

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of the Company

Battery X Metals Inc. (the “**Company**”)
Suite 1500 – 701 West Georgia Street
Vancouver, BC V7Y 1C6

Item 2 Date of Material Change

December 24, 2024

Item 3 News Release

The news release dated December 24, 2024 was disseminated via Accesswire.

Item 4 Summary of Material Change

The Company announced the closing of its previously announced non-brokered private placement financing (the “**Private Placement**”). The Company issued 11,999,998 units (each, a “**Unit**”) at a price of \$0.05 per Unit for aggregate gross proceeds of \$599,999.94.

The Company also announces that, further to its news release dated December 11, 2024, it has settled debt in the aggregate amount of \$600,000 (the “**Debt Settlement**”) owed by the Company to certain insiders and creditors of the Company in exchange for an aggregate of 11,999,999 units (each, a “**Debt Settlement Unit**”) at a price of \$0.05 per Debt Settlement Unit.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company announced the closing of its previously announced Private Placement. The Company issued 11,999,998 Units at a price of \$0.05 per Unit for aggregate gross proceeds of \$599,999.94.

Each Unit consists of one common share in the capital of the Company (each, a “**Share**”) and one transferable common share purchase warrant of the Company (each, a “**Warrant**”), with each Warrant entitling the holder to acquire one Share (each, a “**Warrant Share**”) at a price of \$0.075 per Warrant Share until December 24, 2026.

The Company intends to use the proceeds raised from the Private Placement for general working capital and outstanding payables. The securities issued under the Private Placement will be subject to a statutory hold period in accordance with applicable securities laws of four months and one day from the date of issue, expiring April 25, 2025.

Debt Settlement

The Company also announces that, further to its news release dated December 11, 2024, it has settled debt in the aggregate amount of \$600,000 owed by the Company to certain insiders and creditors of the Company in exchange for an aggregate of 11,999,999 Debt Settlement Units, at a price of \$0.05 per Debt Settlement Unit.

Each Debt Settlement Unit consists of one common share in the capital of the Company (each, a “**Debt Settlement Share**”) and one transferable common share purchase warrant of the Company (each, a “**Debt Settlement Warrant**”), with each Debt Settlement Warrant entitling the holder to acquire one Debt Settlement Share (each, a “**Debt Settlement Warrant Share**”) at a price of \$0.075 per Debt Settlement Warrant Share until December 24, 2026.

The securities issued under the Debt Settlement will be subject to a statutory hold period in accordance with applicable securities laws of four months and one day from the date of issue, expiring April 25, 2025.

The Company obtained shareholder approval by written consent from shareholders (excluding Related Parties) holding approximately 52% of the Company’s issued and outstanding common shares to close both the Private Placement and Debt Settlement, in accordance with Policy 4.6(2)(a)(i)(2) of the Canadian Securities Exchange.

None of the securities acquired in the Private Placement and Debt Settlement will be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

MI 61-101 Requirements

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

(a) a description of the transaction and its material terms:

See Item 4 above for a description of the Debt Settlement.

(b) the purpose and business reasons for the transaction:

The transaction was to settle debt held by certain creditors.

(c) the anticipated effect of the transaction on the issuer’s business and affairs:

The transaction was to settle debt held by certain creditors.

(d) a description of:

a. the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

Massimo Bellini Bressi, an officer and a director of the Company, was issued 210,000 Debt Settlement Units to settle debt in the amount of \$10,500.

Howard Blank, a director of the Company, was issued 63,000 Debt Settlement Units to settle debt in the amount of \$3,150.

Black Tusk Advisory Services Inc. (“**Black Tusk**”), a company owned and controlled by Dallas Pretty, an officer of the Company, was issued 1,037,500 Debt Settlement Units to settle debt in the amount of \$51,875.

- b. *the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:*

The following table sets out the effect of the Debt Settlement on the percentage of securities of the Company beneficially owned or controlled by Mr. Bressi, Mr. Blank and Mr. Pretty:

Name and Position	Dollar Amount of Shares	Number of Securities	No. of Securities Held prior to the Issuance	Percentage of Issued and Outstanding Securities prior to the Issuance	No. of Securities Held After the Issuance	Percentage of Issued and Outstanding Securities After the Issuance
Massimo Bellini Bressi <i>Officer and Director</i>	\$10,500	210,000 Units	Undiluted: 142,424 ⁽¹⁾ Diluted: 142,424	Undiluted: 0.66% ⁽²⁾ Diluted: 0.66%	Undiluted: 352,424 ⁽³⁾ Diluted: 562,424 ⁽⁴⁾	Undiluted: 0.77% ⁽⁵⁾ Diluted: 1.23% ⁽⁶⁾
Howard Blank <i>Director</i>	\$3,150	63,000 Units	Undiluted: 0 Diluted: 0	Undiluted: 0% Diluted: 0%	Undiluted: 63,000 ⁽⁷⁾ Diluted: 126,000 ⁽⁸⁾	Undiluted: 0.13% ⁽⁵⁾ Diluted: 0.27% ⁽⁹⁾
Dallas Pretty <i>Officer</i>	\$51,875	1,037,500 Units	Undiluted: 0 Diluted: 0	Undiluted: 0% Diluted: 0%	Undiluted: 1,037,500 ⁽¹⁰⁾ Diluted: 2,075,000 ⁽¹¹⁾	Undiluted: 2.28% ⁽⁵⁾ Diluted: 4.45% ⁽¹²⁾

- (1) Comprised of 142,424 Shares held directly.
(2) Based on 21,493,965 Shares outstanding prior to the completion of the Debt Settlement on December 24, 2024.
(3) Comprised of 352,424 Shares held directly.
(4) Comprised of: (i) 352,424 Shares held directly; and (ii) 210,000 Debt Settlement Warrants.
(5) Based on 45,493,962 Shares outstanding after the completion of the Debt Settlement on December 24, 2024.
(6) Based on 45,703,962 Shares comprised of: (i) 45,493,962 Shares outstanding after completion to the Debt Settlement; (ii) 210,000 Debt Settlement Warrants held by Mr. Bressi, each of which is exercisable into one Debt Settlement Share, exercisable at a price of \$0.075 per Debt Settlement Share until December 24, 2026.
(7) Comprised of 63,000 Debt Settlement Shares held directly.
(8) Comprised of: (i) 63,000 Debt Settlement Shares held directly; and (ii) 63,000 Debt Settlement Warrants.
(9) Based on 45,556,962 securities comprised of: (i) 45,493,962 Shares outstanding after completion of the Debt Settlement; and (ii) 63,000 Debt Settlement Warrants.
(10) Comprised of 1,037,500 Debt Settlement Shares held indirectly in the name of Black Tusk, a company wholly owned and controlled by Mr. Pretty.
(11) Comprised of: (i) 1,037,500 Debt Settlement Shares held indirectly in the name of Black Tusk; and (ii) 1,037,500 Debt Settlement Warrants held indirectly by Black Tusk.
(12) Based on 46,531,462 Shares comprised of: (i) 45,493,962 Shares outstanding after completion to the Debt Settlement; and (ii) 1,037,500 Debt Settlement Warrants held by Black Tusk.

- (e) *unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between*

the board and the special committee:

Mr. Bressi and Mr. Howard abstained from voting on the resolution of the board of directors approving the Debt Settlement as it related to his respective debt. A special committee was not established in connection with the approval of the Debt Settlement, and no materially contrary view or abstention was expressed or made by any director.

- (f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:*

Not applicable.

- (g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that related to the subject matter of or is otherwise relevant to the transaction:*

- a. that has been made in the 24 months before the date of the material change report:*

Not applicable.

- b. the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:*

Not applicable.

- (h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:*

See Section 5.1(d).

- (i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:*

MI 61-101 requires that issuers obtain a formal valuation and minority shareholder approval of related party transactions, unless an applicable exemption is available. The Debt Settlement was exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in (i) Section 5.5(a) of MI 61-101 in that the fair market value of the Offering insofar as it involves interested parties did not exceed 25% of the Company's market capitalization, and (ii) section 5.5(b) of MI 61-101 as the Shares are not listed on a specified market, and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(1)(a) of MI 61-101 in that the fair market value of the Debt Settlement did not exceed 25% of the Company's market capitalization.

The Company did not file a material change report 21 days prior to closing of the Debt Settlement as the Company was not aware of all details of the insider participation in such Debt Settlement until just before closing.

5.2 *Disclosure for Restructuring Transactions*

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Dallas Pretty, Chief Financial Officer
Telephone: (604) 989-6275

Item 9 Date of Report

January 6, 2025