

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**

*6 months ended May 31, 2022*

*Date: July 29 2022*

<b>Table of Contents</b>	<b>Page No</b>
Forward-looking information	3
Business of the Corporation	5
Mineral Exploration and Evaluation Assets	6
General Corporate Affairs	14
Financial Condition	15
Results of Operation for the quarter ended May 31, 2022	20
Summary of Quarterly Results	22
Liquidity and Capital Resources	22
Off-Balance Sheet Arrangements	24
Transactions with Related Parties	24
Critical Accounting Estimates and Accounting Policies	Critical Accounting Estimates and Accounting Policies26
Financial Risk Management, Objectives and Policies	26
Capital Management Policies and Procedures	26
Commitments and Contingencies	27
Controls and Procedures Over Financial Reporting	28
Disclosure of outstanding share data	28
Business risks	31

## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF THE COMPANY’S FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*This management discussion and analysis (“MD&A”) of Crestview Exploration Inc. (“Crestview”, or “the Company”, or “the Corporation”) follows rule 51-102 of the Canadian Securities Administrators regarding continuous disclosure.*

*The following MD&A is a narrative explanation, through the eyes of the management of Crestview, on how the Company performed during the six-month period ended May 31, 2022. It includes a review of the Company’s financial condition and a review of operations for the six-month period ended May 31, 2022 as compared to the six-month period ended May 31, 2021.*

*This MD&A complements the unaudited condensed consolidated financial statements for the six-month period ended May 31, 2022 but does not form part of them. It is intended to help the reader understand and assess the significant trends, risks and uncertainties related to the results of operations and it should be read in conjunction with the audited consolidated financial statements as at November 30, 2021 and related notes thereto.*

*The unaudited condensed consolidated financial statements for the 6 months ended 31<sup>st</sup> May 2022 and 31<sup>st</sup> May 2021 have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standard Board (“IASB”), applicable to the preparation of annual consolidated financial statements. The accounting policies applied in the financial statements are based on IFRS issued and effective as at May 31, 2022. On July 29, 2022, the Board of Directors approved, for issuance, the annual consolidated financial statements and this MD&A.*

*All figures are in Canadian dollars unless otherwise stated. Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com). The shares of Crestview are listed on the Canadian Stock Exchange (“CSE”) under the symbol “CRS” and on Börse Frankfurt stock exchange (“Frankfurt”) with the ticker symbol “CE7”.*

### **READER ADVISORY**

*This MD&A contains certain forward looking statements and forward looking information (collectively referred to herein as “forward looking statements”) within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward looking statements. Forward looking information is often, but not always, identified by the use of words such as “could”, “should”, “can”, “anticipate”, “expect”, “believe”, “will”, “may”, “projected”, “sustain”, “continues”, “strategy”, “potential”, “projects”, “grow”, “take advantage”, “estimate”, “well positioned” or similar words suggesting future outcomes. In particular, this MD&A may contain forward looking statements relating to future opportunities, business strategies, mineral exploration, development and production plans and competitive advantages.*

*The forward looking statements regarding the Company are based on certain key expectations and assumptions of the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, exchange rates, tax laws, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of labour and services and the ability to obtain financing on acceptable terms, the actual results*

## **Crestview Exploration Inc. Management Discussion & Analysis**

*6 months ended May 31, 2022*

*of exploration and development projects being equivalent to or better than estimated results in technical reports or prior activities, and future costs and expenses being based on historical costs and expenses, adjusted for inflation, all of which are subject to change based on market conditions and potential timing delays. Although management of the Company considers these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.*

*The technical details contained in this report are not compliant to the provisions of NI 43-101.*

*By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward looking statements will not be achieved. Undue reliance should not be placed on forward looking statements, as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in the forward looking statements, including among other things: inability of the Company to continue meeting the listing requirements of stock exchanges and other regulatory requirements, general economic and market factors, including business competition, changes in government regulations or in tax laws; general political and social uncertainties; commodity prices; the actual results of exploration, development or operational activities; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Company; timing and availability of external financing on acceptable terms; conclusions of, or estimates contained in, feasibility studies, pre-feasibility studies or other economic evaluations; and lack of qualified, skilled labour or loss of key individuals; as well as those factors detailed from time to time in the Company's interim and annual financial statements and management's discussion and analysis of those statements, along with the Company's annual information form, all of which are filed and available for review on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are cautioned that the foregoing list is not exhaustive.*

*The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward looking statements included in this MD&A are made as of the date of this MD&A and the Company does not undertake and is not obligated to publicly update such forward looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.*

## **Overview of Business**

### **Business of the Corporation**

The Corporation is engaged in the business of mineral exploration and the acquisition of mineral property assets in north-central Nevada, USA and more specifically in the Tuscarora Mountains of north-central Nevada, in Elko County. See "Narrative Description of the Business" below.

The Company's shares are currently traded on the Canadian Securities Exchange ("CSE") under the symbol "CRS" and are also listed on the Börse Frankfurt stock exchange ("Frankfurt") with the ticker symbol "CE7"

### **History**

The Corporation was incorporated on August 30, 2017 without any operating history as it was created in order to purchase mineral claims in various regions of North America and is currently targeting to develop the Rock Creek Project that it acquired on September 19, 2017. See "Acquisitions" below.

On April 19, 2019, the Company incorporated under the States of Nevada, USA, a wholly subsidiary "Crestview Exploration LLC" that is not currently under operation.

### **Acquisitions**

On September 19, 2017, the Corporation entered into an Arm's Length mining property acquisition agreement (the "**Acquisition Agreement**") with Kingsmere Mining Ltd. ("**Kingsmere**") regarding the acquisition by the Corporation of 72 unpatented lode claims (the "**Claims**") comprising the Rock Creek Project. Kingsmere located the Claims in the fall of 2016; said Claims are not subject to any obligations to third parties.

As per the terms of the Acquisition Agreement, Kingsmere agreed to sell a 100% undivided interest on the Rock Creek Project and to acquire said interest, the Corporation had to meet the following conditions and payments:

- a) Upon execution of the Acquisition Agreement, the Corporation paid in cash an amount of \$US100,000 (the "**Cash Consideration**") to Kingsmere;
- b) Upon listing of the common shares of the Corporation on a recognized Canadian stock exchange, defined as a "Liquidity Event" within the Acquisition Agreement, the Corporation will issue a total of three million (3,000,000) common shares at a deemed price of \$0.05 from its share capital to

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

Kingsmere to be issued at the price of the Liquidity Event (the “**Compensation Shares**”);

- c) It is mutually agreed between the Corporation and Kingsmere, that the Compensation Shares to be issued to Kingsmere upon the occurrence of a Liquidity Event shall be restricted for resale for a period of twenty-four (24) months following the occurrence of said Liquidity Event, such Compensation Shares are to be held within escrow with the Corporation’s Transfer Agent.

On October 2019, the Company’s position on the Rock Creek project increased from 72 lode claims to 74. Two new lode mining claims (Cow 73 and Cow 74) have been staked based on field observations and historic geochemical data.

On July 13, 2020 the Company position on the Divide Mine project increased from 12 lode claims to 19. Seven new lode mining claims were staked seven lode claims around the original claims based on field observations and recently acquired geochemical data.

During the year 2019 and 2020, the Company bought back some of Kingsmere’s Compensation Shares that were subsequently cancelled from the Company’s treasury.

- a) In September 2019, 375,000 shares were bought back for US\$ 25,000.
- b) In March 2020, 300,000 shares were bought back for US\$ 20,000.

During February 2021, the Company entered into an option to purchase 100% interest in the Cimarron Project, 13 unpatented lode mining claims associated with the historic San Antonio mine located in Nye County, Nevada.

On April 15, 2021, the Company filed an additional forty (40) claims with the BLM which were staked on the nearest open ground to the NE, E, and SE. After conducting initial reconnaissance on the newly staked claims, a number were determined not to be of interest at this time and were not renewed in September 2021. Between the claims under option and the claims staked and renewed, the Company presently controls 31 claims at Cimarron.

## **Mineral Exploration and Evaluation Assets**

The Rock Creek Project:

The Corporation's principal property is the Rock Creek Project, located approximately 12 miles northwest of the old mining town of Tuscarora, in Elko County, Nevada. As of the date of this report, the Corporation has paid the Cash Consideration and issued the Shares Compensation to Kingsmere as per the terms of the Acquisition Agreement dated September 19, 2017, and therefore owns 100% undivided interest on the original 72 Claims comprising the Rock Creek Project plus 2 claims acquired in 2019.

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

Based on an examination of Certificates of Location filed with the Elko County Recorder's Office in Elko, Nevada, and at the Bureau of Land Management Nevada State Office in Reno, Nevada, the 72 Cow claims were properly recorded. The 2017-2018, 2018-2019, 2019-2020, 2020-2021 and 2021-2022 annual maintenance fees have been paid and the claims are in good standing until noon September 1, 2022.

All claims are subject to an annual maintenance fee of \$165 per claim, payable to the Reno BLM and due by noon September 1 of each year. In addition, an annual Notice of Intent to Hold and fee of \$12.00 per claim is payable to the Elko County Recorder's Office. The Cow original 72 claims comprising the Rock Creek property, are owned by the Corporation and were staked by Kingsmere on October 2, 2016 and properly recorded with the county on December 12, 2016. The certificates of location and the recorded map were filed with BLM on December 23, 2016. Two new claims COW 73 and COW 74 were staked on September 27, 2019. The certificates of location and the recorded map were filed with the BLM on October 2, 2019. The Rock Creek property now consists of 74 unpatented lode mining claims in one contiguous block comprising approximately 1524.4 acres. The Cow claims are located in unsurveyed Sections 29 and 32 of T41N, R50E, and in Sections 1 and 2 of T40N, R49E, MDB&M.

There are adjacent claims, but no adverse ownership. Other properties in the immediate vicinity but not controlled by the Corporation include unpatented and patented pre-existing claims around the old Falcon mine south of the Cow claims, and private fee lands controlled by Barrick, situated between the Falcon Mine and the south edge of the Cow claims.

The margins of some of the Cow claims overlap (to avoid fractions) onto some of these pre-existing claims and private fee lands, reducing the stated acreage of the Rock Creek property by a small amount.

Although the Company has taken steps to verify title to the mining properties in which it holds an interest in accordance with industry practices for the current stages of exploration and development of such properties, these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and restrictions arising from regulatory requirements.

The Rock Creek property contains altered exposures of probable lower plate Paleozoic sedimentary rocks that may be correlative with the Devonian Rodeo Creek Formation. The bulk of the exposed Au-Ag-As-Sb-Hg mineralization has been found in coeval intermediate to felsic volcanic rocks, which have been dated as Eocene (36 – 40 ma.) throughout most of the Tuscarora Mountains. Similar ages of mineralization have been determined for a number of typical Carlin-type mines within the Carlin trend, Getchell district, Jerritt Canyon district, and Battle Mountain-Eureka trend of gold

The Tuscarora Mountains host the northern end of Carlin-trend mineralization, a cluster of major, large gold deposits. Mineralized Eocene dikes have been found in many of the mines within the Carlin trend, and the temporal and spatial correlation with Carlin-type gold mineralization suggests a genetic link.

The target concept for the Rock Creek Project is that high-level, epithermal gold-arsenic dominated, volcanic-hosted, Eocene-aged, precious metal mineralization represents the top of mineralizing

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

hydrothermal plumes which had the potential to form high-grade Carlin-type (Meikle) deposits within favorable stratigraphic sections of lower plate sediments at depth. It is believed that detailed geologic, structural, stratigraphic, geochemical and geophysical studies can target the favorable areas which overlie permissive stratigraphy at a reasonable depth (<2500 ft.).

Historic exploration has been conducted by various companies on and nearby the property for volcanic-hosted, high-grade Au-Ag veins and bulk tonnage Au-Ag deposits. These previous efforts by Texas Gulf, Shell Oil, Phelps Dodge, Homestake Mining, Newman Mining, Western States Minerals, Pittston Nevada Gold, Teck, and others were focused on high-grade, epithermal, bonanza-type precious metal veins hosted within volcanic rocks, or at the volcanic-sediment contacts.

From the limited data available from previous exploration in the project area, it is clear that areas of widespread alteration in the volcanics contained anomalous values in Au and Ag with locally high concentrations of As-Sb-Hg. Locally, sedimentary basement rocks were intercepted by shallow drilling in Rock Creek, which were altered and carried anomalous gold and pathfinder element concentrations.

The Rock Creek Project area is situated within a zone of “world class” gold endowment where the potential of finding a large, high-grade, gold mine is favorable. Past work has defined large (>1000 x 5000 ft.) areas of strongly argillized volcanic rocks which host numerous silicified breccia zones, and it is believed that the proposed exploration program offers an excellent opportunity to discover new Carlin-type mineralization beneath shallow volcanic cover on this property.

No resources have thus far been defined on the Rock Creek property, and all past mine development on nearby properties in this area is from the period of the late 1800’s through 1950’s.

The company updated its technical report on the property with an amended technical report titled:

Amended Technical Report  
Rock Creek Project  
Rock Creek Mining District  
Cow Claims Property  
Elko, County, Nevada  
By Fred T. Saunders  
Dated May 7, 2019

It is recommended to pursue exploration on this property. The proposed work shall be carried out in two phases, with the second being contingent upon the successful completion of the first phase.

A two-phase exploration program has been proposed for the Rock Creek Project. The first phase is underway and includes data compilation, data acquisition, base map configuration, reconnaissance and detailed geologic mapping, additional soil and rock chip sampling, and obtaining geophysical surveys. Phase 1 is focused on defining the dominant mineralizing feeder structures with strong Au-As geochemical footprints,



**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

delineating the major sedimentary basement blocks and basement highs, and targeting Carlin-type mineralization at a reasonable depth for underground mining.

Rock Creek has seen some initial mapping and sampling at a reconnaissance level, and the company has taken nearly 100 rock samples on the project to date. The samples have been analyzed for gold, silver and pathfinder elements. Work from the 2019, 2020, and 2021 exploration seasons have been summarized and reported publicly in news releases. The estimated expenditures at Rock Creek for 2022 include Phase 1 projects totalling approximately US\$ 200,000, and will include several CSAMT geophysical survey lines for depth resolution, expanded surface sampling, higher resolution mapping and targeting, and claim expansion. Phase 2 will drill test the favourable targets identified in Phase 1, and is anticipated to commence in Summer, 2023.

*The Divide Mine and the Castile Mountain Project – Lease with Option to Purchase:*

On April 2020, the Company entered into a lease with an option to purchase a 100% interest in the Divide Mine and Castile Mountain prospects, both located in Elko County, Nevada.

Both properties were acquired through a third-party agreement with Geological Services Inc., a Utah corporation with an office located at #3 Knob Hill Road, Park City, Utah 84098 USA.

- The terms of the agreement for both Properties are as follows (US\$):
    - i. Advance Minimum Royalty
      - 1. On or before 15 April 2020      \$25,000
      - 2. 1st Anniversary                      \$35,000
      - 3. 2nd Anniversary                      \$50,000
      - 4. 3rd Anniversary                      \$75,000\*
      - 5. 4th Anniversary                      \$100,000\*
      - 6. 5th Anniversary                      \$150,000\*
      - 7. (And each year thereafter)
  - Payments can be recovered from production.
  - \$2,000,000 buyout \*can be exercised at any time, subject to a retained 2% NSR.
- \* = indexed to CPI.

The Divide Mine:

- a. The Divide Mine is comprised of 19 unpatented lode claims covering 391 acres (158ha). The claims cover the majority of the old workings and potential strike extension of the Divide Mine. The Divide Mine is located in the northwest portion of the Tuscarora Mining District

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

- b. The property is located less than 2 km to the east of Rock Creek and may represent the same hydrothermal system being targeted at Rock Creek. As such, the two properties are being treated as the same exploration project and have a shared exploration budget.
- c. The Carlin Trend lies about 22 miles south-southwest of the property and the Jerritt Canyon Mining District is about 18 miles to the east of the property.
- d. Like Rock Creek, the Divide Mine sits on the eastern flank of a prominent upthrown block exposing sedimentary rocks surrounded by Eocene age volcanic rocks. The sedimentary rocks exposed here are known to closely overlie favourable sedimentary gold mineralization host rocks in the region. Further, the age of the volcanic rocks is coincident with the age of gold and silver mineralization in the region; and there is a relationship with volcanism and mineralization. There is evidence on the property of igneous rock intrusions. Fault structures on the east edge of the host block provide conduits for multiple episodes of dikes as well as plumbing for the gold bearing mineral system.
- e. The Company acquired aeromagnetic data to assist in outlining the intrusive rocks believed to be related to the mineralization on the property. The aeromagnetic data has been used to guide sampling and will assist in delineating drill targets.
- f. The Company has conducted detailed geologic mapping at the 1:2,000 scale across the property, and has taken more than 50 grab and outcrop samples to date, including a 1.8-meter-wide chip-channel sample from a trench which ran 0.245 opt Au. Samples from the property also contained silver, cinnabar (mercury), and minor copper oxides. Gold and silver mineralization occur in banded quartz veins and quartz breccia veins deposited in north-south and north-northeast oriented fissure systems. Additionally, historic drill logs are described in Homestake mining report indicate Carlin-style sulfide gold mineralization and geochemistry from a hole located just north of the claims.

The Castile Mountain Project:

- a. The company has entered into a lease with an option to purchase a 100% interest in the Castile Mountain precious metal prospect located in Elko County, northcentral Nevada. This property is comprised of 8 unpatented lode claims covering 164.8 acres (66.7 ha).
- b. Castile Mountain is located in the southern portion of the Tuscarora Mining District
- c. The Carlin Trend lies about 17 miles southwest of the property and the Jerritt Canyon Mining District is about 14 miles to the east of the property.
- d. The Castile Mountain prospect lies on the southeast side of the Tuscarora volcanic field, the largest Eocene age (39 million years before present) volcanic field in Nevada. This is important because Eocene magmatism occurred contemporaneously with the main gold mineralizing event that formed the bulk of the giant gold deposits in Nevada.

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

- e. A paleo hot spring vent crops out at the top of Castile Mountain as evidenced by a small area of sinter and silicified volcanic rocks that carry the best gold geochemistry. The surrounding area is primarily clay altered with quartz vein stock works. Surface gold mineralization is hosted by andesite breccia. Below the andesite breccia is a package of rocks comprised of volcanic flows, ash flow tuff and a basal conglomerate. The basal conglomerate lies unconformably on an erosional surface at the top of the older Paleozoic sedimentary rocks. This unconformity represents an excellent stratigraphic target below the hot springs vent, along with disseminated mineralization in favourable rock units and possibly quartz veins.
- f. The Gravel Creek property is a very close analog to the target presented at Castile Mountain. It is located 25 miles to the northeast of Castile Mountain. An early 2018 mineral resource estimate for Gravel Creek reports an indicated resource of 246,000 ounces of gold and 3,938,000 ounces of silver, and an inferred resource of 654,000 ounces of gold and 9,018,000 ounces of silver with upside potential (Christensen 2018, Abstract for Technical Presentation, Denver Region Exploration Geologists Society).

Aeromagnetic data was acquired to assist in identifying structures and outlining areas of alteration we believe are related to the mineralization at the property. The aeromagnetic data was useful in identifying a volcanic vent that may be the source of gold mineralizing fluids that mineralized the sinter at the top of Castile Mountain.

The company has conducted grab and outcrop sampling (34 samples) and detailed (1:2,000 scale) geological mapping throughout the entire Castile Mountain claim block, with the most recent results reported in a news release dated December 21<sup>st</sup>, 2021.

The company now has three properties in the Tuscarora Mining District: Rock Creek, Divide Mine and Castile Mountain. The Company intends to take advantage of the synergy and exploration cost savings created by these properties being in close proximity.

The Cimarron Project:

In February 2021 the Company entered into an option agreement with Nevada Select Royalty (“Nevada Select”), a wholly-owned subsidiary of Ely Gold Royalties Inc. whereby Crestview will have the option to purchase 100% of the Cimarron gold prospect located in Nye County, Nevada approximately 30 kilometers North of the mining town Tonopah, NV.

Under the terms of the agreement, the Company shall pay a 2.5% Net Smelter Royalty (NSR) on the production from the property and any locatable land in a 1-mile Area of Interest and \$200,000 (US\$) in the following installments:

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

Initial payment of \$25,000 (paid in March 2021)

Payment on 1st Anniversary: \$35,000

Payment on 2nd Anniversary: \$50,000

Payment on 3rd Anniversary: \$45,000

Payment on 4th Anniversary: \$45,000

The Company presently owns 31 claims.

The Company presently controls 31 claims, including the 13 claims under option and an additional 18 claims which were staked on the nearest open ground to the 13 core claims

The property was acquired with significant historical data from approximately 190 historical drill holes from exploration efforts conducted in the 1980's from a number of exploration companies. This drilling encountered a number of anomalous gold intervals such that an approximate 40,000-ounce gold resource was outlined (internal company reports; pre 43-101 standard) but never extracted. This historic resource was outlined within several hundred feet of the surface, and the possibility of extending the resource at depth was under-explored with only a couple of the historic holes drilled deeper than 500' and many holes terminated in anomalous gold zones.

On September 15, 2021, the Company released the results of the phase 1 drill program at the Cimarron gold prospect. This drill program was conducted in the areas of the historic resource and was designed to begin confirming the historic drill record. Anomalous gold values were encountered in all four holes drilled, including continuous zones of economic grades (Au > 0.5 g/t) starting at, or near, the surface. Please refer to the summary table below.

<b>Hole</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>Average Au grade (g/t)</b>	<b>Including</b>
SA-01	11.00	31.70	20.70	0.59	8.2m @1.11g/t Au
	78.30	79.90	1.50	0.60	
SA-02	96.00	97.50	1.50	0.87	
	171.50	173.10	1.60	1.10	
SA-03	-	16.80	16.80	0.59	9.3m @1.51g/t Au
	26.70	45.10	18.40	1.08	
SA-04	64.60	68.00	3.40	1.82	
	74.10	78.30	4.20	1.55	
	<b>106.70</b>	<b>111.30</b>	<b>4.60</b>	<b>1.15</b>	

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

Crestview is working with Practical Mining, LLC to construct a resource model of historical data which will be used to guide future drilling at Cimarron. Once the historic drilling has been verified (statistically confirmed), the Company intends to utilize the data to calculate a 43-101 compliant resource.

The Rock Creek Project, the Divide Mine, the Castile Mountain Project and the Cimarron Project shall be together referred to as the Mineral Exploration and Evaluation Assets or “**MEE Assets**”.

**Exploration and Evaluation Expenses:**

The Corporation has incurred Exploration and evaluation expenditures as under:

Particulars	Opening Balance	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	Grand Total
Mining Claims	275,430	-	-	34,760	-	31,748	44,952	-	-	46,451	63,140	496,480
Claim Fees	49,098	-	-	29,124	1,526	1,983	20,181	29,851	1,585	-	-	130,178
Consultancy - Claims	-	5,274	-	-	-	-	-	-	-	-	-	5,274
<b>Total Claim Expenses</b>	<b>324,528</b>	<b>5,274</b>	<b>-</b>	<b>63,884</b>	<b>1,526</b>	<b>33,730</b>	<b>65,133</b>	<b>29,851</b>	<b>1,585</b>	<b>46,451</b>	<b>63,140</b>	<b>631,932</b>
Consultancy	32,563	-	-	-	-	-	-	-	-	636	252	33,451
Geological Services	95,103	43	5,195	7,240	19,447	14,756	-	8,074	20,792	1,992	550	131,522
Survey	36,109	-	28,115	-	-	-	-	-	22,349	956	-	87,529
Testing Fees	1,955	30	-	-	-	-	-	26,315	11,276	-	-	39,576
Exploration	-	-	-	-	-	13,640	576	45,286	40,575	1,200	2,607	103,885
Drilling	-	-	-	-	-	11,485	249,786	154,501	31,655	1,700	2,294	383,525
Storage	-	-	-	-	-	-	-	-	-	1,017	386	1,403
Others	-	-	-	-	-	2,704	-	39,091	28,973	1,814	4,531	19,168
<b>Total Exploration Expenses</b>	<b>165,730</b>	<b>13</b>	<b>33,310</b>	<b>7,240</b>	<b>19,447</b>	<b>42,586</b>	<b>250,362</b>	<b>273,267</b>	<b>7,220</b>	<b>9,316</b>	<b>6,032</b>	<b>800,058</b>
												-
<b>Grand Total</b>	<b>490,258</b>	<b>5,261</b>	<b>33,310</b>	<b>71,124</b>	<b>20,973</b>	<b>76,316</b>	<b>315,495</b>	<b>303,119</b>	<b>8,805</b>	<b>55,767</b>	<b>69,172</b>	<b>1,431,990</b>

## **General Corporate Affairs**

Since its incorporation on August 30, 2017, the Corporation has not generated cash flow from its operations and has incurred certain operating losses. Such losses and negative operating cash flow are expected to continue since funds will be expended to pay its administrative expenses and to conduct the recommended Phase 1 exploration program on the Rock Creek Project.

The Company's shares are currently traded on the Canadian Securities Exchange ("CSE") under the symbol "CRS" and are also listed on the Börse Frankfurt stock exchange ("Frankfurt") with the ticker symbol "CE7"

The Company also has a 100% subsidiary, Crestview Exploration LLC, registered in State of Nevada, United States of America. The subsidiary is yet to commence any operation.

In April 2020 the Company acquired a Lease with an option to purchase the Divide Mine and the Castile Mountain Project, both located in Elko, Nevada USA.

During February 2021, the Company entered into an option to purchase 100% interest in the Cimarron Project, located in Nevada.

Until required for the Corporation's purposes, the available funds will be invested only in securities of, or those guaranteed by, the Government of Canada or any province of Canada, in certificates of deposit or interest-bearing accounts of Canadian chartered banks or trust companies or in prime commercial paper. The Corporation's Chief Financial Officer with approval of the Board of Directors, will be responsible for the investment of unallocated funds.

The Corporation anticipates to finance its exploration program covering the three properties by subsequent equity or debt financing 2022 by raising funds in the capital markets by way of private placement either brokered or non-brokered or prospectus offering, as the case may be and depending on the financial conditions of the market at such time as the Corporation would be able to attract institutional funds to subscribe to its share capital.

## Financial Condition

### Selected financial information

The following selected financial information is derived from our unaudited financial statements for each of the respective periods.

<b>Consolidated Statement of Loss and Comprehensive Loss</b>	<b>6 Months ended</b>	
	<i>May 31, 2022</i>	<i>May 31, 2021</i>
	\$	\$
<hr/>		
<b>Operating expenses</b>		
Share-based compensation	196,814	0
Professional fees	175,074	179,452
Marketing and Promotion	57,299	320,112
Director Fees	43,500	30,750
Filing Fees	14,016	17,753
Prospecting Costs	10,683	1,365
Insurance	10,250	9,465
General Expenses	3,864	7,829
Travel	1,084	9,647
Interest and bank charges	882	2,491
Rental	561	104
IT Expenses	331	102
Meals and entertainment	0	4,353
<b>Operating Loss</b>	<b>514,359</b>	<b>583,423</b>
<b>Other income (loss)</b>		
Other Income	0	2,181
Foreign exchange gain (loss)	1,071.66	-3,448
Impairment of advances		
	<b>1,072</b>	<b>-1,267</b>
<b>Net loss and comprehensive loss for the year</b>	<b>513,287</b>	<b>584,690</b>
<b>Basic and diluted loss per share</b>	<b>-0.03</b>	<b>-0.03</b>
<hr/>		

<b>Consolidated Statement of Cash Flows</b>	<b>6 Months ended</b>	
	<i>May 31, 2022</i>	<i>May 31, 2021</i>
<hr/>		
Cashflows used by Operating Activities	-315,672	-630,295
Cashflows used by Investing Activities	-119,693	-387,079
Cashflows from Financing Activities	0	2,251,179
Increase / (Decrease) in cash and cash equivalents	-435,365	1,233,805
Cash and cash equivalents, beginning of the year	507,205	5,601
Cash and cash equivalents, end of the year	<b>71,840</b>	<b>1,239,406</b>
<hr/>		

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

**Consolidated Statement of Financial Position**

	As at	
	<i>May 31, 2022</i>	<i>November 30, 2020</i>
Cash and cash equivalents	71,840	507,205
Sales Tax Receivable	48,451	34,275
Other Receivables	14,886	12,009
Reclamation bond	18,498	18,708
Exploration and evaluation assets	1,431,990	1,307,051
Accounts payable and accrued liabilities	91,833	68,942
Common Shares	1,792,963	1,792,964
Warrants	2,303,324	2,303,324
Contributed surplus	1,423,262	1,226,449
Deficit	-4,025,718	(3,512,431)

The basic and diluted loss per share during the six months ended May 31, 2022, is \$0.03 (\$0.02 in the six months ended May 31, 2021). During the six months ended May 31, 2022, the Company realized a net loss and comprehensive loss of \$513,287 as compared to a net loss and comprehensive loss of \$584,690 compared to the six months ended May 31, 2021 (a decrease of \$62,602). The main reasons behind the increase are:

- a) Increase in Share based compensation of \$196,814 that is offset by a fall in Marketing and Promotion expenses of \$262,813;
- b) Professional Fees decreased by \$4,378.
- c) Increase in Directors fees by \$9,000;
- d) Increase in Prospecting costs by \$9,318;
- e) Decrease in travel expenses by \$8,563

A detailed analysis of the profitability is provided in the next section.

At the date of authorization of these consolidated financial statements, certain new standards, amendments, and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Company. Management anticipates that all of the pronouncements will be adopted in the Company's accounting policy for the first period beginning after the effective date of each pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's consolidated financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's consolidated financial statements. In May 2020, the IASB issued a package of narrow-scope amendments to three standards (IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment" and IAS 37 "Provisions, Contingent Liabilities and Contingent Assets") as well as the IASB's Annual Improvements to IFRS Standards 2018 - 2020. These amendments to existing IFRS standards are to clarify guidance and wording, or to correct for relatively minor unintended consequences, conflicts or oversights. These amendments are effective for annual periods beginning on or after January 1, 2022. The Company is assessing the potential impact of these narrow-scope amendments.



**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

Management is required to make estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements and revenue and expenses for the period then ended. The Unaudited Consolidated Financial Statement for the six months ended May 31, 2022, indicates Cash and Cash Equivalents of \$71,840 (November 30, 2021: \$507,205); Sales Tax Receivable of \$48,451 (November 30, 2021: \$34,275) and Other Receivables of \$14,886 (November 30, 2021: \$12,009) resulting in total current assets of \$135,177, a decrease of \$418,312 from November 30, 2021, balance of \$553,489. The long-term assets are comprised of mineral exploration and evaluation assets of \$1,431,990 which is an increase of \$124,939 from November 30, 2021, balance of \$1,307,051 and Reclamation bond of \$18,498 (November 30, 2021: \$18,708). The total assets are \$1,585,664 which is a decrease of \$293,584 from November 30, 2021, balance of \$1,879,248.

The Company's current liabilities at May 31, 2021, are its trade and other payables of \$91,833 which is an increase of \$22,891 from November 30, 2021, balance of \$68,942. Equity attributable to shareholders of the Company is \$1,523,831, a decrease of \$286,475 from November 30, 2021, balance of \$1,810,306, and is comprised of share capital of \$1,792,963 (November 30, 2021: \$1,792,964), Warrants Reserve \$2,303,324 (November 30, 2021: \$2,303,324) and Contributed surplus of \$1,423,262 (November 30, 2021: \$1,226,449), less the deficit of \$4,025,718 (November 30, 2021: \$3,512,431).

The key movements in the Assets and Liabilities are as follows:

- a) The cash in the Company decreased by \$435,365 during the year as explained under "Cash Flows" below;
- b) The accrued receivables on account of Sales Tax increased by \$14,176 from \$34,275 during November 30, 2021, to \$48,451 at May 31, 2022;
- c) All costs associated with mineral properties have been classified as mineral exploration and evaluation assets. The expenditures are divided between the properties as follows:

**Rock Creek Property**

(Figures in Canadian \$)

Particulars	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)	Addition during 2022	Closing Balance (May 31, 2022)
<b>Mining Claims</b>	275,430	-	275,430		275,430
<b>Claim Fees</b>	66,518	16,617	83,135		83,135
<b>Consultancy - Claims</b>	5,274	-	5,274		5,274
<b>Total Claim Expenses</b>	<b>347,222</b>	<b>16,617</b>	<b>363,839</b>	-	<b>363,839</b>
<b>Consultancy</b>	32,563		32,563	381	32,944
<b>Geological Services</b>	110,400	110	110,510	1,502	112,012
<b>Survey</b>	43,118	230	43,348	255	43,604

## Crestview Exploration Inc. Management Discussion & Analysis

*6 months ended May 31, 2022*

Testing Fees	1,985		1,985		1,985
Exploration	-	13,280	13,280	2,594	15,874
Drilling	-	2,865	2,865	1,797	4,661
Others				2,950	2,950
<b>Total Exploration Expenses</b>	<b>188,066</b>	<b>16,485</b>	<b>204,551</b>	<b>9,480</b>	<b>214,031</b>
<b>Grand Total</b>	<b>535,288</b>	<b>33,102</b>	<b>568,390</b>	<b>9,480</b>	<b>577,870</b>

### Divide Mine Property

(Figures in Canadian \$)

Particulars	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)	Addition during 2022	Closing Balance (May 31, 2022)
Mining Claims	20,856	22,005	42,861	31,570	74,431
Claim Fees	11,283	4,747	16,030		16,030
<b>Total Claim Expenses</b>	<b>32,139</b>	<b>26,751</b>	<b>58,890</b>	<b>31,570</b>	<b>90,460</b>
Consultancy				381	381
Geological Services	9,274		9,274	192	9,466
Survey	11,610	2,371	13,981	382	14,362
Exploration	-	12,220	12,220	190	12,410
Drilling	-	3,112	3,112	96	3,208
Others	-	-	-	824	824
<b>Total Exploration Expenses</b>	<b>20,884</b>	<b>17,703</b>	<b>38,587</b>	<b>2,065</b>	<b>40,651</b>
<b>Grand Total</b>	<b>53,023</b>	<b>44,454</b>	<b>97,477</b>	<b>33,635</b>	<b>131,112</b>

### Castille Mine Property

(Figures in Canadian \$)

Particulars	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)	Addition during 2022	Closing Balance (May 31, 2022)
Mining Claims	13,904	22,005	35,909	31,570	67,479
Claim Fees	1,948	1,856	3,804		3,804
<b>Total Claim Expenses</b>	<b>15,852</b>	<b>23,861</b>	<b>39,713</b>	<b>31,570</b>	<b>71,283</b>
Consultancy	-	-	-	63	63
Geological Services	7,267	1,929	9,196		9,196
Survey	9,495	2,235	11,730	255	11,985

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**

*6 months ended May 31, 2022*

<b>Exploration</b>	-	11,551	11,551	42	11,593
<b>Drilling</b>	-	2,030	2,030		2,030
<b>Others</b>	-	-	-	352	352
<b>Total Exploration Expenses</b>	<b>16,762</b>	<b>17,744</b>	<b>34,506</b>	<b>713</b>	<b>35,219</b>
<b>Grand Total</b>	<b>32,614</b>	<b>41,605</b>	<b>74,219</b>	<b>32,283</b>	<b>106,501</b>

**Cimarron Project**

(Figures in Canadian \$)

<b>Particulars</b>	<b>Closing Balance (11/30/2020)</b>	<b>Addition during 2021</b>	<b>Closing Balance (Nov 30, 2021)</b>	<b>Addition during 2022</b>	<b>Closing Balance (May 31, 2022)</b>
<b>Mining Claims</b>	-	32,691	32,691	46,451	79,141
<b>Claim Fees</b>	-	27,209	27,209		27,209
<b>Total Claim Expenses</b>	-	<b>59,899</b>	<b>59,899</b>	<b>46,451</b>	<b>106,350</b>
<b>Consultancy</b>				63	63
<b>Geological Services</b>	-	-	-	848	848
<b>Survey</b>	-	17,514	17,514	64	17,578
<b>Testing Fees</b>	-	37,591	37,591		37,591
<b>Exploration</b>	-	63,026	63,026	981	64,007
<b>Drilling</b>	-	376,112	376,112	(2,487)	373,625
<b>Storage</b>				1,403	1,403
<b>Others</b>	-	12,822	12,822	2,219	15,042
<b>Total Exploration Expenses</b>	-	<b>507,065</b>	<b>507,065</b>	<b>3,091</b>	<b>510,157</b>
<b>Grand Total</b>	-	<b>566,964</b>	<b>566,964</b>	<b>49,542</b>	<b>616,506</b>
<b>Total</b>	<b>620,925</b>	<b>686,126</b>	<b>1,307,051</b>	<b>124,939</b>	<b>1,431,990</b>

- d) The six months ended May 31, 2022, also witnessed an increase in the Accounts payable and accrued liabilities by \$22,891 from \$68,942 at November 30, 2021 to \$91,833 as at May 31, 2022.

**Cash Flows:**

During the six months ended May 31, 2022, the Corporation used \$315,672 (May 31, 2021: \$630,295) of its cash and cash equivalents to meet the Operating Activities i.e., pay its trade and other payables, fund its

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

operations and pay for the corporate operating expenses. The Company's Investing Activities includes incurring an amount of \$119,693 (May 31, 2021: \$387,079) to continue with the exploration and evaluation of its mineral assets. During the six months ended May 31, 2022, there was no spend under the Company's Financing Activities (May 31, 2021: \$2,251,179).

**Results of Operation for the six months ended May 31, 2022:**

For the six months ended May 31, 2022, the Company realized a net loss of \$513,287 or \$0.03 per share, compared to a net loss of \$584,690 or \$0.02 per share per share for the six months ended May 31, 2021. The highlights of the operations for the year are as follows:

Particulars	May 31, 2022	May 31 2021	Variation	Remarks
	\$	\$	\$	
Share-based compensation	<b>196,814</b>	-	196,814	The stock options (originally issued on March 16, 2021) were modified effected on July 9, 2021, whereby the Company issued 1,550,000 incentive stock options at \$0.41 to key management and directors and 400,000 incentive stock options to consultants at \$0.50. During December 2021, the Company issued 200,000 stock options to the CEO, at \$0.40, vesting quarterly over 1 year and shall be valid for 5 years. Accordingly, under IFRS 2, an amount of \$196,814 has been considered as share-based compensation during the year.
Professional fees	<b>175,074</b>	179,452	(4,378)	See details below
Marketing and Promotion	<b>57,299</b>	320,112	(262,813)	The Company engaged consultants to improve the marketability of the Company in order to raise finances during Q1 2021. (See details below)
Director Fees	<b>43,500</b>	30,750	12,750	
Prospecting Costs	<b>10,683</b>	1,365	9,318	The Company incurred expenses towards certain evaluation of mineral properties during the current quarter.
Insurance	<b>10,250</b>	9,465	785	
Filing Fees	<b>14,016</b>	17,753	(3,737)	Filing fees increased mainly on account of the Private Placement in December 2020

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

The comparative Marketing and Promotion Expenses by nature of expenditure for the six months ended May 31, 2022, and May 31, 2021, are summarized below:

Particulars	May 31 2022	May 31 2021	Variation	Remarks
	\$	\$	\$	
European Outreach		101,080	(101,080)	During 2021, the Company has vigorously focused on investor relations in Europe and has managed to raise a significant sum of money from the European markets under the private placement.
US Social Media		30,315	(30,315)	During 2021, the Company has appointed several consultants to increase its outreach across North America.
Consultancy	<b>57,299</b>	114,216	(56,917)	
Value of Performance Warrants issued		67,387	(67,387)	During the 3 months ended February 28, 2021, the Company issued 336,933 performance warrants in connection with the marketing of the Company in Europe. Each warrant is exercisable into one common share at a price of \$0.60. The fair value of the warrants was deduced using the Black Scholes model resulting in an expenditure debit of \$67,386.60
Others		7,114	(7,114))	

The comparative Professional Fees by nature of expenditure for the six months ended May 31, 2022, and May 31, 2021, are summarized below:

	<b>6 Months ended May 31, 2022</b>	<b>6 Months ended May 31, 2021</b>	<b>Remarks</b>
	\$	\$	
<b>Accounting and Audit Expenses</b>	60,547	38,631	Provision for Audit fees and accounting work
<b>Management Services</b>	112,350	129,997	
<b>Share Subscription and Listing Related Expenses</b>	2,177	10,824	Mainly constitute fees towards maintenance of the Trust Account for raising finance and Listing at the CSE.
<b>Grand Total</b>	175,074	179,452	

The Company expects to continue incurring losses during this period of exploration and development. These losses are expected to be funded by the current cash and private placement financing.

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

The carrying value of the mineral exploration and evaluation assets are reviewed by the Company on a quarterly basis by reference to the project economics, including the timing of the exploration and evaluation work, the work programs and exploration results achieved by the Company. At May 31, 2022, the Corporation does not believe that (a) any one of the triggers for impairment testing under IAS 36 has occurred; (b) Sufficient information is present to asses any potential cash flow at this point in time; (c) There has been a change in any facts or circumstances that could reasonably trigger an impairment testing under IFRS 6.

### Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company for the eight quarters ended May 31, 2022.

	May -22	Feb - 22	Nov - 21	Aug - 21	May - 21	Feb - 21	Nov - 20	Aug - 20
Net income / (Loss) for the Quarter	(204,140)	(309,147)	(1,482,132) <sup>1</sup>	(165,672)	(244,493)	(340,197)	(151,320)	879,253
Comprehensive income / (Loss)	(204,140)	(309,147)	(1,482,132)	(165,672)	(244,493)	(340,197)	(151,320)	879,253
Loss / Share	(0.01)	(0.02)	(0.07)	(0.01)	(0.01)	(0.02)	(0.01)	0.07

- (1) Share Based Compensation amounting to \$990,000 in terms of 500,000 shares and 500,000 Warrants issued to M/s. Onyx Capital GmbH of Germany and an additional amount of Euro 50,000. The Share Based compensation was reversed in the quarter ended August 2020 when the shares and warrants were cancelled.

#### Results of Operation for the three months ended May 31, 2022:

##### Selected quarterly financial information

For the three months ended May 31, 2022, the Company realized a net loss of \$204,140 or \$0.01 per share, compared to a net loss of \$244,493 or \$0.01 per share per share for the three months ended May 31, 2021.

The highlights of the operations for the year are as follows:

Particulars	May 31, 2022	May 31, 2021	Variation	Remarks
	\$	\$	\$	
Share-based compensation	<b>44,116</b>	-	<b>44,116</b>	The stock options (originally issued on March 16, 2021) were modified effected on July 9, 2021, whereby the Company issued 1,550,000 incentive stock options at \$0.41 to key management and directors and 400,000 incentive stock options to consultants at \$0.50.

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

				During December 2021, the Company issued 200,000 stock options to the CEO, at \$0.40, vesting quarterly over 1 year and shall be valid for 5 years. Accordingly, under IFRS 2, an amount of \$44,116 has been considered as share-based compensation during the 3 months ended May 31, 2022.
Professional fees	<b>87,442</b>	117,313	(29,871)	See below
Marketing and Promotion	<b>26,491</b>	77,948	(51,457)	During 2021, the Company engaged consultants to improve the marketability of the Company in order to raise finances.
Director Fees	<b>21,750</b>	18,000	3,750	
Prospecting Costs	<b>2,653</b>	-	2,653	The Company incurred expenses towards certain evaluation of mineral properties during the current quarter.
Insurance	<b>5,452</b>	5,191	261	
Filing Fees	<b>9,260</b>	11,016	(1,756)	

The comparative Professional Fees by nature of expenditure for the six months ended May 31, 2022, and May 31, 2021, are summarized below:

	<b>3 Months ended May 31, 2022</b>	<b>3 Months ended May 31, 2021</b>	<b>Remarks</b>
	\$	\$	
<b>Accounting and Audit Expenses</b>	36,457	29,449	Provision for Audit fees and accounting work
<b>Management Services</b>	50,265	79,235	
<b>Share Subscription and Listing Related Expenses</b>	720	4,880	Mainly constitute fees towards maintenance of the Trust Account for raising finance and Listing at the CSE.
<b>Grand Total</b>	87,442	113,563	

## Liquidity and Capital Resources

### *Working Capital*

Working Capital is a non- GAAP financial information being the difference between Current Assets and Current Liabilities. Working Capital at May 31, 2022, of 43,344 represents a decrease of \$441,203 from the levels of November 30, 2021 total of 484,547. This decrease in working capital is mainly due to funding of operating losses of \$315,672 and Exploration costs paid amounting to \$119,693.

### *Capital Expenditures*

The Company incurred \$119,693 towards Exploration and Evaluation of Assets during the 6 months ended May 31, 2022.

### *Capital Resources*

Equity attributable to shareholders of the Company is \$1,493,831, a decrease of \$316,475 from November 30, 2021, balance of \$1,810,306, and is comprised of share capital of \$1,792,963 (Previous Year: \$1,792,964), Warrants Reserve \$2,303,324 (Previous Year: \$2,303,324), Contributed surplus \$1,423,262 (Previous Year: \$1,226,449), less the deficit of \$4,025,718 (Previous Year: \$3,512,431).

Management of the Corporation believes that it shall be able to raise sufficient funds to pay its ongoing general and administrative expenses, to pursue exploration and to meet its liabilities, obligations and existing commitments for the ensuing 12 months as they fall due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Corporation's ability to continue future operations beyond May 31, 2022, and fund its exploration and evaluation expenditures is dependent on management's ability to secure additional financing in the future, which may be completed in a number of ways, including, but not limited to, the issuance of debt or equity instruments. Management will pursue such additional sources of financing when required.

While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Corporation or that they will be available on terms which are acceptable to the Corporation. If management is unable to obtain new funding, the Corporation may be unable to continue its operations, and amounts eventually realized for assets might be less than amounts reflected in these consolidated financial statements.

## **Off-Balance Sheet Arrangements**

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources.

## **Transactions with Related Parties**

Transactions with key management

Key management personnel of the Company are officers and members of the Board of Directors, as well as the Chairman of the Board.



**Crestview Exploration Inc.**  
**Management Discussion & Analysis**

*6 months ended May 31, 2022*

Key management personnel of the Company comprise of the members of the board of directors, as well as the President and Chief Executive Officer and the Chief Financial Officer (“CFO”). The compensation paid to key management is presented below:

**Related Party Transactions**

Key Managerial Personnel	Account Head	Expenditure		Accounts Payable & Accrued Liabilities	
		6 months ended		As at	
		May 31, 2022	May 31, 2021	May 31, 2022	Nov 30, 2021
		\$	\$	\$	\$
Chief Financial Officer	Professional fees	55,350	59,788	-	-
	Marketing fees	563	875	-	-
Chief Executive Officer	Professional fees	51,000	49,960	-	-
Corporation in which erstwhile CEO is an Officer				-	-
Stock Works Agency Inc. :	Professional fees	-	24,000	-	29,925
	Marketing Fees		725	-	
Ubika	Marketing Fees	8,800	32,583	-	1,417
VP of Exploration	Land	18,088	108,229	-	
Dimitrios (James) Liakopoulos	Director Fees	30,000	18,000	5,069	32,235
Wei-Tek	Director Fees	4,500	3,750	2,250	7,500
Louis Lapointe	Director Fees	4,500	4,500	2,250	2,250
Jim McKenzie	Director Fees	4,500	4,500	2,250	2,250

**Shares and Warrants Purchased**

	6 months ended			6 months ended		
	May 31, 2022			May 31, 2021		
	Units	Warrants	Value	Units	Warrants	Value
	Nos	Nos	\$	Nos	Nos	\$
Dimitrios (James) Liakopoulos	0	0	0	50,000	50,000	15,000
SCA Capital PTY Ltd	0	0	0	166,667	166,667	50,000
Ubika	0	0	0	56,667	56,667	17,000
Jim McKenzie	0	0	0	13,667	13,667	4,100

## **Critical Accounting Estimates and Accounting Policies**

### **IFRS Accounting policies**

The Company's significant accounting policies under IFRS are disclosed in Note 3 in the audited annual consolidated financial statements for the year ended November 30, 2021.

### **Use of estimates and judgements**

Please refer to Note 4 of the audited annual consolidated financial statements for the year ended November 30, 2021, for an extended description of the information concerning the Company's significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses.

### **Changes in accounting policies**

The Company's changes to accounting policies are disclosed in Note 3 in the audited annual consolidated financial statements for the year ended November 30, 2021.

### **Financial Risk Management, Objectives and Policies**

The Company is exposed to various risks in relation to its financial instruments. The main types of risks the Company is exposed to are credit risk and liquidity risk.

The Company's main financial risk exposure and its financial risk management policies are as follows:

#### **Credit risk**

Credit risk relates to the risk that one party to a financial instrument will not fulfill some or all of its obligations, thereby causing the Company to sustain a financial loss. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets, cash and cash equivalents and receivables at the reporting date for the aggregate amounts of \$71,840 at May 31, 2022 (November 30, 2021: \$519,214). The risk related to cash and cash equivalents is considered negligible as the Company is dealing with a reputable financial institution whose credit rating is excellent and the cash held in trust is accessible as and when required.

#### **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's liabilities have contractual maturities (including interest payments where applicable) as summarized below:

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

Within 3 months

	May 31, 2022	November 30, 2021
	\$	\$
Accounts payable and accrued liabilities	91,833	68,942
<b>Total liabilities</b>	<b>91,833</b>	<b>68,942</b>

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date. Where the counterparty has a choice of when an amount is paid, the liability has been included on the earliest date on which payment can be required.

### Capital Management Policies and Procedures

The Company's objectives in managing capital is to safeguard its ability to continue its operations, to increase the value of the assets of the business and to provide an adequate return to owners. These objectives will be achieved by identifying the right exploration prospects, adding value to these projects and ultimately taking them through to production or sale and cash flow, either with partners or by the Company's own means. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

In order to maintain or adjust the capital structure, the Company may issue new shares to improve its financial performance and flexibility. The company monitors capital on the basis of the carrying amount of equity. Capital for reporting period under review is summarized in Note **Error! Reference source not found.** of the Financial Statements and in the statement of changes in equity. The Company is not subject to any externally imposed capital requirements.

## Commitments and Contingencies

Pursuant to the agreement with Geological Services Inc. in connection with the lease and option on the Divide Mine, the Castile Mountain and the Cimarron projects the Company is required to make certain annual payments. The commitments of the Company for the next 5 years are as follow:

Year	Divide Mining & Castile Mining Projects	Cimarron Gold Project	Total	Total
	US\$	US\$	US\$	C\$
2023	75,000	50,000	125,000	158,100
2024	100,000	45,000	145,000	183,396
2025	150,000	45,000	195,000	246,636
2026	150,000	-	150,000	189,720

The payments of 2024 and 2025 for Divide Mine and Castille Mining Projects are to be indexed based and the minimum royalty for 2025 is to be continued for the term of the agreement i.e., 10 years unless the Company exercises its option to purchase the properties. The amounts are expressed in Canadian Dollars at an exchange rate of 1.2648.

## **Controls and Procedures Over Financial Reporting**

Venture issuers are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"). In particular, the Company's certifying officers are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company 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
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers 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.

## **Disclosure Of Outstanding Share Data**

The following information relates to share data of the Company.

### **1. Capital stock**

The capital stock of the Company consists only of fully paid common shares.

#### **a. Authorized**

- Unlimited number of common shares, without par value, voting and participating.
- Unlimited number of preferred shares, without par value, non-participating. The directors will define the rights, privileges, restrictions and conditions of these shares upon issuance.

b. Issued

**Year ended November 30, 2021, and 2020**

In December 2020, the Company closed a non-brokered private placement by issuing 6,969,968 share units for gross proceeds of \$2,090,990. Each share unit consists of one common share and one share purchase warrant, with each warrant exercisable into one common share at \$0.40 within a period of three years since the date of issue. In connection with the placement, the Company paid a finders fee of \$34,896 and 116,320 warrants, with an estimated fair value of \$34,896, as compensation to qualified finders. Each warrant is exercisable at a price of \$0.40 for three-year from the date of issuance. Using the residual method, the fair value of shares was estimated to be \$nil and the fair value of the warrants was estimated to be \$2,090,990. See Note 8 (d) for the assumptions applied in the Black-Scholes pricing model in determining the fair value of the warrants.

In March 2021, the Company closed a non-brokered private placement by issuing 349,765 share units for gross proceeds of \$297,300. Each share unit consists of one common share and one-half share purchase warrant, with each whole warrant exercisable into one common share at \$1.25 within a period of two years since the date of issue. In connection with the placement, the Company paid \$17,838 also issued a total of 10,493 warrants, with an estimate fair value of \$3,777, as compensation to qualified finders. Each warrant is exercisable at a price of \$1.25 for two-year from the date of issuance.

Using the residual method, the fair value of shares was estimated to be \$234,342 and the fair value of the warrants was estimated to be \$62,958. See Note 8 (d) of the Financial Statements for the year ended November 30, 2021, for the assumptions applied in the Black-Scholes pricing model in determining the fair value of the warrants.

The above costs have been booked as cost for issuance of shares and have been offset from the proceeds from issuance of shares.

c. Repurchased

During the year ended November 30, 2020, the Company repurchased 300,000 shares (2019: 375,000 shares) for \$26,784 (2019: \$33,850) from Kingsmere Mining Ltd. The repurchased shares were cancelled.

**2. Warrants:**

During the year ended November 30, 2021, the Company issued

- a) 6,969,968 warrants for each unit of share sold. Each warrant is exercisable into one common share at a price of \$0.40.
- b) 174,882 warrants for each unit of share sold. Each warrant is exercisable into one common share at a price of \$1.25.
- c) 116,320 warrants as finder's fee in connection with the raising of finances. Each warrant is exercisable into one common share at a price of \$0.40.

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**

*6 months ended May 31, 2022*

d) 10,493 warrants as finder's fee in connection with the raising of finances. Each warrant is exercisable into one common share at a price of \$1.25.

e) 336,933 performance warrants in connection with the marketing of the Company in Europe. Each warrant is exercisable into one common share at a price of \$0.60. Fair value of these warrants was estimated to be \$117,927. See Note 8 (d) for the assumptions applied in the Black-Scholes pricing model in determining the fair value of the warrants.

f) During the year ended November 30, 2021, 68,000 warrants expired and consequently the fair value of expired warrants estimated at of \$7,006 was transferred from the warrants reserve to deficit.

g) During the year ended November 30, 2021, 36,500 warrants were exercised pursuant to which an amount of \$7,971 was transferred from the warrant reserve to share capital.

Details of common share purchase warrants outstanding are as follows:

	May 31, 2022		November 30, 2021	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Outstanding - beginning of period	7,572,596	0.41	68,500	0.60
Granted	-		7,608,596	0.41
Cancelled	-		-	-
Exercised	-		(36,500)	0.40
Expired	-		(68,000)	0.60
Outstanding - end of period	7,572,596	0.41	7,572,596	0.41

As at May 31, 2022, the following share purchase warrants were outstanding:

Expiry date	As at May 31, 2022		As at November 30, 2021	
	Number of Warrants	Exercise price	Number of Warrants	Exercise price
March 2023	185,375	\$ 1.25	185,375	\$ 1.25
December 2023	7,050,288	\$ 0.40	7,050,288	\$ 0.40
January 2024	336,933	\$ 0.60	336,933	\$ 0.60
	7,572,596	\$ 0.41	7,572,596	\$ 0.41

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

The fair value of the warrants issued noted above were estimate based on the following ranges of key assumptions:

Warrants Reserve	6 months ended May 31, 2022
Exercise Price	\$0.40 to \$1.25
Expected Life	2 to 3 years
Dividend Yield	Nil
Volatility	94% to 100%
Risk Free Interest Rate	0.19% to 0.49%
Fair Value	\$0.30 to \$0.36

### 3. Options

The Company offers a stock option plan for its officers, directors, employees and consultants. The fair value of stock options for each vesting period is determined using the Black Scholes option pricing model and is recorded over the vesting period as an increase to stock-based compensation and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Company and the related contributed surplus are recorded as an increase to share capital. In the event that vested stock options expire, previously recognized share-based compensation is not reversed. In the event that stock options are forfeited, previously recognized share-based compensation associated with the unvested portion of the stock options forfeited is reversed.

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire exploration and evaluation assets are based on the fair value of the goods and services received. If the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or services.

On March 16, 2021, the Company issued 1,550,000 incentive stock options to key management and directors at \$1.02 and 400,000 incentive stock options to consultants at \$1.02. The stock options were modified effected on July 9, 2021,whereby the Company issued 1,550,000 incentive stock options at \$0.41 to key management and directors and 400,000 incentive stock options to consultants at \$0.50. These stock options shall vest quarterly over 12 months and shall be valid for 5 years. Accordingly, under IFRS 2, the transaction has been classified as a “modification of share-based payment” an amount of \$1,226,449 has been considered as share-based compensation during the year. 412,500 of these options were vested at the November 30, 2021, year-end.

During December 2021, the Company issued 200,000 stock options to the CEO, at \$0.40, vesting quarterly over 1 year and shall be valid for 5 years.

Under IFRS 2, an amount of \$196,814 has been considered as share-based compensation during the six months ended May 31, 2022.

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**

*6 months ended May 31, 2022*

<b>Stock Options</b>	<b>6 months ended May 31, 2022</b>	<b>Year ended November 30, 2021</b>
Outstanding at the beginning of the year	<b>1,650,000</b>	-
Options granted	<b>200,000</b>	1,950,000
Options Expired	-	(300,000)
Options Exercised	-	-
Outstanding at the end of the year	<b>1,850,000</b>	1,650,000

### **Business Risks**

The Company is engaged in the exploration evaluation and development of mineral properties. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks to such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment. The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been relatively successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

The Company has determined a project construction and operation plan based on best available knowledge and with certain assumptions that will enable it to initiate work and enter into contracts. Events outside the control of the Company, such as funding or permit approvals as examples, may adversely affect these plans and result in delays for construction and for start of operations.

The Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power will need to be generated on site. Due to its location, weather events may cause disruptions or other difficulties in operations.

Certain of the Company's properties are located in the Elko County, Nevada, USA and therefore subject



**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

to its mining legislation, which may require that primary processing be done within the Province/ State in order to obtain mining rights. Furthermore, Provincial/ State and federal legislators may enact laws or budgets that have a negative impact on this project or on the mining industry as a whole.

Volatile market conditions for resource commodities, including iron ore, have resulted in a dramatic decrease in market capitalization and the inability of companies to acquire funding for their exploration and development properties. An extended period of poor macro-economic conditions could lead to an inability of the Company to finance future operations.

Inflation has not been a significant factor affecting the cost of goods and services in Canada in recent years; however renewed exploration and development activity may result in a shortage of experienced technical staff, and heavy demand for goods and services needed by the mining community.

The mineral industry is intensely competitive in all its phases. Crestview competes with many other mineral exploration companies with greater financial resources and technical capacity.

The price of gold and other commodities reflects the aforementioned market volatility. The purchase of securities of the Company involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in securities of the Company should not constitute a major part of an investor's portfolio.

In recent years securities markets have experienced extreme price and volume volatility. The market price of securities of many early-stage companies have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on the Canada Exchange may be affected by such volatility.

In order to develop the Rock Creek Project to commercial production or to finance operations, additional third- party financing may be required and there is no assurance that such financing will be available on reasonable commercial terms, or at all.

The Corporation has limited financial resources and there is no assurance that additional funding will be available to it for further exploration work or the development of its projects or to fulfill its obligations under applicable agreements. Although the Corporation has been successful in the past to obtain financing through the sale of equity securities, there can be no assurance that the Corporation will be able to obtain adequate financing in the future or that terms of the financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Corporation with possible dilution or loss of such

interests.

The Corporation is conducting its exploration activities in the United States of America. There is a sovereign risk of investing in a foreign country, including the risk that the mining concessions may be susceptible to revision or cancellation by new laws or changes in direction by the government in question. These are matters over which the Corporation will have no control. Although management believes that the government and population of the United States of America support the development of natural resources and mining activities there is no assurance that future political and economic conditions in such country will not result in the adoption of different policies or attitudes respecting the development and ownership of mineral resources. Any such changes in policy or attitudes may result in changes in laws affecting ownership of assets, land tenure and mineral concessions, taxation, royalties, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, which may affect both the Corporation's ability to undertake exploration and, if warranted, development and mining activities in respect of current and future properties.

The acquisition of titles to mineral projects is a detailed and time-consuming process. Although the Corporation has taken precautions to ensure that the agreement of the Rock Creek Prospect is a valid and legally binding agreement and that title of the property can be transferred and properly recorded, by obtaining a legal opinion from local counsel, there can be no assurance that such title will ultimately be secured. Furthermore, there is no assurance that the interest of the Corporation in its property may not be challenged or impugned.

The success of the Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

In the normal course of the Company's business, Crestview may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, related to the personal injuries, property damage, property tax, the environment and contract disputes. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to the Company and as a result, could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

Since January 30, 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed

**Crestview Exploration Inc.**  
**Management Discussion & Analysis**  
*6 months ended May 31, 2022*

to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods or on its ability to continue as a going concern.

*“Dimitrios Liakopoulos”*

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**Director**  
**Dimitrios Liakopoulos**