

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**Item 1: Name and Address of Company**

Surge Copper Corp.  
#888 – 700 West Georgia Street  
Vancouver, B.C. V7Y 1G5  
Telephone: 604-718-5454  
Facsimile: 604-662-3791

**Item 2: Date of Material Change**

May 12, 2021

**Item 3: News Release**

The news release was disseminated on May 12, 2021 through Canada Newswire and filed on SEDAR.

**Item 4: Summary of Material Change**

Surge Copper Announces \$10.0 Million Bought Deal Private Placement Financing

**Item 5: Full Description of Material Change**

See attached Schedule “A”

**Item 6: Reliance on subsection 71(2) of National Instrument 51-102**

N/A

**Item 7: Omitted Information**

N/A

**Item 8: Executive Officer**

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

Leif Nilsson  
Chief Executive Office  
Telephone: +1 604 416 2978 or +1 604 558 5847

**Item 9: Date of Report**

May 12, 2021

## SCHEDULE “A”



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Frankfurt Trading Symbol: G6D2

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### NEWS RELEASE

#### **Surge Copper Announces \$10.0 Million Bought Deal Private Placement Financing**

**May 12, 2021, Vancouver, British Columbia – Surge Copper Corp. (TSXV: [SURG](#)) (Frankfurt: [G6D2](#)) (“Surge” or the “Company”)** is pleased to announce that the Company has entered into an agreement with PI Financial Corp. (“PI Financial”), pursuant to which a syndicate of underwriters led by PI Financial have agreed to purchase 4,445,000 units (the “Units”), 3,775,000 flow-through units (the “FT Units”), and 9,775,000 charity flow-through units (the “Charity FT Units”) of the Company for aggregate gross proceeds of approximately C\$10.0 million (the “Offering”). The Units, FT Units, and Charity FT Units will be offered by way of a private placement pursuant to exemptions from the prospectus requirements to residents of the Provinces of British Columbia, Alberta, Saskatchewan, Ontario, Quebec, and such other Canadian jurisdictions as may be agreed to by the Company and the underwriters. The Company is pleased to announce it has received a substantial commitment from Altius Minerals Corporation to subscribe under the Offering.

Each Unit will be sold at a price of C\$0.45 (the “Unit Offering Price”) and consist of one common share and one-half of one transferable common share purchase warrant (each whole such common share purchase warrant, a “Warrant”). Each FT Unit will be sold at a price of C\$0.53 (the “FT Unit Offering Price”) and consist of one flow-through common share and one-half of one Warrant to be issued on a non-flow through basis. Each Charity FT Unit will be sold at a price of C\$0.615 (the “Charity FT Unit Offering Price”) and consist of one charity flow-through common share and one-half of one Warrant to be issued on a non-flow through basis. Each Warrant shall be exercisable into one additional common share for twenty-four months from closing at an exercise price of C\$0.60 per Warrant.

The Company has also granted the underwriters an option to increase the size of the offering (the “Underwriters’ Option”), which will allow the underwriters to offer up to an additional 20% of the Offering, on the same terms. The Underwriters’ Option may be exercised in whole or in part at any time prior to the closing of the Offering, in any combination of Units, FT Units, and Charity FT Units.

The net proceeds raised from the Units will be used to fund ongoing project development expenditures, and for working capital and general corporate purposes.

The aggregate gross proceeds raised from the FT Units and Charity FT Units will be used before 2023 for general exploration expenditures which will constitute Canadian exploration expenses (within the

meaning of subsection 66(15) of the Income Tax Act (Canada) (the “Tax Act”), that will qualify as “flow through mining expenditures” within the meaning of the Tax Act (the “Qualifying Expenditures”).

The Offering is expected to close on or about June 10, 2021 or such other date as agreed between the Company and the underwriters (the “Closing Date”), and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals. The Units, FT Units, and Charity FT Units are subject to a four month hold period from the date of closing of the Offering.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

### **About Surge Copper Corp.**

The Company owns a 100% interest in the Ootsa Property, an advanced stage exploration project containing the East Seel, West Seel and Ox porphyry deposits located adjacent to the open pit Huckleberry Copper Mine, owned by Imperial Metals. The Ootsa Property contains pit constrained NI 43-101 compliant resources of copper, gold, molybdenum, and silver in the Measured and Indicated categories.

The Company is also earning into a 70% interest in the Berg Property from Centerra Gold. Berg is a large, advanced stage exploration project located 28 km northwest of the Ootsa deposits. Berg contains pit constrained 43-101 compliant resources of copper, molybdenum, and silver in the Measured and Indicated categories. Combined, the adjacent Ootsa and Berg properties give Surge a dominant land position in the Ootsa-Huckleberry-Berg district and control over four advanced porphyry deposits.

### **On Behalf of the Board of Directors**

“Leif Nilsson”  
Chief Executive Officer

For Further information, please contact:  
Telephone: +1 604 416 2978 or +1 604 558 5847  
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<http://www.surgecopper.com>

*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.*

*This News Release contains forward-looking statements, which relate to future events. In some cases, you can identify forward-looking statements by terminology such as "will", "may", "should", "expects", "plans", or "anticipates" or the negative of these terms or other comparable terminology. All statements included herein, other than statements of historical fact, are forward looking statements, including but not limited to the Company's plans regarding the Berg Property and the Ootsa Property. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking-statements. Such uncertainties and risks may include, among others, actual results of the Company's exploration activities being different than those expected by management, delays in obtaining or failure to obtain required government or other regulatory approvals, the ability to*

*obtain adequate financing to conduct its planned exploration programs, inability to procure labour, equipment and supplies in sufficient quantities and on a timely basis, equipment breakdown, impacts of the current coronavirus pandemic, and bad weather. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith, and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggestions herein. Except as required by applicable law, the Company does not intend to update any forward-looking statements to conform these statements to actual results.*