

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

First Light Capital Corp. (the “**Company**”)
1090 – 510 Burrard Street
Vancouver, BC V6C 3B9

Item 2 Date of Material Change

June 16, 2021

Item 3 News Release

The News Release dated June 17, 2021 was disseminated by Newsfile on June 17, 2021.

Item 4 Summary of Material Change

On June 16, 2021, the Company entered into a definitive arrangement agreement dated June 16, 2021 (the “**Arrangement Agreement**”) with New Oroperu Resources Inc. (“**New Oroperu**”), pursuant to which the Company proposes to acquire all of the issued shares and options of New Oroperu outstanding at closing (the “**Transaction**”). At or prior to closing (the “**Closing**”) of the Transaction, the Company has agreed to change its name to Anacortes Mining Corp. and, following Closing, it intends to focus on continued exploration and advancement of New Oroperu’s Tres Cruces project located in Peru. In the Arrangement Agreement, the Company has also agreed to use commercially reasonable efforts to raise at least \$17,500,000 through the sale of Subscription Receipts (the “**Private Placement**”).

Under the terms of the Arrangement Agreement, which was negotiated at arms-length, each New Oroperu shareholder will receive 5.815 common shares of the Company (each a “**First Light Share**”) for each New Oroperu common share held (each a “**New Oroperu Share**”) (the “**Share Exchange Ratio**”). A portion of the New Oroperu options outstanding at closing will vest immediately prior to closing of the Transaction and are to be transferred to New Oroperu for cancellation for an amount equal to the positive difference between the exercise price and the 20-day volume weighted average share price of New Oroperu for the 20-day period ending on the day prior to the announcement of the Transaction. All remaining outstanding options of New Oroperu will be exchanged for equivalent options of the Company in accordance with the Arrangement Agreement and based on the Share Exchange Ratio. The outstanding New Oroperu warrants will be adjusted at Closing to become exercisable for First Light Shares based on the Share Exchange Ratio.

Based upon the Share Exchange Ratio, a total of 162.2 million First Light Shares will be issued to New Oroperu shareholders based on a total of 27.9 million New Oroperu Shares outstanding, before giving effect to a consolidation, pursuant to which, immediately following completion of the Transaction and issuance of Anacortes shares and warrants upon conversion of the subscription receipts sold in the Private Placement, Anacortes will consolidate its common shares at a ratio of six pre-consolidation shares to one post-consolidation share (the “**Consolidation**”), representing total consideration equal to approximately \$76 million, based on a price per First Light Share of \$0.47, the closing price on June 16, 2021.

The Transaction will constitute a change of control of New Oroperu, and at closing New Oroperu will be required to pay an aggregate of approximately C\$2.3M in cash change of control

payments to five insiders. It is anticipated that upon completion of the Transaction, Company shareholders and New Oroperu shareholders will own 16% and 84% of Anacortes, respectively, without giving effect to the Private Placement. After giving effect to the Private Placement, it is expected that current Company shareholders, New Oroperu shareholders and investors in the Private Placement will own approximately 13%, 66% and 21% of Anacortes, respectively.

Directors and officers of New Oroperu representing 14.9% of New Oroperu Shares, in addition to Pan American Silver Corp. that represents 17.4% of the New Oroperu Shares, have entered into lock-up and voting support agreements in connection with the Transaction.

It is intended that the Transaction will constitute the “Qualifying Transaction” of the Company in accordance with Policy 2.4 - “Capital Pool Companies” (the “**Policy**”) of the TSX Venture Exchange (the “**Exchange**”) Corporate Finance Manual and that Anacortes will be listed as a Tier 1 Mining Issuer on the Exchange. The Company and New Oroperu are acting at arm’s length and the Transaction is not considered a Non-Arm’s Length Qualifying Transaction under the CPC Policy. Accordingly, the CPC Policy does not require the Company to obtain shareholder approval for the Transaction. Notwithstanding the foregoing, the Company intends to obtain shareholder approval in connection with its proposed name change, the Consolidation (as defined below) and the election of the director nominees set forth above.

The Company has provided additional details about both the Transaction and the proposed Private Placement in a comprehensive news release disseminated June 17, 2021 and filed on SEDAR on June 22, 2021.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

A full description of the material change is described in Item 4 above and in the Company’s press release disseminated June 17, 2021.

5.2 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Contact: James Currie, CEO
Telephone: 604.569.2209

Item 9 Date of Report

June 25, 2021