

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**

June 12, 2024

Item 3: **News Release**

A news release announcing the material change referred to in this report was disseminated on June 12, 2024 through The Newswire and subsequently filed under the Company’s profile on SEDAR+.

Item 4: **Summary of Material Change**

On June 12, 2024, the Company announced the closing of the final tranche of a private placement financing, raising a total of \$4,656,184.

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

On June 12, 2024, the Company announced the closing of the final tranche (the “**Final Tranche**”) of its previously announced private placement financing (the “**Offering**”), raising \$2,906,184 with the issuance of 5,966,534 hard-dollar units (the “**HD Units**”) at \$0.15 each and 11,830,611 flow-through units (the “**FT Units**”) at \$0.17 each. The charity flow-through tranche (the “**First Tranche**”) of the Offering which closed on May 30, 2024 consisted of 8,333,333 flow-through units issued at \$0.21 each, for proceeds of \$1.75 million. The Company has raised total gross proceeds from the Offering of \$4,656,184, of which \$3,761,204 is flow-through funds.

Each unit issued in the Offering consists of one common share of the Company and one warrant which entitles the holder to purchase one additional common share of the Company at a price of \$0.20. The First Tranche warrants expire on May 30, 2025 and the Final Tranche warrants expire on June 11, 2025. The common share in each flow-through unit qualifies as a “flow-through share” within the meaning of subsection 66(15) of the *Income Tax Act* (Canada).

The flow-through proceeds received by the Company from the Offering will be used to incur eligible “Canadian exploration expenses” that qualify as Canadian exploration expenses and “flow-through mining expenditures” for the purposes of the *Income Tax Act* (Canada) on or before December 31, 2025 (or such other period as may be permissible under applicable tax legislation).

Management intends to use the net proceeds of the Offering for conducting exploration and drilling on the Company's Tombstone Gold Belt properties within the Selwyn Basin in the coming year, and for continuing investigations of additional mineral properties for acquisition. As well, proceeds from the sale of the HD Units may be used for general working capital and corporate purposes.

In connection with the Final Tranche of the Offering, the Company paid finder's fees totalling \$89,613 cash and 545,247 finder's warrants with the same terms as the Unit warrants described above. The securities issued in the First Tranche are subject to a resale restriction until October 1, 2024, and the securities issued in the Final Tranche are subject to a resale restriction until October 12, 2024. The Offering remains subject to the final approval of the TSX Venture Exchange.

As one of the places is deemed to be a "related party" to the Company, the Offering constitutes a "related party transaction" within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101.

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**

June 12, 2024

Forward-Looking Information

Certain statements contained in this news release constitute forward-looking statements within the meaning of Canadian securities legislation. All statements included herein, other than statements of historical fact, are forward-looking statements and include, without limitation, statements about the Company's proposed exploration activities and the use of the Offering proceeds. 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 or its properties; 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.