



**Management's Discussion and Analysis
For the Year Ended December 31, 2020**

The following discussion and analysis of the operations, results and financial position of Cresval Capital Corp. (the "Company" or "Cresval") should be read in conjunction with the Company's audited consolidated financial statements as of and for the year ended December 31, 2020, which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and the notes thereto.

This Management's Discussion and Analysis ("MD&A") is dated April 30, 2021 and discloses specified information up to that date. Cresval is classified as a "venture issuer" for the purposes of National Instrument 51-102. The audited consolidated financial statements with respect to the year ended December 31, 2020 as compared to the year ended December 31, 2019 and this MD&A have been prepared by management and approved by the Company's Board of Directors. This MD&A should be read in conjunction with the audited consolidated financial statements of the Company and related notes. All financial information is expressed in Canadian dollars, unless otherwise stated.

We recommend that readers consult the "Cautionary Statement" on the last page of this report.

Additional information relating to the Company can be obtained on SEDAR at www.sedar.com or on the Company's website at www.cresval.com.

Overview

Cresval was incorporated under the Company Act of British Columbia on July 23, 2001 and is a reporting issuer in the Provinces of British Columbia and Alberta. The common shares of the Company are listed for trading on the TSX Venture Exchange under the symbol "CRV" and on the Frankfurt Stock Exchange under the symbol "CFV". Its principal business comprises the acquisition and exploration of mineral resource properties, with a current focus on base and precious metal properties located in the Province of British Columbia, Canada.

The Company is in the exploration stage. The Company is classified as a Mineral Exploration company. The financial statements to which this MD&A relates have been prepared on a going concern basis, which presumes the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. The Company had a working capital deficiency of \$895,530 at December 31, 2020 and has accumulated losses of \$3,442,728 since inception. The Company's ability to meet its obligations and maintain its operations is contingent upon additional financing or profitable operations in the future.

On June 19, 2020, the British Columbia Securities Commission issued a cease trade order for failure to file financial statements. A full revocation order was issued on June 22, 2020. On June 22, 2020, the Company was halted from trading on the TSX Venture Exchange and a review was initiated soon thereafter. The Company resumed trading on February 10, 2021.

Due to limited cash, the halt from trading and the Covid-19 global pandemic, the Company had limited activities in 2020. In March 2020, the Province of British Columbia provided time extensions to December 31, 2021 for registering work on claims that would have expired prior to that date.

Strategy, Performance and Outlook

Units Returned and Cancelled

On January 9, 2020, the Company issued a total of 2,400,000 units pursuant to a private placement, of which 200,000 were flow-through units. No directors or officers were involved in this private placement. The units were valued at \$0.05 per unit for a total value of \$120,000. Of the \$120,000 of total value, \$72,000 was attributed to the warrant portion of the units.

As a result of non-compliance with the TSX Venture Exchange (the "TSXV") policies relating to this private placement, the TSXV required the Company to cancel 2,200,000 of the 2,400,000 units relating to this private placement and, as a consequence, the Company amended and restated its interim consolidated financial statements for each of the three interim quarters of 2020. The units which were cancelled were not held by directors or officers of the Company. For further information, refer to note 8 of the consolidated financial statements as of and for the year ended December 31, 2020.

As a net result of this private placement, the Company received a total of \$10,000 of gross proceeds, and issued 200,000 flow-through units. Each of the 200,000 units consists of one common share and one common share purchase warrant exercisable at a price of \$0.07 for a period of two years.

Mineral Property Interests

The Company currently has interests in two exploration projects. The first property, known as Thunder Copper (formerly, the MIKE Property), located approximately 40 km west-northwest of Goldbridge, British Columbia in the Lillooet Mining Division consists of 13 contiguous mineral claims and covers an area of approximately 11,127 hectares. The Company did not complete any exploration on the Thunder Copper property during the year ended December 31, 2020 and has not completed any exploration on this property in 2021, up to the current date. Subject to raising the necessary financing, the Company intends to perform a minimum of approximately \$250,000 of exploration work during the remainder of 2021, which will allow the company to maintain its rights to the property to late 2022.

In the second quarter of 2020, the Company received \$3,889 relating to the BC Mining Exploration Tax Credit for eligible exploration expenditures made on the Thunder Copper property in previous periods.

The second property, the New Raven property (which was previously amalgamated with the Aumax claims), is located approximately 15 km southwest of Lillooet, British Columbia, in the Lillooet Mining Division. The New Raven property previously consisted of 6 contiguous claims covering an area of approximately 3,508 hectares but those claims were replaced in December 2019 with one new claim located in the Northwest portion of the New Raven property. This one New Raven claim covers an area of approximately 738 hectares. The Company did not incur any exploration-related costs on the New Raven property during the year ended December 31, 2020 and has not completed any exploration on this property in 2021, up to the current date. Though the Company still maintains rights to this claim through the end of 2021, the Company has determined that the prospect for success on this claim is limited and that the recoverable amount is \$nil. Accordingly, the Company has recognized an impairment loss related to this property.

During 2020, the Company received a refund, from the Province of British Columbia, of \$15,000 pertaining to security relating to reclamation bonds on the previous New Raven claims. As well, the Province of British Columbia released an additional \$5,000 of security, held by a financial institution, relating to a reclamation bond on the previous New Raven claims.

The Company's remaining \$10,000 of reclamation bonds pertain to the Thunder Copper property.

Review of Operations

Three months ended December 31, 2020 compared with the three months ended December 31, 2019

	3 Months Ended	3 Months Ended
	<u>December 31, 2020</u>	<u>December 31, 2019</u>
General and Administrative Expenses		
Consulting and management fees	\$ 30,000	\$ 39,750
Depreciation	113	189
Office supplies and services	688	2,019
Professional fees	30,577	23,984
Shareholder information and communications	(4,110)	5,260
Share transfer, listing and filing fees	1,103	841
Travel	-	1,883
Impairment of exploration and evaluation asset	56,563	-
	<u>(114,934)</u>	<u>(73,926)</u>
Other Income (Expenses)	<u>(1,172)</u>	<u>-</u>
Total Net Loss and Comprehensive Loss	\$ (116,106)	\$ (73,926)
Basic and Diluted Loss per Share	\$ (0.004)	\$ (0.003)
Weighted Average Shares Outstanding		
(basic and diluted)	<u>30,218,231</u>	<u>29,143,710</u>

- Consulting and management fees declined for the year ended December 31, 2020 compared to the same period in 2019 due mainly to the resignation of a director in July 2020 who previously provided consulting services.
- Professional fees increased by \$6,593 for the three months ended December 31, 2020 compared to the same period in 2019. The main reason for the increase is due to legal fees associated with responding to the TSX Venture Exchange's review and the related cancellation of Units that were issued earlier in 2020.
- Shareholder information and communications for the three months ended December 31, 2020 was a credit balance of \$4,110 compared to a 2019 debit balance of \$5,260. The main reason for the credit balance was due primarily to a reversal of an accrued liability of \$5,000. The accrual was originally made in 2019 but was determined to be not owing by the end of 2020.
- The decrease in Travel expenses was due to no travel activity because of the Covid-19 global pandemic.
- The impairment loss in the three months ended December 31, 2020 relates to the New Raven property. The Company has determined that the prospect for success on this claim is limited and that the recoverable amount is \$nil.
- Other Expenses, net of interest income, increased by \$1,172 for the three months ended December 31, 2020 compared to the same period in 2019. The main reason for the increase is interest charges related to a short-term loan which was obtained in 2020 and which remained outstanding as of year-end.

Year ended December 31, 2020 compared with the year ended December 31, 2019

	12 Months Ended December 31, 2020	12 Months Ended December 31, 2019
General and Administrative Expenses		
Consulting and management fees	\$ 125,200	\$ 156,750
Depreciation	479	667
Office supplies and services	2,084	14,968
Professional fees	40,395	35,193
Shareholder information and communications	(3,541)	119,904
Share transfer, listing and filing fees	19,282	25,918
Travel	112	2,826
Impairment of exploration and evaluation asset	56,563	-
	<u>(240,574)</u>	<u>(356,226)</u>
Other Income (Expenses)	<u>(2,715)</u>	<u>90</u>
Total Net Loss and Comprehensive Loss	<u>\$ (243,289)</u>	<u>\$ (356,136)</u>
Basic and Diluted Loss per Share	\$ (0.008)	\$ (0.012)
Weighted Average Shares Outstanding	30,213,313	29,143,710

- Consulting and management fees declined for the year ended December 31, 2020 compared to the same period in 2019 due mainly to the resignation of a director in July 2020 who previously provided consulting services. As well, the Company's former CFO had reduced involvement during the last half of the year, though this was offset by the hiring of a new CFO near the end of the year.
- Office supplies and services decreased by \$12,884 for the year ended December 31, 2020 compared to the same period for 2019 due primarily to a decrease in expense for rental premises.
- Professional fees increased by \$5,202 for the year ended December 31, 2020 compared to the same period for 2019. The increase was due mainly to legal fees associated with a shareholder dispute that began in 2019 and continued into 2020 along with legal fees associated with responding to the TSX Venture Exchange's review and the related cancellation of Units that were issued earlier in 2020.
- Shareholder information and communications decreased significantly for the year ended December 31, 2020 compared to the same period in 2019 as a result of the termination of a sizable marketing and communications consulting service that began in the first half of 2019 and terminated before the end of 2019. The credit balance in 2020 was primarily due to a reversal of an accrued liability of \$5,000. The accrual was originally made in 2019 but was determined to be not owing by the end of 2020.
- Share transfer, listing and filing fees decreased for the year ended December 31, 2020 compared to the same period in 2019 due to a decrease in filings for reviewable transactions and a decrease in corporate actions.
- The decrease in Travel expenses for 2020 compared to 2019 was due to limited travel activity as a consequence of the Covid-19 global pandemic.
- The impairment loss in 2020 relates to the New Raven property. The Company has determined that the prospect for success on this claim is limited and that the recoverable amount is \$nil.
- The increase in Other expenses, net of interest income, for 2020 compared to 2019 is due primarily to interest expense on new short-term loans that were obtained in 2020. One of the short-term loans was repaid before the end of the year while the other short-term loan remained outstanding as of December 31, 2020.

Review of Quarterly Results

Quarter ended	2020				2019			
	Dec. 31 Q4 \$	Sept. 30 Q3 \$	June 30 Q2 \$	Mar. 31 Q1 \$	Dec. 31 Q4 \$	Sept. 30 Q3 \$	June 30 Q2 \$	Mar. 31 Q1 \$
Revenues	-	-	-	-	-	-	-	-
G&A Expenses	58,371	24,543	49,483	51,614	73,926	46,102	126,918	109,280
Impairment loss	56,563	-	-	-	-	-	-	-
Option Benefits								
Net Loss	116,106	25,959	49,610	51,614	73,926	46,102	126,828	109,280
-per share	(0.004)	(0.001)	(0.002)	(0.002)	(0.003)	(0.002)	(0.004)	(0.004)
-per share - diluted	(0.004)	(0.001)	(0.002)	(0.002)	(0.003)	(0.002)	(0.004)	(0.004)
Total assets	203,980	267,414	320,691	266,232	271,418	241,041	254,460	249,766
Liabilities (Long Term)	-	-	-	-	-	-	-	-
Cash Dividends	-	-	-	-	-	-	-	-
Working Capital (Deficiency)	(895,530)	(855,259)	(829,422)	(793,819)	(741,039)	(633,809)	(587,855)	(494,203)
Share Capital:								
- Authorized	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
- Outstanding	30,218,231 ^(a)	30,218,231 ^(a)	30,218,231 ^(a)	30,218,231 ^(a)	30,018,231	30,018,231	30,018,231	27,618,231
- Warrants	2,600,000 ^(a)	3,550,000 ^(a)	3,550,000 ^(a)	3,550,000 ^(a)	3,350,000	3,350,000	3,990,000	1,590,000
- Options	-	-	-	-	-	-	-	-

(a) Net of units returnable. Refer to note 8 of the applicable consolidated financial statements.

Results of operations can vary significantly by quarter, as a result of a number of factors. The Company's level of activity and expenditures during a specific quarter are determined by the Company's working capital position, the availability of external financing, the time required to gather, analyze and report on geological data related to its properties, the amount of stock options granted, the number of personnel required to support the level of corporate activity and the seasonality of exploration programs undertaken on the Company's mineral properties.

Liquidity and Capital Resources

Since inception, the Company has incurred cumulative losses of \$3,442,728, and has a working capital deficiency at December 31, 2020 of \$895,530 (December 31, 2019 – \$741,039).

The Company has financed its operations to date primarily through the issuance of common shares for private placements, though the Company did obtain \$150,000 of short term loans in the second quarter of 2020. Of that \$150,000 of short term loans, \$100,000 was repaid by August 2020. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to have profitable operations in the future.

The Company's future capital requirements will depend on many factors, including costs of exploration and development of the properties, cash flow from operations, competition and global market conditions. The Company's growing working capital needs will require it to obtain additional capital to operate its business.

The Company will depend on outside capital to complete the exploration and development of its resource properties. Such outside capital will include the sale of additional common shares and possibly debt financing. There can be no assurance that capital will be available as necessary to meet these continuing exploration and development costs or, if the capital is available, that it will be on terms acceptable to the Company. The issuances of additional equity securities by the Company may result in a significant dilution in the equity interests of its current shareholders. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the business and future success may be adversely affected.

Related Party Transactions

Management services by the Company's officers are provided on a consultancy basis. These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

(a) Key management transactions

The Company defines its directors and officers as its key management personnel. The compensation costs for key management personnel for the years ended December 31, 2020 and 2019 are as follows:

For the year ended December 31, 2020

	<u>Fees</u>^(a)	<u>Rent</u>	<u>Total</u>
Lee Ann Wolfin, CEO	\$ 60,000	\$ -	\$ 60,000
Matthew Wayrynen, Director	15,000	-	15,000
Pamela Saulnier, Former CFO	20,200	-	20,200
Douglas Yee, Current CFO	30,000	-	30,000
Total	\$ 125,200	\$ -	\$ 125,200

(a) Management/Consulting services paid directly to the named individual or to a company affiliated with the named individual.

For the year ended December 31, 2019

	<u>Fees</u>^(a)	<u>Rent</u>^(b)	<u>Total</u>
Lee Ann Wolfin, CEO	\$ 60,000	\$ 10,100	\$ 70,100
Matthew Wayrynen, Director	60,750	-	60,750
Pamela Saulnier, CFO	36,000	-	36,000
Total	\$ 156,750	\$ 10,100	\$ 166,850

(a) Management/Consulting services paid directly to the named individual or to a company affiliated with the named individual.

(b) Office rent.

(b) Due to related parties

As at December 31, 2020, the balance of Due to related parties is \$587,759 (2019 - \$477,720) and is comprised of \$395,062 due to the president of the Company (2019 - \$324,570), \$1,000 due to the Company's former CEO (2019 - \$1,000), \$32,447 due to a private company affiliated with the Company's current CFO (2019 - \$nil), and \$159,250 (2019 - \$144,250) due to a private company whose owner is related to a current director. These amounts due to related parties are non-interest bearing, with no specific terms of repayment. In addition, there is an amount due to a private company affiliated with the Company's former CFO in the amount of \$10,100 (2019 - \$7,900, included in Due to related parties), which is included in Trade and other payables as of December 31, 2020.

Critical Judgments and Estimates

The preparation of these financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the amount of revenues and expenses for the periods reported. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in operations in the period they become known.

Off-balance sheet arrangements

The Company has no off-balance sheet arrangements.

Financial Instruments

As at December 31, 2020, the Company's financial instruments are comprised of cash, receivables, accounts payable and accrued liabilities, short term loans, and due to related parties. The carrying value of receivables, accounts payable, accrued liabilities, short-term loans and due to related parties approximate their fair values due to the relatively short periods to maturity of these financial instruments.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value.

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has valued its cash using Level 1 inputs as at December 31, 2020. The fair value of reclamation bonds, short-term loan, due to related parties, and trade and other payables approximate their carrying values because of the short-term nature of these instruments.

The Company's cash is held through a Canadian chartered bank.

The Company obtained two short-term loans during 2020, with one of them repaid during the year and one remaining outstanding as of December 31, 2020.

Risks and Uncertainties

The acquisition and exploration of mineral properties involves a high degree of risk, and the successful achievement of a profitable operation cannot be assured. Many exploration programs do not result in the discovery of mineralization; moreover, mineralization discovered may not be of sufficient quantity or quality to be profitably mined. Costs of finding and evaluating an ore body are substantial, and may take several years to complete. The Company must first overcome many risks associated with an early stage exploration property. Outstanding items to be completed include, but are not limited to, identification and quantification of a commercially viable ore body, confirmation of the Company's interest in the underlying claims and leases, completion of a feasibility study, funding of all costs to a commercial operating venture, completion of the permitting process, detailed engineering and procurement of a processing plant, and constructing a facility to support the mining activity. Construction and operational risks including, but not limited to, equipment and plant performance, metallurgical, environmental, cost estimation accuracy, and workforce

performance and dependability will all affect the profitability of an operating property.

External financing, primarily through the issuance of common shares, will be required to fund the Company's activities. There can be no assurance that the Company will be able to raise the requisite financing in the future.

Outstanding Share Data as of April 30, 2021 and December 31, 2020

	April 30, 2021	December 31, 2020^(a)
Shares	30,218,231	30,218,231
Options	-	-
Warrants	<u>2,600,000</u>	<u>2,600,000</u>
Fully Diluted	32,818,231	32,818,231

(a) Net of units returnable. Refer to note 8 of the applicable consolidated financial statements.

Management's Responsibility for Financial Statements

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and the financial statements together with the other financial information included in these filings. The Board of Directors approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.

ADDITIONAL INFORMATION

Additional information about the company can be found on www.sedar.com.

Cautionary Statement

This MD&A is based on a review of the Company's operations, financial position and plans for the future based on facts and circumstances as of April 30, 2021. Except for historical information or statements of fact relating to the Company, this document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.