



Management's Discussion & Analysis

Form 51-102F1

For the Year Ended September 30, 2015

COLOMBIA CREST GOLD CORP.
Management's Discussion and Analysis (Form 51-102F1)
For The Year Ended September 30, 2015

The Management Discussion's and Analysis ("MD&A"), prepared as of January 28, 2016, review and summarize the activities of Colombia Crest Gold Corp. ("Colombia Crest" or the "Company") and compare the financial results for the year ended September 30, 2015, with those of the previous year ended, September 30, 2014. This information is intended to supplement the audited financial statements for the year ended September 30, 2015 and the related notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts included in this MD&A are stated in Canadian dollars unless otherwise indicated.

Colombia Crest's common shares trade on the TSX Venture Exchange ("TSXV") under the symbol "CLB" and its most recent filings are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") and can be accessed through the Internet at www.sedar.com or through the Company's website at www.colombiacrest.com.

The "Qualified Person" under the guidelines of National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") for Colombia Crest's exploration projects in the following discussion and analysis is John Bolaños. Mr. Bolaños is a Professional Geologist (B.Sc.Eng) from Ecuador and earned a Master's degree in Mining Geology (M.Sc.) from Camborne School of Mines. He is a registered member of the Society of Mining, Metallurgy and Exploration of the USA (SME), a member of the Society of Economic Geologists (SEG). Mr. Bolaños has 20 years of general management, exploration management and geological experience for Andean Gold Ltd., Ascendant Exploration S.A, Hampton Court Resources Company and Grant Mining S.A Companies.

Forward-Looking Statements

Except for the historical statements contained herein, this management's discussion and analysis presents "forward-looking statements" within the meaning of Canadian securities legislation that involve inherent risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and other minerals and metals, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "proposed" "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Colombia Crest to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to international operations, risks related to the integration of acquisitions; risks related to joint venture operations; actual results of current or future exploration activities; actual results of current or future reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and other minerals and metals; possible variations in ore reserves, resources, grade or recovery rates; failure of equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the management and officers of Colombia Crest believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Colombia Crest does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

Overview

After thirteen years of mineral exploration in Bolivia, the Company disposed of its Bolivian assets (sold the Bolivian subsidiary) in December, 2012 to focus its activities on the acquisition and exploration of mineral resource properties in Colombia. The Company executed two agreements in 2010 to earn up to a 75% interest in the mineral titles of the Fredonia and Venecia properties, both located in the department of Antioquia, Colombia near the City of Medellin.

Due to the downturn in the financing market for junior exploration companies in conjunction with the falling gold price and uncertainty of success, the Company terminated both its Colombian options in 2013.

The Company retains an earned 50% interest in the Fredonia property. However, currently, the Company does not have any intention to incur any further exploration or concession expenditures and any future expenditure incurred by the optionor and/or other third parties may have the effect of diluting the Company's earned interest. The Colombian operations were conducted through a second Panama company which was a 100% subsidiary of the first Panama company. This first Panama company in turn was 100% owned by Colombia Crest Gold Corp. On September 18, 2015, both Panama companies were dissolved.

On August 16, 2013, the Company signed a letter of intent ("LOI") to earn a 30% in a gold-silver project near Trujillo, Peru. A \$5,171 (US\$5,000) deposit was paid at the time of signing the LOI. During the year ended September 30, 2014, the LOI expired and the Company wrote-off the deposit due to poor market conditions.

Presently, management is actively seeking new projects.

Future Outlook

Since the signing of a revised payment agreement, in December 2014, with the purchaser of the Company's Bolivian subsidiary, the Company has received the first two installments totaling US\$400,000. The terms of the new agreement call for the remaining payment of US\$1.2 million to be paid in four installments between June 1, 2015 and March 1, 2016. The US\$300,000 due on June 1, 2015, was paid by the debtors on August 18, 2015, to the Bolivian court after management initiated legal action to enforce the overdue payment. The US\$300,000 due on September 1, 2015 and the US\$300,000 due on January 1, 2016 have also not been paid and the matter is still currently before the court. This is simply an issue where the Company is just attempting to enforce the payment agreement as signed by both parties, while the debtors are trying to delay paying by employing whatever stalling tactics they have at their disposal. Management feels confident that the Company will prevail.

The equity market conditions continue to pose a challenge to most junior explorers and once the contractual payments from Bolivia are enforced by the court, this source of funding will enable the Company to continue paying its overhead and more importantly, facilitate the evaluation of new opportunities. Currently, management is considering various options and will make further disclosures when appropriate.

Selected Annual Information

	Year Ended September 30 2015 \$	Year Ended September 30 2014 \$	Year Ended September 30 2013 \$
Interest income	-	-	2,266
Net loss	(313,989)	(593,849)	(8,778,799)
Basic loss per share	0.00	(0.01)	(0.10)
Total assets	56,205	497,161	928,274
Current liabilities	539,075	666,042	503,306
Working capital deficit	(488,015)	(271,485)	(374,018)
Dividends	Nil	Nil	Nil

The Company was in the stages of exploring and developing its mineral properties and the Company has not earned any revenues from its projects.

The Company's accounting policy is to record its mineral properties at cost. Exploration and development expenditures are deferred until properties are brought into production, at which time they will be amortized on a unit of production basis. In the event that properties are sold, impaired or abandoned, the deferred cost will be written off. Considerable sums have been spent on the development of the Company's properties in the past several years, thus resulting in the sizable increases in the Company's total asset base. However, in recent years, significant write-offs in deferred exploration and development expenditures in Bolivia and Colombia have resulted in substantial decreases in total assets of the Company.

In fiscal 2013, the Company commenced winding down its operations in Colombia due to shortage of funds and lack of sufficiently favourable geological findings. As a result, \$6,600,686 in deferred Colombian exploration costs were written off at the 2013 fiscal year end. The sale of the Bolivian subsidiary resulted in a loss of \$87,824. The assessment of a fair value of the long term receivable associated with the sale of the subsidiary resulted in a loss of \$1,253,750 as impairment on receivable (for detail explanation of the loss and impairment on receivable - refer to Note 5 of the audited September 30, 2013, consolidated financial statements).

During fiscal 2014, the Company focused on cutting corporate overhead and expenses to conserve cash. Expenses and the net consolidated loss for the year were considerably lower compared to prior years. Total assets were further lowered in 2014 as management re-negotiated the Company's long term receivable by granting a substantial discount to receive earlier settlement of payments. A further impairment on the receivable of \$357,978 was recorded as at September 30, 2014. Refer to Note 5 of the audited September 30, 2014, consolidated financial statements for more detail.

In fiscal 2015, \$473,000 (2 payments of US\$200,000) were received from the debtors, which resulted in \$24,680 being recorded as a recovery of impairment of receivable. The recovery is the excess of cash received relative to the aggregate carrying value of the receivable at September 30, 2014, of \$448,320. Furthermore, in 2015, the Company also received \$35,957 (US\$30,920) as compensation due to late closing of the sale of the Bolivian subsidiary in 2013. The \$35,957 was recorded as a recovery from discontinued operations.

During 2015, management is continuing its efforts to collect money due from the new payment agreement signed in December, 2014. As of the date of this report an amount of US\$1.2 million is still outstanding with US\$900,000 being overdue.

The collection of the receivable is uncertain and as a result, no estimate of a fair value of the receivable has been recorded in the current financial statements, which had an effect of lowering the balance sheet assets as compared to the previous year.

Results of Consolidated Operations:

For the Years ended September 30, 2015 and 2014 Review:

For the year ended September 30, 2015, the Company recorded a net loss of \$313,989 as compared to a consolidated net loss of \$593,849 for the year ended September 30, 2014. The main reason for the higher loss in 2014 was due to the recognition of \$357,978 in impairment on receivable.

Major accounts that changed notably for the years 2015 and 2014 were as follows:

	2015	2014	Increase (Decrease)	
	\$	\$		
Expenses:				
Consulting	3,858	19,693	(15,835)	1.
Foreign exchange loss (gain)	42,550	(46,252)	88,802	2.
Interest	(220)	29,543	(29,763)	3.
Legal	27,312	20,689	6,623	4.
Management fees	111,324	22,913	88,411	5.
	<u>184,824</u>	<u>46,586</u>	<u>138,238</u>	
Other:				
Impairment (recovery) on receivable	(24,680)	357,978	(382,658)	6.
Write off of pre-paid expense	-	5,171	(5,171)	7.
Recovery from discontinued operations	(35,957)	(10,259)	(25,698)	8.
All other accounts	<u>189,802</u>	<u>194,373</u>	<u>(4,571)</u>	
	<u>313,989</u>	<u>593,849</u>	<u>(279,860)</u>	

1. A substantial portion of consulting expense in 2014 was payment to the Company's vice-president of exploration for his consulting services. No such consulting services were incurred in 2015.
2. The US dollar continued its rise against the Canadian dollar during both years 2015 and 2014. Because the Company held a net asset balance denominated in US funds in 2014, a foreign exchange gain resulted while a foreign exchange loss occurred in 2015 as the Company held a net liability balance in 2015.
3. Interest associated with a short term loan was significantly higher in 2014 as the short loan was paid in full in early 2015. Furthermore, interest of \$11,700 was accrued in 2014 relating a large legal balance payable. In 2015, a substantial amount of the legal balance was paid resulting in an interest credit adjustment of \$3,350.
4. Legal fees were higher in 2015 as a result of ample action taken to enforce the payment of a receivable payment agreement with a group of debtors.
5. Management fees low in 2014 as during most of that period, the CEO position was vacant due to the resignation of the previous CEO.
6. A recovery in 2015 as a result of total payments received in excess of the recorded book valuation of the Company's term receivable. In 2014, based on certain information and assumptions, an impairment on receivable was recorded.
7. In 2014, a deposit on a mineral property option agreement was written off as management decided not to proceed with the project.
8. In 2015, final reimbursement of \$35,957 (US\$30,920) was received from the purchaser of the Bolivian subsidiary as consideration for costs the Company incurred during delays in finalization of the sale of the Bolivian subsidiary caused by the purchaser. \$10,259 (US\$9,280) was received in 2014.

Three months ended September 30, 2015 and 2014 Review:

For the three months ended September 30, 2015, the Company recorded a net loss of \$106,519 as compared to a consolidated net loss of \$385,477 for the three months ended September 30, 2014.

The higher loss in 2014 was due to the recording of \$357,978 in impairment on receivable.

Major accounts that changed notably between the three month periods were as follows:

	2015	2014	Increase	
	\$	\$	(Decrease)	
Expenses:				
Accounting and audit	1,000	15,813	(14,813)	a.
Foreign exchange loss (gain)	16,145	(56,396)	72,541	b.
Interest	(3,358)	17,208	(20,566)	c.
Legal	13,387	5,185	8,202	d.
Management fees	31,387	3,593	27,794	e.
Transfer agent	7,367	730	6,637	f.
	<u>65,928</u>	<u>(13,867)</u>	<u>79,795</u>	
Other:				
Impairment on receivable	-	357,978	(357,978)	g.
Write-off of prepaid expense	-	5,171	(5,171)	h.
All other accounts	<u>40,591</u>	<u>36,195</u>	<u>4,396</u>	
	<u>106,519</u>	<u>385,477</u>	<u>(278,958)</u>	

- a. Sufficient accrual during early parts of 2015 resulting in a small accrual in 4th quarter of 2015. Situation reversed in 2014 along with an expected higher audit estimate resulting in a large accrual in 4th quarter of 2014.
- b. Because of a strong US dollar a foreign exchange loss was recorded in 2015 due to a net liability balance denominated in US dollars in 2015. In 2014, a foreign exchange gain was recorded due to a net asset balance denominated in US dollars.
- c. Lower interest cost as a short term loan was paid off in 2015. In addition, due to a pay down of a significant amount owing in legal fees, legal counsel provided an interest credit adjustment to a previous balance.
- d. Higher legal expenses in 2015 as legal action commenced in the period to enforce an overdue payment owed under a payment agreement.
- e. Higher management fees were incurred in 2015 as the Company was much more active in its efforts of securing a new project.
- f. The Company's annual general meeting was held during the previous quarter in 2015 resulting in printing and mailing costs being incurred with the transfer agent.
- g. In 2014, based on certain information and assumptions, an impairment on receivable was recorded.
- h. In 2014, a deposit on a mineral property option agreement was written off management decided not to proceed with the project.

Summary of Selected Highlights for the Last Eight Quarters

Description	Sept 30, 2015 \$	Jun 30, 2015 \$	Mar 31, 2015 \$	Dec 31, 2014 \$
Balance Sheet:				
Current assets	51,060	118,136	46,214	235,747
Exploration assets	-	-	-	-
Current liabilities	539,075	500,054	590,605	669,761
Shareholders' Equity				
Capital stock	79,932,514	79,932,514	79,932,514	79,932,514
Shares subscribed	1,156,000	1,156,000	1,156,000	1,156,000
Contributed surplus	6,030,315	6,030,315	6,030,315	6,030,315
Cumulative translation adjustment				
Deficit	(87,601,699)	(87,495,180)	(87,441,490)	(87,332,998)
Working capital deficit	(488,015)	(381,918)	(544,391)	(434,014)
Operations:				
Total revenues	Nil	Nil	Nil	Nil
Net loss	(106,519)	(53,690)	(108,492)	(45,288)
Basic loss per share	0.00	0.00	0.00	0.00
Description	Sept 30, 2014 \$	Jun 30, 2014 \$	Mar 31, 2014 \$	Dec 31, 2013 \$
Balance Sheet:				
Current assets	394,557	33,182	61,888	106,350
Resources assets	-	-	-	-
Current liabilities	666,042	611,118	574,735	537,276
Shareholders' Equity				
Capital stock	79,932,514	79,932,514	79,932,514	79,932,514
Shares subscribed	1,156,000	1,156,000	1,156,000	1,156,000
Contributed surplus	6,030,315	6,030,315	6,030,315	6,030,315
Cumulative translation adjustment				
Deficit	(87,287,710)	(86,902,233)	(86,839,027)	(86,751,152)
Working capital deficit	(271,485)	(577,936)	(512,847)	(430,926)
Operations:				
Total revenues	Nil	Nil	Nil	Nil
Net loss	(385,477)	(63,206)	(87,875)	(57,291)
Basic loss per share	0.00	0.00	0.00	0.00

Significant Items Within the Quarter and Comparison to Previous Quarter:

For the three months ended September 30, 2015:

- Foreign exchange loss of \$16,145
- Working capital deficit of \$488,015

Increase in loss of \$52,829 during the current period as compared to the previous quarter due to a foreign exchange gain of \$12,201 and a recovery of impairment on receivable of \$24,680 being recorded in the previous quarter. A foreign exchange loss of \$16,145 was recorded in the current quarter and there was no recovery of impairment on receivable.

For the three months ended June 30, 2015:

- Long term receivable payment of \$240,420 (US\$200,000) received
- Recovery of impairment on long term receivable in the amount of \$24,680
- Foreign exchange loss of \$12,201
- Working capital deficit of \$381,918

Decrease in loss during the current period from last quarter due mainly to the recovery of impairment on long term receivable in the amount of \$24,680. Working capital deficit also decreased from the last quarter as \$240,420 (US\$200,000) payment in long term receivable was received.

For the three months ended March 31, 2015:

- Foreign exchange loss of \$24,962
- Working capital deficit of \$544,391

Increase in loss during the current period compared to last quarter due to higher loss in foreign exchange. Also a recovery from discontinued operations helped to lower the losses in the previous quarter. Working capital deficit increased in the current quarter as the receivable payment of US\$200,000 due March 1, 2015 was not received.

For the three months ended December 31, 2014:

- Long term receivable payment of \$232,580 (US\$200,000) received
- Recovery of \$35,962 from discontinued operations
- Working capital deficit of \$434,014

Substantially lower net loss in the current quarter due to recognition of an impairment of receivable in the amount of \$357,978 in the prior quarter.

For the three months ended September 30, 2014:

- Impairment on receivable of \$357,978
- Working capital deficit of \$399,576

Main cause for the increase in net loss for the current quarter over the previous quarter was due to the recording of impairment on receivable of \$357,978 in the current quarter.

For the three months ended June 30, 2014:

- Working capital deficit of \$577,936

Net loss decreased from the last quarter mainly due to the incurrence of a \$10,585 foreign exchange gain in current quarter whereas during the previous quarter a loss of \$11,276 in foreign exchange was recorded. Also, in the previous quarter, \$9,479 in mailing and printing costs were incurred associated with the Company's Annual and Special Meeting.

For the three months ended March 31, 2014:

- Working capital deficit of \$512,847
- Recovery of \$10,259 from discontinued operations

The net loss increased approximately \$30,000 over last quarter due mainly to incurrence of printing and mailing of Annual and Special Meeting material, paying annual filing fees, paying TSX Venture Exchange sustaining fees and posting of larger foreign exchange loss due to continued strengthening of the US dollar.

For the three months ended December 31, 2013:

- Working capital deficit of \$430,926

The net loss of \$57,291 in current quarter as compared to net loss of \$8,577,316 in the previous quarter was due to significant write offs in the prior quarter and year-end adjustments such as loss on discontinued operation and impairment on receivable.

Liquidity and Solvency

At this time, the Company has no operating revenues and does not anticipate any operating revenues in the near term. Historically, the Company has raised funds through private placements, loans, shares for debt settlements, and the exercise of options and warrants.

No private placements or any other financing took place in fiscal 2015 and 2014.

In June, 2013, the Company received a short-term loan of US\$100,000 on the following terms:

The loan, which was not convertible, was repayable on demand without interest, at any time after December 7, 2013.

As consideration for the Loan, on June 19, 2013, the Company issued 400,000 common shares (fair valued at \$6,000) to the lender.

As security for repayment of the Loan, the Company assigned to the lender the US\$100,000 payment due to the Company on December 14, 2013, pursuant to the Share Purchase Agreement dated December 14, 2012, relating to the sale of the Company's Bolivian subsidiary – see the audited consolidated financial statements for the year ended September 30, 2014 – Note 8.

In December, 2013, the loan was extended to be due after June 7, 2014 at an annual rate of 20% per annum. Interest accrued as at March 31, 2015, totaled US\$24,163.

In January, 2015, US\$50,000 of the loan principal was repaid.

On May 1, 2015, the Company paid US\$50,000 to settle the remaining balance of the short-term loan and US\$25,012 in interest.

At September 30, 2015, the Company has cash on hand of \$37,308 and a working capital deficit of \$488,015.

Management has been working diligently in seeking financing opportunities. One measure taken was the amending of the terms of the long term receivable (from sale of the Company's Bolivian subsidiary) so that receipt of the remaining funds would be accelerated. As at the end of fiscal 2013, under the original terms, the remaining US\$4.9 million was to be paid commencing December, 2013 and to be spread over on annual payments to 2022.

Amendment of the terms of the long term receivable was completed in May, 2014. The revised terms discounted the US\$4.8 million (US\$100,000 was received prior to the amendments) to US\$1.65 million to be paid US\$50,000 in April, 2014 and US\$100,000 per month commencing in May, 2014 for 15 consecutive months and then a final payment of US\$100,000 in December, 2015 for a total of US\$1.65 million. US\$50,000 relating to the payment for April was received in July, 2014, but the debtors defaulted on the remaining payments.

In September, 2014, the Company commenced legal action in Bolivia to enforce payment and in December, 2014, the debtors and the Company finalized another agreement with payments of the remaining US\$1.6 million as follows:

- US\$200,000 due on December 11, 2014 (received);
- US\$200,000 due on March 1, 2015 (received in April 2015);
- US\$300,000 due on June 1, 2015*;
- US\$300,000 due on September 1, 2015; (un-paid)
- US\$300,000 due on December 1, 2015; (un-paid) and
- US\$300,000 due on March 1, 2016.

** On August 18, 2015, the amount was paid by the debtors to the Bolivian court and the Company is in process of obtaining the release of the funds.*

In addition to the payments as outlined above, another US\$12,000 payment in December, 2014, was also received to cover interest and legal costs caused by debtors in defaulting on payments according to the previous agreement.

The new agreement signed in December, 2014, replaces all previous agreements and under the current agreement, if any two consecutive payments are not paid as scheduled, the unpaid balance will be due on demand and will accrue interest at a rate of 2% per month.

The new agreement, unlike in prior agreements, does not contain a force majeure clause. This is of significant importance because now there is no basis for non-payment which will not put the debtor in breach of the agreement. The payments by the debtors are guaranteed by a related entity of the debtors that has significant assets and operations.

As at the time of this report, the Company is still in litigation with the debtors to seek money owed to the Company as stipulated under the terms of the payment agreement sign in December of 2014. Management is confident that the Company will prevail as it is just attempting to enforce the payments as outlined in the payment agreement while the debtors are trying to delay payment by employing stalling tactics.

The amended terms represent a significant discount but, under the current harsh financial market conditions for junior exploration companies, few financing alternatives are available. The accelerated receipt of needed funds should ensure the survival of the Company and enhance the potential acquisition of new mineral exploration properties and/or any other viable projects that can attract investor interest.

Unless the Company continues to receive payments under these new terms, the Company will not have sufficient funds to pay overhead and administration expenses and to finance new projects during fiscal 2016 and its survival as a going concern may be in doubt.

The Company has incurred losses since inception and the long term survival of the Company depends on the ability of management to continue raising capital. While management has successfully raised the necessary capital to finance the Company's operations in the past, there is no assurance that it will continue to be able to do so in the future.

Industry and Economic Factors Affecting Colombia Crest

The Company's future performance is largely tied to the ability of management to secure new projects and the outcome of those programs, and the overall health and stability of junior capital markets, inclusive of the TSXV. The precious metal financial markets upon which the Company has been reliant are widely expected to experience continued volatility throughout 2016, reflecting investor anxiety with regard to the strength and longevity of the global economy, global growth prospects, and their associated impact upon liquidity, security and return.

Junior exploration companies worldwide have been hit particularly hard by these trends. Accordingly, the Company is having difficulty raising equity financing for the purposes of mineral exploration. With continued market volatility and slower worldwide economic growth anticipated, the Company's strategy is to manage its treasury in a planned, deliberate and prudent manner while attempting to limit any future offering to a point in time where the associated capital markets have favourably stabilized. The Company believes this strategy will enable it to meet the near-term challenges presented by the capital markets while maintaining the momentum on key initiatives.

Recent Pronouncements Affecting Changes in Accounting Policies (Standards, Amendments and Interpretations Not Yet Effective):

Certain new accounting standards and interpretations have been published that are not mandatory for the September 30, 2015 reporting period. The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

- IFRS 9 (Amended 2010) Financial Instruments (effective January 1, 2018)

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

Off-Balance Sheet Arrangements

Colombia Crest does not have any off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

Outstanding Share Capital

The following securities were outstanding as at January 28, 2016:

Securities	Number	Weighted-Average Exercised Price	Expiry Date
Common shares issued and outstanding	96,088,289	N/A	N/A
Share purchase options	4,200,000	\$0.38	Feb 8, 2016 – Nov 8, 2017
Share purchase warrants	9,733,333	\$0.15	July 15, 2016
Fully diluted share capital	110,021,622	N/A	N/A

For a breakdown of the securities as at September 30, 2015, refer to the Note 8 to the audited financial statements for the year ended September 30, 2015.

Related Party Transactions

Key management personnel are persons responsible for the planning, directing and controlling activities of the entity. Transactions with the related parties are recorded at the exchange amount being the price agreed between the parties. The Company's key management personnel included the CEO, CFO, VP of Exploration and VP Business Development and their compensations are as follows:

	For the Years Ended September 30	
	2015 \$	2014 \$
Management fees	111,324	22,913
Administration fees	96,000	96,000
Geological consulting fees	-	10,580
Short-term benefits	7,385	4,716
Total	214,709	134,209

No share purchase options were granted to key management personnel and directors for the years ended September 30, 2015 and 2014.

Related party liabilities included in trade and other payable are as follows:

	As at September 30	
	2015 \$	2014 \$
Amounts due to management:		
Management fees	159,921	75,603
Administration fees	166,000	126,000
Consulting fees	40,383	50,949
Expenses and other	13,132	8,416
Total	379,436	260,968

Disclosure Controls and Procedures

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the financial statements and MD&A as at September 30, 2015. Although certain weaknesses such as lack of segregation of duties are inherent with small office operations, management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions and budgets to ensure absence of material irregularities. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to them in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the annual filings. The disclosure controls and procedures are designed to ensure effective information required to be disclosed pursuant to applicable securities laws are accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Limitations of Controls and Procedures

It must be recognized that any implemented system of disclosure controls and procedures or internal controls over financial reporting can only provide reasonable and not absolute assurance that the objectives of the control system are met. While designing such control systems, resource constraints cannot be ignored and the benefits of controls must be considered relative to their costs. All control systems are subject to limitations and as such, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. Breakdowns within the system can occur due to simple human error or mistakes. Furthermore, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

Risk Factors

The Company is subject to the risks and challenges similar to other companies in a comparable stage. Other than the risks relating to reliance on financing previously discussed, the risks include, but are not limited to, limited operating history, speculative nature of mineral exploration and development activities, operating hazards and risks, mining risks and insurance, no mineral reserves, environmental and other regulatory requirements, competition, stage of development, fluctuations in commodity prices, conflicts of interest, reliance on key individuals, no key man insurance and enforcement of civil liabilities.

Limited Operating History - An investment in Colombia Crest should be considered highly speculative due to the nature of Colombia Crest's business. Colombia Crest has no history of earnings, it has not paid any dividends and it is unlikely to enjoy earnings or be paying dividends in the immediate or foreseeable future.

Speculative Nature of Mineral Exploration and Development Activities - Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by Colombia Crest may be affected by numerous factors which are beyond the control of Colombia Crest and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may result in Colombia Crest not receiving an adequate return of investment capital.

Substantial expenditures are required to establish mineral reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that the funds required for development can be obtained on a timely basis. Estimates of mineral reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short-term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. Material changes in mineral reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Few exploration properties are ultimately developed into producing mines. Major expenses may be required to establish mineral reserves, develop metallurgical processes and construct mining and processing facilities at a particular site. There is no assurance that Colombia Crest's mineral exploration activities will result in any discoveries of commercial bodies of ore. Also, no assurance can be given that any or all of Colombia Crest's properties will not be subject to prior unregistered agreements or interests or undetected claims which could be materially adverse to Colombia Crest.

No Mineral Reserves - All of Colombia Crest past properties were considered to be in the exploration stage only and did not contain a known body of commercial ore. Mineral reserves are estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. Moreover, short-term operating factors relating to the mineral reserves, such as the need for orderly development of the ore bodies and the processing of new or different ore grades may cause a mining operation to be unprofitable in any particular accounting period. While Colombia Crest did have mineral resources, such resources were not mineral reserves and did not have demonstrated economic viability.

Operating Hazards and Risks - Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Colombia Crest's past operations and future operations will be subject to all the hazards and risks normally incidental to exploration, development and production of metals, such as unusual or unexpected formations, cave-ins or pollution, all of which could result in work stoppages, damage to property and possible environmental damage.

Fluctuations in Commodity Prices - The profitability, if any, in any mining operation in which Colombia Crest may have an interest is significantly affected by changes in the market price of precious and base metals which fluctuate on a daily basis and are affected by numerous factors beyond Colombia Crest's control.

Conflicts of Interest - Certain of the directors and officers of Colombia Crest are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of Colombia Crest may become subject to conflicts of interest. Canadian corporate laws provide that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under those laws. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the applicable Canadian corporate laws.

Mining Risks and Insurance - The business of mining for gold and other metals is generally subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, unusual or unexpected geological conditions, pressures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, blizzards and earthquakes. No assurance can be given that such insurance will continue to be available or that it will be available at economically feasible premiums. Mining operations will be subject to risks normally encountered in the mining business.

Environmental and Other Regulatory Requirements - Colombia Crest's activities were subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

The exploration interests of Colombia Crest and potential development and commencement of production on future properties, require permits from various federal and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Colombia Crest believes it is in substantial compliance with all material laws and regulations which currently apply to its activities.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Competition - Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than Colombia Crest. Colombia Crest may be unable to acquire additional attractive mineral properties on terms it considers acceptable. Accordingly, there can be no assurance that Colombia Crest's exploration and acquisition programs will yield any reserves or result in any commercial mining operation.

Stage of Development - Colombia Crest is in the business of exploring for, with the ultimate goal of producing, precious and base metals from its mineral exploration properties. None of the Colombia Crest past properties had commenced commercial production and Colombia Crest has no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that Colombia Crest will be able to develop any of its future properties profitably or that its future activities will generate positive cash flow.

Colombia Crest has not paid any dividends and it is unlikely to enjoy earnings or paying dividends in the immediate or foreseeable future. Colombia Crest has not sufficiently diversified such that it can mitigate the risks associated with its planned activities. Colombia Crest has limited cash and other assets.

A prospective investor in Colombia Crest must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of Colombia Crest's management in all aspects of the development and implementation of Colombia Crest's business activities.

Reliance on Key Individuals - Colombia Crest's success depends to a certain degree upon certain key members of the management. These individuals are a significant factor in Colombia Crest's growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on Colombia Crest.

Enforcement of Civil Liabilities - As the key major assets of Colombia Crest and certain of its management are or may be located outside of Canada, it may be difficult or impossible to enforce judgments granted by a court in Canada against the assets of Colombia Crest, or the management of Colombia Crest, residing outside of Canada.

Political Risks - The Company operated in Colombia and Bolivia and operations in these countries are subject to risk due to the potential for social, political, economic, legal and fiscal instability. The governments in Colombia and Bolivia faced ongoing problems of inflation, unemployment and inequitable income distribution. In addition, Colombia experiences narcotics-related violence, a prevalence of kidnapping and extortionist activities and civil unrest in certain areas of the country. Depending on where Company ends up, such risks may be present in places with similar background histories.

Future political actions cannot be predicted and may adversely affect the Company. Changes, if any, in mining or investment policies or shifts in political attitude in the countries in which the Company holds property interests in the future may adversely affect the Company's business, results of operations and financial condition. Future operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's consolidated business, results of operations and financial condition.

Other risks may involve matters arising out of the evolving laws and policies pertinent to that country, any future imposition of special taxes or similar charges, as well as foreign exchange fluctuations and currency convertibility and controls, the unenforceability of contractual rights or the taking or nationalization of property without fair compensation, restrictions on the use of expatriates in the Company's operations, or other matters. The Company also bears the risk that changes can occur in the government and a new government may void or change the laws and regulations that the Company may be relying upon.

Mining Regulation - The mineral exploration and development activities which may be undertaken by the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters.

Exploration and development activities may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, export controls, currency availability, foreign exchange controls, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs, and site safety. This may affect both the Company's ability to undertake exploration and development activities in respect of its properties, as well as its ability to explore and operate those properties in which it current holds an interest or in respect of which it obtains exploration and/or development rights in the future.

No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or future potential production. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.