

**51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

Core Assets Corp. (the “**Company**”)  
Suite 1450 – 789 West Pender Street  
Vancouver, BC V6C 1H2

**Item 2 Date of Material Change**

August 25, 2021

**Item 3 News Release**

The news release was disseminated on August 25, 2021 through FCS Wire.

**Item 4 Summary of Material Change**

The Company announced that it has completed its previously announced non-brokered private placement (the “**Offering**”), as described in its News Release of August 13, 2021, pursuant to which it has issued an aggregate of 11,012,000 units (each, a “**Unit**”) at a price of \$0.055 per Unit for gross proceeds of \$605,660.00. Each Unit is comprised of one common share (each, a “**Share**”) in the capital of the Company and one-half of one transferable share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder to purchase one additional Share (each, a “**Warrant Share**”) in the capital of the Company for a period of 24 months from the closing date at an exercise price of \$0.25 per Warrant.

The Company also announces that it has completed its previously announced non-brokered flow-through private placement (the “**Flow-through Offering**”), as described in its News Release of August 25, 2021, pursuant to which it has issued an aggregate of 4,465,000 Shares, issued on a “flow-through basis” pursuant to the *Income Tax Act* (Canada) and the *Taxation Act* (British Columbia), at a price of \$0.08 per Share for aggregate gross proceeds of \$357,200.00. The Offering was oversubscribed by \$37,200.

The Company did not pay any cash finder’s fees in connection with the Offering or the Flow-through Offering.

The aggregate gross proceeds from the sale of the Offering and the Flow-through Offering will be used for working capital and for an expanded exploration program on the Company’s Atlin Mining District project.

The securities issued under the Offering and the Flow-through Offering, and the shares that may be issuable on exercise of the Warrants, are subject to a statutory hold period expiring one year from the date of closing.

Nicholas Rodway, the President, Chief Executive Officer and a director of the Company, was issued 2,050,000 Units under the Offering and 1,560,000 Shares under the Flow-through Offering, Scott Rose, a director of the Company, was issued 1,460,000 Units under the Offering and Sean Charland, a director of the Company, was issued 910,000 Units under the Offering and 625,000 Shares under the Flow-through Offering, each of which constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The issuance to the insiders is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company’s shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the securities issued to the related parties did not exceed 25% of the Company’s market capitalization.

Additionally, Core Assets has engaged TDM Financial to provide the Company with marketing solutions beginning August 25<sup>th</sup>, 2021. The marketing solutions will include content creation and distribution, press release distribution, video production, a social media presence and more.

Since 2007 TDM Financial has helped over 400 private and public companies raise millions of dollars and attract new, educated stakeholders via its flagship SECfilings.com property and network.

The promotional activity in this contract will take place through various social media platforms including SECfilings.com and other web based channels.

In consideration for the services provided by TDM Financial, Core Assets has agreed to pay \$30,000 USD upon execution of the agreement, with the agreement in effect until January 15<sup>th</sup>, 2022. The Company is at arm's length from TDM Financial.

TDM financial is located at 600E 8<sup>th</sup> St. Whitefish, MT, USA 59937. Tel. 1-800-210-6793.

## **Item 5 Full Description of Material Change**

### *5.1 Full Description of Material Change*

See Item 4 above and the news release filed on SEDAR at [www.sedar.com](http://www.sedar.com) with respect to the matters described above in Item 4.

#### **Disclosure Required by MI 61-101**

Pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), the Offering constitutes a "related party transaction" as related parties of the Company participated in the Offering and the Flow-through Offering (collectively, the "**Offerings**").

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

#### *(a) a description of the transaction and its material terms:*

The Company entered into a subscription agreement with Nicholas Rodway, the President, Chief Executive Officer and a director of the Company, whereby Mr. Rodway agreed to purchase 2,050,000 Units of the Company at a price of \$0.055 per Unit for proceeds of \$112,750.

The Company entered into a subscription agreement with Nicholas Rodway, whereby Mr. Rodway agreed to purchase 1,560,000 Shares of the Company at a price of \$0.08 per Share for proceeds of \$124,800.

The Company entered into a subscription agreement with Sean Charland, a director of the Company, whereby Mr. Charland agreed to purchase 910,000 Units of the Company at a price of \$0.055 per Unit for proceeds of \$50,050.

The Company entered into a subscription agreement with Sean Charland, whereby Mr. Charland agreed to purchase 625,000 Shares of the Company at a price of \$0.08 per Share for proceeds of \$50,000.

The Company entered into a subscription agreement with Scott Rose, a director of the Company, whereby Mr. Rose agreed to purchase 1,460,000 Units of the Company at a price of \$0.055 per Unit for proceeds of \$80,300.

#### *(b) the purpose and business reasons for the transaction:*

The aggregate gross proceeds from the sale of the Offerings will be used for working capital and for an expanded exploration program on the Company's Atlin Mining District project.

(c) the anticipated effect of the transaction on the issuer's business and affairs:

The aggregate gross proceeds from the sale of the Offerings will be used for working capital and for an expanded exploration program on the Company's Atlin Mining District project.

(d) a description of:

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

See item (a).

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

The following table sets out the effect of the Offerings on the percentage of securities of the Company beneficially owned or controlled by Nicholas Rodway, Sean Charland and Scott Rose:

Name and Position	Dollar Amount of Securities Purchased	Number of Securities Purchased	No. of Shares Held prior to Closing of the Offering	Percentage of Issued and Outstanding Shares prior to Closing of the Offering	No. of Shares Held After Closing of the Offering	Percentage of Issued and Outstanding Shares After Closing of the Offering
Nicholas Rodway CEO and Director	\$237,550	2,050,000 Units  1,560,000 Shares	Undiluted: 1,500,500	Undiluted: 3.73% <sup>(2)</sup>	Undiluted: 5,110,000	Undiluted: 9.17% <sup>(5)</sup>
			Diluted: 2,125,500 <sup>(1)</sup>	Diluted: 5.20% <sup>(3)</sup>	Diluted: 7,785,500 <sup>(4)</sup>	Diluted: 13.33% <sup>(6)</sup>
Sean Charland Director	\$100,050	910,000 Units  625,000 Shares	Undiluted: 200,100	Undiluted: 0.50% <sup>(2)</sup>	Undiluted: 1,735,100	Undiluted: 3.11% <sup>(5)</sup>
			Diluted: 850,100 <sup>(7)</sup>	Diluted: 2.08% <sup>(8)</sup>	Diluted: 3,295,100 <sup>(9)</sup>	Diluted: 5.75% <sup>(10)</sup>
Scott Rose Director	\$80,300	1,460,000 Units	Undiluted: 1,709,000	Undiluted: 4.25% <sup>(2)</sup>	Undiluted: 3,169,000	Undiluted: 5.69% <sup>(5)</sup>
			Diluted: 2,734,000 <sup>(11)</sup>	Diluted: 6.63% <sup>(12)</sup>	Diluted: 5,654,000 <sup>(13)</sup>	Diluted: 9.72% <sup>(14)</sup>

(1) Comprised of: (i) 1,500,500 Shares held directly, (ii) 625,000 options held directly, each of which is exercisable into one Share, of which 150,000 are exercisable at a price of \$0.10 per Share until December 21, 2022 and 475,000 are exercisable at a price of \$0.14 per Share until June 11, 2023.

(2) Based on 40,232,701 Shares outstanding prior to the completion of the Offerings.

(3) Based on 39,044,601 Shares outstanding on a partially diluted-basis prior to the completion of the Offerings comprised of: (i) 40,232,701 Shares outstanding prior to the completion of the Offerings and (ii) 625,000 Shares that may be issuable on exercise of options held directly.

(4) Comprised of: (i) 5,110,500 Shares held directly, (ii) 2,050,000 Warrants held directly, each of which is exercisable into one Share at a price of \$0.25 per Share until August 25, 2023 and all of the convertible securities set out in footnote (1) above.

(5) Based on 55,709,701 Shares outstanding following the completion of the Offerings.

(6) Based on 58,384,701 Shares outstanding on a partially diluted-basis following the completion of the Offerings, comprised of: (i) 55,709,701 Shares outstanding following the completion of the Offerings, (ii) 625,000 Shares that may be issuable on exercise of options held directly and (iii) Shares that may be issuable on exercise of 2,050,000 Warrants held directly.

(7) Comprised of: (i) 200,100 Shares held directly and (ii) 650,000 options held directly, each of which is exercisable into one Share, of which 150,000 are exercisable at a price of \$0.10 per Share until December 21, 2022 and 500,000 are exercisable at a price of \$0.14 per Share until June 11, 2023.

- (8) Based on 40,882,701 Shares outstanding on a partially diluted-basis prior to the completion of the Offerings comprised of: (i) 40,232,701 Shares outstanding prior to the completion of the Offerings and (ii) 650,000 Shares that may be issuable on exercise of options held directly.
- (9) Comprised of: (i) 1,735,100 Shares held directly, (ii) 910,000 Warrants held directly, each of which is exercisable into one Share at a price of \$0.25 per Share until August 25, 2023 and all of the convertible securities set out in footnote (7) above.
- (10) Based on 57,269,701 Shares outstanding on a partially diluted-basis following the completion of the Offerings, comprised of: (i) 55,709,701 Shares outstanding following the completion of the Offerings, (ii) 650,000 Shares that may be issuable on exercise of options held directly and (iii) 910,000 Shares that may be issuable on exercise of Warrants held directly.
- (11) Comprised of: (i) 1,709,000 Shares held directly and (ii) 1,025,000 options held directly, each of which is exercisable into one Share, of which 750,000 are exercisable at a price of \$0.10 per Share until December 21, 2022 and 275,000 are exercisable at a price of \$0.14 per Share until June 11, 2023.
- (12) Based on 41,257,701 Shares outstanding on a partially diluted-basis prior to the completion of the Offerings comprised of: (i) 40,232,701 Shares outstanding prior to the completion of the Offerings and (ii) 1,025,000 Shares that may be issuable on exercise of options held directly.
- (13) Comprised of: (i) 3,169,000 Shares held directly, (ii) 1,460,000 Warrants held directly, each of which is exercisable into one Share at a price of \$0.25 per Share until August 25, 2023 and all of the convertible securities set out in footnote (11) above.
- (14) Based on 58,194,701 Shares outstanding on a partially diluted-basis following the completion of the Offerings, comprised of: (i) 55,709,701 Shares outstanding following the completion of the Offerings, (ii) 1,025,000 Shares that may be issuable on exercise of options held directly and (iii) 1,460,000 Shares that may be issuable on exercise of Warrants held directly.

*(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:*

Resolutions of the board of directors were passed on August 25, 2021 which approved the Offering and the Flow-through Offering, with each of Nicholas Rodway, Sean Charland and Scott Rose abstaining from voting. No special committee was established in connection with the transaction, and no materially contrary view or abstention was expressed or made by any director.

*(f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:*

Not applicable.

*(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that related to the subject matter of or is otherwise relevant to the transaction:*

*(i) that has been made in the 24 months before the date of the material change report:*

Not applicable.

*(ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:*

Not applicable.

*(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:*

See item (a).

*(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:*

The Offerings are exempt from the valuation and minority shareholder approval requirements of MI 61-101 by virtue of the exemptions contained in section 5.5(a) and 5.7(1)(a) of MI 61-101, since neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the Offerings, insofar as it involves interested parties, exceeds 25% of the Company's market capitalization.

The Company did not file a material change report 21 days prior to closing of the Offerings as the Company was not aware of all details of the insider participation in the Offerings until just before closing.

See attached new release with respect to the matter described above.

**5.2** *Disclosure for Restructuring Transactions*

N/A

**Item 6** **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

N/A

**Item 7** **Omitted Information**

None

**Item 8** **Executive Officer**

Contact: Nicholas Rodway, President & CEO  
Telephone: 604.681.1568

**Item 9** **Date of Report**

August 26, 2021