



**Management Discussion and Analysis  
For the Nine Months Ended September 30, 2015**

This Management Discussion and Analysis (“MD&S”) of Cresval Capital Corp. (the “Company” or “Cresval”) provides analysis of the Company’s financial results for the nine months ended September 30, 2015 and should be read in conjunction with the accompanying unaudited condensed interim financial statements and notes thereto for the nine months ended September 30, 2015 and with the Company’s audited financial statements and notes thereto for the year ended December 31, 2014, which are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

This Management Discussion and Analysis (“MD&A”) is dated November 27, 2015 and discloses specified information up to that date. Cresval is classified as a “venture issuer” for the purposes of National Instrument 51-102.

***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](http://www.sedar.com) or on the Company’s website at [www.cresval.com](http://www.cresval.com).

**Business 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 deficit of \$306,473 at September 30, 2015 and has accumulated losses of \$2,552,206 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.

**Overall Performance**

The Company currently has interests in three exploration projects. The first property, known as the Bridge River copper claims, located 40 km west-northwest of Goldbridge, British Columbia in the Lillooet Mining Division consists of 27 contiguous mineral claims and covers an area of approximately 11,127 hectares.

The second property, the New Raven property, is located 15 km southwest of Lillooet, British Columbia, in the Lillooet Mining Division and consists of 4 mineral claims, covering an area of 2,700 hectares.

The third property, known as the Aumax property, is located approximately 16 km southwest of Lilloet, British Columbia and consists of 5 mineral claims, covering an area of approximately 1,087 hectares.

As at the period ended September 30, 2015, all of the Company's mineral claims remain in good standing.

**Review of Operations**

**Three months ended September 30, 2015 compared with the three months ended September 30, 2014**

	<b>3 Months Ended Sept. 30, 2015</b>	<b>3 Months Ended Sept. 30, 2014</b>
<b>General and Administrative Expenses</b>		
Consulting and management fees	\$ 16,500	\$ 22,500
Depreciation	451	598
Office supplies and services	1,292	248
Shareholder information and communications	4,050	450
Share transfer, listing and filing fees	2,679	3,285
<b>Operating Loss</b>	<b>(24,972)</b>	<b>(27,081)</b>
<b>Basic and Diluted Loss per Share</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Weighted Average Shares Outstanding</b>	<b>18,746,301</b>	<b>18,746,301</b>

- Consulting and management fees decreased to \$16,500 for the three months ended September 30, 2015 compared to \$22,500 for the three months ended September 30, 2014. This is attributable to reduced management consulting fees due to lower levels of corporate activity.
- Office supplies and services increased slightly to \$1,292 for the three months ended September 30, 2015 compared to \$248 for the three months ended September 30, 2014.
- Shareholder information and communications increased to \$4,050 for the three months ended September 30, 2015 compared to \$450 for the three months ended September 30, 2014. The difference is due to website updates for the Company's website and changes to corporate presentations to be utilized for financing purposes.
- Share transfer, listing and filing fees decreased to \$2,679 for the three months ended September 30, 2015 compared to \$3,285 for the three months ended September 30, 2014. This is due to a change in fee structure for transfer agency expenses and a reduction in transfer activity.

**Nine months ended September 30, 2015 compared with the nine months ended September 30, 2014**

	<b>9 Months Ended Sept. 30, 2015</b>	<b>9 Months Ended Sept. 30, 2014</b>
<b>General and Administrative Expenses</b>		
Consulting and management fees	\$ 55,500	\$ 67,500
Depreciation	1,452	1,936
Office supplies and services	1,992	1,234
Professional fees	3,770	-
Shareholder information and communications	4,410	1,580
Share-based compensation	-	11,017
Share transfer, listing and filing fees	9,662	12,398
Travel	-	349
<b>Operating Loss</b>	<b>(76,786)</b>	<b>(96,014)</b>
<b>Basic and Diluted Loss per Share</b>		
	\$ -	\$ -
<b>Weighted Average Shares Outstanding</b>	<b>18,746,301</b>	<b>18,746,301</b>

- Consulting and management fees decreased to \$55,500 for the nine months ended September 30, 2015 compared to \$67,500 for the nine months ended September 30, 2014. This is attributable to reduced management consulting fees due to lower levels of corporate activity.
- Office supplies and services increased slightly to \$1,992 for the nine months ended September 30, 2015 compared to \$1,234 for the nine months ended September 30, 2014 and is due to reduced office expenditures.
- Professional fees increased to \$3,770 for the nine months ended September 30, 2015 compared to \$nil for the nine months ended September 30, 2014 as a result of a change audit firms as well as tax preparation fees.
- Shareholder information and communications increased to \$4,410 for the nine months ended September 30, 2015 compared to \$1,580 for the nine months ended September 30, 2014. The difference is due to website updates for the Company's website and changes to corporate presentations to be utilized for financing purposes.
- Share-based compensation decreased to \$nil for the nine months ended September 30, 2015 compared to \$11,017 for the nine months ended September 30, 2014 as no stock options were granted in the current year.
- Share transfer, listing and filing fees decreased to \$6,983 for the nine months ended September 30, 2015 compared to \$12,398 for the nine months ended September 30, 2014. This is due to a change in fee structure for transfer agency expenses and a reduction in transfer activity.

## **Review of Quarterly Results**

Quarter ended	2015			2014				2013
	Sept. 30 Q3 \$	June 30 Q2 \$	Mar. 31 Q1 \$	Dec. 31 Q4 \$	Sept.30 Q3 \$	June 30 Q2 \$	Mar. 31 Q1 \$	Dec. 31 Q4 \$
Revenues	-	-	-	-	-	-	-	-
G&A Expenses	24,972	24,704	26,960	26,938	27,081	27,244	41,689	42,390
Option Benefits	-	-	-	-	-	-	-	-
Net Loss (Income)	24,972	24,704	26,960	1,245,295	27,081	27,118	41,689	(49,966)
-per share	-	-	-	-	-	-	-	-
-per share - diluted	-	-	-	-	-	-	-	-
Total assets	47,520	39,402	45,429	46,155	1,275,456	1,285,847	1,312,450	1,324,515
Liabilities (Long Term)	-	-	-	-	-	-	-	-
Cash Dividends	-	-	-	-	-	-	-	-
Working Capital (Deficiency)	(306,473)	(291,952)	(267,731)	(241,289)	(214,069)	(187,585)	(159,666)	(129,690)
Share Capital:								
- Authorized	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
- Outstanding	18,746,301	18,746,301	18,746,301	18,746,301	18,746,301	18,746,301	18,746,301	18,746,301
- Warrants	-	-	-	-	-	-	-	-
- Options	1,707,500	1,707,500	1,707,500	1,707,500	1,757,500	1,757,500	1,757,000	1,192,000

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 \$2,552,206 and has a working capital deficiency at September 30, 2015 of \$306,473 (2014 – \$214,069).

The Company has financed its operations to date primarily through the issuance of common shares for private placements. 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, costs to complete well production if warranted, competition and global market conditions. The Company's growing working capital needs may require it to

obtain additional capital to operate its business.

The Company will depend partly 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 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 contract basis. Additionally, the Company shares its premises and certain administrative costs with a related company, and reimburses this related company for its share of direct costs. 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.

The Company has identified its directors and officers as its key management personnel. The compensation costs for key management personnel for the nine months ended September 30, 2015 and 2014 are as follows:

	Sept. 30, 2015	Sept. 30, 2014
Consulting fees and management fees	\$ 55,500	\$ 67,500
Stock-based compensation	-	10,732
	<u>\$ 55,500</u>	<u>\$ 78,232</u>

### ***Other Related Party Transactions***

During the period ended September 30, 2015 \$1,458 (2014 - \$1,021) was charged for office, occupancy and miscellaneous costs and salaries, and administrative services paid on behalf of the Company by Oniva International Services Corp. ("Oniva") a company related by common management.

### ***Due to Related Parties***

As at September 30, 2015, there was \$1,289 (2014 - \$511) due to Oniva, \$261,253 due to the president of the Company (2014 - \$191,191), \$1,000 due to the Company's CEO (2014 - \$1,000) and \$11,000 due to the Company's CFO (2014 - \$4,975). The amounts due to related parties are non-interest bearing, unsecured and due on demand.

### **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 years reported. These estimates are reviewed periodically, and as adjustments become

necessary, they are reported in operations in the period they become known.

### **Financial Instruments**

As at September 30, 2015, the Company's financial instruments are comprised of cash, receivables, accounts payable and accrued liabilities and due to related parties. The carrying value of receivables, accounts payable and accrued liabilities 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 September 30, 2015. The fair value of the Company's other receivables, 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's current policy is to invest excess cash in a guaranteed investment certificate administered by a Canadian chartered bank. The Company has no debt instruments.

### **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.

### **Changes in Accounting Standards**

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory

for accounting periods beginning on or after January 1, 2015. The following new standards, amendments and interpretations have been adopted by the Company but have not had a material impact on these condensed interim financial statements:

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15"), which supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers, and SIC 31 Revenue - Barter Transactions involving Advertising Services. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is effective for annual periods beginning on or after January 1, 2017, with early adoption permitted.

The IASB intends to replace IAS 39 Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 Financial Instruments ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments. The IASB has determined that the revised effective date for IFRS 9 will be January 1, 2018.

**Outstanding Share Data as of September 30, 2015 and November 27, 2015**

	November 27, 2015	September 30, 2015
Shares	18,746,301	18,746,301
Options	1,757,500	1,757,500
Warrants	-	-
Fully Diluted	<b>20,503,801</b>	<b>20,503,801</b>

**Disclosure Controls and Procedures**

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), on a timely basis so that appropriate decisions can be made regarding public disclosure. As at September 30, 2015, the CEO and the CFO have evaluated the effectiveness of the Company's disclosure controls and procedures as defined in Multilateral Instrument 52-109 of the Canadian Securities Administrators and have concluded that such disclosure controls and procedures are effective.

**ADDITIONAL INFORMATION**

Additional information about the company can be found on [www.sedar.com](http://www.sedar.com) and [www.cresval.com](http://www.cresval.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 November 27, 2015. 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 factor 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.