

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Champion Electric Metals Inc.** the "Issuer" or the "Company").

Trading Symbol: **LTHM (OTC Pink: CHELF) (FSE: 1QB0)**

Number of Outstanding Listed Securities: **340,532,681 Common Shares**

Date: **May 31, 2026**

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive, disclose this fact.

Effective May 14, 2026, the Issuer announces that it has mobilized its technical team to commence a comprehensive desktop geologic study of the Champagne Gold Project located in Butte County, Idaho (the "**Project**").

The initial focus of the study will be the re-evaluation of significant mineralization intersected in drill holes CC-05 and DDH-CC-20-02 from the 2020 drill campaign, contextualized against today's materially stronger gold and silver price environment (as referenced in LTHM press releases dated January 19, 2021 and February 16, 2021).

Desktop Study Focus

The desktop study will systematically compile and integrate multiple layers of geological intelligence spanning four decades of Project activity. Historical drill and trench data from the 1980s open pit and heap leach operation will be combined with results from the Company's 2020–2021 RC and core drilling programs, multiple lines of induced polarization (IP) geophysics, and surface geologic and geochemical datasets.

Of particular significance, IP surveys have identified a large chargeability high extending to the west and northwest of the historical pits — with the pits themselves situated along its eastern margin. This spatial relationship suggests the historic open pit operation may have intersected only the periphery of a broader, untested porphyry copper-gold-silver hydrothermal system. The chargeability anomaly remains drill-ready and takes on new significance in the context of today's gold price environment.

All compiled datasets will be used to construct a robust 3D geological model of the Project. The Company anticipates that this modelling effort will define multiple priority targets, several of which will be suitable for drill testing on patented claims.

Corporate Update

Additionally, Champion announces it intends to settle approximately \$11,500 owed to an arm's length creditor and \$164,400 owed to a Director of the Company through the proposed issuance of an aggregate of 17,587,584 common shares (the "**Shares**") in the capital of the Company at a price of \$0.01 per Share (the "**Debt Settlement**").

The Company has entered into debt settlement agreements with each of the creditors. The Shares issued pursuant to the debt settlement shall be subject to a four-month hold period, and completion of the transaction remains subject to final acceptance of the Canadian Securities Exchange. In addition, the Shares will be subject to a twelve (12) month contractual escrow release, beginning on the date of issuance.

The Debt Settlement constitutes a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") as an insider of the Company will receive 16,440,000 Shares in connection with the Debt Settlement. 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 Shares to be issued to the insider in connection with the Debt Settlement is not more than \$2,500,000.

Finally, the Company announces that it has elected to rely on Coordinated Blanket Order 51-933 – *Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers* (the "**Order**") and move to semi-annual financial reporting ("**SAR**"). The Order allows eligible venture issuers listed on the Canadian Securities Exchange (the "**CSE**") to voluntarily move from a quarterly to a semi-annual financial reporting framework.

The Company's fiscal year ends on December 31. Under the SAR pilot program, the Company will be exempt from filing interim financial reports and related Management's Discussion & Analysis (MD&A) for its first and third quarters.

- Interim Period: The Company will not file an interim report for the first quarter (Q1) ending March 31 and the third quarter (Q3) ending September 30; and
- Ongoing Reporting: The Company will continue to file audited financial statements (due within 120 days of December 31) and six-month interim financial reports (due within 60 days of June 30).

The Company confirms it meets the pilot program's eligibility criteria, which include being a venture issuer with annual revenues of less than \$10 million, having a disclosure record of over 12 months and having filed all required periodic and timely continuous disclosure documents.

The first period for which the Company will not file an interim financial report and related MD&A will be for the three-month period ended March 31, 2026.

This news release is being filed pursuant to Coordinated Blanket Order 51-933 Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers.

Effective May 22, 2026, the Issuer announces that it has settled an aggregate of \$182,826 in outstanding indebtedness owed to certain creditors of the Company, through the issuance of an aggregate of 17,587,584 common shares (each, a "**Share**") in the capital of the Company at a deemed issuance of \$0.01 per Share (the "**Debt Settlement**").

The Debt Settlement constitutes a "related party transaction" pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") as an insider received an aggregate of 16,440,000 Shares. The Company is relying on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in Section 5.5(b) and Section 5.7(1)(b) of MI 61-101, respectively, on the basis that (i) no securities of the Company are listed or quoted on any of the markets specified in Section 5.5(b) of MI 61-101 and (ii) the fair market value of the securities issued to related parties pursuant to the financing does not exceed \$2,500,000, along with the other applicable circumstances contained in section 5.7(1)(b) of MI 61-101.

2. Provide a general overview and discussion of the activities of management.

See Section 1

3. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

N/A

4. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties, including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

N/A

5. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

N/A

6. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

N/A

7. Describe the acquisition of new customers or loss of customers.

N/A

8. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

N/A

9. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

N/A

10. Report on any labour disputes and resolutions of those disputes if applicable. **N/A**

11. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

N/A

12. Provide details of any indebtedness incurred or repaid by the Issuer, together with the terms of such indebtedness.

In August 2025, Gabriel Pindar, a Director of Champion, extended a zero-interest loan of US\$120,000 to cover claims fees for Champion's cobalt and gold projects in Idaho. In May 2026, Mr. Pindar agreed to settle the outstanding loan through shares valued at C\$0.01 each, receiving 16,440,000 shares.

13. Provide details of any securities issued and options or warrants granted. **N/A**

Security	Number Issued	Details of Issuance	Use of Proceeds ¹
Common Shares	\$175,875.84	Reduction of outstanding liabilities. Shares were issued at a price of \$0.01 for a total of 17,575,584 shares.	Debt settlement

1. State aggregate proceeds and intended allocation of proceeds.

2. See Item 1

14. Provide details of any changes in directors, officers or committee members.

N/A

15. Issuer's market(s) or political/regulatory trends.

N/A

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated June 2, 2026

Helga Fairhurst

Name of Senior Officer

/s/ Helga Fairhurst

Signature

Corporate Secretary

Official Capacity

<i>Issuer Details</i> Name of Issuer Champion Electric Metals Inc.	For Month End May 2026	Date of Report YY/MM/D 26/06/02
Issuer Address 1800-372 Bay Street		
City/Province/Postal Code Toronto, ON M5H 2W9	Issuer Fax No. N/A	Issuer Telephone No. (416) 569-7092
Contact Name Helga Fairhurst	Contact Position Corporate Secretary	Contact Telephone No. (647) 249-7668
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