COTEC HOLDINGS CORP.

(Formerly EastCoal Inc.)

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED – JUNE 30, 2022

INTRODUCTION

This Management Discussion and Analysis ("MD&A") of CoTec Holdings Corp (the "Company" or "CoTec") has been prepared by management as of August 24, 2022. Information herein is provided as of August 24, 2022, unless otherwise noted. The following discussion of performance, financial condition and outlook should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2021 and 2020 ("Financial Statements") and the notes thereto, prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and the unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2022 and 2021 ("Interim Financial Statements") and notes thereto prepared in accordance with IFRS applicable to interim financial reporting. These statements are filed with the relevant regulatory authorities in Canada. All amounts herein are expressed in Canadian dollars, unless otherwise indicated.

Additional information relevant to the Company's activities, including the Company's Annual Information Form dated July 20, 2022 ("Annual Information Form") can be found on SEDAR at www.sedar.com.

The information contained herein is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is a "Venture Issuer" as defined in NI 51-102. For more information on the Company, investors should review the Company's continuous disclosure filings that are available under the Company's profile at www.sedar.com.

Readers are cautioned that this MD&A contains forward-looking statements. All information, other than historical facts included herein, including, without limitation potential value of investments, availability of funding, results and future plans and objectives of CoTec is forward-looking information that involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate and future events and actual results could differ materially from those anticipated in the forward-looking information. Please refer to the Annual Information Form for further details regarding various risks and uncertainties facing the Company.

BUSINESS OVERVIEW

CoTec is a publicly traded investment issuer listed on the Toronto Venture Stock Exchange ("TSX-V") and trades under the symbol CTH.V. The Company is an ESG-focused company investing in innovative technologies that have the potential to fundamentally change the way metals and minerals can be extracted and processed for the purpose of applying those technologies to undervalued operating assets, as the Company seeks to transition into a mid-tier mineral resource producer.

CoTec is committed to supporting the transition to a lower carbon future for the extraction industry, a sector on the cusp of a green revolution as it embraces technology and innovation. The Company has made three investments to date and is focused on expanding its technology footprint whilst actively pursuing operating opportunities where current technology investments could be deployed.

HIGHLIGHTS, RECENT DEVELOPMENTS AND OUTLOOK

Highlights for the Quarter

Operational

- Year-to-date earnings of $1.9 million;
- Completed the Company's Change of Business on April 14, 2022 ("COB");
- Completed $6.27 million private placement through the issuance of an aggregate 11,390,593 subscription receipt units at 55c per unit on April 14, 2022;
- Completed a US$2 million investment in Binding Solutions Limited ("BSL") during April 2022;
- Acquired 15.8% equity interest in MagIron LLC ("MagIron") for US$2.12 million during May 2022;
- Signed a non-binding term-sheet with Mkango Resources Ltd ("Mkango") in relation to investments by CoTec into Mkango and Mkango's subsidiary, Maginito Limited ("Maginito"), and collaboration in downstream rare earth technologies between CoTec and Mkango/Maginito ("Transactions") for an exclusivity period of 4 months; and
- Invested £500 in an unsecured convertible note in Mkango.

Corporate

- Appointed Julian Treger as Chief Executive Officer and Braam Jonker as Chief Financial Officer and Corporate Secretary on completion of the COB;
- Appointed Margot Naudie as independent director on completion of the COB;
- Appointed Sharon Fay as independent director on June 20, 2022, replacing Braam Jonker, who vacated his Board position on that date. He continues to serve as Chief Financial Officer and Corporate Secretary of the Company; and
- Appointed PI Financial Corp.("PI") as market maker

Recent Developments and Outlook

The Company had a successful first quarter of operations following completion of its COB. On December 10, 2021, the Company announced a proposed change of business from mineral exploration to an investment issuer subject to the receipt of all necessary regulatory and shareholder approvals, including approval by the TSX-V. Approval was obtained on April 14, 2022, and the Company resumed trading on the TSX-V on April 19, 2022.

Private Placement

During the first quarter of the year, the Company issued 11,390,593 subscription receipts ("Subscription Receipts") pursuant to private placements at a price of $0.55 per Subscription Receipt (together the "Private Placement"). The Private Placement was completed in two tranches. Each Subscription Receipt entitled the holder, on completion of the Company's COB, to receive one Common Share in the equity of the Company and one warrant. Each warrant allows the holder to purchase one Common Share in the Company at a price of 75c per share until April 12, 2023. On Completion of the COB, the Company issued 11,390,593 Common Shares for gross proceeds of $6.27 million.

BSL

Contemporaneous with completion of the COB the Company completed a US$2 million equity investment in BSL at US$731.50 per share, which implies an equity value of US$70 million ("Initial BSL Investment"). The Company has the right to invest a further US$2m prior to October 13, 2022, at a valuation equal to an amount that is 20% less than any follow-on investment, capped at a US$130 million valuation. As part of its investment, the Company also obtained the right to exclusively apply the BSL technology in Canada, Austria, Netherlands and Germany to reclamation assets via one or more joint venture entities to be initially owned 50/50 by CoTec and BSL. The Company is actively pursuing application opportunities for the BSL technology in Canada and is in discussion with numerous parties.

Subsequent to the Initial BSL Investment, BSL received another equity investment of US$2 million at a pre-money valuation of US$130 million on a fully diluted basis, or US$1,101.25 per share from a large Japanese steel company on February 28, 2022. This subsequent equity raise supports a potentially significant uplift in the value of the Initial BSL Investment.

MagIron

On May 15, 2022 the Company entered into an agreement to acquire a 15.8% equity interest in MagIron for US$2.12 million. At the time of the investment, MagIron entered into a purchase agreement for the acquisition of a dormant iron ore concentrator known as Plant 4 based in Grand Rapids, Minnesota ("Plant 4") and 2,483 acres of land in the Itasca and St. Louis Counties, Minnesota that contains fine and coarse iron ore tailings. MagIron also entered into a lease of a further 1,700 acres of land which houses Plant 4 and facilitates access to additional iron ore fines and tailings. The purchase of Plant 4 and the related leases were all subsequently completed.

The waste material from the historical mining operations nearby Plant 4 can be used as feedstock for Plant 4 and could potentially support an estimated 15-year business plan. MagIron acquired the Plant 4 complex for a purchase price of US$4.5 million. MagIron also provided a royalty of US$2 per dry metric tonne of concentrate produced capped at US$15.5 million to settle the claims of certain lienholders over the property.

Subsequent to this investment, MagIron also acquired selected assets from the receivership estate of Prairie River Materials LLC. The assets are of strategic interest to the Plant 4 complex.

This acquisition allowed MagIron to consolidate the land package surrounding Plant 4, together with in-ground mineral rights, additional stockpiles of residual iron units and inventory of lump ore finished product. It also provides MagIron with exclusive control of the Jessie Load Out rail facility and surrounding infrastructure and various plant and equipment fixtures at PRM's two processing facilities.

The purchase consideration by MagIron for this acquisition comprised cash payments of US$2.6 million and the acceptance of debt of US$6.05 million. In order to fund the acquisition, MagIron issued a US$5 million secured convertible note. The note was issued at a pre-money valuation of US$30 million, representing an increase of approximately 130% from the CoTec investment.

Mkango

On May 29, 2022, the Company signed a non-binding term-sheet with Mkango for a four-month option to invest £2 million ($3.2 million) by CoTec into Mkango by way of a two-year, unsecured convertible note ("Mkango Note") with 5% interest, convertible into Mkango shares at 27p each. Concurrent with the Mkango Note, CoTec will also have the option to invest £1.5 million ($2.4 million) into Maginito ("Maginito Investment"), equating to a 10% equity stake in Maginito for the purposes of strategic investments in downstream rare earth technologies and working capital.

CoTec acquired a £500,000 ($781) note during June 2022 (the "Mkango Advance"), carrying largely the same terms as the Mkango Note. The Mkango Advance was completed as scheduled prior to the end of June, 2022 and will be credited towards any investment made pursuant to the Mkango Note.

As part of the Mkango Note and Maginito Investment, Mkango and CoTec intend to enter into a co-operation agreement regarding future investments in rare earth processing technology opportunities in the United States. This will provide CoTec with another opportunity to apply technology downstream in the production of resources.

Board and Management Changes

On completion of the COB, Julian Treger assumed the role of Chief Executive Officer, Braam Jonker assumed the role of Chief Financial Officer and Corporate Secretary and Margot Naudie joined the Board as a non-executive director.

On June 20, 2022, Braam Jonker vacated his Board position and Sharon Fay joined the Board as an independent director.

Looking forward, the Company expects to complete, subject to the availability of funding, the second tranche of the BSL investment as well as the Mkango and Maginito investments. The Company is also actively pursuing BSL application opportunities in the jurisdictions where it has exclusive application rights. The Company has also commenced investigating opportunities on the roll-out of rare-earth technologies in the United States.

(Expressed in Thousands of Canadian Dollars Unless Otherwise Stated)

RESULTS OF OPERATIONS

For the six months ended *($'000 unless otherwise stated)*	**Jun. 30, 2022**	**Jun. 30, 2021**
Income		
FV gain on equity securities	3,468	-
Expenses		
Professional consulting fees	(289)	-
General and administrative expenses	(544)	(20)
Stock-based compensation	(114)	-
Operating income for the period	**$ 2,521**	**$ (20)**

Revaluation of both BSL and MagIron equity investments resulted in a gain, together with related changes in foreign exchange, of $3.5 million which has been recorded in the statement of income as FVTPL. The Company invested US$2.12 million in MagIron which was revalued due to MagIron subsequently issuing a secured convertible note to an unrelated third party. The Company invested US$2 million in BSL at a US$70 million valuation, which was subsequently revalued to US$130 million on a fully diluted basis due to a subsequent fundraise completed by BSL.

Professional consulting fees were significantly higher during the period due to legal fees related to the COB, as well as fees related to interim reviews by the Company's auditors.

General and administrative expenses include salary costs for four employees of the Company, website and marketing development fees. The Company had no employees during the comparative period.

Stock-based compensation expense also increased year-over-year due to the stock options and equity incentive units granted and issued to the CEO and Board Chairman, as well as the former CEO and CFO. For further details, see *Section 6 Transactions with Related Parties* below.

No cash dividends have been declared or paid since the date of incorporation and the Company has no present intention of paying dividends on its common shares.

SUMMARY OF QUARTERLY RESULTS

Selected financial information for each of the eight most recently completed quarters are as follows:

$000's except per share	2022		2021				2020	
Amounts	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**
Income (loss) and comprehensive loss for the period	2,262	(350)	(240)	(348)	(16)	(4)	(0)	(9)
Net income (loss) per common share								
Basic	$0.07	($0.02)	($0.01)	($0.02)	($0.00)	($0.00)	($0.00)	($0.00)
Diluted	$0.06							

LIQUIDITY AND CAPITAL RESOURCES

The Company has experienced recurring losses and has accumulated a deficit of $99,370 as at June 30, 2022. For the six months ended June 30, 2022, the Company used cash in operating activities totalling $610. The Company had cash of $618 and a working capital deficit of $83 as at June 30, 2022. However, included in trade and other payables is $98 owed to a Director and an Officer as a result of expenses paid on behalf of the Company, whilst accrued liabilities include $250 owed to the CEO and the Chairman of the Board in relation to the Company's successfully transitioning to the TSX-V, and $220 relate to accrued salaries for the CEO and CFO. It is anticipated that all these amounts will only be repaid subsequent to the Company's next fundraising.

The Company's continued operation is dependent upon its ability to raise additional funding. Although the directors believe that the Company should be able to secure future fundraising as required, there are no assurances that the Company will be successful in achieving this goal. As a result, there are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern and realize its assets and discharge its liabilities in the normal course of business. The consolidated financial statements have been prepared on a going concern basis, which assumes the Company will realize on its assets and discharge its liabilities in the normal course of operations, and do not include adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

Once the COB was approved by the TSX-V on April 14, 2022, the Company issued an aggregate of 11,390,593 subscription receipts pursuant to the Private Placement for gross proceeds of $6,266.

TRANSACTION WITH RELATED PARTIES

All related party transactions were incurred in the normal course of operations and are recorded at the amount agreed upon by the related parties.

Compensation of Key Management

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company has identified the Chief Executive Officer and Chief Financial Officer as its key management personnel. The remuneration of key management is determined by the compensation committee of the

(Expressed in Thousands of Canadian Dollars Unless Otherwise Stated)

Board of Directors. The salary, consulting fees and other compensation of key management personnel were as follows for the six months ended June 30, 2022, and 2021:

($'000 unless otherwise stated)	**Jun. 30, 2022** **$**	**Jun. 30, 2021** **$**
Short-term salaries, fees and benefits	220	-
Share-based compensation	71	-
Total	**291**	**-**

Short-term salaries, fees and benefits comprise $220 accrued salaries for the CEO and CFO. A further $200 success-based fee to the CEO became payable on completion of the Company's COB. The full amount of $420 is included in accrued liabilities.

Other Related Party Transactions

As at June 30, 2022, a total of $98 was payable to a Director and an Officer for expenses paid on behalf of the Company which is included in trade and other payables. Included in this balance is $78 payable to an Officer and $20 payable to a Director and Officer of the Company. No agreed terms were stipulated for the $98 payable. $220 was accrued for salaries for both the CEO and CFO which is included in accrued liabilities.

On June 29, 2022, the Company entered into an unsecured loan agreement with Kings Chapel International Ltd. ("Kings Chapel") for an amount of GBP$500, or $781 ("Kings Chapel Loan"). The purpose of the Kings Chapel Loan was to fund the Mkango Loan. Kings Chapel is associated with the Company's CEO, Julian Treger. The Kings Chapel Loan bears interest of 5% per year compounded annually and shall be due and payable on the maturity date, June 29, 2024. This financial liability has been classified and measured at amortized cost. As at June 30, 2022, the loan had an unrealized $2 loss due to foreign exchange movements.

On August 11, 2021, 2,305,831 EIUs were granted to the CEO of the Company. Each EIU is equivalent in value to one common share of the Company, and will vest on the earlier of i) August 30, 2024, provided that the 30-day volume weighted average trading price ("VWAP") of the common shares as of that date on the principal stock exchange on which they are then traded is at least $0.50 per share (adjusted as required to give effect to any stock splits, consolidations or other reorganizations of the common shares after the date hereof), and ii) the date on which the Company completes a change of control (the "Vesting Date"), provided in either case that the Director becomes engaged with the Company as Executive Chair or CEO and remain so engaged as of the Vesting Date. If the EIUs vest in accordance with the aforementioned conditions, then no later than 10 days after the Vesting Date, the Company will deliver in respect of every Unit, at its discretion, either i) one common share or ii) a cash payment equal to the VWAP of the common shares on the primary stock exchange for the five trading days immediately preceding the Vesting Date. Given the current cash position of the Company, it is more likely at this stage that these EIUs will be settled with common shares and as such have been recorded as Equity-settled Share-Based Compensation. In order to measure the fair value of the EIUs awarded on August 11, 2021, management used Monte Carlo simulation to determine the expected range of ending share prices as at the Vesting Date. The proportion of prices which were above $0.50 were used as a probability factor which was applied to the Black Scholes model which was used to determine the fair value of the EIU as at the grant date of $76. The expense will be recognized during the vesting period. For the six months ended June 30, 2022, an expense in the amount of $12 has been recognized.

During April 2022, EIUs in the amount of 7% of the new common shares issued, or 797,342 EIUs, for the private placement in connection with the transition to the TSX-V, have been awarded to the CEO on the date the Company listed on the TSX-V. The agreement for the EIUs in the amount of 7% of the new common shares issued stipulate the same vesting conditions and settlement via cash payment as the EIUs awarded on August 11, 2021, however settlement via Common Shares will not be issued from Treasury but rather would be purchased by or on behalf of the Company over the facilities of the primary stock exchange on which the Common Shares are listed. Thus, these EIUs will be treated as a liability-classified award, with any changes in fair value to be reflected as share-based compensation expense. Furthermore, if at any time during the period from the day the Company is listed on the TSX-V until March 31, 2023, the Company issues additional common shares (or securities convertible into, or exchangeable for, common shares) pursuant to any financing transactions or as consideration for the acquisition of any assets or businesses, the Company will further award to the CEO on each closing date of such transactions, additional EIUs equal to 7% of common shares issued or issuable pursuant to such financing transaction or acquisition.

Following the listing of the Company on the TSX-V, the Company issued the Chairman EIUs equal to 1.75% of the number of Common Shares issued, or 199,335 EIUs, pursuant to the Financing. The EIUs will vest and be settled on the earlier of (i) September 30, 2024, provided that the 30-day volume weighted average trading price of the Common Shares as of that date on the principal stock exchange on which they are then traded is at least $0.50 and (ii) the date on which the Company completes a change of control transaction, provided in either case that the Chairman continues to be a member of the Board as of the vesting date. Subject to vesting, the Company will, no later than 10 days after the vesting date in respect of every Unit, deliver to the Chairman, in its discretion, either (i) one Common Share (which will not be issued from treasury but rather would be purchased by or on behalf of the Company over the facilities of the primary stock exchange on which the Common Shares are listed) or (ii) a cash payment equal to the volume weighted average closing price of the Common Shares on the primary stock exchange on which the Common Shares are then listed for the five trading days immediately preceding the vesting date or, if the Common Shares are not listed and posted for trading on any stock exchange, the fair market value of the Common Shares as determined by the board of directors of the Company in its sole discretion. These EIUs will be treated as a liability-classified award, with any changes in fair value to be reflected as share-based compensation expense.

The fair value of the 996,677 EIUs awarded to the CEO and Chairman was determined as $89 as at June 30, 2022. The fair value of the EIUs was calculated using Monte Carlo simulation and the Black-Scholes option pricing model. As at June 30, 2022, the fair value of the EIUs were calculated using the Black-Scholes option pricing model based on a risk-free annual interest rate of 3.09%, an expected life of 2.23 years, and expected volatility of approximately 104% based on historical volatility, and a dividend yield of nil. A probability factor of 17.8% was applied to the Black-Scholes calculation which was determined by using Monte Carlo simulation to estimate the proportion of stock prices as at the Vesting Date which were above the $0.50 threshold over 100,000 simulations as at June 30, 2022. For the six months ended June 30, 2022, $7 was recorded as a non-current liability and as share-based compensation expense for the vesting of these EIUs and any changes in fair value.

The Company granted the CEO options in the amount of 569,530 on the date on which the Company listed on the TSX-V so that, as of that date, he held options to purchase a total number of Common Shares equal to 5% of the Company's issued and outstanding Common Shares. The options have an exercise price of $0.55, being the closing price of the trading day following the date on which the shares were re-listed on the TSX-V, a term of 10 years and will be subject to vesting over three years, using a graded vesting approach applied for accounting purposes with 1/3 of each option grant vesting each year subject to their continued employment with or engagement by the Company.

The Company granted the Chairman options in the amount of 142,382 on the date on which the Company is listed on the TSX-V so that, as of that date, he held options to purchase a total number of Common Shares equal to 1.25% of the Company's issued and outstanding Common Shares. The options have an exercise price of $0.55, being the closing price of the trading day following the date on which the shares were re-listed on the TSX-V, a term of 10 years and will be subject to vesting over three years, using a graded vesting approach applied for accounting purposes with 1/3 of each option grant vesting each year subject to their continued employment with or engagement by the Company.

For the six months ended June 30, 2022, $115 was recorded as share-based compensation expense for the vesting of these stock options.

On April 14, 2022, the Company awarded the CEO a cash bonus of $200 subject to the Company being listed on the TSX-V. An accrual of $200 related to the aforementioned bonus is included in accrued liabilities as at June 30, 2022.

On April 14, 2022, the Company awarded the Chairman a cash bonus of $50 subject to the Company being listed on the TSX-V. An accrual of $50 related to the aforementioned bonus is included in accrued liabilities as at June 30, 2022.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The Company's accounting policies are described in Note 3 to the December 31, 2021, audited consolidated financial statements.

Equity Investments

During the period ended June 30, 2022, the Company determined that there was sufficient evidence from external transactions in the investees' equity which are indicators that cost might no longer be representative of fair value.

The revaluation of the investment in MagIron LLC required significant judgment in that the external transaction with the investee was issuing a convertible note to an external party. The convertible note gave the note holder the option to convert to equity at any time during a certain duration at a pre-determined valuation for the equity. Given this extended time period, the Company determined that using the updated equity valuation was not entirely representative of the value of the equity as at the date of the transaction. As such, the Company discounted the gain in equity value over the duration of the conversion period, and also applied an estimated success factor in order to reflect management's expectation of the project being successful as well as the likelihood of a liquidity event. Given the uncertainties around several project milestones which in turn affect the probability of conversion to equity for the convertible note, CoTec has opted to discount this gain by the interest rate agreed between MagIron and the arm's length third party for the convertible note, which is the 12-month LIBOR rate as at June 15, 2022 (3.6%), plus 5%, or 8.6%, over the 18-month period. Furthermore, CoTec has applied an overall success factor of 70% to this gain, in order to reflect management's expectation of the project being successful as well as the likelihood of a liquidity event. Discounting the gain and applying the success factor yields an overall gain of 77.7%.

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BALANCE SHEET ARRANGEMENTS

At June 30, 2022, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

CONFLICTS OF INTEREST

Kings Chapel International Limited, a company associated with Julian Treger, is a shareholder in both BSL and MagIron. As a result, Mr. Treger has recused himself from the decisions made in relation to the Company's investments in BSL and MagIron and the Kings Chapel Loan .

To the best of the Company's knowledge, there are no known existing or potential material conflicts of interest among the Company and its Directors, Officers or other members of management as a result of their outside business interests except as disclosed above and that certain of the Company's directors and officers serve as directors, officers or advisors of other companies, and therefore it is possible that a conflict may arise between their duties to CoTec and their duties as a director, officer or advisor of such other companies.

OUTSTANDING SHARE DATA AS AT AUGUST 24, 2022

a) Authorized and issued Share Capital:

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	34,448,912

b) Summary of Options Outstanding:

Date of Issue	Expiry Date	Exercise Price	Number of Options
September 24, 2021	September 24, 2031	$0.30	1,152,916
October 8, 2021	October 8, 2031	$0.45	288,229
April 19, 2022	April 19, 2032	$0.55	711,912

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April 19, 2022	April 19, 2023	$0.55	100,000

c) Summary of Warrants Outstanding:

Date of Issue	Expiry Date	Exercise Price	Number of Warrants
September 7, 2021	September 7, 2022	$0.17	4,040,404
April 14, 2022	April 14, 2023	$0.75	11,390,593
April 14, 2022	April 14, 2025	$0.55	250,020

INTERNAL CONTROL AND DISCLOSURE CONTROLS OVER FINANCIAL REPORTING

Controls and Procedures

The Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements and the audited annual consolidated financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate for non-venture issuers under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Disclosure Controls and Procedures

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

TSX-V listed companies are not required to provide representations in the interim and annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a TSX-V issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

OTHER INFORMATION

Additional information with respect to the Company is also available on the Company's website at www.cotec.ca and also on SEDAR at www.sedar.com.