

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Crest Resources Inc.** (the "Issuer" or the "Company" or "Crest").

Trading Symbol: **CRES**

Number of Outstanding Listed Securities: **34,177,334**

Date: **May 6, 2020 (for the month ended April 30, 2020)**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer's principal business activity is the acquisition, exploration and evaluation of mineral property assets and the investment in mineral exploration and mining technology companies of merit with potential for favourable return on investment. The Issuer's mineral property assets are

the Chala Copper property in Peru (73.5% owned), the Lion's Den property in north-central British Columbia (100% owned), and the Red Metal Ridge property on Vancouver Island, British Columbia (51% owned and 49% under further option). At the Issuer's Annual General and Special Meeting held November 25, 2019, the Issuer's shareholders approved a resolution authorizing the Issuer to expand its corporate objectives including to become an investment issuer.

The Issuer has one wholly owned subsidiary, Crest Canada GP Inc., that serves as General Partner to Crest SPV I Limited Partnership, a Limited Partnership created for the purpose of making and holding investments with a view to earning a profit.

The Issuer holds a 60% interest in Exploits Gold Corp. (formerly 1240297 B.C. Ltd.), a private mineral exploration company that holds property option agreements to acquire 100% interest in the Jonathan's Pond and Mt. Peyton gold properties located in Newfoundland and Labrador.

The Issuer holds a 50% interest in Carbon Foundry Corp., a private company formed for the purpose of the developing, building and operating a facility to refine graphite and other similar carbon elements.

The Issuer's 60% owned subsidiary, AusVan Battery Metals Pty Ltd, a private company incorporated in Australia, has entered into a Property Purchase and Sale Agreement to acquire 100% interest in the Arizona Queensland Vanadium Shale project.

2. Provide a general overview and discussion of the activities of management.
The Issuer's management has been overseeing and managing the progress of the business and operations described in 1 above.
3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.
4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.
Refer to Item 5 below for the acquisition of the Arizona Queensland Vanadium Shale Project.
5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.
Not applicable.

The Issuer has adopted a Restricted Share Unit ("RSU") Plan (the "RSU Plan") by way of director's resolution effective February 28, 2020 as

amended on April 20, 2020. In conjunction with the Companies medium term plans to become an Investment Issuer, the Board of Directors has approved this RSU Plan. The purpose of this RSU Plan is to allow for certain discretionary bonuses and similar awards to be granted as an incentive and reward for selected Eligible Persons related to the achievement of investment objectives of the Issuer and the resulting increases in the value of the Issuer's Investments. This RSU Plan is intended to promote a greater alignment of interests between the objectives of the Issuer and the selected Eligible Persons by providing an opportunity to participate in increases in the value of the Issuer's Investments.

"Eligible Persons" means persons who are Directors, Employees, Executives, Consultants, or parties to an investment advisory agreement with the Issuer, and so are eligible to participate in this RSU Plan.

"RSU" means the right of a Holder to receive one (1) Share or a cash payment equivalent to one (1) Share, following the Vesting Period of an Award and satisfaction of any required Performance Conditions, subject to the terms and provisions set forth in the RSU Plan and the applicable Award Grant Agreement.

Awards are granted by the board of directors until such time as a Compensation Committee is formed. All awards granted under the RSU Plan are made as to: (i) 40% to Michael Collins in his role as the Issuer's Chief Executive Officer; (ii) 40% to Aeternum Holdings Ltd., a company controlled by Emma Fairhurst, the former Chief Operating Officer and a former director and a current owner of 11.70% interest of the Issuer, in its capacity as a consultant to the Issuer (for as long as it remains a consultant); and (iii) the balance as to all other Eligible Persons as defined in the Plan.

Each grant of an Award will be based on the Investment Value Increase of each particular Investment held by the Issuer, as follows:

- (i) for an annual Investment Value Increase of 8.0% or less, no Award may be granted;
- (ii) for an annual Investment Value Increase of greater than 8.0% but less than 50%, an Award may be granted of up to 20% of the Investment Value Increase applicable to that Investment;
- (iii) for an annual Investment Value Increase of greater than or equal to 50% but less than 100%, an Award may be granted of up to 25% of the Investment Value Increase applicable to that Investment; and
- (iv) for an annual Investment Value Increase of greater than or equal to 100%, an Award may be granted of up to 30% of the Investment Value Increase applicable to that Investment.

The value of each Award will be determined on the date of grant based on the Investment Value Increase(s) as applicable to the grant, on a pro-rata basis to the number of Awards granted to all Participants at the time of grant.

At a minimum, Awards will vest over 24 months, as to 25% every six months; however, the Board may determine or set longer vesting provisions in each instance. Once vested, and subject to the satisfaction of all applicable Performance Conditions, Awards shall be forthwith settled by the Issuer by a payment to the Participant in cash or in Shares at the election of the Issuer.

The RSU Plan is subject to the acceptance of the CSE.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Not applicable.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

The Issuer entered into a Property Purchase and Sale Agreement (the "Agreement") for its 60% owned Australian subsidiary, AusVan Battery Metals Pty Ltd ("AusVan"), to acquire a 100% interest in the Arizona Queensland Vanadium Shale Project (the "Project"). Vecco Industrial Pty Ltd ("Vecco"), the current owner of the Project, will retain a 40% interest in the Project through owning 40% of the issued and outstanding common shares of AusVan. To acquire the Project, AusVan must make payments totalling up to approximately \$986,000 and fund \$1,000,000 in exploration and development work. The Arizona Project is a resource stage Vanadium and High Purity Alumina deposit located in central Queensland, Australia.

The Agreement terms are as follows:

- **Repayment of tenement fees to Vecco of approximately \$36,000 (AUS\$40,574).**
- **Payments due:**
 - **\$100,000 on or before October 19, 2020.**
 - **\$50,000 payment on or before 45 days from transfer of claims from Vecco to AusVan.**
 - **\$350,000 payment upon determining an additional NI-43-101 (or JORC) Inferred Resource of 40Mt containing a minimum average grade of 0.30% V2O5 (in addition to the existing Resource).**
- **Exploration work expenditures of \$1,000,000.**
- **All payments are guaranteed by the Issuer.**

- Vecco will maintain a 40% interest in AusVan until certain conditions are satisfied, including public listing of AusVan and capital requirements (including expenditures of \$1,000,000 on the Project).

There are no royalties on the Project.

The Issuer acquired the right to negotiate the Agreement with Vecco pursuant to an assignment agreement dated March 9, 2020 (the “Assignment Agreement”) between the Issuer and Aeternum Holdings Ltd. (“Aeternum”; a private B.C. company controlled by Emma Fairhurst, a former director of the Issuer who resigned prior to execution of the Agreement, and who currently holds an 11.70% interest in the Issuer), whereby Aeternum assigned its rights to a term sheet previously entered into with Vecco. The consideration paid by the Issuer under the Assignment Agreement was \$450,000.

The Issuer has entered into a subscription agreement to invest \$250,000 in EcoMine Technologies Corporation (“EcoMine”), a private British Columbia company that produces bespoke bio-chemical reagents for recovery of metals in the mineral industry, pursuant to an agreement dated October 29, 2019, as amended on January 28, 2020 (the “EcoMine Agreement”). Under the EcoMine Agreement, the investment was to close on or before April 15, 2020. The Issuer has advanced \$140,000 towards the investment and has informally agreed with EcoMine to extend the closing date.

On April 8, 2020, the Company completed the sale of 100% interest in 142 mineral claims known as the Sprague Cleghorn Prospect and Odie Cleghorn Prospect to Cleghorn Minerals Ltd. (“Cleghorn”) for consideration of 1,500,000 units (the “Payment Units”) of Cleghorn at the deemed price of \$0.06 per Payment Unit. Each Payment Unit consists of one common share of Cleghorn and one-half of one share purchase warrant, with each whole warrant exercisable into a further common share at a price of \$0.10 for a period of two years.

During the month of April 2020, the Issuer acquired or disposed of the following investments:

- Acquired 1,000,000 common shares of Essex Minerals Inc. at a price of \$0.10 per share for total cost of \$100,000; and
 - Sold 11,000 shares of Westminster Resources Ltd. for net proceeds of \$420 resulting in a loss on sale of investments of \$418.
8. Describe the acquisition of new customers or loss of customers.
Not applicable.
9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.
Not applicable.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.
- There were no employee hirings, terminations or lay-offs during the month of April 2020 – refer to no. 16 for appointment and resignation of director.**
11. Report on any labour disputes and resolutions of those disputes if applicable.
- There were no labour disputes or resolutions of labour disputes during the month of April 2020.**
12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.
- The Issuer is not aware of any legal proceedings to which it has become a party during the month of April 2020.**
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.
- The Issuer did not incur or repay any indebtedness during the month of April 2020.**
14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾

- (1) State aggregate proceeds and intended allocation of proceeds.
15. Provide details of any loans to or by Related Persons.
- There were no loans to or by Related Persons during the month of April 2020.**
16. Provide details of any changes in directors, officers or committee members.
- On April 20, 2020, Emma Fairhurst resigned as Chief Operating Officer and a director of the Issuer.**
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.
- The outbreak and spread of a novel coronavirus (COVID-19), declared a pandemic by the World Health Organization, has already had significant human, political, and economic consequences around the world. The coronavirus is still evolving, and its full impact remains to be determined. However, its wide-ranging effects include financial market volatility, interest rate cuts, disrupted movement of people and goods, and diminished consumer confidence. The effects of the coronavirus may be difficult to assess or predict with meaningful precision both generally and as an industry- or issuer-specific basis. This is an uncertain issue where actual**

effects will depend on many factors beyond the control and knowledge of the Issuer.

The Issuer has no history of earnings and to date has not defined any commercial quantities of mineral reserves on any of its mineral properties. The Issuer has an option agreement to acquire additional interest in the Red Metal Ridge property and there is no guarantee that the Issuer's 100% interest, if earned, will be certain or that it cannot be challenged by claims of aboriginal or indigenous title, or unknown third parties claiming an interest in the property. The Issuer and its assets may also become subject to uninsurable risks. The Issuer's activities may require permits or licenses which may not be granted to the Issuer. The Issuer competes with other companies with greater financial resources and technical facilities. The Issuer may be affected by political, economic, environmental and regulatory risks beyond its control. The Issuer is currently largely dependent on the performance of its directors and officers and there is no assurance the Issuer can retain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely.

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The COVID-19 pandemic and its economic consequences are an extenuating impact on the current volatility of financial markets. Market conditions will cause fluctuations in the fair values of the Issuer's investments. The Issuer's ability to raise capital to fund exploration, development or investing activities is subject to risks associated with fluctuations in gold and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Issuer.

Factors that could impact on the Issuer's liquidity are monitored regularly and include market changes, gold price changes, and economic downturns that affect the market price of the Issuer's trading securities for the purposes of raising financing. The current state of equity markets presents a challenge to raise financing and Management believes that this condition will continue over the next twelve months.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: May 6, 2020

Michael Collins

Name of Director or Senior Officer

"Michael Collins"

Signature

Chief Executive Officer, President and
Director

Official Capacity

<i>Issuer Details</i>	For Month End April 30, 2020	Date of Report YY/MM/D 20/05/06
Name of Issuer Crest Resources Inc.		
Issuer Address 1100 – 595 Howe Street		
City/Province/Postal Code Vancouver, BC, V6C 2T5	Issuer Fax No. (604) 681-3552	Issuer Telephone No. (604) 681-3170
Contact Name Michael Collins	Contact Position Chairman, CEO, President and Director	Contact Telephone No. (604) 681-3170