

**CARUBE COPPER CORP.
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Three and Nine Month Periods Ended May 31, 2020
(Information as at July 28, 2020 unless otherwise noted)**

INTRODUCTION

The following provides management’s discussion and analysis of results of operations and financial condition for the three and nine month periods ended May 31, 2020 and 2019. Management’s discussion and analysis (“MD&A”) was prepared by Carube Copper Corp. management and approved by the Board of Directors on July 28, 2020.

On June 18, 2015, Miocene Resources Limited (“Miocene”), now renamed Carube Copper Corp. (referred to herein collectively with its subsidiaries as “Carube” or the “Company”), completed a reverse takeover with Carube Resources Inc. (“CRI”). On July 7, 2015, the Company commenced trading on the TSX Venture Exchange (“TSX-V”) under the ticker symbol CUC.

On February 26, 2020, the Company completed the acquisition of all of the issued and outstanding shares of Latin America Resource Group Limited (“LARG”) a private Canadian company located in Toronto, Ontario. LARG has a 100% wholly-owned Peruvian subsidiary named KA Oro S.A.C. (“KAO”) which holds a 100% beneficial interest in eight exploration concessions and has option agreements to earn a majority interest in five additional concessions. These 13 concessions comprise the Jasperoide copper-gold project, located in the Andahuaylas-Yauri belt of Peru.

The consolidated financial statements include all of the assets, liabilities and expenses of Carube Copper Corp. and its wholly-owned subsidiaries, Carube Resources Inc., Carube Resources Jamaica Limited (“CRJL”), Rodinia Jamaica Limited (“RJL”), Latin America Resource Group Limited, and KA Oro S.A.C.

This MD&A should be read in conjunction with the Company’s condensed consolidated interim financial statements for the periods ended May 31, 2020 and 2019 which are prepared in accordance with International Financial Reporting Standards (“IFRS”). The following discussion and analysis should also be read in conjunction with the Company’s consolidated annual financial statements for the years ended August 31, 2019 and 2018, which are prepared in accordance with IFRS for annual financial statements. All figures are presented in Canadian dollars unless otherwise indicated.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document may contain or refer to certain forward-looking statements relating but not limited to the Company’s expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as “anticipate”, “believe”, “expect”, “goal”, “plan”, “intend”, “estimate”, “may” and “will” or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations

in commodity prices, delays in the development of projects, the failure to obtain sufficient funding for operating, capital and exploration requirements and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Carube undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

NATURE OF OPERATIONS AND DESCRIPTION OF BUSINESS

Carube is an exploration stage junior mining company engaged in the identification, acquisition, evaluation and exploration of mineral properties focused on Peru and Jamaica as well as British Columbia and Nova Scotia in Canada. The Company has not determined whether its properties contain mineral resources that are economically recoverable. The recoverability of amounts recorded for mineral exploration properties and deferred exploration expenditures is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

Peru

On February 26, 2020, the Company completed the acquisition of a 100% interest in LARG. LARG's subsidiary KAO holds a 100% beneficial interest in eight exploration concessions and has two option agreements to earn a majority interest in five additional concessions. These 13 concessions comprise the Jasperoide copper-gold project, located in the Andahuaylas-Yauri belt of Peru. The Jasperoide project concessions cover a total area of 5,696 hectares.

Jamaica

The Company's Jamaican properties are prospective for copper and gold. In Jamaica, the Company currently has 100% ownership of five licences covering 207 square kilometres in area. During August 2019, the Company concluded the sale of six non-core Jamaican licences to Geophysx Jamaica Ltd. (“Geophysx”).

The most advanced property is the Bellas Gate Project (“BGP”) which is comprised of the Bellas Gate and Browns Hall Special Exclusive Prospecting Licences (“SEPLs” or the “licences”). It covers 84 square kilometres of highly prospective, deformed, altered and mineralized Cretaceous rocks, primarily volcanic rocks that have been intruded by younger igneous rocks within Jamaica’s Central Inlier.

The Company also holds a 100% interest in two of the Rodinia Jamaica licences known as Main Ridge and Hungry Gully within the Cretaceous Inliers of east-central Jamaica. Additionally, the Company holds a 100% interest in the Arthur’s Seat licence also located in the Central Inlier.

Recent exploration in Jamaica has focused on the Main Ridge project with mapping and prospecting, a grid-based soil sampling program and follow-up rock channel sampling over the eastern area of the Main Ridge project.

Nova Scotia

During April, 2019, the Company acquired, through staking, a 100% interest in 300 mineral claims comprising the Stewart Brook Gold (“SBG”) project area covering over 46 sq. km. in Guysborough County, Nova Scotia.

British Columbia

The Rogers Creek and Mackenzie properties located in British Columbia, Canada are prospective for copper, gold and molybdenum. Together these properties consist of a total of 32 claims and cover 303 sq. km. in area.

During May 2018, the Company entered into an option earn-in agreement with Tocvan Ventures Corp. (“Tocvan”) who has a right to earn an 80% interest in the Rogers Creek project by spending \$1,900,000 on exploration; payment of \$25,000 cash; and the issuance of 1,300,000 Tocvan common shares over the initial four year earn-in period. Initial payments of \$25,000 cash and 500,000 common shares were received during March 2019. Subsequent to quarter end, during June 2020, the Company received an additional 200,000 common shares.

Details with respect to the Company’s property interests and exploration programs are described in the section *Overall Performance and Results of Operations*.

RECENT ACTIVITY HIGHLIGHTS

On June 24, 2020, the Company announced it has received approval from the Peruvian government to resume non-drilling exploration activities at the high-priority Jasperoide copper-gold project in Peru. Field based activities at Jasperoide were put on hold in March and all Carube personnel have been working from home in order to help protect the health of our employees and the communities in which we operate, a decision that aligns with the Canadian, Peruvian, and Jamaican governments' responses to COVID-19. The Company continues to closely monitor events relating to the COVID-19 situation and revise its plans as required.

While field activities have been suspended, the Company undertook a comprehensive review all historical data for the Jasperoide Peru project including drill core and logs, developed a 3D geologic block model for the deposit, completed design of the 2020-21 drill program and made all preparations for exploration programs to re-commence.

On February 28, 2020, the Company held its annual general and special meeting of shareholders in Toronto, Ontario. All the matters submitted to the shareholders were approved by approximately 94 percent of the votes cast at the meeting. The resolution to change the Company’s name to C3 Metals Inc. was approved. The Company intends to implement the name change and a corporate rebranding during August 2020.

On February 26, 2020, the Company completed the acquisition of all of the issued and outstanding shares of LARG. LARG’s Peruvian subsidiary KAO holds a 100% beneficial interest in eight exploration concessions and has two option agreements to earn a majority interest in five additional concessions. These 13 concessions comprise the Jasperoide copper-gold project, located in the Andahuaylas-Yauri belt of Peru

In accordance with the terms of the share purchase agreement, each LARG shareholder received 3.1 common shares of the Company (the “Exchange Ratio”) for each common share of LARG held, resulting in the issuance of a total of 104,025,001 common shares of the Company. All outstanding LARG stock options were exchanged for Company stock options at the Exchange Ratio, resulting in the issuance of 14,070,000 stock options exercisable at \$0.05 per share and expiring on December 7, 2024. The Company also issued 1,400,000 common shares to a finder for this acquisition.

As part of this acquisition, LARG was granted a right to nominate one director to the Company’s Board. Ms. Kimberly Ann Arntson was nominated as a director by LARG. This nomination was approved by Company shareholders at the annual meeting held on February 28, 2020.

On January 17, 2020, the Company closed a non-brokered private placement financing with the issuance of 50,100,000 common shares at a price of \$0.05 per common share raising gross proceeds of \$2,505,000.

During September 2019, the Company completed a non-brokered private placement financing raising total gross proceeds of \$260,000 with the issuance of 5,200,000 units. Each unit was comprised of one common share of the Company and one common share purchase warrant. Each warrant is exercisable at \$0.08 per share until their expiry date on September 4, 2022.

SELECTED INTERIM INFORMATION

The following tables contain selected interim financial information for the three and nine month periods ended May 31, 2020 and 2019.

	Three month period ended		Nine month period ended	
	May 31, 2020 \$	May 31, 2019 \$	May 31, 2020 \$	May 31, 2019 \$
Revenue	Nil	Nil	Nil	Nil
Total expenses	(172,809)	(392,715)	(742,880)	(981,643)
Other income	111	1,669	57,839	7,400
Net loss for the period	(172,698)	(391,046)	(685,041)	(974,243)
Basic and diluted loss per common share	(0.00)	(0.00)	(0.00)	(0.01)
Cash dividends per common share	Nil	Nil	Nil	Nil

For the three month period ended May 31, 2020, total expenses before interest income, gain on marketable securities and foreign exchange loss were \$172,809 and were comprised of: \$16,975 related to promotion and investor relations; \$11,890 related to regulatory authority and transfer agent fees; \$31,953 with respect to professional fees for legal and audit services; \$101,733 with respect to office, general and administrative costs; \$3,060 with respect to project generation and evaluation; and, \$7,198 with respect to share based compensation relating to stock options.

Total expenses (before other income) were \$219,906 lower during the third quarter of fiscal 2020 when compared to the same quarter of fiscal 2019. Promotion and investor relations costs were lower by \$4,075. Costs related to promotional campaigns related to the Company’s on-line profile and investor awareness were reduced; additionally, promotional costs related to travel and accommodation were lower. Regulatory and transfer agent fees were \$5,691 higher. Professional fees were higher by \$12,382 related to higher legal fees associated with the acquisition of LARG. Office, general and administrative costs were higher

by \$6,725 primarily relating to the integration of LARG following the acquisition. Project generation and evaluation costs were \$92,646 lower during the quarter due to the decrease in executive management and technical time, lower consulting costs and lower travel costs related to new project evaluation following the completion of the LARG acquisition. Share based compensation expense was lower by \$147,983 relating to lower non-cash charges for stock options.

For the nine month period ended May 31, 2020, total expenses (before other income) were \$238,763 lower when compared to the same period during fiscal 2019. This decrease related primarily to lower promotion costs of \$37,963 and lower share based compensation costs of \$192,916 which were offset by increased professional fees of \$49,619 primarily for legal services related to the LARG acquisition.

Other income during the three month period ended May 31, 2020 totaled a net amount of \$111 (Q3 fiscal 2019 - \$1,669). During the quarter interest revenue was \$3,385 and an unrealized gain on the Tocvan marketable securities of \$25,000 was recorded. This income was largely offset by foreign exchange losses on US dollar denominated accounts payable of \$28,274. Other income during the nine month period ended May 31, 2020 totaled a net amount of \$57,839 and included a gain on the Tocvan marketable securities of \$80,000 offset by foreign exchange losses of \$28,881.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Mineral Exploration Properties and Deferred Exploration Expenditures

Jasperoide Project, Peru

Overview

On February 26, 2020, the Company completed the acquisition of a 100% interest in LARG. LARG's subsidiary KAO holds a 100% beneficial interest in eight exploration concessions and has two option agreements to earn a majority interest in five additional concessions. These 13 concessions comprise the Jasperoide copper-gold project, located in the Andahuaylas-Yauri belt of Peru. The Jasperoide project concessions cover a total area of 5,696 hectares. For the five concessions under option agreements, the Company must incur a total of US\$5 million in exploration (approx. US\$1.9 million incurred to date) and provide a balance of US\$1,890,000 in cash option payments as detailed below.

The Jasperoide copper-gold project, which is located in the highly prospective Andahuaylas-Yauri belt of Peru, host to several large producing copper-gold-molybdenum deposits and mines owned by major companies, including Las Bambas (Minmetals Group), Antapaccay (Glencore) and Constancia (Hudbay). The Jasperoide project hosts a number of copper-gold skarn and porphyry targets at various stages of exploration, with drilling by previous explorers intersecting intervals of copper-gold mineralization. The Company's due diligence has also identified the potential for porphyry-style copper-gold mineralization.

La Bruja Option Agreement

Two concessions are subject to an option agreement with Inversiones La Bruja S.A.C. ("La Bruja"), where the Company can earn a 100% interest in the equity shares of La Bruja subject to minimum exploration expenditures of US\$2,000,000 and total cash option payments of US\$2,000,000. As at May 31, 2020, cash option payments totalling US\$110,000 had been provided with a balance of US\$1,890,000 outstanding. During June 2020, amending agreements to adjust the timing of cash option payments and exploration expenditure requirements were concluded. Future anniversary payments due by August 31 each year are as follows: 2020 – US\$70,000; 2021 – US\$320,000; 2022 – US\$500,000; and, 2023 – US\$1,000,000.

As at May 31, 2020, a total of US\$219,320 of exploration expenditures had been incurred with a balance of US\$1,780,680 remaining to be incurred by August 31, 2023. Of that total, cumulative exploration expenditures of US\$500,000 are required by August 31, 2021. Following the earn-in of a 100% interest in the concessions a net smelter return ("NSR") royalty of 1.5% would be payable to the former shareholders of La Bruja.

Ares Option Agreement

Three concessions are subject to an option agreement with Compania Minera Ares S.A.C. ("Ares") where the Company has the right to earn an initial 51% interest in these concessions subject to incurring exploration expenditures of US\$5,000,000, including certain administrative costs, by October 2023. As of May 31, 2020, a total of US\$1,900,940 in expenditures had been incurred with an outstanding balance of US\$3,099,060 remaining. The La Bruja concessions are located within an area of interest defined in the option agreement such that exploration expenditures of \$219,320 incurred for the La Bruja concessions also qualify for the Ares earn-in.

Following the earn-in of a 51% interest in these mineral concessions, a new joint venture company is to be formed where the Company would hold an initial 51% equity interest and Ares would hold a 49% equity interest. Either party will then be required to co-fund their pro-rata share of ongoing exploration expenditures or would be subject to dilution. If either party were diluted to less than a 15% interest their interest would convert to a 1.5% NSR royalty with the other party then holding a 100% interest in the joint venture company. If the Company maintains greater than a 50% interest in the joint venture it would continue to be operator.

Jasperoide Project Property and Exploration Costs

The fair value of the common share and other consideration provided for the acquisition of LARG totaled \$7,205,150 and was allocated to the fair value of net identifiable assets acquired. This resulted in a value of \$7,540,390 being allocated to mineral exploration property assets for the Jasperoide project. From the time of acquisition to May 31, 2020, additional concession fees and related costs of \$17,904 were incurred. As at May 31, 2020, the carrying value of the Jasperoide mineral property costs was \$7,564,337.

During the period from acquisition to May 31, 2020, the Company incurred a total of \$98,755 with respect to Jasperoide project exploration costs. Primary components of total costs comprised \$65,204 relating to geology; \$24,832 related to drill program planning and related; and, \$8,382 relating to community and social development.

The Bellas Gate Project, Jamaica

Overview

The BGP is comprised of the Bellas Gate and Browns Hall SEPLs located within deformed, altered and mineralized Cretaceous rocks, primarily volcanics, within the Central Inlier of Jamaica. The licences are contiguous and cover 84 square kilometres in area. The Spaniards placer mined gold in the 16th century within the Central Inlier and high-grade copper veins were mined at two sites there in the mid-1800s. Subsequently, no significant exploration or development was undertaken until the 20th century when exploration was focused on copper. The BGP is subject to a 2% net smelter royalty (NSR) in favour of Clarendon Consolidated Minerals Ltd., the original vendor of the property. The Company's exploration programs at the BGP are focused on defining copper and gold porphyry resources.

OZ Minerals Term Sheet and Definitive Agreement

During May 2013, the Company entered into a term sheet with OZ Minerals, with a definitive joint venture agreement concluded during May 2015. Significant terms included that OZ Minerals was required to incur staged exploration expenditures of \$6.5 million and staged cash payments to the Company of \$475,000 over a maximum period of 3.5 years to earn a 70% interest in the BGP. After completing the expenditures to earn a 70% interest, in February 2016, OZ Minerals elected to earn a further 10% interest by financing all work to the end of a feasibility study. In September 2016, OZ Minerals, for corporate reasons, elected to withdraw from the Bellas Gate Joint Venture.

During September 2016, the Company announced it had finalized a purchase agreement with OZ Minerals to acquire a 100% interest in OZ Minerals' holdings in Jamaica which include the 70% interest that OZ Minerals had earned in the BGP in addition to other property licences OZ Minerals had acquired in Jamaica.

Bellas Gate Project Property Costs

As at May 31, 2020, the Company had a capitalized balance of \$1,735,794 (August 31, 2019 - \$1,732,373) with respect to property costs for the BGP. Licence renewal fees of \$203 were incurred by the Company during the nine month period ended May 31, 2020.

Bellas Gate Project Summary of Past Exploration Activity; 2011 to 2017

Year	Operator	Geophysics	Soil Sampling	Trenching	Drilling	Highlights
2011 and 2012	Carube Resources			800m	3,500m	Camel Hill: 170m of 0.32% Cu in drill hole CH12-01 and 207m of 0.27% Cu and 0.15 g/t Au in drill hole CH12-07
2013	Carube Resources		5,865 samples			15 new target areas defined by copper in soil anomalies including Provost, Hendley, MAB, Geo Hill and Coffee.
2014	OZ Minerals	1,867 line kms airborne mag and radiometrics.	1,887 samples		3,964m	Connors: 294m of 0.56% CuEq; including 96m of 1.00% CuEq, in drill hole DDH-CON-14-005
2015	OZ Minerals		1,095 samples		6,911m	Hendley: 261m @ 0.26% CuEq in drill hole HEN-15-003
2016	OZ Minerals	46 km of IP			728m	Provost: 339m of 0.34% CuEq, including 10m of 1.79% CuEq in drill hole PVT-16-002

2017	Carube Copper				1,900m	Provost: 340.1m of 0.09 g/t Au and 0.20% Cu or 0.25% CuEq including 55.0m of 0.27 g/t Au and 0.35% Cu or 0.51% CuEq in PVT-004
------	------------------	--	--	--	--------	--

Table 1: Summary of exploration activity from 2011 to 2017

Bellas Gate Project Exploration Expenditures

As at May 31, 2020, exploration expenditures incurred directly by the Company for the BGP have a total carrying value of \$4,420,060 (August 31, 2019 - \$4,416,175). These costs are comprised of the Company's direct exploration expenditures and exclude any exploration funded previously by OZ Minerals. Costs incurred by the Company during the nine month period ended May 31, 2020 total \$69,499 and related to geology of \$31,276; geochemical of \$345; drilling related costs of \$27,050; environmental costs of \$819; community and social development costs of \$9,322; and, health and safety costs of \$687.

Rodinia and Other Licences, Jamaica

The Company retains a 100% interest in three licences in Jamaica including the Main Ridge, Hungry Gully and Arthur's Seat licences. This is in addition to the Bellas Gate and Brown's Hall licences, comprising the BGP.

Acquisition of Rodinia Jamaica Limited

On March 31, 2012, the Company completed the acquisition of a 100% interest in Rodinia Jamaica Limited ("RJL") from Tigers Realm Metals Pty Limited ("TRM") and Rodinia Resources Pty Limited ("Rodinia"). RJL held a 100% interest in four Special Exploration Prospecting Licences ("SEPLs" or "Rodinia Licences"), which total 184 sq. km. in area and which are known as Belvedere, Hungry Gully, Main Ridge and Mount Royal. The Belvedere and Mount Royal SEPLs are contiguous and are considered one project area known as the Above Rocks Project. Rodinia retains a 2% NSR in respect of the four licences.

Other Jamaica Projects acquired from OZ Minerals

During September 2016, the Company announced it had finalized a heads of agreement with OZ Minerals to acquire a 100% interest in OZ Minerals' holdings in Jamaica which, in addition to the 70% interest that OZ Minerals had earned in the BGP, included five licences covering 276 square kilometres which OZ Minerals had acquired directly in 2014. In April 2017, Carube received the official transfer documents from the Jamaican Ministry of Transportation and Mines for these five additional SEPLs. The licences include Arthurs Seat, Windsor Castle, Berkshire Hall, Mount Ogle and Shirley Castle. All licences have previously had airborne geophysics, which includes magnetics and radiometrics, flown over them by OZ Minerals. OZ Minerals undertook reconnaissance work at the Mammee Hill prospect on the Shirley Castle licence, conducting reconnaissance mapping, rock chip sampling and ridge and spur soil sampling for 298 samples.

The Company's 100% interest in the five licences was subject to a single potential future payment to OZ Minerals of \$1.5 million within one year of commencement of commercial production on any of the five licences. Each of the licences were subject to a 2% NSR with a buyback of one-half of the NSR for \$500,000. During May 2019, the Company completed amendments to the agreement with OZ Minerals to: (i) waive the \$1.5 million payment within one year of commencement of commercial production if the

mineral product is less than 10,000 tonnes per annum; and, (ii) reduce the 2% NSR to a 1% NSR with a buyback of one-half for \$250,000 on any of the SEPLs.

Agreement for Sale of Six Jamaican Exploration Licences

On June 19, 2019, the Company announced an agreement with Geophysx Jamaica Ltd. (“Geophysx”), pursuant to which Geophysx has acquired six of the Company's SEPLs located in Jamaica including four of the SEPLs previously acquired from OZ Minerals and two of the Rodinia SEPLs. The SEPLs contain early-stage copper-gold exploration projects and include the Belvedere, Mount Royal, Mount Ogle, Berkshire Hall, Windsor Castle and Shirley Castle SEPLs.

Pursuant to this agreement, Geophysx acquired a 100% interest in each of the projects for total cash of \$277,605 (a payment of US\$5,000 upon execution of the initial letter of intent (received during May 2019); and, a payment of US\$205,000 from trust upon transfer of title of the SEPLs to Geophysx (received August 2019). The Company retains a NSR royalty of 1% on four of these SEPLs. Geophysx will have the right to buy down the first half of the NSR for US\$50,000 per each 0.1% of the NSR (total of US\$250,000) and the second half of the NSR for US\$70,000 per each 0.1% of the NSR (total of US\$350,000). Geophysx would make future cash payments to the Company at milestones following commencement of commercial production that could total US\$240,000.

Main Ridge and Hungry Gully Exploration Activity 2015 to Date

Soil geochemistry surveys were completed on the two licences during 2014 and 2015. At Main Ridge, a one-kilometre long segment in the southwestern part of the licence was characterized by anomalous copper values of 250 to 664 ppm copper and gold values of up to 33 ppb.

There are two highly prospective targets at Main Ridge, including:

- the Main Ridge Gold Zone (MRGZ) as defined by gold in soils, an airborne potassium anomaly and distinct structures extends over two kilometres to the west-northwest of the former Pennants gold mine.
- the Orange Hill Copper Prospect (OHCP) is located on the western part of Main Ridge and is characterized by a large magnetic feature coincident with the copper-gold in soil anomalies.

During 2018, additional mapping and sampling focused on the Main Ridge Gold Zone where results show gold mineralization associated with structural trends hosting quartz, carbonate and adularia veins. Gold mineralization is associated with the low angle northwest striking structure, along dilational jogs developed at the intersection of the low angle northwest structures and cross cutting steeply dipping northeast structures. The width of mapped low angle structures is variable, but locally up to 10 metres in apparent thickness. Results include: 19.3 g/t gold at Mango Valley, 12.0 g/t gold at Donkey Hill and 1.7 g/t gold at Silver Fish which are three newly identified showings within the MRGZ.

During October and November 2018, the Company announced additional positive results from its surface exploration program at the Main Ridge project. A grid-based soil sampling program extended the strike length of the coherent zone of strong gold in soils to 5,500 metres, parallel to the trend of the Bennet Gold Zone (BGZ). Results to date validate the exploration team's interpretation that the gold-bearing quartz-adularia-rhodochrosite veins extend northwest and southeast of the former Pennants gold mine. Mapping, sampling and trenching will continue west and east of the former Pennants mine, to define the structural controls on gold mineralization and define the source of high copper in soils within the project area.

During January 2019, the Company announced assay results from soil and rock sampling over the eastern area of the Main Ridge project. The mapping and prospecting, grid-based soil sampling program and follow-up rock channel sampling have identified high-grade copper-silver mineralization along the Rio Minho Valley, located immediately northeast of and parallel to the BGZ. Highlights of rock channel sampling results include:

- Channel sampling at the Cobre Verde prospect returned:
 - 16.0 metres at 1.22 percent copper plus 7.8 g/t silver;
 - Including 8.0 m at 1.61 percent copper plus 10.5 g/t silver;
 - Including 4.0 m at 2.21 percent copper plus 15.8 g/t silver;
- Channel sampling at the Lime Valley prospect returned:
 - 2.0 m at 6.07 percent copper plus 19.4 g/t silver;
 - 2.0 m at 1.92 percent copper plus 8.1 g/t silver;
- Channel sampling at the Trout Hall prospect returned:
 - 6.0 m at 2.0 percent copper, 6.0 m at 1.6 percent copper.

Rodinia and Other Licences Acquisition Costs

As at May 31, 2020, total property costs for the Rodinia and other licences have a carrying value of \$870,487 (August 31, 2019 - \$867,130). Licence renewal fees were \$257 during the nine month period ended May 31, 2020.

Rodinia and Other Licences Exploration Expenditures

As at May 31, 2020, the carrying value of exploration costs for the Rodinia and Other Licences totals \$645,282 (August 31, 2019 - \$612,740). During the nine month period ended May 31, 2020, the Company incurred total costs of \$38,787 primarily related to work at Main Ridge. This was comprised of geology costs of \$34,553; geochemical costs of \$926; drilling and related costs of \$158; environmental costs of \$819; and, community and social development costs of \$2,331.

Stewart Brook Gold, Nova Scotia, Canada

During April, 2019, the Company acquired, through staking, a 100% interest in 300 mineral claims covering the Stewart Brook Gold (“SBG”) project area comprising over 46 sq. km. in Guysborough County, Nova Scotia. The SBG project area was staked because it shows district-scale exploration potential for saddle reef and vein-style gold mineralization. Property highlights include:

- Located along strike of Atlantic Gold's Cochrane Hill deposit;
- Large gold-in-till anomaly defined, measuring 8,000 metres by 4,000 metres;
- Three historical gold districts located within five kilometres;
- Mapped anticline and synclines with cross-cutting faults; and,
- Excellent infrastructure, access and investor-friendly jurisdiction.

During May 2019, the Company commenced a till sampling program at SBG. The results of this initial exploration program were announced on July 18, 2019. Highlights of these results include: (i) anomalous gold values in 13 of the 22 samples collected; (ii) confirmation of the 8,000-metre by 4,000-metre gold-in-till anomaly defined by historic work conducted in the 1980s with up to 222 ppb Au in till; (iii) sampling to the south and west identified a new 1,240 ppb Au in till anomalous sample; and (iv) completed north-to-south till sample lines for gold grain analysis and determined potential travel distance.

The historic till and soil geochemical surveys over the SBG area was undertaken by Seabright Resources Inc. in the late 1980's, which defined an 8,000m by 4,000m gold in till anomaly. Seabright's till sampling program was very successful in defining highly anomalous gold in the Stewart Brook area. Of the 169 historic samples taken in the vicinity of the Stewart Brook Gold project, gold in till values ranged from nil to 7,000 ppb Au, with a mean value of 195.6 ppb Au and a median value of 7 ppb Au. These historic results have now been verified by the Company's recent till sampling program, which yielded 13 till samples with visible gold that assayed from 4 to 222 calculated ppb Au in Heavy Mineral Concentrate (HMC).

A new gold in till anomaly was also identified in a single isolated sample (with no samples within one kilometre) along the southwestern border of the SBG project. The lone till sample returned 1,240 calculated ppb gold and was collected less than a kilometre east-northeast from the Country Harbour Gold District. Anticline and syncline structures mapped to the west of Country Harbour are interpreted to extend onto the SBG project area based on the early mapping work of geologist E.R. Faribault.

In total, 22 till samples were extracted, inspected and analyzed. Till samples were sent to Overburden Drilling Management located in Ottawa, Ontario, where gold grains were separated from the heavy mineral concentrates and counted, measured and classified. Till data provided important information regarding potential distance of glacial transport, and more importantly proximity to bedrock.

During the year ended August 31, 2019, the Company incurred initial claim staking costs of \$2,602 for SBG and incurred exploration expenditures of \$28,971, comprised of \$18,951 for geology and \$10,020 for geochemical work. During the nine month period ended May 31, 2020, additional geology costs of \$6,045 were incurred. As at May 31, 2020, the carrying value of exploration costs totals \$35,016.

The next phases of exploration work will focus on the "up-ice" priority areas and will include ground geophysics, prospecting and mapping, and drilling, if warranted. Expansion and refinement of the gold target will occur as new results and interpretations are completed.

British Columbia, Canada Properties – Rogers Creek and Mackenzie

The Rogers Creek, Mackenzie and Salal Projects were acquired with the reverse takeover of Miocene. As at May 31, 2020 property costs total \$3,229,850 (August 31, 2019 - \$3,229,385). A total value of \$3,300,719 was allocated to the value of the Rogers Creek and Mackenzie properties in the RTO.

During March 2019, the Company received a cash payment of \$25,000 and a share payment valued at \$50,000 from Tocvan Ventures Corp. related to the option agreement for the Rogers Creek property (see below). These amounts were offset against prior project acquisition costs.

During the nine month period ended May 31, 2020, the Company incurred a total of \$11,425 in exploration costs for the Mackenzie project including geology costs of \$8,950 and geochemical costs of \$2,475.

Rogers Creek

The Rogers Creek copper-gold property is located in southwestern British Columbia, near the town of Pemberton. The property now consists of 23 mining claims covering 212 square kilometres. The property is currently 100% owned subject to an underlying 2.5% NSR, which is payable upon production, half of which could be purchased for \$1.25 million. The property is located in an easily accessible area with excellent infrastructure including a major power line, which crosses the western side of the property, and an extensive logging road network.

During May 2018, the Company entered into an option earn-in agreement with Tocvan Ventures Corp. who have a right to earn an 80% interest in the Rogers Creek project by spending \$1,900,000 on exploration; payment of \$25,000 cash; and the issuance of 1,300,000 Tocvan common shares over the initial four year earn-in period. Initial payments of \$25,000 cash and 500,000 common shares were received during March 2019 following the Canadian Securities Exchange's approval of Tocvan's going public transaction. Subsequent to quarter end, during June 2020, the company received the first anniversary payment of 200,000 common shares. Following the successful completion of the earn-in, an 80% / 20% joint venture will be formed where the Company would retain a 20% interest in the project subject to funding future pro-rata expenditures. A 3% NSR royalty is payable by Tocvan to the Company with advance royalty payments of \$50,000 per year after Tocvan has earned its 80% interest.

Tocvan is now operating exploration programs at the Rogers Creek property. During the 2019 field season a rock sampling program and induced polarization geophysical survey were completed. Due to COVID-19, a contemplated diamond drilling program is postponed until 2021.

Four target areas within the Miocene age Rogers Creek Pluton have been identified on Rogers Creek, based on geophysics, geochemistry, and the presence of alteration and/or mineralization. Exploration work has identified a six by two kilometre area of widespread propylitic alteration, localized copper-gold mineralization and multi-element soil anomalies, including copper, gold and molybdenum.

Mackenzie

The Mackenzie copper-gold property is located in southwestern British Columbia, approximately 100 kilometres west of Lillooet, the nearest population centre, a railhead, source of high-tension power and major roads. Forest service access roads cross the northern and southern claim boundaries and link the property with the town of Gold Bridge, which is located about 40 kilometres to the east.

Mackenzie now consists of nine mining claims covering approximately 91 square kilometres. The British Columbia Government in response to COVID-19, has issued a blanket Time Extension Order for all claims. For the Mackenzie project, assessment work is due before December 31, 2021.

Four of the nine claims that make up the Mackenzie Project are subject to a 2% NSR in favour of the original vendor of the claims. This royalty does not extend to the western half of the Mackenzie property that includes the Bornite Trend where narrow quartz-chalcopyrite-bornite veins were found over a broad area. The Company has the right to buy-back 62.5% of the NSR for the purchase price of \$1,000,000 (adjusted for CPI) with an additional right of first refusal for the remaining 37.5% of the NSR should the original vendor decide to sell all or any part of his interest in the NSR. Additionally, a 1.75% NSR royalty on the Mackenzie property was granted to Wallbridge Mining Company Ltd. ("Wallbridge") in connection with Miocene's prior line of credit arrangements with Wallbridge. The Wallbridge NSR can be repurchased for \$1,750,000.

During August 2019, the Company announced that it had completed a mapping and sampling program at the Mackenzie Project. Previous work has identified three copper-bearing trends across the 91 sq. km. project area. The 2019 exploration program focused on two of the areas, namely the Bornite trend and the Breccia trend prospects. At the Breccia trend, broad zones of gossanous and silicified rock have been identified over a 1,200-metre by 600 m area; copper staining was observed in multiple outcrops; and, host rock is a breccia cut by sheeted and quartz stockwork veins. At the Bornite trend, bornite and chalcopyrite mineralization is hosted by planar and quartz stockwork veins and vein-style mineralization has been defined along a 7.5 km strike length.

From 2012 to 2015, work included mapping and sampling at the Tillworth Trend, Bornite Trend and the Breccia Trend. At the Bornite Trend, copper values ranged up to a maximum of 4.34% Cu with Au ranged from 0.001 to 0.445 g/t; and Ag from 3.34 to 4,170 g/t. Mineralization is located approximately ten kilometres south of Amarc Resource's IKE deposit.

During September 2015, a high resolution airborne magnetic and radiometric survey, which covered a 57 square kilometre area and included the Bornite Trend, was completed on the Mackenzie Project.

Several important characteristics of the area are revealed from interpretation of the airborne magnetic and radiometric data:

- Elevated values in the potassium radiometrics suggesting a potassic alteration zone associated with porphyry mineralization occurs over an area at least 6km long by 3km at its widest point within and parallel to the contact of the Bridge River Pluton.
- A large magnetic body — about 2,000m long by 500m wide and 150m below surface — lies directly beneath high copper values on surface in grab samples. Previous mapping and sampling indicate a strong association between copper mineralization and magnetite.
- Interpreted structural zones coincide well with surface exposures of mineralization that parallel the Bridge River Pluton contact. Cross structures also show magnetic enhancement and correlation with copper in grab samples.

In September 2016, a sampling program was focussed on the higher magnetic zones identified at the Bornite Trend. These sample results indicate three zones of anomalous copper in soil along the edge of the potassic altered intrusive.

Salal

The Salal molybdenum-rhenium-silver property is located about 150 kilometres due north of Vancouver, 65 km northwest of Pemberton and 100 km west of Lillooet and was comprised of 34 claims covering 124 square kilometres. Prior assessment work was filed to hold the claims until August 1, 2019. The Company did not plan further exploration work at Salal and the project claims were allowed to lapse in August 2019.

All technical information within this document has been reviewed and approved by Shannon Baird, P. Geo. the Company's exploration manager in his capacity as a qualified person as defined under National Instrument 43-101.

Results of Operations

Expenses

For the three month period ended May 31, 2020, total expenses (before other income) were \$172,809 (Q3 fiscal 2020 - \$392,715). Total expenses (before other income) were \$219,906 lower during the third quarter of fiscal 2020 when compared to the same quarter of fiscal 2019. Promotion and investor relations costs were lower by \$4,075. Costs related to promotional campaigns related to the Company's on-line profile and investor awareness were reduced; additionally, promotional costs related to travel and accommodation were lower. Regulatory and transfer agent fees were \$5,691 higher. Professional fees were higher by \$12,382 related to higher legal fees associated with the acquisition of LARG. Office, general and administrative costs were higher by \$6,725 primarily relating to the integration of LARG following the acquisition. Project generation and evaluation costs were \$92,646 lower during the quarter due to the decrease in executive management and technical time, lower consulting costs and lower travel costs related

to new project evaluation following the completion of the LARG acquisition. Share based compensation expense was lower by \$147,983 relating to lower non-cash charges for stock options.

For the six month period ended May 31, 2020, total expenses (before other income) were \$742,880 (fiscal 2020 - \$981,643). For the nine month period ended May 31, 2020, total expenses (before other income) were \$238,763 lower when compared to the same period during fiscal 2019. This decrease related primarily to lower promotion costs of \$37,963 and lower share based compensation costs of \$192,916 which were offset by increased professional fees of \$49,619 primarily for legal services related to the LARG acquisition.

Other Income and Expense

Other income during the three month period ended May 31, 2020 totaled a net amount of \$111 (Q3 fiscal 2019 - \$1,669). Interest income of \$3,385 and a gain on the Tocvan marketable securities held of \$25,000 was largely offset by foreign exchange losses on US dollar denominated liabilities. Other income during the nine month period ended May 31, 2020 totaled a net amount of \$57,839 and included a gain on the Tocvan marketable securities of \$80,000 which was partially offset by foreign exchange losses on US dollar denominated liabilities.

Net Loss and Loss per Common Share

For the three month period ended May 31, 2020, net loss was \$172,698 (Q3 fiscal 2019 - \$391,046). Basic and diluted loss per common share was \$0.00 (Q3 fiscal 2019 - \$0.00). For the nine month period ended May 31, 2020, net loss was \$685,041 (fiscal 2019 - \$974,243). Basic and diluted loss per common share was \$0.00 (fiscal 2019 - \$0.01). As the Company incurred a net loss for each of these periods, the diluted number of common shares outstanding excludes all contingently issuable shares as they have an anti-dilutive effect for the periods presented.

Other Comprehensive Income (Loss)

Upon consolidation, the financial statements of the Jamaican subsidiaries (CRJL and RJL) and Peruvian subsidiary (KAO) are translated into Canadian dollars as follows: assets and liabilities - at the closing rate at the date of the statement of financial position, and income and expenses - at the average rate for the period. All resulting foreign exchange translation adjustments are recognized in other comprehensive income (loss). During the nine month period ended May 31, 2020 a foreign currency translation loss of \$64,297 (fiscal 2019 – gain of \$144,432) was recorded in other comprehensive income (loss).

LIQUIDITY AND CAPITAL RESOURCES

As at May 31, 2020, the Company held cash and cash equivalents of \$1,400,131 (August 31, 2019 – \$109,863) and had working capital of \$1,273,438 (August 31, 2019 – \$96,642). The Company has financed its operations primarily with equity financing.

On January 17, 2020, the Company closed a private placement financing with the issuance of 50,100,000 common shares at a price of \$0.05 per common share raising gross proceeds of \$2,505,000. In connection with this financing, the Company paid cash commissions of \$49,860 and issued 997,200 finder's warrants. Each finder's warrant entitles the holder to purchase a common share at a price of \$0.05 per share until their expiry date on January 18, 2022.

During September 2019, the Company completed a private placement financing raising total gross proceeds of \$260,000 with the issuance of 5,200,000 units. Each unit was comprised of one common share of the

Company and one common share purchase warrant. Each warrant is exercisable at \$0.08 per share until their expiry date on September 4, 2022.

The Company will require additional funding to be able to acquire, advance and retain mineral exploration property interests and to meet ongoing requirements for general operations. The ability of the Company to continue as a going concern is dependent on its ability to raise required financing whether through equity or debt financing; through joint ventures; the generation of profits from operations; or, the sale of property assets in the future.

The Company continues to seek joint venture funding for its exploration projects and has ongoing discussions with a number of companies.

Financing activity during fiscal 2019

Under the terms of the Geophysx sale agreement for six non-core SEPLs in Jamaica, the Company received cash proceeds of \$277,605 (US\$210,000) during August 2019.

Contractual Obligations

The Company does not have any fixed contractual obligations or commitments for capital or operating leases, purchase obligations or other long-term commitments. Any commitments under exploration option agreements are cancellable at the Company’s option but would result in forfeiture of rights under such agreements.

OUTSTANDING SHARE DATA

Information with respect to outstanding common shares, warrants, compensation options, compensation option warrants, stock options, restricted share units and deferred share units as at July 28, 2020, May 31, 2020 and August 31, 2019 is as follows:

	July 28, 2020	May 31, 2020	August 31, 2019
Common shares	331,531,930	331,531,930	170,806,929
Warrants	29,229,750	29,229,750	25,775,000
Compensation options	997,200	997,200	2,035,500
Compensation option warrants	-	-	1,017,750
Stock options	29,205,000	29,205,000	15,135,000
Restricted share units (RSUs)	-	-	-
Deferred share units (DSUs)	1,551,694	1,551,694	1,551,694
Fully diluted shares outstanding	392,515,573	392,515,574	216,321,873

During January 2020, a private placement was closed resulting in the issue of 50,100,000 common shares and 997,200 compensation options. During September 2019, a private placement was closed resulting in

the issue of 5,200,000 common shares and warrants. On February 26, 2020, the Company issued a total of 105,425,001 common shares and 14,070,000 stock options in connection with the LARG acquisition.

During February 2020, a total of 970,250 warrants expired. During May 2020, a total of 775,000 warrants expired. During March 2020, a total of 2,035,500 compensation options and 1,017,750 underlying compensation option warrants expired.

On March 16, 2020, the Company announced that it would extend the expiry date of a total of 24,029,750 warrants that were to expire during March 2020, by a one-year period.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, restricted deposits, marketable securities, accounts payable and accrued liabilities. Details relating to financial instruments and risk management associated with credit risk, liquidity risk, currency risk and interest rate risk are disclosed in note 14 to the annual consolidated financial statements for the years ended August 31, 2019 and 2018.

PROPOSED TRANSACTIONS

The Company periodically reviews potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. The Company continues to evaluate such opportunities.

RELATED PARTY TRANSACTIONS AND COMPENSATION OF KEY MANAGEMENT

The Company has contracts for management and geological services with its officers, directors and companies controlled by its officers and directors. Key management includes all persons named or performing the duties of Chief Executive Officer and President, Chief Financial Officer, Vice President, Business Development and Director. Compensation awarded to key management for the three and nine month periods ended May 31, 2020 and 2019 is set out in the note 10 to the unaudited interim condensed consolidated financial statements.

The Company has management service agreements with each of its President and Chief Executive Officer, Vice President, Business Development and Chief Financial Officer which provide for a payment upon termination without cause. These payments are equivalent to 3 months' compensation for each of these individuals. The service agreements also provide that under certain conditions, including a change in control of the Company, that each of these individuals would be entitled to a lump sum payment equivalent to 6 months' compensation irrespective of whether their services were retained subsequent to the change in control.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures in the notes thereto. These estimates and assumptions are based on management's best knowledge of current events and actions that the Company may undertake in the future. Actual results may differ from those estimates. The most significant items requiring the use of management estimates and valuation assumptions are related to the recoverable value of mineral exploration properties and deferred exploration expenditures; the valuation of equity instruments including warrants, compensation options and stock options; and, the ability of the Company to continue as a going concern.

Details with respect to critical accounting estimates, judgments and estimation uncertainties are disclosed in note 3 to the annual consolidated financial statements for the years ended August 31, 2019 and 2018.

NEW ACCOUNTING STANDARDS

New and revised accounting standards, the timing of their adoption and the impact of these new standards on the Company's financial statements is discussed in note 3 to the unaudited interim condensed consolidated financial statements for the three and nine month periods ended May 31, 2020 and 2019.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Investment in the natural resource industry in general, and the exploration and development sector in particular, involves a great deal of risk and uncertainty. Current and potential investors should give special consideration to the risk factors involved. These factors are discussed more fully in the annual Management's Discussion and Analysis dated December 5, 2019 which is filed on SEDAR. In addition to those risk factors, the Company highlights the following.

Global outbreak of COVID-19

During March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by most governments internationally, including the Canadian, provincial and municipal governments, regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown to what extent the impact of the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, this outbreak may both the Company's ability to conduct exploration activities in the jurisdictions that it operates in and its ability to raise financing for exploration or operating costs due to uncertain capital markets, supply chain disruptions, increased government regulations and other unanticipated factors, all of which may also negatively impact the Company's business and financial condition.

CORPORATE INFORMATION

Officers and Directors

Stephen Hughes, B.Sc. (Hons.), APGNS (P. Geo.), MAIG, FSEG – Chief Executive Officer and President and Director

Jeffrey Ackert, B.Sc. – Vice President, Business Development

John McNeice, B. Comm. (Hons.), CA, CPA – Chief Financial Officer

Chris Irwin, BA, LLB – Corporate Secretary

Antony Manini, B.Sc., FAusIMM, FSEG – Director and Chairman of the Board

Kimberly Ann Arntson – Director

Zimi Meka, B. Eng. (Mech) Hons, FAusIMM, MAICD, FIEAust – Director

Yale Simpson, BApSc. – Director

Alar Soever, B.Sc., P. Geo. – Director

Corporate Web-site

www.carubecopper.com

Corporate Office

133 Richmond Street West,

Suite 501

Toronto, ON M5H 2L3

Phone: (647) 953-5924

Independent Auditor

PricewaterhouseCoopers LLP, Ottawa, Canada

Corporate Legal Counsel

Irwin Lowy LLP, Toronto, Canada

Corporate Banker

The Bank of Nova Scotia, Ottawa, Canada and Kingston, Jamaica