

Surge Copper Amends the Terms of Its Recently Announced Financing, While Ootsa Drill Preparations Are Underway

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VANCOUVER, Oct. 02, 2020 - [Surge Copper Corp.](#) (the "Company" or "Surge Copper") (TSX-V:SURG) has amended the terms of the financing announced on September 29, 2020. The Company has had very strong individual and institutional investor demand for the financing, including participation by Altius Resources Inc. and 6 other resource focused institutions, and has increased the flow-through component from C\$5,454,545 to C\$6,000,000. The total interest in the financing was multiples of the total placement size, including the participation of over 50 entities. The new board and advisory members are subscribing to approximately half of the financing.

Amended Financing

Total proceeds of the non-brokered private placement will still be C\$6.5 million with the amended offering consisting of up to 3,846,154 units priced at C\$0.13 per unit for gross proceeds up to C\$500,000 (the "HD Units") and 40,000,000 flow-through units priced at C\$0.15 for gross flow through proceeds of up to C\$6,000,000 (the "FT Units"). Each HD Unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder to acquire an additional common share of the Company at an exercise price of C\$0.17 per share for a period of three years from the closing date of the private placement. Each FT Unit will consist of one flow-through share and one share purchase warrant entitling the holder to purchase an additional non-flow-through common share at a price of C\$0.17 for a period of three years.

The gross proceeds from the flow-through unit offering will be used to incur "Canadian exploration expenses" that will qualify as "flow through mining expenditures" as those terms are defined in the *Income Tax Act* which will be renounced to the initial purchasers of the flow through shares. The net proceeds of the Offering will be used to expedite and expand upcoming drilling at the Ootsa Property, to identify and advance new exploration opportunities, and for general corporate and working capital needs.

The HD Units are expected to close on or around October 9, 2020, and the FT Units are expected to close on or around October 23, 2020. This financing is subject to final TSX Venture Exchange approval.

Ootsa Drilling Update

Planning is underway to mobilize a drill rig to the Ootsa property to drill test a new geophysical target recently discovered on the east side of the Seel trend, among other exploration targets and resource expansion drilling. A field crew will be dispatched to Ootsa next week to begin making preparations. Details of the full drill program will be announced in the next few weeks. The project has full exploration permits in good standing until March 31, 2023, and is supported by all-season camp facilities and road.

About Surge Copper Corp.

The Company owns a 100% interest in the Ootsa Property, an advanced stage exploration project containing the East Seel, West Seel and Ox porphyry deposits located adjacent to the open pit Huckleberry Copper Mine. The property contains NI 43-101 compliant resources of 224 million tonnes in the Measured and Indicated categories with contained metals of 1.1 billion pounds of copper, 1 million ounces of gold, and 20 million ounces of silver as summarized in the table below.

On February 9, 2016, the Company announced a positive Preliminary Economic Assessment (PEA) for the Ootsa Property with potential for low capital cost, low risk and rapid pay back utilizing existing infrastructure in the district with a contract mining and toll milling scenario. The Company currently has no agreement in place to access the existing mining and milling infrastructure in the district.

Ootsa Project Pit Constrained Mineral Resource Estimate at \$8.50/t NSR Cut-off Value

Category	Tonnes (Ø000Ùs)	CuEq %	Cu %	Au g/t	Mo %	Ag g/t	CuEq M lbs	Cu M lbs	Au K oz	Mo M lbs	Ag K oz
Measured	187,148	0.38	0.23	0.15	0.021	2.8	1,568	934	916	85	17,089
Indicated	37,041	0.35	0.21	0.12	0.023	2.8	286	175	146	19	3,368
M&I	224,189	0.37	0.22	0.15	0.021	2.8	1,854	1,109	1,062	104	20,457

The current technical report supporting the resource statement and PEA is available on SEDAR or the Company's website at www.surgecopper.com and has an effective date of January 2016. The resource estimate uses \$8.50 per tonne NSR cut-off value. Mineral resources are not mineral reserves and by definition do not demonstrate economic viability. There is no certainty that all or any part of the mineral resource will be converted into mineral reserves. A 'Measured Mineral Resource' is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. Copper Equivalent (CuEq) calculations are based on base case metal price (US\$3/lb Cu, US\$1260/oz Au, US\$10.30/lb Mo, and US\$17/oz Ag) and process recovery assumptions, and take into account smelter payable rates and refining costs. M&I = measured and indicated. The resource update and Preliminary Economic Assessment was completed by P&E Mining Consultants Inc. in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects.

Dr. Shane Ebert P.Geol., is the Qualified Person for the Ootsa project as defined by National Instrument 43-101 and has approved the technical disclosure contained in this news release.

ON BEHALF OF THE BOARD OF DIRECTORS

ÜShane EbertÝ
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