

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Cortus Metals Inc. (the “**Company**”)
10545 - 45 Avenue NW
250 Southridge, Suite 300
Edmonton, AB, T6H 4M9

Item 2 Date of Material Change

August 31, 2021

Item 3 News Release

A news release was disseminated on August 31, 2021 through the facilities of Newsfile.

Item 4 Summary of Material Change

On August 31, 2021, the Company completed an initial tranche of a non-brokered financing (the “**Financing**”) raising gross proceeds of \$600,000 through the sale of 4,000,000 units at a price of \$0.15 per unit (each a “**Unit**”).

Item 5 Full Description of Material Change

On August 31, 2021, the Company completed an initial tranche of its Financing (the “**Initial Tranche**”) raising aggregate gross proceeds of \$600,000 through the sale of 4,000,000 Units. Each Unit comprised one common share and one half of one share purchase warrant (each whole warrant, a “**Warrant**”), Each Warrant entitles the holder to acquire a further common share at a price of \$0.25 per share until August 31, 2022.

The Warrants are subject to an accelerated expiry provision such that, if the closing price of the Company's common shares is equal to or greater than \$0.30 for a period of five consecutive trading days (at any time at or following the expiry of the four months resale restriction period), the Company may, by notice to the warrant holder in writing or via press release, reduce the remaining exercise period applicable to the Warrants to not less than 30 days from the date of such notice.

Aggregate finder’s fees of \$24,012.00 in cash and 160,080 in finder’s warrants, bearing the same terms as the Warrants, were paid to registered dealers in connection with the Initial Tranche.

The proceeds from the Initial Tranche will be used primarily for exploration and development costs on the Company’s mineral properties, including land maintenance costs and general working capital. The securities issued pursuant to the Initial Tranche bear a four month hold period expiring on January 1, 2022.

Three insiders of the Company participated directly and indirectly in the Placement acquiring an aggregate of 398,666 Units on the same basis as other subscribers as follows:

- (a) Mr. Sean Mager purchased indirectly through 859053 Alberta Ltd., 223,666 Units for an aggregate cost of \$33,549,90;
- (b) Mr. James Greig purchased directly 100,000 Units for an aggregate cost of \$15,000.00; and
- (c) Mr. Jesse Teufeld purchased directly 75,000 Units for an aggregate cost of \$11,250.00.

(collectively, the "Insider Participation").

As Mssrs. Mager and Greig are all directors of the Company and Mssrs. Mager and Teufeld as officers of the Company, they are "related parties" to the Company within the meaning of Multilateral Instrument 61-101- Protection of Minority Security Holders in Special Transactions ("MI 61-101"). As such, the Insider Participation, constitutes a "related party transaction" within the meaning of MI 61-101.

Prior to the Insider Participation, Mr. Mager held 1,340,690 common shares of the Company, Mr. Greig held 210,000 common shares of the Company and Mr. Teufeld held 30,000 common shares of the Company. The Insider Participation did not materially impact the ownership interest of Mssrs. Greig and Teufeld in the Company whose respective holdings each represent less than 1% of the issued and outstanding shares of the Company. Following the Insider Participation, Mr. Mager holds, directly and indirectly, a total of 1,564,356 common shares representing 3.30% of the outstanding common shares of the Company.

Other than the subscription agreements between Mssrs. Mager, Greig and Teufeld and the Company relating to the Initial Tranche, the Company has not entered into any agreement with an interested party or a joint actor with an interested party in connection with the Financing.

The board of directors approved the Financing. There are no prior valuations in respect of the Company or the Financing and neither the board of the Company nor its officers are aware of the existence of any such valuation.

The Company is relying on exemptions from the formal valuation and minority approval requirements under MI 61-101. The Company relied on Section 5.5(a) of MI 61-101 for an exemption from the formal valuation requirement and Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement of MI 61-101 as the fair market value of the Initial Tranche in so far as the Initial Tranche involved interested parties did not exceed 25% of the Company's market capitalization.

The material change report in connection with the Initial Tranche was not filed 21 days in advance of the closing of the Initial Tranche for the purposes of Section 5.2(2) of MI 61-101 on the basis that the subscriptions under the Initial Tranche were not available to the Company until shortly before the closing.

Item 6 **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7 **Omitted Information**

No information has been omitted on the basis that it is confidential information.

Item 8 **Executive Officer**

Sean Mager is knowledgeable about the material change and the Report and may be contacted (780) 437.6624.

Item 9 **Date of Report**

September 10, 2021