

**Interim Management's Discussion and Analysis**

**Surge Exploration Inc.**  
(Formerly Copper Creek Gold Corp.)

**For the six months ended 30 June 2019**

**Surge Exploration Inc.** (formerly Copper Creek Gold Corp.)  
**Management’s Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

*The following management discussion and analysis (“MD&A”) should be read in conjunction with the interim financial statements and accompanying notes (“Financial Statements”) of Surge Exploration Inc. (formerly Copper Creek Gold Corp.) (the “Company”) for the six months ended 30 June 2019. Results have been prepared using accounting policies in compliance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All monetary amounts are reported in Canadian dollars unless otherwise indicated. This MD&A is dated 28 August, 2019.*

*This MD&A contains forward-looking information. See “Forward-Looking Information” and “Risks and Uncertainties” for a discussion of the risks, uncertainties and assumptions relating to such information.*

*For further information on the Company reference should be made to the Company’s public filings which are available on SEDAR website ([www.sedar.com](http://www.sedar.com)).*

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)  
Management's Discussion and Analysis of Financial Results  
For the six months ended 30 June 2019**

**DESCRIPTION OF BUSINESS**

Surge Exploration Inc. (formerly Copper Creek Gold Corp.), ("Surge Exploration" or the "Company") was incorporated under the Company Act (British Columbia) on 19 June 1987 and continued to the jurisdiction of the Canada Business Corporation Act on 13 August 1997. The Company trades on the TSX Venture Exchange under symbol SUR. The Company is an exploration stage company engaged in the acquisition, exploration and development of mineral properties.

The address of the Company's corporate office and principal place of business is Suite 1220, 789 West Pender Street, Vancouver B.C., V6C 1H2.

On 20 April 2018, the Company formed a wholly owned subsidiary called Surge Exploration Chile SpA. On 23 April 2019, the Company decided to refocus its corporate efforts on mineral exploration in North America. The Company is no longer pursuing the proposed Atacama Cobalto (cobalt) project and Incahuasi (lithium) projects, and the Company has decided to close its Santiago exploration office.

On 1 May 2018, the Company changed its name to Surge Exploration Inc. and split its share capital on a two (2) new common share without par value for every one (1) existing common share without par value. The Company's number of outstanding options and warrants and the accompanying exercise prices were on the same basis. Unless otherwise stated, the number of shares, options, warrants and the exercise prices of options and warrants presented in these consolidated financial statements have been adjusted to include the effect of this share split.

Unless the context suggests otherwise, references to the "Company" or "we", "us", "our" or similar terms refer to Surge Exploration Inc.

**FORWARD-LOOKING STATEMENTS**

This report may contain forward-looking statements that involve a number of known and unknown risks and uncertainties including statements regarding the outlook of Surge Exploration's business and results of operations. By their nature, these risks and uncertainties could cause actual results, performance and achievements to differ materially from those indicated. Such factors include, without limitation, risks inherent in mineral exploration, the Company's history of operating losses and uncertainty of future profitability, uncertainty of access to additional capital, and environmental risks. Readers should not place undue reliance on these forward-looking statements which speak only as of the date the statements were made, and are also advised to consider such forward looking statements while considering the risks set forth below.

Surge Exploration Inc. disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as is required by applicable securities regulations.

**PROJECT OVERVIEW**

**Hedge Hog Property, Quesnel BC**

On 14 November 2017, the Company has entered into a property option agreement with Eastfield Resources Ltd. ("Eastfield") to acquire the right to earn an undivided sixty percent (60%) interest in certain mineral claims located approximately 80 km northeast of the town of Quesnel, BC and 20 km north of the historic gold mining towns of Wells and Barkerville. Finder's fees of 200,000 common shares valued at \$15,000 were paid in connection with this agreement.

In order to earn the 60% interest in the mineral claims, the Company is required to make payments, issue shares and incur expenditures as follows:

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management's Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

	<b>Cash Payment</b>	<b>Value of Share issuances</b>	<b>Expenditures</b>
	\$	\$	\$
Upon signing (paid)	20,000	-	-
On 14 November 2018	20,000 <sup>(1)</sup>	-	100,000 <sup>(2)</sup>
On 14 November 2019	30,000	-	300,000
On 14 November 2020	55,000	-	500,000
On 14 November 2021	100,000	100,000	600,000
On 14 November 2022	125,000	200,000	1,000,000
	<b>\$350,000</b>	<b>\$300,000</b>	<b>\$2,500,000</b>

(1) Paid. Due date amended to 9 January 2019.

(2) \$97,108 incurred, remaining due by 14 November 2019.

*Reclamation Security Deposit*

During the year ended 31 December 2018, the Company paid \$11,500 in cash as a reclamation security deposit with respect to the application for application to the government of British Columbia for a mining permit. When reclamation requirements for the operation are fulfilled to the satisfaction of the government of British Columbia, the security deposit will be released to the Company.

Eastfield Resources Ltd acquired the Hedge Hog Property by staking in 2013 and 2014 and owns a 100% interest in it. The property is comprised of seven mineral tenures covering 2,418 hectares (5,972 acres) located approximately 80 km northeast of the town of Quesnel, BC and 15 km north of the historic gold mining towns of Wells and Barkerville.

A rush of exploration in Wells-Barkerville area during the 1980's and 1990's focused on the search for Besshi type volcanic massive sulfide (VMS) deposits in Paleozoic aged Slide Mountain rocks with interest fuelled by discoveries in equivalent rocks at the Chu Chua deposit north of Kamloops, BC and the Kudz Ze Kayah, Wolverine and Fyre deposits in the Yukon Territory (much of the Hedge Hog property is underlain by this formation). The well-known placer gold deposits of the Wells/Barkerville area (approximately 4 million ounces historic production) and historic lode gold deposits of this area (approximately 1.2 million ounces historic production) are hosted within meta-sedimentary rocks of the Proterozoic-Paleozoic Barkerville-Kootenay Terrane which structurally underlies the Slide Mountain Terrane and which probably also occurs in fault slices on the Hedge Hog property.

The first recorded exploration near the Hedge Hog Property was completed by a Mr. Ben Gunsen in 1984 and 1985 in the vicinity of Lottie Lake (current Hedge Hog claim) concentrating on finding coarse gold within pyritic rocks.

In 1998, float interpreted to be volcanic massive sulfide in character was found by prospecting in a roadside ditch approximately 800 meters southwest of Lottie Lake. The float consisted of a small angular boulder of chalcopyrite rich massive sulfide and several larger blocks of mineralized chert and/or silicified volcanic rock. The sulfide boulder graded 24.3% copper and 19.6 g/t silver. Eureka Resources acquired the Lottie project from the prospector in 1999 and conducted soil and till geochemistry, ground electromagnetic and magnetic surveying and backhoe trenching in the general area of the float. The test pitting revealed many more angular blocks of chalcopyrite rich massive sulfide but its source was not found. Several samples of this material subsequently sampled by Hudson Bay Exploration and Development averaged 8.7% copper, 9.59 grams per ton silver and 145 ppb gold.

Hudson Bay optioned the property from Eureka Resources in 2000 and conducted bedrock and surficial till mapping, soil, and moss mat geochemistry, trenching, ground geophysics and a four drill hole (556 metres) program before relinquishing the option in 2001.

In 2001, Eureka identified EM conductors two km south of the Lottie copper float area and completed two diamond drill holes (129 metres) and subsequently concluding that the conductors identified were caused by graphitic sediments.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)  
Management's Discussion and Analysis of Financial Results  
For the six months ended 30 June 2019**

In 2013, following acquisition of the mineral tenure for this area, Eastfield conducted a program of rock and stream sediment sampling. Altered rhyolite (silicified andesite/basalt?) was confirmed in several float samples in the vicinity of Lottie Lake with the highlights being samples which returned 0.93% and 0.34% copper respectively. Approximately eight kilometers to the north of Lottie Lake, on a recent logging road, outcropping altered sheared rhyolite was observed and sampled. A grab sample of this material, cross cut by narrow quartz veins, assayed 1.51 g/t gold, 1.37% zinc, 0.48% lead, 1,203 ppm arsenic and 1,313 ppm antimony. The Golden Sky claim, now part of the Hedge Hog Property, was subsequently staked.

In 2014 stream sediment sampling and 6.6 kilometers of soil sampling at Lottie and 7.4 line kilometers of sampling over the Golden Sky was followed by 4.7 line kilometers of reconnaissance induced polarization/resistivity surveying at Lottie Lake. At Lottie, a sample of quartz pyrite veined argillite float/subcrop, returned an analysis of 797.1ppb gold and 550.5ppm arsenic. A broad roughly east-west chargeability high was defined by the induced polarization survey in the area of the Lottie float.

In 2015 further reconnaissance prospecting and mechanical test pitting and trenching was completed in a program in which forty-seven pits were dug with an excavator. Forty-two of the pits encountered bedrock while five did not. One sample of silicic rock was sent for petrographic analysis and determined to be a brecciated latite confirming the presence of volcanic or sub-volcanic rocks in the vicinity of the massive sulfide "boulder field". Prospecting further still further west of Lottie Lake located silicified and outcropping pyritized altered argillite south of the placer gold mine located in this area.

Further exploration is recommended with two objectives; first for the identification of the mineralized felsic volcanic rocks which host the massive sulfide float boulders and second for location of mineralization similar to what occurs fifteen kilometers to the south at Barkerville. Sampling in the vicinity of the placer gold mine located west of Lottie Lake in 2014 identified mineralized argillite/chert with one sample grading 797.1ppb gold. The presence of adjacent outcropping felsic dykes is similar to the geological setting at Barkerville.

A two phase exploration program is recommended. The first phase should entail prospecting and rock sampling with an estimated 100 rocks and 500 soils to be collected and analyzed concurrently with excavator trenching and pitting in which 70 hours of machine time should be budgeted and in which upwards of which 50 pits should be excavated. The estimated cost of the phase one program is \$104,850. Contingent on the success of the first phase a phase two program consisting of 2,500 meters of diamond drilling at an all in cost of \$200/metre (\$500,000) is recommended.

In 2018 the Company collected 843 soil samples at Hedgehog from which anomalous results are being evaluated in the 2019 program. A trenching and excavator pitting program was completed in mid August 2019 central to this objective. Twenty-nine excavations were completed using a large excavator with 25 successfully reaching bedrock allowing sampling. Samples have now been submitted to the assay lab and results are expected by mid September. Two targets are being explored in this project which is prospective for both Cyprus style massive copper-gold-silver-cobalt mineralization and Barkerville Gold Mines style gold mineralization

#### Property Description and Location

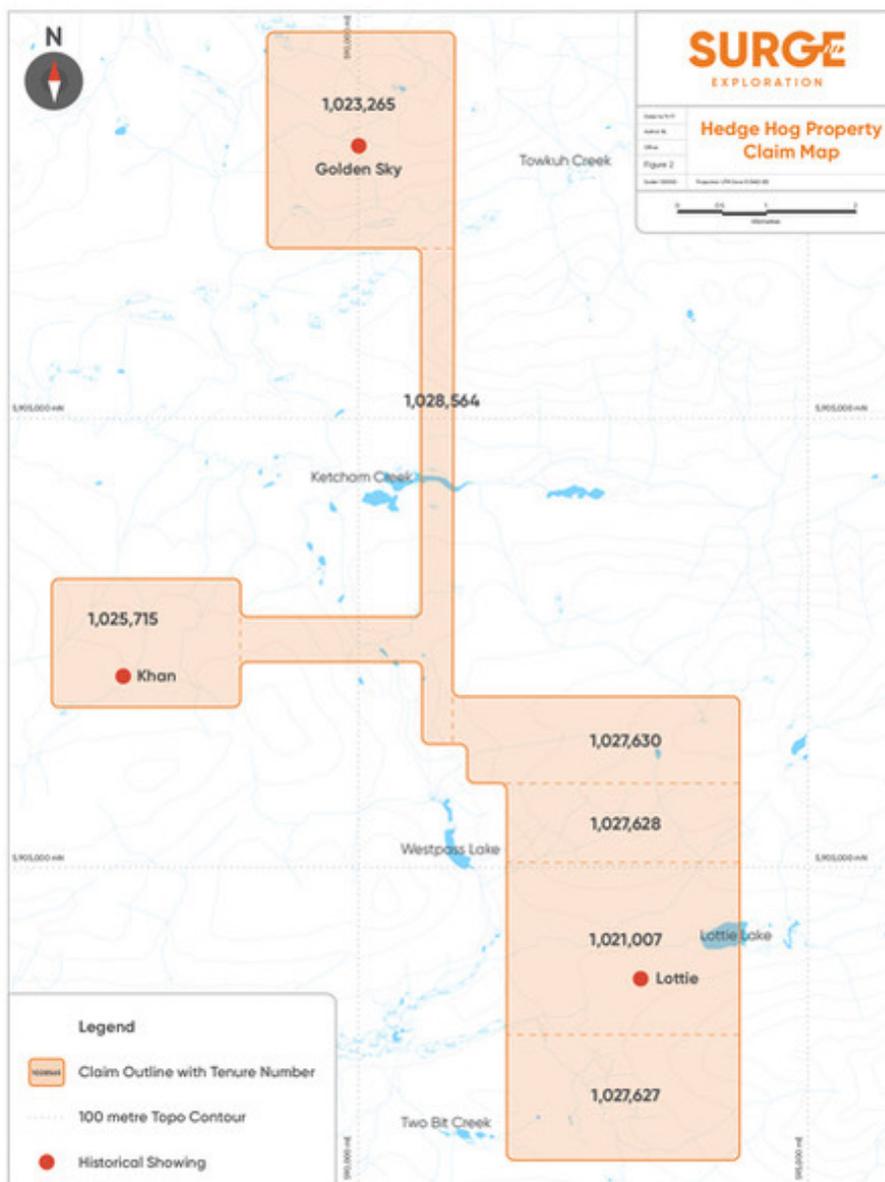
The Hedge Hog Property is comprised of a seven MTO mineral tenures covering 2417.7 hectares (5,972 acres) and is located approximately 80 km northeast of the town of Quesnel, BC and 20 km north of the historic gold mining towns of Wells and Barkerville. The claims are centred on UTM NAD83 Zone 10 co-ordinates 592722E, 5899360N and are 100% owned by Eastfield.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)  
 Management’s Discussion and Analysis of Financial Results  
 For the six months ended 30 June 2019**

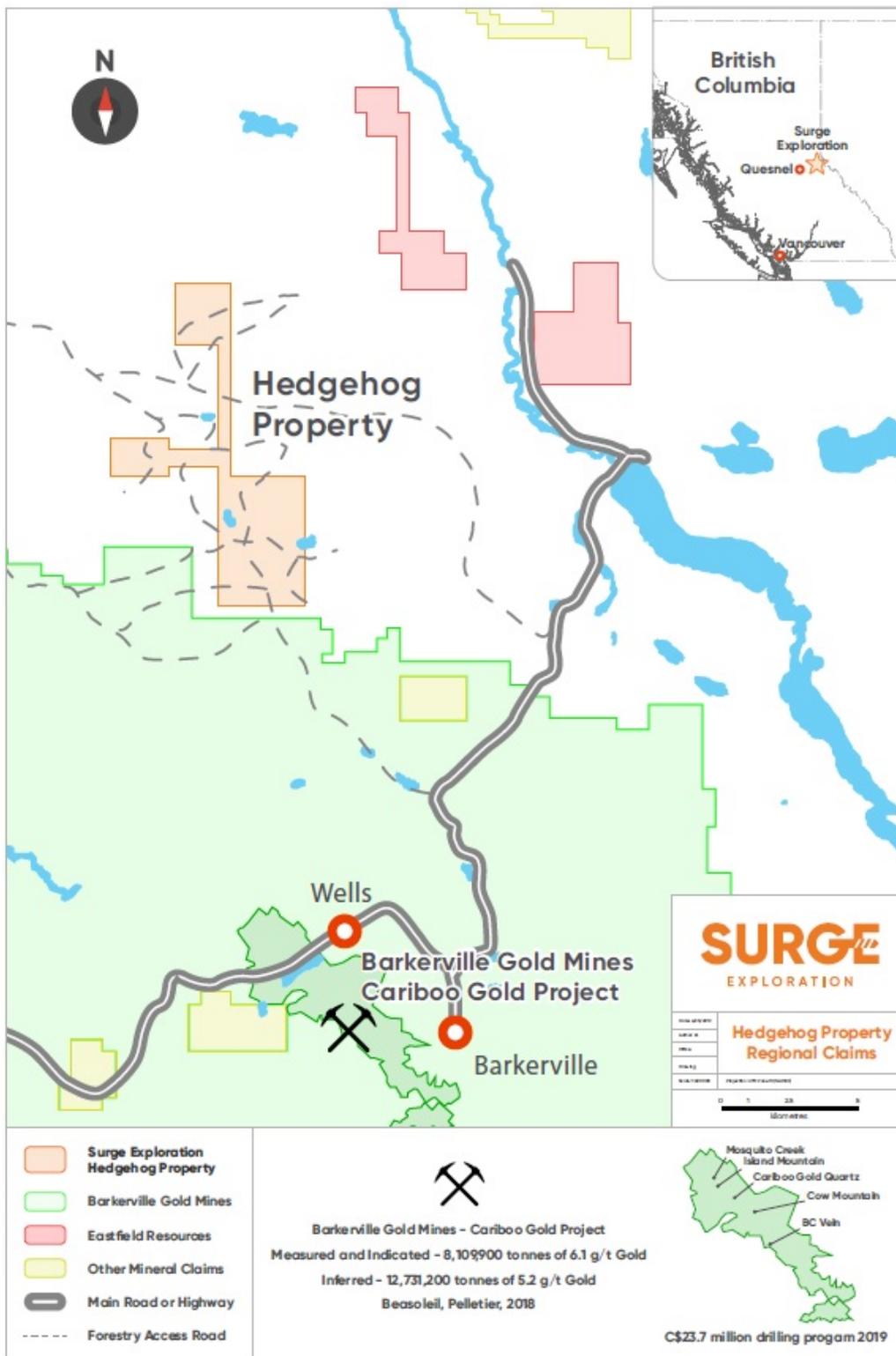
*Table 1 Claim Status*

Claim Name	Record #	Area (ha)	Expiry Date	Registered owner
Hedge Hog	1021007	464.5	July 15, 2021	Eastfield Resources Ltd.
HG-2	1027627	348.5	April 17, 2020	Eastfield Resources Ltd.
HG-3	1027628	232.2	April 17, 2020	Eastfield Resources Ltd.
HG-3	1027630	270.8	April 17, 2019	Eastfield Resources Ltd.
Golden Sky	1023265	482.9	Oct 23, 2021	Eastfield Resources Ltd.
Khan Khan	1025715	290.1	Feb 4, 2021	Eastfield Resources Ltd.
Conector	1028564	328.7	May 28, 2020	Eastfield Resources Ltd.
Total		2,418 (ha)		

**Map of Hedge Hog Property**



**Map of Hedge Hog Property Regional Claims**



### **Mineral Mountain Copper Gold Property**

On 4 December 2018, the Company acquired 100% interest in a group of mineral claim blocks comprising of 19,665 hectares (197 sq km) in the Omineca region of north-central British Columbia for cash of \$40,000 and 1,000,000 common shares of the Company valued at \$80,000. The TSX Venture Exchange approved the transaction on 4 December 2018.

The Omineca Group of claim blocks lie in the Omineca Mining Division of north-central British Columbia, approximately 150 km north of Fort St. James. The claims are not subject to any royalty terms, back-in rights, payments or any other agreements and encumbrances.

#### *2019 Exploration Program*

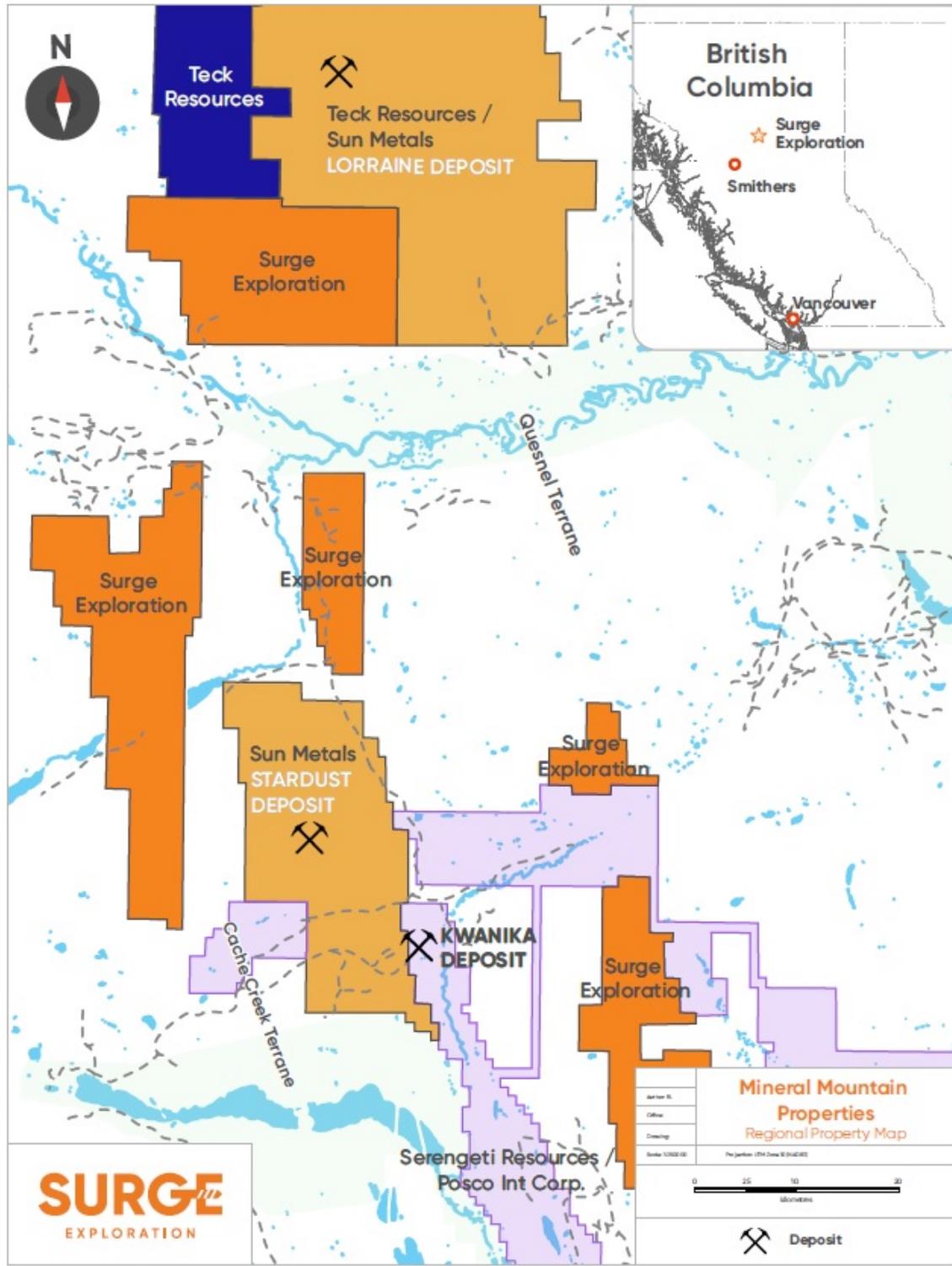
Initially a two-phase exploration program is being proposed by the Surge Geological Team.

Phase One will be carried out on lower elevation terrain once spring breakup takes place and will involve reconnaissance prospecting, geological mapping and a heavy metal panned concentrate sampling survey of all relevant drainages within the claim blocks.

Phase Two is planned to follow-up the work completed in Phase One as well as to extend the initial surveys into the higher elevations of the claims as winter snows retreat. Contingent on Phase One results, follow-up could also include additional soil sampling, geophysics and trenching.

B.C. Minfile assessment report data indicates that most of the area covered by the Omineca Group claim blocks were at one time or another covered by staking during surges of exploration in B.C. dating from the 1940's to present day. Largely the claims appear to have been minimally explored with little follow-up. However, some work was recorded on several claims with results for stream sediment sampling showing anomalous to highly anomalous results for gold in a few areas. These areas were recommended for detailed follow-up, however due to a previous commodity price downturn no further work was recorded.

Map of Omineca Claims as at June 30, 2019



**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)  
Management's Discussion and Analysis of Financial Results  
For the six months ended 30 June 2019**

Prominent among early discoveries in BC's Omineca Region is the nearby Lustdust/Stardust property (Sun Metals Corp. TSX-V: SUNM) currently under option from Lorraine Copper Corp. (TSX-V:LLC). This property covers a large, coherent integrated porphyry-skarn, epithermal system. The project has notable drill intercepts such as 15 meters grading 24.04 g/t gold and 2.2% copper (hole 02-09); 9.7 meters grading 36.7 g/t gold, 182.6 g/t silver and 2.89% copper (hole 02-03); 59 meters grading 0.67 g/t gold and 0.80% copper (hole 01-44); and 5.0 meters grading 13.3 g/t gold, 899 g/t silver and 6.8% combined lead-zinc (hole 03-09). These results were publicly disclosed in a News Release by Sun Metals Corp and by Lorraine Copper Corp.

On August 13, 2019, Sun Metals Corp reported the initial results from step-out drilling in the 421 zone at its 100% owned Stardust project in northcentral British Columbia. The first three holes reported from Stardust have all intersected significant copper gold mineralization. Sun Metals believes the results confirm continuity of mineralization down dip and to the south from drill hole DDH18-SD-421, the initial discovery hole in the 421 zone.

Drill hole DDH19-SD-428D was drilled on section 2125N and returned 142.35 metres of 1.22 percent (%) copper, 1.28 grams per tonne (g/t) gold, 21.8 g/t silver and 0.41% zinc. In metal equivalent terms, this polymetallic interval is 2.39% copper equivalent (CuEq)<sup>2</sup> or 3.83 g/t gold equivalent (AuEq)<sup>2</sup>. There were several higher-grade intervals within the zone including 32.20 metres of 5.06% CuEq or 8.09 g/t AuEq, and another of 14.10 metres grading 6.72% CuEq or 10.76 g/t AuEq.

Drill hole DDH19-SD-430D was drilled lower on the same section and returned two separate mineralized intervals. The upper interval contained 22.00 metres of 1.53% copper, 1.02 g/t gold and 24.6 g/t silver. The lower interval started 34 metres lower and contained 107.00 metres of 1.64% copper, 1.77 g/t gold and 28.6 g/t silver for a CuEq value of 3.02% or 4.82 g/t AuEq.

On section 2075N, 50 metres to the south of the mineralized intercept in drill hole DDH18-SD-421, DDH19-SD-429M returned 90.05 metres of 1.08% copper, 1.40 g/t gold, 21.6 g/t silver and 0.22% zinc which equates to 2.24% CuEq or 3.58 g/t AuEq.

The drilling reported here has provided Sun Metals with positive confirmation on the continuity and strength of mineralization. In the current environment of strengthening gold price, Sun Metals is particularly encouraged to see the continued tenor of gold values and have expressed the equivalency values in terms of both copper equivalence and gold equivalence to emphasize the precious metals strength in the 421 zone.

Other notable projects nearby to the Mineral Mountain property, include the Kwanika property (Serengeti Resources Inc./POSCO Daewoo TSX-V: SIR) a promising advanced stage copper-gold project; the Lorraine property (Lorraine Copper Corp. TSX-V: LLC) which is the host to a large copper-gold National Instrument (NI) 43-101 compliant resource. The Lorraine Copper Corp. tenures are located between the Kemess North project being developed by Centerra Gold's subsidiary Aurico Metals and Centerra Gold's operation at the Mount Milligan mine.

The Stardust Property contains a NI 43-101 compliant mineral resource, known as the Canyon Creek deposit, completed by GeoSim Services Inc. in 2010. It contains an indicated mineral resource of 1,253,000 tonnes grading 1.33% Cu, 1.426 g/t Au and 33.0 g/t Ag with a copper equivalent cut-off grade of 1.0%. An additional 3,124,000 tonnes grading 1.12% Cu, 1.366 g/t Au and 25.4 g/t Ag is classified as inferred. The presently defined mineral resource extends some 600 m along strike and down dip and remains open in all.

On August 26, 2019, Sun Metals Corp reported additional results from drilling in the 421 zone at its 100% owned Stardust project in northcentral British Columbia. Drill hole DDH19-SD-437 is the first drill hole to be drilled north of DDH18-SD-421 in the 421 zone and has returned an 86.40 metre intersection grading 3.00% copper equivalent (CuEq)<sup>2</sup> and ended in mineralization. The Company believes this result confirms continuity of the mineralization, within a more intense skarn alteration envelope to the north in the 421 zone.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management’s Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

Drill hole DDH19-SD-437 was drilled on section 2150N and returned 86.40 metres(1) of 1.65 percent (%) copper, 1.56 grams per tonne (g/t) gold, 28.8 g/t silver and 0.28% zinc. In metal equivalent terms, this polymetallic interval is 3.00% CuEq<sup>2</sup> or 4.75 g/t gold equivalent (AuEq)<sup>2</sup>. A higher-grade interval within the reported intercept includes 21.30 metres of 5.39% CuEq or 8.52 g/t AuEq (Table 1). The drill hole was lost due to stuck rods in an area with multiple voids, within the mineralization.

Mineralization hosted on nearby and/or adjacent properties is not necessarily indicative of mineralization hosted on the Company’s Mineral Mountain Property.

**Copper Porphyry Property (Expansion of Mineral Mountain Copper Gold Property)**

On 6 May 2019, the Company acquired 100-per-cent interest in additional copper-gold mineral claims adjoining its copper porphyry mineral claim in north-central British Columbia.

These two new mineral claims (6,790 hectares) add to the Company's current sizeable land position within British Columbia's prolific Omineca mining district. Surge now has copper-gold mineral claims totalling 26,455 hectares (265 square kilometres) in the area.

Subject to the terms and conditions of the purchase and sale agreement dated May 2, 2019, for the new mineral claims, the Company agrees to making a cash payment to the vendor in the amount of \$16,000 upon signing the agreement and issuing two million fully paid and non-assessable common shares in the capital of the Company upon TSX Venture Exchange approval to the transaction. Subsequent to 30 June 2019 the TSX Venture Exchange approved the transaction.

**Glencore Bucke and Teledyne Cobalt Projects:**

On 7 May 2018, the Company entered into a property option agreement with LiCo Energy Metals Inc. to acquire, the right to earn an undivided and up to 60% interest in to the Glencore Bucke Property and Teledyne Cobalt Properties located in Bucke and Lorrain Townships, 6 km east-northeast of Cobalt, Ontario. The option agreement is “non-arms length” and is a related party transaction due to an officer in common between LiCo Energy Metals Inc. and the Company. The TSX Venture Exchange approved the transaction on 12 June 2018.

In order to earn the 60% interest in the mineral claims, the Company is required to issue shares and make payments as follows:

	Cash Payment	Share issuances	Expenditures
	\$		\$
Upon Exchange Approval (paid and issued)	240,000	1,000,000*	-
On or before 7 May 2020	-	-	1,536,000
	<b>240,000</b>	<b>1,000,000</b>	<b>1,536,000</b>

\*Valued at \$180,000

Finder’s fees of \$42,000 in cash were paid during the year ended 31 December 2018.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)  
Management's Discussion and Analysis of Financial Results  
For the six months ended 30 June 2019**

**Glencore Bucke**

The Glencore Bucke Property consists of two patented mining claims totaling approximately 16.2 ha in area, and sits along the west boundary of Surge's Teledyne Cobalt Project. In 1981, Teledyne Canada Ltd. ("Teledyne") leased mining claim 585 ("Glencore Bucke Property") from Falconbridge Nickel Mines Ltd. as the company recognized the significant exploration potential that the Property had due to the possible southern extensions of the Cobalt Contact veins on mining claim T43819 that projected southward onto the Property. In the same year, Teledyne completed 36 diamond drill holes totaling 10,903 ft (3,323.3 m) on the Property. The drilling program outlined two separate vein systems hosting significant cobalt and silver values. The two zones are known as the Main Zone, measuring 152.4 m in length, and the Northwest Zone, measuring 70.0 m in length. The Main Zone had a north-south strike, which is hypothesized as the southern extension of the #3 vein from the Cobalt Contact Mine located immediately to the north of the Property. Additional work was recommended but never completed due to a downturn in cobalt prices at the time. Based on the surface drill program completed by Teledyne, historical reserves of 60,000 tons in the geologically inferred category, and 15,000 tons in the probable category, at an average grade of 0.45% Co, 3.0 oz/t Ag was estimated (Linn, 1983). The historical reserve estimate contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. Surge is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

In the fall of 2017, LiCo completed 21 diamond drill holes totalling 1,913.50 m on the Glencore Bucke Property. LiCo's Phase 1 diamond drill program was designed to confirm and extend the existing known mineralized zones on the Property. The program tested the Main Zone for a strike length of approximately 55 m and the Northwest Zone for a strike length of approximately 45 m. Due to the nature of the mineralization, drill holes were closely spaced apart, generally at 10 m along sections, and 12.5 m between sections on average.

The most significant results include:

- GB17-04 that intersected 1.62% Co, 7 ppm Ag over 0.50 m from 16.25 to 16.75 m.
- GB17-06 that intersected 0.25% Co, 12 ppm Ag over 1.75 m from 22.50 to 24.25 m.
- GB17-06 that intersected 4.45% Co, 34.2 ppm Ag over 0.30 m from 44.40 to 44.70 m.
- GB17-07 that intersected 1.11% Co, 17.6 ppm Ag over 2.00 m from 98.5 to 100.50 m.
- GB17-10 that intersected 0.55% Co, 0.8 ppm Ag over 5.00 m from 28.00 to 33.00 m.
- GB17-13 that intersected 0.46% Co, 132.5 ppm Ag over 0.90 m from 77.60 to 78.00 m.
- GB17-13 that intersected 0.55% Co, 16.9 ppm Ag over 0.60 m from 100.80 to 101.40 m.
- GB17-15 that intersected 0.55% Co, 2.1 ppm Ag over 0.90 m from 27.50 to 28.40 m.
- GB17-15 that intersected 8.42% Co, 136 ppm Ag over 0.30 m from 62.40 to 62.70 m.
- GB17-18 that intersected 0.43% Co, 86.8 ppm Ag over 0.90 m from 80.10 to 81.00 m.
- GB17-19 that intersected 0.75% Co, 111.1 ppm Ag over 0.60 m from 46.00 to 46.60 m.
- GB17-20 that intersected 0.44% Co, 19.4 ppm Ag over 4.05 m from 60.25 to 64.30 m.
- GB17-21 that intersected 0.73% Co, 50.0 ppm Ag over 0.60 m from 69.70 to 70.30 m.

The aforementioned intervals represent core lengths, and not true widths.

**Teledyne Cobalt**

The Teledyne Cobalt Property, located in Bucke and Lorrain Townships, consists of 5 patented mining claims totaling 79.1 ha, and 46 unpatented mining claim cells totaling approximately 705.99 ha. The Property is easily accessible by highway 567 and a well maintained secondary road.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management's Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

The Teledyne Cobalt Property adjoins the south and west boundaries of claims that hosted the Agaunico Mine. From 1905 through to 1961, the Agaunico Mine produced a total of 4,350,000 lbs. of cobalt ("Co"), and 980,000 oz. of silver ("Ag") (Cunningham-Dunlop, 1979). A significant portion of the cobalt that was produced at the Agaunico Mine was located along structures that extended southward towards the northern boundary of patented claim 372, part of the Teledyne Cobalt Property. Cobalt mineralization consisted of cobaltite and smaltite hosted within steeply dipping veins and extensive disseminations within Huronian sedimentary rocks. From 1951 through to 1957, the average Co content of the ores mined at the Agaunico Mine was approximately 0.5%. In 1955, 526,000 lbs. of Co, 146,000 oz. of Ag, 117,000 lbs. of nickel ("Ni"), and 81,000 lbs. of copper ("Cu") were extracted from 62,000 tons of ore (Cunningham-Dunlop, 1979).

In 1953, Big Agaunico Mines Ltd. carried out a drilling program on a portion of LiCo's Teledyne Cobalt Property to locate the extension of the south-striking Agaunico cobalt-rich Vein 15. Drill holes No. 8 and No. 12 intersected 0.58% Co over 5 ft (1.5 m), and 0.46% Co over 3 ft (0.9 m) respectively. The aforementioned intervals represent core lengths, and not true widths. These intersections, located 350 ft (106.7 m) and 600 ft (182.9 m) south of the northern claim boundary of claim 372, confirmed the likely extension of the Agaunico cobalt zone (Vein #15) onto the Property (Cunningham-Dunlop, 1979).

In 1979, Teledyne Canada Ltd. ("Teledyne") completed six surface diamond drill holes and encountered a zone of cobalt mineralization that extended 640 ft (195 m) south from the claim boundary. In 1980, Teledyne completed a 10 ft (3.0 m) by 13 ft (4.0 m) access decline at a decline of -15 degrees for length of approximately 2,300 ft (701.0 m) to facilitate underground exploration of the mineralization zone encountered in their surface diamond drilling program. A total of 6,167 ft (1,879.7 m) of underground diamond drilling was completed in 22 drill holes (Bresee, 1981). The drill program confirmed the extension of the Agaunico cobalt zone onto claim 372 for a strike length of 500 ft (152.4 m). The drill program also encountered a second zone with a strike length of 450 ft (137.2 m). The most significant results included 0.64% Co over 55.3 ft (16.9 m), 0.74% Co over 28.6 ft (8.7m), and 2.59% Co over 8 ft (2.4 m). The aforementioned widths represent drill intersected widths, not true widths. Based on the surface and underground diamond drill programs, historical reserves of 60,000 tons in the geologically inferred category, and 40,000 tons in the probable category, at an average grade of 0.45% Co, 0.6 oz/t Ag was estimated (Linn, 1983). The historical reserve contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. Surge is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

Over \$25 million (inflation-adjusted) of past work has been already been completed on the Teledyne Property. This work has resulted in valuable infrastructure, which includes a development ramp and a modern decline going down 500 ft parallel to the vein.

During the fall of 2017, LiCo completed 11 diamond drill holes totaling 2,204 m on the Teledyne Cobalt Property. LiCo's Phase 1 diamond drill program was designed to confirm and extend the existing known mineralization along strike, and up and down dip. The program tested the Teledyne Main Zone for a strike length of approximately 220 m. The most significant results include:

- TE17-01 0.62% Co over 6.00 m from 136.00 to 142.00 m including 3.92% Co over 0.75 m from 140.25 to 141.00 m.
- TE17-02 0.95% Co over 1.9 m from 143.0 to 144.9 m, incl. 2.58% Co over 0.60 m from 144.30 to 144.90 m.
- TE17-02 0.59% Co over 3.9 m from 156.0 to 159.9 m, incl. 2.22% Co over 0.60 m from 156.6 to 157.2 m.
- TE17-04 1.82% Co over 6.00 m from 138.00 to 144.00 m, including 5.06% Co over 1.75 m from 141.25 to 143.00 m.
- TE17-05 2.32% Co over 4.00 m from 126.5 to 130.50 m.
- TE17-05 1.70% Co over 6.00 m from 136.00 to 142.00 m.
- TE17-07 0.50% Co over 2.10 m from 127.60 to 129.70 m.
- TE17-08 0.77% Co over 3.40 m from 169.50 to 172.90 m, including 1.17% Co over 2.00 m from 169.50 to 171.50 m.
- TE17-08 0.59% Co over 1.20 m from 174.00 to 175.20 m.
- TE17-08 0.62% Co over 0.60 m from 178.60 to 179.20 m.
- TE17-11 0.54% Co over 2.00 m from 130.00 to 132.00 m.

The aforementioned intervals represent core lengths, and not true widths.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management's Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

Ontario Cobalt Property Update:

During the late fall of 2018, Surge completed a total of 4,272 m / 14,016 ft. of diamond drilling in 33 holes on both the Glencore-Bucke and Teledyne Cobalt Properties: 2,559 m / 8,396 ft. were completed in 24 drill holes on the Glencore Bucke Property, and 1,713 m / 5,620 ft. in 9 drill holes on the Teledyne Cobalt Property.

On the Glencore-Bucke Property, drill holes GB18-22 to GB18-30 tested the Northwest and Main Zones with the intent of intersecting mineralized zones along strike and vertically above and below previous intersections reported in the 2017 drilling program completed by LiCo Energy Metals.

Highlights from diamond drill holes GB18-22 to GB18-30 include:

- GB18-26 0.29 % Co over 0.25 m from 79.25 to 79.50 m.
- GB18-27 0.47 % Co, 33.1 ppm Ag, 0.82% Cu over 2.33 m from 94.42 to 96.75 m, including 1.3% Co, 65.8 ppm Ag, 0.97% Cu over 0.83 m from 94.42 to 95.25 m.
- GB18-29 1.28% Cu over 3.75 m from 61.75 to 65.50 m, including 0.24% Co, 0.43% Cu from 63.00 to 63.40 m.
- GB18-30 0.70 % Co over 0.50 m from 40.00 to 40.50 m.

The results for diamond drill holes GB18-23 to GB18-30 are summarized below in Tables 1 and 2. There were no significant results for drill hole GB18-22.

Table 1: Summary of Teledyne Diamond Drill Results

DDH	From (m)	To (m)	Core length (m)	Co (ppm)	Ag (ppm)	Cu (ppm)	Zn (ppm)	Pb (ppm)
GB18-23	50.8	51.15	0.35	669	4.6	13300	257	56
GB18-24	44	46	2.00	50	12.6	1000	15450	10750
	57.9	58.3	0.40	205	31.2	9200	262	65
GB18-25	24.4	24.6	0.20	607	7.1	13000	31	22
	35.3	35.6	0.30	140	121	12600	67	2
	51.7	52.72	1.02	418	33	7320	194	543
	65.35	67.2	1.85	134	14	756	37489	11373
	76	76.5	0.50	151	27.7	11200	1250	2090
	82.8	83.5	0.70	208	89.3	18400	1340	364
GB18-26	79.25	79.5	0.25	2890	18.1	859	70	180
GB18-27	94.42	96.75	2.33	4701	33.1	8156	582	2105
incl.	94.42	95.25	0.83	13000	65.8	9720	192	5000
GB18-28	58	59.25	1.25	343	14.3	5068	470	672
	71.5	72	0.50	80	13.4	1110	12100	13600
GB18-29	60.5	69	8.50	318	13.2	7065	6070	4197
incl.	61.75	65.5	3.75	572	14.9	12758	292	119
incl.	63	63.4	0.40	2430	10.9	4300	68	144
GB18-30	40	40.5	0.50	7030	0.7	20	43	6
	44.5	45	0.50	1940	1.1	74	43	9

Note: Intervals reported in Table 1 represent core lengths and not true widths.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management's Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

Table 2: Drill hole Collar Information

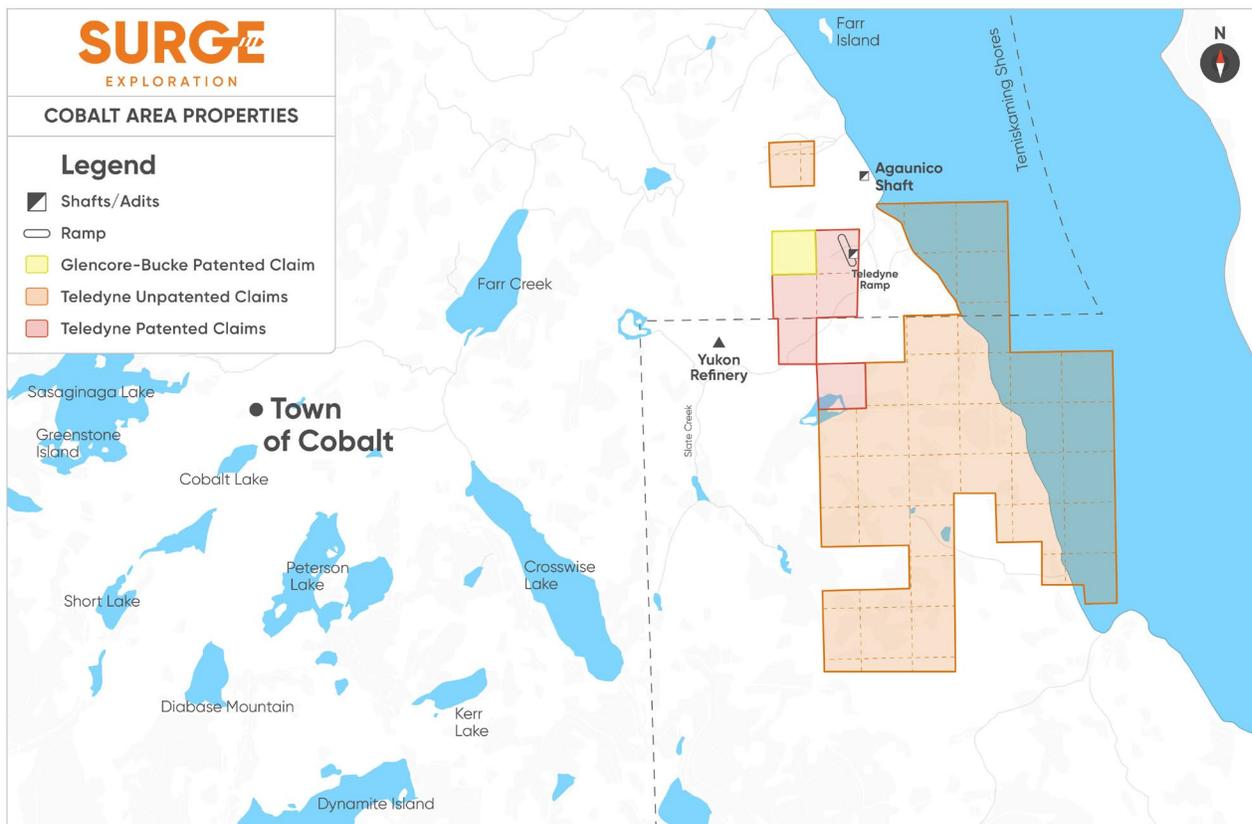
DDH	Easting	Northing	Azimuth	Dip
GB18-22	604444.10	5252142.96	270	-45
GB18-23	604483.40	5252145.01	270	-45
GB18-24	604484.05	5252132.50	270	-45
GB18-25	604495.03	5252132.90	270	-45
GB18-26	604516.25	5252134.03	270	-45
GB18-27	604507.06	5252121.08	270	-45
GB18-28	604536.62	5252109.64	270	-60
GB18-29	604538.06	5252097.52	270	-60
GB18-30	604531.85	5252070.18	270	-45

QA/QC Program

Surge Exploration Inc. has implemented a quality assurance/quality control (QA/QC) program for both the Glencore-Bucke and Teledyne Property drill programs. Diamond drill cores were logged, and where marked for sampling, split in half, with one half placed in a labelled sample bag, and the remaining half placed back into the core tray and stored in a secured compound. A blank and a standard were inserted in the assay sampling sequence at every 26th and 27th place respectively. All samples were shipped to Activation Laboratories in Ancaster, Ontario. Each sample was coarsely crushed and a 250 g aliquot is then pulverized and made ready for analysis. A 0.25g portion of the pulverised material is digested with a near total digestion (4 acid) and then analyzed using an ICP. QC for the digestion is 14% for each batch, 5 method reagent blanks, 10 in-house controls, 10 samples duplicates, and 8 certified reference materials. An additional 13% QC is performed as part of the instrumental analysis to ensure quality in the areas of instrumental drift. If over limits for Cu, Pb, Zn, and Co are encountered, a sodium peroxide fusion, acid dissolution followed by ICP-OES is completed. Where Ag over limits, a four-acid digestion is completed followed by ICP-OES.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)  
Management’s Discussion and Analysis of Financial Results  
For the six months ended 30 June 2019**

**Map of Cobalt Area Properties**



**Atacama Cobalto Project, Chile**

On 24 July 2018, the Company entered into a non-binding Memorandum of Understanding (“MOU”) with Compañía Minera del Pacífico S.A. (“CAP Minería”) for an option to acquire up to 100% of the Atacama Cobalto Project (“Atacama Project”) in the Atacama Region in Northern Chile. The MOU detailed the structure of the joint venture agreement whereby the Company could initially acquire 51% and up to 70% of the mining rights to the Atacama Project in three distinct (3) phases, and thereafter can earn up to 100% of the mining rights by excess contribution to the joint venture between the Company and Cap Minería (the “Newco”). The transaction was subject to TSX Venture Exchange approval.

On 7 December 2018, the Company entered into a Definitive Option Agreement (“Atacama Agreement”) with CAP Minería.

During the period ended 30 June 2019, the Company recorded an impairment write-down of \$2,431 related to the Atacama Project, which terminated on 23 April 2019

During the year ended 31 December 2018, the Company recorded an impairment write-down of \$55,493 related to the Atacama Project, which terminated on 23 April 2019.

**Incahuasi Lithium Project, Chile**

On 31 October 2018, the Company entered into a non-binding Memorandum of Understanding (the “MOU”) through its wholly owned subsidiary, Surge Exploration Chile SpA with Mr. Miguel Angel Pérez Vargas ( "MAPV") for an option to acquire up to 100% of the Incahuasi Lithium Project in the prolific Antofagasta mining region in Northern Chile. The Incahuasi Lithium Project comprises 10 exploration concessions totalling 2,300 hectares, and the Incahuasi Salar is located on the Chile/Argentina national border approximately 75 km / 46 mi southeast from the famed Atacama Salar in Chile. The Atacama Salar is well-known to be the world’s largest and actively mined source of lithium with over 15% of the global supply of lithium contained within its boundaries.

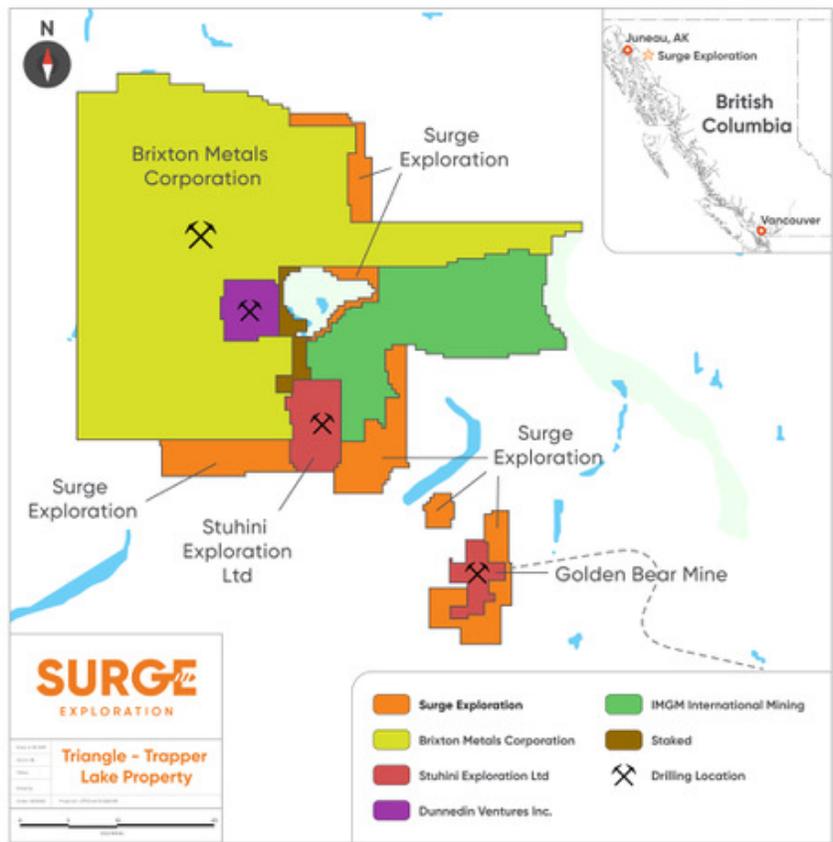
During the year ended 31 December 2018, the Company paid mineral property exploration expenses of \$13,042 in relation to the MOU.

On 23 April, 2019, the Company terminated its MOU related to the Incahuasi Lithium Project.

**Trapper Lake - Golden Triangle Property**

On July 16, 2019, the Company acquired 100-per-cent interest in 14 mineral claims located in the Tahltan Highland Area in northern British Columbia known as the Golden Triangle Property. The Company acquired an area of 213 square kilometres within the regionally important geological and structural trend. A large portion of the new property is adjacent to the Thorn project, with the balance covering prospective open ground containing numerous British Columbia Minfile showings with copper, silver and gold values adjoining the boundaries of the Golden Bear mine of Chevron Resources, a 480,000-ounce-gold past producer.

**Map of Trapper Lake - Golden Triangle Property**



**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management’s Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

**Qualified Person Statement**

“Project Overview” and “Subsequent Event” sections of this MD&A have been reviewed and approved for technical content by Joerg Kleinboeck, P.Geo., an independent consulting geologist and a Qualified Person under the provisions of NI 43-101.

**Selected Quarterly Financial Information**

The following table sets out Surge Exploration’s summarized quarterly results for each of the eight most recently completed quarters. This financial data has been prepared in accordance with IFRS. All amounts are shown in Canadian dollars.

	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018	31 Dec 2017	30 Sep 2017
Net Sales / Revenue	\$ -							
Comprehensive Loss for the quarter	\$ 21,697	\$ 264,521	\$ 825,148	\$ 914,755	\$ 443,824	\$ 105,630	\$ 163,413	\$ 81,466
Diluted Income (Loss) per share	\$(0.000)	\$(0.003)	\$(0.011)	\$(0.013)	\$(0.006)	\$(0.003)	\$(0.020)	\$(0.006)

**RESULTS OF OPERATIONS**

**For the six months ended 30 June 2019 compared to the same period in 2018**

Comprehensive loss for the six months ended 30 June 2019 was \$286,218 as compared to \$549,455 for the same period in 2018. The decrease in comprehensive loss of \$263,237 was mainly attributable to the net effect of:

- Decrease of \$9,994 in Accounting fees, from \$9,994 in 2018 to \$Nil in 2019.
- Decrease of \$12,220 in Consulting fees, from \$188,838 in 2018 to \$176,618 in 2019.
- Decrease of \$12,943 in Legal fees, from \$20,439 in 2018 to \$7,496 in 2019.
- Decrease of \$214,742 in Marketing and Communications, from \$245,431 in 2018 to \$30,689 in 2019.
- Decrease of \$14,848 in Office expenses, from \$20,204 in 2018 to \$5,356 in 2019.
- Decrease of \$4,238 in Rent, from \$19,503 in 2018 to \$15,265 in 2019.
- Increase of \$267 in Service charges, from \$846 in 2018 to \$1,113 in 2019.
- Increase of \$86 in Telephone charges, from \$Nil in 2018 to \$86 in 2019.
- Decrease of \$45,132 in Transfer agent and regulatory fees, from \$78,272 in 2018 to \$33,140 in 2019.
- Decrease of \$25,629 in Travel, lodging and food, from \$26,596 in 2018 to \$967 in 2019.
- Increase of \$993 in foreign exchange loss, from \$3,064 in 2018 to \$4,057 in 2019.
- Decrease of \$72,732 in gain on accounts payable write-off, from \$72,732 in 2018 to \$Nil in 2019.
- Increase of \$2,431 in impairment of mineral properties, from \$Nil in 2018 to \$2,431 in 2019.

**LIQUIDITY AND CAPITAL RESOURCES**

As at 30 June 2019 the Company had \$68,528 in cash compared to \$282,236 as at 31 December 2018. Working capital was \$(93,824) compared to \$182,282 as at 31 December 2018.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management’s Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

During the six month period ended 30 June 2019, the Company had a net decrease in cash of \$213,708 compared to \$876,652 decrease in cash in period ended 30 June 2018.

From time to time the Company works to raise additional capital through private placements and other forms of equity financing. Its ability to fund exploration projects is dependent upon its ability to obtain sufficient funding for operations and is ultimately dependent on the recoverability of the amounts capitalized to mineral exploration properties. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. Because the Company is not yet a producer, the primary source of future funds is through the sale of additional equity capital and optioning of resource properties. There is no assurance that the Company will be successful in raising sufficient capital to meet its obligations. If it is not successful in raising sufficient capital, it may have to curtail or otherwise limit operations. These material uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

**RELATED PARTY TRANSACTIONS**

For the periods ended 30 June 2019 and 2018, the Company had transactions with the following companies related by way of directors, officers or shareholders in common:

- TCF Ventures Corp., a company controlled by a director of the Company.
- Zeus Capital Ltd., a company controlled by the Chief Financial Officer (“CFO”)
- Mumbo Management Inc., a company controlled by a former CFO of the Company.
- Agadez Investments Inc., a company controlled by a director of the Company.
- Bill Bennett Consulting Inc., a company controlled by a former director of the Company.
- LiCo Energy Metals Inc., a company with certain directors and former officers in common with the Company. LiCo Energy Metals Inc. pays shared office, consulting, and marketing costs to the Company on a month-to-month basis.
- Nevada Energy Metals Inc., a company with certain directors, officers, and former officers in common with the Company. Nevada Energy Metals pays shared office, consulting, and marketing costs to the Company on a month-to-month basis.

**Key management personnel compensation**

The remuneration of directors and other members of key management for the six month periods ended 30 June 2019 and 2018 as follows:

	<b>2019</b>	<b>2018</b>
Short-term benefits – consulting and management fees	\$ <b>100,500</b>	\$ 93,000
<b>Total related party expenses</b>	<b>100,500</b>	93,000

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management's Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

**Related party transactions are summarized as follows:**

	<b>30 June 2019</b>	30 June 2018
	\$	\$
Consulting fees to Company controlled by CEO	<b>36,000</b>	36,000
Consulting fees to Company controlled by CFO	<b>18,000</b>	-
Consulting fees to former CFO	<b>10,500</b>	21,000
Consulting fees to the Corporate Secretary	<b>36,000</b>	36,000
<b>Total related party expenses</b>	<b>100,500</b>	93,000

**Due from/to related parties:**

The assets and liabilities of the Company include the following amounts due to related parties:

	<b>30 June 2019</b>	<b>31 December 2018</b>
	\$	\$
Company controlled by former CFO	<b>19,250</b>	19,250
Former director and Vice President	<b>60,576</b>	60,576
<b>Total amount due to related parties</b>	<b>79,826</b>	79,826

These amounts are unsecured, interest-free and payable on demand.

During the year ended 31 December 2018, the Company issued 1,965,262 shares and 2,413,914 units, valued at \$525,501 to settle outstanding debts of \$198,670 to certain creditors, resulting in a loss on the extinguishment of debt of \$326,831. Each unit consists of one common share and one share purchase warrant entitling the holder to purchase an additional share at a price of \$0.04 per share until 13 February 2020.

During the year ended 31 December 2018, the Company acquired exploration and evaluation assets from a related party.

#### **OUTSTANDING SHARE DATA**

The number of common shares outstanding was 76,864,260 shares as at 30 June 2019 and 81,864,260 as at the date of this MD&A.

The Company had 4,730,000 share purchase options and 52,069,914 warrants outstanding as at 30 June 2019 and 4,730,000 share purchase options and 47,069,914 warrants outstanding at the date of this MD&A.

#### **CONTROLS AND PROCEDURES**

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management's Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

Based on this assessment, it was determined that certain weaknesses may exist in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where potential weaknesses existed. The existence of these potential weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), Surge Exploration utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing a Venture Issuer Basic Certificate do not make any representations relating to establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP ("IFRS").

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of Surge Exploration's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided securities legislation.

## **RISK FACTORS**

The mineral industry involves significant risks. In addition to the risk factors described elsewhere in this MD&A, the risk factors that should be taken into account in considering Surge Exploration's business include, but are not limited to, those set out below. Any one or more of these risks could have a material adverse effect on the future prospects of the Company and the value of its securities.

### **Current Global Financial Condition**

Current global financial conditions have been subject to increased volatility and turmoil. These factors may affect Surge Exploration's ability to obtain equity financing in the future or, if obtained, to do so on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations as well as the trading price of its common shares could be adversely affected.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)  
Management's Discussion and Analysis of Financial Results  
For the six months ended 30 June 2019**

### **Industry and Mineral Exploration Risk**

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, Surge Exploration's projects do not contain any proven or probable reserves. Success in establishing reserves is a result of a number of factors, including the quality of the project itself. Substantial expenditures are required to establish reserves or resources through drilling, to develop metallurgical processes, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves.

The Company may be subject to risks that could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. Surge Exploration attempts to balance these risks through insurance programs where required and ongoing risk assessments conducted by its technical team.

### **Commodity Prices**

Surge Exploration is in the business of exploring for base and precious metals, the market prices of which can fluctuate widely. Metal prices ultimately depend on demand in the end markets for which metals are used. Demand is affected by numerous factors beyond the Company's control, including the overall state of the economy, general level of industrial production, interest rates, the rate of inflation, and the stability of exchange rates, any of which can cause significant fluctuations in metals prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of metals has fluctuated widely in recent years and there are no assurances as to what will be the future prices of base and precious metals. In the course of its current operations, the Company does not enter into price hedging programs.

### **Environmental**

Exploration projects and operations are subject to the environmental laws and applicable regulations of the jurisdiction in which Surge Exploration operates. Environmental standards continue to evolve and the trend is to a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. If and when appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability.

### **Reliance upon Key Personnel**

The Company is dependent upon a number of key management and operational personnel, including the services of certain key employees. Its ability to manage activities, and hence its success, will depend in large part on the efforts of these individuals. During times when metals prices are strong, the Company faces intense competition for qualified personnel, and there can be no assurance that Surge Exploration will be able to attract and retain such personnel at any time. Surge Exploration does not maintain "key person" life insurance. Accordingly, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company.

### **Insurance**

Surge Exploration's insurance will not cover all the potential risks associated with its operations. In addition, although certain risks are insurable, it might be unable to maintain insurance to cover these risks at economically feasible premiums. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Surge Exploration or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that it may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management's Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

### **Requirements to Obtain Government Permits**

Government approvals and permits are currently required in connection with Surge Exploration's exploration activities, and further approvals and permits may be required in the future. The duration and success of the Company's efforts to obtain permits are contingent upon many variables outside of its control. Obtaining government permits may increase costs and cause delays depending on the nature of the activity to be permitted and the interpretation of applicable requirements implemented by the permitting authority. There can be no assurance that all necessary permits will be obtained and if obtained, that the costs involved will not exceed Surge Exploration's estimates or that it will be able to maintain such permits. To the extent such approvals are required and not obtained or maintained, the Company may be prohibited from proceeding with planned exploration or development of mineral properties.

### **Joint Ventures**

From time to time Surge Exploration may enter into one or more joint ventures. Any failure of a joint venture partner to meet its obligations could have a material adverse effect on such joint ventures. In addition, the Company might be unable to exert influence over strategic decisions made in connection with properties that are involved in such joint ventures.

### **Exploration Risks**

The exploration for and development of mineral deposits involves significant risks. Few properties that are explored are ultimately developed into producing mines. Whether a mineral deposit will be commercially viable depends on a number of factors, including: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulation, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Even if the Company identifies and acquires an economically viable ore body, several years may elapse from the initial stages of development until production. As a result, it cannot be assured that Surge Exploration's exploration or development efforts will yield new mineral reserves or will result in any new commercial mining operations.

### **Mineral Property Title Risk**

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of the properties will not be challenged or impaired. Third parties may have valid claims underlying portions of Surge Exploration's interests, including prior unregistered liens, agreements, transfers or claims, including aboriginal land claims, and title may be affected by, among other things, undetected defects or unforeseen changes to the boundaries of Surge Exploration's properties by governmental authorities. As a result, the Company may be constrained in its ability to operate its properties or unable to enforce its rights with respect to its properties. An impairment to or defect in the title to the Company's properties could have a material adverse effect on its business, financial condition or results of operations. In addition, such claims, whether or not valid, would involve additional cost and expense to defend or settle.

### **Potential for Conflicts of Interest**

Certain of the Company's directors and officers may also serve as directors or officers of other companies involved in natural resource exploration and development or other businesses and consequently there exists the possibility for such directors and officers to be in a position of conflict. Surge Exploration expects that any decision made by any of such directors and officers involving Surge Exploration will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Surge Exploration and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matters in which such director may have a conflict of interest or which are governed by the procedures set forth in applicable law.

**Surge Exploration Inc. (formerly Copper Creek Gold Corp.)**  
**Management's Discussion and Analysis of Financial Results**  
**For the six months ended 30 June 2019**

**SUBSEQUENT EVENTS**

Subsequent to the period ended 30 June 2019, the Company closed the acquisition of the copper porphyry mineral claims in north-central British Columbia.

Subsequent to the period ended 30 June 2019, the Company acquired 100-per-cent interest in 14 mineral claims located in the Tahltan Highland Area in northern British Columbia known as the Trapper Lake - Golden Triangle Property. The Company acquired an area of 213 square kilometres within the regionally important geological and structural trend. A large portion of the new property is adjacent to the Thorn project, with the balance covering prospective open ground containing numerous British Columbia Minfile showings with copper, silver and gold values adjoining the boundaries of the Golden Bear mine of Chevron Resources, a 480,000-ounce-gold past producer.

Subsequent to the period ended 30 June 2019, 5,000,000 warrants were issued at \$0.04 per warrant for total proceeds of \$200,000.

Subsequent to the period ended 30 June 2019, the exploration program for the Hedgehog Property is underway.