FORM 51–102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Faraday Copper Corp. (“**Faraday**”)
2800 – 1055 Dunsmuir Street
Vancouver, British Columbia
V7X 1L2

2. Date of Material Change

July 2, 2026

3. News Release

News releases with respect to the material change referred to in this report were disseminated via a newswire on February 20, 2026 and July 2, 2026, and filed on SEDAR+.

4. Summary of Material Change

On July 2, 2026, Faraday entered into a purchase and sale agreement (the “**Purchase Agreement**”) with BHP Copper Inc. (“**BHP**”) and Redhawk Copper – San Manuel Inc. (“**Redhawk**” or the “**Buyer**”), a wholly-owned subsidiary of Faraday, pursuant to which Redhawk has agreed to acquire from BHP certain assets (collectively, the “**San Manuel Assets**”) pertaining to BHP’s real and personal property interests and land use authorizations located near San Manuel, Arizona including, amongst others, the San Manuel copper mine and plant site and the Black Hills Quarry and Camp Grant Quarry (the “**San Manuel Site**”) in consideration for the issuance by Faraday to BHP (or its designated affiliate) of common shares of Faraday (“**Common Shares**”) as would represent, immediately following the issuance thereof, 30% of the issued and outstanding Common Shares on a fully-diluted basis as of immediately following closing (the “**Transaction**”).

In connection with the Transaction, the parties have agreed to enter into certain ancillary agreements on or before the closing of the Transaction (the “**Ancillary Agreements**”), including an investor rights agreement, an offtake rights agreement and a water supply agreement, each substantially in the forms appended to the Purchase Agreement and as more particularly described below.

Completion of the Transaction is subject to the satisfaction of a number of conditions, including, approval under the *Investment Canada Act* (Canada), approval by the Toronto Stock Exchange (the “**TSX**”) and approval of the issuance of the Consideration Shares by Faraday’s shareholders. The Transaction, subject to satisfaction of the conditions thereto, is expected to be completed by the end of the third quarter of 2026.

A copy of the Purchase Agreement is available for review under Faraday’s profile on SEDAR+ at www.sedarplus.ca.

5. Full Description of Material Change

(a) Full Description of Material Change

Overview of the Transaction

On July 2, 2026, Faraday entered into the Purchase Agreement with BHP and Redhawk. Pursuant to the Purchase Agreement, Redhawk has agreed to purchase from BHP the San Manuel Assets, comprising certain of BHP's right, title and interest in and to the San Manuel Site (including the San Manuel lands and facilities, the Black Hills Quarry and the Camp Grant Quarry) and the associated water rights and claims (collectively, the "**Transferred Assets**"). The San Manuel Site is located adjacent to Faraday's existing Copper Creek project in Arizona.

As consideration for the Transferred Assets, Faraday will issue to BHP (or its designated affiliate) from treasury that number of Common Shares (the "**Consideration Shares**") that, immediately following their issuance at closing of the Transaction, will represent 30% of the issued and outstanding Common Shares on a fully-diluted basis (assuming the exercise or conversion of all of Faraday's outstanding convertible securities), and Redhawk will assume certain liabilities relating to the Transferred Assets (the "**Assumed Liabilities**"), including, among others, all environmental and mine closure and reclamation liabilities associated with the Transferred Assets. The specific number of Consideration Shares will be determined immediately prior to closing in accordance with the Purchase Agreement. No cash purchase price is payable by Faraday or Redhawk for the Transferred Assets.

Conditions to Closing

Completion of the Transaction is subject to the satisfaction or waiver of a number of conditions, including: (i) approval of the Transaction under the *Investment Canada Act* (Canada); (ii) approval of the TSX with respect to the issuance and listing of the Consideration Shares; (iii) approval of the issuance of the Consideration Shares by a simple majority of the votes cast by holders of Common Shares, excluding votes required to be excluded under applicable TSX rules (including votes attached to Common Shares held by BHP) (the "**Faraday Required Approval**"), at a special meeting of Faraday shareholders (the "**Special Meeting**"); (iv) the appointment of two BHP nominees to the board of directors of Faraday, which is to comprise not more than ten directors as at closing; (v) arrangements for the replacement of BHP's existing regulatory financial security in respect of the Transferred Assets or the conduct of operations or activities on or in respect of any such Transferred Assets with financial security provided by or on behalf of Faraday; and (vi) certain other customary closing conditions for a transaction of this nature.

In accordance with the rules of the TSX, the issuance of the Consideration Shares to BHP requires the approval of Faraday's shareholders. It is expected that a management information circular in respect of the Special Meeting, which will contain additional details regarding the Transaction and the Transferred Assets, will be prepared and made available to Faraday shareholders.

Termination, Termination Payment and Indemnification

The Purchase Agreement may be terminated in certain circumstances, including: (i) by either Faraday or BHP if the Transaction is not completed by October 15, 2026 (subject to extension in certain circumstances pending receipt of approval under the *Investment Canada Act* (Canada)); (ii) by either Faraday or BHP if the Faraday Required Approval is not obtained at the Special Meeting; (iii) by BHP in the event of a change in recommendation by the board of directors of Faraday prior to the Faraday Required Approval having been obtained; and (iv) by Faraday in order to enter into an agreement in respect of a superior proposal, subject to payment of the Termination Payment (as described below).

A termination payment of US$12,000,000 (the "**Termination Payment**") is payable by Redhawk to BHP in specified circumstances, including: (i) termination by BHP following a change in recommendation by the board of directors of Faraday prior to the Faraday Required Approval having been obtained; (ii) termination by Faraday to enter into an agreement in respect of a superior proposal; (iii) termination by either BHP or Faraday in certain other circumstances if at the time of such termination, BHP is otherwise entitled to terminate as a result of the circumstances described in clause (i) above, and (iv) certain "tail" scenarios in which an acquisition proposal is announced and Faraday subsequently enters into or completes an alternative transaction within 12 months. Faraday has guaranteed the obligations of Redhawk under the Purchase Agreement, including payment of the Termination Payment. Faraday is subject to customary non-solicitation covenants, including a fiduciary-out and a right of BHP to match a superior proposal during a five business-day period.

The Purchase Agreement contains customary representations, warranties, covenants and indemnities. In connection with the Transaction, Faraday and Redhawk have agreed to indemnify BHP and its related parties in respect of the Assumed Liabilities, including all past, present and future environmental, closure and reclamation liabilities relating to the Transferred Assets and the conduct of operations or activities on or in respect of any such Transferred Assets. Each party has agreed to indemnify the other in respect of breaches of its representations, warranties and covenants, subject to customary survival periods, thresholds and limitations.

Voting and Support Agreements

Concurrently with the execution of the Purchase Agreement, BHP entered into voting and support agreements (the "**Voting Support Agreements**") with certain securityholders of Faraday, including each of the directors and officers of Faraday. Pursuant to the Voting Support Agreements, each supporting securityholder has agreed, subject to the terms thereof, to vote their Common Shares in favour of the resolution to approve the Transaction at the Special Meeting. The supporting securityholders party to the Voting Support Agreements hold, in aggregate, Common Shares representing approximately 21.9% of the issued and outstanding Common Shares as of the date hereof.

Ancillary Agreements

Pursuant to the Purchase Agreement, the parties will enter into the following Ancillary Agreements, among others, at closing of the Transaction:

(a) Investor Rights Agreement

Faraday and BHP (or its designated affiliate, as the "**Investor**") have agreed to enter into an investor rights agreement (the "**Investor Rights Agreement**") at closing, which will govern certain rights of BHP as a significant shareholder of Faraday.

The Investor Rights Agreement will provide for, among other things, the following types of rights of the Investor: (i) board nomination rights, including the right to nominate two directors to the board of directors of Faraday for so long as the Investor holds 15% or more of the outstanding Common Shares (or one director for so long as the Investor holds 10% or more of the outstanding Common Shares); (ii) technical committee representation rights; (iii) anti-dilution and top-up rights; (iv) demand and piggyback registration rights; and (v) certain other strategic investor protections.

The Investor Rights Agreement will also provide that: (i) for a period of 24 months following closing, the Investor will, in respect of resolutions recommended by the board of Faraday, either not vote against such resolutions or abstain from voting; (ii) for a period of 24 months following closing, the Investor will be subject to customary standstill restrictions; and (iii) for a period of 12 months following closing, the Investor will be restricted from transferring its Common Shares without Faraday's consent, subject to customary exceptions, and Faraday will have the right to identify purchasers for Common Shares proposed to be sold by the Investor above specified thresholds.

The Investor Rights Agreement will terminate if BHP's ownership falls below 10% of the outstanding Common Shares (subject to a 30-day cure period).

(b) Offtake Rights Agreement

At closing, Faraday, Redhawk (among other affiliate(s) of Faraday) and an affiliate of BHP (the "**Offtake Buyer**"), will enter into an offtake rights agreement (the "**Offtake Rights Agreement**"), pursuant to which the Offtake Buyer will have the exclusive right to purchase 30% of production from the San Manuel project and the Copper Creek project. The specific commercial terms for the purchase and sale of products will be set out in one or more definitive offtake agreements to be negotiated by the parties. Pricing will reflect fair market value and arm's-length terms, by reference to recognized market benchmarks and customary treatment, refining, freight and related deductions. The Offtake Rights Agreement will terminate in certain circumstances, including upon termination of the Investor Rights Agreement if the Investor's ownership falls below the 10% threshold.

(c) Water Supply Agreement

Faraday, Redhawk and BHP will enter into a water supply agreement (the "**Water Supply Agreement**") at closing, pursuant to which BHP will, subject to the terms thereof, be entitled to receive and use water from the water rights and claims and the lands comprising the San Manuel Assets that is reasonably available in excess of the water required for Redhawk's needs at the San Manuel project and Copper Creek project ("**Excess Water**"), as determined in accordance with the Water Supply Agreement. BHP will reimburse Redhawk for BHP's equitable, pro rata share of Redhawk's documented direct and indirect costs of delivering the Excess Water, at no markup. The Water Supply Agreement will have an indefinite term and may be terminated by BHP on 90 days' notice.

(b) Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on subsection 7.1(2) of National Instrument 51–102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

For further information, please contact:

Paul Harbidge
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Faraday Copper Corp.
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9. Date of Report

July 6, 2026

Cautionary Note on Forward-Looking Statements

Some of the statements in this material change report, other than statements of historical fact, are "forward-looking statements" and are based on the opinions and estimates of management as of the date such statements are made and are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements of Faraday to be materially different from those expressed or implied by such forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements concerning the closing of the Transaction and the other transactions contemplated thereby (including the entering into of the Ancillary Agreements) and the timing thereof, the parties' ability to satisfy the conditions to the closing of the Transaction, and the possibility of any termination of the Purchase Agreement in accordance with its terms. Although Faraday believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially. Accordingly, readers should not place undue reliance on forward-looking statements or information. Factors that could cause actual results to differ materially from those in forward-looking statements include, without limitation: the possibility that the Transaction will not be completed on the terms and conditions or on the timing currently contemplated, and that it may not be completed at all due to a failure to obtain or satisfy, in a timely manner or otherwise, required regulatory and shareholder approvals and other conditions to the closing of the Transaction or for other reasons; the negative impact that the failure to complete the Transaction for any reason could have on the price of the Common Shares or on Faraday's business; the failure to realize the expected benefits of the Transaction; the restrictions imposed on Faraday while the Transaction is pending; transaction costs or unknown liabilities; risks related to the diversion of management's attention from Faraday's ongoing business operations while the Transaction is pending; and other risks and uncertainties affecting Faraday, including exploration and development activity and the future price and demand of copper. The forward-looking statements contained in this material change report are made as of the date of this material change report. Faraday disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Faraday assumes no obligation to update forward-looking statements except as required under securities laws. Further information concerning risks, assumptions and uncertainties associated with forward-looking statements and Faraday's business can be found in Faraday's annual information form for the year ended December 31, *2025 filed under Faraday's profile on SEDAR+ (www.sedarplus.ca), as well as in subsequent filings that can also be found under Faraday's profile.*