This Management's Discussion and Analysis ("MDA") has been prepared by management and reviewed and approved by the board of directors (the "Board of Directors") of PlasCred Inc. ("PlasCred" or the "Company") (CSE:PLAS) (OTC: MGPRF) (Frankfurt: 304A), on August 29, 2023. This MD&A should be read in conjunction with the unaudited condensed interim financial statements for the six months ended June 30, 2023, which has been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting* and the audited financial statements, and notes thereto for the period from incorporation on January 28, 2022 to December 31, 2022 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included therein and, in this MD&A are in Canadian dollars. The MD&A contains certain Forward-Looking Statements and the reader should read the cautionary statement related to Forward-Looking Statements found at the end of this report.

Overview

PlasCred was incorporated on January 28, 2022 under the Canadian Business Corporations Act and was registered as an extra-Provincial Corporation in Alberta on March 1, 2022.

The Company's registered office is 525 – 8 Ave S.W. 46 Floor, Calgary, Alberta, T2P 1G1.

The Company executed a second amended and restated share exchange agreement (as amended by an amendment agreement) (the "Second A&R Share Exchange Agreement") and two loan agreements with a publicly listed company, as described below under the "Proposed Transaction." The Second A&R Share Exchange Agreement also includes an equity and debt financing by the publicly listed company which is designed to provide sufficient investment to fund operations for the next 12 months. Additional short-term debt financing of $1,000,000 (the "Second Loan"), as described below under the "Proposed Transaction", was obtained during the period to fund completion of a pilot plant to recycle mixed plastics using a proprietary methodology for which patents have been applied (the "PlasCred Process").

The Company has incurred and capitalized approximately $856,000 ($500,000 up to March 31, 2023) in engineering and fabrication costs of its pilot plant (Primus) up to the date of this MD&A. Primus has successfully achieved production of hydrocarbon liquid of commercial specifications utilizing the PlasCred Process for which a patent has been applied. Research is under way towards the design and fabrication of the Company's full-scale plant (Maximus), which will require further financing in 2023 and 2024 to achieve commerciality in 18-24 months at a projected cost of approximately $120,000,000. Production from the full-scale facility will be approximately 2,000 barrels of hydrocarbon liquid per day, that, when mixed with heavy, sour crude oil, produces a marketable, lighter crude oil that can be easily shipped by pipeline to distant markets (the "Condensate"). The PlasCred Process will also produce a by-product known as carbon black, which has uses in rubber tires and paints compounds, as well as a small number of significant aromatics, including hydrogen, propane and butane, which can be redirected into the heating equipment used during the PlasCred Process or isolated and sold. The pilot facility will continue to produce saleable products to complement the full-scale facility and will also be used for testing new processing ideas.

Negotiations are progressing to secure a lease for the full-scale facility. The Company has located a site in Fort Saskatchewan, Alberta near customers, which is serviced by all necessary utilities and located near rail lines for transportation of raw materials and the Company's products. The pilot facility is presently located in a 1,000 square foot leases space in an industrial section of Calgary, Alberta. The lease for the pilot facility is a verbal, month-to-month arrangement.

Proposed Transaction

During the period ended December 31, 2022, the Company received a short-term loan of $300,000 from a publicly listed company with which it had plans to amalgamate. This loan, together with all its rights, entitlements, covenants, agreements, liabilities, duties and security was then assigned to a private company, incorporated in British Columbia (the "Private Company"), and the loan was increased to $801,000 (the "First Loan").

On August 2, 2022, the Company, its shareholders and the Private Company entered into a share exchange agreement (the "Share Exchange Agreement"), whereby the Private Company agreed to acquire all of the issued and outstanding common shares of the Company from the shareholders in exchange for the issuance by the Private Company of 35,000,000 common shares (the "Original Transaction"). As a result of this Original Transaction, the Company would become a wholly owned subsidiary of the Private Company.

Concurrently with the closing of the Share Exchange Agreement, the Private Company agreed to issue 5,000,000 performance share purchase warrants to the CEO. The performance share purchase warrants, when earned, will be exercisable into one common share at an exercise price of $0.25 per common share of the Private Company for a period of 60 months from the date of issuance and on the terms and conditions agreed to by the parties.

On October 4, 2022, the Company, the Private Company and Cover Technologies Inc., a company incorporated in British Columbia and listed on Canadian Securities Exchange ("CSE") (ticker: COVE), Frankfurt Stock Exchange (ticker: 304A) and the OTC Bulletin Board (ticker: MGPRF") ("Cover") entered into an assignment agreement pursuant to which all rights and obligations of the Private Company under the Share Exchange Agreement were assigned to Cover. Additionally, Cover agreed by way of a novation and assumption agreement to take the assignment of the First Loan, together with all its rights, entitlements, covenants, agreements, liabilities, duties and security.

In consideration for the assignment, Cover will issue to the Private Company 12,000,000 post-consolidation units at a deemed price of $0.10 per unit. Each unit consists of one post-consolidation common share and one post-consolidation share purchase warrant, which will be exercisable for a period of two years at an exercise price of $0.25 per post consolidation share.

On November 14, 2022, the Company, its shareholders and Cover entered into an amended and restated share exchange agreement (the "A&R Share Exchange Agreement"), whereby it was agreed that Cover would acquire all the issued and outstanding shares capital of the Company in exchange for 35,000,000 fully paid post-consolidation shares at the closing date (the "New Transaction") at a fair value of $0.30 per share.

In connection with the New Transaction, Cover would consolidate its issued and outstanding shares on a 2 for 1 basis.

Concurrently with the closing of the A&R Share Exchange Agreement, Cover completed a private placement of up to $1,600,000 at a price of $0.30 per common share and also issued 5,000,000 performance share purchase warrants to the CEO. The performance share purchase warrants will be exercisable into one common share of at an exercise price of $0.25 per post-consolidation common share of Cover for a period of 60 months from the date of issuance and on the terms and conditions agreed to by the parties.

It was a condition of closing of the New Transaction that Cover would change its name to "PlasCred Circulation Innovations Inc.".

On March 1, 2023, Cover, the Company and the shareholders of the Company entered into a second amended and restated share exchange agreement (the "Second A&R Share Exchange Agreement), which was on substantially the same terms as the A&R Share Exchange Agreement with respect to the issuance of 35,000,000 post-Consolidation shares and 5,000,000 performance warrants. Additionally, Cover agreed to advance the Second Loan to the Company; this loan was received in full (cash of $1,000,000) in March 2023. This Second Loan carries interest at the rate of 10% per annum, calculated and compounded monthly, is secured through granting, assigning, transferring, mortgages, charges and security interests in all of the undertaking, property and assets of the Company to and in favor of Cover. The Second Loan was maturing on July 29, 2023, which was extended to August 31, 2023 through an Amendment Agreement dated July 26, 2023.

The 35,000,000 post-Consolidation Common Shares issued by the Issuer pursuant to the Second Amended and Restated Share Exchange Agreement are subject to a contractual lock-up to be released as follows:

(a) 20% (7,000,000) of the post-Consolidation Common Shares on the date that is six (6) months after the Listing Date; and
(b) 20% (7,000,000) of the post-Consolidation Common Shares every six (6) months thereafter.

The terms of the 5,000,000 performance warrants are as follows:

Each Performance Warrant is exercisable into one (1) post-Consolidation Common Share at an exercise price of$0.25 per post-Consolidation Common Share for a period of sixty (60) months from the date of the issuance, subject to the prior achievement of the following milestones:

(a) 1,666,667 Performance Warrants exercisable upon the Issuer securing a financing of$15,000,000 or greater for the Maximus Facility;
(b) 1,666,667 Performance Warrants exercisable upon the construction of its first fullscale facility, the Maximus Facility; and
(c) 1,666,666 Performance Warrants exercisable upon the completion of Phase One, the initial 2,000 barrels output per day at the Maximus Facility.

On May 24, 2023, the parties entered into an amendment agreement which amended the Second A&R Share Exchange Agreement (the "Amended Agreement"). The Amended Agreement amended, among other things, the escrow conditions provided for in the Second A&R Share Exchange Agreement as well as the requirements with respect to net cash on hand on closing. The closing of the New Transaction was to occur on a date mutually agreed to by the parties.

On August 3, 2023 the Company closed the Share Exchange Agreement and on August 8, 2023 became listed on the Canadian Stock Exchange ("CSE"). (CSE: PLAS) (OTC: MGPRF) (Frankfurt: 304A)

Highlights for the second quarter ended June 30, 2023

- The Company received additional short-term debt financing of $1,000,000 under a new loan agreement; and
- The Company incurred approximately $360,000 in construction in progress relating to the pilot plant, which is located in a 1,000 square foot leased space in an industrial section of Calgary, Alberta.

Results of Operations

Results of operations for six months ended June 30, 2023

The following table provides selected information for the Company's first quarter ended March 31, 2023.

	Six months ended June 30, 2023	**From January 28, 2022 (incorporation date) to June 30, 2022**
Net loss and comprehensive loss	(696,432)	(119,917)
Basic and diluted loss per common share	(0.07)	(0.01)

Net loss

The following are the major expenditures incurred that are contributing to the net loss of $696,432 for the six months ended June 30, 2023: salaries and consulting fees ($371,953) paid to the officers and consultants of the Company for administrative tasks / day-to-day running of the Company, research and development ($60,000), professional fees ($202,932), the majority of which related to the discussions and drafting of various agreements surrounding the Proposed Transaction and listing on the Canadian Stock Exchange, business development expenditures ($55,189) and interest on short-term loans ($36,418).

Whereas the founding shareholder(s) provided the "technical know-how" to the Company at no cost, certain professional fees and other costs were incurred in preliminary works relating to the preparation of patent application, the cost of which was approximately $13,000; this cost is included in professional fees noted above. Patent protection across Canada and United States was applied for during February 2023, the cost of which was approximately $600, which was expensed during the six months ended June 30, 2023. While patent approval is desirable, design and fabrication of the full-scale plant and resulting commercial production will proceed with or without the patent. The Company cannot predict when its patent applications will be approved or if a patent will be granted at all.

Tangible asset costs of the pilot plant, including materials and engineering, are capitalized. As stated above, the founding shareholders provided the knowledge gained from their prior experience in the design and operation of facilities similar to the pilot facility as well as research conducted on the pyrolysis process prior to incorporation of the Company. Research-related costs during the six months ended June 30, 2023 of $60,000 are expensed in profit or loss in line with the requirements of paragraph 54 of IAS 38 *Intangible Assets* not to recognize intangible asset arising from research phase of an internal project.

Completion of the pilot plant was achieved in May 2023 and initial testing successfully produced the Condensate as well as the carbon black and aromatics. Further testing and refinement utilizing a variety of catalysts is currently under way.

In the comparative six months ended June 30, 2022, the Company had recently commenced operations and therefore had limited expenses ($119,917), consisting mostly of consulting fees ($84,750) and professional fees ($29,000).

Quarterly results

The following summarized the Company's key quarterly financial results:

For the three months ended	June 30 2023	March 31 2023	Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022
Net loss and comprehensive loss	(413,273)	(283,161)	(254,651)	(253,548)	(119,917)	(1,427)
Basic and diluted loss per common share	(0.04	(0.03)	(0.03)	(0.03)	(0.01)	(0.00)

Liquidity and Capital Resources

The Company's cash position at June 30, 2023 was $131,599. The Company's working capital deficit at that date was ($2,173,489). Working capital deficit is calculated as current liabilities less current assets. As a result of the RTO, $1,902,421 of intercompany debt will be eliminated, and working capital of approximately $1,400,000 received.

The Company believes it will be able to raise working capital to fund minimum operations over the next twelve months through the above RTO and associated financing as discussed earlier.

There can be no assurance that any additional financing will be available to the Company or, if it is, that it will be available on terms acceptable to the Company and will be sufficient to fund cash needs.

Transactions with Related Parties

Key management compensation:

The Company's key management personnel have authority and responsibility for overseeing, planning, directing, and controlling the activities of the Company. Key management personnel include the sole director, who is also the President and Chief Executive Officer of the Company and other executive officers (Chief Technology Officer and Chief Financial Officer).

	June 30, 2023 **$**	June 30, 2022 $
Salaries, wages and consulting fees to director and other executives	**216,650**	15,750

Disclosure of Outstanding Share Data

As at June 30, 2023 and as at the date of this MD&A, the Company had 8,170,000 common shares outstanding. There are currently no share purchase warrants or stock options issued and outstanding.

Off-Balance Sheet Arrangements

The Company does not have any off balance sheet arrangements.

Financial Instruments

At June 30, 2023, the Company's financial instruments consist of cash, share subscription receivable, accounts payable and accrued liabilities and short-term loan.

The fair values of cash, accounts payable and accrued liabilities and short-term loan approximate their carrying values due to the relatively short-term maturity of these financial instruments.

Risk Management

The Company, through its financial assets and liabilities, is exposed to various risks. The following analysis provides a measurement of risks as at June 30, 2023:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations and arises principally from the Company's cash balance.

The Company's maximum exposure to credit risk associated with financial assets is equivalent to the carrying amounts of these financial assets i.e. the cash balance and share subscription receivable as at June 30, 2023.

The Company holds its cash with reputable a Canadian bank; thus, the credit risk exposure is low to none. The Company has no exposure to share subscription receivable.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As at June 30, 2023, the Company's financial liabilities include accounts payable and accrued liabilities and short-term loan totaling $2,382,717 which are payable within a year. The Company has cash of $131,599 as at June 30, 2023. The Company expects to be able to obtain funding to settle its liabilities as and when they fall due.

On closing of the Share Exchange Agreement on August 3, 2023 intercompany loans of $1,902,421 were eliminated and working capital of approximately $1,400,000 was received.

(c) Market risk

Market risk is the risk that changes in market prices – e.g., foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

- Interest rate risk:

  Interest rate risk is part of market risk and is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The short-term loan carries fixed rate of interest therefore there is no interest rate risk on this loan but the Company is exposed to market rate risk if the market interest rate changes.

- Foreign currency risk:

The Company does not have financial assets or liabilities denominated in a foreign currency.

(d) Price risk

Price risk is the risk that market prices, such as commodity prices, will affect the Company's net earnings or value of its financial instruments. The Company is not exposed to significant price risk.

(e) Competition risk

The Company is in a competitive plastic recycling market and the ability to secure waste plastic supply and condensate offtake agreements with clients and customers is critical.

(f) Intellectual Property

The Company has significant intellectual property and know-how which will be protected through the filing of patents as well as the issuance of non-disclosure agreements for specific know-how and business confidential information. Although every effort will be made to ensure that the Company's IP and know-how are protected, there is a risk that the competition and/or employees will not respect their legal obligations and the Company may be forced to take legal action.

(g) Environmental and Safety Compliance

The processing facility will be designed and constructed to meet all required environmental, health and safety standards. Although best practices will be used to design, construct and operate the facility, there is always a risk that operator error or equipment failure will result in environmental and/or safety noncompliance.

(h) Key Personnel

The success of the Company is dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company. This risk is mitigated through the engagement of technology experts, consultants in the field, etc. who can intervene in such an instance. Once the final design, equipment procurement and construction of the pilot plant and other operations is complete, this risk is further mitigated. The facilities' planned location in an industrial community gives it the ability to engage qualified personnel to operate the facility, create local jobs and renovate an industrial wasteland to an environmentally friendly business hub is deemed to be a very low risk.

(i) Project Execution Risk

Once the detailed engineering design is complete, there are no guarantees that the processing facility will be built on time and on budget. Any delays in receiving the appropriate environmental and construction permits, construction delays, as well as ramp up to full capacity may materially impact the Company's financial performance and cash flow.

Forward-looking Statements

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts that address future operations, acquisitions, financings, activities and events or developments that the Company expects are forward-looking statements. Specifically, this MD&A contains in its discussion on "Liquidity and Capital Resources" forward-looking statements about the Company's success in *obtaining adequate financing to fund necessary working capital to achieve its business objectives and the Company' strategy to attract new business opportunities.*

These forward-looking statements and information are based on current expectations but are subject to uncertainty and changes in circumstances that may cause actual results to differ materially from those expressed or implied by such forward-looking statements and information. Inherent in forward-looking statements and information are risks and uncertainties beyond the Company's ability to predict or control. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements and information contained in this MD&A. Such statements and information are based on a number of assumptions and factors which may prove to be incorrect, including, but not limited to, assumptions about the availability of financing for the Company on reasonable terms or at all, market competition on new business opportunities and changes in general economic conditions or conditions in the financial markets.

The Company undertakes no obligation to publicly revise forward-looking information to reflect subsequent events or circumstances except as required by securities laws. The forward-looking information contained herein is made as of the date hereof and is expressly qualified in its entirety by cautionary statements in this MD&A.