

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

American Copper Development Corporation (“ACDC” or the “Company”)
2710 - 200 Granville Street
Vancouver, BC V6C 1S4

2. Date of Material Change

August 8, 2022

3. News Release

The news release announcing the material change referred to in this report was disseminated on August 9, 2022 through approved public media and filed on SEDAR on August 9, 2022 (the “**News Release**”).

4. Summary of Material Change

As disclosed in the News Release, ACDC announced that, further to its news releases dated January 13, 2022, and May 26, 2022 (collectively, the “**Previous News Releases**”), the Company has completed its acquisition (the “**Transaction**”) of certain mineral property interests located in the State of New Mexico (the “**Lordsburg Property**”) from Pyramid Peak Mining, LLC (“**PPM**”), a wholly owned subsidiary of Waterton Precious Metals Fund II Cayman, LP, and Mason Resources (US) Inc. (“**Mason**”, and collectively with PPM, the “**Vendors**”), a wholly owned subsidiary of Hudbay Minerals Inc.

In connection with the Transaction, ACDC completed a private placement of 40,015,840 subscription receipts (the “**Subscription Receipts**”) at a price of \$0.25 per Subscription Receipt (the “**Issue Price**”) for gross proceeds to the Company of \$10,003,960 (the “**Equity Financing**”).

The Company also announced that Rick Van Nieuwenhuysse has been appointed as Chairman of the board of directors of the Company and Daniel Schieber as Chief Executive Officer.

5. Full Description of Material Change

5.1 Full Description of Material Change

Details of the Transaction

ACDC acquired the Lordsburg Property from the Vendors for a combination of common shares of ACDC (the “**Common Shares**”), cash, milestone payment rights and net smelter return (“**NSR**”) royalties.

On closing of the Transaction, ACDC paid PPM (i) \$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 Releases as share consideration to PPM), (ii) 8,140,000 Common Shares, (iii) granted PPM 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**”) and (iv) entered into the milestone payment rights

agreement as further described below. On closing, Mason received 9,896,591 Common Shares and was granted 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 collectively with the PPM Royalties, the “**Vendor Royalties**”).

ACDC entered into a milestone payment rights agreement with PPM (the “**Milestone Agreement**”), under which the Company will 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.

Concurrent Equity Offering

In connection with the Transaction, ACDC completed the Equity Financing. Each Subscription Receipt entitled the holder thereof to receive, upon satisfaction of certain escrow release conditions and without the payment of any additional consideration, one Common Share. The escrow release conditions included: completion of the Equity Financing, approval by the Canadian Securities Exchange (the “**Exchange**”) of the Transaction, approval by the shareholders of the Company of the Transaction as required under Policy 8 of the Exchange and receipt of all required third party consents. As the escrow release conditions have been satisfied, ACDC has issued 40,015,840 Common Shares to the holders of the Subscription Receipts. The Company paid finders' fees on a portion of the Equity Financing in the form of cash for a total of \$11,750 and 35,000 broker warrants at \$0.25 for a period of 18 months from closing. All securities issued pursuant to the Equity Financing will be subject to a four-month hold period under applicable Canadian securities laws. ACDC intends to use the net proceeds from the Equity Financing for exploration expenditures at the Lordsburg Property and for general working capital.

CSE Matters

The Transaction constitutes a ‘fundamental change of business’ of ACDC in accordance with the Policy 8 of the Exchange and the Company will shortly file a Form 2A Listing Statement, providing additional information regarding the Lordsburg Property and the Company following completion of the Transaction.

New Directors and Management

Upon closing of the Transaction, the Company appointed Daniel Schieber, Curt Freeman and Rick Van Nieuwenhuyse to the board of directors of the Company (the “**Board**”), with Mr. Van Nieuwenhuyse acting as Chairman of the Board and Mr. Schieber acting as Chief Executive Officer. Concurrently, Twila Jensen and Blaine Bailey resigned as directors, with Mr. Bailey continuing his role as chief financial officer.

Name and Ticker Change

In connection with the closing of the Transaction, ACDC changed its name from “Cirrus Gold Corp.” to “American Copper Development Corporation” to better reflect the Company's primary focus on its Lordsburg Property. ACDC expects to resume trading on the Exchange in September 2022 under ticker “ACDX” once all conditions to the Exchange's acceptance of the Transaction have been satisfied.

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:

Daniel Schieber
Chief Executive Officer and Director
Phone: (778) 372-9888
Email: invest@american-copper.com

9. Date of Report

August 18, 2022