FORM 51-102F3

Material Change Report

Item 1. Name and Address of Company

Electric Metals Inc. (the "Company")
302 – 750 West Pender Street
Vancouver, BC, V6C 2T7

Telephone: 604-681-0084

Item 2. Date of Material Change

News Release dated December 12, 2012

Item 3. News Release

News Release dated December 12, 2012 was disseminated via TheNewsWire and filed on SEDAR on December 12, 2012.

Item 4. Summary of Material Change

Electric Metals Inc. and Moimstone Corporation Announce Meeting Results and Final Court Order Approving Plan of Arrangement

Item 5. Full Description of Material Change

VANCOUVER, B.C. December 12, 2012 – ELECTRIC METALS INC. (TSX-V: EMI) ("**Electric Metals**") and Moimstone Corporation ("**Moimstone**") are pleased to announced that the previously announced amalgamation (the "**Amalgamation**"), by way of a court-approved plan of arrangement (the "**Arrangement**"), was approved by the shareholders of Electric Metals and the shareholders of Moimstone, on December 7, 2012, and December 6, 2012, respectively.

Electric Metals and Moimstone are also pleased to announce that that the Supreme Court of British Columbia issued a final order approving the Arrangement on December 10, 2012.

Electric Metals and Moimstone have applied to list the common shares (the "**Amalco Shares**") of the amalgamated corporation ("**Amalco**") for trading on the TSX Venture Exchange (the "**Exchange**") and completion of the Amalgamation is subject to receiving conditional listing approval from the Exchange. The Amalgamation will constitute a reverse take-over of Electric Metals, pursuant to Exchange Policy 5.2.

Pursuant to the Arrangement, each issued and outstanding common share of Moimstone will be cancelled and exchanged for one Amalco Share, and each issued and outstanding common share of Electric Metals will be cancelled and exchanged for 0.1 Amalco Shares. In addition, holders of issued and outstanding options to purchase common shares of Moimstone (a "**Moimstone Option**") will receive one replacement option to purchase one Amalco Share under Amalco's proposed stock option plan for each Moimstone Option held, and holders of issued and outstanding options to purchase common shares of Electric Metals (an "**Electric Option**") will receive 0.1 replacement options to purchase Amalco Shares under Amalco's proposed stock option plan for each Electric Option held. In addition, holders of issued and outstanding common share purchase warrants of Electric Metals (an "**Electric Warrant**") will receive 0.1 replacement common share purchase warrants of Amalco for each Electric Warrant held.

Sponsorship and Agency Agreement

Concurrently with or immediately following the Amalgamation, and pursuant to a sponsorship and agency agreement (the "**Sponsorship and Agency Agreement**") entered into among the parties, Electric Metals and Moimstone have engaged PI Financial Corp. ("**PI**") to act as sponsor in connection with the transaction, and to conduct an offering of units (the "**Units**") of up to $2,000,000 on a commercially reasonable efforts basis (the "**Financing**"). Each Unit will be comprised of one Amalco Share and one-half warrant. Each warrant will entitle the holder to purchase one Amalco Share at an exercise price of $1.00 for a period of 18 months from the date of closing of the Financing.

Pursuant to the Sponsorship and Agency Agreement, Moimstone and Electric will pay PI a cash commission equal to 7% of the aggregate proceeds raised under the Financing and a corporate finance fee. PI will also be issued options equal to 7% of the number of Units sold under the Financing (the "**Compensation Options**"), with each such Compensation Option being exercisable at $0.65, for a period of 18 months following closing of the Financing for one Amalco Share.

About Moimstone Corporation

Moimstone was formed and exists under the *Canada Business Corporations Act*. It is a Canadian technology company principally engaged in the design, development, marketing, and sale of communications equipment and software. It has a wholly-owned Korean subsidiary with an eight year history of supplying voice over internet protocol (“**VoIP**”) telephone equipment and other products to major Korean and international telecommunications carriers. In the six months ended June 30, 2012, Moimstone had revenues of over $15 million. The Company’s head office is located in Richmond, British Columbia, Canada.

About Electric Metals Inc.

Electric Metals was formed and exists under the *Business Corporations Act* (British Columbia) and is listed on the Exchange under the trading symbol “EMI”. Electric Metals is a mineral exploration company based in Vancouver, British Columbia, with its previous focus being the exploration and development of its mineral properties. Upon completion of the Amalgamation, Electric Metals will no longer hold any interest in mineral properties as Amalco’s core business will be to further Moimstone’s VoIP enterprise and business telephone solutions.

Trading in Electric Metals’ common shares is currently halted in accordance with the policies of the Exchange and is expected to remain halted until after the Exchange accepts and confirms the completion of the Amalgamation.

More information with respect to the Amalgamation and Amalco will be provided in a follow-up news release and before any resumption of trading of the Electric Metals common shares is permitted by the Exchange.

Investors are cautioned that, except as disclosed in the Electric Metals Management Information Circular dated November 7, 2012, and the Moimstone Management Information Circular dated November 7, 2012, prepared in connection with the Arrangement, any information released or received with respect to the Amalgamation may not be accurate or complete and should not be relied upon. Trading in the securities of Electric Metals should be considered to be highly speculative.

The Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

For further information, please contact Investor Relations of Electric Metals, at 604-681-0084 or Rob Bakshi, President and Chief Executive Officer of Moimstone, at 604-761-2100.

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

Not applicable

Item 7. Omitted Information

Not applicable

Item 8. Executive Officer

The following senior officer of the Issuer is knowledgeable about the material change and the Report and may be contacted:

Tony Ricci, President & CEO, Telephone: 604-681-0084.

Item 9. Date of Report

DATED at Vancouver, British Columbia, this 12th day of December, 2012.