

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, 2022

Item 3 News Release

The news release was disseminated on August 26, 2022 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 16, 2022, pursuant to which it issued an aggregate of 2,722,123 units (each, a “**Unit**”) at a price of \$0.61 per Unit for gross proceeds of \$1,660,495.03.

Each Unit is comprised of one common share (each, a “**Share**”) in the capital of the Company and one-half of one transferable Share purchase warrant (each, a “**Warrant**”). Each whole Warrant entitles the holder thereof to purchase one additional Share (each, a “**Warrant Share**”) for a period of two years from the closing date (the “**Closing Date**”) at an exercise price of \$0.85 per Warrant Share.

All securities issued in connection with the Offering are subject to a four month hold as required under applicable securities laws from the Closing Date.

The proceeds of the Offering are anticipated to be used for further exploration programs at the Company’s Blue Property and for general working capital purposes. Insiders of the Company may participate in the Offering. The Company did not pay any finder’s fees in connection with the Offering.

Jody Bellefleur the Chief Financial Officer of the Company, was issued 8,500 Units under the Offering. Accordingly, Ms. Bellefleur’s subscription constituted 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 was 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.

None of the securities sold in connection with the Offering will be registered under the United States Securities Act of 1933, as amended, and no such securities may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

See Item 4 above as well as the news release filed on SEDAR dated August 26, 2022 for a full description of the Material Changes.

Disclosure Required by MI 61-101

Pursuant to MI 61-101, the Offering constitutes a “related party transaction” as related parties of the Company participated in the Offering.

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 Jody Bellefleur, the Chief Financial Officer of the Company, whereby Ms. Bellefleur agreed to purchase 8,500 Units of the Company at a price of \$0.61 per Unit for proceeds of \$5,185.

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

The aggregate gross proceeds from the sale of the Offering 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 Offering 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 Offering on the percentage of securities of the Company beneficially owned or controlled by Jody Bellefleur:

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
Jody Bellefleur CFO	\$5,185	8,500 Units	Undiluted 255,000 Diluted: 880,000 ⁽¹⁾	Undiluted: 0.34% ⁽²⁾ Diluted: 1.17% ⁽³⁾	Undiluted: 263,500 Diluted: 892,750 ⁽⁴⁾	Undiluted: 0.34% ⁽⁵⁾ Diluted: 1.15% ⁽⁶⁾

⁽¹⁾ Comprised of: (i) 255,000 Shares held directly, (ii) 600,000 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, 50,000 are exercisable at a price of \$0.14 per Share until June 11, 2023 and 400,000 are exercisable at a price of \$0.50 per Share until March 3, 2026, and (iii) 25,000 Warrants held directly, each of which is exercisable into one Share at a price of \$0.39 per Share until January 21, 2024.

⁽²⁾ Based on 74,312,523 Shares outstanding prior to the completion of the Offering.

- (3) Based on 74,937,523 Shares outstanding on a partially diluted-basis prior to the completion of the Offering comprised of: (i) 74,312,523 Shares outstanding prior to the completion of the Offering; (ii) 600,000 Shares that may be issuable on exercise of options held directly and 25,000 Shares that may be issuable on exercise of warrants held directly.
- (4) Comprised of: (i) 263,500 Shares held directly, (ii) 4,250 Warrants held directly, each of which is exercisable into one Share at a price of \$0.85 per Share until August 25, 2024 and (iii) all of the convertible securities set out in footnote (1) above.
- (5) Based on 77,034,646 Shares outstanding following the completion of the Offering.
- (6) Based on 77,663,896 Shares outstanding on a partially diluted-basis following the completion of the Offering, comprised of: (i) 77,034,646 Shares outstanding following the completion of the Offering, (ii) 600,000 Shares that may be issuable on exercise of options held directly and (iii) Shares that may be issuable on exercise of 29,250 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, 2022. 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 Offering is 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 Offering, 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 Offering as the Company was not aware of all details of the insider participation in the Offering 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, 2022