acquisition is subject to standard closing conditions for transaction

of this nature. Subject to the satisfaction of the closing conditions, the Acquisition is expected to close on or about May 19, 2023.

All parties to the Acquisition are arm's length to the Company. No finder's fee is payable in respect of the Acquisition.

At closing of the Acquisition, Targa will also acquire Pan Canadian's positive cash position of approximately \$240,000.

### **Incoming CEO**

Upon closing of the Acquisition, Cameron Tymstra, currently the Chief Executive Officer of Pan Canadian Lithium, will join the Targa management team as Chief Executive Officer. Mr. Tymstra is currently President and CEO of Tarachi Gold Corp., a Mexico-focused gold exploration company and has worked in mining and mineral exploration throughout the Americas for the past 15 years. He holds a degree in mineral engineering from the University of Toronto and a Master's in mining management from the South Dakota School of Mines.

Jon Ward will continue working on the Targa management team following closing of the Acquisition in his new role as Vice President of Corporate Development and will remain a director on Targa's board.

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

Not applicable.

**Item 7. Omitted Information**

None.

**Item 8. Executive Officer**

**Jon Ward**  
Chief Executive Officer  
[jon@inventacapital.ca](mailto:jon@inventacapital.ca)  
604-687-0544

**Item 9. Date of Report**

May 12, 2023