



Teledyne Property Phase 1 Drilling Program

During the fall of 2017, a diamond drill exploration program was completed on the Teledyne Property with 11 drill holes comprised of 2,200 m of drilling.

From 1979 through to 1980, Teledyne Canada Ltd., completed 6 surface diamond drill holes and 22 underground diamond drills for an aggregate of 3,160.8 m on the Teledyne Cobalt Property. 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 reserve estimate is a historical estimate as defined by National Instrument 43-101. 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 Exploration Inc. is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

The Fall 2017 diamond drill exploration program was designed to confirm and extend the existing known mineralization along strike and up and down dip and was successful in completing this objective. The program tested the Teledyne Zone for a strike length of approximately 220 m.

A Summary of the most significant results of the Phase 1 Diamond Drill Program completed on the Teledyne Cobalt Property are:

- **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 1.90 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 3.90 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**

A summary of the most significant results from the Phase 1 diamond drilling program are provided in Table 1, while drill hole collar information is provided in Table 2.

Table 1: Highlights of Phase 1 Diamond Drilling Results, Teledyne Cobalt Property

DDH	From (m)	To (m)	Core length (m)	Co (%)	Ag (ppm)	Cu (ppm)	Zn (ppm)	Pb (ppm)
TE17-01	136.00	142.00	6.00	0.62	0.9	51	37	4
Incl.	136.50	137.00	0.50	0.23	0.9	6	47	2
Incl.	139.75	142.00	2.25	1.54	1.8	121	40	8
Incl.	140.25	141.00	0.75	3.92	2.4	216	39	13
TE17-02	142.5	144.9	2.4	0.76	1.6	202	35	10
Incl.	143	144.9	1.9	0.95	1.8	234	36	10
Incl.	144.3	144.9	0.6	2.58	1.5	140	39	12
TE17-02	152	161	9	0.34	1.1	203	262	29
Incl.	152	154.2	2.2	0.26	1	101	239	38
Incl.	156	159.9	3.9	0.59	1.6	377	445	41
Incl.	156	157.8	1.8	0.90	2.3	228	924	79
Incl.	156.6	157.2	0.6	2.22	5.4	590	2705	226
TE17-03	128.5	129.5	1	0.11	3.1	183	28	26
TE17-03	152.4	155.7	3.3	0.09	1.2	13	22	5
TE17-03	155.1	155.7	0.6	0.22	1.7	23	14	8
TE17-04	138.00	144.00	6.00	1.82	4.7	742	49	20
incl.	138.50	144.00	5.50	1.98	5	786	51	21

incl.	139.00	144.00	5.00	2.16	5.4	840	53	23
incl.	140.45	143.00	2.55	3.84	8	1242	67	33
incl.	141.25	143.00	1.75	5.06	9.1	744	85	36
incl.	141.64	141.79	0.15	18.70	16	251	6	37
TE17-05	126.50	130.50	4.00	2.32	7.6	425	49	61
incl.	127.00	128.00	1.00	8.48	5.6	105	25	24
incl.	127.00	129.00	2.00	4.47	7.1	263	28	50
incl.	127.64	128.00	0.36	21.9	11.5	42	31	36
TE17-05	136.00	142.00	6.00	1.70	2.6	40	148	28
incl.	136.00	140.00	4.00	2.47	2.8	34	210	33
incl.	136.50	138.5	2.00	4.41	3.7	30	141	46
TE17-06	164.00	165.00	1.00	0.14	0.7	4	33	6
TE17-07	127.60	129.70	2.10	0.50	2.3	130	157	32
incl.	128.20	128.60	0.40	1.50	6.6	206	84	46
TE17-08	160.00	160.50	0.50	0.25	7.7	516	27	402
TE17-08	165.50	166.50	1.00	0.23	4.7	59	31	652
TE17-08	169.50	172.90	3.40	0.77	7.6	252	68	1370
incl.	169.50	171.50	2.00	1.17	8.3	62	41	1758
incl.	171.00	171.50	0.50	2.09	23.5	228	46	5400
TE17-08	174.00	175.20	1.20	0.59	21	338	43	2191
incl.	174.30	175.20	0.90	0.71	24.4	437	43	2548
TE17-08	178.60	179.20	0.60	0.62	20.8	101	72	991
TE17-09	145.50	147.50	2.00	0.09	0.4	13	16	5
incl.	146.40	146.65	0.25	0.20	0.4	5	15	2
TE17-10	124.55	128.00	3.45	0.11	0.5	10	24	4
incl.	124.55	125.50	0.95	0.19	0.7	9	25	5
TE17-11	130.00	132.00	2.00	0.54	1.1	13	36	8
incl.	130.00	130.50	0.50	1.07	0.7	14	29	3

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

Table 2: Drill hole Collar Information

DDH	Azm	Dip
TE17-01	090	-49
TE17-02	090	-45
TE17-03	090	-45
TE17-04	090	-45
TE17-05	090	-45
TE17-06	090	-45
TE17-07	090	-50
TE17-08	090	-49
TE17-09	090	-45
TE17-10	090	-45
TE17-11	090	-54

QA/QC Program

A quality assurance/quality control (QA/QC) program was implemented for the 2017 Teledyne Property drill program.

Diamond drill core was logged, then sawed in half, with one half placed in a labelled bag, and the remaining half placed back into the core box and stored in a secured compound. Either a standard or a blank was inserted every 20th sample. All samples were shipped to Activation Laboratories in Ancaster, Ontario. Each sample is coarsely crushed and a 250 g aliquot is pulverized for analysis. A 0.25g sample is digested with a near total digestion (4 acids) 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. For Ag over limits, a four-acid digestion is completed followed by ICP-OES.

Qualified Person

This information has previously appeared in the LiCo Energy Metals news release dated January 26, 2018. The technical content of that news release has been reviewed and approved Joerg Kleinboeck, P.Geol., an independent consulting geologist and a qualified person as defined in NI 43-101.

About Surge Exploration Inc. <https://surgeexploration.com/>

The Company is a Canadian-based mineral exploration company which has been active in the resource sector in British Columbia and elsewhere in Canada. The Company has an exploration office in Santiago, Chile to review mineral exploration opportunities in Chile and elsewhere in South America.

Cobalt Ontario Properties

The Company has an option to earn an undivided 60% interest in the Glencore Buck Property and the Teledyne Property, located in Cobalt Ontario, subject to TSX Venture Exchange approval.

Hedge Hog Property, British Columbia

The Company has an option to earn an undivided 60% interest seven mineral tenure covering 2,418 hectares (5,972 acres) 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.

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