

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Electric Metals Inc. (the “Company”)
Suite 303, 750 West Pender Street
Vancouver, BC V6C 2T7

Item 2. Date of Material Change

July 24, 2012.

Item 3. News Release

News release dated July 24, 2012 was filed on SEDAR and disseminated via Stockwatch and Market News on July 24, 2012.

Item 4. Summary of Material Change

The Company announced that it has entered into a Termination and settlement agreement with Zimtu Capital Corp and a group of three private individuals with respect to the Aibitibi region of Quebec.

The Company also announced the resignation of Gildar (Gilles) Arseneau as a Director of the Company.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company announced that it has entered into a Termination and settlement agreement with Zimtu Capital Corp and a group of three private individuals with respect to the Aibitibi region of Quebec.

As announced on April 20, 2011, Electric Metals entered into an Option Agreement (the “Agreement”) dated April 5th, 2011, the Company has the option to purchase a 100% interest in the Abitibi claims by paying \$250,000 and issuing 5,500,000 shares of the Company over 2 years. The property is subject to a 2% Net Smelter Royalty, 1% of which can be purchased for \$500,000. Consul-Teck Mineral Exploration Consultants Inc., of Val D’Or, Quebec, will operate the exploration program in year one.

Under the terms of the Termination and settlement agreement, the parties wish to voluntarily terminate the Agreement by way of the Company issuing a total of 500,000 common

shares to the Vendors, each as to 25%. The Termination and settlement agreement is subject to Exchange approval.

The Board of Directors of the Company also announced the resignation of Gildar (Gilles) Arseneau as a Director of the Company.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

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

Not applicable.

Item 7. Omitted Information

None.

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Tony M. Ricci, President, CEO and Director, Telephone: (604) 681-0084.

Item 9. Date of Report

DATED at Vancouver, British Columbia, this 24th day of July, 2012.