FORM 51-102F3

MATERIAL CHANGE REPORT

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

Rackla Metals Inc. (the "**Company**")
200 Burrard Street, Suite 650
Vancouver, British Columbia
V6C 3L6

Item 2: **Date of Material Change**

September 19, 2023

Item 3: **News Release**

A news release announcing the material change referred to in this report was disseminated on September 19, 2023 through The Newswire and subsequently filed under the Company's profile on SEDAR+.

Item 4: **Summary of Material Change**

On September 19, 2023, the Company announced the closing of its previously announced private placement financing for aggregate gross proceeds of C$2,786,475 (the "**Offering**"). Under the Offering, the Company sold 5,769,000 flow-through units of the Company (each, a "**Flow-Through Unit**") and 4,800,000 non-flow-through units of the Company (each, a "**Hard Unit**", and together with the Flow-Through Units, the "**Offered Securities**").

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

On September 19, 2023, the Company announced the closing of its previously announced private placement financing for aggregate gross proceeds of C$2,786,475. Under the Offering, the Company sold 5,769,000 Flow-Through Units and 4,800,000 Hard Units.

Each Flow-Through Unit consists of one common share of the Company (each, a "**Common Share**") that will qualify as a "flow-through share" within the meaning of subsection 66(15) of the *Income Tax Act (Canada*) and one Common Share purchase warrant of the Company (each, a "**Warrant**"). Each Hard Unit consists of one Common Share and one Warrant. Each Warrant will entitle the holder to acquire one additional Common Share (each, a "**Warrant Share**") at a price of C$0.40 per Warrant Share at any time on or before September 19, 2025.

3L Capital Inc. and Canaccord Genuity Corp acted as co-lead agents and co-bookrunners (together, the "**Agents**"). As consideration for acting as Agents, the Company paid to the Agents a cash fee of C$122,628.50 (the "**Agents' Fee**") equal to 6.0% (or 2.0% for those subscribers listed on the "president's list" (the "**President's List Subscribers**")) of the gross proceeds received by the Company from the sale of the Offered Securities. In addition to the Agents' Fee, the Company also granted to the Agents 456,140 compensation options (each, a "**Compensation Option**"),

entitling the Agents to subscribe for that number of Hard Units (each, a "**Compensation Hard Unit**") equal to 6.0% (or 2.0% in the case of sales to President's List Subscribers) of the aggregate number of Offered Securities sold under the Offering, with each Compensation Hard Unit consisting of one Common Share (each, a "**Compensation Share**") and one Warrant. Subject to regulatory approval, each Compensation Option will be exercisable to acquire one Compensation Hard Unit of the Company at a price of C$0.25 at any time on or before September 19, 2025. Notwithstanding the foregoing, no Agents' Fee was paid or Compensation Options were issued to the Agents in respect of a C$230,000 subscription for Offered Securities from one of the President's List Subscribers.

The gross proceeds received by the Company from the sale of the Flow-Through Units will be used to incur eligible "Canadian exploration expenses" ("**CEE**") that qualify as Canadian exploration expenses and "flow-through mining expenditures" for purposes of the *Income Tax Act* (Canada) (the "**Qualifying Expenditures**") on or before December 31, 2024 (or such other period as may be permissible under applicable tax legislation) and which will be renounced in favour of the purchasers of Flow-Through Units with an effective date of no later than December 31, 2023, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of Flow-Through Units.

It is expected that the net proceeds of the Offering will be used for further exploration and development of the Company's Astro Plutonic Complex properties (including the Astro, Hit and SER projects) and for working capital and general corporate purposes.

The Offering remains subject to the final approval of the TSX Venture Exchange. The Offered Securities will be subject to a statutory hold period of four months and one day from closing of the Offering in accordance with applicable securities laws.

The Offered Securities were sold to purchasers: (i) in British Columbia and Ontario pursuant to applicable private placement exemptions; (ii) in the United States or that are U.S. persons on a private placement basis pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended, and applicable state securities laws; and (iii) in certain offshore jurisdictions on a private placement basis.

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, please contact Simon Ridgway, Chief Executive Officer of the Company, at 604-801-5432.

Item 9**:** **Date of Report**

September 25, 2023

Forward-Looking Information

Certain statements contained in this material change report constitute forward-looking statements within the meaning of applicable Canadian securities legislation. All statements included herein, other than statements of historical fact, are forward-looking statements and include, without limitation, statements about the Offering; the receipt of regulatory and other approvals for the Offering; the use of proceeds from the Offering; the ability of the Company to incur CEE with the proceeds of the sale of the Flow-Through Units, the Company's continued exploration and development of its mineral properties and the timing to renounce all Qualifying Expenditures in favour of the subscribers of Flow-Through Units; and general business and economic conditions. Forward-looking statements or forward-looking information relate to future events and future performance and include statements regarding the expectations and beliefs of management based on information currently available to the Company. Often, but not always, these forward looking statements can be identified by the use of words such as "estimate", "estimates", "estimated", "potential", "open", "future", "assumed", "projected", "used", "detailed", "has been", "gain", "upgraded", "offset", "limited", "contained", "reflecting", "containing", "remaining", "to be", "periodically", or statements that events, "could" or "should" occur or be achieved and similar expressions, including negative variations.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by forward-looking statements. Such uncertainties and factors include, among others, changes in general economic conditions and financial markets; the Company or any joint venture partner not having the financial ability to meet its exploration and development goals; risks associated with the results of exploration and development activities, estimation of mineral resources and the geology, grade and continuity of mineral deposits; unanticipated costs and expenses; and such other risks detailed from time to time in the Company's quarterly and annual filings with securities regulators and available under the Company's profile on SEDAR+ at www.sedarplus.ca. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to: that the Company's stated goals and planned exploration activities at its properties will be achieved; that there will be no material adverse change affecting the Company, its properties or its securities; and such other assumptions as set out herein. Forward-looking statements are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.