FORM 52-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Company**

   Etna Resources Inc.
   Suite 200-551 Howe Street
   Vancouver, British Columbia V6C 2C2

2. **Date of Material Change**

   January 13, 2010

3. **Press Release**

   The Press Release dated January 13, 2010 was disseminated via Market News Publishing and Canada Stockwatch.

4. **Summary of Material Change**

   The Company announced that it has entered into a non-binding letter of Intent with POSCO, whereby an amount of up to CDN$5 million may be invested by POSCO in Etna.

5. **Full Description of Material Change**

   See attached press release dated January 13, 2010

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

   Not Applicable

7. **Omitted Information**

   Not Applicable

8. **Executive Officer**

   Andrew Brodkey
   520-989-0022

9. **Date of Report**

   January 13, 2010

Schedule "A"

January 13, 2010 TSX.V SYMBOL – ETN

Etna Resources Inc. (to be renamed Pan American Lithium Corp.) Announces Letter of Intent with POSCO for Potential Private Placement

Etna Resources Inc. ("**Etna**") is pleased to announce that it has entered into a non-binding letter of Intent ("**LOI**") with POSCO, whereby an amount of up to CDN$5 million may be invested by POSCO in Etna (the "**Investment**").

*The LOI provides that POSCO will undertake and complete technical due diligence on Etna and Etna's projects within 30 days from January 4, 2010 (the "**Effective Date**"), and complete all other due diligence and obtain management approvals for the Investment within 60 days of the Effective Date.*

Should POSCO determine to proceed, the parties will execute and deliver a subscription agreement for the Investment, within 60 days of the Effective Date, on the following terms:

- POSCO will make an initial payment of CDN$1 million on signing of the subscription agreement
- POSCO will make the remaining payment of CDN$4 million at closing of the subscription agreement
- POSCO will receive Etna shares at a price of CDN$.50 per share, or such greater price if required by the policies of the TSX Venture Exchange
- for each share purchased, POSCO will receive a ½ warrant to purchase Etna shares at a price of CDN$1.00 per share for 2 years; the warrants will have a forced conversion feature whereby POSCO will be obligated to exercise the warrants if Etna shares trade at a price of CDN$1.40 or above for fifteen (15) consecutive trading days

The securities issuable to POSCO on closing will include a hold period in accordance with applicable securities laws.

Conditions of Closing

Closing of the Investment is subject to certain conditions including: (a) completion of POSCO's satisfactory due diligence review of Etna and its projects; (b) receipt of all necessary regulatory and exchange approvals; and (c) receipt of all necessary internal, management and Board approvals.

About POSCO

POSCO is a privately held Korean conglomerate, first established in 1967, with a focus on the production and sale of steel and steel products, both domestically in Korea and internationally. POSCO is the fourth largest steel producer in the world. In 2008, POSCO produced over 33 million tons of crude steel, had revenues of over CDN$28 billion and net profits of over $CDN4 billion.

On Behalf of the Board,

ETNA RESOURCES INC.

/s/ Andrew A Brodkey

Andrew A. Brodkey

President and CEO

For further information contact:
Tel: 520-989-0022

This press release contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company such as the statement that the private placement may occur. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information, including the (i) satisfactory due diligence of Etna and its properties by POSCO; (ii) inability to obtain Exchange approval and close the financing for any reason; (iii) adverse market conditions; (iv) a decrease in demand for and price of lithium; and (v) general uncertainties with respect to mineral exploration in general. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice.