

MATERIAL CHANGE REPORT
Form 51-102F3
Section 7.1 of National Instrument 51-102

Item 1. Name and Address of Company

Champion Electric Metals Inc. (“**Champion**” or the “**Company**”)
372 Bay Street, Suite 1800
Toronto, Ontario M5H 2W9

Item 2. Date of Material Change

December 19, 2025

Item 3. News Release

A news release was issued through Newsfile Corp. on December 29, 2025

Item 4. Summary of Material Change

The Company announced that it has entered into a mining claims acquisition agreement (the "Agreement") with a non-arm's-length party (the "Buyer"), pursuant to which the Buyer will acquire the Company's wholly owned Champion Lithium Project (the "Project"), located in the Eeyou Istchee James Bay territory of Quebec.

Item 5. Full Description of Material Change

News Release dated December 29, 2025 – See Schedule “A”

Item 6. Reliance on Section 7.1(2) or (3) of National Instrument 51-102

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102.

Item 7. Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8. Executive Officer

Inquiries in respect of the material change referred to herein may be made to:

Nicholas Konkin
Interim President and Chief Executive Officer
Tel: (416) 567-9087

Item 9. Date of Report

December 30, 2025

Schedule “A”

[Please see attached]

Champion Electric Announces Sale of Champion Lithium Project

Toronto, ON – December 29, 2025 – [Champion Electric Metals Inc. \(CSE: LTHM; OTC: CHELF; FSE: 1QB0\)](#) (“**Champion Electric**” or the “**Company**”) announces that it has entered into a mining claims acquisition agreement (the “**Agreement**”) dated December 19, 2025, with a non-arm's length party (the “**Buyer**”), pursuant to which the Buyer will acquire the Company's wholly owned Champion Lithium Project (the “**Project**”), located in the Eeyou Istchee James Bay territory of Quebec.

As consideration for the Project, the Company shall receive cash payments in the aggregate of USD\$1,000,000. The completion of the transaction contemplated by the Agreement remains subject to the approval of all regulatory and other approvals, including the approval of the Canadian Securities Exchange. The Company intends to use the consideration to reduction of liabilities, working capital, and advancing strategic corporate initiatives.

Interim President and CEO Nicholas Konkin commented:

“The proposed sale of the Champion Lithium Project allows us to streamline the Company and sharpen our focus on the next stage of its development. Champion retains a portfolio of promising early-stage precious and base metal assets, and this transaction positions us to begin evaluating more advanced-stage opportunities to drive the Company forward.”

The transactions contemplated by the Agreement are constituted “related party transactions” as defined in Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”), the Buyer is a director of the Company. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(1)(b) of MI 61-101, as the Company is not listed on a specified market and the fair market value of the transaction is not more than \$2,500,000, calculated in accordance with MI 61-101.

The Agreement and the transactions contemplated thereby was approved by the members of the board of directors of the Company who are independent for the purposes of the transaction, being all directors other than Mr. Gabirel Pindar. No special committee was established in connection with the transaction, and no materially contrary view or abstention was expressed or made by any director of the Company in relation thereto.

About Champion Electric Metals Inc.

Champion Electric is a discovery-focused exploration company with copper, gold, and cobalt properties in Idaho, United States. The assets include the 100%-owned Champagne polymetallic project in Butte County near Arco, Idaho and the Baner gold project in Idaho County (optioned to Legacy Gold Mines Ltd, TSXV: LEGY). The Company also retains significant claims in the Idaho Cobalt Belt. The Company’s shares trade on the CSE under the trading symbol “LTHM”,

on the OTC Markets under the trading symbol “CHELF”, and on the Frankfurt Stock Exchange under the symbol “1QB0”.

Champion Electric strives to be a responsible environmental steward, stakeholder, and contributing citizen to the local communities where it operates, taking its social license seriously, employing local community members and service providers at its operations whenever possible.

ON BEHALF OF THE BOARD OF CHAMPION ELECTRIC

“Nicholas Konkin”
Nicholas Konkin, Interim President and CEO

To learn more, please visit the Company’s SEDAR profile at www.sedarplus.ca or the Company’s corporate website at www.champem.com.

For further information, please contact:
Phone: (+1) 416-744-9998
Email: nkonkin@champem.com

THIS PRESS RELEASE DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN ANY JURISDICTION, NOR SHALL THERE BE ANY OFFER, SALE, OR SOLICITATION OF SECURITIES IN ANY STATE IN THE UNITED STATES IN WHICH SUCH OFFER, SALE, OR SOLICITATION WOULD BE UNLAWFUL.

Cautionary Statements

Neither the Canadian Securities Exchange nor its regulation services provider has reviewed or accepted responsibility for the adequacy or accuracy of this press release. This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of the Company. Forward-looking information is based on certain key expectations and assumptions made by management of the Company, including closing of the Transactions and the prospectivity of the Projects for lithium. Although the Company believes that the expectations and assumptions on which such forward-looking information is based on are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Forward-looking statements contained in this press release are made as of the date of this press release. The Company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

The Projects are at an early stage of exploration, and the Company cautions that the qualified persons who have reviewed and approved this news release have not verified scientific or technical information produced by third parties.