

**Interra Copper Corp.**

**Management's Discussion and Analysis**

For the three and six months ended June 30, 2022 and 2021

Dated: August 23, 2022

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The following management's discussion and analysis ("MD&A") of the financial condition and results of operations for the three and six months ended June 30, 2022, prepared as of August 23, 2022, should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2021 and 2020 (the "annual financial statements") and the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2022 and 2021, (the "interim financial statements") and the related notes thereto of Interra Copper Corp. (the "Company" or "Interra"). The interim financial statements have been prepared by management in accordance with International Accounting Standard 34 *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. Other information contained in this document has also been prepared by management and is consistent with the data contained in the interim financial statements.

The first, second, third, and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. All amounts are presented in Canadian dollars, the Company's presentation currency, unless otherwise stated.

Additional information is available on SEDAR at [www.sedar.com](http://www.sedar.com) and at the Company's website at [www.interracopper.com](http://www.interracopper.com).

#### **REPORT DATE**

The effective date of this report is August 23, 2022 (the "Report Date").

#### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations, or intentions of management regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance, or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur, or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about current mineral property interests, the global economic environment, the market price and demand for commodities and our ability to manage our property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand or price of precious and base metals, (3) delays in the start of projects with respect to our property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics in the state of Arizona regarding mining and mineral exploration, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the below section entitled "Risk Factors and Uncertainties".

#### **MANAGEMENT'S RESPONSIBILITY**

The accompanying interim financial statements of the Company and the MD&A have been prepared by and are the responsibility of management.

#### **QUALIFIED PERSON**

The scientific and technical information contained in this MD&A has been reviewed and approved by the Company's Director, Thomas Hawkins, a Qualified Person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101").

#### **INTERNAL CONTROLS**

Chief Executive Officers and Chief Financial Officers of Canadian public companies, excluding venture issuers, are required to certify on the design and the effectiveness of their company's disclosure controls and procedures and internal control over financial reporting.

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#### **DESCRIPTION OF BUSINESS**

The Company was incorporated in the province of British Columbia on August 30, 2018, under the Business Corporations Act (British Columbia) with the name IMC International Mining Corp. for the purposes of a plan of arrangement with Chemesis International Inc., a publicly traded company. The Company subsequently changed its name on May 31, 2021, from IMC International Mining Corp. to Interra Copper Corp. The Company's registered office is located at 2200 HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

On September 23, 2019, the common shares of the Company were approved for listing on the Canadian Securities Exchange and commenced trading on September 23, 2019, under the symbol "IMCX". On March 3, 2020, the common shares of the Company were listed on the Frankfurt Stock Exchange under the symbol "3MX". On February 26, 2021, the common shares of the Company were quoted on the OTCQB Marketplace under the symbol "IMIMF" in the United States.

The Company is a junior mineral exploration company engaged in the acquisition, exploration, and evaluation of natural resource properties in British Columbia, Canada.

The Company currently has two active mineral exploration properties, the Thane Property located in north-central British Columbia held through Thane, and the Chuck Creek Property located in central British Columbia, the details of which are set out below. The Company's principal objective is to explore and develop its properties and to identify other properties worthy of investment and exploration.

The Company has not yet determined whether its property interests contain reserves that are economically recoverable. The recoverability of amounts shown for resource properties and related deferred exploration expenditures are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development of the resource properties and upon future profitable production or proceeds from the disposition thereof.

The continuing operations of the Company are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds therefrom. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs by the issuance of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

On May 2, 2022, the Company consolidated its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every nine (9) pre-consolidation common shares with no fractional shares issued (the "Share Consolidation"). Accordingly, the Company effected the Share Consolidation in the interim financial statements and this MD&A as if it had happened at the beginning of periods reported, and disclosed all share capital, warrant, and stock option information respectively on a post-consolidated basis.

#### **HIGHLIGHTS**

##### **Subsequent events to June 30, 2022**

- On July 22, 2022, 196,314 common share purchase warrants with an exercise price of \$3.60 expired unexercised.
- On July 22, 2022, the Company announced a non-brokered private placement of 220,000 common shares at \$0.50 per share for gross proceeds of \$110,000.
- On July 31, 2022, 37,500 stock options with an exercise price of \$2.70 expired unexercised.

##### **Highlights during the six months ended June 30, 2022**

- On June 30, 2022, pursuant to the Company's annual general meeting, T. Greg Hawkins, Samir Patel, Gordon Neal, and Chris Naas resigned as Directors of the Company (noting Mr. Hawkins also resigned as Chairman of the Board, and Mr. Naas also resigned as Chief Operating Officer of the Company) while Thomas Hawkins and Scott Young were appointed Directors of the Company.
- On June 29, 2022, the Company issued 35,000 common shares at a fair value of \$0.52 per share to two former directors of the Company who hold the interest to the Chuck Creek Property as part of the acquisition consideration of the property. In addition to the shares issued, the Company has agreed to grant a 1% Net Smelter Return (NSR), with a 0.5% buy back option and pay \$30,000 in cash, of which \$10,000 was paid on June 16, 2022, and the remaining \$20,000 will be paid upon closure of a future financing.

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- On June 9, 2022, the Company announced the Chuck Creek Property acquisition, a project bordering Major VMS Project, located in Central British Columbia. The Chuck Creek Property covers 8,293 acres (33.57 sq. kilometers) and is situated in central British Columbia. The property is located within the Eagle Bay Assemblage of rocks and is surrounded on all sides by Taseko Mines' Yellowhead property, which hosts a copper-gold volcanogenic-sulphide deposit. The large undeveloped Yellowhead deposit has proven and probable reserves of 817 million tonnes grading 0.29% copper equivalent.
- On April 29, 2022, the Company effected a consolidation of one (1) post-consolidation common share for every nine (9) pre-consolidation common shares with no fractional shares issued, resulting in 8,388,424 common shares issued and outstanding post-consolidation. The Company also cancelled 618,334 issued and outstanding stock options.
- On February 11, 2022, the Company announced the results from the final two holes drilled at the Pinnacle Zone after its 2021 summer drill program that totaled 2,774 meters in 12 holes, at its 20,600-hectare Thane Property, located on traditional territory of the Takla and Tsay Keh Dene First Nations in North Central B.C.
- On January 24, 2022, the Company announced further 2021 summer drilling results from the Cathedral Area at its 20,600-hectare Thane Property, located on traditional territory of the Takla and Tsay Keh Dene First Nations in North-Central B.C. Results are from drill holes TH21-3, TH21-4, TH21-6, and TH21-12. TH21-3 and TH21-12 were designed to test the southern extent of a 600 square meter IP chargeability along line 5300N within the Cathedral Main zone. TH21-4 was drilled within the Cathedral South zone on the western extent of IP line 5200. TH21-6 was designed to test a broad, hidden, near surface 200 square meter IP chargeability anomaly approximately 350 meters to the east also on line 5300N. Drill holes intersected indicator low grade copper-gold mineralization.
- On January 14, 2022, the Company announced further 2021 summer drilling results from the Gully Area at its 20,600-hectare Thane Property, located on traditional territory of the Takla and Tsay Keh Dene First Nations in North-Central B.C. Results are from drill holes TH21-7, TH21-8 and TH21-11 which tested the eastern portion of the Gully Zone's IP chargeability anomaly along lines 4700N and 4600N respectively as well as the southern end of line 6350E. All three holes intersected indicator low grade copper-gold mineralization. Mineralization styles intersected within the drill holes consists of localized, structurally controlled, quartz-pyrite-chalcocopyrite ± arsenopyrite fractures, veins, and rare semi-massive mineralization at shallow to moderate depths proximal to diorite-(quartz) monzonite and latite porphyry contacts and south-southwest to south-southeast trending moderate to steeply (40-80°) westerly dipping chlorotic shears and dilutional breccias.

#### **Highlights during the year ended December 31, 2021**

- On October 29, 2021, the Company closed a non-brokered private placement issuing an aggregate of 102,778 flow-through units ("FT Unit") at a price of \$1.80 per FT Unit and 12,222 non-flow-through units ("Units") at a price of \$1.35 per Unit for gross proceeds of \$185,000. Each FT Unit consists of one common share in the capital of the Company that qualifies as a "flow-through share" for the purposes of the Income Tax Act (Canada) and one common share purchase warrant exercisable at \$2.70 for 24 months from the date of issuance into a common share in the capital of the Company. Each Unit consists of one common share and one common share purchase warrant exercisable at \$2.70 for 24 months from the date of issuance into a common share.
- On September 15, 2021, the Company completed and filed a NI 43-101 compliant technical report on its primary asset, the 20,600-hectare Thane Property in north-central British Columbia.
- Effective September 1, 2021, the Company decided not to pursue further work on the Bullard Pass project in Arizona, in order to focus 100% efforts and company resources on the Thane Project. As a result, the Company expensed all costs incurred on the property as an impairment of exploration and evaluation assets of \$317,596.
- On August 31, 2021, the Company completed its maiden diamond drilling program on the Thane Property. The program comprised a total of 2,774 metres in 12 holes.
- On August 11, 2021, Dave McMillan resigned as Interim Chief Executive Officer and Interim President of the Company and Jason Nickel, P. Eng., was appointed Chief Executive Officer of the Company. Mr. Nickel holds a degree in Applied Science in Mine Engineering from the University of British Columbia and a post graduate diploma in Business Administration from Simon Fraser University. Mr. Nickel brings 25 years of experience in Mine Operations, Engineering, Project Development, and resource company management to the Company along with a decade of corporate and junior resource markets focus.
- On July 28, 2021, Gordon Neal was appointed a director of the Company. Mr. Neal is President of Neal & Company Consultants and has provided more than 30 years of capital markets and corporate governance advisory services to public and private companies.
- On July 6, 2021, and July 28, 2021, an aggregate of 266,667 stock options were granted to directors and officers of the Company. These stock options have an exercise price of \$1.98, a five-year life, and vest over a period of 18 months with 25% vested upon the date of grant and 25% vest every six months thereafter until fully vested.

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- On July 6, 2021, Oliver Foeste was appointed Chief Financial Officer of the Company, filling the vacancy created by the resignation of Jamie Lewin as Chief Financial Officer.
- On May 31, 2021, the Company changed its name to Interra Copper Corp. and announced a new marketing effort, including a new website, rebranding, and the planned development of an advanced online footprint. The Company's trading symbols will remain unchanged.
- On May 28, 2021, the Company closed the third and final tranche of a non-brokered private placement financing comprising 18,518 Units at \$1.35 per Unit for gross proceeds of \$25,000. Each Unit consists of one common share and one common share purchase warrant exercisable at \$2.70 for 24 months from the date of issuance into a common share.
- On May 25, 2021, the Company engaged CME Consultants Inc. ("CME") to manage and supervise the 2021 exploration program for the Thane property with projected costs of \$2,400,000, as agreed to the 2021 budget.
- On May 19, 2021, the Company closed the second tranche of the non-brokered private placement financing comprising 265,208 FT Units at a price of \$1.80 per FT Unit and 575,512 Units at \$1.35 per Unit for total gross proceeds of \$1,253,829. Each FT Unit consists of one common share that qualifies as a 'flow-through share' for the purposes of the Income Tax Act (Canada) and one common share purchase warrant exercisable at \$2.70 for 24 months from the date of issuance into a common share. Each Unit consists of one common share and one common share purchase warrant exercisable at \$2.70 for 24 months from the date of issuance into a common share.
- On May 19, 2021, the Company contracted Investing News Network, Stockhouse Publishing Ltd., and Cana Com Group to assist with its marketing program.
- On May 10, 2021, Faizaan Lalani resigned as a director of the Company and David McAdam and Jason Nickel were appointed directors of the Company.
- On April 18, 2021, a total of 166,667 common share purchase warrants expired unexercised.
- On April 16, 2021, the Company closed the first tranche of a non-brokered private placement financing comprising 720,764 FT Unit at a price of \$1.80 per FT Unit, and 92,778 Units at \$1.35 per Unit for total gross proceeds of \$1,422,624. Each FT Unit consists of one common share that qualifies as a 'flow-through share' for the purposes of the Income Tax Act (Canada) and one common share purchase warrant exercisable at \$2.70 for 24 months from the date of issuance into a common share. Each Unit consists of one common share and one common share purchase warrant exercisable at \$2.70 for 24 months from the date of issuance into a common share.
- On March 1, 2021, an aggregate of 44,444 stock options were granted to a consultant at an exercise price of \$2.25. These stock options bear a three-year term (expiring March 1, 2024) and vest over a period of 18 months with 25% vested upon the date of grant and 25% every six months thereafter until fully vested.
- On March 1, 2021, the Company announced that its common shares were upgraded to the OTCQB Marketplace in the United States, where the common shares are quoted under the symbol "IMIMF".
- On February 23, 2021, the Company announced it has commenced start up procedures for its upcoming 2021 work program at its Thane Property. See "*Exploration Activity - Thane Property - North-Central British Columbia.*".
- On February 1, 2021, the Company entered into a non-binding letter to intent to acquire a 100% interest in the Chuck Creek Property held by two directors of the Company. It is contemplated the Company acquire the Chuck Creek Property for a purchase price of \$50,000 and a 1% net smelter return royalty. The proposed acquisition is subject to due diligence, negotiation of a definitive agreement and satisfaction or waiver of other conditions.
- On January 19, 2021, and January 27, 2021, the Company reported initial and additional results, respectively, from its 2020 exploration program undertaken at its Thane Property. See "*Exploration Activity - Thane Property - North-Central British Columbia.*".
- On January 13, 2021, the Company announced it had engaged Freeform Communications Inc. to provide investor relations and on-line marketing services. In connection with the engagement, Freeform Communications Inc. was granted an aggregate of 27,778 stock options at an exercise price of \$2.25. These stock options bear a two-year term (expiring January 13, 2023) and vest over a period of 18 months with 25% vested upon the date of grant and 25% every six months thereafter until fully vested.
- On January 5, 2021, an aggregate of 233,333 stock options were granted. 66,667 went to Christopher Naas, COO and Director and the balance, 166,666 were to consultants at an exercise price of \$2.25. These stock options bear a five-year term (expiring January 5, 2026) and vest over a period of 18 months with 25% vested upon the date of grant and 25% every six months thereafter until fully vested.

## **EXPLORATION ACTIVITY**

### **BULLARD PASS PROPERTY - ARIZONA, UNITED STATES**

On September 1, 2021, Interra made the decision not to renew claims and submit annual fees to maintain the claims, so the project was discontinued and Interra no longer has ownership of the claims. There were no assets or equipment, nor liabilities associated with the project. As a result, the Company expensed all costs incurred on the property as an impairment of exploration and evaluation assets of \$317,596. The Company discontinued reporting on this project as of Q2 2022.

### **CHUCK CREEK PROPERTY – CENTRAL BRITISH COLUMBIA**

The Chuck Creek Property covers 8,293 acres (33.57 sq. kilometers) and is situated in central British Columbia. The Property is located within the Eagle Bay Assemblage of rocks and is surrounded on all sides by Taseko Mines' Yellowhead property, which hosts a copper-gold volcanogenic-sulphide deposit.

### **THANE PROPERTY - NORTH-CENTRAL BRITISH COLUMBIA**

The Thane Property comprises 20,600 hectares of contiguous claims located in the Quesnel Terrane of north-central British Columbia. The northern part of the Quesnel Terrane extends from south of the Mt. Milligan Mine northward to the Kemess Mine, with the Thane Property located midway between these two copper-gold porphyry deposits. This property includes several highly prospective mineralized areas identified to date, including the "Cathedral Area" and "Gail Area" on which the Company's exploration is currently focused.

## **2021 Exploration program**

At the Thane Property, a 22-person exploration camp was setup in late June 2021 to facilitate the summer helicopter- supported exploration program. On July 5, 2021, the Company mobilized crews to the Thane Property to commence drill pad construction in preparation for a helicopter-supported diamond drill program. On July 19, 2021, Atlas Drilling Ltd. of Kamloops, BC, mobilized to the Thane Property and commenced drilling on July 20, 2021. A total of 2,783.24 metres of NQ core was drilled in 12 holes from nine (9) drill pads with the last hole completed on August 21, 2021.

Geological and soil sampling crews mobilized to the Thane Property on July 5, 2021. Geological mapping and rock sampling was undertaken at the Pinnacle and Gail areas. Soil sampling was undertaken in preparation of the IP surveys at both Pinnacle and Gail, while soil sampling only was undertaken at the Mat showing.

On September 3, 2021, Peter E. Walcott & Associates Ltd. ("Walcott") mobilized to the Thane Property for seven days of induced polarization (IP) pole-dipole surveying at the Pinnacle and Gail showings. Approximately 5 line-km's of grid was surveyed using an a-spacing of 25 metres. Earlier in the summer, Walcott completed an 8.3 km<sup>2</sup> helicopter airborne magnetic survey at the Cathedral Area with a line-spacing of 100 metres. The survey covered all primary showings of the area.

All core, rock and soil samples were submitted to ALS Canada Ltd. for sample preparation and analysis. A total of 2,398 core samples were analyzed for multi-element ICP by a four-acid digestion with a MS finish, while multi-element ICP by aqua regia digestion with a MS finish was undertaken on the 182 soil samples and 73 rock samples. All samples were analyzed for gold by geochemistry methods and all over-limits were assayed. Sample preparation was undertaken at ALS's preparation facility in Kamloops, BC with analytical work undertaken at ALS' North Vancouver office.

The Company's principal consultant - CME, has completed a technical report on the 2021 summer work program, which has been published to the company's website, at [https://interracopper.com/site/assets/files/5737/report-2021\\_exploration\\_thane\\_property\\_2021\\_03-28.pdf](https://interracopper.com/site/assets/files/5737/report-2021_exploration_thane_property_2021_03-28.pdf).

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**RESULTS OF OPERATIONS**

**SELECTED QUARTERLY FINANCIAL INFORMATION**

The following is a summary of the Company's financial results for the eight most recently completed quarters:

<b>Three months ended</b>	<b>Net (income) loss</b>	<b>Weighted average number of shares (effected for Share Consolidation)</b>	<b>Basic and diluted (income) loss per share</b>	<b>Exploration expenditures balance</b>
	\$	#	\$	\$
<b>June 30, 2022</b>	<b>37,848</b>	<b>8,389,193</b>	<b>0.00</b>	<b>5,924,605</b>
March 31, 2022	180,205	8,388,424	0.02	5,876,405
December 31, 2021	(93,388)	8,353,424	(0.01)	5,817,265
September 30, 2021	809,141	8,273,423	0.10	5,559,918
June 30, 2021	252,289	7,684,457	0.03	4,009,338
March 31, 2021	685,970	6,499,276	0.11	3,811,640
December 31, 2020	807,718	6,051,197	0.13	3,804,195
September 30, 2020	398,461	5,802,369	0.07	2,989,888

During the quarter ended June 30, 2022, the Company continued its focus on reducing costs, including advertising and marketing, and professional fees. This, along with a reversal of non-cash share-based payment expense, due to options cancelled prior to vesting, lead to a significant reduction of net loss to \$37,011 in comparison with the same quarter of 2021.

As at June 30, 2022, private placements, warrants, and options exercises resulted in 8,389,193 shares being issued. The Company continues to focus on its exploration activities with a total of \$5,924,605 spent on exploration activities including the acquisition of the Thane and Chuck Creek properties.

**For the three months ended June 30, 2022 compared with the three months ended June 30, 2021**

The Company's net loss and comprehensive loss for the three months ended June 30, 2022 was \$37,848 compared to a loss of \$252,289 in the same three-month period in 2021. The loss per share for the three months ended June 30, 2022 was \$0.00 and the loss per share for the three months ended June 30, 2021 was \$0.03.

The primary reasons for the \$214,441 decrease in net loss include a \$156,777 decrease in non-cash share-based payments due to options cancelled prior to vesting, a \$59,207 decrease in advertising and marketing expenses, a \$20,805 decrease in general and administrative expenses, and a \$15,136 decrease in management fees, offset by a \$57,987 increase in professional fees.

**For the six months ended June 30, 2022 compared with the six months ended June 30, 2021**

The Company's net loss and comprehensive loss for the six months ended June 30, 2022 was \$218,053 compared to a loss of \$938,259 in the same six-month period in 2021. The loss per share for the six months ended June 30, 2022 was \$0.03 and the loss per share for the six months ended June 30, 2021 was \$0.13.

The primary reasons for the \$720,206 decrease in net loss include a \$492,281 decrease in non-cash share-based payments, a \$183,451 decrease in advertising and marketing expenses, a \$25,185 decrease in general and administrative expenses, and a \$24,685 decrease in management fees.

During the six months ended June 30, 2021, the Company invested in marketing campaign strategy to increase market awareness of the business while the marketing campaign costs were reduced in 2022.

**LIQUIDITY AND CAPITAL RESOURCES**

**Working capital and cashflow**

As at June 30, 2022, the Company had a working capital of \$160,199 (December 31, 2021 - \$581,693), which included cash of \$187,816 (December 31, 2021 - \$490,825).

The Company's financial condition is contingent upon its ability to obtain necessary financing to explore suitable properties.

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Although the Company has been successful in the past in financing its activities through the sale of equity securities there can be no assurance that it will be able to obtain sufficient financing in the future to carry out exploration and development work on any acquired properties. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success.

**Operating activities**

During the six months ended June 30, 2022, the Company used \$233,869 of net cash for operating activities primarily relating to the net loss of \$218,053, reversal of non-cash share-based payments of \$114,301, and some normal course working capital movements.

During the six months ended June 30, 2021, the Company used \$583,630 of net cash for operating activities primarily relating to the net loss of \$938,259, non-cash share-based payments of \$377,980 and some normal course working capital movements.

**Investing activities**

During the six months ended June 30, 2022, the Company used \$69,140 of net cash for investing activities relating to the exploration and evaluation expenditures on Thane Property and the acquisition costs of the Chuck Creek Property. During the six months ended June 30, 2021, the Company used \$997,629 of net cash for investing activities, of which \$1,000,000 was a deposit for exploration services, \$7,629 used in exploration and evaluation expenditures, offset by \$10,000 received from a reclamation bond.

**Financing activities**

During the six months ended June 30, 2022, the Company did not have any financing activities.

During the six months ended June 30, 2021, the Company received \$2,651,985 from financing activities, including \$60,000 of proceeds from the exercise of warrants and \$2,591,985 of proceeds from private placement, net of share issuance costs.

**Share capital**

On May 2, 2022, the Company consolidated its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every nine (9) pre-consolidation common shares with no fractional shares issued. Accordingly, the Company effected the Share Consolidation in the interim financial statements and this MD&A as if it had happened at the beginning of periods reported, and disclosed all share capital, warrant, and stock option information respectively on a post consolidated basis.

The Company's authorized share capital consists of an unlimited number of common shares without par value. As at June 30, 2022, the Company had 8,423,424 (December 31, 2021 - 8,388,424) common shares issued and outstanding.

The below table summarizes the numbers of outstanding equity instruments as at the Report Date:

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	<b>Report Date (effected for Share Consolidation)</b>
	#
Common shares	8,643,424
Common share purchase warrants	1,849,061
Options	424,444

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**Capital Commitments**

The Company has no capital commitments in connection with its exploration property. The Company holds a 100% interest in the Thane Property through its wholly owned subsidiary and is not required to make any expenditure commitments on this property and has no contractual obligations on this property.

The Company will add or discontinue claims based on geological merit and as financial resources allow. If additional funds are required, the Company plans to raise additional capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain the further funds required for the Company's continued working capital requirements.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company has not entered into any off-balance sheet arrangements.

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**TRANSACTIONS WITH RELATED PARTIES**

Key management personnel are the directors and officers of the Company. Transactions with management for the three and six months ended June 30, 2022, and 2021 are summarized as follows:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Director fees	9,512	10,790	20,518	20,631
General and administrative	517	-	1,122	-
Management fees	46,414	61,550	89,365	114,050
Share-based payments (recovery)	(132,287)	6,890	(107,866)	377,980
Exploration expenditures	-	195,031	58,027	204,549
<b>Total</b>	<b>(75,844)</b>	<b>274,261</b>	<b>61,166</b>	<b>717,210</b>

CEO - During the three and six months ended June 30, 2022, \$18,375 and \$32,030, respectively (2021 - \$27,000 and \$54,000, respectively) was paid to a company controlled by an officer of the Company for CEO-related services.

COO - During the three and six months ended June 30, 2022, \$nil and \$2,000, respectively (2021 - \$6,050 and \$12,050, respectively), was paid to a company controlled by an officer of the Company for COO-related services.

During the three and six months ended June 30, 2022, \$nil and \$58,027, respectively (2021 - \$195,031 and \$204,549, respectively) was paid for exploration expenditures and \$517 and \$1,122 (2021 - \$nil and \$nil, respectively) was paid for general and administrative expenses to a company controlled by the COO of the Company.

CFO - During the three and six months ended June 30, 2022, \$19,039 and \$37,335, respectively (2021 - \$10,500 and \$21,000, respectively), was paid to a company controlled by an officer of the Company for CFO-related services provided.

Corporate Secretary - During the three and six months ended June 30, 2022, \$9,000 and \$18,000, respectively (2021 - \$18,000 and \$27,000, respectively), was paid to a company controlled by an officer of the Company for corporate secretarial-related services provided.

Directors - During the three and six months ended June 30, 2022, \$9,512 and \$20,518 respectively (2021 - \$10,790 and \$20,631, respectively) were paid to non-executive Directors of the Company for Director fees.

As at June 30, 2022, \$20,000 (December 31, 2021 - \$83,270) was included in accounts payable and accrued liabilities for amounts due to a related party.

**PROPOSED TRANSACTION**

As at June 30, 2022, the Company had no proposed transactions.

**ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards as they are not applicable to the financial statements of the Company.

**FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

The Company's financial instruments are exposed to certain financial risks which are discussed in detail in Note 12 of the Company's annual financial statements for the years ended December 31, 2021 and 2020.

**CRITICAL ACCOUNTING ESTIMATES**

Refer to the Company's annual financial statements and the interim financial statements.

**RISK FACTORS AND UNCERTAINTIES**

The principal business of the Company is the acquisition and exploration of mineral properties. Given the inherent risky nature of the exploration and mining business, the limited extent of the Company's assets and the present stage of development, investors should consider the following risk factors, among others:

**Interra Copper Corp.****Management's Discussion and Analysis**For the three and six months ended June 30, 2022 and 2021

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**Exploration stage company**

The Company does not hold any known mineral reserves of any kind and does not generate any revenues from production. The Company's success will depend largely upon its ability to locate commercially viable mineral reserves. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-economically viable. There is no assurance that exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality and experience of management, the level of geological and technical expertise, and the quality of property available for exploration.

Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Significant financial investment is required to establish proven and probable reserves through drilling and bulk sampling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of resources or reserves.

**Operating history and availability of financial resources**

The Company does not have any history of generating operating revenue and is unlikely to generate any significant amount in the foreseeable future. Hence, it may not have sufficient financial resources to undertake by itself all of its planned mineral property acquisition and exploration activities. Operations will continue to be financed primarily through the issuance of securities. The Company will need to continue its dependence on the issuance of such securities for future financing, which may result in dilution to existing shareholders. Furthermore, the amount of additional funds required may not be available under favorable terms, if at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of its properties or to reduce or discontinue its operations.

**Inflation and metal price risk**

The ability of the Company to raise interim financing will be significantly affected by changes in the market price of the metals for which it explores. The mineral prices are volatile and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supplies of and demands for minerals and metals and the stability of exchange rates can all cause fluctuations in these prices. Such external economic factors are influenced by changes in international investment patterns and monetary systems and political developments. The prices have fluctuated significantly in recent years. Future significant price declines could cause investors to be unprepared to finance exploration and development.

**Share price volatility and lack of active market**

Worldwide securities markets continue to experience a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.

It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly. If an active market does not develop, the liquidity of the investment may be limited, and the market price of such securities may decline below the subscription price.

**Competition**

The mineral resource industry is intensively competitive in all of its phases, and the Company competes with many other companies possessing much greater financial and technical resources. Competition is particularly intense with respect to the acquisition of desirable undeveloped properties. The principal competitive factors in the acquisition of prospective properties include the staff and data necessary to identify and investigate such properties, and the financial resources necessary to acquire and develop the projects. Competition could adversely affect the Company's ability to acquire suitable prospects for exploration.

**Public health crises such as the COVID-19 pandemic**

The coronavirus pandemic continues to have global impacts on workforces, economies, and financial markets. It is not possible for the Company to predict the duration or magnitude of any adverse effects that the pandemic may have on the Company's business or ability to raise funds. As of the date of this MD&A, COVID-19 has had no impact on the Company's ability to access and explore its current properties but may impact the Company's ability to raise funding or explore its properties should travel restrictions related to COVID-19 be extended or expanded in scope.

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For the three and six months ended June 30, 2022 and 2021

**Government regulations and environmental risks and hazards**

The Company's conduct is subject to various federal, provincial, and state laws, and rules and regulations including environmental legislation in the countries where exploration takes place. The Company has adopted environmental practices designed to ensure that it continues to comply with environmental regulations currently applicable to it. All of the Company's activities are in compliance in all material respects with applicable environmental legislation. Environmental hazards may exist on the Company's properties, which may have been caused by previous or existing owners or operators of the properties. The Company is not aware of any existing environmental hazards related to any of its current property interests that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.

**Reliance on key personnel**

The Company relies on a relatively small number of key directors, officers, and senior personnel. Loss of any one of those persons could have an adverse effect on the Company. The Company does not currently maintain "key employee" insurance in respect of any of its senior management.

**Licenses and permits**

The operations of the Company require licenses and permits from various government authorities. The Company believes that it holds all necessary licenses and permits under applicable laws and regulations for work in progress and believes it is presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change under various circumstances.

There can be no assurance that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities or to maintain continued operations that economically justify the cost.

**Title to property**

Although the Company will exercise the usual due diligence with respect to title to any properties in which it will take an interest, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers, aboriginal land claims, government expropriation and title may be affected by undetected defects. In addition, certain mining claims in which the Company has an interest are not recorded in the name of the Company and cannot be recorded until certain steps are taken by other parties.

**Risk of legal claims**

The Company may become involved in disputes with third parties or government authorities in the future that may result in litigation. The results of these legal claims cannot be predicted with certainty and defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. If the Company is unable to resolve these disputes in the Company's favor or if the cost of the resolution is substantial, such events may have a material adverse impact on the ability of the Company to carry out its business plan.

**ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

During the three and six months ended June 30, 2022 and 2021, the Company incurred the following expenses:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Advertising and marketing	22,166	81,373	68,916	252,367
Consulting	3,000	4,000	4,500	4,000
Director fees	9,512	10,790	20,518	20,631
Exploration and evaluation	-	6,653	-	6,653
Filing fees	18,794	18,953	36,124	42,052
General and administrative	6,084	26,889	8,509	33,694
Investor relations	8,621	20,010	20,270	32,010
Management fees	46,414	61,550	89,365	114,050
Professional fees	73,046	15,059	84,144	54,806
Share-based payments (recovery)	(149,797)	6,980	(114,301)	377,980
<b>Total operating expenses</b>	<b>37,840</b>	<b>252,257</b>	<b>218,045</b>	<b>938,243</b>

**Interra Copper Corp.**

**Management's Discussion and Analysis**

For the three and six months ended June 30, 2022 and 2021

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An analysis of material components of the Company's operating expenses is disclosed in the interim financial statements for the three and six months ended June 30, 2022 and 2021, to which this MD&A relates. An analysis of the material components of the mineral property acquisition costs and mineral exploration costs are disclosed in the notes to the interim financial statements for the three and six months ended June 30, 2022 and 2021.

**DIRECTORS AND OFFICERS**

David McAdam, Director  
Jason Nickel, Chief Executive Officer and Director  
Scott Young, Director  
Thomas Hawkins, Director  
Oliver Foeste, Chief Financial Officer  
Janet Francis, Corporate Secretary

**ADDITIONAL INFORMATION**

Additional information about the Company is available under the Company's profile on SEDAR at <http://www.sedar.com>.

**BOARD APPROVAL**

The Board of the Company has approved this MD&A.