



Management Discussion and Analysis For the year ended March 31, 2022

This Management's Discussion and Analysis ("MD&A") for Surge Copper Corp. (the "Company") has been prepared by management dated July 25, 2022 and provides information on the Company's operations for the year ended March 31, 2022 and to the date of this report. This discussion and analysis should be read in conjunction with the Audited Consolidated Financial Statements for the Year Ended March 31, 2022 and the Audited Consolidated Financial Statements for the year ended March 31, 2021.

Forward-Looking Information

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, and the estimated cost and availability of funding for the continued exploration of the Company's properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Aside from factors identified in the interim MD&A, additional, important factors, if any, are identified here.

Covid-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

Overall Performance

Business of the Company

The Company is engaged in the exploration and development of mineral properties hosting copper, gold, silver, and molybdenum resources located in central British Columbia. The Company continues to evaluate acquisition of additional mineral interests in Canada.

Highlights

Highlights from the year ended March 31, 2022:

Operations

- ✓ Completed a large-scale drill campaign at the Ootsa Property, which over the course of October 2020 to October 2021, comprised 45,010 metres of core drilling over 97 holes, representing a mix of resource delineation drilling and exploration target drilling
- ✓ Subsequent to year-end, completed a resource update at the Ootsa Property which included total Measured and Indicated resources of 439 million tonnes grading 0.32% copper equivalent containing 1.7 billion pounds of copper, 167 million pounds of molybdenum, 1.6 million ounces of gold, and 30 million ounces of silver
- ✓ The new resource at Ootsa in combination with the nearby Berg deposit contains, on a 100% basis, 5.3 billion pounds of copper, 586 million pounds of molybdenum, 1.6 million ounces of gold, and 89 million ounces of silver
- ✓ Completed a district-wide 4,224 line-kilometre airborne ZTEM geophysical survey covering effectively the entire Ootsa and Berg Properties which successfully imaged known deposits and generated numerous high-potential signatures supporting exploration target generation
- ✓ Completed the rehabilitation of a 16 km access trail to the Berg deposit area providing truck and all-terrain-vehicle access which will allow for cost-efficient exploration and development activities going forward
- ✓ Completed camp construction at the Berg deposit area, and completed Surge's maiden Berg drill program comprising 2,855 metres of core drilling over 9 holes targeting the expansion and further delineation of high-grade zones within the deposit
- ✓ Completed the consolidation of mineral properties comprising the Bergette target area, giving the Company a 100% interest over certain mineral claims covering one of the more advanced exploration targets within the Berg district
- ✓ Subsequent to year-end, commenced a metallurgical testwork program focused on the Seel deposit at the Ootsa Property
- ✓ Subsequent to year-end, commenced a district-wide regional exploration program designed to screen and advance numerous exploration targets with drill testing of up to six targets

Financial

- ✓ Completed a bought deal private placement for gross proceeds of \$14 million upsized from an original \$10 million
- ✓ Ended the year with cash of \$7,822,852 and working capital of \$6,685,852
- ✓ Incurred cash flow from operations of (\$1,562,686) and cash flow from investing activities of (\$7,835,599)

Corporate

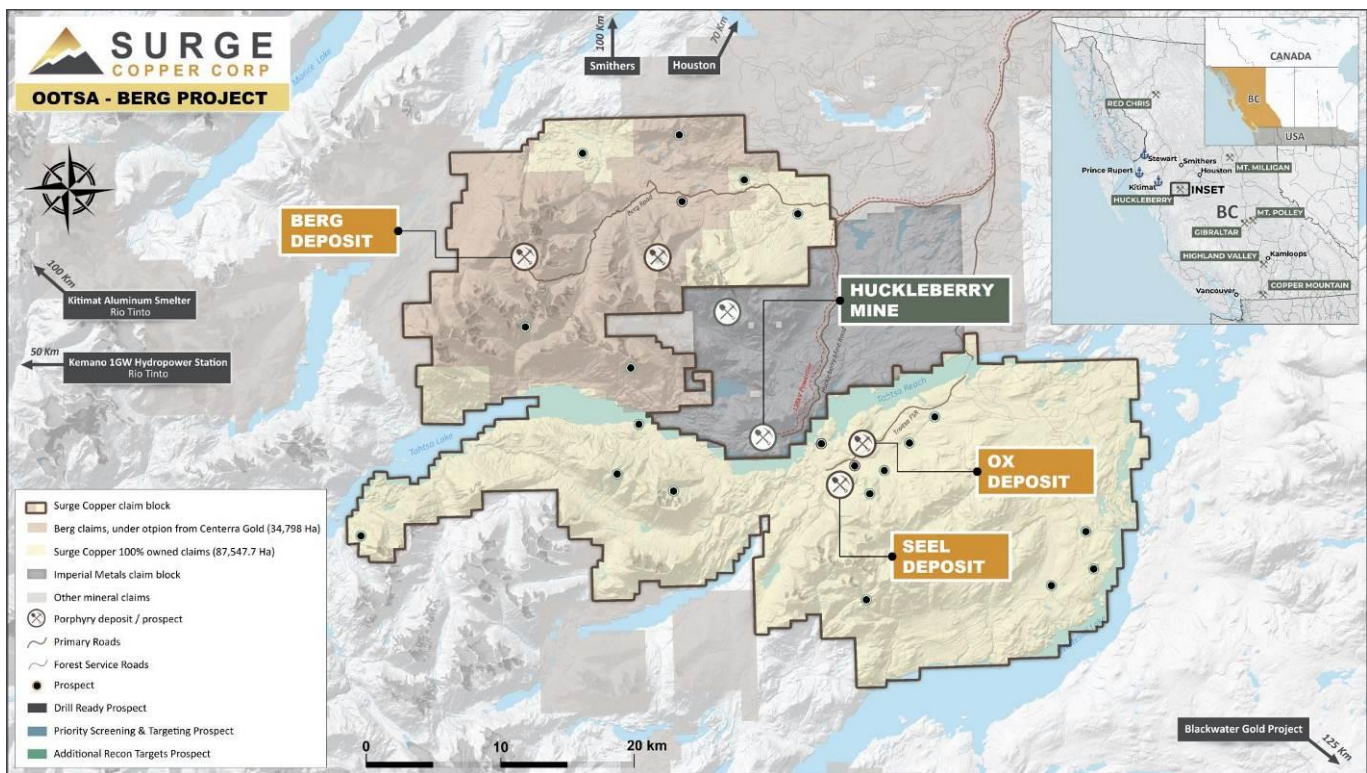
- ✓ Established a new independent technical advisory committee comprised of highly experienced geoscience professionals to help guide the Company's exploration and engineering efforts
- ✓ Facilitated the trading of the Company's common shares on the OTCQX Best Market in the United States, providing increased access to US investors and augmenting the existing trading access under the TSX Venture Exchange and Frankfurt Stock Exchange
- ✓ Completed a board renewal process appointing Leif Nilsson, Richard Colterjohn, and John Dorward as three new directors to the Company's board of directors
- ✓ Expanded management team by appointing Mark Wheeler as Vice President, Projects, who is a professional mining engineer and brings to the Company 17 years of diverse engineering and project development experience

Catalyst Outlook

- ✓ Results from metallurgical testwork program focused on the Seel porphyry deposit
- ✓ Updates and results from regional exploration program

Mineral Properties – Overview

The Company controls a 125,499-hectare contiguous land package located in central British Columbia which hosts NI43-101 compliant resources of copper, molybdenum, gold, and silver at the Seel, Ox, and Berg deposits. The claim package is divided between several 100% owned claim blocks which are collectively referred to as the Ootsa Property, and a single contiguous claim block referred to as the Berg Property in which the Company is earning into a 70% interest, all as further described in the following sections. The Ootsa Property primarily consists of the area in the southern portion of the district, south of Tahtsa Reach, which hosts the Seel and Ox deposits, and also includes certain 100% owned claims in the northern part of the district. There are numerous exploration targets which the Company is progressing on both the Ootsa Property and the Berg Property. The district is notable in part due to substantial infrastructure present in the region, including networks of forest service roads, hydroelectric grid power, and the Huckleberry Mine owned by Imperial Metals which produced copper, molybdenum, silver, and gold, from similar style porphyry deposits from 1997 to 2016 and is currently held on care and maintenance.



Regional map.

Ootsa Property, British Columbia

The Company owns a 100% interest in the Ootsa Property, located in central British Columbia, comprised of 140 mineral claims totalling 90,701.3 hectares. All the Ootsa claims apart from 2 have had sufficient exploration work completed to remain valid until mid-2029. Beyond claims acquired by staking, material transactions and royalty obligations in respect to this property are:

- 14 claims totalling 574.6 hectares, known as the Ox claims, are subject to a 2% Net Smelter Returns (“NSR”) royalty. The purchase agreement with the vendor, Silver Standard Resources Inc., (“Silver”) entitles the Company to purchase 50% of the 2% NSR from Silver at any time by the payment to Silver of \$500,000. The Company may purchase the remaining 1% NSR at any time by payment to Silver of an additional \$1,000,000. There is an associated Area of Interest with these claims, defined as the area lying within a distance of one kilometre from the external boundaries of the claims.
- There are five claims totalling 3,450.4 hectares, known as the Seel claims, which are subject to a 1% NSR. The Company is entitled at any time to purchase 50% of this 1% NSR for \$1,000,000. There is an associated Area of Interest with these claims, defined as the area lying within a distance of one kilometre from the external boundaries of the claims.
- Two additional claims known as the Swing claims (covering the historical Captain Mine) totalling 383.4 hectares, purchased in March 2014, are subject to a 2% NSR. The purchase agreement with the vendor entitles the Company to purchase 50% of the 2% NSR from the vendor at any time by the payment to the vendor of \$500,000 or the Company may purchase the entire 2% NSR at any time by payment to the vendor of \$1,000,000.
- The Troitsa Peak claim totalling 211.3 hectares and purchased in December 2014 is subject to a 1% NSR, half of which can be bought back at any time by the Company for \$500,000.
- On August 5, 2016, the Company acquired one claim for total consideration of \$3,000, adding a total of 76.7 hectares.
- On April 1, 2021, the Company acquired one claim for total consideration of 500,000 shares of the Company subject to a 2.5% NSR of which 60% (1.5% NSR) can be bought back by the Company for \$1,500,000.
- On April 5, 2021, the Company acquired two claims for total consideration of 350,000 shares of the Company subject to a 2% NSR of which 50% can be bought back by the Company for \$1,500,000 and the remaining 50% can be bought back for and additional \$2,000,000.

On September 26, 2021, the Company acquired two claims for total consideration of 390,000 shares of the Company subject to a 2% NSR of which 50% can be bought back by the Company for \$1 million.

- In June 2022, the Company staked two claims for total consideration of \$5,472, adding 3,126.58 hectares.

Summary of Exploration Activities

From 2004 to present, the Company has conducted extensive exploration on the Ootsa Property, in particular around the Seel and Ox deposits. In total, the Company has drilled 170,932 metres of core in 461 holes, conducted metallurgical testing, completed numerous ground based and airborne geophysical surveys, and collected and assembled a database containing 10,323 soil samples. NI 43-101 compliant resources containing porphyry style Cu-Au-Mo-Ag mineralization have been delineated at the Seel and Ox deposits, and numerous exploration targets have been identified.

Between October 2020 and October 2021, the Company undertook a large-scale drill campaign focused around the Seel deposit system. The drill program was focused on both expanding and infilling the main mineralized zones at the Seel deposit (including West Seel, East Seel, and the Seel Breccia Zone), as well as testing certain exploration

targets proximal to the main deposits. In total, 45,010 metres of core were drilled over 97 holes. The program delivered numerous high quality drill intercepts, characterized by long, multi-hundred metre zones of continuous mineralization, in addition to some narrower, higher-grade intercepts from the near-surface Seel Breccia Zone, which was significantly expanded through the drill program. A table containing selected highlights from the 2020-2021 drill program is below. Of note, hole S20-219 represents the longest mineralized interval drilled on the Ootsa Property to date.

Drill Hole	Deposit	From (m)	To (m)	Width (m)*	Cu %	Mo %	Au g/t	Ag g/t	CuEq %**
S20-218	East Seel	64	190	126	0.43	0.000	0.50	2.0	0.78
S20-219	West Seel	15	1,028	1,013	0.20	0.025	0.13	2.9	0.39
including	West Seel	436	546	110	0.33	0.061	0.20	4.8	0.70
S21-228	West Seel	210	795 EOH	585	0.25	0.023	0.25	2.2	0.51
including	West Seel	272	436	164	0.29	0.029	0.30	2.9	0.61
S21-235	West Seel	380	886	506	0.20	0.030	0.11	2.2	0.39
S21-242	West Seel	458	717 EOH	259	0.23	0.027	0.29	2.3	0.53
S21-243	West Seel	274	706	432	0.29	0.035	0.20	3.0	0.56
including	West Seel	522	624	102	0.39	0.049	0.25	3.4	0.74
S21-250	West Seel	440	804	364	0.24	0.036	0.19	2.3	0.50
including	West Seel	574	666	92	0.38	0.046	0.35	3.9	0.79
S21-265	West Seel	342	744 EOH	402	0.25	0.025	0.16	2.7	0.46
S21-266	West Seel	198	693 EOH	495	0.25	0.021	0.21	3.4	0.49
including	West Seel	382	508	126	0.34	0.034	0.39	4.6	0.75
S21-268	West Seel	20	290	270	0.24	0.014	0.14	5.5	0.42
S21-280	Seel Breccia	3	26	23	0.84	0.000	0.11	19.9	1.08
including	Seel Breccia	12	24	12	1.23	0.000	0.18	20.5	1.52
S21-281	Seel Breccia	24	70	46	1.24	0.000	0.12	34.0	1.60
including	Seel Breccia	38	66	28	1.50	0.000	0.10	40.7	1.90
including	Seel Breccia	38	48	10	2.66	0.000	0.21	73.1	3.41
S21-294	Seel Breccia	18	60	42	0.62	0.000	0.09	16.9	0.82
including	Seel Breccia	20	40	20	1.17	0.000	0.16	32.1	1.54
S21-295	Seel Breccia	8	60	52	0.51	0.000	0.04	15.1	0.66
including	Seel Breccia	10	30	20	1.09	0.000	0.10	33.1	1.43
S21-296	Seel Breccia	18	54	36	0.62	0.000	0.04	16.5	0.78
including	Seel Breccia	24	42	18	0.78	0.000	0.03	20.9	0.97

*Width refers to drill hole intercepts, true widths have not been determined.

**Cu Eq. (copper equivalent) has been used to express the combined value of copper, molybdenum, gold and silver as a percentage of copper, and is provided for illustrative purposes only. No allowances have been made for recovery losses that may occur should mining eventually result. Calculations use metal prices of US \$3.85/lb copper, \$1,750/oz gold, \$22 silver, and \$12.40/lb molybdenum using the formula $Cu Eq. \% = Cu\% + (Au\ g/t \times 0.6630) + (Ag\ g/t \times 0.0083) + (Mo\% \times 3.2208)$.

During June and July 2021, the Company commissioned an airborne Z-Axis Tipper Electromagnetic (“ZTEM”) survey over the majority of the combined Ootsa and Berg properties. The objectives of the survey were to collect geophysical data to assist in mapping subsurface structures, alteration, and lithologies over large areas and to significant depths, aiding in advancing known exploration targets and generating new exploration targets. The final results from this survey were announced subsequent to year end on April 12, 2022. The ZTEM survey successfully imaged the known deposits at Berg, Seel, and Ox, providing clear and coherent geophysical signatures at the deposit scale, within much larger regional scale geophysical features. The survey also successfully captured numerous similar signatures elsewhere in the district, some of which are associated with known exploration targets, and some that are new and have had no prior exploration work performed. Leveraging the results from this ZTEM

survey, subsequent to year end, on June 1, 2022 the Company announced that it had commenced its 2022 exploration program, which is designed to advance a large number of regional exploration targets across both the Ootsa and Berg Properties, and will include up to 22,000 metres of drilling to test multiple targets. One drill rig is currently active at the Ootsa Property and later in the summer the Company anticipates having two drill rigs active at the Berg Property.

Ootsa Property 2022 Mineral Resource

Subsequent to year end, on June 21, the Company announced an updated NI43-101 resource estimate for the Ootsa Property containing 439 million tonnes grading 0.32% copper equivalent, as summarized in the table below. The resource estimate comprised pit-constrained resources at both the Seel and Ox deposits and was based on a total drill hole database of 151,876 metres, including all of the drilling completed during the 2020-2021 drill program. The resource estimate combined multiple zones at the Seel deposit into a single pit-constrained volume, highlighting the overall size of the mineral endowment as well as the presence of near-surface, higher-grade subsets of the resource, as highlighted in the figures below.

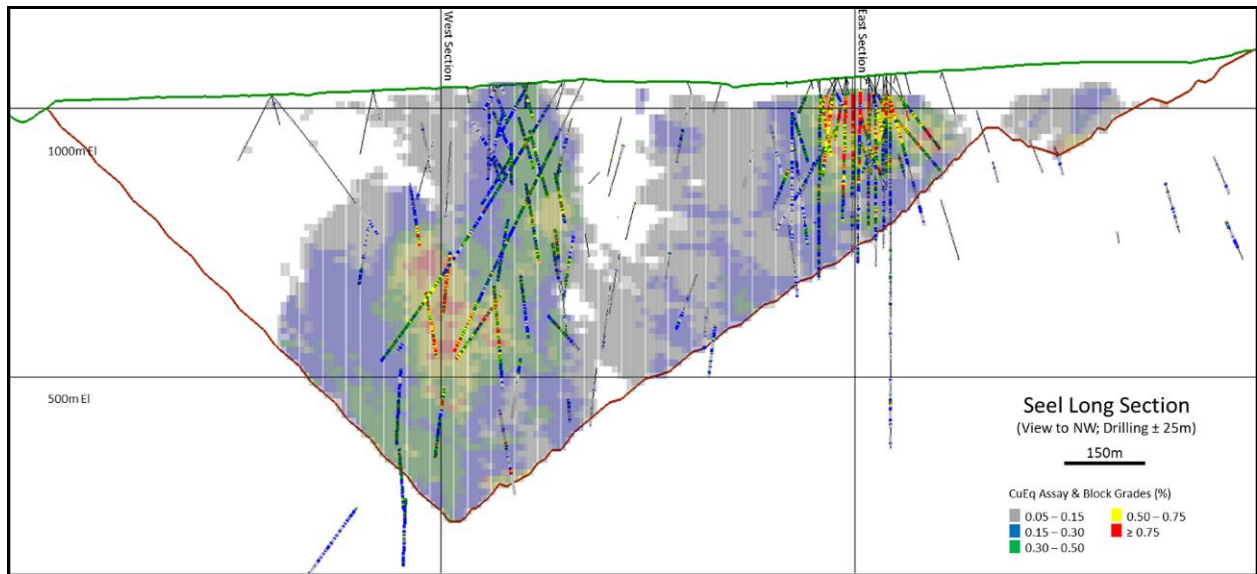
Ootsa Mineral Resource Estimate by Classification at Base Case NSR Cut-off of \$8.27/t

C\$8.27/t NSR Cut-off	Tonnage (Mt)	Grade					Gross Contained Metal				
		Cu (%)	Mo (%)	Au (g/t)	Ag (g/t)	CuEq (%)	Cu (Mlbs)	Mo (Mlbs)	Au (Moz)	Ag (Moz)	CuEq (Mlbs)
<i>Seel</i>											
Measured	103.7	0.19	0.014	0.15	2.6	0.36	440	32	0.5	8.7	823
Indicated	276.1	0.16	0.017	0.12	2.0	0.31	974	105	1.1	18.2	1,898
Total M+I	379.8	0.17	0.016	0.13	2.2	0.32	1,414	137	1.6	26.9	2,721
Inferred	135.4	0.15	0.015	0.10	2.0	0.28	455	45	0.4	8.8	847
<i>Ox</i>											
Measured	30.1	0.24	0.026	0.04	1.4	0.36	157	17	0.0	1.4	237
Indicated	28.7	0.19	0.020	0.03	1.3	0.29	122	12	0.0	1.2	181
Total M+I	58.8	0.22	0.023	0.03	1.4	0.32	280	29	0.1	2.6	419
Inferred	2.4	0.13	0.011	0.03	1.1	0.20	7	1	0.0	0.1	10
<i>Total</i>											
Measured	133.8	0.20	0.017	0.13	2.4	0.36	597	49	0.5	10.1	1,060
Indicated	304.8	0.16	0.018	0.11	2.0	0.31	1,097	118	1.1	19.4	2,079
Total M+I	438.6	0.18	0.017	0.12	2.1	0.32	1,694	167	1.6	29.5	3,139
Inferred	137.7	0.15	0.015	0.10	2.0	0.28	462	46	0.4	8.9	857

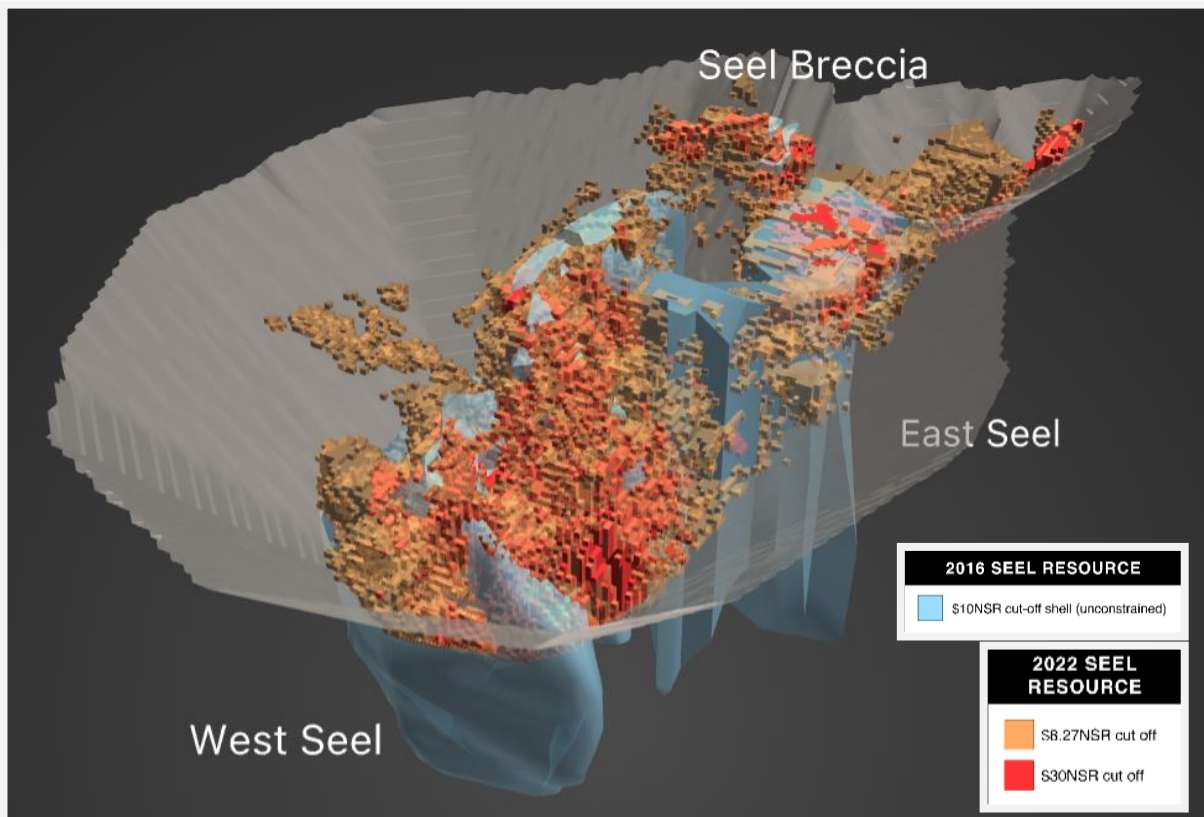
Notes:

- Economic viability can only be assessed through the completion of engineering studies defining reserves including PFS and FS. Resource classification adheres to CIM Definition Standards; it cannot be assumed that all or any part of Inferred Mineral Resources will be upgraded to Indicated or Measured as a result of continued exploration.
- A C\$8.27 per tonne NSR cut-off value was used as the base case for reporting mineral resources that have reasonable prospects for eventual economic extraction. The NSR cut-off was derived from US\$ metal prices of US\$3.85/lb Cu, US\$12.40/lb Mo, US\$1,750/oz Au, and US\$22.00/oz Ag, and a USDCAD exchange rate of 0.77. Process recoveries used were 90% Cu, 70% Au, 70% Mo, and 65% Ag with respective smelter payables of 96%, 90%, 98.5%, and 96%. Refining charges in US\$ were US\$0.05/lb Cu, US\$5/oz Au, and US\$0.50/oz Ag. A generated pit shell using Whittle (3DS Geovia) was used to report resources. The generation of the pit shell considered 45-degree slope angles, C\$ operating costs of C\$2.34/t for mining and C\$8.11/t for processing, G&A, and ore mining premium with a 2% ore dilution rate.
- Grades were estimated using ordinary kriging using capped assays composited to two-metre intervals, with estimation block sizes of 12x12x12 for both Seel and Ox.
- Copper equivalent assumes metal prices of US\$3.85/lb Cu, US\$12.40/lb Mo, US\$1,750/oz Au, and US\$22.00/oz Ag and uses the formula $CuEq (\%) = Cu (\%) + 3.2208 \times Mo (\%) + 0.6630 \times Au (g/t) + 0.0083 \times Ag (g/t)$.
- The total waste tonnes within the Seel constraining pit are 1,443.4 Mt implying a strip ratio of 2.8 : 1, and the total waste tonnes within the Ox constraining pit are 65.6 Mt implying a strip ratio of 1.1 : 1.
- Mineral resources that are not mineral reserves do not have demonstrated economic viability.

- 7) The Qualified Person for the Mineral Resource Estimate is James N. Gray, P.Geo, of Advantage Geoservices Ltd.
- 8) All figures are rounded to reflect the relative accuracy of the estimate.
- 9) The effective date of the mineral resource estimate is February 18, 2022.



Long section looking NW through the Seel deposit showing constraining pit outline, drill traces, and block model.



View of 2022 Ootsa resource estimate block model, in comparison to modeled mineralized zones (unconstrained) from prior resource.

Berg Property, British Columbia

On December 15, 2020, the Company entered into a definitive option agreement to acquire a 70% interest in the Berg Property from Thompson Creek Metals Company Inc., a wholly owned subsidiary of Centerra Gold Inc. Under the terms of the agreement, Surge must issue \$5 million in common shares of Surge and spend \$8 million on exploration, over a period of up to five years as outlined in the table below. As at March 31, 2022, the Company has issued 6,825,939 and 689,655 common shares valued at \$4 million dollars and \$200,000 respectively, as outlined in the agreement and the schedule below, and has incurred total exploration expenditures of \$2,000,970. The Berg Property is 34,798 hectares in size and is contiguous with the Ootsa Property and combined the Ootsa and Berg Properties give Surge Copper control of 50km of strike length in a very prospective porphyry belt. The Berg Property contains the Berg Deposit, a large, advanced stage porphyry copper-molybdenum-silver deposit located 28 km northwest of Surge's Seel deposit, plus numerous exploration targets.

Date for Completion	Value of Common Shares to be issued	Minimum Exploration Expenditures to be Incurred
Within 5 days of the Approval Date	\$4,000,000 (6,825,939 common shares issued)	\$Nil
On or before the first anniversary of the Effective Date ⁽¹⁾	\$200,000 (689,655 common shares issued)	\$Nil
On or before the second anniversary of the Effective Date ⁽¹⁾	\$200,000	\$2,000,000 ⁽²⁾ (completed)
On or before the third anniversary of the Effective Date ⁽¹⁾	\$200,000	\$2,000,000
On or before the fourth anniversary of the Effective Date ⁽¹⁾	\$200,000	\$2,000,000
On or before the fifth anniversary of the Effective Date ⁽¹⁾	\$200,000	\$2,000,000
Total	\$5,000,000	\$8,000,000
<small>(1) "Effective Date" means the date of the agreement, December 15, 2020.</small>		
<small>(2) \$1,000,000 of the expenditures are a firm commitment.</small>		

A total of 53,754 metres over 215 holes have been completed on the Berg Deposit by prior operators including Kennecott, Placer Dome, Terrane Metals, and Thompson Creek Metals. Drilling in most areas of the Berg Deposit remains wide-spaced and mineralization is open to depth and outward from the Berg Stock. The deposit has been shown to have excellent vertical continuity with significant mineralization intersected greater than 550m below surface.

Berg Property 2021 Resource Estimate

On March 17, 2021, the Company announced an updated resource estimate for the Berg Deposit containing total Measured and Indicated resources of 610.0 million tonnes grading 0.38% copper equivalent as summarized in the table below.

Mineral Resource Estimate for the Berg Deposit at 0.2% CuEq Cut-off

0.2% CuEq Cut-off	Tonnage (Mt)	Grade				Gross Contained Metal			
		Cu (%)	Mo (%)	Ag (g/t)	CuEq (%)	Cu (Mlbs)	Mo (Mlbs)	Ag (Moz)	CuEq (Mlbs)
<i>Supergene</i>									
Measured	86.9	0.41	0.03	2.46	0.50	789	52	6.9	960
Indicated	88.5	0.29	0.02	2.67	0.37	572	43	7.6	724
Total M+I	175.4	0.35	0.02	2.57	0.44	1,362	95	14.5	1,685
Inferred	7.2	0.23	0.01	4.26	0.29	37	2	1.0	47
<i>Hypogene</i>									
Measured	120.3	0.28	0.04	3.42	0.41	752	97	13.2	1,098
Indicated	314.1	0.22	0.03	3.10	0.34	1,537	226	31.3	2,343
Total M+I	434.3	0.24	0.03	3.19	0.36	2,289	323	44.6	3,441
Inferred	20.8	0.22	0.02	3.57	0.30	101	8	2.4	138
<i>Leachate</i>									
Measured	0.0	0.04	0.09	5.62	0.21	0	0	0.0	0
Indicated	0.2	0.14	0.12	2.37	0.25	1	1	0.0	1
Total M+I	0.2	0.13	0.12	2.41	0.25	1	1	0.0	1
Inferred	0.1	0.11	0.09	6.13	0.21	0	0	0.0	0
<i>Total</i>									
Measured	207.2	0.34	0.03	3.0	0.45	1,541	149	20.1	2,058
Indicated	402.8	0.24	0.03	3.0	0.35	2,110	270	39.0	3,069
Total M+I	610.0	0.27	0.03	3.0	0.38	3,651	419	59.1	5,126
Inferred	28.1	0.22	0.02	3.8	0.30	138	11	3.4	185

Notes:

- 1) Copper Equivalent (CuEq) calculated using metal prices of \$3.10/lbs Cu, \$10.00/lb Mo, and \$20/oz Ag. Recoveries were applied to correspond with estimated individual metal recoveries based on limited metallurgical testwork for production of a copper and molybdenum concentrate: supergene zone (Cu = 73%, Mo = 61%, and Ag = 52%), hypogene zone (Cu = 81%, Mo = 71%, and Ag = 67%), leachate zone (Cu = 0%, Mo = 61%, and Ag = 52%). Smelter loss was not applied.
- 2) A cut-off value of 0.2% CuEq was used as the base case for reporting mineral resources that are subject to open pit potential. The resource block model has been constrained by a conceptual open pit shell, however, economic viability can only be assessed through the completion of engineering studies defining reserves including PFS and FS. The CIM Definition Standards (May 10, 2014) were followed for classification of Mineral Resources. It cannot be assumed that all or any part of Inferred Mineral Resources will be upgraded to Indicated or Measured as a result of continued exploration.
- 3) Dry bulk density has been estimated based on 2,996 in situ specific gravity measurements collected between 2007 and 2011. Values were applied by geology model domain (n = 18) representing the weathering profiles and major lithological units; values ranged from 2.38 t/m³ to 2.74 t/m³.
- 4) There are no known legal, political, unnatural environmental, or other risks that could materially affect the potential development of the mineral resources.
- 5) All numbers are rounded. Overall numbers may not be exact due to rounding.
- 6) The Berg mineral resource estimate has been completed by Tetra Tech in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects. The mineral resource estimate has been prepared by Cameron Norton, P.Geol., Independent Qualified Person as defined by National Instrument 43-101, and has an effective date of March 9, 2021. 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.
- 7) The effective date of the mineral resource estimate is March 9, 2021.

Summary of Exploration Activities

During 2021 the Company re-habilitated 16.5 kilometres of historic access road into the Berg deposit and constructed a 15-person tent camp. Nine core holes were drilled for a total of 2,855 metres. Drilling focused on better understanding and extending higher grade zones within the deposit and testing zones with low drill density. A table containing selected highlights from the 2021 drill program is below.

Drill Hole	From (m)	To (m)	Width (m)*	Cu %	Mo %	Au g/t	Ag g/t	CuEq %**	Comments
BRG21-234	15	340.1 EOH	325	0.30	0.016	0.03	4.3	0.41	
including	15	120	105	0.57	0.028	0.04	4.6	0.72	Chalcocite blanket
BRG21-235	20	182	162	0.37	0.075	0.03	4.3	0.67	
including	20	110	90	0.43	0.073	0.04	4.5	0.73	Chalcocite blanket
BRG21-235	182	327 EOH	145	0.14	0.023	0.01	1.6	0.23	Eocene intrusion
BRG21-236	24	381 EOH	357	0.38	0.038	0.04	5.6	0.58	
including	24	116	92	0.52	0.070	0.05	4.8	0.82	Chalcocite blanket
BRG21-237	34	166	132	0.56	0.047	0.05	7.6	0.81	Chalcocite blanket
BRG21-237	184	255 EOH	71	0.32	0.077	0.03	5.1	0.63	
BRG21-238	24	168	144	0.47	0.014	0.04	5.1	0.58	
including	236	126	100	0.59	0.016	0.05	6.2	0.73	Chalcocite blanket
BRG21-239	20	243 EOH	223	0.42	0.022	0.04	5.4	0.56	
including	76	190	114	0.51	0.025	0.05	5.7	0.67	
including	76	114	38	0.67	0.032	0.05	8.2	0.87	Chalcocite blanket
BRG21-240	14	96	82	0.22	0.006	0.03	3.1	0.28	Chalcocite blanket
including	26	44	18	0.31	0.003	0.04	2.7	0.37	
BRG21-241	20	166	146	0.40	0.014	0.02	6.5	0.51	
including	22	90	68	0.58	0.038	0.03	6.0	0.77	Chalcocite blanket
including	30	52	22	0.85	0.024	0.04	8.2	1.02	Chalcocite blanket

BRG21-242	28	396 EOH	368	0.37	0.039	0.03	5.5	0.56	
including	28	138	110	0.51	0.021	0.03	3.9	0.63	Chalcocite blanket
including	52	96	44	0.62	0.019	0.04	4.4	0.74	Chalcocite blanket

*Width refers to drill hole intercepts, true widths have not been determined.

**Cu Eq. (copper equivalent) has been used to express the combined value of copper, molybdenum, gold and silver as a percentage of copper, and is provided for illustrative purposes only. No allowances have been made for recovery losses that may occur should mining eventually result. Calculations use metal prices of US \$3.85/lb copper, \$1,750/oz gold, \$22 silver, and \$12.40/lb molybdenum using the formula $Cu Eq. \% = Cu \% + (Au g/t \times 0.6630) + (Ag g/t \times 0.0083) + (Mo \% \times 3.2208)$.

During September 2021, the Company submitted an application to renew its exploration permit for the Berg Property. The total area under application was expanded to include certain of the 100% owned claim blocks contiguous with the Berg Property. At present the granting of the new permit remains outstanding and the Company continues to work with regulators to advance the process toward completion.

Auro Claims, British Columbia

The Company owns a 2% net smelter return royalty on the Auro claim block, a 22,591 hectare claim block which forms part of the Blackwater property, which is owned by Artemis Gold Inc.

Financial Condition, Results of Operations and Cash Flows

The Company's working capital as at March 31, 2022 was \$6,685,852 (March 31, 2021 – \$3,705,447).

Selected Quarterly / Annual Information

Selected annual information for the three most recently completed fiscal years is as follows:

	Fiscal year ended March 31 (audited)		
	2022	2021	2020
Revenues	\$30,533	\$13,628	\$Nil
Income (Loss) for the year	(\$4,889,505)	(\$5,803,092)	(\$169,937)
Income (Loss) per share: Basic	(\$0.03)	(\$0.06)	(\$0.00)
Income (Loss) per share: Diluted	(\$0.03)	(\$0.04)	(\$0.00)
Total Assets	\$47,280,565	\$33,906,167	\$22,072,268
Long Term Debt	\$Nil	\$Nil	\$Nil
Mineral property cash expenditures	\$7,830,979	\$4,358,729	\$7,588

Annual Results for the Year Ended March 31, 2022

Administrative expenditures for the year ended March 31, 2022 were \$3,771,533 (2021 – \$5,078,918). The decreased administration expenditures reflect increased management fees incurred during the year of \$749,367 (2021 - \$275,736), decreased consulting fees of \$145,635 (2021 - \$805,987), increased marketing and conferences expenses of \$206,488 (2021 - \$61,551), increased shareholder communications expenses of \$100,578 (2021 - \$44,148), decreased share-based payments of \$2,287,802 (2021 - \$3,680,473), increased transfer agent fees of \$119,047 (2021 - \$65,734) and decreased professional fees expense of \$28,309 (2021 - \$52,490).

Net cash flows used in operating activities for the year ended March 31, 2022 were \$1,562,686 (2021 - \$1,473,238). Cash expenditures on the Company's Ootsa Project and Berg Property mineral interests were \$7,797,459 (2021 - \$4,358,729). Purchases of equipment and related camp assets totaled \$34,270 (2021 - \$12,500). BC mining exploration tax credits receivable were \$Nil (2021 - \$1,076).

Annual Results for the Year Ended March 31, 2021

Administrative expenditures for the year ended March 31, 2021 were \$5,078,918 (2020 - \$248,470). The increased administration expenditures reflect increased management fees incurred during the year of \$275,736 (2020 - \$103,272), increased investor relations expenses of \$706,191 (2020 - \$14,191), increased consulting fees of \$205,495 (2020 - \$Nil), increased share-based payments of \$3,680,473 (2020 - \$Nil), increased transfer agent fees of \$65,734 (2020 - \$19,767) and increased professional fees expense of \$52,490 (2020 - \$13,907).

Net cash flows used in operating activities for the year ended March 31, 2021 were \$1,473,238 (2020 - \$43,376). Cash expenditures on the Company's Ootsa Project and Berg Property mineral interests were \$4,358,729 (2020 - \$7,588). Purchases of equipment and related camp assets totaled \$12,500 (2020 - \$Nil). BC mining exploration tax credits receivable were \$1,076 (2020 - \$Nil).

The following table provides selected financial information of the Company for each of the last eight quarters:

Basis of presentation	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
Quarter ended:	Mar 31-2022	Dec 31-2021	Sep 30-2021	Jun 30-2021	Mar 31-2021	Dec 31-2020	Sep 30-2020	Jun 30-2020
Income (Loss)	(\$4,313,982)	873,199	70,353	(\$1,519,075)	(\$5,428,117)	(\$247,958)	(\$61,418)	(\$65,599)
Income (Loss) per share: basic	(\$0.03)	(\$0.00)	(\$0.00)	(\$0.01)	(\$0.06)	(\$0.00)	(\$0.00)	(\$0.00)
Weighted average of shares issued	166,717,781	165,866,004	163,067,366	140,426,745	130,735,133	106,794,591	64,203,423	60,796,346
Total Assets	\$47,280,565	\$47,572,547	\$48,186,651	\$47,584,672	\$33,906,167	\$34,610,986	\$22,469,484	\$22,433,215
Long-Term Liabilities	\$105,033	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

Results for the 4th Quarter Ended March 31, 2022

During the three months ended March 31, 2022 the Company's administrative expenditures were \$4,313,982 (2021 - \$4,699,793) and included share-based payments of \$220,417 (2021 - \$3,680,473), management costs of \$157,685 (2021 - \$138,224), travel and promotion costs of \$3,332 (2021 - \$Nil) and consulting fees of \$45,000 (2021 - \$771,909). All comparative amounts refer to the three months ended March 31, 2021.

Liquidity and Capital Resources

As an exploration stage company, the Company's liquidity position decreases as mineral exploration and evaluation expenditures plus administrative expenses are incurred. To mitigate this liquidity risk, the Company budgets both exploration and administrative expenditures and closely monitors its liquidity position. The Company's cash position as at March 31, 2022 was \$7,822,852 (March 31, 2021 - \$3,274,777).

On June 3, 2020, the Company completed a non-brokered private placement comprised of 4,508,500 units at a purchase price of \$0.06 per unit for gross proceeds of \$270,510. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at a price of \$0.09 at any time on or before June 3, 2023.

On July 6, 2020, the Company completed a non-brokered flow-through private placement comprised of 3,239,996 flow-through units at a purchase price of \$0.09 per unit for gross proceeds of \$291,600. Each flow-through unit consisted of one flow-through common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share at a price of \$0.12 at any time on or before July 6, 2023.

On October 9, 2020, the Company completed a non-brokered non-flow through private placement comprised of 3,846,154 non-flow-through units at a purchase price of \$0.13 per unit for gross proceeds of \$500,000. Each unit consisted of one non-flow through common share and one common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at a price of \$0.17 at any time on or before October 9, 2023.

On October 28, 2020, the Company completed a non-brokered flow-through private placement comprised of 40,000,000 flow-through units at a purchase price of \$0.15 per unit for gross proceeds of \$6,000,000. Each flow-through unit consisted of one flow-through common share and one common share purchase warrant. Each warrant entitles the holder to purchase an additional non-flow through common share at a price of \$0.17 at any time on or before October 28, 2023.

On June 9, 2021, the Company completed a bought deal private placement for total gross proceeds of \$14,014,125, consisting of (i) 4,445,000 units (the “Units”) sold at a price of \$0.45 per Unit; (ii) 11,325,000 flow-through units (the “FT units”) sold at a price of \$0.53 per FT Unit; and (iii) 9,775,000 charity flow-through units (the “Charity FT Units”) sold at a price of \$0.615. Each Unit consists of one common share of and one-half of one transferable common share purchase warrant (each whole such common share purchase warrant, a “Warrant”). Each FT Unit consists of one flow-through common share and one-half of one Warrant issued on a flow-through basis. Each Charity FT Unit consists of one charity flow-through common share and one-half of one Warrant issued on a flow-through basis. Each Warrant shall be exercisable into one additional common share at a price of \$0.60 at any time on or before June 9, 2023. In connection with this offering, the Company paid a cash commission of \$737,989 and a fiscal advisory fee of \$42,858. In addition, the Company issued 1,339,085 broker warrants and 81,317 fiscal advisory warrants (collectively, the “Compensation Warrants”) to the Underwriters. Each Compensation Warrant is exercisable into one additional common share for a period of twenty-four months at an exercise price of \$0.45 per Warrant.

The Company intends, if possible, to raise further financing by way of equity issuances, applying for refundable tax credits or private loans in order to meet its exploration and working capital requirements as and when needed.

During the year ended March 31, 2022, 4,311,681 share purchase warrants and 1,988,000 stock options were exercised for gross proceeds of \$1,036,221.

As at July 25, 2022, an additional 2,533,386 share purchase warrants have been exercised for gross proceeds of \$326,426.

During the year ended March 31, 2021, 13,857,886 share purchase warrants, 450,000 agent warrants and 1,005,000 stock options were exercised for gross proceeds of \$2,224,691.

Share Data

As at July 25, 2022 the Company had 169,499,856 common shares issued and outstanding, 11,890,000 options issued and outstanding, 54,126,816 share purchase warrants and 1,420,402 agent warrants issued and outstanding.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements and does not contemplate such arrangements in the foreseeable future. There are no contingent liabilities.

Related Party Transactions

The Company incurred the following transactions with companies controlled by directors of the Company:

	For the year ended March 31,	
	2022	2021
Key management personnel compensation comprised of:		
Short term employee benefits:		
Management fees – mineral property costs	\$ 136,740	\$ 29,730
Professional fees – administration	32,400	27,600
Management and administration	642,405	231,450
	\$ 811,545	\$ 288,780
Share-based payments	1,936,990	3,048,629
	\$ 2,748,535	\$ 3,337,409

The above transactions, occurring in the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

FINANCIAL INSTRUMENTS, MANAGEMENT OF CAPITAL AND FINANCIAL RISK

All financial instruments are included on the Company's balance sheet and measured at either fair value or amortized cost.

The Company's financial assets consist of cash and cash equivalents and amounts receivable, which are designated as loans and receivables and measured at amortized cost.

The Company's financial liabilities consist of accounts payable and accrued liabilities and due to related parties, which are designated as other financial liabilities and measured at amortized cost.

The carrying values of the Company's financial instruments measured at amortized costs approximate their fair values due to their short-term nature.

The capital of the Company consists of shareholders' equity - \$41,534,519 (March 31, 2021 - \$31,961,022).

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any externally imposed capital requirements. The Company relies on capital markets to support continued growth.

Critical Accounting Estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

a) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

b) Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

c) Income Taxes

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same entity against which the unused tax losses can be utilized.

However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

The key estimates applied in the preparation of the consolidated financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

d) British Columbia Mining Exploration Tax Credit ("BCMETC") Claim

The completion of certain qualified exploration costs by the Company entitles it to refundable tax credits as part of an exploration incentive plan offered by the Province of British Columbia. No amount has been accrued for fiscal 2021 or fiscal 2022.

New Standards, Interpretations and Amendments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. These new standards, interpretations and amendments, which have not yet been applied are included in the Audited Consolidation Financial Statements for the year ended March 31, 2022.

Disclosure Controls and Procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109") the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the audited consolidated financial statements and this accompanying interim MD&A (together the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with respect to the Annual and Interim Filings on SEDAR at www.sedar.com.

Disclosure for Venture Issuers without Significant Revenue

Consistent with other junior companies in the mineral exploration industry, the Company has no source of operating revenue. The Company's Audited Consolidated Financial Statements for the Year ended March 31, 2022 provide a breakdown of the general and administrative expenses for the period under review and an analysis of the capitalized and expensed exploration and evaluation incurred on its mineral properties.

Risks and Uncertainties

Early Stage – Need for Additional Funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required.

Although the Company has been successful in the past in obtaining financing through the sale of equity securities or joint ventures, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Exploration and Evaluation

Exploration for minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures made by the Company will result in discoveries of commercial mineral reserves.

Mining and development risk always accompany anticipated rewards, and uncertainties always exist where mineral properties are concerned. Uncertainties include the size, grade and recovery of a natural occurring mineral deposit. Although exploration and development efforts can outline a mineral deposit with a degree of certainty, ultimate grade and tonnages are never fully known until mining has been completed.

Metal and prices are also a significant factor in the development decision for a mineral property, as a mine may not be economically feasible in a period of depressed prices. Factors, beyond the control of the Company may affect the marketability of any minerals discovered. Pricing is affected by numerous factors such as international economic and political trends, global or regional consumption and demand patterns, and increased production by current producers.

Operating Hazards and Risks

Mining operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of metals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Title Risks

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned.

Environmental Regulations, Permits and Licences

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health, waste disposal, safety and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards, and enforcement, and higher fines and penalties for non-responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact of the Company and cause increases in capital expenditures or productions costs or reduction in levels of productions at producing properties or requirements abandonment or delays in development of new mining properties.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Price Volatility of Public Stock

In recent years securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on the TSX Venture Exchange may be affected by such volatility.

Economic Conditions

Unfavourable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers may serve as directors and officers, or may be associated with other reporting companies or have significant shareholding in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act ("Corporations Act") in dealing with conflicts of interest. These provisions state that where a director/officer has such a conflict, the director must arrange a meeting of the board to disclose his interest and must refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

Approval

The Audit Committee has reviewed and approved the disclosure included in this MD&A. A copy of the interim and annual and MD&A's will be provided to anyone who requests it. Additional Information relating to the Company can be found at the Company's website www.surjecopper.com or www.sedar.com.