

**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**

July 8, 2022

**3. NEWS RELEASE**

News release dated July 11, 2022 was disseminated via Stockwatch and Market News Publishing Inc.

**4. SUMMARY OF MATERIAL CHANGE**

Lion Copper and Gold Corp. closed a convertible debenture financing.

**5. FULL DESCRIPTION OF MATERIAL CHANGE**

Lion Copper and Gold Corp. closed the second and final tranche of its previously announced non-brokered private placement (the “**Debenture Financing**”) of unsecured convertible debentures (“**Debentures**”) for gross proceeds of US\$925,000. Combined with the first tranche of the Debenture Financing, the Company has raised aggregate gross proceeds of US\$2,000,000.

The Debentures issued under the second tranche of the Debenture Financing bear interest at the rate of 14% per annum and mature on March 8, 2024. The Debentures may be converted into shares of the Company at US\$0.067 per share until July 8, 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\$0.067 (C\$0.085) of principal amount of the Debentures subscribed for. The Company issued 13,805,964 Warrants in connection with the second tranche of the Debenture Financing. Each Warrant entitles the holder to acquire a common share of the Company at a price of US\$0.067 (C\$0.085) for a period of 20 months.

The proceeds of the Debenture Financing will be used for general working capital.

All securities issued pursuant to the second tranche of the Debenture Financing are subject to a four-month hold period expiring on November 9, 2022, in accordance with applicable securities laws and the policies of the TSX Venture Exchange.

Four current directors of the Company participated in the second tranche of Debenture Financing for the principal amount of US\$500,000. Each transaction with a 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 details of the Debenture Financing and the participation therein by related parties of the Company were not settled until shortly prior to closing and the Company wanted to improve its financial position as expeditiously as possible.

#### **Shares for Debt Settlement**

The Company announces that, further to its news release dated June 23, 2022 it has completed the previously announced debt settlement by issuing 1,212,121 common shares of the Company at a deemed price of \$0.0825 per share in settlement of \$100,000 owed to the creditor.

The common shares issued in connection with the debt settlement are subject to a four-month hold period expiring on November 6, 2022.

#### **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  
Phone: (917) 371-2966  
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#### **9. DATE OF REPORT**

July 18, 2022