

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

E3 Metals Corp.
Suite 2300 – 150 9th Avenue SW
Calgary, AB T2P 3H9
(the “Company”)

Item 2 Date of Material Change

February 8, 2021

Item 3 News Release

The news release was disseminated on February 8, 2021 and filed on SEDAR.

Item 4 Summary of Material Change

The Company announced it has closed its previously announced private placement financing (the “Offering”). Under the over-subscribed Offering, the Company raised gross proceeds of \$8,050,060.50 and issued 6,793,300 units of the Company (“Units”) at \$1.185 per Unit. Each Unit is comprised of one common share of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”). Each Warrant is exercisable to acquire one Common Share at a price of \$1.65 for a period of 24 months from the closing of the Offering.

Echelon Wealth Partners Inc. (“Echelon”) and Canaccord Genuity Corp. (together with Echelon, the “Underwriters”) acted as co-lead underwriters on the bought deal Offering. The Company paid the Underwriters a cash commission equal to 7.0% of the gross subscription proceeds raised from the Offering. Additionally, the Company granted the Underwriters an aggregate of 475,531 non-transferable broker warrants (“Broker Warrants”). Each Broker Warrant entitles the holder to acquire one Unit at a price of \$1.185 per Unit until February 8, 2023. Additionally, Echelon was paid a cash Advisory Fee and issued 92,400 Common Share purchase warrants of the Company (“Advisory Warrants”). Each Advisory Warrant is exercisable to acquire one Common Share at a price of \$1.65 for a period of 24 months from the closing of the Offering.

The securities issued under the Offering are subject to a standard hold period of four months and one day, expiring on June 9, 2021, all in accordance with applicable securities laws.

Item 5 Full Description of Material Change

See attached news release.

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

Not Applicable

Item 7 Omitted Information

None

Item 8 Executive Officer

For more information, please contact Chris Doornbos, President & CEO
Telephone: (587) 324-2775

DATED: February 18, 2021

"Chris Doornbos"

Per: Chris Doornbos
 President & CEO



E3 METALS CORP

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E3 Metals Closes Fully Oversubscribed Private Placement of over \$8,000,000

CALGARY, AB, Feb. 8, 2021 /CNW/ - E3 METALS CORP. (TSXV: ETMC) (FSE: OU7A) (OTC:EEMMF) (the "Company" or "E3 Metals"), an emerging lithium developer and leading lithium extraction technology innovator, is pleased to announce it has closed the "bought deal" brokered private placement with Echelon Wealth Partners Inc. ("Echelon") and Canaccord Genuity Corp. (collectively, the "Underwriters") as previously announced on January 21, 2021, for a total of over \$8M.

The Company received subscriptions for 6,793,300 units of the Company, which includes the exercise of the Underwriters' full 15% over-allotment option, for total proceeds of \$8,050,060.50. Each unit of the Company is comprised of one common share and one common share purchase warrant, on the terms previously announced. The securities issued under the offering will be subject to a hold period expiring four months and one day following the issue date.

The Company has engaged Echelon as an advisor going forward, and in consideration has paid to Echelon an advisory fee of \$100,000 and will issue 92,400 non-transferrable common share purchase warrants. Each warrant shall be exercisable to acquire one common share at a price of \$1.65 for a period of 24 months.

"E3 saw incredible support from institutional investors as we closed the full option at just over \$8M," commented Chris Doornbos, E3 Metals' President and CEO. "This clear demonstration of support for E3 Metals continues as we move towards the pilot of our DLE technology and continue on the path commercialization. The company is now fully capitalized to complete our major milestones for 2021 and beyond."

The company anticipates providing further information to the market in the coming month on the development plans and use of proceeds.

About E3 Metals Corp.

E3 Metals is a lithium development Company with 7.0 million tonnes of lithium carbonate equivalent (LCE) inferred mineral resources¹ in Alberta and an NPV8% on its Clearwater Lithium Project of USD 1.1B with a 32% IRR pre-tax and USD 820M with a 27% IRR after-tax. Through the successful scale up its DLE technology towards commercialization, E3 Metals' goal is to produce high purity, battery grade,

¹ The Preliminary Economic Assessment (PEA) of the Clearwater Lithium Project NI 43-101 technical report is effective Dec 21, 2020. E3 Metals has also released three NI 43-101 Technical Reports providing a total resource of 7.0 Mt LCE. The Clearwater Lithium Project PEA resource estimate, identifying 2.2Mt LCE (inferred) effective December 21, 2020; the North Rocky Resource Area (NRR) Technical Report effective October 27, 2017 identifying 0.9Mt LCE (inferred); and the Exshaw West Resource Area (EWRA) identifying 3.9Mt LCE (inferred) dated June 4, 2018. All reports are available on the Company's website (e3metalscorp.com/technical-reports) and SEDAR (www.sedar.com)

lithium products. With a significant lithium resource and innovative technology solutions, E3 Metals has the potential to deliver lithium to market from one of the best jurisdictions in the world. E3 Metals also continues to work with partners at the University of Alberta and at GreenCentre Canada. For more information about E3 Metals, visit <http://www.e3metalscorp.com>.

ON BEHALF OF THE BOARD OF DIRECTORS,
Chris Doornbos, President & CEO
E3 METALS CORP.

For further information:

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Forward-Looking and Cautionary Statements

This news release includes certain forward-looking statements concerning the use of the net proceeds from the Offering, as well as management's objectives, strategies, beliefs and intentions. Forward looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward looking statements are based on the current opinions and expectations of management. All forward looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, the effectiveness and feasibility of emerging lithium extraction technologies which have not yet been tested or proven on a commercial scale or on the Company's brine, competitive risks and the availability of financing, as described in more detail in our recent securities filings available at www.sedar.com. Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon. We assume no obligation to revise or update these forward-looking statements except as required by applicable law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.