SENSOR TECHNOLOGIES CORP.

Management's Discussion and Analysis
December 31, 2022

Date of report: May 1, 2023

This management's discussion and analysis of the financial condition and results of operation ("MD&A") of Sensor Technologies Corp. ("STC" or the "Company") should be read in conjunction with STC's annual consolidated financial statements ("consolidated statements") and notes thereto as at and for the year ended December 31, 2022 and 2021.

Unless indicated otherwise, all financial data in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar amounts in this MD&A are reported in Canadian dollars unless otherwise indicated.

Caution Regarding Forward-Looking Information:

Certain information contained in this MD&A constitutes forward-looking information, which is information relating to future events or the Company's future performance and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this MD&A includes, but is not limited to the Company's expectations regarding its exploration and development activities, including expectations regarding the timing, costs and results of seismic acquisition, drilling and other activities, and future production volumes and sales, receipt of regulatory and governmental approvals, the Company's future working capital requirements, including its ability to satisfy such requirements, the exposure of its financial instruments to various risks and its ability to manage those risks, the Company's ability to use tax resource pools and loss carry-forwards, fees to be incurred by foreign subsidiaries and changes in accounting policies.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking information contained in this MD&A include, but are not limited to: risks relating to oil and gas exploration activities generally, including the availability and cost of seismic, drilling and other equipment; our ability to complete our capital programs; geological, technical, drilling and processing problems, including the availability of equipment and access to properties; our ability to secure adequate transportation for our products; potential losses which would stem from any disruptions in production, including work stoppages or other labour difficulties, or disruptions in the transportation network on which we are reliant; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; our ability and the ability of our partners to attract and retain the necessary labour required to explore and develop our projects; potential conflicting interests with our joint venture partners; our failure or the failure of the holder(s) of licenses or leases to meet specific requirements of such licenses or leases; the failure by counterparties to make payments or perform their operational or other obligations in compliance with the terms of contractual arrangements between us and such counterparties; adverse claims made in respect of our properties or assets; operating hazards and other difficulties inherent in the exploration for and production and sale of crude oil and natural gas; political and economic conditions in the countries in which our property interests are located; obtaining the necessary financing for operations, our ability to generate taxable income from operations, fluctuations in the value of our portfolio investments due to market conditions and/or company-specific factors, fluctuations in prices of commodities underlying our interests and portfolio investments, and other risks included elsewhere in this MD&A under the heading "Risk Management" and in the Company's public disclosure documents filed with certain Canadian securities regulatory authorities and available under the Company's profile at www.sedar.com.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Although the Company has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated. The forward-looking information contained in this MD&A are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

About Sensor Technologies Corp.

Sensor Technologies Corp. (the "Company" or "STC" or "Sensor") is continued under the Business Corporations Act (Ontario). The Company's principal assets are oil and natural gas interests. The Company is domiciled in the province of Ontario and its head office is located at 196 Wildcat Rd., North York, Ontario, Canada. The Company trades on the Canadian Securities Exchange ("CSE") under the symbol "SENS".

The consolidated statements were approved for issue by the board of directors on May 1, 2023.

On December 1, 2019, the Company entered into share purchase agreement (the "Agreement") with an arm's length party with respect to the sale of 49% of the issued and outstanding securities in the capital of Sensor Technologies Inc, ("STI"), a wholly owned subsidiary of Sensor for $158,080 with a right of first refusal to purchase another 26% of the issued and outstanding securities for $10, subject to shareholder approval, within 5 years of the closing date.

These consolidated statements include the accounts of the Company and its subsidiaries, Mooncor Energy Inc. ("Mooncor Energy"), an Alberta Corporation, Primary Petroleum Company U.S. Inc ("PPCUSA"), a Montana, USA Corporation, Primary Petroleum Company LLC ("PPCLLC"), a Montana, USA Corporation and AP Petroleum Company ("APLLC"), a Montana, USA Corporation, (collectively referred to as the "Company" or "Sensor"). Subsidiaries consists of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions. STI is no longer consolidated as it is considered as an investment in a subsidiary held for sale (see note 2 to the consolidated statements for year ended December 31, 2022 and 2021).

Summary of activities

a) Securities purchase agreement with Robotic StemCell BioTech Ltd. ("Robotic")

Subsequent to December 31, 2022 and pursuant to securities purchase agreement dated as of December 31, 2021 with Robotic, the Company has agreed to acquire an aggregate of 27,644,444 common shares in the capital of Robotic (the "Purchased Robotic Shares"). The Purchased Robotic Shares represent approximately 20% of the issued and outstanding securities in the capital of Robotic. The purchase price for the Purchased Robotic Shares is $1,382,222 and this will be satisfied through the issuance of an aggregate of 27,644,444 common shares in the capital of the Company at a price of $0.05 per share. The closing of the Robotics Securities Purchase Agreements is subject to the Company obtaining shareholder and regulatory approval for a change of business from a "industrial issuer" to an "investment issuer".

b) Securities purchase agreement with Blockchain Assets Management Group Limited ("BAM")

Subsequent to December 31, 2022 and pursuant to securities purchase agreement dated as of December 31, 2021 with BAM, the Company has agreed to acquire an aggregate of 11,111 common shares in the capital of BAM (the "Purchased BAM Shares"). The Purchased BAM Shares represent approximately 10% of the issued and outstanding securities in the capital of BAM. The purchase price for the Purchased BAM Shares is $4,977,728 (the "BAM Purchase Price"). The BAM Purchase Price will be satisfied through the issuance of an aggregate of 99,554,560 common shares in the capital of the Company at a price of $0.05 per share. The closing of the Robotics Securities Purchase Agreements is subject to the Company obtaining shareholder and regulatory approval for a change of business from a "industrial issuer" to an "investment issuer".

c) Securities purchase agreement with 14125339 Canada Inc. ("1412")

Subsequent to December 31, 2022 and pursuant to securities purchase agreement dated as of December 31, 2021 with 1412, the Company has agreed to acquire an aggregate of 19,875,156 common shares in the capital of 1412 (the "Purchased 1412 Shares"). The Purchased 1412 Shares represent approximately 20% of the issued and outstanding securities in the capital of 1412. The purchase price for the Purchased 1412 Shares is $2,484,395 (the "1412 Purchase Price"). The 1412 Purchase Price will be satisfied through cancelling $380,000 advance to Blockchains Asset Management Group and the issuance of an aggregate of 42,087,890 common shares in the capital of the Company at a price of $0.05 per 1412 Consideration Share. The closing of the 1412 Purchase Agreements is subject to the Company obtaining shareholder and regulatory approval for a change of business from a "industrial issuer" to an "investment issuer".

d) Private Placement

During the year ended December 31, 2022, the Company has raised gross proceeds of $530,000 through a non-brokered private placement of 10,600,000 units at a price of $0.05 per Unit (see note 8(i) to the consolidated statements for year ended December 31, 2022 and 2021). Each Unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at a price of $0.08 for a period of two years ending September 27, 2024. The securities issued pursuant to the offering are subject to a four month hold period in accordance with applicable Canadian securities laws. The Company intends to use the net proceeds of the offering for (i) the acquisition of securities in the capital of Blockchain Assets Management Group Limited and (ii) general corporate purposes.

e) Change of Business ("COB")

After a thorough evaluation of the Company's existing resources and a review of strategic options for the corporation generally, the board of directors ("the Board") and management determined to refocus its business operations from an "industrial issuer" to an "investment issuer". The proposed change of business is considered a fundamental change / change of business under Policy 8 of the CSE and, as such, will subject to all of the requirements of Policy 8 including, but not limited to, CSE and shareholder approval. The Board believes that its network of business contacts, the depth of experience of its management team and its overall entrepreneurial approach will enable it to identify and capitalize upon investment opportunities as an "investment issuer". If shareholders and regulators approve the proposed COB, the Company's primary focus will be to seek returns through investments in the securities of other companies. Sensor will continue to review opportunities to extract residual value from its existing assets, provided the Company may abandon some or all of such assets if it determines appropriate. If the proposed COB is approved by shareholders and regulators, the Company will continue its operations as a diversified investment and merchant banking firm focused on public companies and commodities. The Company's proposed investment activities will include (i) public companies, (ii) near public companies and private capital, (iii) global venture capital initiatives and (iv) strategic physical commodities. However, the Company may take advantage of special situations and merchant banking opportunities, as such opportunities arise, and make investments in other sectors which the Company identifies from time to time as offering particular value.

f) Licensing fee

During the year ended December 31, 2022, the Company and one of its joint venture partners, Oxy USA Inc. ("Oxy") – jointly the licensor ("Licensor") entered into a non-exclusive seismic data use license agreement with Twin Bridges Resources LLC ("Licensee") for 14.58 Square miles out of 120 square miles of proprietary 3D seismic. Subject to the terms and conditions of this agreement, the licensor granted to the licensee a non-exclusive, non-transferable, paid up license to use the licensor's seismic data for a term of 25 years. In return, the licensee agreed to pay a gross sum of US$116,640 to the licensor. The Company owns 67.5% of the seismic data being licensed while Oxy owns 32.5%. The Company's share of the licensing fee is Canadian $90,613. The Company has engaged American Geophysical Corporation to actively market the Company's proprietary 3D seismic in Pondera and Teton Counties in Northwestern Montana. The goal of the Company is to license its 3D Seismic, leading to future opportunities for potential joint ventures, partnerships or farm in agreements.

Going concern

The consolidated financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. The Company has a total comprehensive income of $139,638 for year ended December 31, 2022, working capital deficiency in the amount of $104,228 and a deficit in the amount of $5,432,118 as at December 31, 2022.

Management estimates that the funds available as at December 31, 2022 will not be sufficient to meet the Company's potential capital and operating expenditures through to December 31, 2023. The Company will have to raise additional funds to continue operations. Although the Company has been successful in raising funds to date and during the year ended December 31, 2022, the Company has raised gross proceeds of $530,000 through a non-brokered private placement of 10,600,000 units, as noted above, there can be no assurance that adequate funding will be available in the future, or available on terms acceptable to the Company. The challenges of securing requisite funding and the cumulative losses indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These consolidated statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts or classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Oil and gas property interests

The Company has an interest in 2 suspended heavy oil wells and leases and related natural gas rights in the Lloydminster area of Alberta as at December 31, 2022 and 2021. The interests are carried at a nominal amount of $1. In a prior year the Company had recognized an impairment in these assets.

Results of Operation

As noted above, on December 1, 2019, the Company entered into share purchase agreement with an arm's length party with respect to the sale of 49% of the issued and outstanding securities in the capital of STI, a wholly owned subsidiary of Sensor for $158,080 with a right of first refusal to purchase another 26% of the issued and outstanding securities for $10, subject to shareholder approval, within 5 years of the closing date. Management expects that the sale of the further 26% interest will close within the current fiscal year and therefore as required under IFRS 5 has recorded this investment as a subsidiary held for sale and as such has deconsolidated the subsidiary. The only outstanding issue to complete this sale is shareholder approval which is expected, by management, to be a formality. After that point any income or loss of the subsidiary held for sale has been accounted for using the equity method of accounting where the Company recognizes its share of income or losses of the company. The carrying value of investment in STI is $78,729 on December 31, 2022 (2021 - $88,755) and is shown in the consolidated statements of financial position as investment in subsidiary held for sale. During the current year the Company recognized $10,026 as its share of net loss of STI (2021 – share of income $3,870) in the consolidated statements of income (loss) and comprehensive income (loss).
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Results of operations of the Company for the most recent three years are as follows:

	Year ended December 31, 2022	2021	2020
Licensing fee	$ 90,613	$ -	$ -
Alberta energy site rehabilitation program grant	-	115,428	-
Interest income	14,466	1,721	3,238
Total revenue	105,079	117,149	3,238
Expenses			
Exploration expenses	(30,530)	(18,999)	(17,097)
Reclamation and decommissioning expenses	-	(72,134)	-
Office and general expenses	(95,031)	(96,711)	(85,851)
Total expenses	$ (125,561)	$ (187,844)	$ (102,948)
Loss before undernoted	(20,482)	(70,695)	(99,710)
Finance costs	(12,312)	(91,373)	(237,228)
Writeback of old accounts payable balances	182,396	27,791	-
Gain (loss) on foreign exchange	(2,185)	222	694
Net income (loss) for the year	147,417	(134,055)	(336,244)
Net income (loss) of subsidiary held for sale for the year	(10,026)	3,870	32,185
	137,391	(130,185)	(304,059)
Other comprehensive income (loss) for the year			
Exchange differences on translation of foreign operations	2,247	(46)	(125)
Total comprehensive income (loss) for the year	$ 139,638	$ (130,231)	$ (304,184)
Weighted average shares outstanding - basic and diluted	242,632,449	197,961,264	83,503,992
Income (loss) per common share based on net income (loss) for the year	$ 0.00	$ (0.00)	$ (0.00)

The Company's selected quarterly results for the eight most recently completed financial periods are as follows:

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Alberta energy site rehabilitation program grant	$ -	$ -	$ 115,428	-	$ -	$ -	$ -	$ -
Licensing fee	-	-	-	-	-	90,613	-	-
Interest income	800	800	800	(679)	450	450	3,625	9,941
Total revenue	800	800	116,228	(679)	450	91,063	3,625	9,941
Gross profit (loss)	800	800	116,228	(679)	450	91,063	3,625	9,941
Total comprehensive income (loss)	(70,983)	(80,236)	64,450	(43,462)	(37,359)	39,666	158,937	(21,606)
Income (loss) per common share based on net (loss)	$ (0)	$ (0)	$ (0)	$ (0)	$ (0)	$ (0)	$ (0)	$ (0)

Interest earned on the deposit with Alberta Energy Regulators ("AER") for the year ended December 31, 2022 was $6,462 (2021 - $1,721). Blockchain Assets Management Group issued a promissory note to the Company on July 13, 2022 for $380,000 bearing an interest of 5% per annum. Interest accrued for the year ended December 31, 2022 was $8,004 (2021 - $nil).

During the year ended December 31, 2022, the Company and one of its joint venture partners, Oxy, entered into a non-exclusive seismic data use license agreement with Twin Bridges Resources for 14.58 Square miles out of 120 square miles of proprietary 3D seismic. Subject to the terms and conditions of this agreement, the licensor granted to the licensee a non-exclusive, non-transferable, paid up license to use the licensor's seismic data for a term of 25 years. In return, the licensee agreed to pay a gross sum of US$116,640 to the licensor. The Company owns 67.5% of the seismic data being licensed while Oxy owns 32.5%. The Company's share of the licensing fee is Canadian $90,613.

Exploration expenses for the year ended December 31, 2022 of $30,530 (2021 - $18,999) mainly relates to lease renewal costs and well clean up costs required by the AER. Office and general expenses for the year ended December 31, 2022 were $95,031 (2021 - $96,711) and includes accounting services $40,000, accrual for audit fees $14,963, insurance of $13,572 and corporate services of $18,714. During the year ended December 31, 2022, the Company wrote back old accounts payable balances of $182,396 (2021 -$27,791).

Finance costs for year ended December 31, 2022 were $12,312 (2021 - $91,373). This includes $12,312 for accrued interest on advances (2021 - $39,514), $nil (2021 - $17,438) for interest expense on the convertible debentures and $nil (2021 - $49,320) for accretion expenses on the convertible debentures.

Net loss of subsidiary held for sale for the year ended December 31, 2022 was $10,026 (2021 – net income of $3,870).

2022 Fourth Quarter Results

As a result of the share purchase agreement with respect to the sale of 49% of the issued and outstanding securities in the capital of STI., with a right of first refusal to purchase another 26% of the issued and outstanding securities within 5 years of the closing date, subject to shareholder approval, the financial results for STI for the three months ended December 31, 2021 and 2020 have been disclosed as net income of subsidiary held for sale in the consolidated statements of loss and comprehensive loss..

Results of operations for the three months ended 2022 and 2021 are:

	Three months ended December 31,	
	2022	**2021**
Interest income	9,941	(679)
Total revenue	9,941	(679)
Expenses		
Exploration expenses	(2,271)	(4,703)
Reclamation and decommissioning expenses	-	(72,134)
Office and general expenses	(23,216)	(4,383)
Total expenses	(25,487)	(81,220)
Loss before undernoted	(15,546)	(81,899)
Finance costs	(3,831)	11,324
Writeback of old accounts payable balances	-	27,791
Gain on foreign exchange	479	164
Net (loss) for the period	(18,898)	(42,620)
Net loss) of subsidiary held for sale for the period	(2,293)	(817)
	(21,191)	(43,437)
Other comprehensive (loss) for the period		
Exchange differences on translation of foreign operations	(415)	(25)
Total comprehensive income (loss) for the period	$ (21,606)	$ (43,462)

Interest earned on the deposit with Alberta Energy Regulators for the three months ended December 31, 2022 was $5,112 (2021 – debit of $679). Blockchain Assets Management Group issued a promissory note to the Company on July 13, 2022 for $380,000 bearing an interest of 5% per annum. Interest accrued for the three months ended December 31, 2022 was $4,829 (2021 - $nil).

Total expenses for the three months ended December 31, 2022 were $25,487 (2021 – $81,220). Reclamation and decommissioning expenses were $nil (2021 - $72,134) using the estimate of Alberta Energy Regulators. Exploration expenses for the three months ended December 31, 2022 of $2,271 (2021 - $4,703) mainly relate to lease renewal costs and well clean up costs required by the AER. Office and general expenses for the three months ended December 31, 2022 were $23,216 (2021 - $4,383) and includes accrual for audit fees $4,100, accounting services $10,000, insurance of $2,175 and corporate services of $4,123.

During the three months ended December 31, 2022, the Company wrote back old accounts payable balances of $nil (2021 -$27,791).

Finance costs for three months ended December 31, 2022 were $3,831 (2021 – credit of $11,324). This includes $3,831 for accrued interest on advances. In 2021 there was a writeback of an old interest accrual resulting in the credit.

Net loss of subsidiary held for sale for the three months ended December 31, 2022 was $2,293 (2021 –$817).

Cash Flow

During the year ended December 31, 2022 the Company used cash of $5,469 (2021 – $75,782) in operating activities. The interest on advances $12,312 were accrued and therefore does not involve use of cash. The write back of old accounts payable balance amounting $182,396 also did not generate any cash.

For the year ended December 31, 2022, accounts payable and accrued expenses increased by $9,263 after the write back of old accounts payable balance amounting $182,396. Trade and accounts receivable decreased by 8,389 and prepayments increased by $454 during the year.

As at December 31, 2022 and 2021, the Company has a loan under the CERB program from TD Canada Trust for an amount of $60,000 for a 58 month period to December 31, 2025. The loan is non-interest bearing until December 31, 2023 and subsequently will bear interest of 5% per annum calculated monthly. If $40,000 of the loan amount is repaid on or prior to December 31, 2023, the Government will forgive the remaining balance of the loan amount as of that date provided that an event of default has not occurred.

On July 13. 2022, the Company advanced $380,000 to 14125339 Canada Inc. operating as Blockchain Assets Management Group against a promissory note receivable within 10 days on demand bearing an interest rate of 5% pa. This note is secured by a guarantee from 14125339 Canada Inc. Interest accrued for the year ended December 31, 2022 was $8,004.

During the year ended December 31, 2022, the Company raised gross proceeds of $530,000 through a non-brokered private placement of 10,600,000 units at a price of $0.05 per Unit. Each Unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at a price of $0.08 for a period of two years ending September 27, 2024. The Company intends to use the net proceeds of the offering for (i) the acquisition of securities in the capital of Blockchain Assets Management Group Limited and (ii) general corporate purposes.

For the year ended December 31, 2022, the Company had a net increase in cash of $130,064. During the year, the Company also had a gain from the exchange rate changes on its foreign operations of $2,247 leaving a cash balance of $143,346 as at December 31, 2022.

Exploration expenses

The exploration costs during the year ended December 31, 2022 and 2021 were as follows:

	Year ended December 31,	
	2022	**2021**
Annual lease renewal costs	$ 16,608	$ 14,031
Land management	(3,962)	4,968
Others	17,884	-
	$ 30,530	$ 18,999

Office and general expenses

The office and general expenses during the year ended December 31, 2022 and 2021 were as follows:

	Year ended December 31,	
	2022	**2021**
Accounting services	$ 40,000	$ 40,550
Rent expense	2,400	(17,200)
Telephone expense	1,532	1,458
Professional fees and disbursements	18,673	31,201
Insurance	13,572	16,631
Corporate services	18,714	21,771
Others	140	2,300
	$ 95,031	$ 96,711

Liquidity and Capital Resources

Consolidated statements of financial position highlights		December 31, 2022		December 31, 2021
Cash	$	143,346	$	11,035
Promissory note from Blockchains Asset Management Group	$	388,004		-
Oil and gas property interests		1		1
Total assets		979,810		470,993
Total liabilities		713,612		874,433
Share capital		5,638,986		5,166,515
Warrants		57,529		-
Accumulated other comprehensive income		1,801		(446)
Deficit		(5,432,118)		(5,569,509)
Working capital deficiency		(104,228)		(777,429)

Currently, the Company does not generate any revenue from its exploration and evaluation assets as all wells are shut-in. Accordingly, it does not have sufficient cash flows from operations to fund past liabilities or current obligations as they become due. Although in prior years, the Company has successfully raised funds for exploration, development and general overhead and other expenses through equity and debt financings and during the year ended December 31, 2022, the Company has raised gross proceeds of $530,000 through a non-brokered private placement of 10,600,000 units, there can be no assurance that adequate funding will be available in the future, or available on terms acceptable to the Company. The Company has a working capital deficiency of $104,228 as at December 31, 2022 and its cash balance is not sufficient to meet the Company's liabilities. The Company is using its current cash and cash equivalents to fund required payments to keep the Company in good standing and to pay the expenses associated with being a reporting issuer listed on the CSE, until it can raise funds to pay its remaining creditors. There is no assurance that the Company can raise sufficient capital to continue as a going concern.

Related party transactions:

Related parties include Board of Directors, close family members, key management personnel, enterprises and others who exercise significant influence over the reporting entity. All amounts owing to related parties are unsecured, non-interest bearing and due on demand unless otherwise noted.

a) At December 31, 2022 and 2021, $14,950 has been included in accounts payable for Jay Vieira, the CEO of the Company for professional expenses and disbursements.

b) At December 31, 2022 and 2021, the amount of convertible debentures was $nil. During the year ended December 31, 2022 $nil of convertible debentures were converted into shares (2021 - $615,699 of convertible debentures were converted into 20,434,950 shares).

c) Included in financing costs for the year ended December 31, 2022 is $nil (2021 - $66,758) for accretion and interest accrued on the convertible debentures.

Key Management Compensation

There were no compensation of key management of the Company for the year ended December 31, 2022 and 2021. Key management are those persons having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Company.

Management of capital

The Company's objectives when managing capital are as follows:

a. To safeguard the Company's ability to continue as a going concern.
b. To raise sufficient capital to finance its exploration and development activities on its mineral exploration properties.
c. To raise sufficient capital to meet its general and administrative expenditures.

The Company considers its capital to be equity, which comprises capital stock, warrants, accumulated other comprehensive income and deficit, which at December 31, 2022 was an equity of $266,198 (December 31, 2021 – deficiency of $403,440).

The Company manages its capital structure and makes adjustments to it based on general economic conditions, short term working capital requirements, and planned exploration and development. The Company utilizes annual capital and operating expenditure budgets to facilitate the management of its capital requirement. These budgets are approved by management and updated for changes in the budgets' underlying assumptions as necessary. There have been no changes in the way the Company manages its capital during the year ended December 31, 2022 and December 31, 2021.

Risk management

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions in relation to the Company's activities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant price, credit, liquidity, or cash flow risks arising from the financial instruments. There were no changes to the Company's risks, objectives, policies and procedures from the previous year.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses which may damage the Company's reputation.

The Company monitors and reviews current and future cash requirements and matches the maturity profile of financial assets and liabilities. This is generally accomplished by ensuring that cash is always available to settle financial liabilities. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

At December 31, 2022, the Company had a cash balance of $143,346 (December 31, 2021 – $11,035) which is not sufficient to settle current liabilities of $653,612 (December 31, 2021 - $814,433). The Company has a working capital deficiency $104,228 (December 2021 –$777,429). See "Going Concern" section in this MD&A.

Trade and other accounts receivable

Trade and other accounts receivable consists primarily of HST receivable from the government of Canada. As such risk on non-collection is considered low.

Foreign exchange

The Company operates primarily in Canada and the United States. The presentation currency is Canadian dollar and the functional currency of the parent company is the Canadian dollar. As at December 31, 2022 and December 31, 2021, the Company's US dollar net monetary assets totaled $640. Accordingly, a 5% change in the US dollar exchange rate as at December 31, 2022 on this amount would have resulted in an exchange gain or loss and therefore net income would have increased (decreased) by $32.

Other risks

The Company's financial condition, results of operation and business are subject to certain risks, which may negatively affect them.

a. Exploration and Development

The business of exploring for, developing and producing oil and gas involves a high degree of risk. Oil and gas reserves may never be found or, if discovered, may not be result in production at reasonable costs or profitability. The business of exploring, developing and producing is also capital intensive and, to the extent that cash flows from operating activities and external sources become limited or unavailable, the ability of the Company and of its operating partners to meet their respective financial obligations which are necessary to maintain their interests in the underlying properties could be impaired, resulting in those of the interests.

b. Environmental

The Company's oil and gas operations are subject to environmental regulations in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will likely require stricter standards and enforcement, increased costs, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties in which the Company holds interests which are presently unknown to the Company and which have been caused by previous or existing owners or operators of the properties or by illegal mining activities.

c. Fluctuations in Crude Oil, Natural Gas, and Natural Gas Liquid Prices

The price of the Company's common shares, and consolidated financial results and exploration, development and other oil and gas activities may in the future be significantly and adversely affected by declines in the price of crude oil, natural gas, and/or natural gas liquid (collectively "oil and gas"). The price of oil and gas fluctuates widely and is affected by numerous factors beyond the Company's control, such as interest rates, exchange rates, inflation or deflation, fluctuation in the value of the US dollar and foreign currencies, global and regional supply and demand, the political and economic conditions and production costs of major oil and gas producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future material price declines could cause continued development of and commercial production from the properties in which the Company holds an interest to be impracticable. Depending on the price of oil and gas, cash flow from the Company's operations may not be sufficient and the Company could be forced to discontinue production and may lose the Company's interest in, or may be forced to sell, some of the Company's properties. Future production from the Company's properties is dependent upon the price of oil and gas being adequate to make these properties economic.

d. Dependence on management

The Company is dependent upon the efforts, skill and business contacts of key members of management, for among other things, during the normal course of their activities and the synergies which exist amongst their various fields of expertise and knowledge. Accordingly, the Company's success will depend upon the continued service of these individuals who are not obligated to remain employed with the Company. A loss of key personnel - members of management in particular - could impair our ability to execute our strategy and implement our operational objectives, all of which would have a material adverse effect on the Company.

Share Data:

Capital Stock

Common shares outstanding as at December 31, 2022 and 2021 and the date of this MD&A are as follows;

	# of Common Shares		Amount
Balance, December 31, 2020	**150,234,129**	**$**	**3,209,272**
Shares issued on conversion of debentures	**20,434,950**		**615,699**
Shares issued on conversion of advances	**26,526,354**		**530,527**
Shares issued on conversion of accounts payable	**40,006,331**		**800,127**
Equity portion of convertible debentures transferred to common stock on conversion of debentures	**-**		**10,890**
Balance, December 31, 2021	**237,201,764**	**$**	**5,166,515**
Shares issued pursuant to private pacement	**10,600,000**		**472,471**
Balance, December 31, 2022 and date of the MD&A	**247,801,764**	**$**	**5,638,986**

In September 2022, the Company raised gross proceeds of $530,000 through a non-brokered private placement of 10,600,000 units of the Company at a price of $0.05 per Unit. Each Unit consists of one common share and one common share purchase warrant ("Warrant"). Each Warrant will entitle the holder to purchase one common share at a price of $0.08 per share for a period of two years to September 27, 2024.

The value of the warrants issued as part of this financing was $57,529. The fair value of the warrants was calculated using the Black-Scholes option pricing model with the following assumptions: expected term of 2 years, a risk-free rate of 3.17%, expected dividend yield of 0% and an expected volatility of 181%. The expected volatility is based on the historical volatility of the Company's share price over the life of the warrants. The Company has not paid any cash dividends historically and has no plans to pay cash dividends in the foreseeable future. The risk-free interest rate is based on the yield of Canadian Benchmark Bonds with equivalent terms. The expected option life in years represents the period of time that the warrants are expected to be outstanding based on historical warrants issued.

Common Stock Purchase Warrants

	# of Warrants		Amount		Price	Expiry Date
Balance, December 31, 2021	**-**	**$**	**-**	**$**	**-**	**-**
Warrants issued - June 27, 2022	10,600,000		57,529		0.08	27-Jun-24
Balance, December 31, 2022 and date of the MD&A	**10,600,000**	**$**	**57,529**	**$**	**0.08**	

Stock options

On July 26, 2011, the shareholders of the Company approved a stock option plan (the "Plan") to enable directors, officers, employees and consultants of the Company to purchase common shares. All options granted under the Plan in 2011 expired unexercised during the year ended December 31, 2021. No options were granted during the year ended December 31, 2022.

Segmented Information

The Company's reportable segments are strategic business units that offer different services and/or products. They are managed separately because each segment requires different strategies and involves different aspects of management expertise. The Company has decided to disclose the segment results of the oil and gas companies and corporate operations - MEI, PPI, PPC and APPC are oil & gas companies

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The Company carries out its operations through wholly-owned entities. These entities are located in Canada and the United States.

For year ended December 31, 2022

	Oil and Gas Operations	Corporate Operations	Total
Licensing fee	$ 90,613	$ -	$ 90,613
Interest income	6,462	8,004	14,466
Total revenue	$ 97,075	$ 8,004	$ 105,079
Expenses			
Exploration expenses	(30,530)	-	(30,530)
Office and general	-	(95,031)	(95,031)
Total expenses	$ (30,530)	$ (95,031)	$ (125,561)
Income (loss) before undernoted	66,545	(87,027)	(20,482)
Finance costs	-	(12,312)	(12,312)
Writeback of old accounts payable balances	-	182,396	182,396
Gain (loss) on foreign exchange	(4,566)	2,381	(2,185)
Net income for the year	61,979	85,438	147,417
Net (loss) of subsidiary held for sale	-	(10,026)	$ (10,026)
Total income for the year	**$ 61,979**	**$ 75,412**	**$ 137,391**
Other comprehensive income for the year			
Exchange differences on translation of foreign operations	2,247	-	2,247
Total comprehensive income for the year	**$ 64,226**	**$ 75,412**	**$ 139,638**

As at December 31, 2022

Total assets	$ 366,688	$ 613,122	$ 979,810

For year ended December 31, 2021

		Oil and Gas Operations		Corporate Operations		Total
Alberta energy site rehabilitation program grant	$	115,428		$ -	$	115,428
Interest income	$	1,721	$	-	$	1,721
Total revenue	$	117,149	$	-	$	117,149
Expenses						
Exploration expenses		(18,999)		-		(18,999)
Reclamation and decommissioning expenses		(72,134)		-		(72,134)
Office and general		-		(96,711)		(96,711)
Total expenses	$	(91,133)	$	(96,711)	$	(187,844)
Income (loss) before undernoted		26,016		(96,711)		(70,695)
Finance costs		-		(91,373)		(91,373)
Writeback of old accounts payable balances		27,541		250		27,791
Gain (loss) on foreign exchange		365		(143)		222
Net income (loss) for the year		53,922		(187,977)		(134,055)
Net income of subsidiary held for sale		-		3,870		3,870
Total income (loss) for the year	**$**	**53,922**	**$**	**(184,107)**	**$**	**(130,185)**
Other comprehensive (loss) for the year						
Exchange differences on translation of foreign operations		(46)		-		(46)
Total comprehensive income (loss) for the year	**$**	**53,876**	**$**	**(184,107)**	**$**	**(130,231)**
As at December 31, 2021						
Total assets	$	286,952	$	184,041	$	470,993

Critical accounting estimates

The preparation of the consolidated statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods. The information about significant areas of estimation uncertainty and judgment considered by management in preparing the unaudited consolidated statements were the same as those in the preparation of the annual financial statements as at and for the year ended December 31, 2021.

Changes in Accounting Policies

These consolidated statements follow the same accounting policies and methods of computation as those described in Note 4 of the annual consolidated financial statements as at and for the year ended December 31, 2021.

Future accounting pronouncements

There are currently no new accounting pronouncements effective for future dates that are expected to have a significant impact on the Company

Investor relations:

The Company's management performed its own investor relations duty for the year ended December 31, 2022.

Additional information:

Additional information relating to Mooncor may be found under the Company's profile on SEDAR at www.sedar.com.

Subsequent Events:

Subsequent to the year end, the Company has entered into securities purchase agreements with each of Robotic StemCell BioTech Ltd. ("Robotic"), Blockchain Assets Management Group Limited ("BAM") and 14125339 Canada Inc. ("1412"), each of which are arm's length parties.

Pursuant to securities purchase agreement dated as of December 31, 2021 with Robotic, the Company has agreed to acquire an aggregate of 27,644,444 common shares in the capital of Robotic (the "Purchased Robotic Shares"). The Purchased Robotic Shares represent approximately 20% of the issued and outstanding securities in the capital of Robotic. The purchase price for the Purchased Robotic Shares is $1,382,222 and this will be satisfied through the issuance of an aggregate of 27,644,444 common shares in the capital of the Company at a price of $0.05 per share.

Pursuant to securities purchase agreement dated as of December 31, 2021 with BAM, the Company has agreed to acquire an aggregate of 11,111 common shares in the capital of BAM (the "Purchased BAM Shares"). The Purchased BAM Shares represent approximately 10% of the issued and outstanding securities in the capital of BAM. The purchase price for the Purchased BAM Shares is $4,977,728 (the "BAM Purchase Price"). The BAM Purchase Price will be satisfied through the issuance of an aggregate of 99,554,560 common shares in the capital of the Company at a price of $0.05 per share.

Pursuant to securities purchase agreement dated as of December 31, 2021 with 1412, the Company has agreed to acquire an aggregate of 19,875,156 common shares in the capital of 1412 (the "Purchased 1412 Shares"). The Purchased 1412 Shares represent approximately 20% of the issued and outstanding securities in the capital of 1412. The purchase price for the Purchased 1412 Shares is $2,484,395 (the "1412 Purchase Price"). The 1412 Purchase Price will be satisfied through cancelling $380,000 advance to Blockchains Asset Management Group (see note 6) and the issuance of an aggregate of 42,087,890 common shares in the capital of the Company at a price of $0.05 per 1412 Consideration Share.

The closing of the Robotics, BAM and 1412 Securities Purchase Agreements, is subject to the Company obtaining shareholder and regulatory approval for a change of business (the "Proposed COB") from a "industrial issuer" to an "investment issuer". The Proposed COB is considered a fundamental change / change of business under Policy 8 of the CSE and, as such, will subject to all of the requirements of Policy 8 including, but not limited to, CSE and shareholder approval. The Securities Purchase Agreements are not considered to be a fundamental change under CSE Policy 8. If shareholder and regulatory approval is obtained, the Proposed COB, the Company's primary focus will be to seek returns through investments in the securities of other companies.