

EARLY WARNING REPORT

Filed Pursuant To National Instrument 62-103 – *The Early Warning System and Related Take-Over bid and Insider Reporting Issues*

Item 1 Security and Reporting Issuer

- 1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

*Crest Resources Inc. (the “Company”)
#200, 551 Howe Street
Vancouver, BC V6C 2C2*

Common Shares in the capital stock of the Company.

- 1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

The transaction that triggered this report was acquisition of common shares through the facilities of the Canadian Securities Exchange.

Item 2 Identity of the Acquiror

- 2.1 State the name and address of the acquiror.

*Christopher Reynolds (“Reynolds”)
#2080, 777 Hornby Street
Vancouver, BC V6Z 1S4*

- 2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

December 21, 2018

- 2.3 State the names of any joint actors.

None.

Item 3 Interest in Securities of the Reporting Issuer

- 3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s security holding percentage in the class of securities.

Reynolds indirectly acquired through Faveo Capital Ltd. (the “Acquisition”) ownership and control an aggregate of 733,000 common shares (the “Shares”) of the Company.

The Shares represent approximately 5.81% of the current outstanding common shares of the Company.

- 3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

See item 3.1 above.

- 3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

- 3.4 State the designation and number or principal amount of securities and the acquiror's security holding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

Prior to the Acquisition, Reynolds owned and had control over 1,200,000 Shares held indirectly through Faveo Capital Ltd.

Following the Acquisition, Reynolds has ownership and control over 1,933,000 Shares of the Company, representing 15.09% of the outstanding common shares of the Company.

- 3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

- (a) the acquiror, either alone or together with any joint actors, has ownership and control,

See item 3.4.

- (b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not applicable.

- (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's security holdings.

Not applicable.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

Not applicable.

Item 4 Consideration Paid

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

The 733,000 Shares were acquired at a price of \$0.10 per Share for total consideration of \$73,300.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

Reynolds acquired 1,200,000 Shares by way of two private transactions, which shares were purchased at a price of \$0.10 per share, for total consideration of \$120,000.

- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

Not applicable.

Item 5 Purpose of the Transaction

- 5.1 State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

The acquisition by Reynolds of the 733,000 Shares of the Company was made for investment purposes.

Reynolds may increase or reduce his investment in the Company according to market conditions or other relevant factors.

Item 6 Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

Item 7 Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 Certification

I, as the acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

DATED this 3rd day of January, 2019.

/s/ Christopher Reynolds

CHRISTOPHER REYNOLDS