

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Tectonic Metals Inc. (the “**Company**” or “**Tectonic**”)
Suite 312 – 744 West Hastings Street
Vancouver, BC V6C 1A5

Item 2 Date of Material Change

June 23, 2021

Item 3 News Release

A news release with respect to the material change referred to in this report was filed by the Company through Cision Newswire on June 24, 2021, and filed on SEDAR at www.sedar.com.

Item 4 Summary of Material Change

On June 24, 2021, the Company announced that it has closed the non-brokered private placement financing previously announced on May 10, 2021, by issuing 71,760,560 units for aggregate gross proceeds of C\$7,176,056 (the “**Offering**”).

Item 5 Full Description of Material Change

On June 23, 2021, the Company announced that it had closed the Offering previously announced on May 10, 2021, by issuing 71,760,560 units for aggregate gross proceeds of C\$7,176,056.

Each unit (a “**Unit**”) is comprised of one common share of Tectonic and one-half common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant is exercisable for a common share at an exercise price of C\$0.17 and expires June 23, 2023.

The Warrants are subject to an acceleration clause whereby if the volume-weighted average trading price of Tectonic’s common shares on the TSX Venture Exchange (“**TSXV**”) is C\$0.30 or greater for a period of twenty consecutive trading days, Tectonic has the right to accelerate the expiry date of the Warrants to 30 days from the date of issuance of a news release by Tectonic announcing the accelerated exercise period.

A portion of the Offering is considered a related party transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) as 700,000 Units were issued to directors of the Company. The Company relied on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(1) and 5.7(a) of MI 61-101 on the basis that Tony Reda and Curt Freeman’s participation in the Offering did not exceed 25% of the fair market value of the Company’s market capitalization.

The Company paid aggregate finders’ fees of C\$228,100 and issued 2,239,798 warrants (each, a “**Finders Warrant**”) in connection with subscriptions from subscribers introduced to the Offering by Red Cloud Securities Inc., Amvest Capital Inc. (acting through Four Points Capital Partner, LLC), Canaccord Genuity Corp., Haywood Securities Inc., and PI Financial Corp. Each Finders Warrant is exercisable for a common share of Tectonic at an exercise price of C\$0.17 and expires June 23, 2023.

The net proceeds from the Offering will be used to advance the Company's Tibbs and Seventymile properties and for general working capital.

All securities issued under the Offering are subject to a four-month and one day hold period. The Offering is subject to certain conditions, including, but not limited to, the receipt of all necessary approvals, including the final approval of the TSXV.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information contact Paul Charlish at 1-888-685-8558.

Item 9 Date of Report

DATED as of this 30th date of June, 2021

Tectonic Metals Inc.

By: "Paul Charlish"
Paul Charlish
Chief Financial Officer