



Management Discussion & Analysis for the Year Ended September 30, 2021

The following discussion and analysis of the financial position and results of operations for Core Assets Corp. should be read in conjunction with the audited financial statements for the **year ended September 30, 2021**, which are prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”).

The effective date of this report is January 11, 2022.

All financial figures presented herein are expressed in Canadian Dollars (CDN\$) unless otherwise specified.

Nature of Business

Core Assets Corp. (“Core” or the “Company”) was incorporated on April 20, 2016, under the Business Corporations Act (*British Columbia*) and is in the business of acquiring, exploring, developing and evaluating mineral resource properties. The Company is in the exploration stage and has interests in properties located in British Columbia (“BC”), Canada.

The head office, principal address and registered and records office of the Company are located at 1450 – 789 West Pender, Vancouver, BC, Canada, V6C 1H2. The technical information included in this Management Discussion & Analysis (“MD&A”), unless otherwise stated, has been reviewed by Nicholas Rodway B.Sc, P. Geo, who is a Qualified Person under National Instrument 43-101 (“NI 43-101”).

On July 8, 2020, the Company received a final receipt from the British Columbia Securities Commission for its Long Form Prospectus dated July 7, 2020. On July 27, 2020, the Company’s shares were listed for trading on the Canadian Securities Exchange (“CSE”) under the symbol “CC”. The Company’s shares also trade on the OTCQB under the symbol “CCOOF” and on the Frankfurt Stock Exchange under the symbol “A2QCCU”.

Corporate Activities

On December 21, 2020, the Company announced that Mr. Scott Rose, a current director, was appointed President and CEO of the Company. Former President and CEO, Mr. David Hodge, will remain as a Director.

On December 21, 2020, the Company announced the granting of 1,935,000 stock options to directors, officers, employees, and consultants, at a price of \$0.10 and exercisable for two years.

The Company held its Annual General and Special Meeting on March 10, 2021 with all resolutions proposed by management passing.

On February 3, 2021, the Company welcomed professional geologist Mr. Marcus Adam to its technical advisory board. Mr. Adam has over 10 years' experience in exploring for and delineating porphyry deposits in British Columbia.

On February 3, 2021, the Company announced it had received a permit to drill 18 holes at the Blue Property.

On March 17, 2021, the Company closed a non-brokered private placement (the "Offering"), issuing 12,177,767 units (each, a "Unit") at a price of \$0.09 per Unit for gross proceeds of \$1,095,999. Each Unit is comprised of one common share (each, a "Share") in the capital of the Company and one non-transferable share purchase warrant (each, a "Warrant"). Each Warrant will entitle the holder to purchase one additional Share (each, a "Warrant Share") in the capital of the Company for a period of 24 months from the closing date at an exercise price of \$0.15 per Warrant Share in first year and \$0.25 per Warrant Share in second year. The Company paid cash finder's fees of \$8,779 and issued 91,770 finder's warrants (each, a "Finder's Warrant") to certain finders in connection with the Offering. The Finder's Warrants have the same terms and conditions as the Warrant.

On March 17, 2021, the Company closed a non-brokered flow-through private placement (the "Flow-through Offering"), issuing 2,838,334 Shares, issued on a "flow-through basis" pursuant to the Income Tax Act (Canada), at a price of \$0.12 per Share for aggregate gross proceeds of \$340,600. The Company paid cash finder's fees of \$8,064. and issued 67,200 finder's warrants to certain finders in connection with the Flow-through Offering.

On March 23, 2021, the Company announced it had increased its land position by 13 km², for a total contiguous land package of 161.0 km² and had contracted Geotech Ltd. to complete its VTEM™ geophysical survey at the Blue Property.

On April 26, 2021, the Company announced that it has demobilized the Geotech Ltd. VTEM™ survey team due to weather constraints at the Blue Property.

On May 14, 2021, the Company announced that Nick Rodway P.Geo., a director of the Company, had been appointed President and CEO of the Company. Mr. Rodway's appointment followed the resignation of Scott Rose as President and CEO. Mr. Rose resigned his positions to pursue other interests but remains a director of the Company.

On June 11, 2021, the Company announced an agreement to acquire a 100% interest in the Blue Extension Property from Zimtu Capital Corp. ("Zimtu") to increase its land position by 100 km². The cost of the Extension was \$31,314. The Company also increased its VTEM™ survey area, resolution and re-mobilized Geotech Ltd. to complete its VTEM™ geophysical survey at the Blue Property.

On June 10, 2021, the Company amended the original Blue Property agreement with Zimtu to change the date of the final payment of 1,000,000 shares and \$50,000 from December 10, 2021 to June 15, 2021.

On June 11, 2021, the Company announced a share bonus program for certain directors and a consultant. The bonus shares will be subject to the standard four month plus one day hold period. The shares are in recognition of the extensive work performed in completing the Company's recent financing as well as increasing the Company's land position.

On June 11, 2021, the Company announced that it had granted incentive stock options (each, an “Option”) to acquire an aggregate of 1,700,000 Shares of the Company to its directors, officers and consultants under its stock option plan. Each Option is exercisable for a period of two years expiring on June 11, 2023, at a price of \$0.14 per Share. All the Options vested on the date of grant. The Options and the Shares issuable upon the exercise of the Options held by the optionees are subject to a hold period of four months from the date of grant of the Options.

On August 5, 2021, the Company provided an update for the 2021 field program at the Blue Property (see Blue Property – Exploration update).

On August 25, 2021, the Company closed a non-brokered private placement (the “Offering”), issuing 11,012,000 units (each, a “Unit”) at a price of \$0.055 per Unit for gross proceeds of \$605,660. Each Unit is comprised of one common share (each, a “Share”) in the capital of the Company and one-half of one transferable share purchase warrant (each, a “Warrant”). Each Warrant will entitle the holder to purchase one additional Share (each, a “Warrant Share”) in the capital of the Company for a period of 24 months from the closing date at an exercise price of \$0.25 per Warrant Share. All shares issued in connection with this private placement have a twelve month hold period.

On August 25, 2021, the Company closed a non-brokered flow-through private placement (the “Flow-through Offering”), issuing 4,465,000 Shares, issued on a “flow-through basis” pursuant to the Income Tax Act (Canada), at a price of \$0.08 per Share for aggregate gross proceeds of \$357,200. All shares issued in connection with this private placement have a twelve month hold period.

On September 1, 2021, the Company announced that it has completed its VTEM™ airborne geophysical survey and has mobilized a channel sampling team to follow up on preliminary visual results at the Blue Property.

On September 13, 2021, the Company announced that it has completed its phase two channel sampling program at the Blue Property.

On September 20, 2021, the Company announced that as a result of encouraging visual observations during phase one and two exploration programs, the Company decided to increase its land package substantially from 26,080 ha (~260.8 km²) to 108,337 ha (~1,083 km²) making it one of the largest mineral claim holders in the Atlin Mining Camp.

On September 27, 2021, the Company announced that it has received geochemical confirmation that its phase 1 sampling program (the “program”) identified multiple new zones of intense carbonate replacement sulphide mineralization and an extensive Zinc-Lead-Silver rich manto at the Blue Property.

On October 6, 2021, the Company announced it has engaged Zimtu Capital Corp. to provide marketing services as part of a cooperative marketing program. In consideration, the Company will pay \$12,500 a month for the next twelve months.

On November 1, 2021, the Company announced that its common shares are now eligible for settlement through the Depository Trust Company (“DTC”), a subsidiary of the Depository Trust & Clearing Corp. which manages the electronic clearing and settlement of publicly-traded companies in the United States.

On November 29, 2021, the Company announced that it has submitted a permit amendment application to the British Columbia Ministry of Energy, Mines and Low Carbon Innovation for the Blue Property (the

“Property”), located in the Atlin Mining District of northwest British Columbia. This amendment requests for additional helicopter-supported drill sites and the option to complete induced polarization geophysical surveys within a broader area totalling 29,460 ha.

On December 1, 2021, the Company appointed Mr. Andrew Carne to the Board of Directors and accepted the resignation of Ms. Alicia Milne.

On December 21, 2021, the Company announced the findings and interpretations of petrographic examinations completed on 17 samples collected within the 6.6 x 1.8 kilometer mineralized trend at the Blue Property during the 2021 Phase 2 exploration program. The Company has also begun drill tendering for the 2022 exploration season at the Blue Property (the “Property”) located in the Atlin Mining District of British Columbia.

On January 4, 2022, the Company announced it has arranged a non-brokered private placement (the “Offering”) of 6,250,000 units (each, a “Unit”) at a price of \$0.24 per Unit for gross proceeds of \$1,500,000. Each Unit will be comprised of one common share (each, a “Share”) in the capital of the Company and one whole transferable Share purchase warrant (each, a “Warrant”). Each Warrant will entitle the holder to purchase one additional Share (each, a “Warrant Share”) for a period of two years from the closing date (the “Closing Date”) at an exercise price of \$0.39 per Warrant Share. In connection with the Offering, Crescat Capital LLC (“Crescat Capital”) has agreed to make a strategic investment in the Company of \$1,070,000 (the “Crescat Capital Investment”). Following the completion of the Crescat Capital Investment, Crescat Capital will have an option to participate in future financings of the Company to maintain its interest in the Company for so long as it holds greater than 3% of the issued and outstanding Common Shares. All securities issued in connection with the Offering will be subject to a four month hold as required under applicable securities laws and, in addition, will be subject to an 18 month hold from the Closing Date split up into 3 releases of one third (1/3) of the securities issued under the Offering every six months from the Closing Date. The proceeds of the Offering are anticipated to be used for further exploration programs at the Company’s Blue Property and for general working capital purposes. Insiders of the Company may participate in the Offering. The Company does not anticipate paying any finder’s fees in connection with the Offering at this time.

Subsequent to September 30, 2021, 570,000 share purchase warrants priced at \$0.15 and 158,235 broker warrants priced at \$0.15 were exercised for gross proceeds of \$109,235.

Selected Annual Information

The following is a summary of the financial data of the Company for the last three completed fiscal year ends and are derived from the audited annual financial statements of the Company:

	For the years ended September 30,		
	2021	2020	2019
	\$	\$	\$
Total Revenues	Nil	Nil	Nil
Loss from continuing operations	1,070,376	159,499	16,291
Loss from continuing operations (per share, basic and diluted)	0.03	0.01	0.01
Net loss	1,070,376	159,499	16,291
Net loss (per share, basic and diluted)	0.03	0.01	0.01
Net comprehensive loss for the year	1,070,376	159,499	16,291
Total assets	3,041,059	532,341	537,121

	For the years ended September 30,		
	2021	2020	2019
Total long-term financial liabilities	Nil	Nil	Nil
Cash dividend declared per share	Nil	Nil	Nil

The Company has recorded losses in each of its three most recently completed fiscal years, and expects to continue to record losses until such time as an economic resource is identified, developed, and brought into profitable commercial operation on one or more of the Company's properties or otherwise disposed of at a profit.

Business of the Company

The principal business carried on and intended to be carried on by the Company is the exploration of mineral resources on the Company's principal property, being the Blue Property, which is in the exploration stage.

To date, the Company has raised \$3,377,951 through the sale of common shares.

Blue Property

Property Details

On December 10, 2018, the Company signed an agreement with Zimtu Capital Corp. ("Zimtu"), a related party, whereby the Company can earn a 100% interest in and to the Blue Property, in British Columbia. For its participation in the transaction, the Company will pay \$100,000 (paid) and issue 3,000,000 common shares of the Company in staged payments (1,000,000 shares with a fair value of \$50,000 issued during the year ended September 30, 2019 and 2,000,000 with a fair value of \$225,000 were issued during the year ended September 30, 2021). Zimtu will retain a 2% Net Smelter Return (NSR) royalty. The Company has the right to buy back 1% of the NSR within 5 years of the agreement by paying \$1,000,000. The original agreement was amended June 10, 2021 to change the date of the final payment from December 10, 2021 to June 15, 2021. Subsequent to September 30, 2021, the Company and Zimtu signed an agreement to remove the 2% NSR royalty from the original and amended agreements.

In August 2020, the Company acquired 8 additional claims in and around the Company's Blue and Silver Lime properties from Zimtu. The cost to acquire the claims amounted to the cost of staking paid by Zimtu (\$23,025). Zimtu will retain a 2% NSR royalty, of which the Company shall have the right to buy back 1% within 5 years of the agreement by paying \$1,000,000. The addition of these claims expanded and consolidated the Blue Property and the Silver Lime Property into one contiguous property that will continue to be called the Blue Property. Subsequent to September 30, 2021, the Company and Zimtu signed an agreement to remove the 2% NSR royalty from the original and amended agreements.

In June 2021, the Company acquired 6 additional claims in and around the Company's Blue and Silver Lime properties from Zimtu. The cost to acquire the claims amounted to the cost of staking paid by Zimtu of \$26,095 plus 20% interest for a total of \$31,314.

During the year ended September 30, 2021, the Company staked an additional 82,257 ha of land, increasing its land package to approximately 108,337 ha. The cost of the staking was \$140,950.

The Blue Property is located 48 km southwest of the town of Atlin, British Columbia. The Company

currently holds 100% title ownership in the Blue Property, that covers a land area of ~108,337 Ha (~1,083 km²). The project lies within the Atlin Mining District, a well-known gold mining camp. The Property hosts a major structural feature known as The Llewellyn Fault Zone (“LFZ”). This structure is approximately 140 km in length and runs from the Yukon border down through the property to the Alaskan Panhandle Juneau Ice Sheet in the United States. Core Assets believes that the south Atlin Lake area and the LFZ has been neglected since the last major exploration campaigns in the 1980’s. The LFZ plays an important role in mineralization of near surface metal occurrences across the property. The past 50 years have seen substantial advancements in the understanding of porphyry, skarn, and carbonate replacement type deposits both globally and in BC’s Golden Triangle. The company has leveraged this information at the Blue Property to tailor an already proven exploration model and believes this could facilitate a major discovery. Core Assets is excited to become one of Atlin Mining District’s premier explorers where its team believes there are substantial opportunities for new discoveries and development in the area.

Exploration update

On December 21, 2021, the Company reported that petrographic analysis indicated a multi-stage Zn-Pb-Ag-Cu-Bi Carbonate Replacement System and has begun drill tendering at the Blue Property, with the highlights being as follows:

- The Company’s geological approach continues to check boxes that indicate the presence of a **large, multi-stage, world class Carbonate Replacement System at the Blue Property.**
- Massive sulphide composition, intergrowths, and replacement textures observed through petrography at the Grizzly, Amp, Jackie, and Sulphide City targets show a zonation pattern characteristic of **significant world class Zn-Pb-Ag-Cu-Bi Carbonate Replacement Deposits (CRD’s)**. This will aid significantly in vectoring toward the Porphyry source.
- Reflected light and scanning electron microscopy has confirmed the mineralogy of the system as being hosted in the following sulphide assemblages; Sphalerite (Zn), Chalcopyrite (Cu), Galena (Pb), Pyrrhotite, and Pyrite (Fe-Sulphides), crosscut by a later Galena-dominated assemblage associated with Hesseite (Ag-Telluride) and Native Bismuth (Bi).
- The presence of Fe-rich Sphalerite and local fugitive calcite observed in samples bordering the “Porphyry Hub” also indicate a close proximity to the Porphyry source.
- The Company has begun drill tendering for the upcoming 2022 exploration season.

On November 29, 2021, the Company reported an update on exploration activities at the Blue Property with the highlights being as follows:

- currently permitted for diamond drilling at the Laverdiere and Jackie showings
- If approved, the permit amendment will include 50 helicopter-supported diamond drill sites and up to 30-line kilometers of induced polarization geophysical surveys over the recently staked ground that includes Ag, Zn, Pb, Cu massive sulphide showings within the Blue Property.
- The proposed permit amendments will allow for exploratory diamond drilling at Core Assets’ **Grizzly Manto Discovery Zone, which was discovered in 2021 and extended massive sulphide mineralization at surface to 6.6km x 1.8km and remains open.**
- **The average grade of 44 samples collected in 2021 at the Grizzly Manto returned assay values of 8.2% Zn, 1.8% Pb, 0.40% Cu and 110 g/t Ag over a 500m strike length.**

- Initial interpretations from the 2021 Versatile Time Domain Electromagnetic Survey (VTEM) and assay results from channel sampling campaigns are expected to be released in the coming months.

About the Blue Property

The Blue Property consists of two main historical mineral prospects ('Laverdiere' and 'Silver Lime') in a total contiguous land package of approximately 108,337 ha (~1,083 km²). The project is located 48 km southwest of the town of Atlin, British Columbia. In 2018, the Company sent a geological team to the Blue Property for preliminary surface sampling. Three areas of skarn exposure with massive and disseminated sulphide were observed along the western side of the Llewellyn Fault Zone, known as the Laverdiere Prospect. A total of 28 grab samples were collected and sent for analysis with values of up to 8.46% copper, 1.57 g/t gold and 46.5 g/t silver reported.

The Silver Lime Prospect is located just 10 km southwest of the Laverdiere Prospect, and encompasses two significant historical mineral occurrences, the Falcon and Jackie Showings. The Falcon Showing was discovered by Carmac Resources in 1990 and consists of several northwest trending limestone beds and the Jackie showing consists of a series of altered quartz veins. Mineralization often consists of galena, sphalerite, pyrite, chalcopyrite, arsenopyrite and stibnite. The system is exposed in multiple areas on the property with one more significant outcrop that is visible for 25 metres with strike extensions covered by talus. Individual mineralization can be seen up to 2.2 metres wide. To the northwest, a quartz-feldspar porphyry breccia contains smaller quartz veins with semi-massive arsenopyrite and stibnite. Sample 88339 taken from a 2.20 metre vein system assayed 3.3 g/t gold, 2,641 g/t silver, 0.15% copper, 2.5% lead and 3.32% zinc, 5.0% arsenic and 2.56% antimony (ARIS 21162*).

In 2018, Core Assets Corp., as part of a helicopter reconnaissance program, prospected the Silver Lime Prospect and collected 8 samples. The results confirmed the historic work of Carmac (1990), having returned values of 1.16 g/t gold, 913 g/t silver, 12.45% zinc and >20.0% lead.

The Silver Lime Prospect has the potential to represent a carbonate replacement deposit model (CRD). Massive sulphide mineralization occurs in limestone and biotite-muscovite-sericite schists near the contacts between the units. Large zones of limonite alteration, cut by alaskite and hornblende porphyry dikes, surround these occurrences. The lenses appear to be widest near the porphyry dikes. Several faults follow the general direction of the dikes, suggesting structural control on the mineralization. Sulphides at the Jackie Showing often comprise galena, sphalerite, chalcopyrite, pyrrhotite and pyrite. The mineralization can be up to 30 metres long and 6 metres wide. The smaller occurrences host sphalerite and galena mineralization and the larger occurrences vary mineralogically along length. Galena, quartz and calcite dominate the northwest changing to pyrrhotite, chalcopyrite and pyrite in the centre and border areas (Minfile 104M 031*).

The 2021 prospecting and sampling programs have focused on resampling the Silver Lime Prospect and evaluating the newly staked ground by Core Assets Corp. to the west of the prospect to better understand how the mineralization is zoned with regards to the source. (see news release dated June 11, 2021).

Nicholas Rodway, P.Geo, is President, CEO and a Director of the Company, and Qualified Person as defined by National Instrument 43-101. Mr. Rodway supervised the preparation of the technical information in this report.

Overall Performance

Financings

During the year ended September 30, 2021:

- i. On December 10, 2020, 1,000,000 common shares with a fair value of \$90,000 were issued in connection with the Blue Property.
- ii. On March 17, 2021, the Company closed the Offering, issuing 12,177,767 Uat a price of \$0.09 per Unit for gross proceeds of \$1,095,999. Each Unit is comprised of one Share in the capital of the Company and one non-transferable Warrant. Each Warrant will entitle the holder to purchase one additional Warrant Share in the capital of the Company for a period of 24 months from the closing date at an exercise price of \$0.15 per Warrant Share in first year and \$0.25 per Warrant Share in second year. The Company paid cash finder's fees of \$8,779 and issued 91,770 Finder's Warrants to certain finders in connection with the Offering. The Finder's Warrants have the same terms and conditions as the Warrant.
- iii. On March 17, 2021, the Company closed the Flow-through Offering, issuing 2,838,334 Shares, issued on a "flow-through basis" pursuant to the Income Tax Act (Canada), at a price of \$0.12 per Share for aggregate gross proceeds of \$340,600. The Company paid cash finder's fees of \$8,064. and issued 67,200 finder's warrants to certain finders in connection with the Flow-through Offering.
- iv. On June 11, 2021, 2,000,000 common shares with a fair value of \$280,000 were issued to directors and a consultant in connection with bonus (see Related Party Transactions)
- v. On June 15, 2021, 1,000,000 common shares with a fair value of \$135,000 were issued in connection with the Blue Property.
- vi. On August 25, 2021, the Company closed a non-brokered private placement (the "Offering"), issuing 11,012,000 units (each, a "Unit") at a price of \$0.055 per Unit for gross proceeds of \$605,660. Each Unit is comprised of one common share (each, a "Share") in the capital of the Company and one-half of one transferable share purchase warrant (each, a "Warrant"). Each Warrant will entitle the holder to purchase one additional Share (each, a "Warrant Share") in the capital of the Company for a period of 24 months from the closing date at an exercise price of \$0.25 per Warrant Share. All shares issued in connection with this private placement have a twelve month hold period.
- vii. On August 25, 2021, the Company closed a non-brokered flow-through private placement (the "Flow-through Offering"), issuing 4,465,000 Shares, issued on a "flow-through basis" pursuant to the Income Tax Act (Canada), at a price of \$0.08 per Share for aggregate gross proceeds of \$357,200. All shares issued in connection with this private placement have a twelve month hold period.
- viii. During the year ended September 30, 2021, 2,157,778 share purchase warrants priced at \$0.15 were exercised for total gross proceeds of \$323,667.

- ix. During the year ended September 30, 2021, \$31,500 was received for the exercise of warrants. The warrant documents were received in October 2021 and the shares were issued subsequent to September 30, 2021.

During the year ended September 30, 2020, the following shares have been issued by the Company:

- i. On October 8, 2019, 426,000 common shares were issued at \$0.05 per share for gross proceeds of \$21,300.
- ii. On January 22, 2020, 115,500 common shares were issued at \$0.05 per share for gross proceeds of \$5,775.
- iii. On March 5, 2020, 1,100,000 common shares were issued at \$0.05 per share for gross proceeds of \$55,000.
- iv. On June 9, 2020, 1,860,000 common shares were issued at \$0.05 per share for gross proceeds of \$93,000.
- v. On June 24, 2020, 136,000 common shares were issued at \$0.05 per share for gross proceeds of \$6,800.
- vi. On June 24, 2020, 17,000 common shares previously issued and priced at \$0.05 per share for gross proceeds of \$850 were cancelled and returned to treasury.

For additional details regarding the Company's recent financings, please refer to Notes 7 and 8 of the Company's audited financial statements for the year ended September 30, 2021.

General and Administrative

Net loss for the year ended September 30, 2021, was \$1,070,376, compared to a net loss during the year ended September 30, 2020 of \$159,499, for a difference of \$910,877. The significant changes in expenses include:

- Administrative fees (2021: \$125,000, 2020: \$25,000);
- Advertising expenses (2021: \$39,679; 2020: \$19,101);
- Salaries and consulting fees (2021: \$437,358; 2020: \$14,611);
- Transfer agent and filing fees (2021: \$59,567; 2020: \$29,874);
- Legal fees (2021: \$29,250, 2020: \$59,880);
- Office, telephone and miscellaneous (2021: \$8,086, 2020: \$1,533);
- Professional fees (2021: \$8,874, 2020: \$nil); and
- Share-based payments (2021: \$304,878, 2020: \$nil).

The main reason for the significant increase in loss for the year is due to the share-based payments expense related to options that were granted in December 2020, administrative fees related to a management services agreement with Zimtu that became effective August 1, 2020, and the increase in consulting fees and salaries due to the Company's increased business activities and the issuance of bonus shares. Filing fees also increased as the Company works towards a listing on the OTC.

Summary of Quarterly Results

The following is a summary of the results from the eight previously completed financial quarters:

	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Revenues	Nil	Nil	Nil	Nil
Net income (loss) from continuing operations	(154,147)	(612,533)	(138,254)	(166,339)
Net income (loss) and comprehensive income (loss)	(154,147)	(611,636)	(138,254)	(166,339)
Basic and diluted net income (loss) (per share)	(0.00)	(0.02)	(0.01)	(0.01)

	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Revenues	Nil	Nil	Nil	Nil
Net income (loss) from continuing operations	(79,376)	(41,211)	(22,968)	(15,944)
Net income (loss) and comprehensive income (loss)	(79,376)	(41,211)	(22,968)	(15,944)
Basic and diluted net income (loss) (per share)	(0.00)	(0.00)	(0.00)	(0.00)

Over the course of the Company's previously completed eight quarters, the Company's net loss has remained at a consistent level. Starting in the quarter ended September 30, 2020, costs increased as the Company was listed on the CSE in July 2020. In the quarter ended December 31, 2020, expenses increased significantly due to share-based payments expense of \$113,310 and administrative fees have been incurred as part of the management services agreement with Zimtu since August 2020.

Net loss for the three months ended September 30, 2021, was \$154,147, compared to a net loss during the three months ended September 30, 2020 of \$79,376, for a difference of \$74,771. The significant changes in expenses include:

- Administrative fees (2021: \$37,500, 2020: \$25,000);
- Advertising expenses (2021: \$27,076; 2020: \$14,191); and
- Salaries and consulting fees (2021: \$38,201; 2020: \$4,345).

During the three months ended September 30, 2021, the Company signed an agreement increasing their advertising expenses.

Liquidity and Capital Resources

As of the date of this report, the Company has raised \$3,377,951 to further the Company's mineral properties and for general working capital.

The Company will continue to require funds to further the exploration of its resource properties. As a result, the Company may have to continue to rely on equity and debt financing. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company.

The Company's financial success will be dependent on the economic viability of its resource properties and the extent to which it can discover and develop new mineral deposits. Such development may take several years to complete and the amount of resulting income, if any, is difficult to determine.

All of the Company's properties are in the exploration or development stage only. Development of one or both of the properties will only follow upon obtaining satisfactory results. Exploration and development of natural resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of copper, cobalt, silver and gold from the properties. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control such as international, economic and political trends, expectations of inflation, currency exchange fluctuations and interest rates.

As at September 30, 2021, the Company has total assets of \$3,041,059 (2020: \$532,341). The primary assets of the Company are cash of \$1,528,966 (2020: \$232,832), exploration and evaluation assets of \$1,307,716 (2020: \$273,652), prepaid expenses of \$72,499 (2020: \$nil), reclamation bonds of \$25,500 (2020: \$13,500), promissory notes of \$81,970 (2020: \$nil), and sales tax and other receivables of \$24,408 (2020: \$6,536). The Company has no long-term liabilities and has working capital of \$1,522,051 (2020: \$209,580) as at September 30, 2021.

Cash Provided Used In Operating Activities: Cash used in operating activities during the year ended September 30, 2021 was \$597,997, compared with \$164,645 used in operating activities during the year ended September 30, 2020. Cash was mostly spent on transfer agent and filing fees, administration fees, legal fees, salaries and consulting fees, and promissory notes.

Cash From Financing Activities: Total cash from financing activities during the year ended September 30, 2021 was \$2,723,125 provided from the issuance of shares (2020: \$155,200), \$39,430 (2020: \$3,926) used for share issuance costs, and \$31,500 provided for shares issued subsequent September 30, 2021 (2020: \$nil).

Cash Used in Investing Activities: Total cash used in investing activities during the year ended September 30, 2021 was \$821,064, compared to \$38,595 used during the year ended September 30, 2020. During the the year ended September 30, 2021, the Company spent \$809,064 (2020: \$52,417) on the exploration and development of its mineral properties, received \$nil from the BC mining tax credit (2020: \$14,322), and spent \$12,000 (2020: \$500) to increase the reclamation bond.

Transactions with Related Parties

During the years ended September 30, 2021 and 2020, the Company incurred the following transactions with officers or directors of the Company or companies with common directors:

	Year ended September 30,	
	2021	2020
Key management compensation*	\$	\$
Exploration and evaluation asset expenditures	37,700	27,000
Wages to key management	72,525	3,500
Administrative fees	150,000	25,000
Consulting fees	26,488	-
Bonus shares	268,800	-
Share-based payments	234,330	-
Advertising	-	4,000
Total	789,843	59,500

* Key management includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including the Company's executive officers and certain members of its Board of Directors.

On June 11, 2021, the Company granted 1,920,000 bonus shares to two directors. The bonus shares will be subject to the standard four month plus one day hold period. Per Canada Revenue Agency requirements, all related payroll taxes for the bonus shares were due on July 15, 2021. The Company has paid the payroll taxes of \$81,970 due by the directors and issued them promissory notes for reimbursement of these taxes at a later date. The shares are in recognition of the extensive work performed in completing the Company's recent financing as well as increasing the Company's land position

As at September 30, 2021, there was \$17,912 (2020: \$30,606) due to related parties of the Company.

Zimtu is a company with common directors and management. Zimtu provides key management services to the Company and hold 23% of the Company's shares. On August 1, 2020, the Company entered into a twelve-month Management Services Agreement ("Agreement") with Zimtu. Under the terms of the Agreement, Zimtu will provide the Company with administrative and managerial services, including corporate maintenance, continuous disclosure services, rent, and office space, at a rate of \$12,500 per month. On August 1, 2021, the Agreement was renewed for an additional twelve months. During the year ended September 30, 2021, additional administrative fees were incurred in connection to the private placement.

The terms and conditions of these transactions with key management and their related parties were no more favourable than those available, or which might reasonably be expected to be available, or similar transactions to non-key management related entities on an arm's length basis.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayment.

Other MD&A Requirements

Additional Disclosure for Venture Issuers without Significant Revenue

As the Company has not had significant revenue from operations in either of its last two financial years, the following is a breakdown of the material costs incurred:

	Year Ended September 30, 2021	Year ended September 30, 2020
Capitalized Exploration and Evaluation Asset Costs	\$1,307,716	\$273,652
Capitalized Mining Rights	\$nil	\$nil
General and Administration Expenses	\$1,070,376	\$159,499

Disclosure of Outstanding Share Capital

The following is a breakdown of the share capital of the Company, on an annual basis and the date of this report:

	January 11, 2022	September 30, 2021	September 30, 2020
Common Shares	58,595,714	57,867,479	21,216,600
Stock Options	3,635,000	3,635,000	-
Warrants	14,956,724	15,684,959	-
Fully Diluted Shares	77,189,459	77,189,459	21,216,600

For additional details of outstanding share capital, refer to Notes 7 and 8 of the audited financial statements for the year ended September 30, 2021.

Global Risks

In early 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. The Company's ability to raise the additional capital required for Phase II may be affected by the current uncertainties of the global market.

Industry and Economic Factors Affecting Performance

As a mineral exploration and development company, Core's performance is affected by a number of industry and economic factors and exposure to certain environmental risks and regulatory requirements. These include metal prices, competition amongst exploration firms for attractive mineral properties, the interest of investors in providing high-risk equity capital to exploration companies, and the availability of qualified staff and equipment such as drilling rigs to conduct exploration.

Competitive Conditions

The mineral exploration industry is competitive, with many companies competing for the limited number of precious and base metals acquisition and exploration opportunities that are economic under current or foreseeable metals prices, as well as for available investment funds. Competition is also high for the recruitment of qualified personnel and equipment. Significant and increasing competition exists for mineral opportunities in the Province of British Columbia. There are a number of large established mineral exploration companies in British Columbia with substantial capabilities and greater financial and technical resources than the Company.

Government Regulation

Mining operations and exploration activities are subject to various laws and regulations which govern prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters.

Environmental Regulation

The Company's mineral exploration activities are subject to various federal and provincial laws and regulations governing protection of the environment. In general, these laws are amended often and are becoming more restrictive.

Other Property Interests and Mining Claims

The Company may in the future acquire new mineral exploration properties or interests but has not entered into any agreements to acquire such properties or interests other than the Blue Property and the Silver Lime Property.

Trends

As a junior mining issuer, the Company is subject to the cycles of the mineral resource sector and the financial markets as they relate to junior companies.

The Company's financial performance is dependent upon many external factors. Both prices and markets for metals are volatile, difficult to predict and subject to changes in domestic and international, political, social and economic environments. Circumstances and events beyond its control could materially affect the financial performance of the Company.

Forward Looking Statements

This Management Discussion & Analysis may contain forward-looking information and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements.

Readers can identify many of these statements by looking for words such as "believes", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof.

Forward-looking information is based on the opinions and estimates of management and its consultants at the date the information is given. It is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. The information is based on reasonable assumptions which include but are not limited to

those regarding actual costs for mining and processing and their impact on the cut-off grade established, actual capital costs, forecasts of mine production rates, the timing and content of upcoming work programs, geological interpretations, potential process methods and mineral recoveries, the availability of markets for the products produced, market pricing for the products produced, etc.

Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for metals, the conclusions of detailed feasibility and technical analyses, lower than expected grades and quantities of resources, mining rates and recovery rates and the lack of availability of necessary capital, which may not be available to the Company on terms acceptable to it or at all.

Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. There can be no assurance that the plan, intentions or expectations upon which these forward-looking statements are based will occur. Forward looking statements are subject to risks, uncertainties and assumptions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Readers are cautioned not to put undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

Approval

The Board of Directors of Core Assets Corp. has approved the disclosure contained in this MD&A.

Additional Information

Additional information related to the Company can be found on the Company's website at www.coreassetscorp.com or on SEDAR at www.sedar.com.