

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Cirrus Gold Corp. (“**Cirrus**” or the “**Company**”)
2710 - 200 Granville Street
Vancouver, BC V6C 1S4

2. Date of Material Change

May 18, 2022

3. News Release

The news release announcing the material change referred to in this report was disseminated on May 26, 2022 through approved public media and filed on SEDAR on May 26, 2022 (the “**News Release**”).

4. Summary of Material Change

As disclosed in the News Release, Cirrus announced that, further to its news release and material change report dated January 13, 2022, the Company has entered into a definitive asset purchase agreement (“**Asset Purchase Agreement**”) with Pyramid Peak Mining, LLC. (“**PPM**”), a wholly owned subsidiary of Waterton Precious Metals Fund II Cayman, LP (“**Waterton**”), and Mason Resources (US) Inc., a wholly owned subsidiary of Hudbay Minerals Inc. (“**Hudbay**”, and collectively with PPM, the “**Vendors**”), to acquire adjacent mineral property interests, located in the State of New Mexico (collectively the “**Lordsburg Property**”) from the Vendors (the “**Acquisition**”). The Acquisition will result in a ‘fundamental change of business’ of Cirrus in accordance with the policies of the Canadian Securities Exchange (the “**CSE**”) and in connection with the closing of the Acquisition, Cirrus will change its name to “American Copper Development Corporation”, and to trade under the ticker symbol “ACDX”.

5. Full Description of Material Change

5.1 Full Description of Material Change

Terms of the Transaction

Upon completion of the Acquisition, Cirrus will acquire the Lordsburg Property from the Vendors, as described in further detail in the Previous News Release, in consideration for a combination of common shares in the capital of Cirrus (the “**Common Shares**”), cash, milestone payment rights (the “**Milestone Payments**”) and net smelter return (“**NSR**”) royalties as further described below.

On closing of the Acquisition, Cirrus will, with respect to PPM: (i) pay \$2,331,500 in cash (which includes \$1,831,500 in proceeds from the sale of 8,140,000 Common Shares arranged by the Company that were disclosed in the Previous News Release as share consideration to PPM), (ii) issue 8,140,000 Common Shares, (iii) make the Milestone Payments (as described below), and (iv) grant a 1.5% NSR royalty on minerals produced from the lands purchased from PPM (except for certain excluded claims subject to pre-existing royalties) and a 0.5% NSR royalty on all minerals produced from the lands purchased from Mason (the “**PPM Royalties**”).

With respect to Mason, Cirrus will: (i) issue 9,896,591 Common Shares and (ii) grant a 1.5% NSR royalty on minerals produced from the lands purchased from Mason and a 0.5% NSR royalty on all minerals produced from the lands purchased from PPM (except for certain excluded claims subject to pre-existing royalties) (the “**Mason Royalties**”, and together with the PPM Royalties, the “**Vendor Royalties**”).

Milestone Payments

Cirrus will enter into a milestone payment rights agreement with PPM, or a designee of PPM (the “**Milestone Agreement**”), and pay PPM the transferable right to receive cash (or subject to the terms of the Milestone Agreement, Common Shares) according to the following payment schedule: (i) \$1,000,000 on the date that is 12 months following the date of the Milestone Agreement, (ii) \$1,500,000 on the date that is 24 months following the date of the Milestone Agreement, and (iii) \$2,500,000 on the date that is 36 months following the date of the Milestone Agreement.

Further details of the Acquisition will be included in subsequent and disclosure documents (which will include business and financial information in respect of Cirrus) to be filed in Canada in connection with the Acquisition. Closing of the Acquisition is expected to occur by May 30, 2022 and is subject to a number of customary conditions, including, without limitation, the execution of related transaction documents, satisfaction of certain closing conditions, completion of the Concurrent Financing (as defined below) and receipt of all requisite shareholder and regulatory approvals in connection with the Acquisition, including approval of the CSE.

Concurrent Equity Offering

In connection with the Acquisition, Cirrus intends to complete a best efforts private placement of approximately \$10 million at a price of \$0.25 per subscription receipt (the “**Concurrent Financing**”), each of which will automatically convert into Common Shares upon completion of certain escrow conditions, most notably the closing of the Acquisition. Additional details concerning the terms of the Concurrent Financing will be provided in a subsequent news release.

Policy 8 of the CSE

The Acquisition will result in a ‘fundamental change of business’ of Cirrus in accordance with the Policy 8 of the CSE and Cirrus will comply with the requirements thereunder.

Name Change

In connection with the closing of the Acquisition, Cirrus will change its name to “American Copper Development Corporation”, and to trade under the ticker symbol “ACDX”.

5.2 Disclosure for Restructuring Transactions

Not Applicable

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

Not Applicable

7. Omitted Information

Not Applicable

8. Executive Officer

The name and contact of the executive officer of the Corporation who is knowledgeable about the material change and this report is:

James Walchuck
Chief Executive Officer, President and Director
Phone: (778) 372-9888
Email: invest@american-copper.com

9. Date of Report

May 30, 2022