Material Change Report

Form 51-102F3

Item 1 - Name and Address of Company

Highland Copper Company Inc. (the "**Company**" or "**Highland**")
1111 St-Charles West
West Tower, Suite 101
Longueuil, QC J4K 5G4

Item 2 - Date of Material Change

May 30, 2017.

Item 3 - News Release

A news release in respect of this material change was disseminated via Marketwire on May 31, 2017.

Item 4 - Summary of Material Change

On May 30, 2017, Highland's wholly owned subsidiary, UPX Minerals Inc. ("UPX") acquired from Kennecott Exploration Company and Rio Tinto Nickel Company ("RTX"), subsidiaries of the Rio Tinto Group, all of their mineral properties covering approximately 447,842 acres in the Upper Peninsula of the State of Michigan, U.S.A (the "UPX Properties"). The consideration for the acquisition is US$18.0 million of which US$2.0 million was paid at closing and UPX issued a US$16 million secured non-interest bearing promissory note (the "Note") in favour of RTX. The Note is secured by a first priority security interest over all of the properties acquired and Highland has guaranteed the repayment of the Note and all other obligations pursuant to the asset purchase agreement between RTX and UPX dated May 30, 2017. RTX has retained a 2% net smelter return royalty on all mineral interests.

Item 5 - Full Description of Material Change

Highland Copper Company Inc. (TSX-V: HI) ("Highland" or the "Company") has acquired from Kennecott Exploration Company and Rio Tinto Nickel Company ("RTX"), subsidiaries of the Rio Tinto Group, all of their mineral properties covering approximately 447,842 acres in the Upper Peninsula of the State of Michigan, U.S.A (the "UPX Properties"). The UPX Properties were acquired by Highland's wholly owned subsidiary, UPX Minerals Inc. ("UPX"), on May 30, 2017. The consideration for the acquisition is US$18.0 million of which US$2.0 million was paid at closing and UPX issued a US$16 million secured non-interest bearing promissory note (the "Note") in favour of RTX that provides the following repayment schedule: US$1.0 million on the first anniversary of the closing and US$3.0 million on each of the second, third, fourth, fifth and sixth anniversary dates of the acquisition. The payments under the Note will be accelerated if Highland publicly releases a feasibility study covering any portion of the UPX Properties. The Note is secured by a first priority security interest over all of the properties acquired and Highland has guaranteed the repayment of the Note and all other obligations pursuant to the asset purchase agreement between RTX and UPX dated May 30, 2017.

RTX has retained a 2% net smelter return royalty (the "NSR") on all mineral interests. Highland has an option to buy-down half of the 2% NSR by paying US$8 million to RTX. The option will be exercisable at any time prior to the eleventh anniversary of the closing of the transaction.

In addition to the UPX Properties, the acquisition includes all financial, geological, geophysical, geochemical, environmental and other technical information related to the properties including maps, geophysical and geochemical surveys, drill core, and other technical and operational information generated by RTX.

The acquisition of the UPX Properties establishes Highland as a dominant mining exploration and development company in the Upper Peninsula of Michigan and offers the opportunity to build a pipeline of projects that could be developed in the future. Since 2003, the UPX Properties have been subject to over 69,500 line-miles of detailed airborne geophysical surveys as well as 147 diamond drill holes. Almost all the RTX exploration effort was focused on Ni-Cu targets and the program ultimately led to the discovery of the Eagle Mine. Exploration for deposits of other commodities was limited even if the mineral potential is considered as excellent.

The land package covers the extension into Michigan of the Wawa-Abitibi geological Subprovince, which is part of the Superior Province of the Canadian Shield. The Superior Province is a geologically distinct Archean (>2.5 billion years old) province that stretches from Quebec through Ontario and into Minnesota and Michigan in the US and is well known for its mineral endowment.

Previous exploration work has identified the potential for several mineral deposit types on the UPX Properties, including nickel-copper massive sulphides in Mesoproterozoic rocks, orogenic gold in Archean greenstone belts and zinc-copper in Paleoproterozoic sediments.

Exploration work planned for the next 12 months includes compilation of all available data to better understand the potential of the various properties. The work program will also include field mapping and soil surveys along with ground geophysics. A re-interpretation of available geophysical data will also be carried out with emphasis on the understanding of the various geological environments. Budgeted expenditures for this exploration phase are approximately US$1.5 million. Some targets may be ready for drill testing in 2018.

As Highland is presently focused on developing the Copperwood project, once the initial compilation work has been completed, a strategic decision will be taken regarding which of the UPX properties will be made available to joint venture partners.

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

There is no reliance on subsection 7.1(2) of National Instrument 51-102.

Item 7 - Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 - Executive Officer

Carole Plante, corporate secretary
Telephone: (450) 677-2455

Item 9 - Date of Report

June 2, 2017.