

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

**1. NAME AND ADDRESS OF COMPANY**

Lion Copper and Gold Corp. (the “Company”)  
c/o #1200 – 750 West Pender Street  
Vancouver, BC V6C 2T8

**2. DATE OF MATERIAL CHANGE**

June 17, 2022

**3. NEWS RELEASE**

News releases dated June 17, 2022 and June 23, 2022 were disseminated via Newsfile Corp.

**4. SUMMARY OF MATERIAL CHANGE**

Lion Copper and Gold Corp. closed the first tranche of a convertible debenture financing.

**5. FULL DESCRIPTION OF MATERIAL CHANGE**

Lion Copper and Gold Corp. completed the first tranche of its previously announced non-brokered private placement of unsecured convertible debentures (“Debentures”) for gross proceeds of US\$1,075,000.

The Debentures bear interest at the rate of 14% per annum and mature on February 17, 2024. The Debentures may be converted into shares of the Company at US\$0.067 per share until June 17, 2023 and thereafter at US\$0.078 per share. The holder has the option to elect to be repaid in kind at any time prior to maturity of the Debentures by way of shares the Company owns of 1301666 BC Ltd., or its successor, (the “BC Ltd. Shares”) at the rate of US\$0.25 per BC Ltd. Share, provided that any Debenture held by an insider of the Company requires prior stock exchange approval prior to being repaid in kind.

In connection with the sale of the Debentures, the Company issued to the purchasers one detachable warrant (a “Warrant”) for every US\$0.06 (C\$0.007) of principal amount of the Debentures subscribed for. Each Warrant can be exercised to acquire a common share of the Company at a price of US\$0.06 (C\$0.077) for a period of 20 months.

The proceeds of the Debenture Financing will be applied to fund the return of the US\$1,000,000 deposit to Desert Pearl Farms (see May 26, 2022 news release) and the balance will be used for general working capital.

All securities issued pursuant to the Debenture Financing are subject to a four month hold period expiring on October 18, 2022, in accordance with applicable securities laws and the policies of the TSX Venture Exchange.

One current director of the Company participated in the Debenture Financing for the principal amount of US\$250,000. The transaction with the director, who is an insider of the Company, constitutes a “related party transaction” as defined under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Company is relying on the exemptions under section 5.5(a) and section 5.7(1)(a) from the formal valuation and minority shareholder approval requirements of MI 61-101, as the fair market value of the Debentures issued to the related party and the consideration paid by the related party under the Debenture Financing does not exceed 25% of Company’s market capitalization, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Debenture Financing, as the Company wanted to improve its financial position as expeditiously as possible.

**6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102**

Not applicable.

**7. OMITTED INFORMATION**

Not applicable.

**8. EXECUTIVE OFFICER**

Stephen Goodman, President  
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**9. DATE OF REPORT**

June 24, 2022