FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1. Name and Address of Company

Valhalla Metals Inc. (the "**Company**" or "**Valhalla**")
Suite 2700, The Stack, 1133 Melville Street
Vancouver, British Columbia, V6E 4E5

ITEM 2. Date of Material Change

May 29, 2026

ITEM 3. News Release

A news release was disseminated on June 1, 2026 through Newsfile Corp. and filed on SEDAR+.

ITEM 4. Summary of Material Change

On June 1, 2026, the Company announced:

(a) the completion of its acquisition of the high-grade copper-gold-silver-zinc Smucker Project (the "**Smucker Project**") from Teck American Incorporated, a subsidiary of Teck Resources Limited ("**Teck**");

(b) the completion of the second and final tranche of its previously announced non-brokered private placement of subscription receipts (the "**Subscription Receipts**");

(c) the conversion of the Subscription Receipts to Valhalla Shares (as defined below); and

(d) the conversion of all outstanding multiple voting shares ("**MV Shares**") into Valhalla Shares, on a basis of 100 Valhalla Shares for each MV Share.

ITEM 5. Full Description of Material Change

5.1 Full Description of Material Change

Closing of Transaction

On June 1, 2026, the Company announced the successful completion of its acquisition of the Smucker Project from Teck (the "**Transaction**").

Pursuant to the Transaction, as consideration for the acquisition of the Smucker Project (and the assumption of all liabilities associated with the Smucker Project), Valhalla issued 44,813,642 subordinate voting shares ("**Valhalla Shares**") and granted to Teck: (i) a priority purchase right and right of last offer on the purchase of any concentrate produced from the Sun and Smucker properties; and (ii) a 2.0% net smelter returns royalty on certain portions of the Smucker Project. In addition, Teck and the Company entered into an investor rights agreement, which includes, among other things, the grant to Teck of equity participation rights, top up rights, information rights and the right to appoint a director to the board of directors of Valhalla.

The Transaction required the approval of Valhalla's shareholders in accordance with the policies of the TSX Venture Exchange ("**TSXV**") as Teck became a "control person" of the Company (as defined in the policies of the TSXV) upon closing of the Transaction, which was obtained via written consent of shareholders holding at least 50% of the Valhalla Shares.

Final Tranche of Private Placement

In connection with the closing of the Transaction, the Company exercised its 20% upsize right and completed the second and final tranche of its over-subscribed non-brokered private placement of Subscription Receipts (the "**Offering**"). Pursuant to the second tranche of the Offering, the Company issued an aggregate of 2,691,555 Subscription Receipts for aggregate gross proceeds of approximately $1.75 million, at a price of $0.65 per Subscription Receipt. In total, Valhalla sold and issued an aggregate of 23,076,923 Subscription Receipts for gross proceeds of approximately $15 million pursuant to the Offering, including investments from Teck for $1.75 million and Marubeni Metals & Minerals (Canada), Inc., an affiliate of Marubeni Corporation ("**Marubeni**"), for approximately $1.7 million.

The net proceeds of the Offering are expected to fund exploration expenditures at the Company's Sun property, including a drill program, and the Smucker Project following completion of the Transaction, for mapping and survey work, plus general and administrative costs.

The participants in the final tranche of the Offering are insiders of the Company. The participation of insiders in the Offering constitutes a "related party transaction", within the meaning of TSXV Policy 5.9 and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The Company has relied on the 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, in respect of the related party participation in the Offering, as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the Offering, insofar as it involved the insiders, exceeded 25% of the Company's market capitalization (as determined under MI 61-101).

The Transaction and the Offering are subject to the final acceptance of the TSXV.

Conversion of Subscription Receipts

In connection with the closing of the Transaction, without payment of additional consideration or further action on the part of the Subscription Receipt holders, each Subscription Receipt automatically converted to one Valhalla Share. The Valhalla Shares issued upon conversion of the Subscription Receipts are subject to a statutory hold period of four months and one day from the date the Subscription Receipts were issued.

In connection with the conversion of the Subscription Receipts, the Company has paid cash finder's fees to certain finders (the "**Finders**") equal to 6% of the gross proceeds raised from subscriptions arranged by each such Finder, for an aggregate of $224,850.87 in Finders fees.

Share Decompression

On the closing date of the Transaction, Valhalla converted all outstanding MV Shares into Valhalla Shares, on a basis of 100 Valhalla Shares for each MV Share (the "**Conversion**"). As the Conversion was a condition to the closing of the Transaction, the board of directors of Valhalla determined that it was no longer in the best interests of the Company to have the MV Shares be maintained as a separate class of shares of the Company. The holders of outstanding MV Shares on the closing date of the Transaction were issued DRS advices representing the number of Valhalla Shares into which the MV Shares were so converted, and each existing certificate representing the MV Shares (or other evidence thereof) was cancelled.

Following the Conversion, it is the intention of the Company to remove the MV Shares from the authorized share structure of the Company and to re-identify the Valhalla Shares as "Common Shares" following the Company's next annual meeting of shareholders.

Related Party Transaction – MI 61-101 Disclosure

The following supplementary information about the second tranche of the Offering is provided in accordance with Section 5.2 of MI 61-101.

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

See item 5.1 above, as well as the News Release, for a description of the transaction.

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

The purpose of the Offering was to raise funds to fund exploration expenditures at the Company's Sun Property, including a drill program, and at the Company's Smucker Project following completion of the Transaction, for mapping and survey work, plus for general and administrative costs.

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

See paragraph (b) above.

(d) a description of:

(i) the interests in the transaction of every interested party and of the related parties and associated entities of the interested parties;

In connection with the second tranche of the Offering, 45,402 Subscription Receipts were issued to a company controlled by Sorin Posescu, the chief executive officer, president and a director of the Company.

In connection with the second tranche of the Offering, 15,384 Subscription Receipts were issued to Mihai Draguleasa, the chief financial officer of the Company.

In connection with the second tranche of the Offering, 2,630,769 Subscription Receipts were issued to Marubeni, an insider of the Company.

(ii) 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 referred to in subparagraph (i) for which there would be a material change in that percentage:

Prior to the completion of the Offering, Sorin Posescu held, directly or indirectly, 3,078,546 Valhalla Shares (representing 8.25% of the issued and outstanding Valhalla Shares and 3.7% of the voting rights of all voting securities of the Company) and nil Subscription Receipts. Upon closing of the Offering, the completion of the Conversion, and the conversion of the Subscription Receipts to Valhalla Shares, Sorin Posescu now holds 3,123,948 Valhalla Shares (representing 2.07% of the issued and outstanding Valhalla Shares).

Prior to the completion of the Offering, Mihai Draguleasa held, directly or indirectly, 10,000 Valhalla Shares (representing 0.026% of the issued and outstanding Valhalla Shares and 0.012% of the voting rights of all voting securities of the Company) and nil Subscription Receipts. Upon closing of the Offering, the completion of the Conversion, and the conversion of the Subscription Receipts to Valhalla Shares, Mihai Draguleasa now holds 25,384 Valhalla Shares (representing 0.017% of the issued and outstanding Valhalla Shares).

Prior to the completion of the Offering, Marubeni held, directly or indirectly, 16,580,000 Valhalla Shares (representing 44.4% of the issued and outstanding Valhalla Shares and 19.9% of the voting rights of all voting securities of the Company) and nil Subscription Receipts. Upon closing of the Offering, the completion of the Conversion, and the conversion of the Subscription Receipts to Valhalla Shares, Marubeni now holds 19,210,769 Valhalla Shares (representing 12.7% of the issued and outstanding Valhalla Shares).

(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:

The Offering has been approved by the Company's Board of Directors.

(f) a summary, in accordance with section 6.5, 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 every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:

(i) that has been made in the 24 months before the date of the material change report:

(ii) the existence of which is known, after reasonable inquiry, to the issuer or to any director or senior 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:

*Other than (i) the subscription agreements for the Subscription Receipts, which are in a customary form for transactions of the nature of the Offering, and (ii) a side letter between the Company and Marubeni providing for certain waivers and consents in connection with the closing of the Transaction and the Offering pursuant to the investment agreement between the Company and Marubeni (the "**Investment Agreement**"), as well as for certain amendments to the registration rights in favour of Marubeni contained in the Investment Agreement, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offering.*

(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, respectively, and the facts supporting reliance on the exemptions:

The Company is relying on the exemptions from the 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, given that neither (A) the fair market value of the subject matter of, nor (B) the fair market value of the consideration for, the Offering, insofar as it involves interested parties, exceeds 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

The Company did not file a material change report more than 21 days before the expected closing of the Offering as the details of the Offering and the participation therein by related parties were not settled until shortly prior to closing and the Company wished to close on an expedited basis for sound business reasons.

5.2 Disclosure for Restructuring Transactions

Not applicable.

ITEM 6. Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

ITEM 7. Omitted Information

None.

ITEM 8. Executive Officer

Sorin Posescu, Chief Executive Officer
Phone: 604-561-3194
Email: invest@valhallametals.com

ITEM 9. Date of Report

June 4, 2026

<u>Cautionary Note Regarding Forward-Looking Statements</u>

This material change report contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plan", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. Such information or statements in this material change report include, but are not limited to: the anticipated use of proceeds from the Offering; the receipt of final approval from the TSXV to the Offering and the Transaction; the removal of the MV Shares from the authorized share structure of the Company; and the re-identification of the Valhalla Shares as "Common Shares" and the timing thereof.

The forward-looking statements and information are based on certain key expectations and assumptions made by the Company, including that the Company is able to realize the anticipated benefits from the Transaction, that the Company uses the proceeds from the Offering as currently anticipated, that the Company undertakes the planned exploration on the timeline and in the manner currently anticipated and that the removal of the MV Shares from the authorized share structure of the Company and the re-identification of the Valhalla Shares as "Common Shares" occurs on the timeline currently anticipated. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based, are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Such factors include, among others, the following risks: the risk that the Company does not realize the anticipated benefits from the Transaction; the risk that the TSXV may not finally approve the Offering or the Transaction; the risk that the Company uses the proceeds from the Offering in a different manner than is currently anticipated; the risk that the Company does not receive the approval of its shareholders to undertake the actions necessary to remove the MV Shares from the capital of the Company and to re-identify the Valhalla Shares as "Common Shares"; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; and the additional risks identified in the other reports and filings of the Company with the TSXV and applicable Canadian securities regulators. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements included in this material change report are expressly qualified by this cautionary statement. The forward-looking statements and information contained in this material change report are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-

looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws..