



FILING STATEMENT

with respect to a share exchange transaction
which will result in the reverse take-over of

CONSOLIDATED WESTVIEW RESOURCE CORP.

by

LITHOQUEST DIAMONDS INC.

November 15, 2017

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Reverse Takeover described in this filing statement.

TABLE OF CONTENTS

PRELIMINARY NOTES.....	4
GLOSSARY OF TERMS	7
SUMMARY OF THE FILING STATEMENT.....	14
PARTICULARS OF THE ACQUISITION	23
Overview of the Acquisition	23
Share Exchange Agreement	24
Offering.....	28
Approval and Execution of the Share Exchange Agreement.....	29
Name Change.....	29
Proposed Directors, Officers and Promoters of the Resulting Issuer.....	29
Auditor of the Resulting Issuer	29
Risks Relating to the Acquisition.....	29
Effect on CWS if the Acquisition is Not Completed	31
Business of CWS after the Acquisition.....	31
Disinterested Shareholder Approval	31
Regulatory Approvals and Filings.....	31
INFORMATION CONCERNING CWS	32
Corporate Structure	32
General Development of the Business	32
Selected Consolidated Financial Information and Management’s Discussion and Analysis.....	33
Description of the Securities	33
Stock Option Plan	34
Prior Sales	35
Price Range and Trading Volume of CWS Shares.....	35
Executive Compensation.....	36
Incentive Plan awards.....	38
Pension Plan Benefits.....	38
Termination and Change of Control Benefits	38
Management / Employment Contracts.....	38
Director Compensation Table	38
Share-based awards, option-based awards and non-equity incentive plan compensation	39
Securities Authorized for Issuance under Equity Compensation Plans	39
Indebtedness of Directors and Executive Officers	39
Non-Arm’s Length Party Transactions	39
Related Party Transaction	40
Legal Proceedings	40
Auditors, Registrar and Transfer Agent	40
Material Contracts.....	40

INFORMATION CONCERNING LITHOQUEST	41
Corporate Structure	41
General Development of the Business	41
Narrative Description of the Business.....	41
Exploration Property: The North Kimberley Diamond Project	42
Selected Consolidated Financial Information and Management Discussion and Analysis.....	63
Description of Securities	64
Consolidated Capitalization	65
Prior Sales	65
Executive Compensation.....	66
Non-Arm's Length Party Transactions.....	66
Legal Proceedings	66
Auditors.....	67
Materail Contracts	67
INFORMATION CONCERNING THE RESULTING ISSUER	68
Corporate Structure	68
Narrative Description of the Business.....	69
Description of Securities	69
Dividend Record and Policy	70
Pro Forma Consolidated Capitalization of the Resulting Issuer	70
Fully Diluted Share Capital of the Resulting Issuer.....	71
Estimated Available Funds and Principal Purposes.....	72
Principal Shareholders.....	73
Directors, Officers and Promoters.....	73
Proposed Executive Compensation.....	78
Indebtedness of Directors and Officers.....	81
Investor Relations Arrangements	81
Options to Purchase Securities.....	81
Stock Option Plan	82
Escrowed Securities on Completion of Acquisition.....	82
Seed Share Resale Restrictions	84
Auditor, Transfer Agent and Registrar.....	85
RISK FACTORS.....	86
GENERAL MATTERS.....	94
CERTIFICATE OF CONSOLIDATED WESTVIEW RESOURCE CORP.....	96
CERTIFICATE OF LITHOQUEST DIAMONDS INC.	97
SCHEDULE "1" – FINANCIAL STATEMENTS OF CONSOLIDATED WESTVIEW RESOURCE CORP.	
SCHEDULE "2" – MD&A OF CONSOLIDATED WESTVIEW RESOURCE CORP	
SCHEDULE "3" – FINANCIAL STATEMENTS OF LITHOQUEST DIAMONDS INC.	
SCHEDULE "4" – MD&A OF LITHOQUEST DIAMONDS INC.	
SCHEDULE "5" – PRO FORMA FINANCIAL STATEMENTS	

PRELIMINARY NOTES

Certain References and Effective Date of Information

Key terms used in this Filing Statement are defined under “Glossary”.

References to “Consolidated Westview”, “Westview”, “CWS” or related terms in this Filing Statement refer to Consolidated Westview Resource Corp. References to “Lithoquest Diamonds”, Lithoquest”, or related terms in this Filing Statement refer to Lithoquest Diamonds Inc. and includes, where the context requires, its subsidiary.

References to “management” in this Filing Statement means the persons acting in the capacity of the executive officers of CWS and Lithoquest, as applicable. Any statements in this Filing Statement made by or on behalf of management are made in such persons’ capacities as officers of CWS or Lithoquest, as applicable, and not in their personal capacities.

All information contained in this Filing Statement is as at November 15, 2017, unless otherwise stated.

Currency

All references to “\$”, “C\$” or “dollars” in this Filing Statement are to lawful currency of Canada unless otherwise expressly stated. References to “AUS\$” are to Australian dollars.

Imperial and Metric Conversions

The following table sets forth certain standard conversions between Standard Imperial Units and the International System of Units (or metric units).

To Convert From	To	Multiply By
Feet (“ft”)	Metres (“m”)	0.305
Metres	Feet	3.281
Miles (“mi”)	Kilometres (“km”)	1.609
Kilometres	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.471

CAUTIONARY NOTES

Cautionary Note Regarding Forward Looking Statements and Forward Looking Information

Certain statements and information contained in this Filing Statement constitute “forward-looking statements” and “forward looking information” within the meaning of applicable securities legislation. Forward-looking statements and forward looking information include statements concerning CWS’ and/or Lithoquest’s current expectations, estimates, exploration plans, use of available funds, timing of regulatory approvals and permits, projections, assumptions and beliefs, and, in certain cases, can be identified by the use of words such as “**seeks**”, “**plans**”, “**expects**”, “**is expected**”, “**budget**”, “**estimates**”, “**intends**”, “**anticipates**”, or “**believes**”, or variations of such words and phrases or statements that certain actions, events or results “**may**”, “**could**”, “**should**”, “**would**”, “**might**” or “**will**”, “**occur**” or “**be achieved**”, or the negative forms of any of these words and other similar expressions.

Forward-looking statements and forward looking information reflect CWS’ and Lithoquest’s current expectations and assumptions, and are subject to a number of known and unknown risks, uncertainties and other factors that may cause CWS’ and Lithoquest’s actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements and forward looking information, including without limitation:

- CWS’ and Lithoquest’s limited operating histories;
- CWS’ and Lithoquest’s history of losses and expectation of future losses;

- uncertainty as to CWS' and/or Lithoquest's ability to continue as a going concern;
- the existence of diamonds on Lithoquest's North Kimberley Diamond Project;
- Lithoquest's ability to obtain adequate financing for exploration and, if warranted, development;
- Lithoquest's ability to attract and retain qualified personnel;
- foreign currency fluctuations;
- uncertainty as to the Resulting Issuer's ability to maintain effective internal controls;
- the involvement by some of CWS's and/or Lithoquest's directors and officers with other natural resource companies;
- uncertainty surrounding Lithoquest's ability to successfully develop its North Kimberley Diamond Project;
- exploration, development and mining risks, including risks related to infrastructure, accidents and equipment breakdowns;
- title defects to Lithoquest's North Kimberley Diamond Project;
- Lithoquest's ability to obtain all necessary permits and other approvals;
- risks related to equipment shortages, access restrictions and inadequate infrastructure;
- increased costs and restrictions on operations due to compliance with environmental legislation and potential lawsuits;
- fluctuations in the market price of diamonds and other minerals;
- intense competition in the mining industry; and
- Lithoquest's ability to comply with applicable regulatory requirements.

In making the forward-looking statements and developing the forward looking information included in this Filing Statement, CWS and Lithoquest have made various material assumptions, including, but not limited to:

- the conditions to complete the Acquisition will be satisfied, that the Acquisition will be completed within the expected timeframe and that CWS and Lithoquest will not fail to complete the Transaction for any other reason;
- Lithoquest's assessment and interpretation of potential geological structures and mineralization on its North Kimberley Diamond Project in Western Australia are accurate in all material respects;
- the results of Lithoquest's proposed exploration programs on its North Kimberley Diamond Project in Western Australia will be consistent with current expectations;
- the sufficiency of the Resulting Issuer's estimated available funds to carry out the exploration programs on Lithoquest's North Kimberley Diamond Project as recommended in the North Kimberley Report on a timely basis;
- the price for diamonds will not fall significantly below current levels;
- the Resulting Issuer's will be able to secure additional financing to continue exploration and, if warranted, development activities on the North Kimberley Diamond Project and meet future obligations as required from time to time;
- Lithoquest will be able to obtain regulatory approvals and permits in a timely manner and on terms consistent with current expectations;
- Lithoquest will be able to procure drilling and other mining equipment, energy and supplies in a timely and cost efficient manner to meet Lithoquest's needs from time to time;
- Lithoquest's capital and operating costs will not increase significantly from budgeted levels;
- key personnel will continue their employment with Lithoquest and Lithoquest will be able to obtain and retain additional qualified personnel, as needed, in a timely and cost efficient manner;
- there will be no significant adverse changes in the Canada/Australia currency exchange rate;
- there will be no significant barriers to Lithoquest's ability to comply with environmental, safety and other regulatory requirements; and
- the absence of any material adverse effects arising as a result of political instability, terrorism, sabotage, natural disasters, equipment failures or adverse changes in government legislation or the socio-economic conditions in Western Australia and the surrounding area with respect to Lithoquest's North Kimberley Diamond Project and operations.

Other assumptions are discussed throughout this Filing Statement.

CWS's and Lithoquest's ability to predict the results of its operations or the effects of various events on its operating results is inherently uncertain. Accordingly, readers are cautioned not to place undue reliance on the forward-looking statements and forward looking information or the assumptions on which CWS' and Lithoquest's forward-looking

statements and forward looking information are based. Investors are advised to carefully review and consider the risk factors identified in this Filing Statement under, among other places, “*Risk Factors*” for a discussion of the factors that could cause CWS’, Lithoquest’s or the Resulting Issuer’s actual results, performance and achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements and forward looking information. Investors are further cautioned that the foregoing list of risks and assumptions is not exhaustive and prospective investors should consult the more complete discussion of CWS’ and Lithoquest’s business, financial condition and prospects that is included in this Filing Statement.

Although CWS and Lithoquest believe that the assumptions on which the forward-looking statements are made and forward looking information is provided are reasonable, based on the information available to CWS and Lithoquest on the date such statements were made or such information was provided, no assurances can be given as to whether these assumptions will prove to be correct. The forward-looking statements and forward looking information contained in this Filing Statement are expressly qualified in their entirety by the foregoing cautionary statements. Furthermore, the above risks are not intended to represent a complete list of the risks that could affect CWS, Lithoquest or the Resulting Issuer and readers should not place undue reliance on forward-looking statements and forward looking information in this Filing Statement.

Forward-looking statements and forward looking information speak only as of the date the statements are made or such information is provided. Neither CWS nor Lithoquest assumes any obligation to update publicly or otherwise revise any forward-looking statements or forward looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking statements or forward looking information, except to the extent required by applicable laws. If CWS or Lithoquest does update one or more forward-looking statements or forward looking information, no inference should be drawn that CWS or Lithoquest will make additional updates with respect to those or other forward-looking statements or forward looking information.

Cautionary Notes to United States Investors

Mineral Reporting Standards

The disclosure in this Filing Statement has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. Disclosure, including scientific or technical information, has been made in accordance with Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects*. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of the United States Securities and Exchange Commission. Accordingly, information contained in this Filing Statement describing Lithoquest’s North Kimberley Diamond Project may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

Financial Statements

The financial statements included in this Filing Statement are subject to IFRS auditing and auditor independence standards. They may not be comparable to financial statements of United States companies. As a result, the financial statements included herein have not been reconciled to U.S. accounting principles as may otherwise be necessary under registration statement requirements of the 1933 Act.

Civil Liabilities

For United States Lithoquest Shareholders, the enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that CWS is formed under the laws of the BCBCA, that some or all of the proposed officers and directors of the Resulting Issuer and its subsidiaries will be residents of Canada, and that all or substantially all of the assets of the Resulting Issuer and of such persons will be located outside the United States. You may not be able to sue a Canadian issuer or its officers or directors in a Canadian court for violations of the U.S. securities laws. It may be difficult to compel a Canadian issuer and its affiliates to subject themselves to a U.S. court’s judgment.

GLOSSARY OF TERMS

The following terms used in this Filing Statement have the meanings set forth below.

“**1933 Act**” means United States Securities Act of 1933, as amended.

“**Acquisition**” means the acquisition by CWS of, inter alia, all of the issued and outstanding Lithoquest Shares in consideration for the issuance to the Lithoquest Shareholders of CWS Shares and CWS Acquisition Warrants upon the terms and subject to the conditions as set out in the Share Exchange Agreement, which acquisition will result in a reverse take-over of CWS by the Lithoquest Shareholders as defined under the policies of the TSXV.

“**Affiliate**” means a company that is affiliated with another company as described below.

A company is an “affiliate” of another company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A company is “controlled” by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

- (a) A company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

“**Arm’s Length Transaction**” means a transaction which is not a “Related Party Transaction” as defined under MI 61-101.

“**Associate**” when used to indicate a relationship with a Person, means:

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling such Person to more than 10% of the voting rights attached to outstanding securities of the issuer,
- (b) any partner of the Person,
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity, or
- (d) in the case of a Person, who is an individual:
 - (i) that Person’s spouse or child, or
 - (ii) any relative of the Person or of his spouse who has the same residence as that Person;

but

- (e) where the TSXV determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member (as defined under TSXV rules) firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSXV Rule Book and Policies with respect to that Member firm, Member corporation or holding company;

“**Available Funds**” means the estimated funds that will be available to the Resulting Issuer on completion of the Acquisition and Offering as set out in “*Information Concerning the Resulting Issuer – Estimated Available Funds and Principal Purposes*”.

“**BCBCA**” means the *Business Corporations Act* (British Columbia), including the regulations promulgated thereunder, as amended from time to time.

“**BCSC**” means the British Columbia Securities Commission.

“**Business Day**” means any day other than a Saturday, Sunday or a day on which banking institutions in Vancouver, B.C. are authorized or obligated by law to close.

“**Closing Date**” means the day of completion of the Acquisition.

“**Closing Time**” means the time of Closing on the Closing Date.

“**Closing**” means the closing of the Acquisition.

“**company**” means, unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

“**Computershare**” means Computershare Investor Services Inc.

“**Control Person**” means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

“**CWS Acquisition Warrants**” means the common share purchase warrants of CWS forming part of the consideration to be issued to the Lithoquest Shareholders in exchange for Lithoquest Shares, on a one-quarter (1/4) of one CWS Acquisition Warrant for one Lithoquest Share basis, pursuant to the Acquisition, each whole CWS Acquisition Warrant entitling the holder to purchase one Resulting Issuer Share for a period of 24 months after Closing at an exercise price of \$0.30.

“**CWS Board**” means the board of directors of CWS.

“**CWS Exchange Finder’s Warrants**” means the common share purchase warrants of CWS to be exchanged for Lithoquest Finder’s Warrants, on a one for one basis, each whole CWS Exchange Finder’s Warrant entitling the holder to purchase one Resulting Issuer Share for a period of 24 months after Closing at the same exercise price as the exchanged Lithoquest Finder’s Warrant.

“**CWS Exchange Warrants**” means the common share purchase warrants of CWS to be exchanged for Lithoquest Warrants, on a one for one basis, pursuant to the Acquisition, each whole CWS Exchange Warrant entitling the holder to purchase one Resulting Issuer Share for a period of 24 months after Closing at the same exercise price as the exchanged Lithoquest Warrant.

“**CWS Financial Statements**” means the financial statements of CWS attached as Schedule “1” to this Filing Statement as more particularly described under “*Information Concerning CWS – Selected Consolidated Financial Information and Management’s Discussion and Analysis – Selected Financial Information*” herein.

“**CWS Shareholders**” means the holders of CWS Shares.

“**CWS Shares**” means the common shares in the capital of CWS.

“**Filing Statement**” means this filing statement of CWS dated November 15, 2017, together with the certificates and schedules hereto and including the summary hereof.

“**Final TSXV Bulletin**” means the bulletin which is issued following closing of the Acquisition and the submission of all required documentation and that evidences final TSXV acceptance of the Acquisition.

“**Finder**” means a Person who introduces a purchaser of Units to CWS in connection with the Offering

“**Finder’s Fee**” means the fee payable by CWS to a Finder for introducing a purchaser of Units to CWS in connection with the Offering, which fee may consist of a cash fee and/or Offering Finder's Warrants.

“**Governmental Authority**” means (a) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise); (b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government; (c) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and (d) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange or professional association.

“**IFRS**” means International Financial Reporting Standards as adopted by the International Accounting Standards Board, as amended from time to time.

“**Insider**” means, if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of a company that is an Insider or a subsidiary of the issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities;

“**Laws**” mean all federal, provincial, state, municipal or local laws, rules, regulations, statutes, by-laws, ordinances, policies or orders of a Governmental Authority, including the rules and policies of the TSXV.

“**Letter of Intent**” means the non-binding letter of intent dated August 29, 2017 between CWS and Lithoquest setting forth the basis of the Acquisition, which letter has been superseded by the Share Exchange Agreement.

“**Lithoquest Board**” means the board of directors of Lithoquest.

“**Lithoquest Financial Statements**” means the financial statements of Lithoquest attached as Schedule “3” to this Filing Statement as more particularly described under “*Information Concerning Lithoquest – Selected Consolidated Financial Information and Management’s Discussion and Analysis – Selected Financial Information*” herein.

“**Lithoquest Finder’s Warrants**” means the outstanding finder’s warrants to purchase Lithoquest Shares, of which 12,000 finder’s warrants will be outstanding immediately prior to Closing of the Acquisition (after giving effect to the Lithoquest Split), each Lithoquest Finder’s Warrant entitling the holder thereof to purchase one Lithoquest Share for a period of 24 months after Closing at an exercise price of \$0.20.

“**Lithoquest Shareholders**” means the holders of Lithoquest Shares.

“**Lithoquest Shares**” means the common shares in the capital of Lithoquest.

“**Lithoquest Split**” means the proposed split of the Lithoquest Shares and Lithoquest Warrants on a one (1) old for two (2) new basis to take place prior to Closing of the Acquisition.

“**Lithoquest Subsidiary**” means Primeform Investments Pty Ltd., a wholly-owned subsidiary of Lithoquest incorporated under the laws of the State of Western Australia.

“**Lithoquest Warrants**” means the outstanding warrants to purchase Lithoquest Shares, of which 2,362,500 warrants will be outstanding immediately prior to Closing of the Acquisition (after giving effect to the Lithoquest Split), each Lithoquest Warrant entitling the holder thereof to purchase one Lithoquest Share for a period of 24 months after Closing at an exercise price of \$0.30.

“**Material Adverse Effect**” means, in respect of a Person, any change, effect, event, occurrence, condition or development that has or could reasonably be expected to have, individually or in the aggregate, a material and adverse impact on the business, operations, results of operations, assets, capitalization or financial condition of such Person, other than any change, effect, event, occurrence or state of facts relating to the global economy or securities markets in general.

“**Medalist**” means Medalist Capital Ltd., an exempt market dealer in certain provinces of Canada including Alberta, British Columbia and Ontario.

“**MI 61-101**” means Multilateral Instrument 61-101 *Protection of Minority Securityholders in Special Transactions*.

“**NI 43-101**” means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

“**NI 45-106**” means National Instrument 45-106 *Prospectus Exemptions*.

“**NI 52-110**” means National Instrument 52-110 *Audit Committees*.

“**Non-Arm’s Length Party**” means: (a) in relation to a company: (i) a promoter, officer, director, other Insider or Control Person of that company and any Associates or Affiliates of any of such Persons, or (ii) another entity or an Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, Insider or Control Person as the company; or (b) in relation to an individual: means any Associate of the individual or any Company of which the individual is a Promoter, officer, director, Insider or Control Person.

“**North Kimberley Diamond Project**” or “**Project**” means the two exploration licenses in Western Australia covering approximately 100,803 hectares held by the Lithoquest Subsidiary which are prospective for diamonds. The Lithoquest Subsidiary has also applied for an additional contiguous exploration license covering approximately 47,791 hectares.

“**North Kimberley Report**” means the technical report dated effective October 4, 2017 with respect to the North Kimberley Diamond Project prepared by T.H. Reddicliffe, BSC Hons (Geol), MSc, FAUSIMM, in accordance with NI 43-101 and titled “NI 43-101 Technical Report North Kimberley Diamond Project Western Australia”.

“**Offering**” means the non-brokered private placement offering of 18,977,272 Units at a price of \$0.27 per Unit for gross proceeds of \$5,123,863 to be completed by CWS concurrent with and as a condition of the Closing of the Acquisition.

“**Offering Warrants**” means the common share purchase warrants of CWS to be granted to purchasers of Units in connection with the Offering, each whole Offering Warrant entitling the holder to acquire one Resulting Issuer Share at a price of \$0.40 for a period of 24 months from the Closing Date.

“**Offering Finder’s Warrants**” means the common share purchase warrants CWS to be granted to Finders as part of their Finder’s Fee payable in connection with the Offering.

“**Person**” is to be broadly interpreted and includes an individual, a company, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

“**Primeform**” means Primeform Investments Pty Ltd., a wholly-owned subsidiary of Lithoquest incorporated under the laws of the State of Western Australia.

“**Principals**” means:

- (a) a Person who acted as a Promoter of CWS or Lithoquest within two years before the Final TSXV Bulletin confirming final acceptance of the Acquisition;
- (b) a director or senior officer of the Resulting Issuer or any of its material operating subsidiaries at the time of the Final TSXV Bulletin;
- (c) a 20% holder – a Person that holds securities carrying more than 20% of the voting rights attached to the Resulting Issuer’s outstanding securities immediately after the Final TSXV Bulletin;
- (d) a 10% holder – a Person that:
 - (i) holds securities carrying more than 10% of the voting rights attached to the Resulting Issuer’s outstanding securities immediately after the Final TSXV Bulletin; and
 - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Resulting Issuer or any of its material operating subsidiaries.

In calculating these percentages, the securities include securities that may be issued to the holder under outstanding convertible securities in both the holder’s securities and the total securities outstanding.

A company, more than 50% held by one or more Principals will be treated as a principal. (In calculating this percentage, the securities include the securities of an entity that may be issued to the Principals under outstanding convertible securities in both the Principals’ securities of the entity and the total securities of the entity outstanding.) Any securities of the Resulting Issuer that this entity holds will be subject to escrow requirements.

A Principal’s spouse and the relatives of the Principal or spouse who live at the same address as the Principal will also be treated as Principals and any securities of the Resulting Issuer they hold will be subject to escrow requirements.

“**Promoter**” has the meaning ascribed to such term under the *Securities Act* (British Columbia) and includes, if used in relation to an issuer, a Person who (a) acting alone or in concert with one or more Persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, or (b) in connection with the founding, organization or substantial reorganization of the business of the issuer, directly or indirectly receives, in consideration of services or property or both, 10% or more of a class of the issuer’s own securities or 10% or more of the proceeds from the sale of a class of the issuer’s own securities of a particular issue.

“**Related Party**” has the meaning ascribed to such term in MI 61-101 and includes a Promoter, officer, director and other Insider of a company, and any Associate or Affiliate thereof.

“**Related Party Transaction**” has the meaning ascribed to such term in MI 61-101 and Appendix 1 of the TSXV’s Form 3D2 and includes:

- (a) a transaction between CWS and a Related Party at the time the transaction is agreed to, whether or not there are also other parties to the transaction, as a consequence of which, either through the transaction itself or together with connected transactions, CWS directly or indirectly:
 - (i) purchases or acquires an asset from the Related Party for valuable consideration;

- (ii) purchases or acquires, as a joint actor with the Related Party, an asset from a third party if the proportion of the asset acquired by CWS is less than the proportion of the consideration paid by CWS;
 - (iii) sells, transfers or disposes of an asset to the Related Party;
 - (iv) sells, transfers or disposes of, as a joint actor with the Related Party, an asset to a third party if the proportion of the consideration received by CWS is less than the proportion of the asset sold, transferred or disposed of by CWS;
 - (v) leases property to or from the Related Party;
 - (vi) acquires the Related Party, or combines with the Related Party, through an amalgamation, arrangement or otherwise, whether alone or with joint actors;
 - (vii) issues a security to the Related Party or subscribes for a security of the Related Party;
 - (viii) amends the terms of a security of CWS if the security is beneficially owned, or is one over which control or direction is exercised, by the Related Party, or agrees to the amendment of the terms of a security of the Related Party if the security is beneficially owned by CWS or is one over which CWS exercises control or direction;
 - (ix) assumes or otherwise becomes subject to a liability of the Related Party;
 - (x) borrows money from or lends money to the Related Party, or enters into a credit facility with the Related Party;
 - (xi) releases, cancels or forgives a debt or liability owed by the Related Party;
 - (xii) materially amends the terms of an outstanding debt or liability owed by or to the Related Party, or the terms of an outstanding credit facility with the Related Party, or
 - (xiii) provides a guarantee or collateral security for a debt or liability of the Related Party, or materially amends the terms of the guarantee or security; and
- (b) a related party transaction that is determined by the TSXV to be a Related Party Transaction due to circumstances that exist which compromise the independence of CWS with respect to the transaction.

“Resulting Issuer” means CWS upon completion of the Acquisition and Offering, formerly referred to as CWS.

“Resulting Issuer Board” means the board of directors of the Resulting Issuer from time to time after Closing of the Acquisition.

“Resulting Issuer Options” means incentive stock options to be granted to directors, officers, employees and consultants of the Resulting Issuer following completion of the Acquisition.

“Resulting Issuer Shares” means the common shares in the capital stock of the Resulting Issuer, after taking into account the Acquisition and Offering.

“SEDAR” means the System for Electronic Document Analysis and Retrieval located on the Internet at www.sedar.com.

“Share Exchange” means the issuance of CWS Shares and CWS Acquisition Warrants by CWS to the Lithoquest Shareholders in exchange for Lithoquest Shares pursuant to the Share Exchange Agreement.

“Share Exchange Agreement” means the agreement dated as of October 17, 2017, as amended, extended and/or supplemented from time to time, among CWS, Lithoquest and the Lithoquest Shareholders governing the Share Exchange.

“TSXV” means the TSX Venture Exchange.

“Unit” means a unit of CWS to be issued pursuant to the Offering, each Unit consisting of one CWS Share and one-half (1/2) of one Offering Warrant.

“Value Security Escrow Agreement” means the TSXV prescribed escrow agreement to be dated concurrent with the completion of the Acquisition among CWS, Computershare and certain Shareholders of Lithoquest providing for the escrow of the Value Security Escrow Shares. Alternatively, CWS may legend the certificates representing certain of the Value Security Escrow Shares with the applicable escrow restrictions.

“Value Security Escrow Shares” means the 8,867,916 CWS Shares to be held in escrow by Computershare upon completion of the Acquisition pursuant to the Value Security Escrow Agreement.

In this Filing Statement, other words and phrases that are capitalized have the meanings assigned in this Filing Statement.

SUMMARY OF THE FILING STATEMENT

The following is a summary of information relating to CWS, Lithoquest and the Resulting Issuer after giving effect to the completion of the Acquisition and the Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement.

Capitalized terms used in this summary will have the meaning provided in the Glossary of Terms or elsewhere in this Filing Statement.

This Filing Statement is being prepared and filed on SEDAR in accordance with the policies of the TSXV in connection with the reverse take-over of CWS. **The Acquisition constitutes a Related Party Transaction under the policies of the TSXV.**

Consolidated Westview Resource Corp.

CWS was continued into British Columbia from the jurisdiction of Alberta pursuant to the BCBCA on April 22, 2014 and is a reporting issuer in the provinces of British Columbia and Alberta. The CWS Shares are listed for trading on the NEX board of the TSXV under the symbol "CWS.H".

On August 30, 2017, trading in CWS Shares was halted by the TSXV pending receipt and review of acceptable documentation regarding the Acquisition of Lithoquest as CWS' reactivation transaction in accordance with the policies of the TSXV.

Historically, CWS' principal business has been the acquisition and exploration of mineral resource properties. However, CWS is currently inactive and does not own any material mineral resource properties or other assets and does not carry on any active business. See "*Information Concerning CWS*" in this Filing Statement. Copies of the CWS Financial Statements are attached as Schedule "1" to this Filing Statement.

The registered and head office of CWS is located at Suite 610 – 815 West Hastings Street, Vancouver, British Columbia V6C 1B4. It is anticipated that the registered and head offices of CWS will be changed upon completion of the Acquisition. See "*Information Concerning the Resulting Issuer*".

Lithoquest Diamonds Inc.

Lithoquest is a non-reporting company incorporated on November 18, 2011 under the BCBCA which holds, indirectly through its Lithoquest Subsidiary, Primeform Investments Pty Ltd., the North Kimberley Diamond Project comprised of two exploration licenses in Western Australia covering approximately 100,803 hectares. The Lithoquest Subsidiary has also applied for an additional contiguous exploration license covering approximately 47,791 hectares. The exploration licenses are prospective for diamonds.

A description of the assets, business and operations of Lithoquest and Lithoquest Subsidiary is presented in this Filing Statement in the section entitled "*Information Concerning Lithoquest*". Copies of the Lithoquest financial statements for the financial years ended March 31, 2017 and March 31, 2016 (audited) and subsequent three month period ended June 30, 2017 (unaudited) are attached as Schedule "3" to this Filing Statement.

Resulting Issuer

The Resulting Issuer is expected to be called "Lithoquest Diamonds Inc." (or such other name that is acceptable to Lithoquest and the TSXV) and will carry on the current business of Lithoquest, as described more particularly in the section entitled "*Information Concerning Lithoquest*". It is anticipated that the Resulting Issuer's registered office upon completion of the Acquisition will be changed from CWS' current registered address to the following new address: 2600 - 1066 West Hastings Street, Vancouver British Columbia V6E 3X1.

Acquisition

Under the Share Exchange Agreement, CWS has agreed to acquire all of the issued and outstanding Lithoquest Shares (of which 21,391,668 will be issued and outstanding immediately prior to Closing after giving effect to the Lithoquest Split) in exchange for 21,391,668 CWS Shares at a deemed price of \$0.27 per CWS Share and 5,347,920 CWS Acquisition Warrants, which acquisition will constitute a reverse takeover of CWS by the holders of Lithoquest Shares under the policies of the TSXV. Each whole CWS Acquisition Warrant will entitle the holder thereof to purchase one Resulting Issuer Share at a price of \$0.30 for a period of 24 months following Closing of the Acquisition. See “*Particulars of the Acquisition*” below. Upon completion of the Acquisition and Offering, it is anticipated that current Lithoquest Shareholders will hold 46.59%, current CWS Shareholders will hold 12.07% and purchasers of Units under the Offering will hold 41.34% of the then issued and outstanding Resulting Issuer Shares, on a non-diluted basis.

Approximately 8,867,916 CWS Shares to be issued to certain Lithoquest Shareholders upon completion of the Acquisition will be subject to escrow restrictions in accordance with the policies of the TSXV and the terms of the Value Security Escrow Agreement to be entered into among CWS, Computershare, and such Lithoquest Shareholders. These CWS Shares will be released from escrow on the basis of 10% of the escrowed shares on the Closing Date and 15% of the escrowed shares every six months thereafter. See “*Information Concerning the Resulting Issuer – Escrowed Securities on Completion of Acquisition*”.

Upon Closing, CWS will also acquire all outstanding Lithoquest Warrants to purchase Lithoquest Shares in exchange for CWS Exchange Warrants to purchase an equivalent number of Resulting Issuer Shares at the same exercise price as the exchanged Lithoquest Warrants. It is anticipated that CWS will issue a total of 2,362,500 CWS Exchange Warrants in exchange for 2,362,500 Lithoquest Warrants (after giving effect to the Lithoquest Split), each CWS Exchange Warrant entitling the holder to purchase one Resulting Issuer Share for a period of 24 months at an exercise price of \$0.30.

As well, upon Closing, CWS will acquire all outstanding Lithoquest Finder’s Warrants to purchase Lithoquest Shares in exchange for CWS Exchange Finder’s Warrants to purchase an equivalent number of Resulting Issuer Shares at the same exercise price as the exchanged Lithoquest Finder’s Warrants. It is anticipated that CWS will issue a total of 12,000 CWS Exchange Finder’s Warrants in exchange for 12,000 Lithoquest Finder’s Warrants (after giving effect to the Lithoquest Split), each CWS Exchange Finder’s Warrant entitling the holder to purchase one Resulting Issuer Share for a period of 24 months at an exercise price of \$0.20.

It is also a term of the Share Exchange Agreement that concurrent with closing of the Acquisition, CWS shall complete the Offering consisting of 18,977,272 Units at a price of \$0.27 per Unit for gross proceeds of \$5,123,863. See “*Particulars of the Acquisition – Offering*”.

Upon Closing of the Acquisition, it is anticipated that all of CWS’ existing directors and officers will resign and be replaced by nominees of Lithoquest including Bruce Counts, the President and Chief Executive Officer and a director of Lithoquest. See “*Information Concerning the Resulting Issuer – Directors, Officers and Promoters*”.

The directors and officers of CWS as a group presently hold no Lithoquest Shares. Medalist, an insider of CWS by virtue of owning 674,074 or 12.16% of the CWS Shares, also owns 500,000 Lithoquest Shares and 250,000 Lithoquest Warrants (after giving effect to the Lithoquest Split), and will receive 500,000 CWS Shares, 125,000 CWS Acquisition Warrants and 250,000 CWS Exchange Warrants in exchange for such Lithoquest Shares and Lithoquest Warrants pursuant to the Share Exchange Agreement. Further, Medalist has subscribed for 375,000 Units under the Offering and, subject to “disinterested shareholder approval” (see “*Disinterested Shareholder Approval*” below), is expected to receive, in its capacity as a Finder, an additional 384,914 Offering Finder’s Warrants such that upon completion of the Acquisition and Offering Medalist will own approximately 1,549,074 common shares (or 3.37%) and 947,414 warrants of the Resulting Issuer. Medalist is an exempt market dealer registered in Alberta, British Columbia and Ontario.

Bruce Counts, the President, Chief Executive Officer and a director of Lithoquest, will become the President, Chief Executive Officer and a director of the Resulting Issuer upon completion of the Acquisition.

Mr. Counts holds, directly and indirectly, a total of 3,750,000 Lithoquest Shares (after giving effect to the Lithoquest Split), being 17.53% of the total outstanding Lithoquest Shares, which shares will be exchanged for 3,750,000 CWS Shares and 937,500 CWS Acquisition Warrants pursuant to the Acquisition. Mr. Counts has also subscribed for 50,000 Units under the Offering, such that upon completion of the Acquisition and the Offering Mr. Counts will own 3,800,000 Resulting Issuer Shares, representing approximately 8.28% of the then issued and outstanding Resulting Issuer Shares on an undiluted basis, excluding any Resulting Issuer Shares issuable upon exercise of the CWS Acquisition Warrants, CWS Exchange Warrants, CWS Exchange Finder's Warrants, Offering Warrants, Offering Finder's Warrants or Resulting Issuer Options. See "*Information Concerning the Resulting Issuer – Directors, Officer and Promoters*".

Upon closing of the Acquisition, it is anticipated that the Resulting Issuer will grant a total of 2,500,000 Resulting Issuer Options to directors, officers, employees and consultants of the Resulting Issuer as designated by Lithoquest. See "*Information Concerning the Resulting Issuer – Options to Purchase Securities*".

The Acquisition was negotiated between CWS and Lithoquest on an "arm's length" basis; however, due to Medalist being an insider of CWS and a shareholder of Lithoquest, the Acquisition constitutes a Related Party Transaction under the policies of the TSXV. See "*Information Concerning CWS – Related Party Transactions*".

Subject to acceptance of the TSXV and the British Columbia Registrar of Companies, the Resulting Issuer intends to change its name to "Lithoquest Diamonds Inc." upon Closing of the Acquisition and be listed on the TSXV as a Tier 2 mining issuer.

The Offering

Concurrent with closing of the Acquisition, CWS has agreed to complete the Offering of 18,977,272 Units at a price of \$0.27 per Unit for gross proceeds of \$5,123,863, prior to any costs of issue. Each Unit will consist of one CWS Share and one-half (1/2) of one Offering Warrant, each whole Offering Warrant entitling the holder to acquire one Resulting Issuer Share at \$0.40 for a period of 24 months from the Closing Date. See "*Particulars of the Acquisition – Offering*". The net proceeds of the Offering will be used to, inter alia, pay the balance of the costs of the Acquisition and Offering, fund the recommended Phase 1 exploration program on the North Kimberley Diamond Project and the Resulting Issuer's estimated general corporate and working capital requirements for the ensuing 12 months, and to otherwise ensure compliance with the minimum listing requirements of the TSXV. See "*Information Concerning the Resulting Issuer – Estimated Available Funds and Principal Purposes*".

The completion of the Offering is a condition precedent to closing of the Acquisition.

CWS has engaged certain Finders including Medalist, an exempt market dealer in Alberta, British Columbia and Ontario, to introduce potential purchasers of Units to CWS in connection with the Offering in consideration for which CWS shall pay a Finder's Fee of up to 6% cash and 6% Offering Finder's Warrants on Units sold to purchasers introduced by Finders. Each Offering Finder's Warrant will entitle the holder to purchase one Resulting Issuer Share at a price of \$0.27 for a period of 24 months from the Closing Date. Assuming the entire Offering is sold, CWS expects to pay a Finder's Fee totalling \$136,327 cash and 504,914 Offering Finder's Warrants to the Finders, of which \$103,927 cash and 384,914 Offering Finder's Warrants will be paid to Medalist. See "*Disinterested Shareholder Approval*" below.

All securities issued in connection with the Offering will be subject to a four month and one day hold period in accordance with applicable securities laws and the policies of the TSXV.

The Acquisition, the Offering and the Share Exchange Agreement are described in more detail under "*Particulars of the Acquisition*" below.

Disinterested Shareholder Approval

The Acquisition of the Lithoquest Shares from Medalist pursuant to the Share Exchange Agreement and the payment of a Finder's Fee to Medalist in connection with the Offering constitute Related Party Transactions. CWS is relying upon exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 to complete the Acquisition and pay the Finder's Fee to Medalist on the basis that the fair market value of the Acquisition, as it

relates to Medalist, and the Finder's Fee to Medalist each represent less than 25% of the current market capitalization of CWS. Notwithstanding the foregoing, as Related Party Transactions, TSXV policy requires that the Acquisition and Finder's Fee to Medalist be approved by a majority of the "disinterested shareholders" of CWS, excluding Medalist. Accordingly, CWS intends to seek the approval of a majority of the "disinterested shareholders" of CWS for the Acquisition and payment of the Finder's Fee to Medalist by way of consent resolution immediately following the date of this Filing Statement. If such approval is not obtained, CWS will not be able to complete the Acquisition or pay the Finder's Fee to Medalist. See "*Particulars of the Acquisition – Risks Relating to the Acquisition*" below.

Sponsorship

CWS has obtained a waiver of the TSXV's sponsorship requirements in connection with the Acquisition.

Business and Objectives of the Resulting Issuer

Following completion of the Acquisition, Lithoquest will be a wholly-owned subsidiary of the Resulting Issuer and the Resulting Issuer will carry on the business of Lithoquest as described in this Filing Statement. See "*Particulars of the Resulting Issuer*".

Board and Management Following Completion of the Acquisition

Upon completion of the Acquisition, the board of directors and management of the Resulting Issuer are expected to be comprised of the following individuals:

Bruce Counts	President, Chief Executive Officer and Director
Dwight Walker:	Chief Financial Officer and Corporate Secretary
Angela Austman:	Director
Lon Shaver:	Director
Gerald Prosalendis:	Director

It is anticipated that the Resulting Issuer Board will be comprised of three independent and one non-independent director. Angela Austman, Lon Shaver and Gerald Prosalendis will be the independent directors of the Resulting Issuer. Bruce Counts, as President and Chief Executive Officer, will not be independent. See "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters*" for biographies of the proposed directors and management team of the Resulting Issuer.

Interests of Insiders, Promoters or Control Persons following Completion of the Acquisition

Save and except for Medalist or as otherwise disclosed herein, no Insider or Promoter of CWS or Lithoquest and no Affiliate or Associate of same has any interest in the proposed Acquisition, other than that which arises from the holding of securities of CWS or Lithoquest, as applicable.

Bruce Counts will be the Promoter of the Resulting Issuer. Upon the completion of the Acquisition and Offering, it is expected that Mr. Counts will be the registered and beneficial owner of 3,800,000 Resulting Issuer Shares, which will represent approximately 8.28% of the then issued and outstanding Resulting Issuer Shares. It is expected that Mr. Count's fully diluted shareholdings in the Resulting Issuer will be 5,212,500 Resulting Issuer Shares, representing approximately 7.88% of the Resulting Issuer Shares to be outstanding on a fully diluted basis.

The following tables sets out the estimated number of Resulting Issuer Shares to be beneficially owned by each of the proposed directors, officers, Insiders and Promoters of the Resulting Issuer upon closing of the Acquisition and Offering. See also "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters*".

Proposed Position with the Resulting Issuer	CWS Shares Owned/Controlled Before the Acquisition ⁽¹⁾		Lithoquest Shares Owned/Controlled Before the Acquisition ⁽²⁾		Resulting Issuer Shares Owned/Controlled After Giving effect to Acquisition and Offering ⁽³⁾	
	Number	Percentage	Number	Percentage	Number ⁽⁴⁾	Percentage ⁽⁴⁾
Bruce Counts Tofino, B.C. President and CEO, Director and Promoter	Nil	N/A	3,750,000	17.53%	3,800,000 ⁽⁵⁾⁽⁶⁾	8.28%
Dwight Walker Dundas, Ontario Chief Financial Officer and Corporate Secretary	Nil	N/A	200,000	0.93%	200,000 ⁽⁵⁾	0.44%
Angela Austman Langley, B.C. Director	Nil	N/A	100,000	0.47%	100,000 ⁽⁵⁾	0.22%
Lon Shaver Surrey, B.C. Director	Nil	N/A	Nil	N/A	Nil	N/A
Gerald Prosalendis Victoria, B.C. Director	Nil	N/A	Nil	N/A	Nil	N/A
Warren Irwin ⁽⁷⁾ Toronto, Ontario Insider	Nil	N/A	5,100,000 ⁽⁸⁾	23.84%	6,960,000 ⁽⁹⁾	15.16%

Notes:

- (1) The denominator for the calculation of the percentages is 5,543,023, which is CWS' issued and outstanding share capital immediately prior to closing of the Acquisition and the Offering.
- (2) The denominator for the calculation of the percentages is 21,391,668, which is Lithoquest's issued and outstanding share capital immediately prior to the closing of the Acquisition and after giving effect to the Lithoquest Split.
- (3) The denominator for the calculation of the percentages is 45,911,963, which is the estimated issued and outstanding share capital of the Resulting Issuer after closing of the Acquisition and Offering of 18,977,772 Units for gross proceeds of \$5,123,863.
- (4) Assuming that 18,977,272 Units are issued pursuant to the Offering.
- (5) These shares will be subject to escrow pursuant to the Value Security Escrow Agreement. See "*Information Concerning the Resulting Issuer – Escrowed Securities on Completion of Acquisition*".
- (6) Includes 50,000 Units subscribed for pursuant to the Offering.
- (7) Warren Irwin acts as an investment advisor or portfolio manager for each of Rosseau Fund, G10 Rosseau Special Situations Master Fund, G10 - Global Asset Management Ltd., and Rosseau Limited Partnership and as such is anticipated to exercise control and/or direction over the securities held by such entities.
- (8) Rosseau Fund currently owns 5,100,000 Lithoquest Shares.
- (9) G10 Rosseau Special Situations Master Fund, G10 - Global Asset Management Ltd., and Rosseau Limited Partnership have collectively subscribed for a total of 1,860,000 Units under the Offering. Upon completion of the Acquisition and Offering it is anticipated that Rosseau Fund, G10 Rosseau Special Situations Master Fund, G10 - Global Asset Management Ltd., and Rosseau Limited Partnership will own, in the aggregate, 6,960,000 Resulting Issuer Shares.

In addition to the foregoing, the directors, officers and Insiders of the Resulting Issuer will hold (after giving effect to completion of the Lithoquest Split, the Acquisition and the Offering), in the aggregate, 2,287,500 CWS Acquisition Warrants to purchase up to 2,287,500 Resulting Issuer Shares at a price of \$0.30 per share for a period of 24 months after Closing, 2,725,000 CWS Exchange Warrants to purchase up to 2,725,000 Resulting Issuer Shares at an exercise price of \$0.40 per share for a period of 24 months after Closing and 955,000 Offering Warrants to purchase up to

955,000 Resulting Issuer Shares at an exercise price of \$0.40 per share for a period of 24 months after Closing. See “*Particulars of the Acquisition – Share Exchange Agreement*” and “*Information Concerning the Resulting Issuer – Directors, Officers and Promoters*”.

Stock Exchange Listing

The CWS Shares are currently listed for trading on the NEX board of the TSXV. On August 30, 2017, the CWS Shares were halted from trading on the TSXV in connection with the announcement of the Acquisition and remain halted pending completion of the Acquisition and Offering. The market price of the CWS Shares on August 23, 2017, being the last day on which CWS Shares traded on the TSXV prior to being halted on August 30, 2017 for the Acquisition, was \$0.395. See “*Information Concerning CWS – Price Range and Trading Volume of the CWS Shares*”.

Lithoquest is not a reporting issuer and there is currently no market for the Lithoquest Shares. See “*Information Concerning Lithoquest*”.

Conditions to Completion of the Acquisition

Closing of the Acquisition is subject to various conditions including, but not limited to, the receipt of all necessary regulatory approvals, completion of the Offering, and the TSXV being satisfied that, following completion of the Acquisition and Offering, the Resulting Issuer will satisfy the TSXV’s minimum listing requirements for a Tier 2 mining issuer.

Related Party Transaction

The Acquisition was negotiated on an arm’s length basis between CWS and Lithoquest. However, Medalist, an insider of CWS, also owns 500,000 Lithoquest Shares and 250,000 Lithoquest Warrants (after giving effect to the Lithoquest Split), thereby making the Acquisition a Related Party Transaction for the purposes of TSXV policies. See “*Particulars of the Acquisition – Overview of the Acquisition*”. See also “*Information Concerning CWS – Related Party Transactions*”.

Available Funds and Principal Purposes

Available Funds

The following table sets out the estimated funds to be available to the Resulting Issuer upon completion of the Acquisition and Offering and the intended uses thereof. As at October 31, 2017, CWS had working capital deficit of approximately \$112,754 and Lithoquest had working capital of approximately \$632,900. Concurrent with the Closing of the Acquisition, CWS will receive gross proceeds of \$5,123,863 pursuant to the Offering (assuming the entire Offering is sold). Based on the foregoing, the Resulting Issuer is expected to have, on a consolidated basis, pro forma Available Funds as of October 31, 2017 of approximately \$5,307,682 upon completion of the Acquisition and Offering as detailed below:

Source of Funds	Assuming Completion of Offering
Estimated CWS Working deficiency as at October 31, 2017	(\$112,754)
Estimated Lithoquest Working Capital as at October 31, 2017	\$632,900
Net Proceeds of Offering - after deducting estimated Finder’s Fees payable in cash (\$136,327) and estimated balance of costs of issue (\$200,000) ⁽¹⁾	\$4,787,536
Total Available Funds	\$5,307,682

Notes:

(1) Includes estimated legal, accounting and regulatory (excluding TSXV) fees in connection with the Acquisition and Offering.

Principal Purposes

It is expected that the Resulting Issuer will use the Available Funds to, inter alia, carry out the Phase 1 exploration program on the North Kimberley Diamond Project recommended in the North Kimberley Report and fund its general corporate and working expenses for a period of 12 months after the Closing Date as follows:

Estimated Use of Proceeds	Available Funds Assuming Completion of Offering
Estimated listing fees payable to TSXV in connection with the Acquisition and Offering	\$40,000
Phase 1 exploration program on the North Kimberley Diamond Project recommended in the North Kimberley Report ⁽¹⁾	\$1,200,000
General and administrative expenses for 12 months ⁽²⁾	\$830,400
Reserve for Phase 2 exploration program on the North Kimberley Diamond Project recommended in the North Kimberley Report (to be dictated largely by results of Phase 1) ⁽¹⁾	\$2,300,000
Unallocated Working Capital	\$937,282
TOTAL	\$5,307,682

Notes:

- (1) See “*Information Concerning the Resulting Issuer – Narrative Description of the Business*” for details of the Phase 1 and Phase 2 exploration programs for the North Kimberley Diamond Project recommended in the North Kimberley Report.
- (2) Includes, among other expenses, estimated executive compensation, consulting fees, rent, general office and business expenses, accounting and professional fees and transfer agent and filing fees and shareholder communication costs. See “*Information Concerning the Resulting Issuer – Estimated Available Funds and Principal Purposes*”.

The Resulting Issuer intends to spend the Available Funds for the principal purposes as indicated above. However, there may also be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve these objectives. The Resulting Issuer will require additional funds in order to fulfill all of its expenditure requirements to meet its objectives, in which case the Resulting Issuer expects to either issue additional shares or incur indebtedness. See also “*Risk Factors*”. There is no assurance that additional funding required by the Resulting Issuer will be available on commercially reasonable terms or at all when required. However, it is anticipated that the Available Funds will be sufficient to satisfy the Resulting Issuer’s objectives over the next 12 months.

Selected Pro Forma Financial Information

The following is a summary of certain selected *pro forma* financial information of the Resulting Issuer after giving effect to the Acquisition and Offering is derived from the unaudited *pro forma* financial statements and the notes thereto attached to this Filing Statement as Schedule “5” and should be read in conjunction with the unaudited interim financial statements of CWS for the three months ended June 30, 2017 attached to this Filing Statement as Schedule “1” and the unaudited interim financial statements of Lithoquest for the three months ended June 30, 2017 attached to this Filing Statement as Schedule “3”.

	CWS as at June 30, 2017 (C\$)	Lithoquest at June 30, 2017 ⁽¹⁾ (C\$)	Pro Forma Adjustments as at June 30, 2017 (C\$)	Resulting Issuer Pro Forma as at June 30, 2017 (C\$)
Current Assets	50,419	101,432	5,803,222	5,955,073
Total Assets	50,419	310,422	5,803,222	6,164,063

Current Liabilities	597,839	101,113	(486,225)	212,727
Total Liabilities	597,839	101,113	(486,225)	212,727
Shareholders' Equity (Deficiency)	(547,420)	209,309	6,289,447	5,951,336

Details Respecting CWS' Listing on TSXV

The CWS Shares are currently listed for trading on the NEX board of the TSXV. Upon completion of the Acquisition and Offering, the Resulting Issuer Shares will be listed on Tier 2 of the TSXV as a "mining issuer" and will trade under the name "*Lithoquest Diamonds Inc.*" and symbol "LDI".

Market Price of CWS' Shares

The CWS Shares have been listed on the NEX board of the TSXV since February 27, 2014 under the symbol "CWS.H". On August 30, 2017 trading in CWS Shares was halted in connection with the announcement of the Acquisition. The market price of the CWS Shares on August 23, 2017, being the last day on which the CWS Shares traded on the NEX board of the TSXV prior to being halted for the Acquisition, was \$0.395. Trading in the CWS Shares remains halted pending completion of the Acquisition and Offering. The Lithoquest Shares are not traded publicly. See "*Information Concerning CWS – Price Range and Trading Volume of CWS Shares*".

Conflicts of Interest

As of the date of this Filing Statement, except as disclosed herein, neither the management of CWS nor Lithoquest is aware of any material conflicts of interest arising out of the Acquisition.

However, there may be potential conflicts of interest to which the proposed directors, officers, Insiders and Promoters of the Resulting Issuer will be subject in connection with the operations of Resulting Issuer. Each of the directors and officers of the Resulting Issuer may become or already is associated with other reporting issuers or other entities which may give rise to conflicts of interest. Certain of such directors and officers have either other employment or other business or time restrictions placed on them and accordingly, these directors and officers will only be able to devote part of their time to the affairs of the Resulting Issuer. Some of the directors, officers, Insiders and Promoters have been and will continue to be engaged in the identification and evaluation of new opportunities, with a view to potential acquisition of interests in businesses and corporations on their own behalf and on behalf of other corporations.

Conflicts, if any, will be subject to the procedures and remedies prescribed by the BCBCA, the TSXV and applicable securities law, regulations and policies.

See "*Information Concerning CWS – Related Party Transactions*" for details of the interests of Medalist, an insider of CWS, in the Acquisition and Offering.

Interest of Experts

Except as disclosed herein, no Person whose profession or business gives authority to a statement made by the Person and who is named as having prepared or certified part of this Filing Statement or as having prepared or certified a report or valuation described or included in this Filing Statement has received or is entitled to receive any beneficial interest, direct or indirect, in any securities or property of CWS, Lithoquest or the Resulting Issuer or of an Associate or Affiliate of CWS, Lithoquest or the Resulting Issuer. See "*General Matters - Experts*".

Conditional Listing Approval

The Acquisition and Offering have been conditionally accepted for filing by the TSXV. Final acceptance of the Acquisition and Offering will be subject to the Resulting Issuer fulfilling all of the listing requirements of the TSXV.

Summary of Risk Factors

Dilution is a principal risk factor facing the shareholders of CWS. There are also a numerous risks associated with Lithoquest's business, which will be the Resulting Issuer's business upon completion of the Acquisition, including, but not limited to, Lithoquest's limited operating history, absence of revenues or earnings and limited financial resources, the exploratory nature of the North Kimberley Diamond Project, the absence of known resources or reserves on the North Kimberly Diamond Project and the lack of assurances that Lithoquest's exploration activities will result in the discovery of an economically viable resource, risks associated with mineral exploration, Lithoquest's dependence on key personnel, competition, global financial market conditions, no present intention to pay dividends and the uncertainty surrounding the availability of additional capital.

See "*Particulars of the Acquisition – Risks Relating to the Acquisition*" and "*Risk Factors*" for a more detailed description of the risk factors associated with the Acquisition of Lithoquest.

Dividend Record and Policy

It is anticipated that the Resulting Issuer will not pay any cash dividends or distributions on the Resulting Issuer Shares in the foreseeable future and therefore holders of Resulting Issuer Shares may not be able to receive a return on their shares unless they sell them. The Resulting Issuer's policy will be to retain earnings to reinvest in the Resulting Issuer.

The Resulting Issuer's dividend policy will be reviewed from time to time by the Resulting Issuer Board in the context of its earnings, if any, financial condition and other relevant factors. Until the Resulting Issuer pays dividends on the Resulting Issuer Shares, which it may never do, its shareholders will not be able to receive a return on the Resulting Issuer Shares unless they sell them.

NEITHER THE TSXV NOR ANY SECURITIES REGULATORY AUTHORITY HAS IN ANY WAY PASSED UPON THE MERITS OF THE ACQUISITION. THE TSXV HAS CONDITIONALLY ACCEPTED THE ACQUISITION SUBJECT TO THE RESULTING ISSUER FULFILLING ALL OF THE REQUIREMENTS OF THE TSXV.

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PARTICULARS OF THE ACQUISITION

The following section contains a summary of the principal terms of the Share Exchange Agreement. This summary does not purport to be complete and is qualified in its entirety by the actual terms of the Share Exchange Agreement, a copy of which is available for review on SEDAR at www.sedar.com under CWS' profile.

Overview of the Acquisition

On August 30, 2017, CWS entered into the Letter of Intent with Lithoquest to acquire all of the issued and outstanding Lithoquest Shares in exchange for a combination of CWS Shares and CWS Acquisition Warrants. Effective October 17, 2017 CWS entered into the Share Exchange Agreement with Lithoquest and the Lithoquest Shareholders pursuant to the Letter of Intent. Under the Share Exchange Agreement, CWS will acquire 100% of the issued and outstanding Lithoquest Shares, being 21,391,668 Lithoquest Shares (after giving effect to the Lithoquest Split), in exchange for the issuance of an aggregate of 21,391,668 CWS Shares at a deemed price of \$0.27 per CWS Share and 5,347,920 CWS Acquisition Warrants to purchase up to an aggregate of 5,347,920 Resulting Issuer Shares at a price of \$0.30 per Resulting Issuer Share for a period of 24 months following the Closing Date of the Acquisition. Although the Share Exchange will result in Lithoquest becoming a wholly-owned subsidiary of CWS, the Share Exchange will constitute a reverse takeover of CWS inasmuch as the former Lithoquest Shareholders, as a group, will own the largest block of Resulting Issuer Shares upon completion of the Acquisition and Offering and Bruce Counts, the President, Chief Executive and a director of Lithoquest, will become the President, Chief Executive Officer and a director of the Resulting Issuer.

Upon completion of the Acquisition and Offering, excluding Resulting Issuer Shares reserved for issuance pursuant to the CWS Acquisition Warrants, CWS Exchange Warrants, CWS Exchange Finder's Warrants, Offering Warrants, Offering Finder's Warrants and Resulting Issuer Options, the former Lithoquest Shareholders will own approximately 46.59% of the Resulting Issuer Shares, the existing CWS Shareholders will hold approximately 12.07% of the Resulting Issuer Shares and the purchasers of Units under the Offering will hold approximately 41.34% of the Resulting Issuer Shares. See "*Information Concerning the Resulting Issuer – Pro Forma Consolidated Capitalization of the Resulting Issuer*".

The completion of the Acquisition is subject to various conditions including: (a) obtaining all necessary regulatory approvals; (b) the TSXV being satisfied that upon completion of the Acquisition and Offering the Resulting Issuer will meet the TSXV's minimum listing requirements for a Tier 2 mining issuer; (c) completion of the Offering; and (d) other conditions under the Share Exchange Agreement which are customary for a share exchange transaction of this nature and size. See "*Share Exchange Agreement*" below.

The Acquisition was negotiated on an "arm's length" basis between CWS and Lithoquest. However, Medalist, an insider of CWS, currently owns 674,074 or 12.16% of the outstanding CWS Shares as well as 500,000 Lithoquest Shares and 250,000 Lithoquest Warrants (after giving effect to the Lithoquest Split) and therefore the Acquisition constitutes a Related Party Transaction as it relates to Medalist. CWS is relying upon exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 on the basis that the fair market value of the Acquisition, insofar as it involves Medalist, represents less than 25% of the current market capitalization of CWS. Notwithstanding the foregoing, in light of Medalist's non-arm's length relationship to CWS, TSXV policy requires that the Acquisition be approved by a majority of the "disinterested shareholders" of CWS, excluding Medalist. CWS intends to seek the approval of a majority of the "disinterested shareholders" of CWS for the Acquisition by way of consent resolution immediately following the date of this Filing Statement, which approval is a condition precedent to Closing of the Acquisition. If such approval is obtained, Medalist will own approximately 1,549,074 common shares (or 3.37%) of the Resulting Issuer upon completion of the Acquisition and Offering. In addition, Medalist will hold a total of 125,000 CWS Acquisition Warrants, 250,000 CWS Exchange Warrants, 187,500 Offering Warrants and 384,914 Offering Finder's Warrants to purchase up to an aggregate of 947,414 Resulting Issuer Shares at exercise prices ranging from \$0.27 to \$0.40 per share for a period of 24 month after Closing. The above figures are not within the knowledge of CWS and have been provided by Medalist or extracted from the shareholder register of Lithoquest and assume that 375,000 Units are acquired by Medalist under the Offering and that a further 384,914 Offering Finder's Warrants are issued to Medalist as a Finder thereunder. See "*Offering*" below. Medalist is an exempt market dealer in Alberta, British Columbia and Ontario.

Upon completion of the Acquisition, an aggregate of 8,867,916 CWS Shares will be held to escrow subject to release in accordance with the terms and conditions of the Value Security Escrow Agreement and the policies of the TSXV. See “*Information Concerning the Resulting Issuer – Escrowed Securities on Completion of Acquisition*” for details regarding the escrow and resale restrictions applicable to these shares.

The Acquisition is subject to final acceptance of the TSXV.

Share Exchange Agreement

Effective October 17, 2017, CWS entered into the Share Exchange Agreement with Lithoquest and the Lithoquest Shareholders pursuant to which CWS has agreed to acquire all of the issued and outstanding Lithoquest Shares, being 21,391,668 Lithoquest Shares (after giving effect to the Lithoquest Split), in consideration of the issuance of an aggregate of 21,391,668 CWS Shares and 5,347,920 CWS Acquisition Warrants. Each CWS Acquisition Warrant will entitle the holder to acquire one Resulting Issuer Share at a price of \$0.30 for a period of 24 months following the Closing Date.

The CWS Shares to be issued to certain Lithoquest Shareholders upon closing of the Acquisition, being an aggregate of 8,867,916 CWS Shares, will be subject to escrow restrictions in accordance with the Value Security Escrow Agreement and the policies of the TSXV. See “*Information Concerning the Resulting Issuer – Escrowed Securities on Completion of Acquisition*”.

Upon Closing, CWS will also acquire all outstanding Lithoquest Warrants in exchange for CWS Exchange Warrants to purchase an equivalent number of Resulting Issuer Shares at the same exercise price as the Lithoquest Warrants. It is anticipated that CWS will issue a total of 2,362,500 CWS Exchange Warrants in exchange for 2,362,500 Lithoquest Warrants (after giving effect to the Lithoquest Split), each CWS Exchange Warrant entitling the holder to purchase one Resulting Issuer Share for a period of 24 months at an exercise price of \$0.30.

As well, upon Closing, CWS will acquire all outstanding Lithoquest Finder’s Warrants to purchase Lithoquest Shares in exchange for CWS Exchange Finder’s Warrants to purchase an equivalent number of Resulting Issuer Shares at the same exercise price as the exchanged Lithoquest Finder’s Warrants. It is anticipated that CWS will issue a total of 12,000 CWS Exchange Finder’s Warrants in exchange for 12,000 Lithoquest Finder’s Warrants (after giving effect to the Lithoquest Split), each CWS Exchange Finder’s Warrant entitling the holder to purchase one Resulting Issuer Share for a period of 24 months at an exercise price of \$0.20.

It is a condition of the Share Exchange Agreement that, upon closing of the Acquisition, all of CWS’ existing directors and officers will resign as directors and/or officers of CWS and be replaced by nominees of Lithoquest. It is anticipated that Bruce Counts, the President and Chief Executive Officer of Lithoquest, will be appointed as the President and Chief Executive Officer and a director of the Resulting Issuer. See “*Information Concerning the Resulting Issuer – Directors, Officers and Promoters*”.

It is further anticipated that concurrent with Closing of the Acquisition, the Resulting Issuer will grant Resulting Issuer Options to purchase up to an aggregate of 2,500,000 Resulting Issuer Shares to certain directors, officers, employees and/or consultants of the Resulting Issuer as designated by Lithoquest. Each Resulting Issuer Option will entitle the holder to purchase one Resulting Issuer Share at a price of \$0.27 for a period of five years from the Closing Date. See “*Information Concerning the Resulting Issuer – Options to Purchase Securities*”.

Upon completion of the Acquisition, CWS will change its name to “Lithoquest Diamonds Inc.” (or such other name acceptable to Lithoquest and the TSXV), Lithoquest will become a wholly-owned subsidiary of the Resulting Issuer and the business of Lithoquest will be the business of the Resulting Issuer. See “*Information Concerning Lithoquest*”.

Closing of the Acquisition shall take place on the 5th business day following conditional acceptance of the Acquisition by the Exchange (subject to the satisfaction or waiver of all conditions precedent) or such other date as CWS and Lithoquest may agree in writing. The Share Exchange Agreement also provides that either CWS or Lithoquest may terminate the Acquisition if Closing does not take place on or before November 30, 2017.

Representations and Warranties; Covenants

The Share Exchange Agreement contains customary representations and warranties made by CWS, Lithoquest and each of the Lithoquest Shareholders who are a party thereto. Those representations and warranties were made solely for the purposes of the Share Exchange Agreement and are subject to important qualifications and limitations agreed to by the parties in connection with negotiating its terms. Moreover, some of the representations and warranties contained in the Share Exchange Agreement are qualified by knowledge or by reference to a contractual standard of materiality (including a Material Adverse Effect) that may be different from that generally applicable to public disclosure to CWS Shareholders, or those standards used for the purpose of allocating risk between parties to an agreement. For the foregoing reasons, readers should not rely on the representations and warranties contained in the Share Exchange Agreement as statements of factual information at the time they are made or otherwise. CWS Shareholders may not directly enforce or rely upon the terms and conditions of the Share Exchange Agreement.

The representations and warranties provided by Lithoquest (which are applicable to both Lithoquest and the Lithoquest Subsidiary, as the context requires) relate to, among other things: (a) organization and operation; (b) corporate capacity and qualification to do business; (c) authority to execute and deliver, and enforceability of, the Share Exchange Agreement; (d) the authorized and outstanding capital and other securities of Lithoquest and the Lithoquest Subsidiary, and ownership thereof; (e) no bankruptcy, insolvency or related reorganization; (f) maintenance and accuracy of corporate records; (g) preparation, presentation and accuracy of financial statements; (h) title to and sufficiency of assets; (i) intellectual property and title thereto; (j) leases, contracts and commitments; (k) possession of permits, licenses and other authorizations; (l) compliance with applicable laws; (m) absence of undisclosed liabilities; (n) taxes; (o) establishment of reserves for material taxes and absence of pending audits; (p) maintenance of internal accounting controls; (q) description or confirmation of absence of litigation; (r) environmental matters; (s) employees and employee benefits and contractors; (t) transactions with Affiliates; (u) maintenance and good standing of insurance; (v) no Material Adverse Change; (w) the absence of certain changes or events since the date of the most recent financial statements; and (x) no brokers or finders other than as disclosed.

The representations and warranties provided by CWS relate to, among other things: (a) organization and operation; (b) corporate capacity and qualification to do business; (c) authority to execute and deliver, and enforceability of, the Share Exchange Agreement; (d) authorized and outstanding capital and other securities; (e) the issuance of the CWS Shares to be issued pursuant to the Acquisition being validly issued; (f) its reporting issuer status, continuous disclosure record, and absence of orders or material default under applicable securities laws; (g) contractual and regulatory approvals in connection with the Acquisition; (h) no bankruptcy, insolvency or related reorganization; (i) maintenance and accuracy of corporate records; (j) preparation, presentation and accuracy of financial statements; (k) absence of undisclosed liabilities; (l) taxes; (m) establishment of reserves for material taxes and absence of pending audits; (n) maintenance of internal accounting controls; (o) description or confirmation of absence of litigation; (p) employees and employee benefits; (q) transactions with Affiliates; (r) no Material Adverse Change; (s) the absence of certain changes or events since the date of the most recent financial statements; and (t) no brokers or finders entitled to fees other than as disclosed.

The representations and warranties provided by the Lithoquest Shareholders relate to, among other things: (a) authority to execute and deliver, and enforceability of, the Share Exchange Agreement; (b) ownership of the Lithoquest Shares and, if applicable, the Lithoquest Warrants free and clear of all liens, charges and encumbrances; (c) no outstanding shareholders loans or other indebtedness due from Lithoquest, and (d) no brokers or finders entitled to fees.

For the complete text of the applicable provisions, see Section 8.2 (Representations and Warranties of Lithoquest), Section 8.1 (Representations and Warranties of CWS) and Section 8.3 (Representations and Warranties of Lithoquest Shareholders) of the Share Exchange Agreement, a copy of which is available for review under CWS' profile on SEDAR at www.sedar.com.

The representations and warranties of the Lithoquest Shareholders and certain representations and warranties of CWS contained in the Share Exchange Agreement will survive the closing of the Acquisition and continue in full force and effect for a period of three years from the Closing Date. All other representations and warranties of CWS and those of Lithoquest contained in the Share Exchange Agreement will terminate and be of no further force or effect immediately after Closing.

In addition, the Share Exchange Agreement contains customary affirmative and negative covenants whereby, among other things, each of CWS and Lithoquest covenants to maintain their respective businesses and not take certain actions outside the ordinary course until the Closing Date or the termination of the Share Exchange Agreement, to provide reasonable access to their respective information, directors, officers, employees and agents until the Closing Date, and to use commercially reasonable efforts to satisfy certain conditions precedent to their respective obligations under the Share Exchange Agreement and to consummate the Acquisition. For the complete text of the applicable provisions, see Sections 4.1 and 4.2 of the Share Exchange Agreement, a copy of which is available for review under CWS' profile on SEDAR at www.sedar.com.

Conditions

The respective obligations of CWS, Lithoquest and the Lithoquest Shareholders to complete the Acquisition are subject to the satisfaction or waiver, on or before the Closing Date (or such other time as is specified in the Share Exchange Agreement), of certain conditions, including, among others, the following:

Conditions in Favour of CWS, Lithoquest and the Lithoquest Shareholders

1. CWS being in a position to close, and CWS closing the Offering concurrently with the Closing.
2. CWS having received the conditional acceptance of the Acquisition from the TSXV, and confirming that, following Closing and satisfaction of the conditions set out by the TSXV, the Resulting Issuer will qualify for listing as a Tier 2 Mining Issuer on the TSXV.
3. The Share Exchange Agreement shall not have been terminated in accordance with its terms.
4. There shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Share Exchange Agreement, including, without limitation, the Acquisition, the Offering and the Name Change.
5. Each one (1) outstanding Lithoquest Warrant shall have been adjusted, in accordance with its terms, into one (1) CWS Exchange Warrant.

Conditions in Favour of CWS

1. The representations and warranties of Lithoquest and the Lithoquest Shareholders in the Share Exchange Agreement shall be true and correct as of the Closing Date as though made on and as of the Closing Time (other than such representations and warranties that are expressly made as of an earlier date, in which case such representations and warranties shall have been true and correct as of such earlier date) and Lithoquest shall have executed and delivered to CWS an officer's certificate to that effect with respect to its representations and warranties.
2. Lithoquest shall have performed and complied in all material respects with all of the covenants and agreements in the Share Exchange Agreement on its part to be performed or complied with at or before the Closing Time and shall have executed and delivered or caused to have been executed and delivered to CWS at the Closing all the documents and closing deliveries contemplated in the Share Exchange Agreement in a form and substance acceptable to CWS, acting reasonably, and Lithoquest shall have executed and delivered to CWS an officer's certificate to that effect.
3. There shall have been no Material Adverse Change in respect of Lithoquest or the Lithoquest Subsidiary since the date of the Share Exchange Agreement.
4. Lithoquest having at the Closing unencumbered working capital of at least \$600,000.

Conditions in Favour of Lithoquest and the Lithoquest Shareholders

1. The representations and warranties of CWS in the Share Exchange Agreement shall be true and correct as of the Closing Date as though made on and as of the Closing Date (other than such representations and warranties that are expressly made as of an earlier date, in which case such representations and warranties shall have been true and correct as of such earlier date) and CWS shall have executed and delivered to Lithoquest an officer's certificate to that effect.
2. CWS shall have performed or complied with in all material respects all of the covenants and agreements in the Share Exchange Agreement on its part to be performed or complied with at or before the Closing Time and shall have executed and delivered or caused to have been executed and delivered to Lithoquest at the Closing all the documents contemplated in the Share Exchange Agreement, in a form and substance acceptable to Lithoquest, acting reasonably, and CWS shall have executed and delivered to Lithoquest an officer's certificate to that effect.
3. There shall have been no Material Adverse Change in respect of CWS since the date of the Share Exchange Agreement.
4. All of the existing directors and officers of CWS shall have resigned as directors and/or officers of CWS, and such individuals shall have been replaced, subject to the approval of the TSXV, by Bruce Counts, Angela Austman, Lon Shaver, Gerald Prosalendis and Dwight Walker.
5. CWS shall have completed the Offering for gross proceeds of not less than \$2,430,000.
6. Lithoquest shall have completed the Lithoquest Split.
7. CWS shall have changed its name to "Lithoquest Diamonds Inc." or such other name as may be acceptable to Lithoquest and the TSXV.

For the complete text of the applicable provisions, see Section 7.1 (Conditions in favour of all parties), Section 7.2 (CWS' Conditions) and Section 7.3 (Lithoquest's Conditions) of the Share Exchange Agreement, a copy of which is available for review under CWS' profile on SEDAR at www.sedar.com.

There is no assurance that all conditions set out in the Share Exchange Agreement will be satisfied or waived on a timely basis, or at all.

Non-Solicitation

The Share Exchange Agreement contains non-solicitation covenants, whereby the parties to the Share Exchange Agreement agree that they shall not, and shall ensure that their representatives do not, until Closing of the Transaction, solicit, participate in, negotiate, or enter into any agreement relating to an alternative acquisition proposal, except as required by the applicable laws. In addition, each of the parties will promptly notify the other in writing of any alternative acquisition proposal it receives.

Termination of the Share Exchange Agreement

The Share Exchange Agreement may be terminated on or prior to the Closing Date:

1. by the mutual written agreement of CWS and Lithoquest;
2. by written notice of termination from CWS to Lithoquest if any condition of the Share Exchange Agreement in favour of CWS has not been fulfilled at or before the Closing Time or if any such condition is, or becomes, impossible to satisfy prior to the Closing Time, other than as a result of the failure of CWS to comply with its obligations under the Share Exchange Agreement;

3. by written notice of termination from Lithoquest to CWS if any condition of the Share Exchange Agreement in favour of Lithoquest has not been fulfilled at or before the Closing Time or if any such condition is, or becomes, impossible to satisfy prior to the Closing Time, other than as a result of the failure of Lithoquest to comply with its obligations under the Share Exchange Agreement;
4. by either CWS or Lithoquest, if the other party has breached or is in default of any material term of the Share Exchange Agreement and fails to cure or remedy such breach or default within 14 days after receiving written notice from the party not in breach or default; or
5. by either CWS or Lithoquest, if the Closing has not occurred on or before November 30, 2017, or such later date as may be agreed to by the parties.

For the complete text of the applicable provisions, see Section 11.1 (Termination) of the Share Exchange Agreement, a copy of which is available for review under CWS' profile on SEDAR at www.sedar.com.

Offering

Concurrent with the closing of the Acquisition, CWS has agreed to complete the Offering of 18,977,272 Units at a price of \$0.27 per Unit for gross proceeds of \$5,123,863.

Each Unit will consist of one CWS Share and one-half (1/2) of one Offering Warrant. Each whole Offering Warrant will entitle the holder to acquire one Resulting Issuer Share for a period of 24 months from the Closing Date at a price of \$0.40 per share.

The Resulting Issuer intends to use the net proceeds from the Offering to pay for, inter alia, the balance of the costs of issue to complete the Acquisition and Offering including, but not limited, legal and accounting fees, fund the Phase 1 exploration program on Lithoquest's North Kimberley Diamond Project in Western Australia as recommended in the North Kimberley Report and pay for the Resulting Issuer's estimated general corporate and working capital expenses for a minimum of 12 months following the Closing Date. See "*Information Concerning the Resulting Issuer – Estimated Available Funds and Principal Purposes*".

CWS has engaged certain Finders including Medalist, an exempt market dealer in Alberta, British Columbia and Ontario, to introduce potential purchasers of Units to CWS in connection with the Offering in consideration for which CWS shall pay a Finder's Fee. The Finder's Fee payable to each Finder was negotiated by CWS on a case by case basis and consists of a cash fee of up to 6% of the gross proceeds received from purchasers of Units introduced to CWS by the Finder and/or Offering Finder's Warrants in an amount up to 6% of the total number of Units sold to such purchasers introduced by the Finder. Each Offering Finder's Warrant will entitle the holder to purchase one Resulting Issuer Share at a price of \$0.27 for a period of 24 months from the Closing Date. Assuming the entire Offering is sold, CWS expects to pay a Finder's Fee totalling \$136,327 cash and 504,914 Offering Finder's Warrants to the Finders, of which \$103,927 cash and 384,914 Offering Finder's Warrants will be paid to Medalist. However, Medalist is an insider of CWS and accordingly the payment of a Finder's Fee to Medalist constitutes a Related Party Transaction. CWS is relying upon exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 to pay the Finder's Fee to Medalist on the basis that the fair market value of the Finder's Fee to Medalist represents less than 25% of the current market capitalization of CWS. Notwithstanding the foregoing, as a Related Party Transaction, TSXV policy requires that the Finder's Fee payable to Medalist be approved by a majority of the "disinterested shareholders" of CWS, excluding Medalist. CWS intends to seek the approval of a majority of the "disinterested shareholders" of CWS for payment of the Finder's Fee to Medalist by way of consent resolution immediately following the date of this Filing Statement. If such approval is not obtained, CWS will not pay the Finder's Fee to Medalist.

Overall, the total cost of the Acquisition and Offering inclusive of the Finder's Fee of \$136,326.89 cash (assuming the Finder's Fee to Medalist is approved by the "disinterested shareholders" of CWS) and aggregate balance of estimated costs of issue of \$200,000 (excluding TSXV listing fees) to be deducted from the gross proceeds of the Offering is \$336,326.89 assuming completion of the Offering on or before November 30, 2017. See "*Information Concerning the Resulting Issuer – Estimated Available Funds and Principal Purposes*".

Approval and Execution of the Share Exchange Agreement

On October 16, 2017 the CWS Board unanimously authorized the entering into by CWS of the Share Exchange Agreement. CWS, Lithoquest and the Lithoquest Shareholders entered into the Share Exchange Agreement effective October 17, 2017. A press release announcing the execution of the Share Exchange Agreement was issued by CWS on October 18, 2017.

Name Change

As a condition to and in connection with the completion of the Acquisition, it is expected that CWS will change its name to “Lithoquest Diamonds Inc.”, or such other name as Lithoquest and the TSXV may approve.

Proposed Directors, Officers and Promoters of the Resulting Issuer

Concurrent with the Closing of the Acquisition, the (i) size of the Resulting Issuer Board will be increased to four (4), and (ii) all of the existing directors and officers of CWS will resign and be replaced by nominees and appointees of Lithoquest as set out under “*Information Concerning the Resulting Issuer - Directors, Officers and Promoters.*”

Auditor of the Resulting Issuer

Upon completion of the Acquisition, it is anticipated that Lithoquest’s current auditors, Manning Elliott LLP, Chartered Professional Accountants, will be the auditors of the Resulting Issuer. See “*Information Concerning the Resulting Issuer – Auditor, Transfer Agent and Registrar.*”

Risks Relating to the Acquisition

The Acquisition is subject to certain risks including the risks discussed below. In addition, there are a number of risks associated with the business of Lithoquest and the Resulting Issuer upon completion of the Acquisition. See “*Risk Factors*” for more information.

Market Reaction

The market reaction to the Acquisition and the future trading prices of the Resulting Issuer Shares cannot be predicted. If the Acquisition is not consummated, the market price of the CWS Shares may decline to the extent that the current market price of the CWS Shares reflects a market assumption that the Acquisition will be completed.

Costs of Acquisition

Certain non-recurring costs related to the Acquisition, such as legal, accounting and other professional fees, incurred by CWS and Lithoquest must be paid by CWS and Lithoquest, respectively, even if the Acquisition is not completed, as well as the costs associated with diversion of management attention away from the conduct of their respective businesses in the ordinary course.

Potential Undisclosed Liabilities

Upon Closing of the Acquisition Lithoquest and the Lithoquest Subsidiary will become wholly-owned subsidiaries of the Resulting Issuer and will continue to have the liabilities that existed prior to completion of the Acquisition. There may be liabilities of Lithoquest and the Lithoquest Subsidiary that CWS failed to discover or was unable to accurately assess or quantify in its due diligence prior to completion of the Acquisition.

All historical information relating to Lithoquest presented in this Filing Statement, including all financial information, has been provided in exclusive reliance on the information made available to CWS by Lithoquest and its representatives. Although CWS has no reason to doubt the accuracy or completeness of such information, any inaccuracy or omission in such information could result in unanticipated liabilities or expenses or adversely affect the operational plans of the Resulting Issuer and its results of operations and financial condition.

Failure to Integrate

There is uncertainty as to whether the Acquisition will have a positive impact on the Resulting Issuer. The Acquisition will involve the integration of companies that previously operated independently. As a result, the Acquisition will present challenges to management, including the integration of the operations, systems, technologies and personnel of the two companies, and special risks, including possible unanticipated liabilities, unanticipated costs, diversion of management's attention, operational interruptions and the loss of key employees. The difficulties which the Resulting Issuer's management encounters in the transition and integration processes could have an effect on the level of expenses and operating results of the Resulting Issuer. As a result of these factors, it is possible that some of the benefits expected from the Acquisition will not be realized.

Fixed Share Exchange Ratio

Under the Share Exchange Agreement, each Lithoquest Share will be exchanged for one CWS Share and one-quarter (1/4) of one CWS Acquisition Warrant. This exchange ratio is fixed and will not increase or decrease due to fluctuations in the market price of the CWS Shares or fair market value of the Lithoquest Shares. The market value of the consideration that Lithoquest Shareholders and Lithoquest Warranholders will receive pursuant to the Acquisition will depend on the market price of the CWS Shares on the Closing Date. If the market price of the CWS Shares increases or decreases, the market value of the CWS Shares, the CWS Acquisition Warrants and the CWS Exchange Warrants that Lithoquest Shareholders and Lithoquest Warranholders, as applicable, receive will correspondingly increase or decrease. The number of CWS Shares, CWS Acquisition Warrants and CWS Exchange Warrants being issued in connection with the Acquisition will not change despite decreases or increases in the market price or value of CWS Shares or Lithoquest Shares. Many of the factors that affect the market price or value of the CWS Shares or Lithoquest Shares are beyond the control of CWS and Lithoquest. These factors include prevailing conditions in the capital markets, changes in the regulatory environment, adverse political developments, interest rate and exchange rate fluctuations and fluctuations in the price of diamonds and other minerals.

Risks Associated with Dilution

CWS expects to issue 21,391,668 CWS Shares in connection with the Acquisition. The issue of these new CWS Shares and their sale could depress the market price for the Resulting Issuer Shares.

Risks Related to Income Taxation

The Acquisition may give rise to significant adverse tax consequences to non-Canadian securityholders and each such securityholder is urged to consult their own tax advisor.

Termination of the Acquisition in Certain Circumstances

CWS and Lithoquest each have the right to terminate the Share Exchange Agreement in certain circumstances. Accordingly, there is no certainty, nor can CWS and Lithoquest provide any assurances that the Share Exchange Agreement will not be terminated by either CWS or Lithoquest before the completion of the Acquisition.

In addition, the completion of the Acquisition is subject to a number of conditions precedents, certain of which are outside the control of CWS or Lithoquest including regulatory approvals and the acceptance of the TSXV. See "*Particulars of the Acquisition – Share Exchange Agreement - Conditions*". There is no certainty that these conditions will be satisfied on a timely basis or at all. A substantial delay in obtaining satisfactory approvals or acceptance or the imposition of unfavorable terms or conditions in such regulatory approvals or acceptance could result in the termination of the Share Exchange Agreement. Although neither CWS or Lithoquest currently anticipates that there will be any investigation or proceeding in any jurisdiction that would have a material impact on the completion of the Acquisition, there is no assurance that such investigation or proceeding, whether by governmental authority or private party, will not be initiated nor, if initiated, will not materially adversely affect the completion of the Acquisition. If for any reason the Acquisition is delayed or not completed, the market price of CWS Shares may be adversely affected.

Effect on CWS if the Acquisition is Not Completed

If the Acquisition is not completed for any other reason, it is expected that CWS will remain a public company and that the CWS Shares will continue to be traded on the NEX board of the TSXV. In addition, if the Acquisition is not completed, it is expected that management of CWS will continue to seek out potential properties and/or business opportunities for acquisition with a view to completing its reactivation plan and relisting of the CWS Shares on Tier 2 of the TSXV. In such event, the CWS Shareholders will continue to be subject to substantially the same risks to which they are currently subject. Additionally, failure to complete the Acquisition could have a material negative effect on the market price of CWS Shares.

Business of CWS after the Acquisition

After completion of the Acquisition and Offering, the Resulting Issuer intends to operate the business of Lithoquest. See “*Information Concerning Lithoquest*” and “*Information Concerning the Resulting Issuer*”.

Disinterested Shareholder Approval

The Acquisition of the Lithoquest Shares from Medalist pursuant to the Share Exchange Agreement and the payment of a Finder’s Fee to Medalist in connection with the Offering constitute Related Party Transactions. CWS is relying upon exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 to complete the Acquisition and pay the Finder’s Fee to Medalist on the basis that the fair market value of the Acquisition, as it relates to Medalist, and the Finder’s Fee to Medalist each represent less than 25% of the current market capitalization of CWS.

However, as Related Party Transactions, TSXV policy requires that the Acquisition and Finder’s Fee to Medalist be approved by a majority of the “disinterested shareholders” of CWS, excluding Medalist. CWS intends to seek the approval of a majority of the “disinterested shareholders” of CWS for the Acquisition and payment of the Finder’s Fee to Medalist by way of written consent resolution of shareholders immediately following the date of this Filing Statement. If such disinterested shareholder approval is not obtained, CWS will not be able to complete the Acquisition or the Offering. See “*Risks Relating to the Acquisition - Effect on CWS if the Acquisition is Not Completed*” above.

Regulatory Approvals and Filings

CWS is not aware of any material regulatory approval or other action by any federal, provincial, state or foreign government or administrative or regulatory agency that would be required to be obtained prior to the completion of the Acquisition, other than the TSXV and as otherwise set out in this Filing Statement.

CWS expects to receive final acceptance of the Acquisition from the TSXV, subject to fulfillment of the general requirements of the TSXV, which are expected to be met in conjunction with the completion of the Acquisition and Offering. As of the date of this Filing Statement, the TSXV has conditionally accepted the Acquisition and Offering subject to the approval of the “disinterested shareholders” of CWS and CWS fulfilling all of the requirements of the TSXV.

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INFORMATION CONCERNING CWS

Corporate Structure

The full corporate name of CWS is “Consolidated Westview Resource Corp.”. CWS was incorporated under the *Company Act* (British Columbia) on February 25, 1986 under the name “Westview Resources Inc.”. Effective September 20, 1996, the Company consolidated its then issued and outstanding shares on a three old shares for one new share basis and changed its name to “Consolidated Westview Resource Corp.”. On November 7, 2011, the Company was continued from British Columbia to Alberta in conjunction with a move of the Company’s then head office and management to Calgary, Alberta. On April 22, 2014, the Company was re-continued back to British Columbia from Alberta under the *Business Corporations Act* (British Columbia). The Company’s common shares were again consolidated on a six old shares for one new share basis on June 19, 2014.

The head and registered offices of CWS are located at Suite 610 – 815 West Hastings Street, Vancouver, B.C. V6C 1B4.

General Development of the Business

History

Historically, CWS’ principal business was the acquisition and exploration of mineral resource properties.

On February 27, 2004, CWS’ shares were transferred to the NEX board of the TSXV for failing to meet the TSXV’s continued listing requirements for a Tier 2 mining issuer. Currently, CWS does not own or control any material properties or assets and its activities are focused on completing a reactivation plan including the acquisition of a new material mineral property with a view to relisting the CWS Shares for trading on Tier 2 of the TSXV as a mining issuer.

To date, CWS’ reactivation plan has included the following:

- On July 20, 2017, CWS issued an aggregate of 1,800,832 CWS Shares at a deemed price of \$0.27 per share to settle outstanding debt totalling \$486,225 comprised of, inter alia, outstanding accounts payables including management, administrative and consulting fees and accounting expenses.
- On July 20, 2017, CWS completed a non-brokered private placement of 260,000 CWS Shares at a price of \$0.27 per share for gross proceeds of \$70,200 for working capital purposes.
- On August 30, 2017, CWS entered into the Letter of Intent with Lithoquest with respect to the Acquisition;
- On August 31, 2017, CWS announced the Letter of Intent with Lithoquest and terms of the Offering, which transactions will, upon Closing, serve to complete CWS’ reactivation plan and relisting of the Resulting Issuer Shares on Tier 2 of the TSXV as a mining issuer.
- On October 17, 2017, CWS entered into the formal Share Exchange Agreement with Lithoquest and the Lithoquest Shareholders with respect to the Acquisition of Lithoquest and indirectly the North Kimberley Diamond Project in Western Australia.

See “*Particulars of the Acquisition*” above for further details regarding the terms and conditions of the Acquisition and Share Exchange Agreement.

Upon completion of the Acquisition and Offering, the Resulting Issuer’s new focus will be on the exploration and, if warranted, development of the North Kimberley Diamond Project in Western Australia. See “*Information Concerning Lithoquest - North Kimberley Diamond Project, Western Australia*”.

Financing

As a condition to and concurrent with the Closing of the Acquisition, CWS has agreed to complete the Offering of 18,977,272 Units at a price of \$0.27 per Unit for gross proceeds of \$5,123,863. Each Unit will consist of one CWS Share and one-half (1/2) of one Offering Warrant and each whole Offering Warrant will entitle the holder to acquire one Resulting Issuer Share for a period of 24 months from the Closing Date at a price of \$0.40 per share. See “*Particulars of the Acquisition – Offering*” for further details regarding the Offering, the proposed use of proceeds therefrom and the payment of Finder’s Fees in connection therewith.

Selected Consolidated Financial Information and Management’s Discussion and Analysis

Selected Financial Information

The following table presents selected financial information of CWS for the periods indicated. This table should be read in conjunction with (i) the audited financial statements of CWS comprised of the statements of financial position as at March 31, 2017 and March 31, 2016 and the statements of comprehensive loss, statements of cash flows and statements of changes in shareholders’ deficiency for the years then ended together with the auditor’s report thereon and the notes thereto, prepared in accordance with IFRS; and (ii) the unaudited condensed interim financial statements of CWS comprised of the condensed interim statement of financial position as at June 30, 2017 and the condensed interim statements of comprehensive loss, condensed interim statements of cash flows and condensed interim statements of changes in shareholders’ deficiency for the three month periods ended June 30, 2017 and June 30, 2016, respectively, together with the notes thereto, prepared in accordance with IFRS, being the CWS Financial Statements. The CWS Financial Statements are attached to this Filing Statement as Schedule “1”.

	Three months ended June 30, 2017 (\$)	Year Ended March 31, 2017 (\$)	Year ended March 31, 2016 (\$)	Year ended March 31, 2015 (\$)
Total Expenses	\$115,699	\$201,197	\$142,908	\$359,173
Amounts Deferred in Connection with the Acquisition	Nil	Nil	Nil	Nil

Management’s Discussion and Analysis

Management’s discussion and analysis of the financial condition and results of operations of CWS for the financial year ended March 31, 2017 and for the subsequent three month period ended June 30, 2017, respectively, (collectively the “**CWS MD&A**”) are attached as Schedule “2” to this Filing Statement. The CWS MD&A should be read in conjunction with the selected financial information set forth above and the CWS Financial Statements and accompanying notes thereto which are attached to this Filing Statement as Schedule “1”.

Certain information included in such management’s discussion and analysis is forward-looking and based upon assumptions, estimates and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions or estimates prove incorrect, actual results may vary significantly from those expected. See “*Cautionary Notes - Cautionary Note Regarding Forward-Looking Statements and Forward Looking Information*” above.

Description of the Securities

CWS is authorized to issue an unlimited number of common shares (referred to in this Filing Statement as the CWS Shares), of which 5,543,023 CWS Shares are issued and outstanding as of the date of this Filing Statement. All issued and outstanding CWS Shares are fully paid and not subject to any future call or assessment. In addition, all CWS Shares rank equally as to voting rights, participation in a distribution of the assets of CWS on a liquidation, dissolution or winding-up of CWS and the entitlement to dividends as and when declared by the directors. The holders of CWS Shares are entitled to receive notice of all meetings of shareholders and to attend and vote the shares at the meetings. Each CWS Share carries with it the right to one vote. The CWS Shares have no pre-emptive, conversion,

exchange, redemption, retraction, purchase for cancellation or surrender provisions and there are no sinking fund provisions in relation to the CWS Shares.

In the event of the liquidation, dissolution or winding-up of CWS or other distribution of its assets, the holders of the CWS Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after CWS has paid out its liabilities. Distribution in the form of dividends, if any, will be set by the CWS Board. See “*Information Concerning the Resulting Issuer – Dividend Record and Policy*” for particulars of the Resulting Issuer’s anticipated dividend policy.

Provisions as to the modification, amendment or variation of the rights attached to the capital of CWS are contained in CWS’ Articles and the BCBCA. Generally speaking, substantive changes to the share capital require the approval of the shareholders by either an ordinary (50% +1 of the votes cast) or special resolution (at least 66 2/3% of the votes cast). However, in certain cases, the CWS Board may, subject to the BCBCA, alter CWS’ authorized and issued share capital to, inter alia, create one or more classes of shares or, if none of the shares of a class are allotted or issued, eliminate that class of shares; increase, reduce or eliminate the maximum number of shares that the Issuer is authorized to issue out of any class of shares; subdivide or consolidate all or any of its unissued, or fully paid issued, shares; or alter the identifying name of any of its shares.

As of the date of this Filing Statement, there are no warrants or stock options of CWS issued and outstanding.

Stock Option Plan

CWS’ stock option plan (the “**Option Plan**”) is intended as an incentive to attract and retain qualified directors, senior officers, employees, management company employees, consultants and consultant companies of CWS and its Affiliates, to promote a proprietary interest in CWS and its Affiliates among such persons, and to stimulate the active interest of such persons in the growth and development of CWS and its Affiliates. The Option Plan is administered by the CWS Board or such committee of the CWS Board as the CWS Board may designate to administer the Option Plan in accordance with the terms of the Option Plan (the “**Committee**”). Option grants (“**Options**”) shall be administered by the CWS Board or the Committee, as applicable. All administrative costs of the Option Plan shall be paid by CWS.

The maximum aggregate number of CWS Shares issuable pursuant to the exercise of Options granted under the Option Plan from time to time shall not exceed in aggregate 10% of the CWS Shares issued and outstanding, on a rolling basis, at the time of grant, provided that: (a) if any CWS Shares covered by an Option subject to the Option Plan are forfeited, or if an Option has expired, terminated or been cancelled for any reason whatsoever, then the CWS Shares covered by such Option shall again be, or shall become, CWS Shares with respect to which Options may be granted under the Option Plan, and (b) such maximum number of CWS Shares shall be appropriately adjusted in the event of any subdivision or consolidation of the CWS Shares.

In addition, the aggregate number of CWS Shares reserved for issuance to any one optionee in a 12 month period shall not exceed 5% of the number of outstanding CWS Shares (unless CWS complies with the policies of the TSXV), the aggregate number of CWS Shares reserved for issuance to any one director or officer shall not exceed 5% of the number of outstanding CWS Shares, the aggregate number of CWS Shares reserved for issuance to any one consultant in a 12 month period shall not exceed 2% of the number of outstanding CWS Shares and the aggregate number of CWS Shares reserved for issuance to any one optionee employed to provide investor relations activities in a 12 month period shall not exceed 2% of the number of outstanding CWS Shares.

All Options are non-assignable and non-transferable and shall be subject to such vesting requirements, if any, as may be determined by the Committee from time to time provided that options granted to consultants performing investor relations activities must vest in stages over 12 months with no more than 1/4 of the options vesting in any three month period. Options may be granted for a maximum term of five years.

The exercise price per CWS Share subject to an Option shall be determined by the Committee at the time the Option is granted, provided that the exercise price shall not be less than the closing market price at the date of grant, or such other minimum exercise price as may be required by the TSXV. Subject to applicable regulatory and TSXV requirements and approval, the Committee may reprice the prevailing exercise price of an Option. Any reduction in

the exercise price of an Option held by an optionee who is an Insider at the time of the proposed amendment is, however, subject to disinterested shareholder approval.

Options granted to any optionee who is a director/officer, employee, consultant or management company employee shall expire on the earlier of: (a) a maximum of 90 days after the optionee ceases to be in at least one of such categories as provided for in the option agreement with the optionee (the “**Option Agreement**”), and (b) the expiry of the period during which an Option may be exercised (the “**Option Period**”). Notwithstanding the foregoing, in the event of the death of an optionee (and provided that the optionee was in the service of CWS for at least one year following the grant of the Option, unless otherwise determined by the Committee), each outstanding Option to the extent not previously exercised shall be exercisable until the earlier of (a) such date as determined by the Committee not to exceed one year from the date of death, and (b) the expiry of the Option Period, but only by the person or persons to whom the optionee’s rights under the Option shall pass by the optionee’s will or by the laws of descent and distribution. Notwithstanding the foregoing and subject to any applicable regulatory approvals, the Committee may, in its discretion, provide for the extension of the exercisability of an Option for any period that is not beyond the applicable expiration date thereof, accelerate the vesting or exercisability of an Option, eliminate or make less restrictive any restrictions governing an Option, waive any restriction or other provision of the Option Plan or an Option or otherwise amend or modify the Option in any manner that is either (a) not adverse to such optionee or (b) consented to by such optionee.

Prior Sales

The following table sets out all issuances of CWS Shares from treasury in the past 12 months:

Date	Nature of Transaction	Number of CWS Shares	Issue Price Per CWS Share	Aggregate Issue Price	Consideration Received
July 20, 2017	Debt settlement	1,800,832 ⁽¹⁾	\$0.27	\$486,225	Settlement of debt
July 20, 2017	Private Placement	260,000	\$0.27	\$70,200	Cash
TOTAL		2,060,832		\$556,425.00	

Notes:

- (1) A total of 789,165 CWS Shares were issued to directors and officers of CWS at a deemed price of \$0.27 per CWS Share in settlement of outstanding management, administrative and consulting fees totalling approximately \$213,075.

Price Range and Trading Volume of CWS Shares

The CWS Shares are listed and posted for trading on the NEX board of the TSXV under the symbol “CWS.H”. The following table sets out the range of high and low sales prices (which are not necessarily the closing prices) and the trading volumes of the CWS Shares traded on the NEX board for the periods indicated:

Period	High (\$)	Low (\$)	Volume Traded (# of CWS Shares)
September 2017 to November 15, 2017	Trading Halted pending completion of Acquisition and Offering		
August , 2017 (CWS Shares halted August 30, 2017)	0.395	0.355	833
July 2017	0.355	0.355	N/A
June 2017	0.355	0.355	N/A
May 2017	0.55	0.355	118,250
April 2017	0.55	0.55	3,416
Quarter ended March 31, 2017	0.55	0.35	44,583
Quarter ended December 31, 2016	0.49	0.435	66,687

Period	High (\$)	Low (\$)	Volume Traded (# of CWS Shares)
Quarter ended September 30, 2016	0.50	0.30	862,423
Quarter ended June 30, 2016	0.55	0.23	13,525
Quarter ended March 31, 2016	0.23	0.22	4,722
Quarter ended December 31, 2015	0.50	0.22	853
Quarter ended September 30, 2015	0.50	0.50	632

Source: TMX Money.

Executive Compensation

Compensation Discussion and Analysis

CWS' policies on compensation for its executive officers are intended to provide appropriate compensation for executives that is internally equitable, externally competitive and reflects individual achievements in the context of CWS. The overriding principles in establishing executive compensation provide that compensation should:

- (a) reflect fair and competitive compensation commensurate with an individual's experience and expertise in order to attract and retain highly qualified executives;
- (b) reflect recognition and encouragement of leadership, entrepreneurial spirit and team work;
- (c) reflect an alignment of the financial interests of the executives with the financial interest of CWS Shareholders;
- (d) include stock options and, in certain circumstances, bonuses to reward individual performance and contribution to the achievement of corporate performance and objectives;
- (e) reflect a contribution to enhancement of CWS Shareholder value; and
- (f) provide incentive to the executives to continuously improve operations and execute on corporate strategy.

Goals and Objectives

CWS' compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of CWS. Executive compensation is comprised of three elements: base fee or salary, short-term incentive compensation (discretionary cash bonuses) and long-term incentive compensation (stock options). The CWS Board reviews all three components in assessing the compensation of individual executive officers and of CWS as a whole.

Base fees or salaries and bonuses (discretionary) are intended to provide current compensation and a short-term incentive for executive officers to meet CWS' goals, as well as to remain competitive with the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers. Executive officers will also be eligible to receive discretionary bonuses as determined by the CWS Board from time to time based on each officer's responsibilities, his or her achievement of individual and corporate objectives and CWS' financial performance. Cash bonuses are intended to reward the executive officers for meeting or exceeding the individual and corporate performance objectives set by the CWS Board.

Stock options are an important part of CWS' long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the CWS Shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance, as measured through the price of the CWS Shares and enable executives to acquire and maintain a significant ownership position in CWS. Stock options also represent an additional form of compensation to CWS' executive officers without directly impacting CWS' cash resources.

Effective October 1, 2015, certain CWS executive officers and directors voluntarily agreed to reduce or forego further management or other fees in order to conserve cash pending completion of a satisfactory reactivation plan and re-listing of the CWS Shares on Tier 2 of the TSXV.

Upon completion of the Acquisition and Offering, it is anticipated that the Resulting Issuer will re-commence paying salaries and/or management fees to its executive officers and directors. See “*Information Concerning the Resulting Issuer – Proposed Executive Compensation*”.

Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 – *Statement of Executive Compensation*) sets forth all annual and long term compensation for services paid by CWS to each individual who was a Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”) or one of the three most highly compensated executive officers (in addition to the CEO and CFO) of CWS (collectively the “**Named Executive Officers**” or “**NEOs**”) during the most recently completed financial year ended March 31, 2017 for each of CWS’ three most recently completed financial years ended March 31, 2017, 2016 and 2015 and the subsequent three month period ended June 30, 2017:

SUMMARY COMPENSATION TABLE									
Name and Principal Position of Named Executive Officer	Year Ended March 31 or subsequent three month period ended June 30, 2017, as applicable	Salary (\$)	Share based Awards	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation		Pension Value	All Other Compensation (\$)	Total Compensation(\$)
					Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)			
Richard Silas CEO	3 months ended June 30, 2017 ⁽¹⁾	Nil	Nil	Nil	N/A	N/A	N/A	N/A	Nil
	2017 ⁽¹⁾	Nil	Nil	Nil	N/A	N/A	N/A	N/A	Nil
	2016	15,000 ⁽²⁾	Nil	Nil	N/A	N/A	N/A	21,000 ⁽³⁾	36,000
	2015	60,000 ⁽²⁾	Nil	Nil	N/A	N/A	N/A	60,000 ⁽⁴⁾	120,000
Michael Waldkirch Chief Financial Officer	3 months ended June 30, 2017 ⁽¹⁾	7,850 ⁽⁵⁾	Nil	Nil	N/A	N/A	N/A	N/A	7,850
	2017 ⁽¹⁾	28,000 ⁽⁵⁾	Nil	Nil	N/A	N/A	N/A	N/A	28,000
	2016	30,000 ⁽⁵⁾	Nil	Nil	N/A	N/A	N/A	N/A	30,000
	2015	60,000 ⁽⁵⁾	Nil	Nil	N/A	N/A	N/A	N/A	60,000
Jonathan Awde (former CEO) ⁽⁶⁾	2017 ⁽¹⁾	Nil	Nil	Nil	N/A	N/A	N/A	N/A	N/A
	2016	45,000 ⁽⁷⁾	Nil	Nil	N/A	N/A	N/A	N/A	45,000
	2015	95,000 ⁽⁸⁾	Nil	Nil	N/A	N/A	N/A	N/A	95,000
Jacques Wortman (former CEO) ⁽⁹⁾	2017	Nil	Nil	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Effective October 1, 2015, certain Named Executive Officers voluntarily agreed to reduce or forego further management or other fees in order to reduce costs pending completion of a successful reactivation plan for CWS.
- (2) This amount was paid to a private company controlled by Mr. Silas.
- (3) This amount is comprised of office administrative fees (\$6,000) and rent (\$15,000) paid to a private company controlled by Mr. Silas.
- (4) This amount is comprised of office administrative fees (\$30,000) and rent (\$30,000) paid to a private company controlled by Mr. Silas.
- (5) This amount was paid to a private company controlled by Mr. Waldkirch.
- (6) Mr. Awde acted as CEO of CWS from December 19, 2014 to October 11, 2016.
- (7) Of this amount, \$22,500 was paid to a private company controlled by Mr. Awde.
- (8) Of this amount, \$75,000 was paid to a private company controlled by Mr. Awde.
- (9) Mr. Wortman acted as CEO of CWS from October 21, 2016 to November 11, 2016 in connection with a proposed acquisition by CWS that did not proceed.

Incentive Plan awards

Outstanding Share-Based Awards and Option-Based Awards

As of March 31, 2017 and June 30, 2017, there were no option-based or share-based awards outstanding to the Named Executive Officers.

Incentive Plan Awards – Value Vested or Earned During the Year

No option-based awards or share-based awards were vested in, and no non-equity incentive plan compensation was earned by, the Named Executive Officers during the year ended March 31, 2017 or the subsequent three month period ended June 30, 2017.

Pension Plan Benefits

CWS does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

Termination and Change of Control Benefits

CWS has not entered into any compensatory plans, contracts or arrangements with any of its Named Executive Officers whereby such officers are entitled to receive compensation as a result of the resignation, retirement or any other termination of employment of the Named Executive Officer with CWS or from a change in control of CWS or a change in the Named Executive Officer's responsibilities following a change in control.

Management / Employment Contracts

CWS does not currently have any management/employment agreements in place with its Named Executive Officers.

Director Compensation Table

The following table sets forth information regarding the compensation paid to CWS' directors, other than directors who are also Named Executive Officers listed in the "Summary Compensation Table" above, during the fiscal year ended March 31, 2017 and the subsequent three month period ended June 30, 2017.

Name	Fees Earned	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total
Mark McCartney	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Kia (Kelly) Russell	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Share-based awards, option-based awards and non-equity incentive plan compensation

Outstanding Share-Based Awards and Option-Based Awards

As of March 31, 2017 and June 30, 2017, there were no option-based or share-based awards outstanding to the directors of CWS.

Incentive Plan Awards – Value Vested or Earned During the Year

No option-based awards or share-based awards were vested in, and no non-equity incentive plan compensation was earned by, the directors of CWS during the year ended March 31, 2017 or the subsequent three month period ended June 30, 2017.

Securities Authorized for Issuance under Equity Compensation Plans

As of the date of this Filing Statement, CWS' only equity compensation plan is its 10% "rolling" Option Plan for directors, officers, employees and consultants of CWS. See "Stock Option Plan" above for details of the material terms of CWS' Option Plan. The following information is as of March 31, 2017, CWS' most recently completed financial year.

Plan Category	Number of Securities to be Issued upon Exercise of Options, Warrants and Rights	Weighted – Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by securityholders	Nil	N/A	348,219
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	Nil	N/A	348,219

Indebtedness of Directors and Executive Officers

No individual who is, or at any time during the most recently completed financial year of CWS was, a director or executive officer of CWS, and no Associate of any director or executive officer is, or at any time since the beginning of the most recently completed financial year of CWS has been, indebted to CWS. No such person has indebtedness to another entity which indebtedness is, or at any time since the beginning of the most recently completed financial year of CWS has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by CWS.

Non-Arm's Length Party Transactions

Save as disclosed under "Executive Compensation" above and "Related Party Transactions" below, CWS has not entered into any acquisition of assets or services or any proposed transaction for assets or services with any director, officer or other non-arm's length party or any Associate or Affiliate of any such non-arm's length parties within the 24 months preceding the date of this Filing Statement.

Related Party Transactions

Medalist, an insider of CWS by virtue of owning 674,074 or 12.16% of the CWS Shares, also owns 500,000 Lithoquest Shares and 250,000 Lithoquest Warrants (after giving effect to the Lithoquest Split), and will receive 500,000 CWS Shares, 125,000 CWS Acquisition Warrants and 250,000 CWS Exchange Warrants in exchange for such Lithoquest Shares and Lithoquest Warrants pursuant to the Share Exchange Agreement. Further, Medalist has subscribed for an additional 375,000 Units under the Offering and, subject to approval of the “disinterested shareholders” of CWS, will receive a total of 384,914 Offering Finder’s Warrants in its capacity as a Finder thereunder.

The Acquisition of the Lithoquest Shares from Medalist pursuant to the Share Exchange Agreement and the payment of a Finder’s Fee to Medalist in connection with the Offering constitute Related Party Transactions. CWS is relying upon exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 to complete the Acquisition and pay the Finder’s Fee to Medalist on the basis that the fair market value of the Acquisition, as it relates to Medalist, and the Finder’s Fee to Medalist each represent less than 25% of the current market capitalization of CWS. Notwithstanding the foregoing, as Related Party Transactions, TSXV policy requires that the Acquisition and Finder’s Fee to Medalist be approved by a majority of the “disinterested shareholders” of CWS, excluding Medalist. If such disinterested shareholder approval is obtained, Medalist will own, upon completion of the Acquisition and Offering, approximately 1,549,074 common shares (or 3.37%) of the Resulting Issuer and 125,000 CWS Acquisition Warrants, 250,000 CWS Exchange Warrants, 187,500 Offering Warrants and 384,914 Offering Finder’s Warrants to purchase up to an additional 947,414 common shares of the Resulting Issuer at prices ranging from \$0.27 to \$0.40 per share for a period of 24 months after Closing. The above figures are not within the knowledge of CWS and have been provided by Medalist or extracted from the shareholder register of Lithoquest and assume that 375,000 Units are acquired by Medalist under the Offering and that a further 384,914 Offering Finder’s Warrants are issued to Medalist as a Finder. Medalist is an exempt market dealer in Alberta, British Columbia and Ontario. See also “Overview of the Transaction” and “Disinterested Shareholder Approval” under the heading “*Particulars of the Transaction*” above.

Legal Proceedings

Management of CWS knows of no legal proceedings, contemplated or actual, material to CWS to which CWS is a party or of which any of its property is the subject matter.

Auditors, Registrar and Transfer Agent

The current auditor of CWS is Davidson & Company LLP, Chartered Professional Accountants, located at 1200 – 609 Granville Street, Vancouver, B.C. V7Y 1G6, who were first appointed as auditors of CWS on June 10, 2014.

The registrar and transfer agent for the CWS Shares is Computershare at its office in Vancouver, B.C.

Material Contracts

CWS has not entered into any material contracts other than in the ordinary course of business within the previous two years prior to the date of this Filing Statement, with the exception of:

- the Letter of Intent concerning the Acquisition between CWS and Lithoquest.
- the Share Exchange Agreement concerning the Acquisition among CWS, Lithoquest and the Lithoquest Shareholders.

Copies of these agreements will be available for inspection at CWS’ head office located at Suite 610 – 815 West Hastings Street, Vancouver, B.C. V6C 1B4 during ordinary business hours on any business day up to the Closing of the Acquisition and for a period of 30 days thereafter.

INFORMATION CONCERNING LITHOQUEST

Corporate Structure

Name and Incorporation

Lithoquest Diamonds Inc. was originally incorporated under the BCBCA on November 18, 2011 as 0925553 B.C. Ltd. 0925553 B.C. Ltd. underwent a change of name to Gilden Capital Corp. on February 5, 2013, and subsequently underwent a further name change to Lithoquest Diamonds Inc. on August 12, 2016 .

Lithoquest has its registered office located at Suite 910 - 800 West Pender Street, Vancouver British Columbia V6C 2V6 and its head office located at Suite 210, 8429 - 24th Street N.W. Edmonton, AB T6P 1L3.

Intercorporate Relationships

Lithoquest has one wholly owned operating subsidiary, Primeform Investments Pty Ltd. Primeform was incorporated under the laws of Western Australia on June 12, 2009 and has its registered and head office at 2B Russel Street, Fremantle Western Australia 6160.

Primeform owns all of the business assets of Lithoquest, see “*Information Concerning Lithoquest - General Development of the Business and Exploration Property: The North Kimberley Diamond Project*”.

General Development of the Business

History

Lithoquest is a development stage exploration company engaged in the acquisition, exploration and development of properties for the purpose of diamond mining. In the past year, Lithoquest has identified diamond exploration targets in Western Australia and has acquired exploration licenses to cover the targets. Lithoquest, through its wholly owned Australian subsidiary Primeform, acquired a 100% interest in two exploration licenses, E80/5029 and E80/5030 (the “Exploration Licenses”), covering a total of 100,803.77 hectares in the King George River region of Western Australia. The Exploration Licenses were granted on January 18, 2017 for a term of five-years.

Primeform has made a further application to the Western Australia Department of Mines and Petroleum (the “Mines Department”) for a third exploration license covering 47,791.48 hectares. There are no assurances that this additional exploration license will be granted to Primeform on the basis applied for or at all.

Significant Acquisitions and Dispositions

No significant acquisitions or dispositions have been made by Lithoquest.

Narrative Description of the Business

General

The principal business carried on and intended to be carried on by Lithoquest is the acquisition, exploration and development of properties for the purposes of mining diamonds. Lithoquest is in the process of exploring its properties for mineral resources and has not determined whether the properties contain economically recoverable reserves. The business of mining and exploration for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. Lithoquest’s current properties are in Western Australia, Australia.

Exploration Property: The North Kimberley Diamond Project

North Kimberley Report

The North Kimberley Report was prepared by Thomas Reddicliffe. Mr. Reddicliffe is a qualified person as defined in NI-43-101 (a “Qualified Person”) who is independent of Lithoquest and will be independent of the Resulting Issuer. Mr. Reddicliffe has reviewed and verified the scientific and technical mining disclosure contained in this Filing Statement. A copy of the North Kimberley Report can be obtained at Lithoquest’s registered office at Suite 910 - 800 West Pender Street, Vancouver British Columbia V6C 2V6. The North Kimberley Report is available under CWS’s public disclosure documents on SEDAR and will be available under the Resulting Issuer’s public disclosure documents on SEDAR upon completion of the Acquisition.

Property Description and Location

The North Kimberley Diamond Project is located within the Kimberley region of northern Western Australia (Figure 1) with centroids of approximately 14.13° S and 127.22° E (Universal Transvers Mercator coordinates 300000E and 8440000N, Zone 52L – Ellipsoid GSR80). It is approximately 225 km northwest of the town of Kununurra and 430 km southwest of the city of Darwin, Northern Territory. The Project comprises 2 Exploration Licenses consisting of 306 graticular blocks covering an area of 100,803.77 ha (Figure 2, Table 2). The Exploration Licenses are 100% held by Primeform, a wholly owned subsidiary of Lithoquest. The Exploration Licenses were granted on January 17, 2017 and have an expiry date of January 18, 2022. A third exploration licence, consisting of 144 graticular blocks covering an area of 47,791.58 ha, is an application pending grant. The tenements are managed by McMahons Mining Titles Service (“MMTS”), a Western Australia based professional tenement management company, on behalf of Primeform.

Exploration licenses in Western Australia are acquired by paper staking, based on the graticular block system. An exploration licence is initially granted for 5 years, is extendable for a second 5 year term and thereafter for 2 year terms. Annual maintenance costs including rent fees and exploration expenditures increase over time (Table 3). Rents to the Government of Western Australia and local Shire are due on an annual basis. Rents and Rates, as well as 20% administration costs, are part of the allowable annual exploration expenditure. In general, Rents and Rates along with the allowable administration costs make up about 30% of the annual expenditure requirement in the case of the Exploration Licenses, thereby reducing the actual physical exploration expenditure required on an annual basis. At the end of the sixth year, the licensee is required to compulsorily surrender 40% of the licence. The holder of an exploration licence may in accordance with the licence conditions, extract or disturb up to 1,000 tonnes of material from the ground, including overburden. Bulk testing and limited trial mining requiring the excavation of tonnages greater than 1000 tonnes may be conducted under an exploration license upon receiving written authority from the Mines Department. However, a granted mining licence is required before a project can proceed to the mining phase.

The Project lies partially within the Forrest River Aboriginal Reserve Area (areas east of the King George River), but a majority of the Project is located on the Carson River Pastoral Lease which is subject to Native Title. In both instances the affected peoples are the Balangarra Indigenous Community. However, land access negotiations are conducted through the Kimberley Land Council (the “KLC”) that has administrative oversight for the majority of the Kimberley Aboriginal communities. Primeform has signed a Native Title and Heritage Protection Agreement titled “Native Title, Heritage Protection and Mineral Exploration Agreement for Balangarra Lands” dated December 12, 2016 (the “HPA”) with the KLC governing access to and exploration on the Project. In addition to managing the tenements, MMTS assisted Primeform with the KLC negotiations to obtain the HPA. Additional work permits for geophysical surveys and drilling will need to be obtained once specific target areas are identified. Under the terms of the HPA, all sites selected for such exploration work require an archaeological survey to be completed before work can proceed.

There are no registered environmentally sensitive areas within the Project tenements, however ground disturbing activities require approval through the Program of Work approvals process managed by the Mines Department. Areas planned to be disturbed attract a rehabilitation bond if rehabilitation costs are estimated to be greater than AUSS\$50,000 for all areas disturbed by the company.

The property has not been legally surveyed and is considered an early to intermediate stage exploration property.

Figure 1: Location of North Kimberley Diamond Property

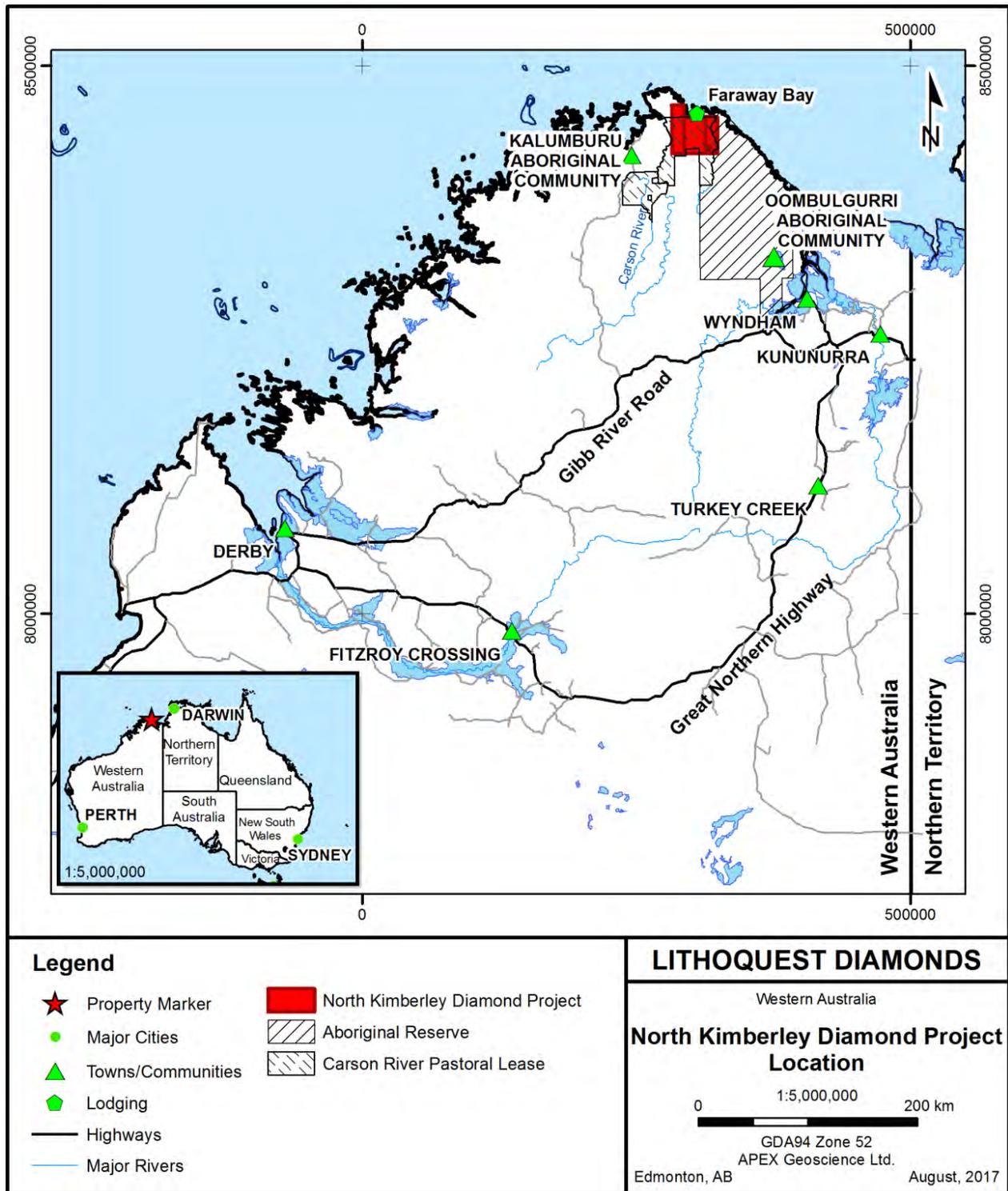


Table 1: Abbreviations

\$	Canadian Dollars
A\$	Australian Dollars
US\$	US Dollars
C	Degrees Celsius
cpht	Carats per hundred tonnes
ct	Carats
Ga	Billion years
ha	Hectares
JORC	Joint Ore Reserves Committee
kg	kilograms
km	Kilometers
km ²	Square kilometers
m	meters
m ³	Cubic meters
Ma	Million years
masl	Meters above sea level
mm	millimeters
Mt	Million tonnes
QP	Qualified Person
t	Metric Tonnes

Table 2: Tenement Summary

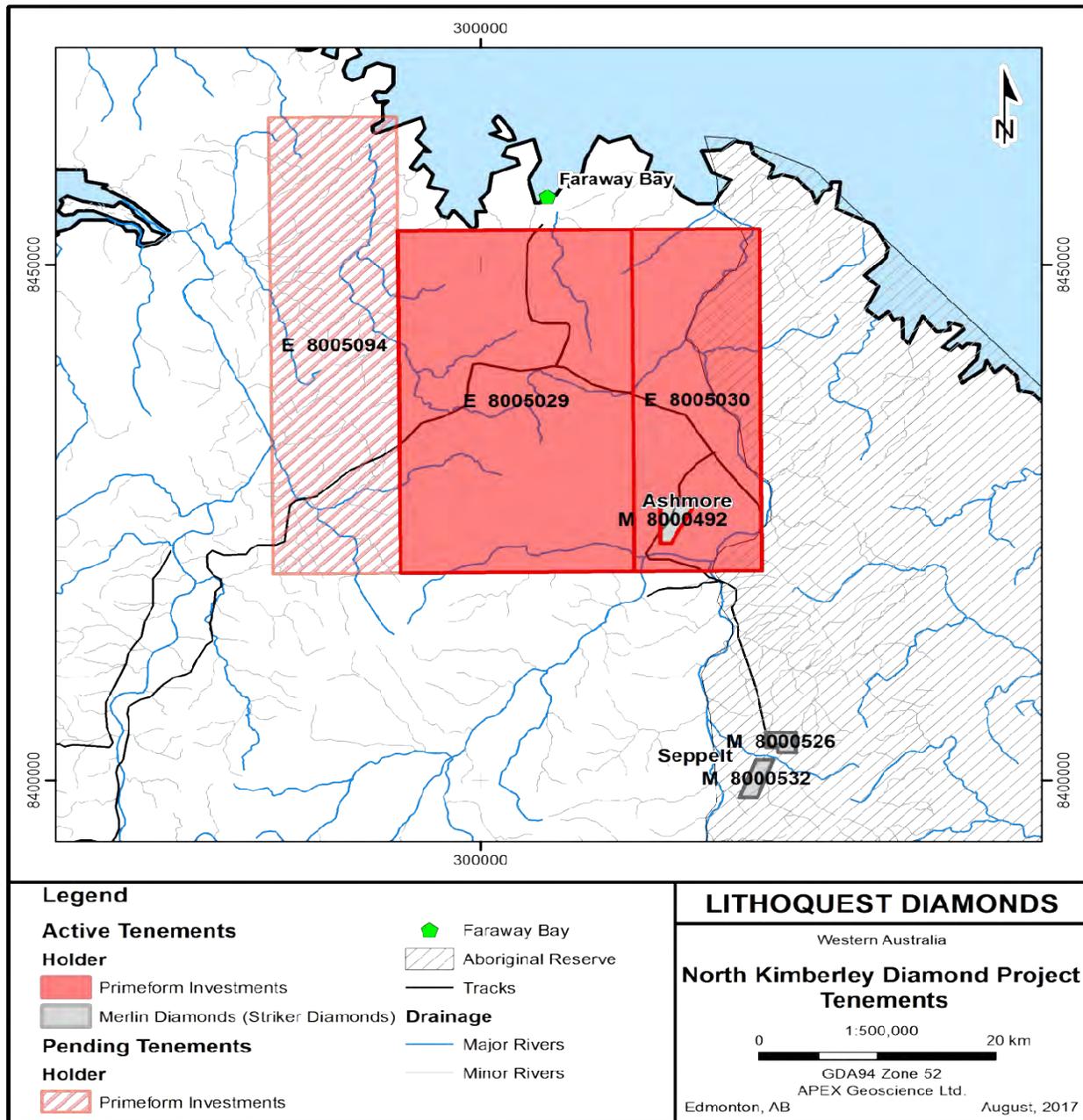
Tenement Number	Registered Holder	Approx. Area (Ha)	Blocks	Grant Date	Expiry Date
E 8005029	Primeform Investments Pty Ltd.	65,713.57	198	1/18/2017	1/17/2022
E 8005030	Primeform Investments Pty Ltd.	35,090.20	108	1/18/2017	1/17/2022
E 8005094	Primeform Investments Pty Ltd.	47,791.58	144	Pending	
Total Area:		148,595.35	450		

Table 3: Exploration License Expenditure Requirements

Term (years)	Year of Term	Rent (per block)(AUS\$)	Minimum Annual Expenditure (AUS\$)
5 years, may extend for one period of 5 years and by further period(s) of 2 years	1 to 3	\$125.25	\$1,000
	4 and 5	\$194.85	\$1,500
	6 and 7	\$264.35	\$2,000
	8 onwards	\$500.60	\$3,000

Royalty rates in Western Australia are prescribed under the Mining Regulations 1981 or individual State Agreement Acts. The Mining Regulations 1981 specify an ad valorem royalty rate of 7.5% for diamonds, however royalty rates for both the Argyle diamond mine and Ellendale diamond mine are administered under individual State Agreements whose ad valorem rates are set at 5%. Company tax in Australia is charged at a rate of 30% of profits. Payroll tax is charged by the State of Western Australia at a rate of 5.5% to companies whose annual wages exceed AU\$750,000.

Figure 2: North Kimberley Project Tenements



Accessibility, Climate, Local Resources, Infrastructure and Physiography

The North Kimberley Diamond Project is centred on the geographic location coordinate 127.22° E and 14.13° S in the remote Kimberley region of northern Western Australia (Figures 1 and 2) and is accessed by four wheel drive vehicle or aircraft. The nearest airport with a regular passenger air service is the East Kimberley Regional Airport in Kununurra located 225 km to the east. Scattered airstrips, mostly associated with pastoral lease homesteads and outstations, can be found throughout the region and with permission are accessible by light aircraft. The nearest maintained airstrip is approximately 3.5 km north of the Project boundary at the wilderness tourist resort of Faraway Bay (Figure 2).

The Project can be accessed by four wheel drive vehicle from either Derby or Kununurra via the unsealed Gibb River and Kalumburu roads which service the Kalumburu Aboriginal Community during the dry season (April to November). Beginning from the Carson River Homestead turn-off, located 20 km short of the Kalumburu Community, the access continues for a distance of approximately 100 km along an unsealed exploration road to the area of the Ashmore Kimberlite Field which is located on mining lease M80/0492. Lithoquest has no rights or entitlements to M80/0492 which is wholly owned by Merlin Diamonds Ltd, and encompassed by the Project. Ground access within the Project area is restricted to exploration tracks maintained by companies on an as needed basis. Roads and tracks are generally impassable during the monsoonal wet season (November to March). Due to the limited local access, helicopter utilization is necessary to facilitate more extensive access to the Project.

Towns in the area are mainly located around the perimeter of the Kimberley region and include Derby, Kununurra, Fitzroy Crossing, Halls Creek and Wyndham. The Kalumburu and Oombulgurri Aboriginal Communities are the nearest settlements to the Project (Figure 1). There is a maintained airstrip at the Kalumburu Aboriginal Community which also has limited serviced accommodation and can provide some provisions. Supplies are usually sourced from Derby and can be coordinated with scheduled supply runs to various homesteads and the Kalumburu Aboriginal Community.

The climate over the Kimberley area varies from semi-arid monsoonal in the south to monsoonal in the north, with distinct wet and dry seasons throughout. The field season is largely restricted to the dry season (April to November). Vegetation is of the tropical savannah type including grassy woodland areas and open forests. Day temperatures are high year round with the highest temperatures recorded between October and November (average 38°C) and the coldest months being from June to August (average 25°C). Average rainfall throughout the area is ~700 mm of which ~90% falls between November and March; July to Sept are commonly rainless (Ruddock, 2003; Hassan, 2004).

Physiologically, the Kimberley area is quite diverse but a close correlation between the exposed bedrock formations and topography has been noted. The area is dominated by the Kimberley Plateau, which consists of flat structural peneplains that have an average altitude of 500 masl, sloping gradually from 600 masl in the south to 200 masl in the north. Fairly good drainage is provided by incised river valleys. The valleys become steeper or develop into narrow canyons near the coast. The plateau is surrounded by escarpments to the east and southwest which give way to the East and West Kimberley plains (Thom, 1975). The North Kimberley region is part of the Kimberley Plateau; more specifically it forms part of the Karunje Plateau and lies at elevations between 100 masl and 200 masl. Erosion and weathering of siltstone and volcanic formations, interbedded with the more resistant sandstone formations, has resulted in the development of numerous escarpments, cuervas and isolated mesas (Gellatly and Sofoulis, 1969).

No mining rights attach to the Exploration Licences, but should the exploration result in the discovery of a diamond deposit then application can be made for a mining lease (a "Mining Lease"). Currently there are no restrictions to surface mining rights other than those that may arise in the future after completing detailed Aboriginal Heritage and Environmental Impact studies with respect to a Mining Lease. These surveys are part of the broader approvals process when seeking government permission to develop and mine a mineral resource. The establishment of mine infrastructure including, camps, tailings dams, coarse tailings and waste rock heaps, plant site and airstrip are also subject to the approvals process which may result in the areas selected for this infrastructure being modified or moved. The approval process is part of the regulatory framework within which mining operations are developed and operated and in normal circumstances does not prevent the development of a mine.

Because of the remoteness of the Project there is no government provided electricity grid from which to source power for a mine, hence all power must be generated onsite. Equally there is no government sponsored water supply, however due to the Project being in a high rainfall region there are numerous options to harvest the surface runoff water. This would be done in consultation with the local Aboriginal group and the government, and would be part of the approval and permitting process to develop a mine.

The labour required for a mining development/operation would be sourced in the first instance from the local regional settlements, these being the Kalumburu, Oombulgurri Aboriginal settlements and the regional township of Kununurra. The balance of the workforce requirements would need to be sourced from Perth and Darwin. In all instances personnel would likely be scheduled on a fly-in/fly-out rotation.

History

Overview

Exploration for diamonds in Australia was initiated following the fortuitous discovery of diamonds in stream gravels at Nullagine (Western Australia) by gold prospectors in 1895. Over the next 50 years, thousands of carats of diamonds were recovered from this and other alluvial deposits in various parts of the country. Of particular note are the numerous deep lead diamond deposits of the Copeton-Bingara region in Eastern Australia which were discovered in 1896 and are believed to have produced some 500,000 carats from the alluvial workings. However, despite significant exploration efforts the primary source rocks for these diamonds has remained elusive. In the 1960's, the introduction of modern geological exploration concepts and techniques led to the discovery of the first diamond-bearing pipes (primary sources) (Janse, 1992).

In 1969, the recovery of several alluvial diamonds in the West Kimberley region along the Lennard River (Ellendale area) motivated further diamond exploration in the area in the 1970's. A consortium of mining companies, collectively known as the Kalumburu Joint Venture (succeeded by the Ashton Exploration Joint Venture), began systematic diamond exploration throughout the entire Kimberley region with regional stream sediment sampling and interpretation of aerial photography (Smith, 1977). In early 1976, diamond indicator minerals (i.e. ilmenite, chromite, chrome diopside, and pyrope garnet) were found in stream-gravel concentrates collected from the Lennard Shelf which indicated the presence of diamond-bearing host rocks. Subsequently, numerous diamondiferous olivine lamproite pipes were found in the area; these along with the spatially associated non-diamondiferous leucite lamproite pipes comprise the Ellendale Lamproite Field which currently comprises 50 known intrusions. The evaluation of this field was undertaken from 1977 to 1979.

In August 1979, two diamonds were found in a small reconnaissance gravel sample collected from Smoke Creek, in the East Kimberley, resulting in the discovery of alluvial diamond deposits. Shortly afterwards, in October 1979, a large, high-grade diamondiferous olivine lamproite (the AK1 pipe) was discovered at the headwaters of Smoke Creek (Atkinson et al., 1984). Currently the Argyle (AK1 pipe) deposit is the only producing diamond mine in Western Australia. Several kimberlite pipes in the North Kimberley region, including the Seppelt and Ashmore kimberlite pipes (Figure 2) which were discovered in the 1990's, have been bulk sampled with significant grade recovered however these continue to be uneconomic at current diamond prices. Careful geological fieldwork, including the collection of over 15,000 stream and loam samples, thousands of line kilometers of airborne and ground magnetic and electromagnetic surveys and subsequent testing of geophysical targets for the presence of diamondiferous host rocks (including over 500 drill holes), has led to the discovery of more than 100 kimberlite and lamproite occurrences within and around the Kimberley Craton. The Kimberley Craton has proved to be the most fertile of the cratons in Australia for diamondiferous kimberlite/lamproite occurrences.

Historical Work on the North Kimberley Diamond Project

Diamond exploration in the North Kimberley region began in the early 1970's and was essentially continuous until the early 2000's. Historically, numerous companies have been involved in diamond exploration in this region with the major players including CRA Exploration (CRAE/Rio Tinto) as manager of the Ashton Exploration Joint Venture (AEJV), BHP Minerals (BHP), Stockdale Prospecting (the Australian arm of De Beers), Jade Creek Resources, Dioro Exploration, Finders Gold, AKD and Striker Resources (subsequently known as North Australian Diamonds/Merlin Diamonds).

The first kimberlite discoveries in the region were made in the mid 1970's by the Kalumburu Joint Venture, the area having been initially identified from reconnaissance stream sampling results. The identification of numerous areas containing indicator minerals often associated with diamonds recovered from stream sediment samples has stimulated continued exploration in the area for a period of some 30 years. During this period, numerous exploration programmes have resulted in the collection of over 3,500 stream sediment, loam, gravel and geochemical samples over the current Project tenement area. Historic exploration programmes have also included the acquisition and interpretation of aerial photography, airborne and ground geophysical surveying, trenching and drilling (225 holes). Follow-up sampling and trenching has resulted in the discovery of 15 kimberlite pipes and eight well defined kimberlite dykes in the North Kimberley area, and numerous smaller kimberlite dykes are inferred to be present. Six kimberlite pipes and eight kimberlite dykes have been identified on the Project. The mining lease containing the Ashmore kimberlite cluster, namely M80/0492, is owned by Merlin Diamonds Limited and is wholly encompassed by the Project. Lithoquest has

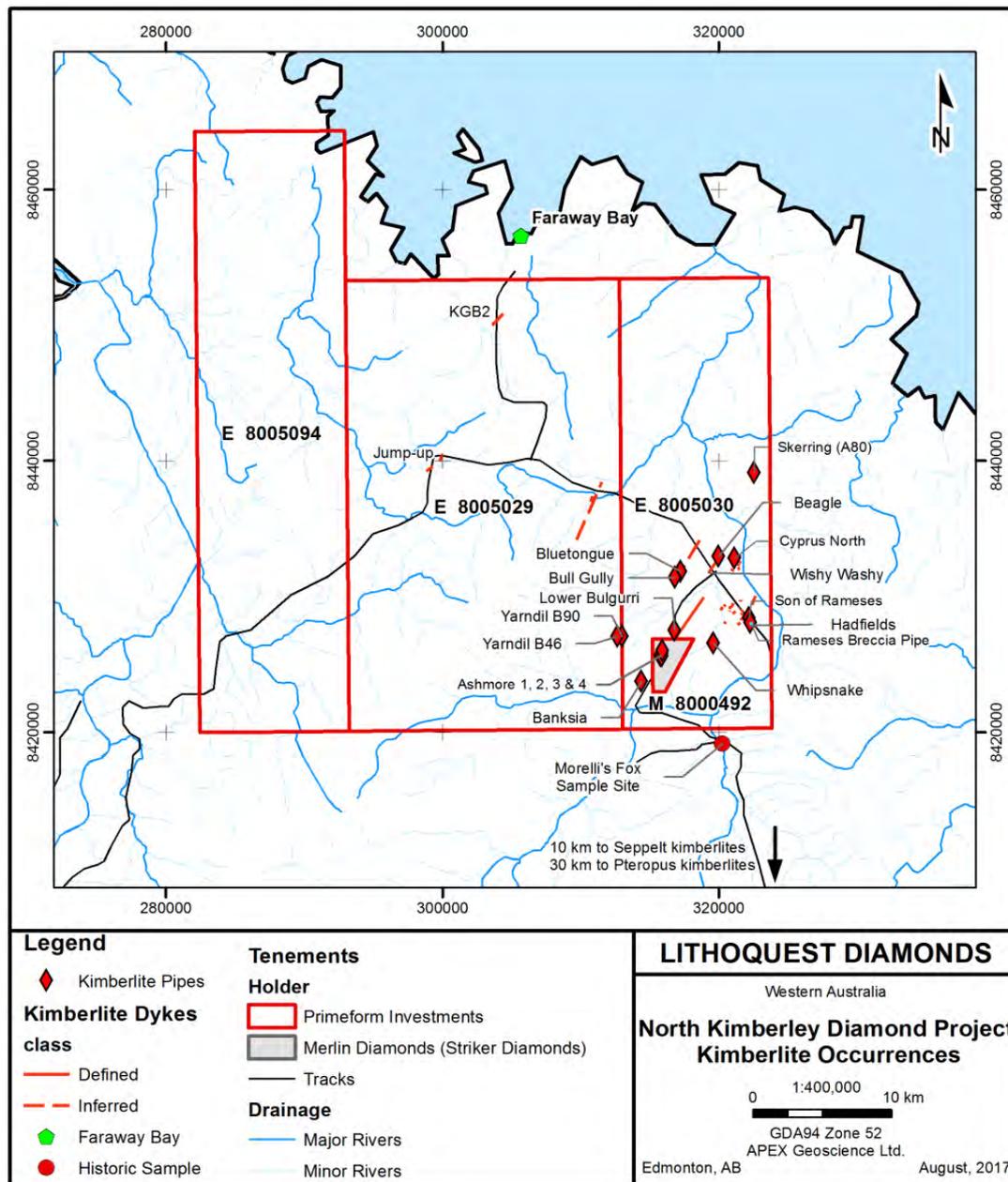
no beneficial interest in or any rights to this mining title. Merlin Diamonds Limited has reported a JORC (2004) compliant Inferred Resource of 2.751 Mt at 5.1 cph for the Ashmore cluster of pipes (Merlin Diamonds, 2017). The mineral resource estimate is historic in nature and the Qualified Person has not completed the work necessary to verify the classification of the resource estimate. The Qualified Person is not treating the resource estimate as NI 43-101 defined resources verified by a Qualified Person, hence the historical resource should not be relied upon. The Qualified Person believes the historical resources provide an indication of the potential of the Project and are relevant to ongoing exploration.

Historical exploration conducted over granted tenements is subject to annual statutory reporting requirements with reports available publically upon full relinquishment of the tenements. The exploration work undertaken both on the Project and within the general area of the Project is briefly summarized below.

Exploration by Kalumburu JV/AEJV (1972-2001)

The North Kimberley Diamond Province was first identified by the Kalumburu JV, a consortium of small exploration companies led by Tanganyika Holdings that had initiated diamond exploration on the Kimberley craton in the early 1970's. Their initial reconnaissance exploration in the area included regional stream sediment sampling and interpretation of aerial photography. By the mid 1970's the sampling programmes had led them to the discovery of the first kimberlite bodies in the North Kimberley including Jump-up (inferred), Skerring, Wishy Washy, KGB2 and Hadfields (Muggeridge and Smith, 1977) (Figure 3). All of these initial kimberlite discoveries were dykes. These discoveries were made by means of stream sampling, follow-up loam grid sampling and trenching, as the early attempts at ground and airborne geophysical surveying were not effective at identifying/defining kimberlite targets (Paltridge and Smith, 1977). Specifically in the area around the Skerring kimberlite dyke, this was interpreted to be due to interference from the highly magnetic Carson Volcanics which is the surface host to the kimberlite occurrence (Muggeridge and Smith, 1977; Muggeridge et al., 1978). The Skerring kimberlite pipe, 1.75 ha in area, was subsequently discovered to be associated with the Skerring dyke through follow-up grid loam sampling (Muggeridge et al., 1978). The Skerring Kimberlite pipe is worthy of note in that it is rich in large clasts of picroilmenite and barren of diamond which makes it distinctly different than the diamondiferous kimberlite bodies in the nearby Ashmore kimberlite cluster and the associated Bulgurri Fissure. All of the aforementioned kimberlites were trenched and/or drilled and were found to be of no economic interest (Paltridge and Smith, 1977; Smith 1978).

Figure 3: Kimberlite Occurrences in the Project Area



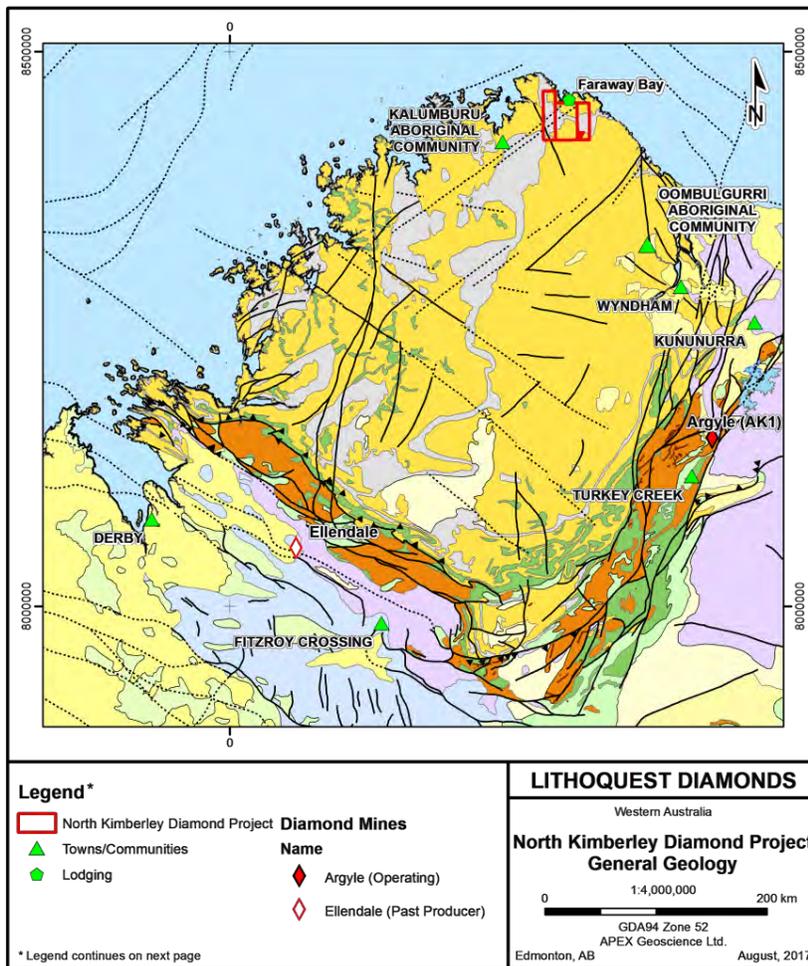
Setting

Regional Geology

Geologically the Project is located near the northeastern margin of the Kimberley Block which is comprised of platform unmetamorphosed sedimentary and mafic volcanic rocks belonging to the Kimberley Group. The Kimberley Group formations were deposited between 1.9 and 1.6 Ga ago (Thom, 1975) and are seen to outcrop throughout the Project area (Figure 4).

Physiologically the Project is located within the broad, dissected Kimberley Plateau which is characterized by escarpments and isolated mesas. The Kimberley Plateau has experienced at least three cycles of planation ranging in age from Cretaceous to Tertiary. The Tertiary planation events largely destroyed the effects of a widespread Tertiary aged intense weathering event which resulted in laterization of the landforms. Subsequent erosion of the landform has cumulated in the current sporadic cover of ferricrete, thin pisolitic soils, sands, muds and alluvium throughout the area.

Figure 4: Geology of the Kimberley Craton

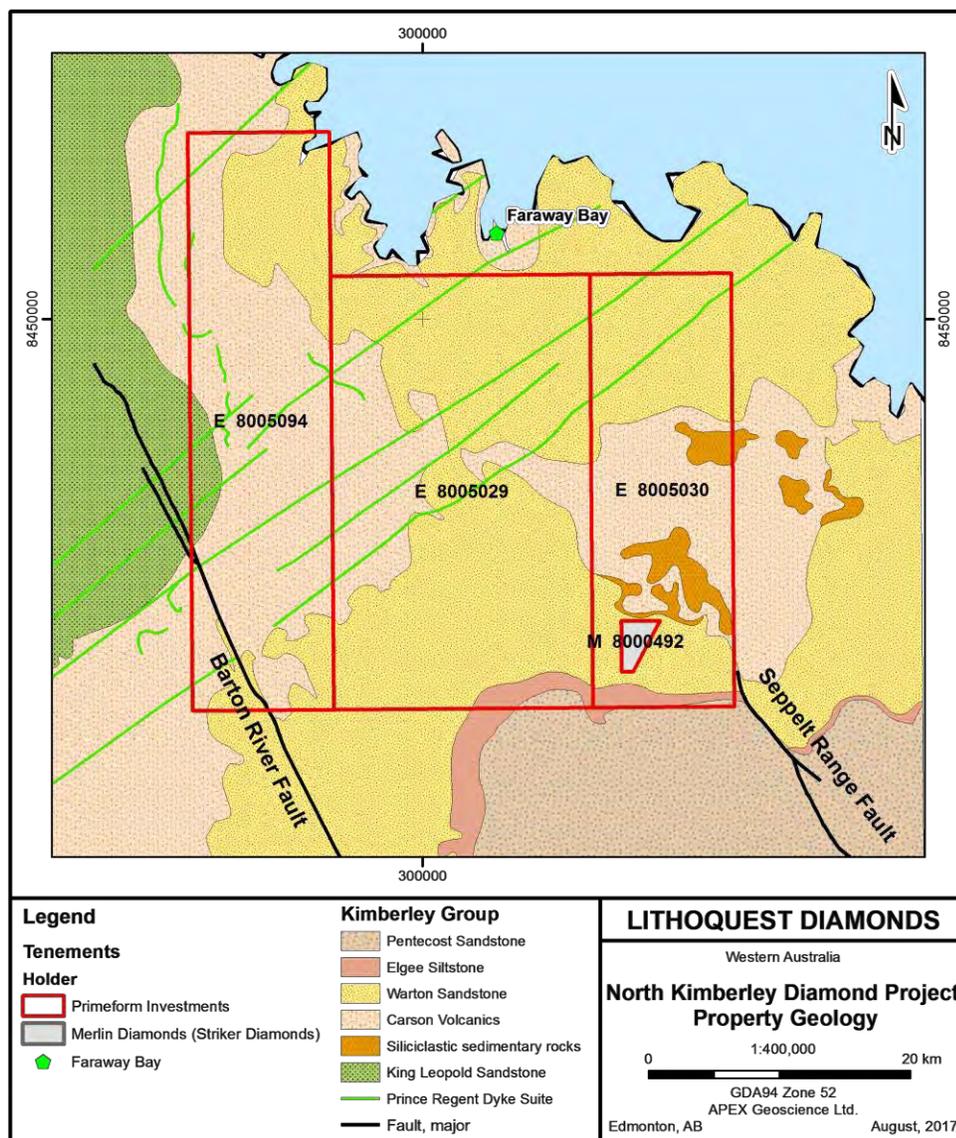


Property Geology

Exposed rocks within the Project are dominated by the Carson Volcanics and Warton Sandstone, which are both formations of the Proterozoic aged Kimberley Group. Minor occurrences of Tertiary and Quaternary aged cover have been recognized in low-lying areas and along water courses (Plumb and Perry, 1971) (Figure 5).

The Carson Volcanics consist predominantly of fine to medium grained tholeiitic basalt (commonly altered to spillite), feldspathic sandstone, siltstone and chert. Overlying the Carson Volcanics is the Warton Sandstone which forms a flat lying plateau and consists predominantly of white, cream and pale purple-grey, coarse to medium grained, well sorted, blocky to massive, quartz and feldspathic siltstone and sandstone (Griffin and Grey, 1990).

Figure 5: Project Geology



Exploration

In 2016, Lithoquest recognized that the rock samples collected in 2007 yielding Kimberlite Indicator Minerals with high-interest chemical compositions were coincident with circular to ovoid topographic features located along the northeast-southwest structures that are predominant in the Project area. Based on this observation, Lithoquest considered the North Kimberley Diamond Province to be a high priority area for the discovery of additional diamondiferous kimberlites. In 2016 and 2017, Lithoquest acquired data, researched historical exploration data aimed at understanding the known kimberlite discoveries, developed a new exploration model for the region and completed a reconnaissance field visit. Total costs incurred by Lithoquest for the period August 2016 to June 2017 totalled were

\$219,135, of which \$120,839.91 are considered to be Approved Expenditures as per the definition for the Initial Listing Requirements: Tier 2 Mining Issuer Policy 1.1 (costs such as land maintenance, property payments, public affairs, international flights, tax and general and administration are not included in the Approved Expenditure total). This work is outlined below.

During 2016 and 2017, historical data from assessment reports, government reports and other publically available datasets was compiled and reviewed. The compilation included digitizing and rectifying available data including sample locations, indicator mineral results, drill holes, and airborne and ground geophysical surveys. The compilation highlighted the presence of numerous unexplained anomalous concentrations of diamonds and indicator minerals, as well as anomalies detected by geophysical techniques and/or recognised on aerial photographs that warrant follow-up.

In late 2016, Lithoquest acquired high resolution satellite imagery including 15 m resolution Landsat and Aster imagery, 10 m resolution Sentinel 2 imagery and 50 cm resolution Worldview imagery. Lithoquest also purchased and reprocessed high-resolution airborne magnetic and radiometric data collected in 2008 that covers a majority of the current tenements.

A preliminary assessment of the airborne magnetic data and Worldview satellite imagery was conducted for the purposes of identifying kimberlite targets for follow-up in the field. The data review focused on the area of the property where high-interest rock grab samples were collected in 2007.

It was immediately noted that the topographic features coincident with the 2007 samples had little to no discernible magnetic response. As a result, emphasis was placed on identifying topographic features in the satellite imagery.

Ten targets characterised by anomalous topographic features were then identified for follow-up. The targets were coincident with or adjacent to one of the predominant northwest-southeast structures.

The primary objectives of the property visit conducted by the author in the period 5th and 6th April, 2017 were:

- 1) Confirm Prospect and investigate for the presence of evidence of kimberlites on/near the Project; and
- 2) Confirm the presence of anomalous kimberlite indicator minerals in order to evaluate the overall diamond potential of the area.

The site visit was conducted from the nearby settlement of Kalumburu and utilized a helicopter so that the selected sites could be quickly located and assessed. The sites were initially located by use of GPS using predetermined AMG coordinate positions. Confirmation of the selected features was enabled by comparison with satellite imagery. A thorough ground inspection was made at each site aimed at identifying rock outcrop and rock float that could potentially represent weathered kimberlite. The ground inspections varied from 1 to 4 hours per site.

With the exception of site 1701, the location of the KGB2 kimberlite dyke, all of the sites are associated with very prominent northeast trending structural/magnetic lineaments (Figure 6). Rock grab samples were collected over these physiographical anomalies identified during the 2016/2017 compilation and satellite imagery interpretation exercise. The sampling was not systematic in that samples were taken of rock float and in outcrop (where possible). In addition, there was a conscious sampling bias towards rocks which were considered to have weathering and textural characteristics reminiscent of kimberlite. In all instances, the exposed areal extent of specific outcrop and float was limited so that it could not be confirmed if these rock occurrences were representative of the entire feature being inspected. The sporadic occurrence of like material within the bounds of the feature was the only evidence linking the outcrop to the feature itself. The six sites that were inspected were four Ashmore sites and two Seppelt sites with individual samples described in Table 4.

Figure 6: 2017 Sample Locations

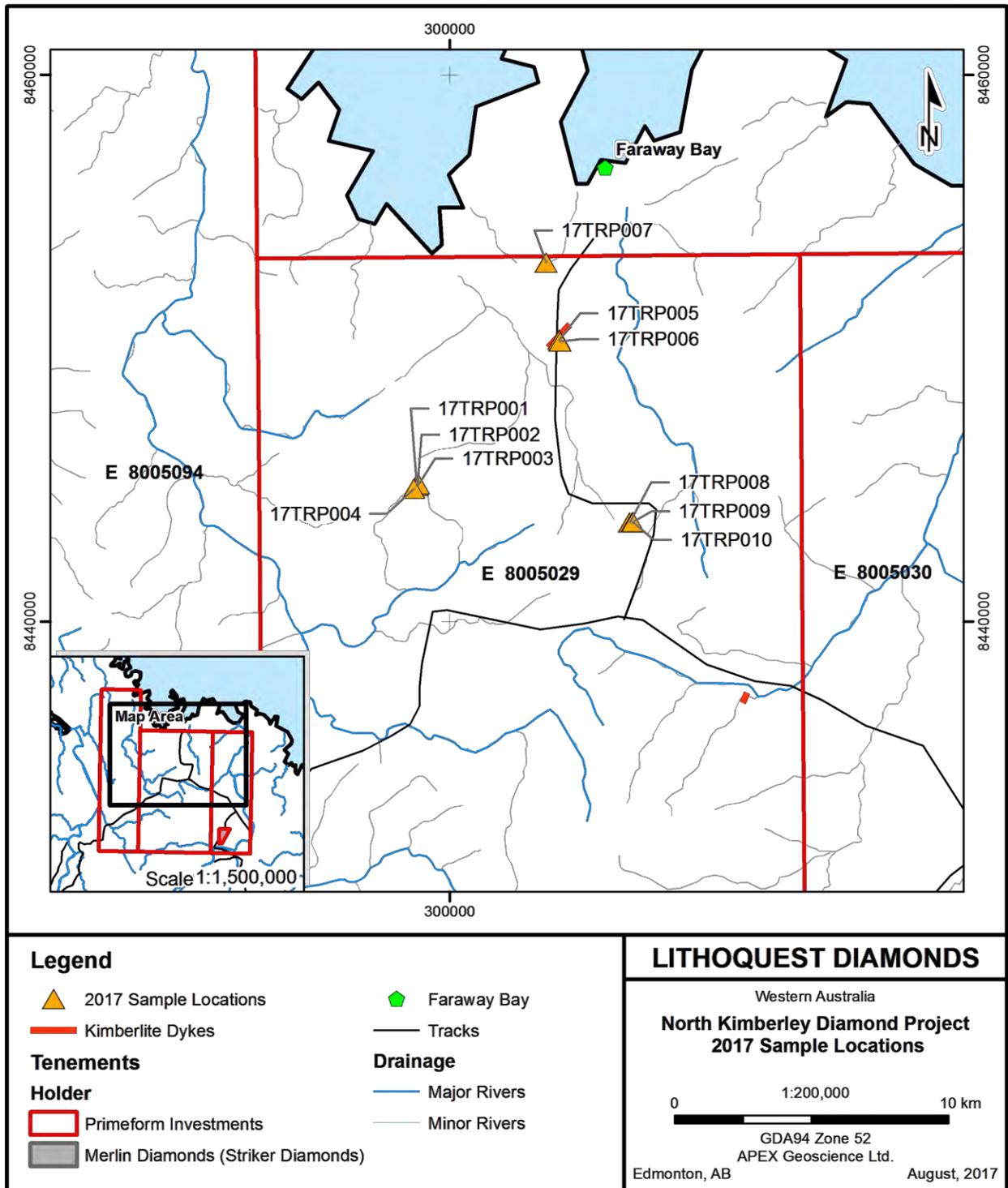
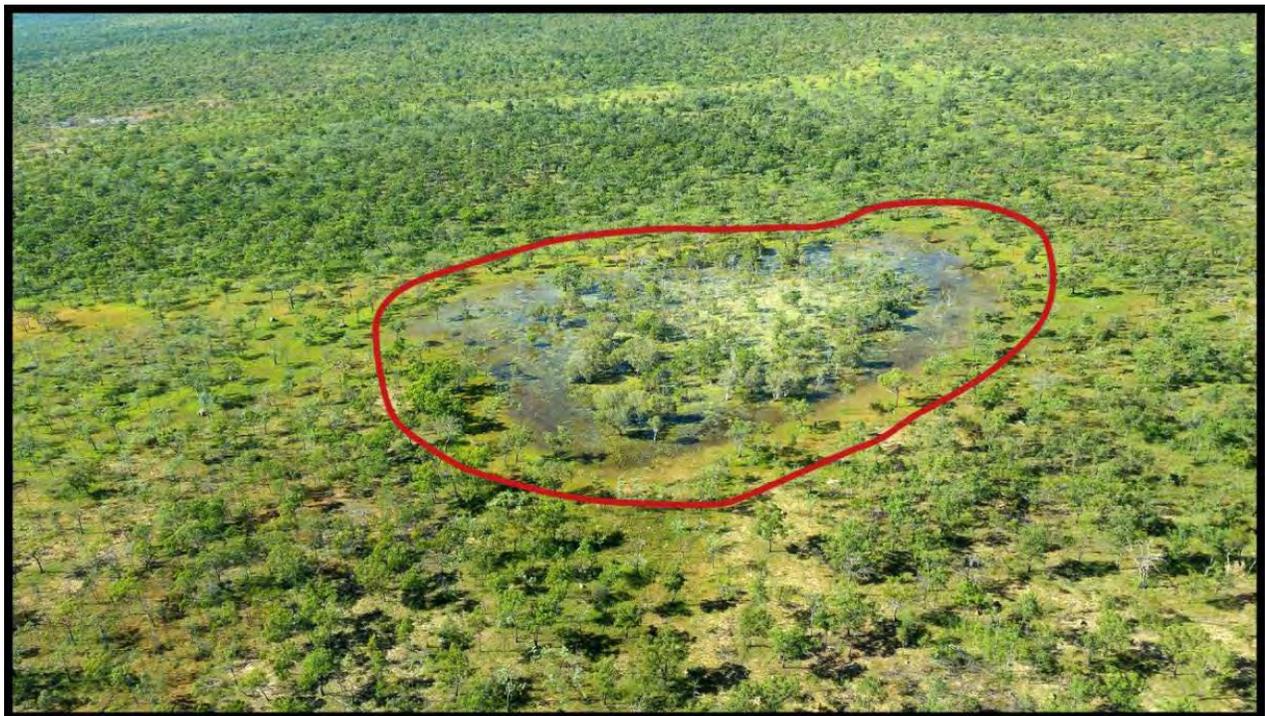


Table 4: NKG TARGETS

Target Id	Easting	Northing	Description
1701	304021	8450322	This is the reported location of the KGB2 kimberlite dyke which was discovered by the Kalumburu JV in the 1970's. Previous work in the area was evidenced by some surface scrapings and a drill hole collar. The drill hole is angled steeply to the NW presumably aimed to intersect the dyke. The site is on the flank of a moderate rise in the topography. Some deeply weathered and ferruginised kimberlite float was identified. More common was fragmental/porphyritic textured float that could not be definitively identified as kimberlite. No insitu evidence of the dyke or any obvious structures were observed. A sample of rock float collected from this site in 2007 reported 29 pyrope garnet, 3 cr-diopside, 34 picroilmenite and 21 chromite confirming the presence of weathered kimberlite. An established track is located on the eastern side of the site which continues to Faraway Bay. Some 50m south of the site and on the edge of the road are two piles of ferricrete/pisolitic gravels. These may be a road windrow or sample screenings from past sampling activities. A sample of this material reported 72 pyrope garnet, 13 cr-diopside and 15 chromite providing further confirmation of the presence of the KGB2 kimberlite. Two samples collected from these sites in 2017 reported >100 chromite, >100 picroilmenite and 2 pyrope garnets.
1702	298787	8445007	This is a light coloured oblate shaped photo-feature associated with a major NE trending structure. The feature is close to a breakaway margin of the Warton Sandstone Formation with a NE trending tongue of the underlying Carson Volcanics exposed. The feature has dimensions of 300m by 100m. Drainage within the feature has exposed a deeply weathered, leached, soft ultrabasic/ultramafic rock with a porphyritic texture in places very similar in appearance to olivine macrocrystic kimberlite. Abundant soft green clasts could be after olivine but may represent vesicles. Massive Carson Volcanics can be seen at some of the margin edges of the feature. Within the feature, float with skeletal silicified replacement textures is common as are rocks with fragmental textures. Warton Sandstone with fine veining of carbonate/silica? and some brecciation was observed on the northern margin of the feature. Two samples collected from this feature in 2007 reported 149 pyrope garnet, 18 cr-diopside, 1 picroilmenite and 3 chromite suggesting the feature may represent a weathered kimberlite. Four samples were collected from this site in 2017, two of which replicated the 2007 sample sites. These latter two samples collectively reported 3 picroilmenite and 2 pyrope garnet.
1603	306732	8445838	Water filled ti-tree swamp. Picked as a photo-feature in close proximity to a major NW trending structural feature. The feature is oval with dimensions 150m by 100m (Figure 12). This feature was not inspected on the ground and no samples were collected.
1604	303275	8453040	This is a large photo-feature associated with a major NE trending structure. The feature is oval in shape being 500m long and 350m wide. The structure bisects the photo-feature. The feature has sparse tree vegetation and little grass development. The surface is a flat ferricrete. On the eastern margin of the feature, and coincident with the associated structure, is a breakaway which exposed a profile of the ferricrete cap rock. In this area the cap is 1.5m thick. Apart from occasional ferricrete there is no outcrop in this area and no kimberlite outcrop or float was observed. One sample was collected from this site from which a single cr-diopside grain was recovered.
1607	304955	8444790	This feature is a subtle ti-tree swamp which is visually different than the surrounding area. It has the appearance of a circular feature with a diameter of 80m and is located in close proximity to a major NE trending structure. No outcrop or float was observed on or within the vicinity of the feature. No

Table 4: NKG TARGETS			
Target Id	Easting	Northing	Description
			samples were collected from this site.
1605	306725	8443650	This target appears to be a more resistant island of sandstone that forms a roughly circular topographic high and lies adjacent to a major NE trending structure. Prospecting within this structure found it to be characterised by dark red-brown pisolitic soils, ferruginous rock float and common dark red-brown termite mounds. The feature is 200m long and 50m wide. The surrounding area is largely exposed Warton Sandstone Formation. The ferruginous float associated with the feature commonly has fragmental/porphyritic (?) style textures similar to that which was observed at the KGB2 site. However there is no outcrop and no definitive kimberlite was identified. Three samples of float rock were collected from this site. These rock samples have textures typical of that seen in deeply weathered macrocrystic olivine kimberlite and reported 1 picroilmenite and 2 pyrope garnet.

Figure 7: Target 1603 - Aerial View



Target 1702 (Figure 8) is a 3 ha sized, oblate geomorphic feature located within a window of the Warton Sandstone Formation. The feature is characterised by a variety of deeply weathered to silicified rock exposures (Figure 9), both as outcrop and surface float. The silicified rocks, often with skeletal textures, are in some instances very similar to those observed at Skerring and Seppelt 1 (Figure 10). Although the indicator mineral recoveries from the 2007 samples were not completely mirrored by the follow-up samples taken in 2017, there is sufficient overlap of the results for Target 1702 to be considered a high priority kimberlite target that warrants follow-up. The mineral chemistry plots for the indicator minerals recovered from Target 1702 in 2007 are shown in Figures 12 & 13. The pressure and temperature estimates based on the cr-diopside mineral chemistry demonstrate that the grains have equilibrated within the theoretical diamond stability field (Figure 11). The garnet mineral chemistry shows grains represented in the G9D and the harzburgitic G10D fields (Figure 12). Both of these plots signify mantle conditions potentially conducive to the occurrence of diamonds and make 1702 a high priority target.

Figure 8: Target 1702 - Aerial View



Figure 9: Leached, Weathered Volcanic Outcrop - Sample Site 17TRP002



Figure 10: Skeletal textures: Target 1702 (A), Skerring (B) and Seppelt 1 (C)

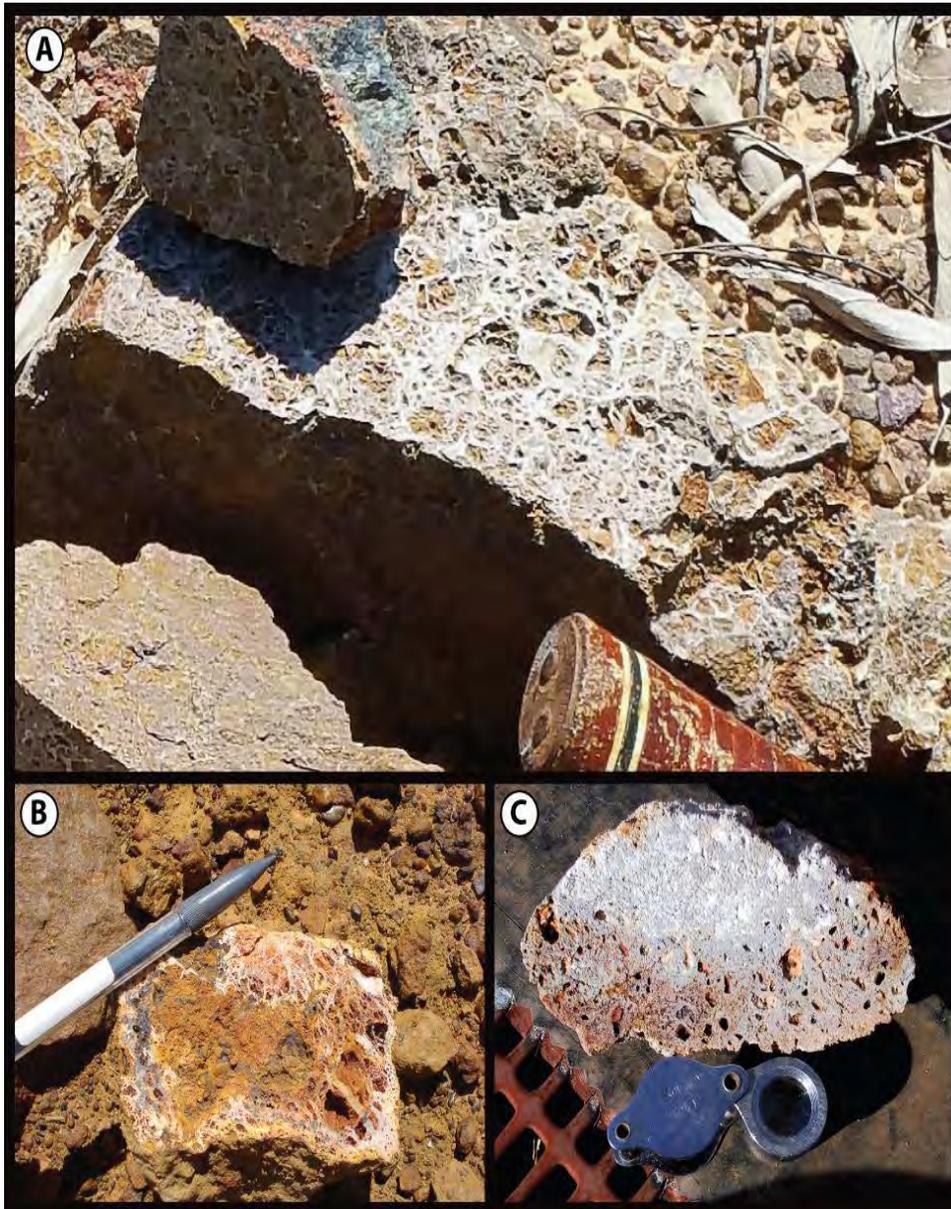


Figure 11: Cr-Diopside Geothermobarometry for Target 1702

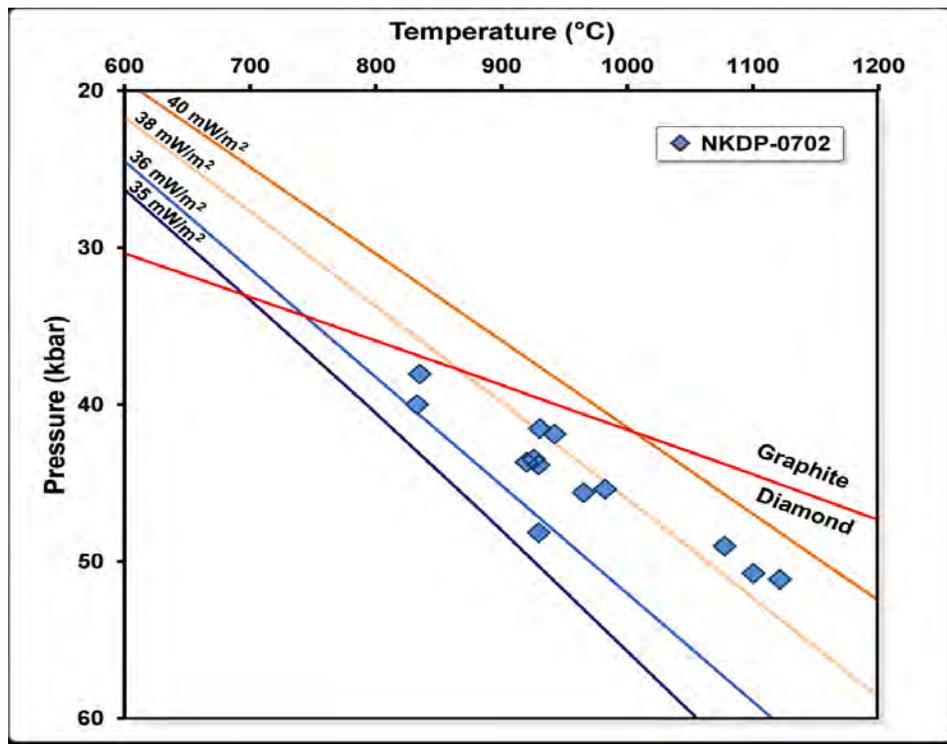
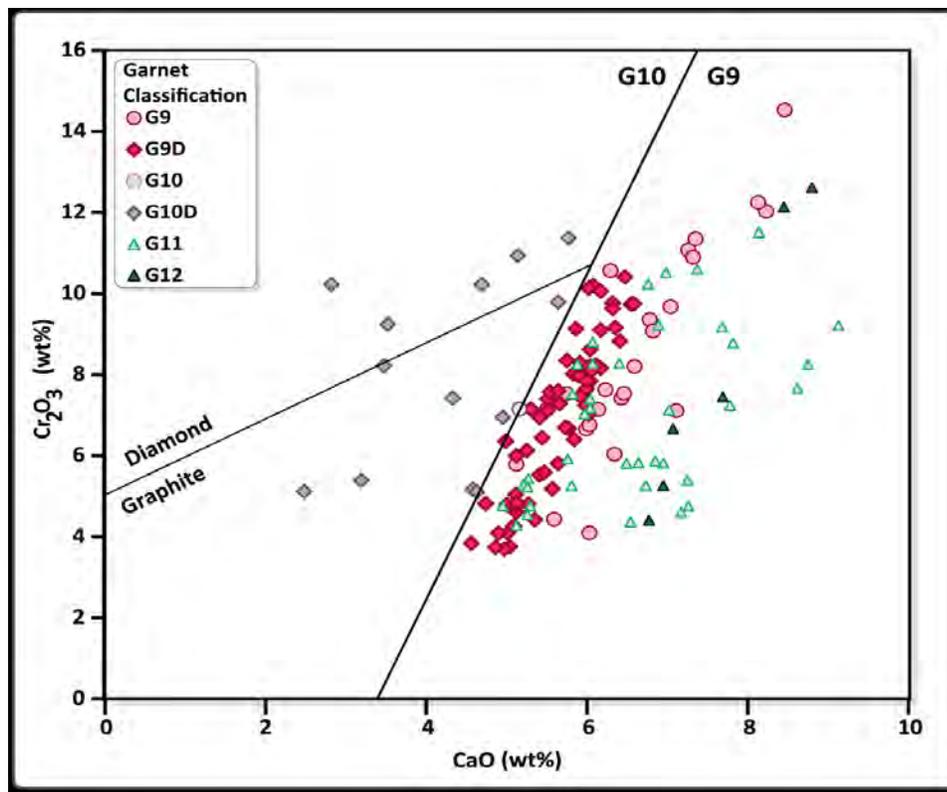


Figure 12: Garnet Mineral Chemistry for Target 1702



Target 1605 is a geomorphic feature (Figure 13) associated with a NE trending regional scale structure. The feature is characterised by heavily ferruginised dark red-brown pisolitic soils and float. The textures of rocks associated with this target have characteristics very similar to those observed in the deeply weathered KGB2 kimberlite (Figure 14). Rock samples collected from this site yielded a small number of kimberlite indicator minerals therefore this feature is considered to be a high priority kimberlite target that warrants further work.

Figure 13: Target 1605 - Aerial View

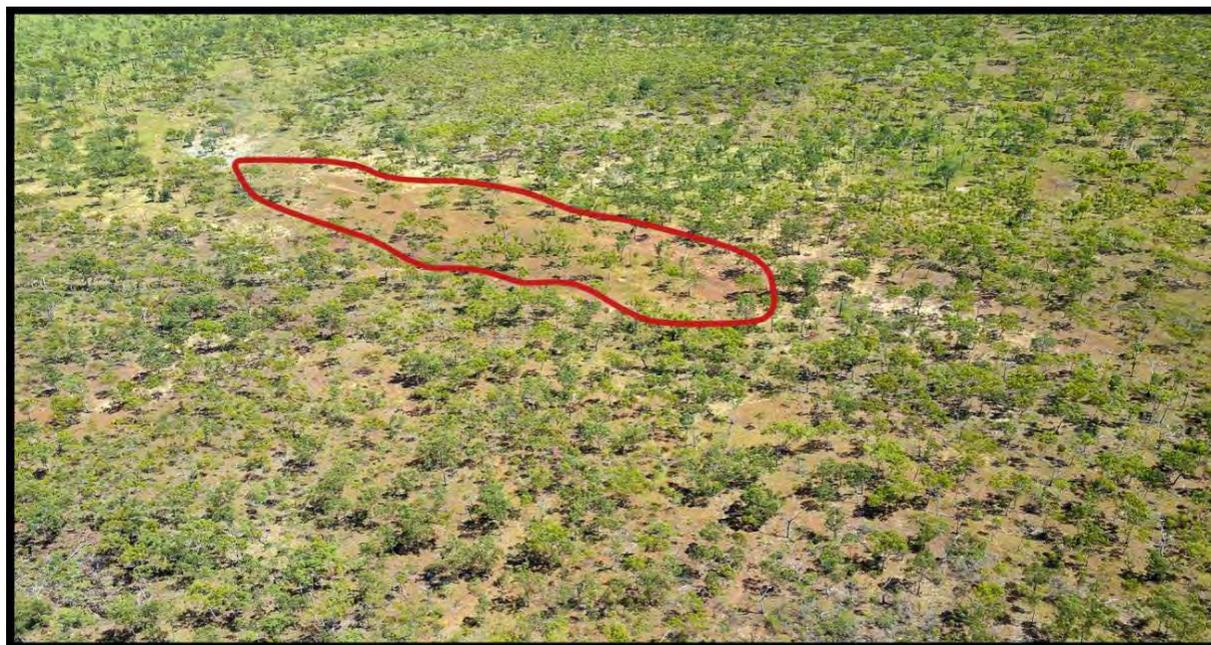


Figure 14: Samples from KGB2 (17TRP005 A) and Target 1605 (17TRP009 B)

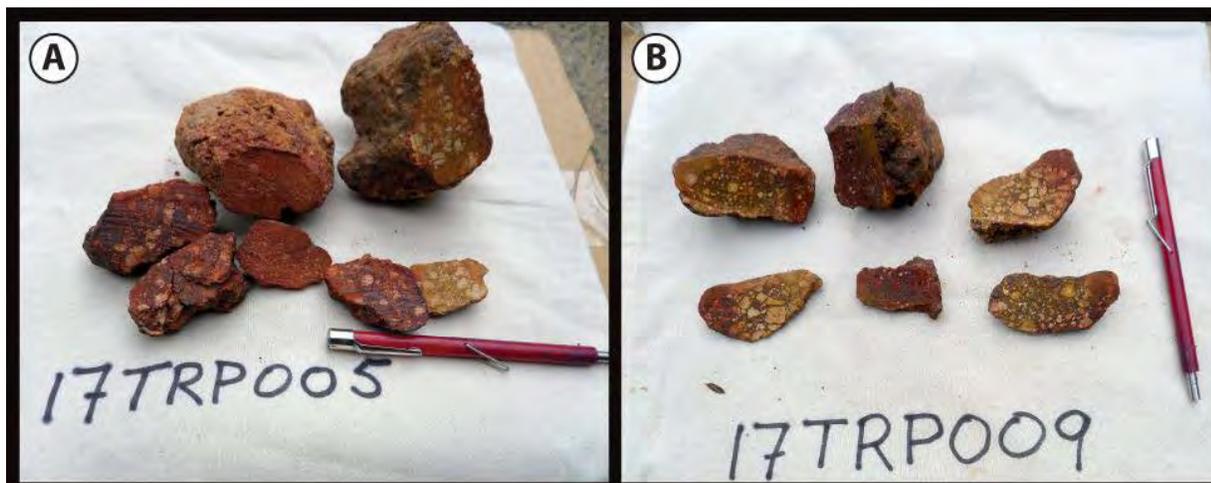


Table 6: Samples Taken for Heavy Mineral Analysis

Sample Id	Target	Easting	Northing	Description
17TRP001	1702	298801	8445004	Sample from scattered float in vegetation free area. White bleached rock, host rock is Warton sandstone/siltstone, superficial iron staining, minor fine fragmentation, some fine <1mm wide wispy silica/carb (?) veining. Some brecciation. Rock with skeletal textured weathered surface, fresh surfaces show fragmental textures with angular country rock clasts <4mm diameter, clasts are bleached white, soft, talc like. Groundmass is mildly ferruginous and siliceous.
17TRP002	1702	298819	8444955	Mostly bleached, soft, talc like rock with sub-rounded to lenticular, bright green clasts <4mm diameter, vesicles/olivine (?). Most of sample taken from bleached outcrop in creek bank. Some skeletal, weathered rocks with the vesicles void.
17TRP003	1702	298869	8445012	Hard siliceous rock, porphyritic appearance with abundant dark green, globular clasts, irregular shapes, <5mm diameter. Fine grained siliceous matrix. Minor siliceous veining. Sample from sporadic outcrop and float.
17TRP004	1702	298688	8444860	Hard volcanic rock, porphyritic/fragmental texture, ferruginous alteration, contains magnetite, silica filled vesicles. Sample from rocky outcrop on edge of creek.
17TRP005	1701	304003	8450321	Sample from scattered float. Heavily ferruginised, altered, fragmental texture. Fragments are angular <6mm dia, white and siliceous. Contains magnetite. Some euhedral shapes possibly after olivine.
17TRP006	1701	304028	8450246	Sample from screening mounds (?). Two small mounds of iron pisolites and ferricrete fragments.
17TRP007	1604	303528	8453129	Sample from base of ferricrete cap exposed in break away. Ferricrete cap is 1.5m thick. The sample site is on a structure that cuts across the photo feature target, Sample is of ferricrete fragments.
17TRP008	1605	306567	8553631	Heavily ferruginised, weathered and altered rock, finely porphyritic/fragmental texture with clasts <3mm diameter, clasts are rounded to sub-angular and siliceous.
17TRP009	1605	306663	8443626	Heavily ferruginised, altered rock, porphyritic like texture, common clasts of talc/serpentine after olivine/kimberlite? Occasional euhedral shapes <5mm diameter.
17TRP010	1605	306688	8443641	Heavily altered, ferruginised rock, porphyritic/fragmental like texture, sub-angular, siliceous clasts, <6mm diameter. Very fine grained siliceous matrix. No obvious olivine replacement.

Mineralization

The North Kimberley Kimberlite Province comprises 15 kimberlite pipes and numerous kimberlite dykes. A total of six kimberlite pipes, eight defined kimberlite dykes and numerous small inferred kimberlite dykes are located on the Project. The Ashmore kimberlite pipes are located on a mining lease that is wholly enclosed by the Property. The Seppelt and Pteropus kimberlite pipes are located 23 km and 45 km southeast of the Property, respectively. Both the Ashmore and Seppelt kimberlite pipe clusters are within mining titles currently owned by Merlin Diamonds Limited and in which Lithoquest has no beneficial interests or entitlements.

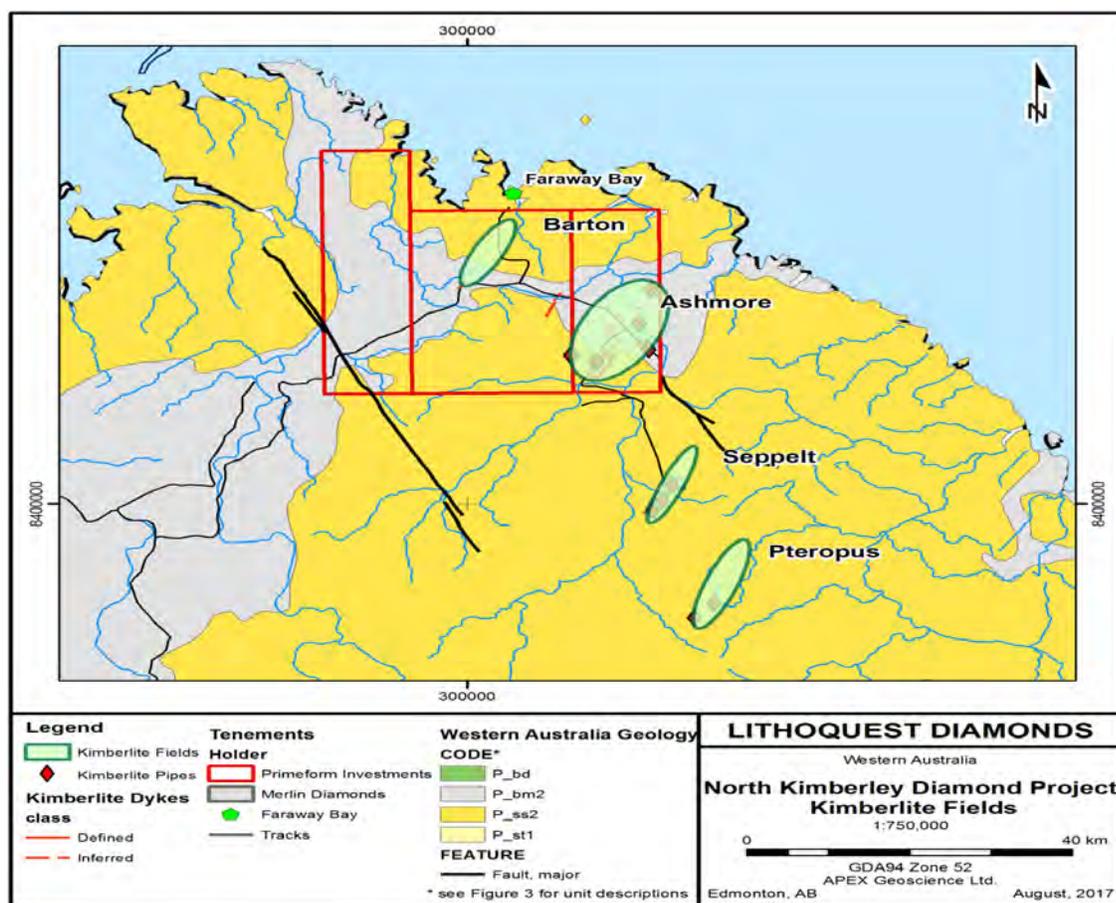
The Jump-up, Wishy Washy, KGB2, Skerring and Hadfields kimberlite dykes were discovered by the Kalumburu JV in the 1970's. However these initial kimberlite discoveries were predominantly non-diamondiferous, ilmenite-rich, narrow kimberlite dykes. The subsequent discovery of the diamondiferous Seppelt kimberlite pipes by Stockdale Prospecting (De Beers) in 1993, and the diamondiferous Ashmore kimberlite pipes in 1996 by Striker Resources, led to renewed exploration in the area.

As a consequence of both planation landform development and subsequent erosion, the significant kimberlite discoveries are found within different geological settings. The Skerring Pipe and Lower Bulgurri Fissure are exposed within the Carson Volcanics, Ashmore and Pteropus within the Warton Sandstone, and the Seppelt Pipes within the Pentecost Sandstone. Notwithstanding the different associated local stratigraphy, with the exception of the Skerring Pipe, the pipes display evidence of deep weathering and have associated mudstones and clay, sand and cobble gravels ('infill material') associated with the near surface portions of the pipes. Silicified kimberlite cobbles can also be observed in most of the preserved upper portions of the pipes, as well as silicification of some portions of the associated kimberlite dykes, suggesting that these pipes have had associated silicified capping prior to the development of the 'infill material'. The sand and clay cobble gravels also report indicator minerals and occasional cobbles of silicified kimberlite material. The thickness of this infill material, which does not occur outside the bounds of the pipe, is usually in the order of 20 m to 30 m. The combined effects of differing local stratigraphy, the development of infill sedimentary material and silicification can diminish the surface expression of the pipes. For the known pipes, associated kimberlite dykes and unexplained surface indicator mineral dispersions are often the only physical evidence of a kimberlite occurrence. Historic exploration efforts have been severely impeded by the regolith development resulting in numerous indicator mineral occurrences remaining unresolved.

Structurally the various kimberlite occurrences present as an 'en echelon' style array within a north northwest regional trend (Figure 13). The northwest trending Barton Fault appears to form a boundary to the southwest and is arguably a controlling fault to the development of the en echelon array. The known individual kimberlite occurrences are all associated with northeast trending lineaments. The spatial periodicity of the kimberlite occurrences is in the order of 23 km. The trend remains open to both the north northwest and the south southeast with unsourced indicator minerals having reported to historic samples taken in both of these areas.

The Project tenements cover the Ashmore Field (outside of the Ashmore Pipes) and the KGB2 kimberlite dyke located 23 km to the north northwest, along with a number of reported indicator mineral anomalies in the area, suggests the potential presence of another kimberlite field. The Project tenements also extend beyond the KGB2 area along the north northwest projection of the kimberlite province. A brief description of the kimberlite occurrences located on the Project is included below.

Figure 15: North Kimberley Project Regional Structural Controls



Drilling

No drilling has been completed on the Project by Lithoquest.

Sampling, Analysis and Security of Samples

The samples collected in both 2007 and 2017 were processed by the Saskatchewan Research Council (“SRC”) in Saskatoon, Saskatchewan. The SRC is an independent laboratory facility designed to meet the requirements of the diamond industry. The laboratory operates under ISO 9001:2008 certification and conforms with the requirements of ISO/IEC 17025:2005 laboratory standards (as per the conditions for accreditation established by the Standards Council of Canada). All areas are under 24-hour video surveillance and have restricted access with additional security personnel available to monitor sample processing. To ensure the integrity of the process, a chain of custody is established between the customer and the laboratory. Customer samples are processed in a controlled environment to ensure that confidentiality is maintained at all times. All samples are handled according to defined security protocols during processing stages. The author was responsible for the collection and transport security of the samples taken in 2017. The author accepts that the samples collected and transported by Primeform in 2007 were afforded similar care and diligence.

The rock sampling completed during a field visit undertaken on the 5th and 6th of April, 2017 was supervised by Mr. Reddcliffe. Ten composite rock grab samples were collected within the Project. Sample locations were determined by a hand-held global positioning system (GPS) instrument in UTM coordinates using the Geocentric Datum of Australia 1994 (GDA94) and UTM zone 52. The rock grab samples were approximately 2 to 5 kg in weight. All samples were collected in calico sample bags and sample identifiers were written on the outside of each bag. The samples were collectively put into clear plastic sample bags which were then closed with zip ties. The batched samples were placed

in a plastic container that was secured with security tags and sent initially by road transport to Perth, then by air from Perth to the Saskatchewan Research Council (“SRC”) in Saskatoon, Saskatchewan. The samples were inspected by the laboratory supervisor at the SRC once they were received. The supervisor noted that the security tags on the samples were intact and confirmed the tag numbers were consistent. The author did not have control over the samples at all times, however based on the chain of custody forms completed by the SRC the author has no reason to believe any of the rock samples were compromised.

At the SRC Laboratory, to recover heavy mineral concentrates, samples are disaggregated and weighed then wet sieved using vibrascreens into 2 fractions for processing: <1.0 mm to >0.5 mm and <0.5 mm to >0.25 mm. The minus 0.25 mm material and >1.0 mm material are stored. The two size fractions are then passed through a permaroll to separate non-magnetic from para-magnetic mineral grains. Heavy liquid separation using tetrabromoethane (specific gravity 2.96) and methylene iodide (targeting a specific gravity threshold of 3.3) is used to further concentrate the appropriate heavy minerals. The heavy mineral concentrate undergoes ferromagnetic separation using a hand magnet to obtain magnetic and nonmagnetic fractions. Samples are then passed through a Frantz separator to obtain the final concentrates for indicator mineral picking.

The SRC laboratory operates with strict Quality Assurance protocols which include an accredited management system, internal audit program, training program, supplier evaluations, facility and equipment inspections, and quality control processes. The quality control measures are monitored by the Quality Assurance Department and include sample preparation quality control checks, analysis of in-house reference materials and standards, traceable calibration standards for instrumentation, quality control monitoring and spiking samples to monitor process recoveries. The quality control measures specific to mineral processing are as follows:

- sieve are inspected using calibrated beads;
- the specific gravity of the micro-DMS medium is verified using tracers (2.4 – 3.1 SG) and;
- the specific gravity of the methylene iodide is checked prior to heavy liquid separation.

The SRC laboratory did not note any quality control aberrations during processing for the rock samples submitted by the author. The grains recovered from the samples will also undergo electron microprobe analysis to confirm the composition of the minerals. The results of the microprobe analysis are not available at this time. The author has reviewed the chain of custody documentation, analytical procedures and quality assurance and quality control processes employed by the SRC laboratory and has confidence in the veracity of the results.

Mineral Resources and Mineral Reserves

No mineral Resource Estimates have been completed for the Project.

Exploration and Development

See “Exploration Property - The North Kimberley Diamond Project - *Exploration*” for a detailed discussion of Lithoquest exploration activities.

Selected Consolidated Financial Information and Management Discussion and Analysis

Annual Information

The following information is from Lithoquest’s audited consolidated financial statements for the fiscal years ended March 31, 2017 and 2016. The table should be read in conjunction with the Lithoquest Financial Statements and the accompanying notes thereto attached as Schedule “3” to this Filing Statement.

	Mar 31, 2017	Mar 31, 2016	Mar 31, 2015 (unaudited)
Current assets (\$)	215,540	16	16
Capitalized exploration and evaluation expenditures (\$)	171,964	-	-
Current liabilities (\$)	117,397	3,608	3,608
Net loss (\$)	301,301	-	3,592
Basic and diluted loss per common share (\$)	(0.06)	-	(3,592)
Weighted average number of common shares outstanding	5,052,056	1	1

Quarterly Information

The following information is from the interim consolidated financial statements of Lithoquest for the eight most recently completed quarters. The table should be read in conjunction with the Lithoquest Financial Statements and the accompanying notes thereto attached as Schedule “3” to this Filing Statement.

Quarter ended	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015
Net loss (\$)	(135,544)	(57,034)	(171,146)	(12,062)	(61,059)	-	-	-
Basic and diluted net loss per common share (\$)	(0.02)	(0.01)	(0.01)	(0.00)	(0.05)	-	-	-

Management Discussion and Analysis

Management’s discussion and analysis of the financial condition and results of operations of Lithoquest for the financial year ended March 31, 2017 and for the subsequent three month period ended June 30, 2017, respectively, (collectively the “**Lithoquest MD&A**”) are attached as Schedule “4” to this Filing Statement. The Lithoquest MD&A should be read in conjunction with the selected financial information set forth above and the Lithoquest Financial Statements and accompanying notes thereto which are attached to this Filing Statement as Schedule “3”.

Description of Securities

Share Capital

Lithoquest is authorized to issue an unlimited number of common shares, of which 21,391,668 Lithoquest Shares (after giving effect to the Lithoquest Split) are issued and outstanding at the date hereof.

The Lithoquest Shares rank equally as to dividends, voting powers and participation in assets and in all other respects, on liquidation, dissolution or winding-up of Lithoquest, whether voluntary or involuntary, or any other disposition of the assets of Lithoquest among its shareholders for the purpose of the winding up of its affairs after Lithoquest has paid out its liabilities. The Lithoquest Shares are not subject to call or assessment rights or any pre-emptive or conversion rights. The Lithoquest Shareholders are entitled to one vote for each Lithoquest Share on all matters to be voted on at a meeting of shareholders. There are no provisions for redemption, purchase for cancellation, surrender or purchase of funds applicable to the Lithoquest Shares.

Warrants

Lithoquest has the following warrants outstanding as at the date of this Filing Statement, after giving effect to the Lithoquest Split:

- 2,362,500 Lithoquest Warrants entitling the holders to purchase up to 2,362,500 common shares of Lithoquest at a price of \$0.30 per share for a period of 24 months commencing on the date that common shares of Lithoquest are listed on a recognized stock exchange; and

- 12,000 Lithoquest Finder’s Warrants entitling the holders to purchase up to 12,000 common shares of Lithoquest at a price of \$0.20 per share for a period of 24 months commencing on the date that common shares of Lithoquest are listed on a recognized stock exchange.

Consolidated Capitalization

The following table sets forth the share capital of Lithoquest as at June 30, 2017 and as at the date of this Filing Statement, after giving effect to the Lithoquest Split. The table should be read in conjunction with the Lithoquest Financial Statements and the accompanying notes thereto, attached as Schedule “3” to this Filing Statement.

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding as of Jun 30, 2017	Amount Outstanding as of the date of this Filing Statement ⁽¹⁾
Common shares	Unlimited	16,666,668	21,391,668
Warrants ⁽²⁾	2,374,500	2,374,500	2,374,500

Notes:

- (1) After giving effect to the Lithoquest Split.
(2) See “Description of Securities – Warrants” above.

Prior Sales

In the 12 months prior to the date of this Filing Statement, Lithoquest has issued the following Lithoquest Shares, after giving effect to the Lithoquest Split:

Date of Issue	Number of Common Shares	Issue Price Per Common Share	Aggregate Issue Price	Nature of Consideration Received
June 1, 2017 ⁽¹⁾	3,126,666	\$0.05	\$156,333	Cash
June 1, 2017 ⁽¹⁾	4,873,334	\$0.0075	\$36,550	Cash
June 13, 2017	2,000,000	\$0.0075	\$15,000	Finder’s Fee
August 1, 2017	3,350,000 ⁽²⁾	\$0.20	\$670,000	Cash
August 15, 2017	1,375,000 ⁽²⁾	\$0.20	\$275,000	Cash

Notes:

- (1) The original issuance of these Lithoquest Shares occurred on March 6, 2016. These Lithoquest Shares were re-registered on June 1, 2017 in accordance with a re-pricing, pursuant to which the terms of the subscription agreements were amended and the subscribers paid additional cash consideration for their Lithoquest Shares.
(2) These common shares form part of a private placement unit offering by Lithoquest at a price of \$0.20 per unit, each unit comprised of one Lithoquest Share and one-half (1/2) of one Lithoquest Warrant.

In the course of the above mentioned prior sales, the following Lithoquest Shares were issued to non-arm’s length parties, after giving effect to the Lithoquest Split:

- 3,750,000 shares issued to a private company controlled by Bruce Counts;
- 200,000 shares issued in favor of Dwight Walker; and
- 100,000 shares issued to Angela Austman.

Stock Exchange Price

The securities of Lithoquest are not, and have not been, posted for trading on any stock exchange.

Executive Compensation

Disclosure

The following discussion and analysis covers the compensation paid to the individuals who served as Chief Executive Officer and Chief Financial Officer of Lithoquest during the financial years ended March 31, 2017 and March 31, 2016 (each such person, a “**Named Executive Officer**”). No other individual either acted as an executive officer of Lithoquest or had total compensation in excess of \$150,000 during the financial years ended March 31, 2017 and March 31, 2016.

Summary Compensation Table

The information below contains disclosure of compensation for the Named Executive Officers of Lithoquest, being Bruce Counts (Chief Executive Officer) and Dwight Walker (Chief Financial Officer), for the two most recently completed financial years.

Name and principal position	Period Ended ⁽¹⁾	Salary	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive compensation data compensation			All other Compensation ⁽²⁾	Total Compensation
					Annual incentive plans	Long-term incentive plans	Pension value		
Bruce Counts Chief Executive Officer	September 30, 2017	Nil	Nil	Nil	Nil	Nil	Nil	\$161,750	\$161,750
	September 30, 2016	Nil	Nil	Nil	Nil	Nil	Nil	\$5,000	\$5,000
Dwight Walker Chief Financial Officer	September, 30, 2017	Nil	Nil	Nil	Nil	Nil	Nil	\$10,000	\$10,000

Notes:

- (1) As a dormant private company from inception, there were no payments made to directors or officers prior to September 1, 2016 and no person occupied the position of CFO prior to August 1, 2017.
- (2) Consulting fees.

Options to Purchase Shares

No options to shares were granted to the Named Executive Officers during the fiscal period ended March 31, 2017.

Management Contracts

There are no material agreements or arrangements under which management functions are performed by a person other than the directors or senior officers of Lithoquest.

Non-Arm's Length Party Transactions

Other than compensation paid to director or officers of Lithoquest and as disclosed herein, there are no Non-Arm's Length transactions.

Legal Proceedings

There are no legal proceedings material to Lithoquest to which Lithoquest is a party to or of which any of its properties are the subject matter. Additionally, to the reasonable knowledge of Lithoquest, there are no such proceedings contemplated.

Auditors

The auditors of Lithoquest are Manning Elliot LLP, Chartered Professional Accountants, 11th Floor, 1050 West Pender Street, Vancouver BC, Canada V6E 3S7.

Material Contracts

Lithoquest CWS has not entered into any material contracts other than in the ordinary course of business within the previous two years prior to the date of this Filing Statement, with the exception of:

- the Letter of Intent concerning the Acquisition between CWS and Lithoquest;
- the Share Exchange Agreement concerning the Acquisition among CWS, Lithoquest and the Lithoquest Shareholders;
- Exploration Licenses E50/5029 and E80/5030 comprising the North Kimberley Diamond Project granted to Lithoquest's wholly-owned Australian subsidiary, Primeform, on January 18, 2017;
- Native Title, Heritage Protection and Mineral Exploration Agreement for Balanggarra Lands between Kimberly Land Council Aboriginal Corporation, as agent for the Balanggarra Aboriginal Corporation RNTBC and Primeform Investments Pty Ltd. dated December 16, 2016;
- Non-Brokered Private Placement Finder's Agreement between Shawn Khunkhun and Lithoquest dated August 28, 2017 in connection with Lithoquest's private placement of 4,725,000 units at a price of \$0.20 per unit (after giving effect to the Lithoquest Split) completed in August 2017 (see "Prior Sales" above);
- Service Agreement between Medalist Capital Ltd. and Lithoquest dated September 14, 2017 pursuant to which Medalist has agreed to provide certain financial advisory services to Lithoquest for a non-refundable cash fee of \$27,000, subject to termination by either party upon written notice; and
- Consulting Agreement between Thomas Reddicliffe and Lithoquest dated April 1, 2017 pursuant to which Mr. Reddicliffe was engaged as an independent contractor to prepare an independent technical report in accordance with NI 43-101 at a fee of AUS\$1,200 per day or, where appropriate, AUS\$150 per hour.

Copies of these agreements will be available for inspection at Lithoquest's head office located at Suite 210, 8429 - 24th Street N.W. Edmonton, AB T6P 1L3 during ordinary business hours on any Business Day up to the Closing of the Acquisition and for a period of 30 days thereafter.

INFORMATION CONCERNING THE RESULTING ISSUER

The following information is presented on a post-Acquisition basis and is reflective of the projected business, financial and share capital position of CWS after giving effect to the Acquisition and Offering. CWS on a post-Acquisition basis is referred to herein as the “Resulting Issuer”.

Corporate Structure

Name and Incorporation

The proposed name of the Resulting Issuer is “Lithoquest Diamonds Inc.” or such other name acceptable to Lithoquest and the TSXV. It is anticipated that the Resulting Issuer’s head and registered offices upon completion of the Acquisition will be changed from CWS’ current head and registered address to the following new addresses:

Registered office: Suite 2600 - 1066 West Hastings Street, Vancouver British Columbia V6E 3X1

Head office: Suite 210, 8429 - 24th Street N.W. Edmonton, AB T6P 1L3

Upon completion of the Acquisition, the Resulting Issuer will continue to be governed by the BCBCA.

Intercorporate Relationships

Following completion of the Acquisition, the Resulting Issuer will own all of the issued and outstanding shares of Lithoquest and, as such, Lithoquest will be a wholly-owned subsidiary of the Resulting Issuer and the Lithoquest Subsidiary will be an indirect wholly-owned subsidiary of the Resulting Issuer. The corporate structure, including the percentage of voting shares owned and the jurisdiction of incorporation, of the Resulting Issuer and its subsidiaries is set out in the diagram below.



Narrative Description of the Business

Description of the Business

Upon completion of the Acquisition, the principal business of Resulting Issuer will be the business of Lithoquest. See “*Information Concerning Lithoquest*”.

The primary business objective of the Resulting Issuer with respect to its operations is to explore and develop diamond mining properties in Australia.

Milestones

To pursue the foregoing business objective, the Resulting Issuer will target the milestones and conduct the recommended exploration programs set forth in the North Kimberley Report, the highlights of which follow. Exploration work at the North Kimberley Diamond Project will be carried out as a two phase program consisting of target generation and target investigation.

Phase One

Phase 1 will consist of both office and field work. The office work is designed to develop and identify priority targets for follow-up. This work will include: (i) reassessment of the available historic magnetic, electromagnetic and gravity datasets; (ii) undertaking landform and structural analysis using the latest satellite imagery and drone photo imagery to identify geomorphological targets; and (iii) reviewing the historical data in the public archive to identify high priority targets and areas of interest. The results of this office work will be integrated to produce a list of targets based on priority prior to the 2018 field season. The primary objective of the phase 1 field work is to test high priority targets for the presence of kimberlitic material. Core drilling will be undertaken on one or two targets to provide core samples of important geological information such as mineralogical composition, texture, age and the presence of different geological units. Ground geophysical surveys as well as prospecting will be carried out in areas where kimberlite is suspected. The proposed exploration budget for phase 1 is \$1,200,000. See “*Estimated Available Funds and Principal Purposes*” below.

Phase Two

The scope of phase 2 will largely be dictated by the results of phase 1, with the following work being considered: (i) ground geophysical surveys on targets of interest generated in phase 1; (ii) prospecting of phase 1 targets; (iii) acquisition of further airborne; (iv) drilling of high priority targets; and (v) heritage studies on areas of interest not studied in phase 1. The proposed exploration budget for phase 2 is \$2,300,000. See “*Estimated Available Funds and Principal Purposes*” below.

Exploration and Development

It is anticipated that the programs recommended in the North Kimberley Report will commence in the fourth quarter of 2017 with field work commencing in the second quarter of 2018.

Description of Securities

The share structure of the Resulting Issuer after completion of the Acquisition and Offering is set out under “*Pro Forma Consolidated Capitalization of the Resulting Issuer*” and “*Fully Diluted Share Capital of the Resulting Issuer*” below.

The Resulting Issuer will be authorized to issue an unlimited number of Resulting Issuer Shares without par value and all Resulting Issuer Shares will rank equally as to voting rights and participation in a distribution of the assets of the Resulting Issuer on a liquidation, dissolution or winding-up of the Resulting Issuer. The holders of Resulting Issuer Shares will also be entitled: (i) to dividends, as and when declared by the Resulting Issuer Board; and (ii) to receive notice of and to one vote per Resulting Issuer Share at meetings of the shareholders of the Resulting Issuer. The Resulting Issuer Shares will have no pre-emptive, conversion, exchange, redemption, retraction, purchase for

cancellation or surrender provisions and there will be no sinking fund provisions in relation to the Resulting Issuer Shares. See “*Dividend Record and Policy*” below for particulars of the Resulting Issuer’s anticipated dividend policy.

Dividend Record and Policy

The Resulting Issuer does not intend to pay any cash dividends on the Resulting Issuer Shares in the foreseeable future and, therefore, holders of Resulting Issuer Shares may not be able to receive a return on their shares unless they sell them. The Resulting Issuer’s policy will be to retain earnings, if any, to reinvest in the Resulting Issuer.

The Resulting Issuer’s dividend policy will be reviewed from time to time by the Resulting Issuer Board in the context of its earnings, if any, financial condition and other relevant factors. Until the Resulting Issuer pays dividends on the Resulting Issuer Shares, which it may never do, its shareholders will not be able to receive a return on the Resulting Issuer Shares unless they sell them.

Pro Forma Consolidated Capitalization of the Resulting Issuer

The following table sets forth the capitalization of the Resulting Issuer after giving effect to the Acquisition, the Offering and related matters (including the Lithoquest Split) and should be read in conjunction with the unaudited *pro forma* financial statements attached to this Filing Statement as Schedule “5”.

Designation of Security	Amount Authorized	Amount Outstanding After Giving Effect to the Lithoquest Split, the Acquisition and the Offering (Undiluted)⁽⁴⁾
Resulting Issuer Shares	Unlimited	45,911,963
CWS Acquisition Warrants issuable in exchange for Lithoquest Shares pursuant to the Acquisition ⁽¹⁾	5,347,920	5,347,920
CWS Exchange Warrants issuable in exchange for Lithoquest Warrants pursuant to the Acquisition ⁽¹⁾	2,362,500	2,362,500
CWS Exchange Finder’s Warrants issuable in exchange for Lithoquest Finder’s Warrants	12,000	12,000
Offering Warrants forming part of the Units to be issued pursuant to the Offering	9,488,636	9,488,636
Offering Finder’s Warrants to be issued pursuant to the Offering ⁽²⁾	504,914	504,914
Resulting Issuer Options granted under the Option Plan ⁽³⁾	2,500,000	2,500,000
Loan Capital	Nil	Nil

Notes:

- (1) See “Overview of the Acquisition” and “Share Exchange Agreement” under “*Particulars of the Acquisition*” for further details regarding the terms of the Acquisition and Share Exchange.
- (2) This figure represents the total estimated Offering Finder’s Warrants to be issued to Finders pursuant to the Offering (assuming the entire Offering is sold). See “*Particulars of the Acquisition - Offering*” for further details regarding the terms of the Offering.
- (3) See “*Options to Purchase Securities*” below for details of the Resulting Issuer Options to be granted in conjunction with the Acquisition.
- (4) The pro-forma deficit of the Resulting Issuer, on a consolidated basis, as June 30, 2017 after giving effect to the Acquisition and Offering is \$2,770,298. See the unaudited pro-forma financial statements of CWS attached hereto as Schedule “5”.

Fully Diluted Share Capital of the Resulting Issuer

In addition to the information set out in the capitalization table above, the following table sets out the anticipated fully diluted share capital of the Resulting Issuer after giving effect to the Acquisition, the Offering and related matters (including the Lithoquest Split):

	Number of Resulting Issuer Shares	Percentage of Total Resulting Issuer Shares After Giving Effect to the Acquisition, the Offering and related matters (on a fully diluted basis)
Resulting Issuer Shares held by current CWS Shareholders	5,543,023	8.38%
Resulting Issuer Shares to be issued in connection with the Acquisition to current Lithoquest Shareholders in exchange for their Lithoquest Shares (after giving effect to the Lithoquest Split)	21,391,668	32.35%
Resulting Issuer Shares to be issued in connection with the Offering	18,977,272	28.70%
Total Number of Undiluted Resulting Issuer Shares upon completion of Acquisition and Offering	45,911,963	69.43%
Resulting Issuer Shares Reserved for Future Issue:		
Reserved for issuance pursuant to CWS Acquisition Warrants to be issued under the Acquisition	5,347,920	8.09%
Reserved for issuance pursuant to CWS Exchange Warrants to be issued under the Acquisition	2,362,500	3.57%
Reserved for issuance pursuant to CWS Exchange Finder's Warrants to be issued under the Acquisition	12,000	0.02%
Reserved for issuance pursuant to Offering Warrants to be issued under the Offering	9,488,636	14.35%
Reserved for issuance pursuant to Offering Finder's Warrants to be issued in connection with the Offering ⁽¹⁾	504,914	0.76%
Reserved for issuance pursuant to Resulting Issuer Options to be issued in conjunction with Acquisition	2,500,000	3.78%
Total Number of Diluted Resulting Issuer Shares	66,127,933	100%

Notes:

- (1) This figure represents the total estimated Offering Finder's Warrants to be paid to Finders pursuant to the Offering (assuming the entire Offering is sold). See also "*Particulars of the Acquisition – Offering*".

Estimated Available Funds and Principal Purposes

Available Funds

The Available Funds to the Resulting Issuer after giving effect to the Acquisition and upon completion of the Offering, after taking into account costs and expenses associated therewith, are anticipated to be approximately \$5,307,682, based on the calculations set out in the table below. The amounts shown in the table are estimates only and are based on funds expected to be available at the completion of the Acquisition and Offering.

Source of Funds	Available Funds (C\$)
Estimated working capital deficiency of CWS as at October 31, 2017	(\$112,754)
Estimated working capital of Lithoquest as at October 31, 2017	\$632,900
Net proceeds raised pursuant to the Offering (after deducting estimated Finder's Fees payable in cash of \$136,327)	\$4,987,536
Balance of estimated costs associated with the Acquisition, Offering and related matters	(\$200,000)
Total Funds Available	\$5,307,682

Principal Purposes of Available Funds

The Resulting Issuer intends to use the Available Funds over the next 12 months as set out in the table below:

Anticipated Use of Funds	Amount (C\$)
Estimated listing fees payable to TSXV in connection with the Acquisition and Offering	\$40,000
To carry out the Phase 1 exploration program on the North Kimberley Diamond Project recommended in the North Kimberley Report ⁽¹⁾	\$1,200,000
To fund estimated general and administrative expenses for next 12 months comprised of the following monthly expenditures: Management/consulting fees - \$27,000 per month Accounting/auditing - \$1,500 per month Professional fees - \$7,500 per month Marketing - \$16,700 per month Office and miscellaneous - \$5,000 per month Transfer agent - \$750 per month Travel - \$9,000 per month Filing fees - \$500 per month Insurance - \$1,250 per month TOTAL - \$69,200 per month	\$830,400
Reserve for Phase 2 exploration program on the North Kimberley Diamond Project recommended in the North Kimberley Report (to be dictated largely by results of Phase 1) ⁽¹⁾	\$2,300,000
Unallocated working capital	\$937,282
TOTAL	\$5,307,682

Notes:

(1) See "Information Concerning the Resulting Issuer – Narrative Description of the Business" for details of the Phase 1 and Phase 2 exploration programs for the North Kimberley Diamond Project recommended in the North Kimberley Report.

The Resulting Issuer intends to spend the Available Funds for the principal purposes as indicated above. Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve its objectives. The Resulting Issuer may also require additional funds in order to fulfill all of the Resulting Issuer's expenditure requirements to meet its objectives, in which case the Resulting Issuer expects to issue additional shares and/or incur indebtedness. See "*Risk Factors*". There is no assurance that additional funding required by the Resulting Issuer will be available on commercially reasonable terms or at all when required. However, it is anticipated that the Available Funds will be sufficient to satisfy the Resulting Issuer's objectives over the next 12 months.

Principal Shareholders

To the knowledge of management of CWS and Lithoquest, upon completion of the Acquisition and the Offering, the following Persons will beneficially own, or control or direct, directly or indirectly, 10% or more of the issued and outstanding Resulting Issuer Shares:

Name & Municipality of Residence	Type of Ownership	Number of Resulting Issuer Shares after completion of the Acquisition and Offering (on a non-diluted and fully-diluted basis)	Percentage of Resulting Issuer Shares after completion of the Acquisition and Offering (on a non-diluted and fully-diluted basis) ⁽¹⁾
Warren Irwin ⁽²⁾ <i>Toronto, Ontario</i>	Direction/Control	6,960,000 ⁽³⁾ – undiluted 11,715,000 ⁽⁴⁾ – diluted	15.16% - undiluted 17.72% - diluted

Notes:

- (1) The denominator for the calculation of undiluted percentages is 45,911,963 and the denominator for the calculation of diluted percentages is 66,127,933. See "*Fully Diluted Share Capital of the Resulting Issuer*" above.
- (2) Warren Irwin acts as an investment advisor or portfolio manager for each of Rosseau Fund, G10 Rosseau Special Situations Master Fund, G10 - Global Asset Management Ltd., and Rosseau Limited Partnership which, in the aggregate, will own approximately 6,960,000 Resulting Issuer Shares upon completion of the Acquisition and Offering (assuming the entire Offering is sold). It is anticipated that Mr. Irwin will exercise control and/or direction over these securities in his capacity as investment advisor and/or portfolio manager for such entities.
- (3) This figure includes 5,100,000 Resulting Issuer Shares to be issued in exchange for Lithoquest Shares pursuant to the Acquisition and 1,860,000 Resulting Issuer Shares to be purchased under the Offering.
- (4) This figure includes up to 4,755,000 Resulting Issuer Shares issuable upon the exercise of 1,275,000 CWS Acquisition Warrants and 2,550,000 CWS Exchange Warrants to be issued pursuant to the Acquisition and 930,000 Offering Warrants to be issued under the Offering.

Directors, Officers and Promoters

Proposed Directors and Executive Officers of Resulting Issuer

Upon completion of the Acquisition, it is anticipated that the executive officers and directors of the Resulting Issuer will be the persons set forth in the table below. The table and the notes thereto set out the name, municipality and country of residence, current principal occupation, and offices to be held by each proposed executive officer or director, as well as all other positions and offices with Lithoquest now held by them (and their periods of service as directors or officers of Lithoquest), if applicable, and the number of voting securities anticipated to be beneficially owned, directly or indirectly, or over which each exercises control or direction, following the successful completion of the Acquisition and Offering.

Name, Municipality of Residence and Proposed Position with the Resulting Issuer	Period serving as a director of Lithoquest	Principal Occupation(s) over the past 5 years	Number of Resulting Issuer Shares	Percentage of Class (Undiluted and Diluted)
Bruce Counts <i>Tofino, B.C.</i> <i>Canada</i> President, CEO, Director and Promoter	May 31, 2016 to Present	Professional Geoscientist; Consultant, Stonefish Capital Inc.	Undiluted- 3,800,000 Diluted- 5,212,500	Undiluted - 8.28% Diluted - 7.88%
Dwight Walker <i>Dundas, Ontario</i> <i>Canada</i> CFO and Corporate Secretary	N/A	President, Target Financial Services Inc.	Undiluted- 200,000 Diluted- 650,000	Undiluted - 0.44% Diluted - 0.98%
Angela Austman <i>Langley, B.C.</i> <i>Canada</i> Director	N/A	Partner, Lawson Lundell LLP (02/2015 to present) Partner, McCullough O'Connor Irwin LLP (01/2011 to 02/2015)	Undiluted- 100,000 Diluted- 550,000	Undiluted - 0.22% Diluted - 0.83%
Lon Shaver <i>Surrey, B.C.</i> <i>Canada</i> Director	N/A	Principal, Brighton Corporate Advisors Inc. (05/2016 to present) Investment Banker, Raymond James Ltd. (04/2005 to 05/2016)	Undiluted- 0 Diluted- 375,000	Undiluted - 0% Diluted - 0.57%
Gerald Prosalendis <i>Victoria, B.C.</i> <i>Canada</i> Director	N/A	President, COO and Director, Quaterra Resources Inc. (04/2016 to present) President and Director, Swordfern Strategic Counsel Inc. (09/2012 to present)	Undiluted- 0 Diluted- 350,000	Undiluted - 0% Diluted - 0.53%

If the Acquisition and Offering are completed, the directors, officers and Promoters of the Resulting Issuer, as a group, will control, directly or indirectly, 4,100,000 Resulting Issuer Shares, representing approximately 8.93% of the total issued and outstanding Resulting Issuer Shares on an undiluted basis (7,137,500 shares or 10.79% on a diluted basis).

The term of office of the Resulting Issuer's directors will expire annually at the time of the Resulting Issuer's annual meeting or when or until their successors are duly appointed or elected. The term of office of the Resulting Issuer's executive officers is subject to the discretion of the Resulting Issuer Board. Upon completion of the Acquisition, three of the four directors of the Resulting Issuer will be considered independent of the Resulting Issuer. The directors who will be considered independent are Angela Austman, Lon Shaver and Gerald Prosalendis. Bruce Counts will not be independent of the Resulting Issuer as he will be its President and Chief Executive Officer.

Biographies of Directors and Executive Officers

Bruce Counts, age 55, has over 25 years' experience in international diamond exploration and more than 16 as a director and senior officer of publicly traded mineral exploration companies. He was directly involved in the discovery of several kimberlite fields, including the Lac de Gras field which is host to the Ekati Diamond Mine in Canada's Northwest Territories. Bruce holds a Bachelor of Applied Science in Geological Engineering from the University of British Columbia and is a registered Professional Geoscientist.

Dwight Walker, age 60, has over 30 years' experience in finance and administration, including the most recent 10 years within the mining sector. He has served as the Chief Financial Officer of several public companies. Mr. Walker is the former CFO of ECU Silver Mining Inc, an emerging Mexico-based silver producer that had 500 employees and two operating mills, and part of the team that sold the company through a plan of arrangement transaction at a value in excess of \$300 million.

Angela Austman, age 43, has 15 years' experience advising publicly-traded mineral exploration companies on matters of corporate governance, finance and securities law. She is a Partner at Lawson Lundell LLP in Vancouver, B.C. Ms. Austman received her LLB from the University of British Columbia and is called to the Bar in British Columbia, Yukon, Northwest Territories and Nunavut.

Lon Shaver, age 47, is a chartered financial analyst with 25 years of capital markets and corporate experience, mostly focused on the Canadian mining sector. This includes roles as an investment banker with Raymond James and Merrill Lynch, where he completed numerous financing and M&A mandates, as well as a mining analyst with an institutional sell-side firm. Mr. Shaver's corporate experience includes CFO roles with a publicly-listed diamond exploration company and a private technology company.

Gerald Prosalendis, age 61, has been an officer or director of a number of publicly traded mining exploration and development companies. He is currently a director and President and COO of Quaterra Resources Inc. He was the Vice President Corporate Development of Western Silver Corporation and was involved in the successful sale of that company in 2006 to Glamis Gold Ltd. He was also Vice President Corporate Development of Dia Met Minerals, a member of the team that developed the Ekati diamond mine and was involved in the sale of Dia Met to BHP Billiton in 2001. He has worked with company executives to develop and implement strategic plans; identify opportunities for growth including property acquisitions, M&A activity, joint ventures and partnerships; facilitate corporate financings; and, build companies' profiles in the investment community.

Management

The following sets forth further particulars for those individuals who will be members of management and key personnel of the Resulting Issuer, including the positions they will hold with the Resulting Issuer and the proportion of their time to be devoted to the Resulting Issuer.

Bruce Counts – President and Chief Executive Officer

Bruce Counts will act as the President and Chief Executive Officer of the Resulting Issuer and Lithoquest upon completion of the Acquisition and is expected to devote his full working time and attention, as an employee, to the business of the Resulting Issuer and Lithoquest. See “*Directors, Officers and Promoters*” above for further details of Mr. Counts' work experience and educational background.

Dwight Walker – Chief Financial Officer and Corporate Secretary

Dwight Walker will act as the Chief Financial Officer and Corporate Secretary of the Resulting Issuer upon completion of the Acquisition and is expected to devote approximately 1/3 of his working time and attention, as an independent contractor, to the business of the Resulting Issuer and Lithoquest. See “*Directors, Officers and Promoters*” above for further details of Mr. Walker's work experience and educational background.

As of the date of this Filing Statement, neither Bruce Counts nor Dwight Walker has entered into a non-competition or non-disclosure agreement with Lithoquest nor proposes to enter into such an agreement with the Resulting Issuer.

Proposed Committees of the Resulting Issuer Board

The Resulting Issuer Board will establish an audit committee and compensation and nominating committee and may also establish other committees of the Resulting Issuer Board from time to time as it determines to be appropriate. The Resulting Issuer will be adopting an Audit Committee Charter.

Audit Committee

The audit committee will be comprised of Lon Shaver (Chair), Angela Austman and Gerald Prosalendis. The audit committee will oversee the accounting and financial reporting practices and procedures of the Resulting Issuer, and the audits of the Resulting Issuer's financial statements. The principal responsibilities of the audit committee include: (i) overseeing the quality and integrity of the internal controls and accounting procedures of the Resulting Issuer, including reviewing the Resulting Issuer's procedures for internal control with the Resulting Issuer's auditor and chief financial officer; (ii) reviewing and assessing the quality and integrity of the Resulting Issuer's annual and interim

financial statements and related management’s discussion and analysis, as well as all other material continuous disclosure documents, such as the Resulting Issuer’s annual information form (if applicable); (iii) monitoring compliance with legal and regulatory requirements related to financial reporting; (iv) reviewing and approving the engagement of the auditor of the Resulting Issuer and independent audit fees; (v) reviewing the qualifications, performance and independence of the auditor of the Resulting Issuer, considering the auditor’s recommendations and managing the relationship with the auditor, including meeting with the auditor as required in connection with the audit services provided to the Resulting Issuer; (vi) assessing the Resulting Issuer’s financial and accounting personnel; (viii) reviewing the Resulting Issuer’s risk management procedures; (ix) reviewing any significant transactions outside the Resulting Issuer’s ordinary course of business and any pending litigation involving the Resulting Issuer; and (x) examining improprieties or suspected improprieties with respect to accounting and other matters that affect financial reporting.

Compensation and Nominating Committee

The compensation and nominating committee (the “**Compensation and Nominating Committee**”) will be comprised of Angela Austman (Chair), Lon Shaver and Gerald Prosalendis. Each of Ms. Austman, Mr. Shaver and Mr. Prosalendis will be independent directors of the Resulting Issuer.

Compensation Discussion and Analysis

The Compensation and Nominating Committee will be responsible for reviewing the compensation of the directors and executive officers as well as administering the Option Plan of the Resulting Issuer.

The Compensation and Nominating Committee will receive recommendations from the management of the Resulting Issuer and review and make recommendations to the Resulting Issuer Board regarding the granting of stock options to directors and executive officers of the Resulting Issuer as well as compensation for executive officers.

The Resulting Issuer will be adopting a Compensation and Nominating Committee Charter.

Objectives of the Compensation and Nominating Committee

The objectives of the Resulting Issuer’s compensation and nominating program will be to attract, hold and inspire performance of its executive officers and directors of a quality and nature that will enhance the Resulting Issuer’s sustainable profitability and growth.

Promoter Consideration

Bruce Counts, of Tofino, British Columbia, may be considered the promoter of Lithoquest and the Resulting Issuer as he took the initiative in founding Lithoquest and is the proposed President and Chief Executive Officer of the Resulting Issuer. Mr. Counts has not received, nor is expected to receive anything of value, including money, property, contracts, options or rights of any kind, directly or indirectly from the Resulting Issuer or a subsidiary of the Resulting Issuer, except as disclosed below or elsewhere in this Filing Statement.

Upon Closing of the Acquisition, Mr. Counts will receive a total of 3,750,000 CWS Shares and 937,500 CWS Acquisition Warrants in exchange for his 3,750,000 Lithoquest Shares and an additional 25,000 CWS Exchange Warrants in exchange for his 25,000 Lithoquest Warrants pursuant to the Share Exchange Agreement. Mr. Counts has also subscribed for 50,000 Units under the Offering such that following completion of the Acquisition and Offering, Mr. Counts will beneficially own a total of 3,800,000 Resulting Issuer Shares representing approximately 8.28% of the then issued and outstanding Resulting Issuer Shares and 937,500 CWS Acquisition Warrants, 25,000 CWS Exchange Warrants and 25,000 Offering Warrants to purchase up to an additional 987,500 Resulting Issuer Shares. In addition, it is expected that Mr. Counts will be granted a total of 425,000 Resulting Issuer Options in his capacity as the President and Chief Executive Officer of the Resulting Issuer such that his fully diluted shareholdings in the Resulting Issuer will be 5,212,500 Resulting Issuer Shares, representing approximately 7.88% of the Resulting Issuer Shares to be outstanding on a fully diluted basis. See “*Proposed Executive Compensation – Incentive Plan Awards*” and “*Options to Purchase Securities*” below for details of the Resulting Issuer Options to be granted to Mr. Counts upon completion of the Acquisition.

See also “*Proposed Executive Compensation*” below for details of the proposed compensation to be paid to Mr. Counts by the Resulting Issuer following completion of the Acquisition and Offering.

Conflicts of Interest

There may be potential conflicts of interest to which the proposed directors, officers, Insiders and Promoters of the Resulting Issuer will be subject in connection with the operations of Resulting Issuer and Lithoquest. Each of the directors and officers of Resulting Issuer may become or already is associated with other reporting issuers or other entities (including other reporting issuers and entities involved in the exploration for diamonds or other precious metals) which may give rise to conflicts of interest. Certain of the directors have either other employment or other business or time restrictions placed on them and accordingly, these directors will only be able to devote part of their time to the affairs of Resulting Issuer. Some of the directors, officers, Insiders and Promoters have been and will continue to be engaged in the identification and evaluation of new opportunities, with a view to potential acquisition of interests in businesses and corporations on their own behalf and on behalf of other corporations.

Conflicts, if any, will be subject to the procedures and remedies prescribed by the BCBCA, the TSXV and applicable securities law, regulations and policies.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and Promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or Promoters of other reporting issuers.

Name and Proposed Position with Resulting Issuer	Name and Jurisdiction of Other Reporting Issuer(s)	Name of Trading Market	Position	From	To
Bruce Counts President, CEO, Director and Promoter	Aston Bay Holdings Ltd., British Columbia, Alberta and Ontario	TSXV	CEO & Director	05/2013	01/2015
	Vangold Resources Ltd., British Columbia and Alberta	TSXV	President & Director	12/2012	06/2013
	Bluestone Resources Inc., British Columbia, Alberta and Ontario	TSXV	Director	03/2004	02/2014
	Bluestone Resources Inc., British Columbia, Alberta and Ontario	TSXV	President & CEO	03/2004	01/2013
Dwight Walker CFO and Corporate Secretary	Aston Bay Holdings Ltd., British Columbia, Alberta and Ontario	TSXV	CFO	05/2016	Present
	Rio Silver Inc., British Columbia and Alberta	TSXV	CFO	01/2012	06/2013
Angela Austman Director	N/A	N/A	N/A	N/A	N/A
Lon Shaver Director	N/A	N/A	N/A	N/A	N/A
Gerald Prosalendis Director	Quaterra Resources Inc., British Columbia and Alberta	TSXV	President, COO and Director	04/2016	Present

Corporate Cease Trade Orders or Bankruptcies

None of the proposed directors, officers or Promoters of the Resulting Issuer is, at the date of this Filing Statement, or has been, within 10 years before the date of this Filing Statement, a director, officer or Promoter of any Person (including Lithoquest) that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the relevant issuer access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties and Sanctions

Except as disclosed below, as of the date of this Filing Statement, none of the proposed directors, officers or Promoters of the Resulting Issuer has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body (including a self-regulatory body) that would likely be considered important to a reasonable securityholder making a decision about the Acquisition.

On January 31, 2011 the BCSC issued an order against Bruce Counts requiring that he cease all trading in the securities of Indicator Minerals Inc., a company to which he was an insider, for failure to file insider reports. On February 1, 2011 the BCSC revoked the order upon Mr. Counts' filing all necessary insider reports.

Personal Bankruptcies

None of the proposed directors, officers or Promoters of the Resulting Issuer, or any personal holding company of any such persons, has, within 10 years before the date of this Filing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such proposed director, officer or Promoter.

The foregoing information pertaining to cease trade orders, bankruptcies, and penalties and sanctions has been furnished by the respective proposed directors, officers and Promoters of the Resulting Issuer.

Proposed Executive Compensation

The description below sets out the proposed compensation philosophy of the Resulting Issuer. Notwithstanding the following discussion, there may be circumstances where, for sound business reasons, the Resulting Issuer Board determines that another compensation strategy is in the best interests of the Resulting Issuer.

Compensation Discussion and Analysis

The Resulting Issuer Board intends to hold a meeting following completion of the Acquisition, and annually thereafter, to further discuss and finalize the compensation for the Resulting Issuer's executive officers, taking into account, among other things, industry standards.

The objectives of the Resulting Issuer's compensation program is expected to consist of the following: (i) recruiting and retaining the executives and senior management critical to the success of the Resulting Issuer and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of the Resulting Issuer; and (iv) rewarding performance, both on an individual basis

and with respect to the business in general. Following Closing of the Acquisition, the Resulting Issuer Board may also establish an appropriate comparator group of peer companies which will include other companies of similar size and market capitalization in order to compare its executive compensation packages against those awarded by the companies in the comparator group.

Elements of Executive Compensation

Compensation is expected to consist of the primary two elements noted under “*Information Concerning CWS – Executive Compensation*”, namely: base salary and annual discretionary bonus incentive. See “*Information Concerning CWS – Executive Compensation*” for further details.

In addition, the Resulting Issuer intends to provide long-term incentives by granting Resulting Issuer Options to executive officers in accordance with the Option Plan. The objective of granting Resulting Issuer Options is to encourage executive officers to acquire an ownership interest in the Resulting Issuer over a period of time, which will act as a financial incentive for such executive officers to consider the long-term interests of the Resulting Issuer and its shareholders. In determining the number of options to be granted to executive officers, the Resulting Issuer Board expects to give consideration to, among other things, the executive’s current and potential contribution to the success of the Resulting Issuer, the relative position of the executive within the Resulting Issuer, previous stock option grants and the number of options granted to executive officers of companies of similar size and market capitalization. See “*Options to Purchase Securities*” below for details of the Resulting Issuer Options proposed to be granted to, among others, the Resulting Issuer’s executive officers upon completion of the Acquisition.

Further, prerequisites such as health and life insurance plans and other usual prerequisites or long-term incentives, where appropriate, may be provided for the Resulting Issuer’s executive officers in accordance with industry practice in order to ensure that the Resulting Issuer’s compensation packages are competitive.

Summary Compensation Table

The following table summarises the proposed compensation to be paid by the Resulting Issuer to its CEO and CFO, and each other executive officer whose total compensation is anticipated to exceed \$150,000 (collectively, the “**Proposed Named Executive Officers**”) during the 12 month period following completion of the Acquisition.

SUMMARY COMPENSATION TABLE								
Name and Principal Position	Salary (\$)	Share based Awards	Option-Based Awards (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation		Pension Value	All Other Compensation (\$)	Total Compensation(\$)
				Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)			
Bruce Counts President and CEO	153,000	Nil	104,380	Nil	Nil	Nil	Nil	257,380
Dwight Walker CFO and Corporate Secretary	60,000	Nil	73,680	Nil	Nil	Nil	Nil	133,680

Notes:

- (1) See “*Incentive Plan awards*” below for details of the anticipated Resulting Issuer Options to be granted to the Proposed Named Executive Officers of the Resulting Issuer upon Closing of the Acquisition.

Incentive Plan awards

Upon Closing of the Acquisition, it is anticipated that the following Resulting Issuer Options will be granted to the Proposed Named Executive Officers of the Resulting Issuer:

	Option-based Awards			
Name	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money-options (\$)⁽¹⁾
Bruce Counts President and CEO	425,000	\$0.27	Five years from Closing	36,125
Dwight Walker CFO and Corporate Secretary	300,000	\$0.27	Five years from Closing	25,500
TOTAL	725,000			61,625

Notes:

(1) Assuming share valuation is set at a fair market value of \$0.355 per share

As of the date of this Filing Statement, the Resulting Issuer does not propose to grant any share-based awards to its Proposed Named Executive Officers during the first year following completion of the Acquisition.

See also “*Options to Purchase Securities*” below.

Pension Plan Benefits

As of the date of this Filing Statement, the Resulting Issuer does not expect to establish any pension, retirement or deferred compensation plans, including defined contribution plans, for its Proposed Named Executive Officers in the first year following completion of the Acquisition.

Termination and Change of Control Benefits

Following the Acquisition, the Resulting Issuer will enter into formal agreements with each of its Proposed Named Executive Officers whereby such officers will be entitled to receive, in certain circumstances, compensation in the event of the resignation, retirement or any other termination of employment of the Proposed Named Executive Officer with the Resulting Issuer or from a change in control of the Resulting Issuer or a change in the Proposed Named Executive Officer’s responsibilities following a change in control.

Compensation of Directors

Following completion of the Acquisition, it is anticipated that the independent directors of the Resulting Issuer will receive a modest director’s fee or stipend in their capacities as directors of the Resulting Issuer, which fee or stipend will be reviewed annually by the Resulting Issuer Board. The directors of the Resulting Issuer will also be entitled to reimbursement for transportation and other out-of-pocket expenses incurred for attendance at board of directors meetings and in connection with discharging their director functions.

Independent directors of the Resulting Issuer will also be entitled to participate in the Option Plan of the Resulting Issuer. The following table sets out the proposed Resulting Issuer Options to be granted to the independent directors upon Closing of the Acquisition:

Name	Option-based Awards			
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money-options (\$) ⁽¹⁾
Angela Austman	375,000	\$0.27	Five years from Closing	31,875
Lon Shaver	375,000	\$0.27	Five years from Closing	31,875
Gerald Prosalendis	350,000	\$0.27	Five years from Closing	29,750
TOTAL	1,100,000			93,500

Notes:

(1) Assuming share valuation is set at a fair market value of \$0.355 per share

See also “Options to Purchase Securities” below.

Indebtedness of Directors and Officers

Upon completion of the Acquisition, no individual who:

- (a) is currently a director or officer of CWS or Lithoquest, or is proposed to be a director or officer of the Resulting Issuer;
- (b) at any time during the most recently completed financial year of CWS or Lithoquest was a director or officer of CWS or Lithoquest; or
- (c) is an Associate of any of the foregoing;

is or will be: (i) indebted to CWS, Lithoquest or the Lithoquest Subsidiary; or (ii) indebted to another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by CWS, Lithoquest or the Lithoquest Subsidiary.

Investor Relations Arrangements

As of the date of this Filing Statement, no written or oral agreement or understanding has been negotiated or entered into with any Person with respect to the provision of promotional or investor relations services for the Resulting Issuer.

Options to Purchase Securities

As of the date of this Filing Statement, there are no stock options to purchase CWS Shares currently outstanding. However, it is anticipated that upon Closing of the Acquisition and Offering, the Resulting Issuer will grant Resulting Issuer Options to purchase up to 2,500,000 Resulting Issuer Shares to directors, officers, employees and/or consultants of the Resulting Issuer as designated by Lithoquest as follows:

Category	Number of Option Holders	Number of Resulting Issuer Shares reserved under Option	Exercise Price per Resulting Issuer Share	Expiry Date
All proposed officers of the Resulting Issuer as a group	2 ⁽¹⁾	725,000	\$0.27	Five years from Closing

Category	Number of Option Holders	Number of Resulting Issuer Shares reserved under Option	Exercise Price per Resulting Issuer Share	Expiry Date
All proposed directors of the Resulting Issuer who are not also officers as a group	3 ⁽²⁾	1,100,000	\$0.27	Five years from Closing
All officers of Lithoquest who will not be officers of the Resulting Issuer as a group	1 ⁽³⁾	100,000	\$0.27	Five years from Closing
All directors of Lithoquest who are not also officers and who will not be directors or officers of the Resulting Issuer as a group	N/A	N/A	N/A	N/A
All proposed officers of subsidiaries of the Resulting Issuer as a group ⁽⁴⁾	N/A	N/A	N/A	N/A
All proposed directors of subsidiaries of the Resulting Issuer who are not also officers of such subsidiaries as a group ⁽⁵⁾	N/A	N/A	N/A	N/A
All employees of the Resulting Issuer as a group	N/A	N/A	N/A	N/A
All consultants of the Resulting Issuer as a group ⁽⁶⁾	4	575,000	\$0.27	Five years from Closing
Any other Person	N/A	N/A	N/A	N/A

Notes:

- (1) These option holders include Bruce Counts and Dwight Walker.
- (2) These option holders include Angela Austman, Gerald Prosalendis and Lon Shaver.
- (3) Sean Mager served as Treasurer of Lithoquest and will not hold an office with the Resulting Issuer.
- (4) There are no officers of the Lithoquest Subsidiary who are not also officers of the Resulting Issuer.
- (5) There are no directors of the Lithoquest Subsidiary who are not also directors of the Resulting Issuer.
- (6) These options holders include an operations and corporate development consultant and two technical advisors.

Stock Option Plan

CWS' Option Plan will constitute the stock option plan for the Resulting Issuer following completion of the Acquisition. See "Information Concerning CWS – Stock Option Plan" above for details of CWS' Option Plan.

Escrowed Securities on Completion of Acquisition

Any shares of the Resulting Issuer held by Persons who will be considered Principals of the Resulting Issuer upon completion of the Acquisition will be subject to the TSXV's escrow requirements.

Generally, if at least 75% of the CWS Shares issued pursuant to the Acquisition are "Value Securities", then all CWS Shares issued to Principals of the Resulting Issuer pursuant to the Acquisition will be deposited into escrow pursuant to the Value Security Escrow Agreement.

“Value Securities” are securities issued pursuant to a transaction, for which the deemed value of the securities at least equals the value ascribed to the asset, using a valuation method acceptable to the TSXV, or securities that are otherwise determined by the TSXV to be Value Securities and required to be placed in escrow under a Value Security Escrow Agreement.

However, if at least 75% of the Resulting Issuer Shares issued pursuant to the Acquisition are not Value Securities, all securities issued to Principals of the Resulting Issuer pursuant to the Acquisition will be deposited into a surplus security escrow agreement (a “**Surplus Security Escrow Agreement**”).

The principal distinction between a Value Security Escrow Agreement and a Surplus Security Escrow Agreement is the time period for release of securities from escrow and the requirement for cancellation of any surplus escrow shares upon the loss or abandonment of the property or discontinuance of the operations for which such surplus escrow shares were issued.

If the Resulting Issuer is a Tier 2 issuer when the Final TSXV Bulletin is issued, the Value Security Escrow Agreement provides for a three year escrow release mechanism with 10% of the escrowed securities being releasable at the time of the Final TSXV Bulletin, and 15% of the escrowed securities being releasable every 6 months thereafter, on each of the 6, 12, 18, 24, 30 and 36 month anniversaries of the Final TSXV Bulletin.

If the Resulting Issuer is a Tier 2 issuer, when the Final TSXV Bulletin is issued, the Surplus Security Escrow Agreement also provides for a three year escrow release mechanism but with:

- (a) 5% of the escrowed securities being releasable at the time of the Final TSXV Bulletin and 5% on the six month anniversary of the Final TSXV Bulletin;
- (b) 10% of the escrowed securities being releasable in six month intervals on each of the 12 and 18 month anniversaries of the Final TSXV Bulletin;
- (c) 15% of the escrowed securities being releasable in six month intervals on each of the 24 and 30 month anniversaries of the Final TSXV Bulletin; and
- (d) 40% of the escrowed securities being releasable on the 36 month anniversary of the Final TSXV Bulletin.

In the case of a Resulting Issuer that is a Tier 1 issuer when the Final TSXV Bulletin is issued, the Value Security Escrow Agreement provides for an 18 month escrow release mechanism with 25% of the escrowed securities being releasable at the time of the Final TSXV Bulletin, with an additional 25% of the escrowed securities being releasable every 6 months thereafter. In the case of a Resulting Issuer that is a Tier 1 issuer when the Final TSXV Bulletin is issued, the Surplus Security Escrow Agreement also provides for an 18 month escrow release mechanism with:

- (a) 10% of the escrowed securities being releasable upon the issuance of the Final TSXV Bulletin,
- (b) 20% of the escrowed securities being releasable on the 6 month anniversary of the Final TSXV Bulletin;
- (c) 30% of the escrowed securities being releasable on the 12 month anniversary of the Final TSXV Bulletin; and
- (d) 40% of the escrowed securities being releasable on the 18 month anniversary of the Final TSXV Bulletin.

To the knowledge of CWS and Lithoquest, as of the date of this Filing Statement, the following is a summary of the Resulting Issuer Shares that are anticipated to be held in escrow or otherwise subject to escrow restrictions on completion of the Acquisition further to applicable TSXV requirements.

Name and Municipality of Residence of Beneficial Owner	Prior to Giving Effect to the Acquisition		After Giving Effect to the Acquisition		
	Number of CWS Shares or Lithoquest Shares held in Escrow	Percentage of CWS Shares or Lithoquest Shares Outstanding	Number of Resulting Issuer Shares that may be held in Escrow ⁽¹⁾	Percentage of Resulting Issuer Shares Outstanding	Number of CWS Acquisition Warrants, CWS Exchange Warrants and Offering Warrants that may be held in Escrow ⁽⁴⁾
Bruce Counts Tofino, B.C. Canada	Nil	N/A	3,800,000	8.28%	987,500
Dwight Walker Dundas, Ontario Canada	Nil	N/A	200,000	0.44%	150,000
Angela Austman Langley, B.C. Canada	Nil	N/A	100,000	0.22%	75,000
Steven Nicholls ⁽²⁾ Kardinya, WA Australia	Nil	N/A	26,666	0.06%	6,667
Non-Principals ⁽³⁾	Nil	N/A	4,741,250	10.33%	1,185,312
TOTAL	Nil	N/A	8,867,916	19.33%	2,404,479

Notes:

- (1) It is anticipated that 10% of these shares will be released from escrow on the issuance of the Final TSXV Bulletin, being the Initial Release, and an additional 15% will be released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.
- (2) Steven Nicholls will be a Principal of the Resulting Issuer by virtue of acting as a director of the Lithoquest Subsidiary.
- (3) Under TSXV policies, any CWS Shares issued to Lithoquest Shareholders who will not be Principals of the Resulting Issuer upon completion of the Acquisition (“**Non-Principals**”) in exchange for Lithoquest Shares that were acquired by the Non-Principals at a price of C\$0.05 per Lithoquest Share or less will be subject to escrow restrictions in accordance with the Value Security Escrow Agreement in accordance with TSXV imposed seed share resale restrictions.
- (4) Under TSXV policies, any CWS Acquisition Warrants, CWS Exchange Warrants or Offering Warrants issued to Principals of the Resulting Issuer will be subject to escrow pursuant to the Value Security Escrow Agreement. Upon exercise of any of the CWS Acquisition Warrants, the CWS Exchange Warrants or the Offering Warrants, the shares issued in consideration of the exercise price will also be subject to escrow restrictions.

It is anticipated that Computershare will be appointed to act as the escrow agent for the Resulting Issuer Shares to be held in escrow following completion of the Acquisition.

Seed Share Resale Restrictions

Certain securities of the Resulting Issuer will also be subject to resale restrictions pursuant to TSXV imposed seed share resale restrictions (“**SSRRs**”). SSRRs are TSXV escrow and hold periods of various lengths that apply where seed shares are issued by private companies prior to the completion of certain transactions and initial listings. The terms of SSRRs are based on the length of time such securities have been held and the price at which such securities were issued. 1,225,000 Resulting Issuer Shares (the “**Four Month Restricted Shares**”) to be issued in exchange for Lithoquest Shares pursuant to the Acquisition will be subject to a four month hold period under Policy 5.4 – *Escrow, Vendor Consideration and Resale Restrictions* of the TSXV. The foregoing numbers do not include the Resulting Issuer Shares subject to escrow listed above. Under TSXV policy, 20% of the Four Month Restricted Shares will be

released upon Closing of the Acquisition and an additional 20% will be released each month thereafter for four consecutive months.

Auditor, Transfer Agent and Registrar

It is anticipated that the current auditor of Lithoquest, being Manning Elliot LLP, Chartered Professional Accountants, 11th Floor, 1050 West Pender Street, Vancouver BC, Canada V6E 3S7 will be the auditor of the Resulting Issuer upon completion of the Acquisition.

The registrar and transfer agent for the Resulting Issuer Shares will be Computershare Investor Services Inc. at its offices in Vancouver, B.C.

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RISK FACTORS

Upon completion of the Acquisition, there will be a number of risk factors that will be associated with the Resulting Issuer and its business. An investment in the securities of CWS and the Resulting Issuer should be considered highly speculative and involves a high degree of risk, not only due to the nature of CWS' and Lithoquest's existing businesses and operations, but also because of the uncertainty related to completion of the Acquisition and the business of the Resulting Issuer upon completion of the Acquisition. Investors should carefully consider each of the risks described below and all of the information in this Filing Statement before investing in securities of CWS or the Resulting Issuer. An investment in the securities of CWS or the Resulting Issuer is suitable only to those investors who are willing to risk the loss of their entire investment. For risk factors associated with the Acquisition, see "*Particulars of the Acquisition – Risks Relating to the Acquisition*" above.

The risks and uncertainties anticipated below are not the only ones that the Resulting Issuer will face upon completion of the Acquisition. Additional risks and uncertainties not presently known to CWS or Lithoquest or that they currently consider immaterial may also impair the Resulting Issuer's business operations and cause the price of the Resulting Issuer Shares to decline. If any of such risks actually occur, the Resulting Issuer's business may be harmed and its financial condition may suffer significantly. In such event, the trading price of the Resulting Issuer Shares could decline and purchasers of Units or Resulting Issuer Shares may lose all or part of their investment. **Investors should carefully consider each of, and the cumulative effect of, the following factors, which assume the successful completion of the Acquisition and Offering, in addition to the other information in this Filing Statement.**

References to the business or services of the Resulting Issuer below are referring to the business or services to be provided by the Resulting Issuer and all its subsidiaries including Lithoquest and the Lithoquest Subsidiary as described under "*Information Concerning Lithoquest*" above.

Risks Relating to Lithoquest and the Resulting Issuer

Limited Operating History

Lithoquest has a limited history of operations, is in the early stage of development and must be considered a start-up. As such, Lithoquest is (and the Resulting Issuer will be) subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. Lithoquest has no history of revenues or earnings, and there is no assurance that any of its current or future resource properties will generate earnings, operate profitably or provide a return on investment in the future. There is no assurance that the Resulting Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of Lithoquest's early stage of operations. The Resulting Issuer has no intention of paying any dividends in the foreseeable future.

The exploration of Lithoquest's properties also depends on its ability to obtain additional required financing. There is no assurance that the Resulting Issuer will be successful in obtaining the required financing, failing which could cause Lithoquest to postpone its exploration plans or result in the loss or substantial dilution of Lithoquest's interest in its properties as disclosed in this Filing Statement.

North Kimberley Diamond Project

Upon completion of the Acquisition, the Resulting Issuer will have an interest in one resource project located in Western Australia, being the North Kimberley Diamond Project. The North Kimberley Diamond Project currently consists of two exploration licenses in Western Australia covering approximately 100,803 hectares held by the Lithoquest Subsidiary which are prospective for diamonds. The Lithoquest Subsidiary has also applied for an additional contiguous exploration license covering approximately 47,791 hectares. There are no assurances that the Lithoquest Subsidiary will be successful in acquiring the additional exploration license on the basis applied for or at all.

The North Kimberley Diamond Project is in the exploration stage and without known resources or reserves. The proposed work programs are exploratory in nature and are designed to search for the existence of a kimberlite diamond deposit.

Development of this or any future properties will only follow upon obtaining satisfactory results. Exploration for and the development of diamonds involve a high degree of risk and few properties, which are explored, are ultimately developed into producing properties. There is no assurance that Lithoquest's exploration and, if warranted, development activities will result in any discoveries of commercial quantities of diamonds. The long-term success of the Resulting Issuer's operations will be in large part directly related to the cost and success of Lithoquest's exploration programs, which may be affected by a number of factors.

The Resulting Issuer expects to incur losses unless and until such time as one or more of its properties enters into commercial production and generates sufficient revenue to fund its continuing operations.

Nature of Exploration and Mining

Diamond exploration and development is a speculative business and involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. There is no assurance that commercial quantities of diamonds will be discovered. There is also no assurance that even if commercial quantities of diamonds are discovered, a property will be brought into commercial production or that the production process will produce economically viable saleable products. The discovery of commercial deposits is dependent upon a number of factors not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a deposit once discovered and the decision as to whether it should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) market prices for the diamonds to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control. The Resulting Issuer's ability to sell and profit from the sale of any eventual diamond production from any of its properties will be subject to the prevailing conditions in the marketplace at the time of sale. Many of these factors are beyond the Resulting Issuer's control and therefore represent a market risk which could impact its long term viability and operations.

Operating Hazards and Risks

In the course of exploration, development and production of diamond properties, certain risks may occur including, but not limited to, difficult surface or underground conditions, water conditions, unexpected or unusual rock conditions or geological operating conditions including rock bursts, cave-ins, ground fall, slope failures and landslides, fires, explosions, flooding and earthquakes. Additional risks include unanticipated variations in grade and other geological problems, failure of pit walls or dams, adverse environmental conditions or hazards, mechanical and equipment performance problems, industrial accidents, labour disputes, changes in the regulatory environment, damage to properties or facilities and personal injury or death.

It is not always possible to fully insure against such risks and Lithoquest may decide not to insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Resulting Issuer's securities.

While the Resulting Issuer intends to obtain insurance to insure against general commercial liability claims, such insurance will not cover all of the potential risks associated with Lithoquest's operations. The Resulting Issuer may also be unable to obtain insurance to cover other risks at economically feasible premiums or at all. Insurance coverage may not continue to be available, or may not be adequate to cover liabilities. The Resulting Issuer might also become subject to liability for environmental, pollution or other hazards associated with diamond exploration and production which may not be insured against, which may exceed the limits of the Resulting Issuer's insurance coverage, or which the Resulting Issuer may elect not to insure against because of premium costs or other reasons. Currently, Lithoquest is not insured against environmental risks.

Losses from any one or more of these events may cause the Resulting Issuer to incur significant costs that could materially adversely affect its financial condition and the Resulting Issuer's ability to fund activities on its properties. A significant loss could force the Resulting Issuer to reduce or terminate its operations and even result in bankruptcy.

Maintaining Interests in Properties

The Resulting Issuer's ability to maintain ownership in the North Kimberley Diamond Project and to initially establish and subsequently maintain ownership in any future properties will be dependent upon compliance with applicable laws and with agreements to which it is a party. There is no assurance that the Resulting Issuer will be able to obtain and/or maintain all required permits and licenses to carry on its operations. Additional expenditures will be required by the Resulting Issuer to maintain its interests in its properties. There can be no assurance that the Resulting Issuer will have the funds, will be able to raise or will be able to comply with the provisions of the agreements relating to its properties which would entitle it to an interest therein and if the Resulting Issuer fails to do so its interest in some or all of these properties may be reduced or be lost.

Use of Proceeds

The Resulting Issuer intends to allocate its Available Funds as described under "*Information Concerning the Resulting Issuer – Estimated Available Funds and Principal Purposes*" in this Filing Statement. However, management will have discretion in the actual application of Available Funds, and may elect to allocate proceeds differently from that described under "*Information Concerning the Resulting Issuer – Estimated Available Funds and Principal Purposes*" if it is believed it would be in the best interests of the Resulting Issuer to do so as circumstances change. The failure by management to apply these funds effectively could have a material adverse effect on the business of the Resulting Issuer.

Significant Additional Capital Required

Substantial expenditures will be required to establish resources or proven and probable reserves through drilling and analysis, to develop mechanical or metallurgical processes to extract diamonds and develop the mining and processing facilities and infrastructure at any mine site. In addition to the funds the Resulting Issuer has budgeted for exploration and drilling during the initial 12 months after Closing, it will be required to expend significant amounts for geological and geochemical analysis, assaying, and, if warranted, feasibility studies with regard to the results of its exploration. The Resulting Issuer may not benefit from such investments if it is unable to identify commercially exploitable diamonds. If the Resulting Issuer is successful in identifying resources, it will require significant additional capital to construct a mill and other facilities necessary to extract those diamonds. That funding, in turn, depends upon a number of factors, including the state of the national and worldwide economy and the price of diamonds. The Resulting Issuer may not be successful in obtaining the required financing for these or other purposes, in which case, its ability to continue operating would be adversely affected. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and the possible, partial or total loss of the Resulting Issuer's interest in its properties.

The Resulting Issuer will also require additional funding to acquire further property interests. The Resulting Issuer's ability to arrange such financing in the future will depend, in part, upon the prevailing capital market conditions as well as its business performance. There can be no assurance that the Resulting Issuer will be successful in its efforts to arrange additional financing on terms satisfactory to it or at all. If the Resulting Issuer raises additional financing through the issuance of shares from its treasury, control of the Resulting Issuer may change and existing security holders will suffer additional dilution.

Adequate Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable roads, bridges, power sources, fuel and water supply and the availability of skilled labour and other infrastructure are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, terrorism, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Resulting Issuer's business, operations, condition and results of operations.

Insufficient Resources or Reserves

Substantial additional expenditures will be required to establish either resources or reserves on Lithoquest's North Kimberley Diamond Project or future properties and to develop processes to extract the diamonds. No assurance can be given that diamonds will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis on terms acceptable to the Resulting Issuer or at all.

Future Operations Contingent on Production

Lithoquest has no history of revenues or earnings. To become profitable, the Resulting Issuer must first establish resources at Lithoquest's exploration properties, and then either develop such properties or locate and enter into agreements with third party operators. It could be years before the Resulting Issuer receives any revenues from the production of diamonds or other metals, if ever. The Resulting Issuer may suffer significant additional losses in the future and may never be profitable. The Resulting Issuer does not expect to receive revenue from operations in the foreseeable future, if at all. Even if the Resulting Issuer does achieve profitability, it may not be able to sustain or increase profitability on a quarterly or annual basis. There is no certainty that the Resulting Issuer will produce revenue, operate profitably or provide a return on investment in the future.

Reliance on Key Personnel

The success of the Resulting Issuer will be largely dependent upon the performance of its management and key employees. In assessing the risk of an investment in the Resulting Issuer Shares including the Units, potential investors should realize that they are relying on the experience, judgment, discretion, integrity and good faith of the proposed management of the Resulting Issuer. CWS and Lithoquest do not, nor do they foresee the Resulting Issuer will, maintain life insurance policies in respect of its key personnel. The Resulting Issuer could be adversely affected if such individuals do not remain with the Issuer.

The Resulting Issuer's future success will also be highly dependent on its ability to attract and retain key individuals to act as directors, executives and/or employees who have the necessary skills and abilities to successfully grow the Resulting Issuer. Locating diamond deposits depends on a number of factors, not the least of which is the technical skill and expertise of the personnel involved. The competition for qualified personnel in the diamond exploration industry is intense and there can be no assurance that the Resulting Issuer will be able to continue to attract and retain all personnel necessary for the development and operation of its business. Failure to retain these individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Resulting Issuer's success.

Further, the Resulting Issuer's operations will be dependent upon the efforts of its employees. Relations between the Resulting Issuer and its employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in whose jurisdictions the Resulting Issuer carries on business. Changes in such legislation or in the relationship between the Resulting Issuer and its employees, including potential labour disputes, may have a Material Adverse Effect on the Resulting Issuer's operations and financial condition.

Competition

The Resulting Issuer will compete with many companies in the diamond industry, including large, established mining companies with substantial capabilities, personnel and financial resources. There is a limited supply of desirable kimberlite lands available for claim-staking, lease or acquisition in Australia and other areas where the Resulting Issuer may conduct exploration activities. The Resulting Issuer may be at a competitive disadvantage in acquiring kimberlite properties, since it will be competing with these individuals and companies, many of which have greater financial resources and larger technical staffs. From time to time, specific properties or areas which would otherwise be attractive to the Resulting Issuer for exploration or acquisition may be unavailable to it due to their previous acquisition by other companies or the Resulting Issuer's lack of financial resources. Competition in the industry is not limited to the acquisition of prospective properties but also extends to the technical expertise to find, advance, and operate such properties; the labor to operate the properties; and the capital for the purpose of funding such properties. Many competitors not only explore for and mine diamonds, but conduct refining and marketing operations on a world-wide basis. Such competition may result in the Resulting Issuer being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and advance its properties. The

Resulting Issuer's inability to compete with other companies for these resources could have a Material Adverse Effect on its results of operation and business.

Title

The Resulting Issuer's ability to explore and operate its properties depends on the validity of title to its properties.

While Lithoquest has investigated title to its North Kimberley Diamond Project, this should not be construed as a guarantee of title. There may be valid challenges to the title to its properties which, if successful, could impair development and/or operations and result in the loss of all or a portion of the properties to which the title defect relates.

No assurances can be given that title defects to the North Kimberley Diamond Project or any future properties in which the Resulting Issuer may seek to acquire an interest do not exist.

The Resulting Issuer is also at risk that the North Kimberley Diamond Project may be forfeited to the Australian government or rival private claimants due to failure to comply with statutory requirements. The North Kimberley Diamond Project is subject to annual compliance with assessment work requirements, property taxes and license payments. Any failure to make such payments or comply with such requirements could result in the loss of all or a portion of Lithoquest's interest in the North Kimberley Diamond Project.

As of the date of this Filing Statement, Lithoquest has applied to the Department of Mines and Petroleum, Western Australia, for a third contiguous exploration license covering approximately 47,791.48 hectares. There are no assurances that Lithoquest will be successful in acquiring such additional exploration license on the basis applied for or at all.

Environmental Risks

Due to the early stage of Lithoquest's operations and its minimal capitalization any environmental issues or any changes in environmental regulations could seriously adversely affect the Resulting Issuer. All phases of the Resulting Issuer's operations will be subject to federal, state and local environmental regulation. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. Future changes in environmental regulation may also adversely affect the Resulting Issuer's operations, make its operations prohibitively expensive, or prohibit them altogether. Environmental hazards may currently exist on the North Kimberley Diamond Project and on properties in which the Resulting Issuer may hold interests in the future that are currently unknown to Lithoquest and that have been caused by Lithoquest or by previous owners or operators of the properties, or that may have occurred naturally.

Failure to comply with applicable environmental 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.

Future production, if any, at the North Kimberley Diamond Project or future properties of the Resulting Issuer will involve the use of hazardous materials. Should these materials leak or otherwise be discharged from their containment systems, the Resulting Issuer may become subject to liability. To date, Lithoquest has not and the Resulting Issuer may not purchase insurance for environmental risks including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and, if warranted production, as it is not generally available at a reasonable price.

Potential Environmental Lawsuits

Neighbouring landowners and other third parties could file claims based on environmental statutes and common law for personal injury and property damage allegedly caused by the release of hazardous substances or other waste material into the environment on or around the Resulting Issuer's properties. There can be no assurance that the Resulting Issuer's defense of such claims will be successful. A successful claim against the Resulting Issuer could have a Material Adverse Effect on its business prospects, financial condition and results of operations.

Governmental and Regulatory Requirements

Lithoquest's current and the Resulting Issuer's future operations including exploration and, if warranted, development activities and commencement of production on its properties, require permits from various federal, state and local governmental authorities, as well as approval of members of surrounding communities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, 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 the applicable laws, regulations and permits. Permits and studies may be necessary prior to operation of the exploration properties in which the Resulting Issuer has an interest and there can be no guarantee that the Resulting Issuer will be able to obtain or maintain all necessary permits that may be required to commence construction or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs. The Resulting Issuer cannot be certain that all permits and approvals which it may require for its future operations will be obtainable on reasonable terms or at all or that such laws and regulations would not have an adverse effect on any mining project, which it might undertake. To the extent such permits and approvals are required and are not obtained, the Resulting Issuer may be delayed or prohibited from proceeding with planned exploration or development of mineral properties which would adversely affect its business, prospects and operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions 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 upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in costs of compliance, capital expenditures or require abandonment or delays in the development of current or future properties.

In addition, the Resulting Issuer will continue to be subject to the reporting requirements of Canadian securities laws and regulations and the listing requirements of the TSXV. Compliance with these laws and regulations has increased and will continue to increase the Resulting Issuer's legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on the Resulting Issuer's systems and resources.

Risk of future legal proceedings

Alleged failure by the Resulting Issuer to comply with laws and regulations may lead to the imposition of fines, penalties, or the denial, revocation or delay of the renewal of permits and licenses by governmental authorities. In addition, the Resulting Issuer may be the subject of litigation by suppliers and other third parties from potential liabilities arising from its operations and exploration activities. A significant judgment against the Resulting Issuer, the loss of a significant permit or other approval or the imposition of a significant fine or penalty could have a material adverse effect on the Resulting Issuer's business, financial condition and future prospects. Litigation is expensive, time consuming and may divert management's attention away from the operation of the business. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Resulting Issuer's business, operating results or financial condition.

Factors Beyond the Resulting Issuer's Control

The potential profitability of the North Kimberley Diamond Project of future properties is dependent upon many factors beyond the Resulting Issuer's control. For instance, world prices of and markets for diamonds are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of diamonds from mining may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways the Resulting Issuer cannot predict and are beyond its control, and such fluctuations will impact on profitability and may eliminate profitability altogether. The economics of developing a diamond property will also be affected by grade of diamonds, fluctuating diamond markets, costs of processing equipment, competition, extensions on licenses and other factors such as government regulations, including regulations relating to title to exploration licenses, royalties, allowable production, importing and exporting of diamonds and environmental protection. Also, the Resulting Issuer will rely upon consultants and others for construction and operating expertise. Many of the above factors are beyond the Resulting Issuer's control. Depending on the price of diamonds produced, the Resulting Issuer may determine that it is impractical to either commence or continue commercial production.

Fluctuating Diamond Prices

Even if the Resulting Issuer is successful in identifying diamond resources, its ability to raise the significant additional capital to construct a mill and other facilities necessary to extract those diamonds and its potential for future profitability will be directly impacted by, among other things, the market price of diamonds. A decrease in the price of diamonds at any time during future exploration and development may prevent the Resulting Issuer's properties from being economically mined or result in the write off of assets whose value is impaired as a result of lower diamond prices.

The market price of diamonds has experienced volatile and significant price movements over short periods of time, and is affected by numerous factors beyond the Resulting Issuer's control, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the U.S. dollar relative to other currencies), interest rates, global or regional consumption patterns, speculative activities, the purchase and sale of diamonds by central banks or dominant industry participants, and increased production due to improved mining and production methods. In particular, the supply of and demand for diamonds are affected by, among other factors, political events, economic conditions and production costs in various producing regions. The effect of these factors cannot be predicted.

Although it may in the future be possible for the Resulting Issuer to protect some price fluctuations by hedging if it identifies commercially minable diamonds on its properties, the volatility of diamond prices represents a substantial risk, which no amount of planning or technical expertise can eliminate. In the event diamond prices decline and remain low for prolonged periods of time, the Resulting Issuer might be unable to develop its properties or produce any revenue.

Indemnification of Directors

The laws of British Columbia provide that the Resulting Issuer's directors will not be liable to the Resulting Issuer or its shareholders for monetary damages for all but certain types of conduct as directors of the Resulting Issuer. The Resulting Issuer's articles require the Resulting Issuer to indemnify its directors and officers against all damages incurred in connection with the Resulting Issuer's business to the fullest extent provided or allowed by law. The exculpation provisions may have the effect of preventing shareholders from recovering damages against the directors caused by their negligence, poor judgment or other circumstances. The indemnification provisions may require the Resulting Issuer to use its limited assets to defend its directors and officers against claims, including claims arising out of their negligence, poor judgment, or other circumstances.

Risk of Being a “Passive Foreign Investment Company”

None of CWS, Lithoquest nor the Resulting Issuer have determined whether they meet the definition of a Private Foreign Investment Company (“**PFIC**”), within the meaning of Sections 1291 through 1298 of the U.S. Internal Revenue Code of 1986, as amended. A U.S. shareholder who holds stock in a foreign corporation during any year in which such corporation qualifies as a PFIC is subject to numerous special U.S. federal income taxation rules, which may have adverse tax consequences to such shareholder including special rules generally intended to reduce or eliminate any benefits from the deferral of United States federal income tax that a U.S. shareholder could derive from investing in a non-United States company that does not distribute all of its earnings on a current basis. A U.S. securityholder should consult its own U.S. tax advisor with respect to an investment in Units or Resulting Issuer Shares to ascertain the tax impact on such securityholder.

Dilution

The Resulting Issuer may in the future grant to some or all of its directors, officers, key employees and consultants options to purchase Resulting Issuer Shares at exercise prices equal to market prices at times when the public market is depressed. To the extent that significant numbers of such options are granted and exercised, the interests of the Resulting Issuer’s then existing shareholders will be subject to additional dilution.

The Resulting Issuer Board will have the authority to authorize the offer and sale of additional securities without the vote of or notice to existing shareholders. Based on the need for additional capital to fund anticipated expenditures and future operations, it is likely that the Resulting Issuer will issue additional securities to provide such capital and that such additional issuances may involve a significant number of shares at prices less than the current market price for the CWS Shares. Such additional issuances will dilute the percentage interest of existing shareholders and may reduce the price at which the Resulting Issuer Shares are able to be sold.

Limited Trading Market and Volatility of Market Price

During the past year trading in the CWS Shares has been very limited and sporadic and there can be no assurance that an active market for the Resulting Issuer Shares will develop or be sustained after the Acquisition. If an active public market for the Resulting Issuer Shares does not develop in the future, or if developed, is not sustained, the liquidity of an investor’s investment may be limited and the share price may decline below the current market price for the CWS Shares.

Furthermore, the future market price of the Resulting Issuer Shares may be volatile, which volatility may affect the ability of holders to sell the Resulting Issuer Shares at an advantageous price. Market price fluctuations in the Resulting Issuer Shares may be due to the Resulting Issuer’s operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts’ estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Resulting Issuer or its competitors, along with a variety of additional factors, including, without limitation, those set forth in this Filing Statement.

In addition, the market price for securities in the stock markets, including the TSXV, have, at times, experienced significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. Such broad market fluctuations may adversely affect the market price of the Resulting Issuer Shares.

Future Sales of Resulting Issuer Shares by Existing Shareholders

Sales of large numbers of Resulting Issuer Shares in the public markets within a short period of time, or the potential for such sales, could decrease the trading price of the Resulting Issuer Shares and could impair the Resulting Issuer’s ability to raise capital through future sales of Resulting Issuer Shares.

Conflicts of Interest

Certain of the proposed directors and officers of the Resulting Issuer are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Resulting Issuer. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *BCBCA*, applicable securities legislation and the policies of the TSXV. See “*Information Concerning the Resulting Issuer – Directors, Officers and Promoters – Conflicts of Interest*”.

Currency Fluctuation and Foreign Exchange Controls Risks

The Resulting Issuer’s operations will be conducted primarily in Australia making it subject to foreign currency fluctuation and such fluctuations may materially affect its financial position and results from time to time. The Resulting Issuer’s currency fluctuation exposure will be primarily to the Australian dollar as all material commitments are in Canadian or Australian dollars.

In addition, stock markets generally have experienced extreme price and volume fluctuations and the market prices of securities generally have been highly volatile. These fluctuations are often unrelated to operating performance of a company and may adversely affect the market price of the Resulting Issuer Shares. As a result, securityholders may be unable to resell their shares at a fair price.

Dividend Policy

Neither CWS nor Lithoquest have paid a dividend on their common shares to date, and the Resulting Issuer is unlikely to be in a position to pay dividends in the foreseeable future. The Resulting Issuer’s ability to pay dividends will depend on its ability to successfully develop one or more properties and generate revenue from operations. Further, its initial earnings, if any, will likely be retained to finance growth. Any future dividends will depend upon the Resulting Issuer’s earnings, if any, its then-existing financial requirements and other factors, and will be at the discretion of the Resulting Issuer Board. As a result, shareholders will have to rely on capital appreciation, if any, to earn a return on investment in Units or Resulting Issuer Shares in the foreseeable future.

Global Financial Conditions

The Resulting Issuer will face structural changes and volatility in the global economic environment or cycle fluctuations that will negatively affect the diamond industry and capital markets. These factors may impact the ability of the Resulting Issuer to obtain equity or debt financing in the future and, if obtained, on terms favorable to it. A prolonged period of volatility or adverse market conditions may adversely impact the Resulting Issuer’s operations and the value and the price of the Resulting Issuer Shares could be adversely affected.

GENERAL MATTERS

Listing of Securities of the Resulting Issuer

The TSXV has conditionally accepted for listing the Resulting Issuer Shares upon completion of the Acquisition and Offering subject to the fulfillment all of the requirements of the TSXV.

Sponsorship

The TSXV has granted the Resulting Issuer an exemption from the sponsorship requirements of TSXV Policy 2.2 *Sponsorship and Sponsorship Requirements* in connection with the Acquisition.

Experts

The following professionals have prepared reports or have provided opinions that are either included in or referred to in this Filing Statement:

Lithoquest retained T.H. Reddcliffe, of Carine, Australia to prepare an independent NI 43-101 report on the North Kimberley Diamond Project located in Western Australia. The North Kimberly Report is discussed under “*Information Concerning Lithoquest*”.

Davidson & Company LLP, Chartered Professional Accountants, prepared the auditor’s report for the audited annual financial statements of CWS for the years ended March 31, 2017, March 31, 2016 and March 31, 2015. Davidson & Company LLP, CWS’ auditor, is independent in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Manning Elliot LLP, Chartered Professional Accountants, prepared the auditor’s report for the audited financial statements of Lithoquest for the years ended March 31, 2017 and March 31, 2016. Manning Elliot LLP, Lithoquest’s auditor, is independent in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

To the knowledge of CWS and Lithoquest, none of the experts above or their respective Associates or Affiliates, beneficially owns, directly or indirectly, any securities of CWS or Lithoquest, has received or will receive any direct or indirect interests in the property of CWS or Lithoquest or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or any Associate or Affiliate thereof.

Other Material Facts

To the knowledge of the respective management teams of CWS and Lithoquest, there are no other material facts relating to CWS, Lithoquest, the Resulting Issuer or the Acquisition that are not otherwise disclosed in this Filing Statement or the schedules included herein or are necessary for this Filing Statement to contain full, true and plain disclosure of all material facts relating to CWS, Lithoquest and the Resulting Issuer, assuming completion of the Acquisition and Offering.

Additional Information - CWS

Additional information relating to CWS is available on SEDAR at www.sedar.com. Shareholders may contact CWS at its head office at Suite 610 – 815 West Hastings Street, Vancouver, British Columbia, V6C 1B4 (Tel: 778-588-7139) to request copies of the CWS Financial Statements and accompanying MD&As or a copy of this Filing Statement, or any of the CWS documents incorporated by reference herein.

Additional Information – Lithoquest

Shareholders may contact Lithoquest at its head office at Suite 201, 8429 - 24th Street N.W. Edmonton, AB T6P 1L3 (Tel: 1-604-506-2804) to request copies of the Lithoquest Financial Statements or a copy of this Filing Statement.

Board Approval

The contents and filing of this Filing Statement have been approved by the CWS Board and Lithoquest Board.

CWS has provided the information contained in this Filing Statement concerning CWS and its business, including its financial information and the CWS Financial Statements. Lithoquest assumes no responsibility for the accuracy of such information.

Lithoquest has provided the information contained in this Filing Statement concerning Lithoquest and its business, including its financial information and the Lithoquest Financial Statements. CWS assumes no responsibility for the accuracy of such information.

CERTIFICATE OF CONSOLIDATED WESTVIEW RESOURCE CORP.

The foregoing document constitutes full, true and plain disclosure of all material facts relating to the securities of Consolidated Westview Resource Corp. assuming completion of the Acquisition and Offering.

DATED: November 15, 2017

CONSOLIDATED WESTVIEW RESOURCE CORP.

(signed) "Richard S. Silas"

Richard S. Silas
Chief Executive Officer

(signed) "Michael N. Waldkirch"

Michael N. Waldkirch
Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS OF
CONSOLIDATED WESTVIEW RESOURCE CORP.**

(signed) "Mark McCartney"

Mark McCartney
Director

(signed) "Kia Russell"

Kia Russell
Director

CERTIFICATE OF LITHOQUEST DIAMONDS INC.

The foregoing document as it relates to Lithoquest Diamonds Inc. constitutes full, true and plain disclosure of all material facts relating to the securities of Lithoquest Diamonds Inc.

DATED: November 15, 2017

LITHOQUEST DIAMONDS INC.

(signed) "Bruce Counts"

Bruce Counts
Chief Executive Officer

(signed) "Dwight Walker"

Dwight Walker
Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS OF
LITHOQUEST DIAMONDS INC.**

(signed) "John Williamson"

John Williamson
Director

(signed) "Sean Mager"

Sean Mager
Director

**SCHEDULE "1" – FINANCIAL STATEMENTS OF CONSOLIDATED WESTVIEW
RESOURCE CORP.**

See attached.

CONSOLIDATED WESTVIEW RESOURCE CORP.

**Condensed Interim Financial Statements
(Unaudited)**

For the three months ended June 30, 2017 and 2016

Expressed in Canadian Dollars

CONSOLIDATED WESTVIEW RESOURCE CORP.

Table of Contents

(Expressed in Canadian Dollars)

Financial Statements

Condensed Interim Statements of Financial Position	2
Condensed Interim Statements of Comprehensive Loss	3
Condensed Interim Statements of Cash Flows	4
Condensed Interim Statements of Changes in Shareholders' Deficiency	5
Notes to the Condensed Interim Financial Statements	6

CONSOLIDATED WESTVIEW RESOURCE CORP.**Condensed Interim Statements of Financial Position****(Expressed in Canadian Dollars)**

	June 30, 2017	March 31, 2017
	\$	\$
ASSETS		
Current assets		
Cash	40,559	180
Sales tax receivable	8,610	16,868
Prepaid expenses	1,250	1,250
TOTAL ASSETS	50,419	18,298
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 3 & 10)	534,439	413,619
Advances payable (Note 6)	13,400	13,400
Loan payable (Note 4)	50,000	50,000
	597,839	477,019
Shareholders' deficiency		
Share capital (Note 5)	6,262,813	6,262,813
Share subscriptions received (Note 5)	27,000	-
Deficit	(6,837,233)	(6,721,534)
	(547,420)	(458,721)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	50,419	18,298

Nature and continuance of operations (Note 1)

Subsequent events (Note 10)

Approved and authorized by the Board on October 31, 2017.

Approved on behalf of the Board of Directors:

“Richard Silas”
President, CEO and Corporate Secretary

“Mark McCartney”
Director

The accompanying notes are an integral part of these condensed interim financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.**Condensed Interim Statements of Comprehensive Loss****(Expressed in Canadian Dollars)**

	Three months ended June 30,	
	2017	2016
	\$	\$
OPERATING EXPENSES		
Consulting fees	100,000	-
Office and administration	183	10
Professional fees (Note 6)	13,050	-
Regulatory and shareholder services	2,466	1,926
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(115,699)	(1,936)
BASIC AND DILUTED LOSS PER SHARE	\$ (0.03)	\$ (0.00)
WEIGHTED AVERAGE SHARES OUTSTANDING		
– BASIC AND DILUTED	3,482,191	3,482,191

The accompanying notes are an integral part of these condensed interim financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.**Condensed Interim Statements of Cash Flows****(Expressed in Canadian Dollars)**

	Three months ended	
	June 30,	
	2017	2016
	\$	\$
OPERATING ACTIVITIES		
Loss for the period	(115,699)	(1,936)
Changes in non-cash working capital:		
Sales tax receivable	8,258	-
Accounts payable and accrued liabilities	120,820	1,926
	13,379	(10)
FINANCING ACTIVITIES		
Share subscriptions received	27,000	-
NET CHANGE IN CASH	40,379	(10)
CASH, BEGINNING OF PERIOD	180	1,948
CASH, END OF PERIOD	40,559	1,938

The accompanying notes are an integral part of these condensed interim financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.
Condensed Interim Statements of Changes in Shareholders' Deficiency
(Expressed in Canadian Dollars)

	<u>Common shares</u>		Share Subscriptions	Deficit	Total
	Number	Amount			
		\$	\$	\$	\$
Balance at March 31, 2016	3,482,191	6,262,813	-	(6,520,337)	(257,254)
Loss for the period	-	-	-	(1,936)	(1,936)
Balance at June 30, 2016	3,482,191	6,262,813	-	(6,522,273)	(259,460)
Loss for the period	-	-	-	(199,261)	(199,261)
Balance at March 31, 2017	3,482,191	6,262,813	-	(6,721,534)	(458,721)
Share subscriptions received	-	-	27,000	-	27,000
Loss for the period	-	-	-	(115,699)	(115,699)
Balance at June 30, 2017	3,482,191	6,262,813	27,000	(6,837,233)	(547,420)

The accompanying notes are an integral part of these condensed interim financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Condensed Interim Financial Statements

June 30, 2017

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Consolidated Westview Resources Corp. (the "Company") was incorporated on February 25, 1986. In April 2014, the Company continued from the jurisdiction of Alberta to British Columbia where it will be governed by the Business Corporations Act (British Columbia). The Company was in the business of acquiring, evaluating and developing mineral properties but is now engaged in the evaluation of new business opportunities. The Company currently has no property interests and, based on activities to date, is considered to be an exploration stage company.

The head office, principal address, and registered and records office of the Company is Suite 610, 815 West Hastings Street, Vancouver, BC, V6C 1B4.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at June 30, 2017, the Company has a working capital deficit of \$547,420 (March 31, 2017 – \$458,721) and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon securing a new business opportunity, its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand and future private placements. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future.

These condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounts Standards ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

This condensed interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual audited financial statements of the Company for the year ended March 31, 2017.

Basis of presentation

The condensed interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Condensed Interim Financial Statements

June 30, 2017

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include valuation of share-based compensation and other equity based payments and the recoverability and measurement of deferred tax assets and liabilities.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

Valuation of share-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Changes in accounting standards

The Company has adopted the following accounting standards effective April 1, 2017 which had no significant impact on the condensed interim financial statements:

- Amendments to IA7, Statement of Cash Flows
- Amendments to IAS 12, Income Taxes

Accounting pronouncements not yet adopted

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the three months ended June 30, 2017 and have not been applied in preparing these financial statements. Management does not expect the new and revised standards to have an effect on the Company's reported financial position or results of operations:

- a) IFRS 2 – Share Based Payments: the amendments eliminate the diversity in practice in the classification and measurement of particular share-based payment transactions which are narrow in scope and address specific areas of classification and measurement. It is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted provided it is disclosed. Management does not anticipate this standard having a material effect on the Company's financial statements.
- b) IFRS 9 – Financial Instruments: Classification and Measurement: applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. Management does not anticipate this standard having a material effect on the Company's financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Condensed Interim Financial Statements

June 30, 2017

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting pronouncements not yet adopted (continued)

- c) IFRS 16 – Leases: specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard was issued in January 2016 and is effective for annual periods beginning on or after January 1, 2019. Management is currently evaluating the impact this standard will have on the Company's condensed interim financial statements.

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2017	March 31, 2017
	\$	\$
Accounts payable	289,090	156,767
Accrued liabilities	15,300	10,100
Due to related parties (Note 6)	230,049	246,752
	534,439	413,619

4. LOAN PAYABLE

The Company owes a creditor \$50,000 which is unsecured, non-interest bearing and has no fixed terms of repayment.

5. SHARE CAPITAL AND RESERVES

Authorized share capital

Unlimited number of common shares without par value.

Issued shares

There were no shares issued during the three months ended June 30, 2017 and the year ended March 31, 2017.

Share subscriptions

During the three months ended June 30, 2017, the Company received \$27,000 (March 31, 2017 - \$Nil) for share subscriptions relating to the private placement which closed in July 2017 (Note 10).

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Condensed Interim Financial Statements

June 30, 2017

(Expressed in Canadian Dollars)

5. SHARE CAPITAL AND RESERVES (continued)

Options

The Company has established a stock option plan for directors, officers, and employees to acquire common shares of the Company at a price determined by reference to the fair market value of the shares at the date of grant. One-eighth of the options granted under the plan will vest immediately; a further one-eighth will vest each three month period thereafter, with the remaining one-quarter vesting after eighteen months from the date of grant.

There were no options issued during the three months ended June 30, 2017 or the year ended March 31, 2017. In addition, there were no options outstanding as at June 30, 2017 or March 31, 2017.

6. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing, and controlling of the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

	For the three months ended June 30,	
	2017	2016
	\$	\$
Professional fees	7,850	-
	7,850	-

As at June 30, 2017, \$230,049 (March 31, 2017 - \$246,752) was included in accounts payable and accrued liabilities owing to various directors, officers, and companies controlled by these directors and officers of the Company and a former officer of the Company (Note 3).

As at June 30, 2017, \$13,400 (year ended March 31, 2017 - \$13,400) was owed to the former CEO. The advances are unsecured, non-interest bearing and have no fixed terms of repayment.

7. CAPITAL DISCLOSURE AND MANAGEMENT

The capital structure of the Company consists of equity attributable to common shareholders and includes share capital and deficit.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to maintain the Company in good standing with the various regulatory authorities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the Company. The Company is not subject to externally imposed capital.

In order for the Company to pursue new business opportunities, the Company will spend its cash on hand and raise additional amounts externally as needed.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Condensed Interim Financial Statements

June 30, 2017

(Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, sales tax receivable, accounts payable and accrued liabilities, advances payable, and loan payable. The fair value of these financial instruments, other than cash, approximates their carrying values. Cash is measured at fair value using level 1 inputs.

The Company is exposed to the following risks in respect of certain of the financial instruments:

a) Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in a large Canadian financial institution and the Company is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is a very limited interest rate risk as the Company only holds cash and does not have any interest-bearing debt.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments. Liquidity risk is assessed at high as the Company does not have sufficient cash to settle current liabilities.

d) Currency risk

Currency risk is the risk the fair value of the future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company has no significant exposure to transactions in foreign currencies.

10. SUBSEQUENT EVENTS

- a) In July 2017, the Company settled liabilities totaling \$486,225 for 1,800,832 common shares of the Company.
- b) In July 2017, the Company closed a non-brokered private placement of 260,000 common shares at a price of \$0.27 per share for gross proceeds of \$70,200.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Financial Statements

For the years ended March 31, 2017 and 2016

Expressed in Canadian Dollars

CONSOLIDATED WESTVIEW RESOURCE CORP.

Table of Contents

(Expressed in Canadian Dollars)

Independent Auditors' Report	2
Financial Statements	
Statements of Financial Position	4
Statements of Comprehensive Loss	5
Statements of Cash Flows	6
Statements of Changes in Shareholders' Deficiency	7
Notes to the Financial Statements	8

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Consolidated Westview Resource Corp.

We have audited the accompanying financial statements of Consolidated Westview Resource Corp., which comprise the statements of financial position as at March 31, 2017 and 2016 and the statements of comprehensive loss, cash flows, and changes in shareholders' deficiency for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Consolidated Westview Resource Corp. as at March 31, 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.



Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Consolidated Westview Resource Corp.'s ability to continue as a going concern.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Professional Accountants

July 28, 2017

CONSOLIDATED WESTVIEW RESOURCE CORP.**Statements of Financial Position
(Expressed in Canadian Dollars)**

	March 31, 2017	March 31, 2016
	\$	\$
ASSETS		
Current assets		
Cash	180	1,948
Sales tax receivable	16,868	-
Prepaid expenses	1,250	1,250
TOTAL ASSETS	18,298	3,198
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (Note 3)	413,619	260,722
Advances payable (Note 6)	13,400	-
Loan payable (Note 4)	50,000	-
	477,019	260,722
Shareholders' deficiency		
Share capital (Note 5)	6,262,813	6,262,813
Deficit	(6,721,534)	(6,520,337)
	(458,721)	(257,524)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	18,298	3,198

Nature and continuance of operations (Note 1)

Subsequent events (Note 10)

Approved and authorized by the Board on July 28, 2017.

Approved on behalf of the Board of Directors:

“Richard Silas”
President, CEO and Corporate Secretary

“Mark McCartney”
Director

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.**Statements of Comprehensive Loss****(Expressed in Canadian Dollars)**

	Year ended March 31,	
	2017	2016
	\$	\$
OPERATING EXPENSES		
Consulting fees	54,125	-
Directors fees (Note 6)	-	15,000
Management fees (Note 6)	1,095	90,000
Office and administration	647	6,951
Professional fees (Note 6)	133,813	6,021
Regulatory and shareholder services	10,608	9,936
Rent (Note 6)	-	15,000
Travel	909	-
OPERATING LOSS	(201,197)	(142,908)
CONSULTING INCOME	-	6,000
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	(201,197)	(136,908)
BASIC AND DILUTED LOSS PER SHARE	\$ (0.06)	\$ (0.04)
WEIGHTED AVERAGE SHARES OUTSTANDING	3,482,191	3,482,191

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.**Statements of Cash Flows****(Expressed in Canadian Dollars)**

	Year ended	
	March 31,	
	2017	2016
	\$	\$
OPERATING ACTIVITIES		
Loss for the year	(201,197)	(136,908)
Changes in non-cash working capital:		
Sales tax receivable	(16,868)	5,881
Prepaid expenses	-	1,294
Accounts payable and accrued liabilities	152,897	131,113
	(65,168)	1,380
FINANCING ACTIVITIES		
Proceeds from advances payable	13,400	-
Proceeds from loan payable	50,000	-
	63,400	-
NET CHANGE IN CASH	(1,768)	1,380
CASH, BEGINNING OF YEAR	1,948	568
CASH, END OF YEAR	180	1,948

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.**Statements of Changes in Shareholders' Deficiency****(Expressed in Canadian Dollars)**

	<u>Common shares</u>			
	<u>Number</u>	<u>Amount</u>	<u>Deficit</u>	<u>Total</u>
		\$	\$	\$
Balance at March 31, 2015	3,482,191	6,262,813	(6,383,429)	(120,616)
Loss for the year	-	-	(136,908)	(136,908)
Balance at March 31, 2016	3,482,191	6,262,813	(6,520,337)	(257,254)
Loss for the year	-	-	(201,197)	(201,197)
Balance at March 31, 2017	3,482,191	6,262,813	(6,721,534)	(458,721)

The accompanying notes are an integral part of financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2017

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Consolidated Westview Resources Corp. (the "Company") was incorporated on February 25, 1986. In April 2014, the Company continued from the jurisdiction of Alberta to British Columbia where it will be governed by the Business Corporations Act (British Columbia). The Company was in the business of acquiring, evaluating and developing mineral properties but is now engaged in the evaluation of new business opportunities. The Company currently has no property interests and, based on activities to date, is considered to be an exploration stage company.

The head office, principal address, and registered and records office of the Company is Suite 610, 815 West Hastings Street, Vancouver, BC, V6C 1B4.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at March 31, 2017, the Company has a working capital deficit of \$458,721 (2016 – \$257,524) and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon securing a new business opportunity, its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with private placements. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements of the Company were approved and authorized for issue by the Board of Directors on July 28, 2017.

Basis of presentation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2017

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include valuation of share-based compensation and other equity based payments and the recoverability and measurement of deferred tax assets and liabilities.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

Valuation of share-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with maturities at acquisition of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. For cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts. The Company only has cash balances for the periods presented.

Impairment of non-financial assets

The carrying amount of the Company's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in net income on the statement of comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2017

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants, and options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

Valuation of equity units issued in private placements:

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing price on the issuance date. The balance, if any, was allocated to the attached warrants. Any value attributed to the warrants is recorded to reserves. If the warrants expire unexercised, the value attributed to the warrants is transferred to deficit.

Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of share options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding share options and warrants were exercised and that the proceeds from such exercises were used to acquire common share at the average market price during the reporting periods.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. The Company classifies cash as fair value through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized in profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2017

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method, and includes accounts payable and accrued liabilities, advances payable, and loan payable.

As at March 31, 2017 and 2016, the Company did not have any derivative financial assets or liabilities.

Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Deferred income tax

Deferred income tax is provided for based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Current income and deferred tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Accounting pronouncements not yet adopted

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2017 and have not been applied in preparing these financial statements. Management does not expect the new and revised standards to have an effect on the Company's reported financial position or results of operations:

- a) IFRS 2 – Share Based Payments: the amendments eliminate the diversity in practice in the classification and measurement of particular share-based payment transactions which are narrow in scope and address specific areas of classification and measurement. It is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted provided it is disclosed. Management does not anticipate this standard having a material effect on the Company's financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2017

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting pronouncements not yet adopted (continued)

- b) IFRS 9 – Financial Instruments: Classification and Measurement: applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. Management does not anticipate this standard having a material effect on the Company's financial statements.
- c) IFRS 16 – Leases: specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard was issued in January 2016 and is effective for annual periods beginning on or after January 1, 2019. Management is currently evaluating the impact this standard will have on the Company's condensed interim financial statements.
- d) IAS 7 – Statement of Cash Flows (disclosure initiative): these amendments require that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes. One way to fulfill the new disclosure requirement is to provide a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Finally, the amendments state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities. This amendment is effective for reporting periods beginning on or after January 1, 2017. Management does not anticipate this standard having a material effect on the Company's financial statements.
- e) IAS 12 – Income Taxes: the amendments clarify the recognition of deferred tax assets for unrealized losses on debt instruments. It is effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. Management does not anticipate this standard having a material effect on the Company's financial statements.

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2017	March 31, 2016
	\$	\$
Accounts payable	156,767	20,620
Accrued liabilities	10,100	6,000
Sales tax payable	-	157
Due to related parties (Note 6)	246,752	233,945
	413,619	260,722

4. LOAN PAYABLE

The Company owes a creditor \$50,000 which is unsecured, non-interest bearing and has no fixed terms of repayment.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2017

(Expressed in Canadian Dollars)

5. SHARE CAPITAL AND RESERVES

Authorized share capital

Unlimited number of common shares without par value.

Issued shares

There were no shares issued during the years ended March 31, 2017 or 2016.

Options

The Company has established a stock option plan for directors, officers, and employees to acquire common shares of the Company at a price determined by reference to the fair market value of the shares at the date of grant. One-eighth of the options granted under the plan will vest immediately; a further one-eighth will vest each three month period thereafter, with the remaining one-quarter vesting after eighteen months from the date of grant.

There were no options issued during the years ended March 31, 2017 or 2016. In addition, there were no options outstanding as at March 31, 2017 or 2016.

6. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing, and controlling of the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

	For the years ended	
	March 31,	
	2017	2016
	\$	\$
Director fees	-	15,000
Management fees	-	90,000
Professional fees	28,000	-
	28,000	105,000

During the year ended March 31, 2017, the Company incurred rent of \$Nil (2016 – \$15,000) and administrative fees of \$Nil (2016 - \$6,000) to a Company owned by an officer and director of the Company.

As at March 31, 2017, \$270,377 (2016 - \$233,945) was included in accounts payable and accrued liabilities owing to various directors, officers, and companies controlled by these directors and officers of the Company and a former officer of the Company (Note 3).

During the year ended March 31, 2017, \$13,400 (2016 - \$Nil) was advanced by the former CEO. The advances are unsecured, non-interest bearing and have no fixed terms of repayment.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2017

(Expressed in Canadian Dollars)

7. CAPITAL DISCLOSURE AND MANAGEMENT

The capital structure of the Company consists of equity attributable to common shareholders and includes share capital and deficit.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to maintain the Company in good standing with the various regulatory authorities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the Company. The Company is not subject to externally imposed capital.

In order for the Company to pursue new business opportunities, the Company will spend its cash on hand and raise additional amounts externally as needed.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, advances payable, and loan payable. The fair value of these financial instruments, other than cash, approximates their carrying values. Cash is measured at fair value using level 1 inputs.

The Company is exposed to the following risks in respect of certain of the financial instruments:

a) Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in a large Canadian financial institution and the Company is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is a very limited interest rate risk as the Company only holds cash and does not have any interest-bearing debt.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments. Liquidity risk is assessed at high as the Company does not have sufficient cash to settle current liabilities.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2017

(Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

d) Currency risk

Currency risk is the risk the fair value of the future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company has no significant exposure to transactions in foreign currencies.

9. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Years ended March 31,	
	2017	2016
	\$	\$
Loss before income taxes	(201,197)	(136,908)
<i>Combined federal and provincial statutory income tax rate</i>	26%	26%
Expected income tax recovery at statutory rates	(52,300)	(35,600)
Expiry of non-capital losses and other	-	32,600
Change in unrecognized deductible temporary differences	52,300	3,000
Income tax expense	-	-

The significant components of temporary differences, unused tax losses and unused tax credits that have not been recognized on the statements of financial position are as follows:

	March 31,	Expiry dates	March 31,
	2017		2016
	\$		\$
Non-capital losses	1,892,000	2026 to 2037	1,691,000
Exploration and evaluation assets	3,045,000	Not applicable	3,045,000

Tax attributes are subject to review, and potential adjustment, by tax authorities.

10. SUBSEQUENT EVENTS

- In July 2017, the Company settled liabilities totaling \$486,225 for 1,800,832 common shares of the Company.
- In July 2017, the Company closed a non-brokered private placement of 260,000 common shares at a price of \$0.27 per share for gross proceeds of \$70,200.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Financial Statements

For the years ended March 31, 2016 and 2015

Expressed in Canadian Dollars

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Consolidated Westview Resource Corp.

We have audited the accompanying financial statements of Consolidated Westview Resource Corp., which comprise the statements of financial position as at March 31, 2016 and 2015 and the statements of comprehensive loss, cash flows and changes in shareholders' deficiency for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Consolidated Westview Resource Corp. as at March 31, 2016 and 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.



Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Consolidated Westview Resource Corp.'s ability to continue as a going concern.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Professional Accountants

July 22, 2016

CONSOLIDATED WESTVIEW RESOURCE CORP.

Table of Contents

(Expressed in Canadian Dollars)

Independent Auditors' Report	1
Content	3
Statements of Financial Position	4
Statements of Comprehensive Loss	5
Statements of Cash Flows	6
Statements of Changes in Shareholders' Deficiency	7
Notes to the Financial Statements	8

CONSOLIDATED WESTVIEW RESOURCE CORP.**Statements of Financial Position****(Expressed in Canadian Dollars)**

	March 31, 2016	March 31, 2015
	\$	\$
ASSETS		
Current assets		
Cash	1,948	568
Receivable	-	5,881
Prepaid expenses	1,250	2,544
TOTAL ASSETS	3,198	8,993
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (Note 3)	260,722	129,609
Shareholders' deficiency		
Share capital (Note 4)	6,262,813	6,262,813
Deficit	(6,520,337)	(6,383,429)
	(257,524)	(120,616)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	3,198	8,993

Nature and continuance of operations (Note 1)

Approved and authorized by the Board on July 22, 2016.

Approved on behalf of the Board of Directors:

“Jonathan Awde”
Jonathan Awde, President and CEO

“Richard Silas”
Richard Silas, Corporate Secretary

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.**Statements of Comprehensive Loss****(Expressed in Canadian Dollars)**

	Year ended March 31,	
	2016	2015
	\$	\$
OPERATING EXPENSES		
Consulting fees	-	65,000
Directors fees	15,000	45,000
Management fees	90,000	150,000
Office and administration	6,951	30,279
Professional fees	6,021	21,259
Regulatory and shareholder services	9,936	17,635
Rent	15,000	30,000
OPERATING LOSS	(142,908)	(359,173)
CONSULTING INCOME	6,000	6,000
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	(136,908)	(353,173)
BASIC AND DILUTED LOSS PER SHARE	\$ (0.04)	\$ (0.12)
WEIGHTED AVERAGE SHARES OUTSTANDING	3,482,191	2,957,602

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.**Statements of Cash Flows****(Expressed in Canadian Dollars)**

	Year ended March 31,	
	2016	2015
	\$	\$
OPERATING ACTIVITIES		
Loss for the year	(136,908)	(353,173)
Changes in non-cash working capital:		
Receivable	5,881	(5,044)
Prepaid expenses	1,294	(2,544)
Accounts payable and accrued liabilities	131,113	113,084
	1,380	(247,677)
FINANCING ACTIVITIES		
Share issued for cash	-	185,000
Share issuance costs	-	(2,796)
	-	182,204
NET CHANGE IN CASH	1,380	(65,473)
CASH, BEGINNING OF YEAR	568	66,041
CASH, END OF YEAR	1,948	568

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.**Statements of Changes in Shareholders' Deficiency****(Expressed in Canadian Dollars)**

	<u>Common shares</u>			
	<u>Number</u>	<u>Amount</u>	<u>Deficit</u>	<u>Total</u>
		\$	\$	\$
Balance at March 31, 2014	2,557,191	6,080,609	(6,030,256)	50,353
Private placement	925,000	185,000	-	185,000
Share issue costs	-	(2,796)	-	(2,796)
Loss for the year	-	-	(353,173)	(353,173)
Balance at March 31, 2015	3,482,191	6,262,813	(6,383,429)	(120,616)
Loss for the year	-	-	(136,908)	(136,908)
Balance at March 31, 2016	3,482,191	6,262,813	(6,520,337)	(257,524)

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2016

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Consolidated Westview Resources Corp. (the "Company") was incorporated on February 25, 1986. In April 2014, the Company continued from the jurisdiction of Alberta to British Columbia where it will be governed by the Business Corporations Act (British Columbia). The Company was in the business of acquiring, evaluating and developing mineral properties but is now engaged in the evaluation of new business opportunities. The Company currently has no property interests and, based on activities to date, is considered to be an exploration stage company.

The head office, principal address, and registered and records office of the Company is Suite 610, 815 West Hastings Street, Vancouver, BC, V6C 1B4.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at March 31, 2016, the Company has a working capital deficit of \$257,524 (2015 – \$120,616) and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon securing a new business opportunity, its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with current cash on hand and further private placements.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements of the Company were approved and authorized for issue by the Board of Directors on July 22, 2016.

Basis of presentation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2016

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include valuation of share-based compensation and other equity based payments and the recoverability and measurement of deferred tax assets and liabilities.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

Valuation of share-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with maturities at acquisition of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. For cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts. The Company only has cash balances for the periods presented.

Impairment of non-financial assets

The carrying amount of the Company's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in net income on the statement of comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2016

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants, and options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

Valuation of equity units issued in private placements:

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing price on the issuance date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves. If the warrants expire unexercised, the value attributed to the warrants is transferred to deficit.

Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of share options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding share options and warrants were exercised and that the proceeds from such exercises were used to acquire common share at the average market price during the reporting periods.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. The Company classifies cash as fair value through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized in profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2016

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method, and includes accounts payable and accrued liabilities.

As at March 31, 2016 and 2015, the Company did not have any derivative financial assets or liabilities.

Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Deferred income tax

Deferred income tax is provided for based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Current income and deferred tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Accounting pronouncements not yet adopted

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2016 and have not been applied in preparing these financial statements. Management does not expect the new and revised standards to have an effect on the Company's reported financial position or results of operations:

- a) IFRS 9 – Financial Instruments: Classification and Measurement applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2016

(Expressed in Canadian Dollars)

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2016	March 31, 2015
	\$	\$
Accounts payable	20,620	1,759
Accrued liabilities	6,000	14,600
Sales tax payable	157	-
Due to related parties (Note 5)	233,945	113,250
	260,722	129,609

4. SHARE CAPITAL AND RESERVES

Authorized share capital

Unlimited number of common shares without par value.

Issued shares

On June 19, 2014, the Company completed a six for one share consolidation. All current and comparative references to the number of common shares, warrants, options, weighted average number of common shares and loss per share have been restated to give effect to the six for one share consolidation.

On October 24, 2014, the Company closed a private placement by issuing 925,000 common shares at \$0.20 per share for total proceeds of \$185,000. A finder's fee of \$1,860 was paid in connection with the private placement. The common shares issued were subject to a four month hold period.

Options

The Company has established a stock option plan for directors, officers, and employees to acquire common shares of the Company at a price determined by reference to the fair market value of the shares at the date of grant. One-eighth of the options granted under the plan will vest immediately; a further one-eighth will vest each three month period thereafter, with the remaining one-quarter vesting after eighteen months from the date of grant.

At March 31, 2016, a total of 348,219 share options were available for grant. No share options were granted during the years ended March 31, 2016 and 2015 and no share options were outstanding at March 31, 2016 and 2015.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2016

(Expressed in Canadian Dollars)

5. RELATED PARTY TRANSACTIONS

Summary of key management personnel compensation (includes officers and directors of the Company):

	For the year ended March 31,	
	2016	2015
	\$	\$
Consulting fees	-	65,000
Director fees	15,000	45,000
Management fees	90,000	150,000
	105,000	260,000

During the year ended March 31, 2016, the Company incurred rent of \$15,000 (2015 – \$30,000) and administrative fees of \$6,000 (2015 - \$30,000) to a Company owned by an officer and director of the Company.

As at March 31, 2016, \$233,945 (2015 - \$113,250) was included in accounts payable and accrued liabilities owing to various directors, officers, and companies controlled by these directors and officers of the Company (Note 3).

6. CAPITAL DISCLOSURE AND MANAGEMENT

The capital structure of the Company consists of equity attributable to common shareholders and includes share capital and deficit.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to maintain the Company in good standing with the various regulatory authorities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the Company. The Company is not subject to externally imposed capital.

In order for the Company to pursue new business opportunities, the Company will spend its cash on hand and raise additional amounts externally as needed.

CONSOLIDATED WESTVIEW RESOURCE CORP.

Notes to the Financial Statements

March 31, 2016

(Expressed in Canadian Dollars)

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, receivables and accounts payable and accrued liabilities. The fair value of these financial instruments, other than cash, approximates their carrying values. Cash is measured at fair value using level 1 inputs.

The Company is exposed to the following risks in respect of certain of the financial instruments:

a) Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in a large Canadian financial institution and the Company is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is a very limited interest rate risk as the Company only holds cash and does not have any interest-bearing debt.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments. Liquidity risk is assessed at high as the Company does not have sufficient cash to settle current liabilities.

CONSOLIDATED WESTVIEW RESOURCE CORP.**Notes to the Financial Statements****March 31, 2016****(Expressed in Canadian Dollars)****8. INCOME TAXES**

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Years ended March 31,	
	2016	2015
	\$	\$
Loss before income taxes	(136,908)	(353,173)
<i>Combined federal and provincial statutory income tax rate</i>	<i>26%</i>	<i>26%</i>
Expected income tax recovery at statutory rates	(35,600)	(91,800)
Expiry of non-capital losses and other	32,600	-
Change in unrecognized deductible temporary differences	3,000	91,800
Income tax expense	-	-

The significant components of temporary differences, unused tax losses and unused tax credits that have not been recognized on the statements of financial position are as follows:

	March 31,	Expiry dates	March 31,
	2016		2015
	\$		\$
Non-capital losses	1,691,000	2017 to 2036	1,677,000
Exploration and evaluation assets	3,045,000	Not applicable	3,045,000

Tax attributes are subject to review, and potential adjustment, by tax authorities.

SCHEDULE “2” – MD&A OF CONSOLIDATED WESTVIEW RESOURCE CORP.

See attached.

**CONSOLIDATED WESTVIEW
RESOURCE CORP.**

**Management Discussion and Analysis
For the three months ended
June 30, 2017**

GENERAL

The purpose of this Management Discussion and Analysis (“MD&A”) is to explain management’s point of view of Consolidated Westview Resource Corp.’s (“Westview” or the “Company”) past performance and future outlook. This report also provides information to improve the reader’s understanding of the financial statements and related notes, and should therefore be read in conjunction with the condensed interim financial statements of the Company and notes thereto for the three months ended June 30, 2017 (the “Financial Statements”) and the audited financial statements for the year ended March 31, 2017. Additional information on the Company is available on SEDAR. All information contained in this MD&A is current as of August 25, 2017 unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards (“IFRS”) and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words. Forward-looking statements may relate to the Company’s future financial conditions, results of operations, plans, objectives, performance or business developments. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management’s expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

The forward looking statements contained herein are based on information available as of August 25, 2017.

OVERALL PERFORMANCE

The Company is engaged in the evaluation of new business opportunities and currently has no property or business interests. Management of the Company is responsible for seeking out and evaluating new opportunities primarily through networking. As of the date of this report, no formal process has been put in place in this regard.

Subsequent Events

In July 2017, the Company settled liabilities totaling \$486,225 for 1,800,832 common shares of the Company.

In July 2017, the Company closed a non-brokered private placement of 260,000 common shares at a price of \$0.27 per share for gross proceeds of \$70,200.

SELECTED ANNUAL INFORMATION

As at June 30, 2017, the Company has not recorded any revenues from operations, and depends upon share issuances to fund its administrative expenses. See the summary of results below:

	Three months ended June 30,	
	2017	2016
	\$	\$
Revenues	-	-
Expenses	(115,699)	(1,936)
Loss and comprehensive loss for the period	(115,699)	(1,936)
Basic and diluted net and comprehensive loss per common share	(0.03)	(0.00)
Total assets	50,419	3,188
Total long-term liabilities	-	-
Working capital (deficiency)	(547,420)	(259,460)
Dividends per share	-	-

At June 30, 2017, the Company had not yet achieved profitable operations and has accumulated losses of \$6,837,233 (June 30, 2016 – \$6,522,273) since inception. The net losses for the three months ended June 30, 2017 and 2016 resulted in a loss and comprehensive loss per share of \$0.03 and \$0.00, respectively.

At June 30, 2017, the Company has no continuing source of operating revenues and related expenditures. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities.

RESULTS OF OPERATIONS

As an exploration company, the Company has yet to generate any revenue since its inception from its planned operations.

The table below details the significant changes in operating expenses for the three months ended June 30, 2017 as compared to the three months ended June 30, 2016:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Increase of \$100,000	Increased due to the use of a consultant to provide financial advisory services for potential property acquisitions.
Professional fees	Increase of \$13,050	Increased due to the Company incurring legal fees for drafting of debt settlement agreements which were fully executed in July 2017 and incurring additional accounting fees relating to the Company's 2017 year-end.

SUMMARY OF QUARTERLY RESULTS FOR THE LAST CONSECUTIVE 8 QUARTERS

The following selected quarterly financial information is derived from the financial statements of the Company.

	1 st Quarter	4 th Quarter	3 rd Quarter	2 nd Quarter
Three Months Ended	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016
	\$	\$	\$	\$
Total revenue	-	-	-	-
Total comprehensive loss	(115,699)	(79,645)	(116,975)	(2,641)
Comprehensive loss per share-basic and diluted	(0.03)	(0.02)	(0.01)	(0.00)

	1 st Quarter	4 th Quarter	3 rd Quarter	2 nd Quarter
Three Months Ended	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
	\$	\$	\$	\$
Total revenue	-	-	-	-
Total comprehensive loss	(1,936)	(8,658)	(3,964)	(63,173)
Comprehensive loss per share-basic and diluted	(0.00)	(0.00)	(0.00)	(0.02)

The variations in loss and comprehensive loss from quarter to quarter are a result of the extent of the amount of administrative expenses needed.

There were no material variations during the quarters presented except for:

- the quarter ended June 30, 2017 which included increased consulting fees due to a potential property acquisition;
- the quarter ended December 31, 2016 which included increased legal fees due to a potential business acquisition which the Company decided not to pursue; and
- the quarters ended December 31, 2015 through to September 30, 2016 which included reduced management fees as officers and directors of the Company agreed to voluntarily suspend their management and directors fees effective October 1, 2015 as part of cost cutting initiatives.

LIQUIDITY, FINANCIAL POSITION, AND CAPITAL RESOURCES

The Company has no mineral resources; accordingly, the Company does not generate cash from operations. The Company finances development activities by raising capital from equity markets from time to time.

The Company's liquidity and capital resources are as follows:

	June 30, 2017	March 31, 2017
	\$	\$
Cash	40,559	180
Sales tax receivable	8,610	16,868
Prepaid expenses	1,250	1,250
Total current assets	50,419	18,298
Accounts payable and accrued liabilities	534,439	413,619
Advances payable	13,400	13,400
Loan payable	50,000	50,000
Total current liabilities	597,839	477,019
Working capital (deficiency)	(547,420)	(458,721)

At June 30, 2017, the Company had cash of \$40,559 (June 30, 2016 - \$1,938) which consisted mainly of funds received from the Company's GST refunds and share subscriptions received. Cash increased by \$40,379 during the three months ended June 30, 2017 as a result of the Company receiving share subscriptions for the July 2017 private placement and past due GST refunds, as compared to a decrease of \$10 in the comparative quarter ended June 30, 2016. The decrease in the comparative quarter was primarily the result of funding administrative expenses.

The Company's continuation as a going concern is dependent upon securing a new business opportunity, its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with current cash on hand and further equity financings. See "Risks and Uncertainties".

Management believes the Company will be able to raise additional funds to meet anticipated administrative expenses and pursue future business opportunities, if required.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

COMMITMENTS

The Company has no commitments.

RELATED PARTY TRANSACTIONS

During the three months ended June 30, 2017, the Company entered into the following transactions with related parties:

- a) As at June 30, 2017, \$72,800 (March 31, 2017 - \$72,800) was included in accounts payable and accrued liabilities owing to Universal Solutions Inc., a company controlled by Richard Silas, the Corporate Secretary, interim President and CEO, and a director of the Company. Additionally, as at June 30, 2017, \$6,384 (March 31, 2017 - \$3,938) was included in accounts payable and accrued liabilities owing to Mr. Silas for expense reimbursements.
- b) Incurred professional fees of \$7,850 (June 30, 2016 - \$Nil) to Michael Waldkirch & Company Inc., a company controlled by Michael Waldkirch, the CFO of the Company. As at June 30, 2017, \$105,375 (March 31, 2017 - \$97,525) was included in accounts payable and accrued liabilities owing to this company.
- c) As at June 30, 2017, \$29,500 (March 31, 2017 - \$29,500) was included in accounts payable and accrued liabilities owing to 1010714 BC Ltd., a company controlled by Kelly Russell, a director of the Company.
- d) As at June 30, 2017, \$15,750 (March 31, 2017- \$15,750) was included in accounts payable and accrued liabilities owing to Mr. McCartney, a director of the Company.
- e) As at June 30, 2017, \$240 (March 31, 2017- \$240) was included in accounts payable and accrued liabilities owing to Gold Standard Ventures Corp., a company with common directors.

RISKS AND UNCERTAINTIES

The Company currently has no business assets or property interests and there can be no assurance that a suitable opportunity will be found within the timeframe allowed by the Company's limited financial resources.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Financial Statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, as well as the reported revenues and expenses during the reporting period. Based on historical experience and current conditions, management makes assumptions that are believed to be reasonable under the circumstances. These estimates and assumptions form the basis for judgments about the carrying value of assets and liabilities and reported amounts for revenues and expenses. Different assumptions would result in different estimates, and actual results may differ from results based on these estimates. These estimates and assumptions are also affected by management's application of accounting policies. Critical accounting estimates are those that affect the financial statements materially and involve a significant level of judgment by management.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based compensation and other equity based payments and the recoverability and measurement of deferred tax assets and liabilities.

A detailed summary of the Company's significant accounting estimates is included in Note 2 to the financial statements for the three months ended June 30, 2017.

CHANGES IN ACCOUNTING STANDARDS

The Company has adopted the following accounting standards effective April 1, 2017 which had no significant impact on the condensed interim financial statements:

- Amendments to IA7, Statement of Cash Flows
- Amendments to IAS 12, Income Taxes

ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2017 and have not been applied in preparing these financial statements. Management does not expect the new and revised standards to have an effect on the Company's reported financial position or results of operations:

- a) IFRS 2 – Share Based Payments: the amendments eliminate the diversity in practice in the classification and measurement of particular share-based payment transactions which are narrow in scope and address specific areas of classification and measurement. It is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted provided it is disclosed. Management does not anticipate this standard having a material effect on the Company's financial statements.
- b) IFRS 9 – Financial Instruments: Classification and Measurement: applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. Management does not anticipate this standard having a material effect on the Company's financial statements.

- c) IFRS 16 – Leases: specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16’s approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard was issued in January 2016 and is effective for annual periods beginning on or after January 1, 2019. Management is currently evaluating the impact this standard will have on the Company’s condensed interim financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company’s financial instruments consist of cash, sales tax receivable, accounts payable and accrued liabilities, advances payable, and loan payable. The fair value of these financial instruments, other than cash, approximates their carrying values. Cash is measured at fair value using level 1 inputs.

The Company is exposed to the following risks in respect of certain of the financial instruments:

a) Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company’s cash is held in a large Canadian financial institution. The Company is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is a very limited interest rate risk as the Company only holds cash and does not have any interest-bearing debt.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company’s ability to continue as a going concern is dependent on management’s ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments. Liquidity risk is assessed at high as the Company does not have sufficient cash to settle current liabilities.

d) Currency risk

Currency risk is the risk the fair value of the future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company has no significant exposure to transactions in foreign currencies.

DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES, OPTIONS AND WARRANTS

Common Shares

The Company has one class of common shares. As at June 30, 2017 the Company had 3,482,191 common shares issued and outstanding while as at the date of this report, the Company had 5,543,023 common shares issued and outstanding.

The Company had no options or warrants outstanding as at June 30, 2017 and the date of this report.

INTERNAL CONTROLS OVER FINANCIAL REPORTING PROCEDURES

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's Financial Statements.

Management of the Company has filed the Venture Issuer Basic Certificate with the Interim Filing on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the Financial Statements, is the responsibility of management. In the preparation of these Financial Statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying Financial Statements.

Management maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

OTHER MD&A REQUIREMENTS

Additional information relating to the Company may be found on or in:

- SEDAR at www.sedar.com;
- the Company's audited financial statements for the year ended March 31, 2017; and
- the Company's unaudited financial statements for the three months ended June 30, 2017.

This MD&A was approved by the Board of Directors of Consolidated Westview Resource Corp. effective August 25, 2017.

**CONSOLIDATED WESTVIEW
RESOURCE CORP.**

**Management Discussion and Analysis
For the year ended
March 31, 2017**

GENERAL

The purpose of this Management Discussion and Analysis (“MD&A”) is to explain management’s point of view of Consolidated Westview Resource Corp.’s (“Westview” or the “Company”) past performance and future outlook. This report also provides information to improve the reader’s understanding of the financial statements and related notes, and should therefore be read in conjunction with the audited financial statements of the Company and notes thereto for the year ended March 31, 2017 (the “Financial Statements”). Additional information on the Company is available on SEDAR. All information contained in this MD&A is current as of July 28, 2017 unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards (“IFRS”) and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words. Forward-looking statements may relate to the Company’s future financial conditions, results of operations, plans, objectives, performance or business developments. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management’s expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

The forward looking statements contained herein are based on information available as of July 28, 2017.

OVERALL PERFORMANCE

The Company is engaged in the evaluation of new business opportunities and currently has no property or business interests. Management of the Company is responsible for seeking out and evaluating new opportunities primarily through networking. As of the date of this report, no formal process has been put in place in this regard.

On April 1, 2014, 631208 BC Ltd., a private British Columbia company controlled by Jonathan Awde, acquired ownership of 1,136,392 common shares of the Company representing 44.44% of the Company’s issued and outstanding common shares at that time. On December 19, 2014, Mr. Awde was appointed the President and CEO of the Company. In October 2016, Mr. Awde resigned as President and CEO and Richard Silas was appointed the interim President and CEO.

In October 2016, Mr. Silas resigned as President and CEO and Jacques Wortman was appointed President and CEO.

In November 2016, Mr. Wortman resigned as President and CEO and Mr. Silas was re-appointed as the interim President and CEO.

Subsequent Events

In July 2017, the Company settled liabilities totaling \$486,225 for 1,800,832 common shares of the Company.

In July 2017, the Company closed a non-brokered private placement of 260,000 common shares at a price of \$0.27 per share for gross proceeds of \$70,200.

SELECTED ANNUAL INFORMATION

As at March 31, 2017, the Company has not recorded any revenues from operations, and depends upon share issuances to fund its administrative expenses. See the summary of results below:

	2017	2016	2015
	\$	\$	\$
Revenues	-	-	-
Expenses	(201,197)	(142,908)	(359,173)
Loss and comprehensive loss for the year	(201,097)	(136,908)	(353,173)
Basic and diluted net and comprehensive loss per common share	(0.06)	(0.04)	(0.12)
Total assets	18,298	3,198	8,993
Total long-term liabilities	-	-	-
Working capital (deficiency)	(458,721)	(257,524)	(120,616)
Dividends per share	-	-	-

At March 31, 2017, the Company had not yet achieved profitable operations and has accumulated losses of \$6,721,534 (2016 – \$6,520,337) since inception. The net losses for the years ended March 31, 2017 and 2016 resulted in a loss and comprehensive loss per share of \$0.6 and \$0.04, respectively.

At March 31, 2017, the Company has no continuing source of operating revenues and related expenditures. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities.

RESULTS OF OPERATIONS

As an exploration company, the Company has yet to generate any revenue since its inception from its planned operations.

The table below details the significant changes in operating expenses for the year ended March 31, 2017 as compared to the year ended March 31, 2016:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Increase of \$54,125	Increased due to the use of a consultant to provide strategic corporate planning advice.
Directors fees	Decrease of \$15,000	Decreased as directors' fees were voluntarily suspended effective October 1, 2015 as part of cost cutting initiatives.
Management fees	Decrease of \$88,905	Decreased as management fees were voluntarily suspending effective October 1, 2015 as part of cost cutting initiatives.
Office and administration	Decrease of \$6,304	Decreased as administrative fees were voluntarily suspended effective October 1, 2015 and there was a general reduction to office overhead as part of cost-cutting initiatives.
Professional fees	Increase of \$127,792	Increased due to the Company incurring legal fees relating to potential new business acquisitions which the Company decided not to pursue.
Rent	Decrease of \$15,000	Decreased as rent paid was voluntarily suspended effective October 1, 2015 as part of cost cutting initiatives.

SUMMARY OF QUARTERLY RESULTS FOR THE LAST CONSECUTIVE 8 QUARTERS

The following selected quarterly financial information is derived from the financial statements of the Company.

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Three Months Ended	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
	\$	\$	\$	\$
Total revenue	-	-	-	-
Total comprehensive loss	(79,645)	(116,975)	(2,641)	(1,936)
Comprehensive loss per share-basic and diluted	(0.02)	(0.01)	(0.00)	(0.00)

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Three Months Ended	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015
	\$	\$	\$	\$
Total revenue	-	-	-	-
Total comprehensive loss	(8,658)	(3,964)	(63,173)	(61,113)
Comprehensive loss per share-basic and diluted	(0.00)	(0.00)	(0.02)	(0.02)

The variations in loss and comprehensive loss from quarter to quarter are a result of the extent of the amount of administrative expenses needed.

There were no material variations during the quarters presented except for:

- the quarter ended December 31, 2016 which included increased legal fees due to a potential business acquisition which the Company decided not to pursue; and
- the quarters ended December 31, 2015 through to September 30, 2016 which included reduced management fees as officers and directors of the Company agreed to voluntarily suspend their management and directors fees effective October 1, 2015 as part of cost cutting initiatives.

LIQUIDITY, FINANCIAL POSITION, AND CAPITAL RESOURCES

The Company has no mineral resources; accordingly, the Company does not generate cash from operations. The Company finances development activities by raising capital from equity markets from time to time.

The Company's liquidity and capital resources are as follows:

	March 31, 2017	March 31, 2016
	\$	\$
Cash	180	1,948
Sales tax receivable	16,868	-
Prepaid expenses	1,250	1,250
Total current assets	18,298	3,198
Accounts payable and accrued liabilities	413,619	260,722
Advances payable	13,400	-
Loan payable	50,000	-
Total current liabilities	477,019	260,722
Working capital (deficiency)	(458,721)	(257,524)

At March 31, 2017, the Company had cash of \$180 (2016 - \$1,948) which consisted mainly of funds received from the Company's GST refunds. Cash decreased by \$1,768 during the year ended March 31, 2017 as a result of the Company's operating activities, as compared to an increase of \$1,380 in the comparative year ended March 31, 2016. The increase in the comparative year was primarily the result of the Company's operating activities.

The Company's continuation as a going concern is dependent upon securing a new business opportunity, its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with current cash on hand and further equity financings. See "Risks and Uncertainties".

Management believes the Company will be able to raise additional funds to meet anticipated administrative expenses and pursue future business opportunities, if required.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

COMMITMENTS

The Company has no commitments.

FOURTH QUARTER

The table below details the significant changes in administrative expenditures for the quarter ended March 31, 2017 as compared to the quarter ended March 31, 2016:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Increase of \$54,125	Increased due to the use of a consultant to provide strategic corporate planning advice.
Professional fees	Increase of \$16,600	Increased due to increased accounting fees being incurred.

At March 31, 2017, the Company had a cash position of \$180 (2016 - \$1,948). Cash decreased by \$532 during the fourth quarter of fiscal 2017, as compared to a decrease of \$1,287 during the fourth quarter of fiscal 2016. The lower decrease in cash during the fourth quarter of fiscal 2017 was the result of the Company having fewer funds available.

During the fourth quarter of fiscal 2017, the Company continued to focus its efforts on searching for new business ventures to enter into.

RELATED PARTY TRANSACTIONS

As at October 1, 2015, the directors and officers of the Company voluntarily agreed to cease further management and director fees as part of cost cutting initiatives.

During year ended March 31, 2017, the Company entered into the following transactions with related parties:

- a) Incurred management fees of \$nil (2016 - \$15,000), office administrative fees of \$nil (2016 - \$6,000), and rent of \$nil (2016 - \$15,000) to Universal Solutions Inc., a company controlled by Richard Silas, the Corporate Secretary, interim President and CEO, and a director of the Company. As at March 31, 2017, \$72,800 (2016 - \$72,800) was included in accounts payable and accrued liabilities owing to this company. Additionally, as at March 31, 2017, \$3,938 (2016 - \$nil) was included in accounts payable and accrued liabilities owing to Mr. Silas for expense reimbursements.
- b) Incurred management fees of \$nil (2016 - \$45,000) to Jonathan Awde, the former President, CEO, and director of the Company. As at March 31, 2017, \$50,625 (2016 - \$50,625) was included in accounts payable and accrued liabilities owing to 631208 B.C. Ltd. (a company controlled by Mr. Awde) and Mr. Awde. Additionally, during the year ended March 31, 2017, Mr. Awde advanced \$13,400 (2016 - \$nil) to the Company which is included in advances payable.
- c) Incurred management fees of \$nil (2016 - \$30,000) and professional fees of \$28,000 (2016 - \$nil) to Michael Waldkirch & Company Inc., a company controlled by Michael Waldkirch, the CFO of the Company. As at March 31, 2017, \$97,525 (2016 - \$65,270) was included in accounts payable and accrued liabilities owing to this company.
- d) Incurred directors fees of \$nil (2016 - \$15,000) to 1010714 BC Ltd., a company controlled by Kelly Russell, a director of the Company. As at March 31, 2017, \$29,500 (2016 - \$29,500) was included in accounts payable and accrued liabilities owing to this company.
- e) As at March 31, 2017, \$15,750 (2016- \$15,750) was included in accounts payable and accrued liabilities owing to Mr. McCartney, a director of the Company.
- f) As at March 31, 2017, \$240 (2016- \$nil) was included in accounts payable and accrued liabilities owing to Gold Standard Ventures Corp., a company with common directors.

RISKS AND UNCERTAINTIES

The Company currently has no business assets or property interests and there can be no assurance that a suitable opportunity will be found within the timeframe allowed by the Company's limited financial resources.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Financial Statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, as well as the reported revenues and expenses during the reporting period. Based on historical experience and current conditions, management makes assumptions that are believed to be reasonable under the circumstances. These estimates and assumptions form the basis for judgments about the carrying value of assets and liabilities and reported amounts for revenues and expenses. Different assumptions would result in different estimates, and actual results may differ from results based on these estimates. These estimates and assumptions are also affected by management's application of accounting policies. Critical accounting estimates are those that affect the financial statements materially and involve a significant level of judgment by management.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based compensation and other equity based payments and the recoverability and measurement of deferred tax assets and liabilities.

A detailed summary of the Company's significant accounting estimates is included in Note 2 to the financial statements for the year ended March 31, 2017.

ACCOUNTING PRONOUCEMENTS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2017 and have not been applied in preparing these financial statements. Management does not expect the new and revised standards to have an effect on the Company's reported financial position or results of operations:

- a) IFRS 2 – Share Based Payments: the amendments eliminate the diversity in practice in the classification and measurement of particular share-based payment transactions which are narrow in scope and address specific areas of classification and measurement. It is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted provided it is disclosed. Management does not anticipate this standard having a material effect on the Company's financial statements.
- b) IFRS 9 – Financial Instruments: Classification and Measurement: applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. Management does not anticipate this standard having a material effect on the Company's financial statements.
- c) IFRS 16 – Leases: specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard was issued in January 2016 and is effective for annual periods beginning on or after January 1, 2019. Management is currently evaluating the impact this standard will have on the Company's condensed interim financial statements.

- d) IAS 7 – Statement of Cash Flows (disclosure initiative): these amendments require that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes. One way to fulfill the new disclosure requirement is to provide a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Finally, the amendments state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities. This amendment is effective for reporting periods beginning on or after January 1, 2017. Management does not anticipate this standard having a material effect on the Company’s financial statements.
- e) IAS 12 – Income Taxes: the amendments clarify the recognition of deferred tax assets for unrealized losses on debt instruments. It is effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. Management does not anticipate this standard having a material effect on the Company’s financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company’s financial instruments consist of cash, accounts payable and accrued liabilities, advances payable, and loan payable. The fair value of these financial instruments, other than cash, approximates their carrying values. Cash is measured at fair value using level 1 inputs.

The Company is exposed to the following risks in respect of certain of the financial instruments:

a) Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company’s cash is held in a large Canadian financial institution. The Company is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is a very limited interest rate risk as the Company only holds cash and does not have any interest-bearing debt.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company’s ability to continue as a going concern is dependent on management’s ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments. Liquidity risk is assessed at high as the Company does not have sufficient cash to settle current liabilities.

d) Currency risk

Currency risk is the risk the fair value of the future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company has no significant exposure to transactions in foreign currencies.

DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES, OPTIONS AND WARRANTS

Common Shares

The Company has one class of common shares. As at March 31, 2017 the Company had 3,482,191 common shares issued and outstanding while as at the date of this report, the Company had 5,543,023 common shares issued and outstanding.

The Company had no options or warrants outstanding as at March 31, 2017 and the date of this report.

INTERNAL CONTROLS OVER FINANCIAL REPORTING PROCEDURES

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's Financial Statements.

Management of the Company has filed the Venture Issuer Basic Certificate with the Interim Filing on SEDAR at www.sedar.com.

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the Financial Statements, is the responsibility of management. In the preparation of these Financial Statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying Financial Statements.

Management maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

OTHER MD&A REQUIREMENTS

Additional information relating to the Company may be found on or in:

- SEDAR at www.sedar.com; and
- the Company's audited financial statements for the year ended March 31, 2017.

This MD&A was approved by the Board of Directors of Consolidated Westview Resource Corp. effective July 28, 2017.

**CONSOLIDATED WESTVIEW
RESOURCE CORP.**

**Management Discussion and Analysis
For the year ended
March 31, 2016**

GENERAL

The purpose of this Management Discussion and Analysis (“MD&A”) is to explain management’s point of view of Consolidated Westview Resource Corp.’s (“Westview” or the “Company”) past performance and future outlook. This report also provides information to improve the reader’s understanding of the financial statements and related notes, and should therefore be read in conjunction with the audited financial statements of the Company and notes thereto for the year ended March 31, 2016 (the “Financial Statements”). Additional information on the Company is available on SEDAR. All information contained in this MD&A is current as of July 22, 2016 unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards (“IFRS”) and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words. Forward-looking statements may relate to the Company’s future financial conditions, results of operations, plans, objectives, performance or business developments. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management’s expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

The forward looking statements contained herein are based on information available as of July 22, 2016.

OVERALL PERFORMANCE

The Company is engaged in the evaluation of new business opportunities. The Company currently has no property interests and based on activities to date is considered to be an exploration stage company. Management of the Company is responsible for seeking out and evaluating new opportunities primarily through networking. As of the date of this report, no formal process has been put in place in this regard.

On April 1, 2014, 631208 BC Ltd., a private British Columbia company controlled by Jonathan Awde, acquired ownership of 1,136,392 common shares of the Company representing 44.44% of the Company’s issued and outstanding common shares at that time. On December 19, 2014, Jonathan Awde was appointed the President and CEO of the Company.

On April 22 2014, the Company transitioned from the jurisdiction of Alberta to British Columbia.

On June 19, 2014, the Company completed a six for one share consolidation.

On October 24, 2014, the Company closed a private placement by issuing 925,000 common shares at \$0.20 per share for total proceeds of \$185,000. A finder's fee of \$1,860 was paid in connection with the private placement. The common shares issued were subject to a four month hold period.

SELECTED ANNUAL INFORMATION

As at March 31, 2016, the Company has not recorded any revenues from operations, and depends upon share issuances to fund its administrative expenses. See the summary of results, below:

	2016	2015	2014
	\$	\$	\$
Revenues	-	-	-
Expenses	(142,908)	(359,173)	(61,203)
Loss and comprehensive loss for the year	(136,908)	(353,173)	(61,203)
Basic and diluted net and comprehensive loss per common share	(0.04)	(0.12)	(0.02)
Total assets	3,198	8,993	66,878
Total long-term liabilities	-	-	-
Working capital (deficiency)	(257,524)	(120,616)	50,353
Dividends per share	-	-	-

At March 31, 2016, the Company had not yet achieved profitable operations and has accumulated losses of \$6,520,337 (2015 – \$6,383,429) since inception. The net losses for the years ended March 31, 2016 and 2015 resulted in a loss and comprehensive loss per share of \$0.04 and \$0.12, respectively.

At March 31, 2016, the Company has no continuing source of operating revenues and related expenditures. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities.

RESULTS OF OPERATIONS

As an exploration company, the Company has yet to generate any revenue since its inception from its planned operations.

The table below details the significant changes in operating expenses for the year ended March 31, 2016 as compared to the year ended March 31, 2015:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Decrease of \$65,000	Decreased as there were no fees incurred during the current year.
Directors fees	Decrease of \$30,000	Decreased as directors' fees were voluntarily suspended effective October 1, 2015 as part of cost cutting initiatives.
Management fees	Decrease of \$60,000	Decreased as management fees were voluntarily suspending effective October 1, 2015 as part of cost cutting initiatives.
Office and administration	Decrease of \$23,328	Decreased as administrative fees were voluntarily suspended effective October 1, 2015 and there was a general reduction to office overhead as part of cost-cutting initiatives.
Professional fees	Decrease of \$15,238	Decreased as the comparative year included additional legal fees for continuing the Company into British Columbia and for the change of directors. Additionally, the current year realized a recovery of accrued audit fees from the 2015 year end.
Regulatory and shareholder services	Decrease of \$7,699	Decreased as the comparative year included additional filing fees and transfer agent fees relating to the change in directors and the 6 for 1 share consolidation.
Rent	Decrease of \$15,000	Decreased as rent paid to Universal Solutions Inc. was voluntarily suspended effective October 1, 2015 as part of cost cutting initiatives.

SUMMARY OF QUARTERLY RESULTS FOR THE LAST CONSECUTIVE 8 QUARTERS

The following selected quarterly financial information is derived from the financial statements of the Company.

	4 th Quarter	3 rd Quarter	2 nd Quarter	1 st Quarter
Three Months Ended	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015
	\$	\$	\$	\$
Total revenue	-	-	-	-
Total comprehensive loss	(8,658)	(3,964)	(63,173)	(61,113)
Comprehensive loss per share-basic and diluted	(0.00)	(0.00)	(0.02)	(0.02)

	4 th Quarter	3 rd Quarter	2 nd Quarter	1 st Quarter
Three Months Ended	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
	\$	\$	\$	\$
Total revenue	-	-	-	-
Total comprehensive loss	(91,124)	(50,200)	(76,743)	(135,106)
Comprehensive loss per share-basic and diluted	(0.03)	(0.02)	(0.03)	(0.05)

The variations in loss and comprehensive loss from quarter to quarter are a result of the extent of the amount of administrative expenses needed.

There were no material variations during the quarters presented except for the quarters ended:

- December 31, 2015 as officers and directors of the Company agreed to voluntarily suspend their management and directors fees effective October 1, 2015 as part of cost cutting initiatives; and
- June 30, 2014 whereby the Company appointed new management and as such, new compensation amounts were negotiated for the new directors and officers.

LIQUIDITY, FINANCIAL POSITION, AND CAPITAL RESOURCES

The Company has no known mineral resources and is not in commercial production; accordingly, the Company does not generate cash from operations. The Company finances development activities by raising capital from equity markets from time to time.

The Company's liquidity and capital resources are as follows:

	March 31, 2016	March 31, 2015
	\$	\$
Cash	1,948	568
Receivables	-	5,881
Prepaid expenses	1,250	2,544
Total current assets	3,198	8,993
Accounts payable and accrued liabilities	260,722	129,609
Total current liabilities	260,722	129,609
Working capital (deficiency)	(257,524)	(120,616)

At March 31, 2016, the Company had cash of \$1,948 (2015 - \$568) which consisted mainly of funds received from the Company's GST refunds. Cash increased by \$1,380 during the year ended March 31, 2016 as a result of the Company's operating activities, as compared to a decrease of \$65,473 in the comparative year ended March 31, 2015. The decrease in the comparative year was primarily the result of the Company's significant operating activities which was offset by cash received for the closing of a private placement.

The Company's continuation as a going concern is dependent upon securing a new business opportunity, its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with current cash on hand and further equity financings. See "Risks and Uncertainties".

Management believes the Company will be able to raise additional funds to meet anticipated administrative expenses and pursue future business opportunities, if required.

FOURTH QUARTER

The table below details the significant changes in administrative expenditures for the quarter ended March 31, 2016 as compared to the quarter ended March 31, 2015:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Directors fees	Decrease of \$7,500	Decreased as no fees were incurred in the current period (directors' fees were voluntarily suspended October 1, 2015 as part of cost cutting initiatives).
Management fees	Decrease of \$57,045	Decreased as no fees were incurred in the current period (management fees were voluntarily suspending effective October 1, 2015 as part of cost cutting initiatives).
Office and administration	Decrease of \$7,056	Decreased as no administrative fees were incurred in the current period (voluntarily suspended October 1, 2015 as part of cost-cutting initiatives).
Professional fees	Decrease of \$8,600	Decreased as there were lower legal fees in connection with reduced corporate activity.
Rent	Decrease of \$7,500	Decreased as no rent was incurred in the current period (rent was suspended October 1, 2015 as part of cost cutting initiatives).

At March 31, 2016, the Company had a cash position of \$1,948 (2015 - \$568). Cash decreased by \$1,287 during the fourth quarter of fiscal 2016, as compared to a decrease of \$18,509 during the fourth quarter of fiscal 2015. The lower decrease in cash during the fourth quarter of fiscal 2016 was the result of the Company having fewer funds available.

During the fourth quarter of fiscal 2016, the Company continued to focus its efforts on searching for new properties to acquire.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

COMMITMENTS

The Company has no commitments.

RELATED PARTY TRANSACTIONS

As at October 1, 2015, the directors and officers of the Company voluntarily agreed to cease further management and director fees as part of cost cutting initiatives.

During the year ended March 31, 2016, the Company entered into the following transactions with related parties:

- a) Incurred management fees of \$15,000 (2015 - \$60,000), office administrative fees of \$6,000 (2015 - \$30,000), and rent of \$15,000 (2015 - \$30,000) to Universal Solutions Inc., a company controlled by Richard Silas, the Corporate Secretary and a director of the Company. As at March 31, 2016, \$72,800 (2015 - \$42,000) was included in accounts payable and accrued liabilities owing to this company.
- b) Incurred management fees of \$22,500 (2015 - \$20,000) to Jonathan Awde, the President, CEO, and director of the Company, and management fees of \$22,500 (2015 - \$10,000) and consulting fees of \$Nil (2015 - \$65,000) to 631208 B.C. Ltd., a company controlled by Jonathan Awde. As at March 31, 2016, \$50,625 (2015 - \$4,500) was included in accounts payable and accrued liabilities owing to 631208 B.C. Ltd. and Mr. Awde and the company controlled by Mr. Awde.
- c) Incurred management fees of \$30,000 (2015 - \$60,000) to Michael Waldkirch & Company Inc., a company controlled by Michael Waldkirch, the CFO of the Company. As at March 31, 2016, \$65,270 (2015 - \$35,250) was included in accounts payable and accrued liabilities owing to this company.
- d) Incurred directors fees of \$15,000 (2015 - \$30,000) to 1010714 BC Ltd., a company controlled by Kelly Russell, a director of the Company. As at March 31, 2016, \$29,500 (2015 - \$15,750) was included in accounts payable and accrued liabilities owing to this company.
- e) Incurred directors fees of \$Nil (2015 - \$15,000) to Mark McCartney, a director of the Company. As at March 31, 2016, \$15,750 (2015- \$15,750) was included in accounts payable and accrued liabilities owing to Mr. McCartney.

RISKS AND UNCERTAINTIES

The Company currently has no business assets or property interests and there can be no assurance that a suitable opportunity will be found within the timeframe allowed by the Company's limited financial resources.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Financial Statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, as well as the reported revenues and expenses during the reporting period. Based on historical experience and current conditions, management makes assumptions that are believed to be reasonable under the circumstances. These estimates and assumptions form the basis for judgments about the carrying value of assets and liabilities and reported amounts for revenues and expenses. Different assumptions would result in different estimates, and actual results may differ from results based on these estimates. These estimates and assumptions are also affected by management's application of accounting policies. Critical accounting estimates are those that affect the financial statements materially and involve a significant level of judgment by management.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based compensation and other equity based payments, and the recoverability and measurement of deferred tax assets and liabilities.

A detailed summary of the Company's significant accounting estimates is included in Note 2 to the audited annual financial statements for the year ended March 31, 2016.

ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2016 and have not been applied in preparing the Company's financial statements. Management does not expect the new and revised standards to have an effect on the Company's reported financial position or results of operations:

- a) IFRS 9 – Financial Instruments: Classification and Measurement applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, receivables and accounts payable and accrued liabilities. The fair value of these financial instruments, other than cash, approximates their carrying values. Cash is measured at fair value using level 1 inputs.

The Company is exposed to the following risks in respect of certain of the financial instruments:

- a) Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in a large Canadian financial institution. The Company is not exposed to significant credit risk.

- b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is a very limited interest rate risk as the Company only holds cash and does not have any interest-bearing debt.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments. Liquidity risk is assessed at high as the Company does not have sufficient cash to settle current liabilities.

DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES, OPTIONS AND WARRANTS

Common Shares

The Company has one class of common shares. As at March 31, 2016, and the date of this report, the Company had 3,482,191 common shares issued and outstanding.

The Company had no options or warrants outstanding as at March 31, 2016 and the date of this report.

INTERNAL CONTROLS OVER FINANCIAL REPORTING PROCEDURES

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's Financial Statements.

Management of the Company has filed the Venture Issuer Basic Certificate with the Annual Filing on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture Issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the Financial Statements, is the responsibility of management. In the preparation of these Financial Statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying Financial Statements.

Management maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

OTHER MD&A REQUIREMENTS

Additional information relating to the Company may be found on or in:

- SEDAR at www.sedar.com; and
- the Company's audited financial statements for the years ended March 31, 2016 and 2015

This MD&A was approved by the Board of Directors of Consolidated Westview Resource Corp. effective July 22, 2016.

SCHEDULE “3” – FINANCIAL STATEMENTS OF LITHOQUEST DIAMONDS INC.

See attached.

LITHOQUEST DIAMONDS INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIODS ENDED
JUNE 30, 2017 AND 2016
(UNAUDITED)

LITHOQUEST DIAMONDS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

As at	Note	June 30 2017 (unaudited)	March 31 2017 (audited)
		\$	\$
ASSETS			
CURRENT			
Cash		80,702	206,240
Amounts receivable		20,730	9,300
		101,432	215,540
EXPLORATION AND EVALUATION ASSET	3	208,990	171,964
		310,422	387,504
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	5	101,113	117,397
EQUITY (DEFICIENCY)			
SHARE CAPITAL	4	707,882	692,882
SUBSCRIPTIONS RECEIVABLE	4	(58,136)	(132,882)
CONTRIBUTED SURPLUS		-	15,000
DEFICIT		(440,437)	(304,893)
		209,309	270,107
		310,422	387,504

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

COMMITMENTS (Note 3)

SUBSEQUENT EVENTS (Note 8)

Approved and authorized for issue on behalf of the Board on September 8, 2017.

/s/ "Bruce Counts" Director /s/ "John Williamson" Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements

LITHOQUEST DIAMONDS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE THREE MONTHS PERIODS ENDED JUNE 30, 2017 AND 2016
(Unaudited)
(Expressed in Canadian dollars)

	Note	2017 \$	2016 \$
Expenses			
Advertising and promotion		15,470	-
Exploration and evaluation costs		-	60,000
Management fees	5	88,250	-
Office and miscellaneous		1,215	198
Professional fees		20,424	861
Travel		10,185	-
Net loss and comprehensive loss for the period		(135,544)	(61,059)
Loss per share - basic and diluted		(0.02)	(0.05)
Weighted average number of common shares outstanding		7,531,136	1,230,770

The accompanying notes are an integral part of these condensed interim consolidated financial statements

LITHOQUEST DIAMONDS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited)
(Expressed in Canadian dollars)

	Note	Common Shares		Subscriptions receivable	Contributed Surplus	Deficit	Total
		Number of Shares	Amount				
			\$	\$	\$	\$	\$
Balance, March 31, 2016		1	-	-	-	(3,592)	(3,592)
Shares issued for cash	4	4,000,000	192,882	(132,882)	-	-	60,000
Shares to be issued	4	-	-	-	15,000	-	15,000
Net loss for the period		-	-	-	-	(61,059)	(61,059)
Balance, June 30, 2016		4,000,001	192,882	(132,882)	15,000	(64,651)	10,349
Shares issued for cash	4	3,333,333	500,000	-	-	-	500,000
Net loss for the period		-	-	-	-	(240,242)	(240,242)
Balance, March 31, 2017		7,333,334	692,882	(132,882)	15,000	(304,893)	270,107
Shares issued for service	4	1,000,000	15,000	-	(15,000)	-	-
Shares issued for cash	4	-	-	74,746	-	-	74,746
Net loss for the period		-	-	-	-	(135,544)	(135,544)
Balance, June 30, 2017		8,333,334	707,882	(58,136)	-	(440,437)	209,309

The accompanying notes are an integral part of these condensed interim consolidated financial statements

LITHOQUEST DIAMONDS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS PERIODS ENDED JUNE 30, 2017 and 2016
(Unaudited)
(Expressed in Canadian dollars)

	2017	2016
	\$	\$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	(135,544)	(61,059)
Non-cash property payment	-	15,000
Changes in non-cash working capital balances:		
Amounts receivable	63,316	(40)
Accounts payable and accrued liabilities	(16,284)	-
Cash used in operating activities	(88,512)	(46,099)
INVESTING ACTIVITY		
Exploration and evaluation asset	(37,026)	-
Cash used in investing activity	(37,026)	-
FINANCING ACTIVITY		
Shares issued for cash	-	60,000
Cash provided by financing activity	-	60,000
CHANGE IN CASH	(125,538)	13,901
CASH, BEGINNING OF PERIOD	206,240	-
CASH, END OF PERIOD	80,702	13,901
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	-	-
Income taxes paid	-	-
NON-CASH TRANSACTION IN INVESTING AND FINANCING ACTIVITIES		
Shares issued for exploration and evaluation asset	15,000	-
Exploration and evaluation asset	-	15,000

The accompanying notes are an integral part of these condensed interim consolidated financial statements

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIODS ENDED JUNE 30, 2017 AND 2016
(Unaudited)
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

LithoQuest Diamonds Inc. ("the Company") was incorporated under the name 0925553 B.C. Ltd. on November 18, 2011 under the Business Corporations Act. On February 5, 2013, the Company changed its name from 0925553 B.C.C Ltd. to Gildden Capital Corp. and on August 12, 2016 the Company changed its name from Gildden Capital Corp. to LithoQuest Diamonds Inc. The address of the Company's corporate office and its principal place of business is 210 - 8429 24th Street NW, Edmonton, Alberta, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property in Australia. As at June 30, 2017, it had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a deficit of \$440,437 as at June 30, 2017, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These condensed interim consolidated financial statements do not give affect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these condensed interim consolidated financial statements.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended March 31, 2017, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue by the Board of the Company on September 8, 2017.

The accounting policies applied in preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended March 31, 2017, unless otherwise stated.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIODS ENDED JUNE 30, 2017 AND 2016
(Unaudited)
(Expressed in Canadian dollars)

3. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs \$	Exploration Costs \$	Total \$
Balance, March 31, 2017	20,130	151,834	171,964
Exploration costs	-	37,026	37,026
Balance, June 30, 2017	20,130	188,860	208,990

On January 18, 2017, the Company, through its the wholly-owned subsidiary was granted exploration licenses on mineral properties ("Tenement") located in the King George River region of Western Australia. The licenses expire on January 17, 2022. Pursuant to the terms and conditions of the licenses issued by the Department of Mines and Petroleum, Western Australia, the Company is required to incur minimum expenditures for each of the licenses as follows:

	License E80/5029 AUS\$	License E80/5030 AUS\$
Commitment 1 to 3 years	198,000	108,000
Commitment 4 to 5 years	297,000	162,000

In addition to the minimum yearly exploration expenditures above, the Company is required to report the exploration work done by June 30 of each year and to participate in the annual Mining Rehabilitation Fund ("MRF") based on the amounts of disturbances on the properties. Furthermore, the Company is also required to comply with the local Environmental Protection Act and Protection Regulations, which also requires the Company to comply with the Provisions of the Aboriginal Heritage Act 1972 and applicable regulations.

On December 16, 2016 ("Grant Date"), according to the Heritage Protection and Mineral Exploration Agreement for the licenses noted above, the Company entered into an agreement with a local Aboriginal Corporation whereby the Company will comply with the laws and regulations and contribute within 60 days of each anniversary of the Grant Date until the Tenement expires or is surrendered, to the community the greater of:

- 3% of the annual on-ground exploration expenditure for the year ending on the anniversary of the Grant Date; and
- 3% of the minimum statutory annual expenditure.

The Company also agreed to take out indemnity insurance with a value of AUS\$10,000,000 for the entire term of the agreement.

4. SHARE CAPITAL

a) Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and outstanding:

As at June 30, 2017, the issued and outstanding share capital comprised of 8,333,334 (March 31, 2017 - 7,333,334) common shares.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIODS ENDED JUNE 30, 2017 AND 2016
(Unaudited)
(Expressed in Canadian dollars)

4. SHARE CAPITAL (continued)

- c) On June 13, 2017, the Company issued 1,000,000 common shares with a fair value of \$15,000 as a finder's fee. The amount was recorded as exploration costs as of March 31, 2017.

5. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The following amounts are due to related parties as at:

	June 30, 2017	March 31, 2017
	\$	\$
Accounts payable and accrued liabilities	79,375	-

The above noted amounts are due on demand, non-interest bearing and are unsecured.

Key management personnel receive compensation in the form of short-term employee benefits. Key management personnel include the directors and officers of the Company. The remuneration of key management during the three months ended June 30, 2017 and 2016 is as follows:

	June 30, 2017	June 30, 2016
	\$	\$
Management fees	88,250	-

Management services were provided by companies owned by three directors of the Company.

6. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIODS ENDED JUNE 30, 2017 AND 2016
(Unaudited)
(Expressed in Canadian dollars)

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's condensed interim consolidated statements of financial position as at June 30, 2017 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	\$	\$	\$	\$
Cash	80,702	-	-	80,702

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at June 30, 2017 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIODS ENDED JUNE 30, 2017 AND 2016
(Unaudited)
(Expressed in Canadian dollars)

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

8. SUBSEQUENT EVENTS

- (i) Subsequent to the period ended June 30, 2017, the Company issued an aggregate 2,362,500 Units for gross proceeds of \$945,000. Each Unit consisted of one common share and one-half purchase warrant. Each purchase warrant entitles the holder to purchase a common share for \$0.60 per share for 24 months from the date when the Company's shares start trading on the TSX Venture Exchange ("Listing Date"). In connection with the private placement, the Company paid a finder's fee of \$29,400 in cash and issued 6,000 finder's warrants. The finder's warrants are exercisable at \$0.40 per share for 24 months from the Listing Date.
- (ii) Subsequent to the period ended June 30, 2017, the Company signed a non-binding letter of intent ("LOI") with Consolidated Westview Resource Corp. ("Westview") whereby Westview will acquire 100% of issued and outstanding common shares of the Company. Immediately prior to the closing of the transaction, the Company will complete a share split in a ratio of two common shares for one old common share. The Company will exchange all issued and outstanding common shares in a ratio of one common share plus $\frac{1}{4}$ purchase warrant of Westview common share. Each whole purchase warrant will entitle the holder to acquire one additional common share of Westview at a price of \$0.30 per share or such higher minimum price acceptable to the TSX Venture Exchange for a period of 24 months from closing of the transaction. In addition, Westview will issue warrants for the Company's issued and outstanding warrants at a ratio of one to one. Under the proposed terms in the LOI, each exchange warrant up to 2,362,500 warrants entitles the holder to purchase one Westview common share at a price of \$0.30 per share for a period of 24 months, and the remaining exchange warrants are exercisable at \$0.20 per share for a period of 24 months. As a result of the proposed transaction, the shareholders of the Company will have the majority of the common shares of Westview, the transaction will be considered a reverse take-over ("RTO") for accounting purposes. The proposed transaction is subject to regulatory approval.

LITHOQUEST DIAMONDS INC.
CONSOLIDATED FINANCIAL STATEMENTS
AS AT
MARCH 31, 2017 AND 2016



INDEPENDENT AUDITORS' REPORT

To the Directors of
LithoQuest Diamonds Inc.

We have audited the accompanying consolidated financial statements of LithoQuest Diamonds Inc. which comprise the consolidated statements of financial position as at March 31, 2017 and 2016 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years ended March 31, 2017 and 2016, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of LithoQuest Diamonds Inc. as at March 31, 2017 and 2016 and its financial performance and its cash flows for the years ended March 31, 2017 and 2016 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of LithoQuest Diamonds Inc. to continue as a going concern.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
August 18, 2017

LITHOQUEST DIAMONDS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2017 and 2016
(Expressed in Canadian dollars)

	Note	2017	2016
		\$	\$
ASSETS			
CURRENT			
Cash		206,240	-
Amounts receivable		9,300	16
		215,540	16
EXPLORATION AND EVALUATION ASSET	6	171,964	-
		387,504	16
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	8	117,397	3,608
EQUITY (DEFICIENCY)			
SHARE CAPITAL	7	692,882	-
SUBSCRIPTIONS RECEIVABLE	7	(132,882)	-
CONTRIBUTED SURPLUS		15,000	-
DEFICIT		(304,893)	(3,592)
		270,107	(3,592)
		387,504	16

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

COMMITMENTS (Note 6)

SUBSEQUENT EVENT (Note 12)

Approved and authorized for issue on behalf of the Board on August 18, 2017.

/s/ "Bruce Counts" Director /s/ "John Williamson" Director

The accompanying notes are an integral part of these financial statements

LITHOQUEST DIAMONDS INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

	Note	2017 \$	2016 \$
Expenses			
Advertising and promotion		4,848	-
Exploration and evaluation costs	6	70,084	-
Management fees	8	184,250	-
Office and miscellaneous		3,677	-
Professional fees		26,636	-
Travel		11,806	-
Net loss and comprehensive loss		(301,301)	-
Loss per share - basic and diluted		(0.06)	-
Weighted average number of common shares outstanding		5,052,056	1

The accompanying notes are an integral part of these financial statements

LITHOQUEST DIAMONDS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	<u>Common Shares</u>						Total
	Note	Number of Shares	Amount	Subscriptions receivable	Contributed Surplus	Deficit	
			\$	\$	\$	\$	\$
Balance, March 31, 2015 and 2016		1	-	-	-	(3,592)	(3,592)
Shares issued for cash	7(b)	4,000,000	192,882	(132,882)	-	-	60,000
Shares issued for cash	7(b)	3,333,333	500,000	-	-	-	500,000
Shares to be issued	6	-	-	-	15,000	-	15,000
Net loss for the year		-	-	-	-	(301,301)	(301,301)
Balance, March 31, 2017		7,333,334	692,882	(132,882)	15,000	(304,893)	270,107

The accompanying notes are an integral part of these financial statements

LITHOQUEST DIAMONDS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2017 and 2016
(Expressed in Canadian dollars)

	2017	2016
	\$	\$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the year	(301,301)	-
Changes in non-cash working capital balances:		
Amounts receivable	(9,284)	-
Accounts payable and accrued liabilities	113,789	-
Cash used in operating activities	(196,796)	-
INVESTING ACTIVITY		
Exploration and evaluation asset	(156,964)	-
Cash used in investing activity	(156,964)	-
FINANCING ACTIVITY		
Shares issued for cash	560,000	-
Cash provided by financing activity	560,000	-
CHANGE IN CASH	206,240	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	206,240	-
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	-	-
Income taxes paid	-	-
NON-CASH TRANSACTION IN INVESTING AND FINANCING ACTIVITIES		
Exploration and evaluation asset	15,000	-

The accompanying notes are an integral part of these financial statements

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

LithoQuest Diamonds Inc. ("the Company") was incorporated under the name 0925553 B.C. Ltd. on November 18, 2011 under the Business Corporations Act. On February 5, 2013, the Company changed its name from 0925553 B.C.C Ltd. to Gildden Capital Corp. and on August 12, 2016 the Company changed its name from Gildden Capital Corp. to LithoQuest Diamonds Inc. The address of the Company's corporate office and its principal place of business is 210 - 8429 24th Street NW, Edmonton, Alberta, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property in Australia. As at March 31, 2017, it had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a deficit of \$304,893 as at March 31, 2017, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These consolidated financial statements do not give affect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were authorized for issue in accordance with a resolution from the Board of Directors on August 18, 2017.

b) Basis of presentation

These consolidated financial statements are expressed in Canadian dollars and have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting on a going concern basis. The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements as if the policies have always been in effect.

c) Principles of consolidation

The consolidated financial statements include the results of the Company and its wholly-owned subsidiary Primeform Investment Pty Ltd. incorporated in Australia. All intercompany balances and transactions have been eliminated upon consolidation.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Foreign currency

The functional and presentation currency of the Company is the Canadian dollar. The functional currency of the Company's subsidiary is the Canadian dollar which is determined to be the currency of the primary economic environment in which the subsidiary operate.

e) Foreign currency transactions

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

f) Cash and cash equivalents

Cash in the statements of financial position is comprised of cash in banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

g) Exploration and evaluation assets

Once the legal rights to a property have been acquired, all costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Share-based compensation

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

i) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

j) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting period end date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting period end date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

l) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. At March 31, 2017, the Company has not classified any financial assets as loans and receivables.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in earnings. At March 31, 2017, the Company has not classified any financial assets as available for sale.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

m) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable are classified as other financial liabilities.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Financial liabilities (continued)

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings. At March 31, 2017, the Company has not classified any financial liabilities as FVTPL.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

- i. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable;
- ii. the measurement of deferred income tax assets and liabilities; and
- iii. the inputs used in accounting for share-based payments and agent warrants.

Significant accounting judgments

- i. the determination of categories of financial assets and financial liabilities; and
- ii. the evaluation of the Company's ability to continue as a going concern.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

4. ADOPTION OF NEW OR AMENDED ACCOUNTING STANDARDS

There were no new or revised accounting standards scheduled for mandatory adoption on April 1, 2016 that affected the Company's financial statements.

5. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

The following accounting policies will be adopted by the Company effective April 1, 2018:

IFRS 2 'Share-based payments' - In June 2016, the IASB issued the final amendments to IFRS 2 that clarify the classification and measurement of share-based payment transactions. This includes the effect of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based payment transactions with a net settlement feature for withholding tax obligations, and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments are to be applied prospectively and are effective for annual periods beginning on or after January 1, 2018, with earlier application permitted. The Company is currently assessing the impact of this standard.

IFRS 9, Financial Instruments – This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit and loss or at fair value through other comprehensive income. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

IFRS 15 Revenue from Contracts with Customers - 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 comprehensive five-step framework for the timing and measurement of revenue recognition. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

The following standard will be adopted by the Company effective April 1, 2019:

IFRS 16 'Leases' - IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	Exploration Costs	Total
	\$	\$	\$
Balance, March 31, 2016	-	-	-
Acquisition costs	20,130	-	20,130
Exploration costs	-	86,492	86,492
Finder's fees	-	15,000	15,000
Advances in exploration costs	-	50,342	50,342
Balance, March 31, 2017	20,130	151,834	171,964

On January 18, 2017, the Company, through its the wholly-owned subsidiary was granted exploration licenses on mineral properties ("Tenement") located in the King George River region of Western Australia. The licenses expire on January 17, 2022. Pursuant to the terms and conditions of the licenses issued by the Department of Mines and Petroleum, Western Australia, the Company is required to incur minimum expenditures for each of the licenses as follows:

	License E80/5029	License E80/5030
	AUS\$	AUS\$
Commitment 1 to 3 years	198,000	108,000
Commitment 4 to 5 years	297,000	162,000

In addition to the minimum yearly exploration expenditures above, the Company is required to report the exploration work done by June 30 of each year and to participate in the annual Mining Rehabilitation Fund ("MRF") based on the amounts of disturbances on the properties. Furthermore, the Company is also required to comply with the local Environmental Protection Act and Protection Regulations, which also requires the Company to comply with the Provisions of the Aboriginal Heritage Act 1972 and applicable regulations.

On December 16, 2016 ("Grant Date"), according to the Heritage Protection and Mineral Exploration Agreement for the licenses noted above, the Company entered into an agreement with a local Aboriginal Corporation whereby the Company will comply with the laws and regulations and contribute within 60 days of each anniversary of the Grant Date until the Tenement expires or is surrendered, to the community the greater of:

- 3% of the annual on-ground exploration expenditure for the year ending on the anniversary of the Grant Date; and
- 3% of the minimum statutory annual expenditure.

The Company also agreed to take out indemnity insurance with a value of AUS\$10,000,000 for the entire term of the agreement.

On June 3, 2016, the Company entered into a finder's fee agreement with a company whereby the Company agreed to issue 1,000,000 common shares (issued subsequent to March 31, 2017) in assisting the Company in obtaining the mineral exploration licenses. As of March 31, 2017, the Company has recorded \$15,000 as other exploration costs.

Prior to Company obtaining legal title to the Tenement, the Company incurred approximately \$70,084 in costs and those amounts have been expensed as exploration and evaluation costs. As of March 31, 2017 the Company had recorded \$20,130 in acquisition costs and \$151,834 in exploration costs including advances related to the Tenement.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

7. SHARE CAPITAL

a) Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and outstanding:

As at March 31, 2017, the issued and outstanding share capital comprised of 7,333,334 common shares.

For the year ended March 31, 2017, the Company had the following share capital transactions:

- (i) On June 3, 2016, the Company issued 2,436,639 at a price of \$0.015 per share for gross proceeds of \$36,546 and 1,563,361 at a price of \$0.10 per share for gross proceeds of \$156,336 to the founders of the Company. As of March 31, 2017, the Company has subscription receivable of \$132,882 related to the issuances and the amount was received subsequent to year ended.
- (ii) On September 20, 2016, the Company issued 3,333,333 common shares at a price of \$0.15 per share for gross proceeds of \$500,000.

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The following amounts are due to related parties as at March 31, 2017 and 2016:

	2017	2016
	\$	\$
Accounts payable and accrued liabilities	115,750	-

The above noted amounts are due on demand, non-interest bearing and are unsecured.

Key management personnel receive compensation in the form of short-term employee benefits. Key management personnel include the directors and officers of the Company. The remuneration of key management during the years ended March 31, 2017 and 2016 is as follows:

	2017	2016
	\$	\$
Management fees	184,250	-

Management services were provided by companies owned by three directors of the Company.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

9. INCOME TAXES

The Company has losses carried forward of \$304,890 available to reduce income taxes in future years which expire between 2035 and 2037.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates for the years ended March 31, 2017 and 2016:

	2017	2016
Canadian statutory income tax rate	27%	27%
	\$	\$
Income tax recovery at statutory rate	81,351	-
Effect of income taxes of:		
Change in deferred tax assets not recognized	(81,351)	-
Deferred income tax recovery	-	-

The temporary differences that give rise to significant portions of the deferred tax assets not recognized as at March 31, 2017 and 2016 are presented below:

	2017	2016
	\$	\$
Non-capital loss carry forwards	82,321	970
Deferred tax assets not recognized	(82,321)	(970)
	-	-

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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).

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at March 31, 2017 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	\$	\$	\$	\$
Cash	206,240	-	-	206,240

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at March 31, 2017 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

LITHOQUEST DIAMONDS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2017 AND 2016
(Expressed in Canadian dollars)

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

12. SUBSEQUENT EVENT

Subsequent to the year ended March 31, 2017, the Company issued an aggregate 2,362,500 Units for gross proceeds of \$945,000. Each Unit consisted of one common share and one-half purchase warrant. Each purchase warrant entitles the holder to purchase a common share for \$0.60 per share for 24 months from the date when the Company's shares start trading on the TSX Venture Exchange ("Listing Date"). In connection with the private placement, the Company paid a finder's fee of \$29,400 in cash and issued 6,000 finder's warrants. The finder's warrants are exercisable at \$0.40 per share for 24 months from the Listing date.

SCHEDULE "4" – MD&A OF LITHOQUEST DIAMONDS INC.

See attached.

LITHOQUEST DIAMONDS INC.

(the "Company" or "Lithoquest")

Form 51-102F1

MANAGEMENT'S DISCUSSION and ANALYSIS FOR THE THREE MONTHS ENDED JUNE 30, 2017 AND THE YEAR ENDED MARCH 31, 2017

The following Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the financial statements of the Company and the notes thereto for the three months ended June 30, 2017 and the audited financial statements of the Company and the notes thereto for the year ended March 31, 2017 (the "Financial Statements"). Consequently, the following discussion and analysis of the results of operations and financial condition of Lithoquest should be read in conjunction with the Financial Statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

In addition, MD&A information on the property and works of the North Kimberly Diamond Project has been excerpted from the North Kimberly Report, but does not include certain integral History, Figures, Tables, Security of Samples and the Analysis of Targets and Samples Taken. Consequently, this MD&A should be read in conjunction with the North Kimberly Report.

All amounts are stated in Canadian dollars unless otherwise indicated. The reader should be aware that historical results are not necessarily indicative of future performance. This MD&A has been prepared based on information known to management as of September 30, 2017.

Forward-Looking Statements

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below. The Company assumes no obligation to update or revise forward looking statements to reflect new events or circumstances except as required by law.

Description of Business

Lithoquest is a development stage exploration company engaged in the acquisition, exploration and development of properties for the purpose of diamond mining.

Lithoquest is a non-reporting company incorporated on November 18, 2011 under the BCBCA as 0925553 B.C. Ltd., which underwent a change of name to Gilden Capital Corp. on February 5, 2013, and subsequently underwent a further name change to Lithoquest Diamonds Inc. on August 12, 2016. Lithoquest has its registered office located at Suite 910 - 800 West Pender Street, Vancouver British Columbia V6C-2V6 and its head office located at Suite 201, 8429 - 24th Street N.W., Edmonton, AB T6P-1L3.

Lithoquest has one wholly owned operating subsidiary, Primeform Investments Pty Ltd. ("Primeform"). Primeform was incorporated under the laws of Western Australia on June 12, 2009 and has its registered and head office at 2B Russel Street, Fremantle, Western Australia 6160.

Through Primeform, Lithoquest owns a 100% interest in the properties of the North Kimberly Diamond Project.

Letter of Intent with Consolidated Westview Resource Corp. (“Westview”, or “CWS”)

In August of 2017, the Company signed a non-binding letter of intent (“LOI”) with Westview whereby Westview will acquire 100% of issued and outstanding common shares of the Company. Immediately prior to the closing of the transaction, the Company will complete a share split in a ratio of two common shares for one old common share. The Company will exchange all issued and outstanding common shares in a ratio of one common share plus ¼ purchase warrant of Westview common share. Each whole purchase warrant will entitle the holder to acquire one additional common share of Westview at a price of \$0.30 per share or such higher minimum price acceptable to the TSX Venture Exchange for a period of 24 months from closing of the transaction.

In addition, Westview will issue warrants for the Company’s issued and outstanding warrants at a ratio of one to one. Under the proposed terms in the LOI, each exchange warrant up to 2,362,500 warrants entitles the holder to purchase one Westview common share at a price of \$0.30 per share for a period of 24 months, and the remaining exchange warrants are exercisable at \$0.20 per share for a period of 24 months.

As a result of the proposed transaction, the shareholders of the Company will have the majority of the common shares of Westview, the transaction will be considered a reverse take-over (“RTO”) for accounting purposes. The proposed transaction is subject to regulatory approval.

Australia Diamond Project

In the past year, Lithoquest identified diamond exploration targets in Western Australia (“The North Kimberly Diamond Project”) and, through its wholly owned Australian subsidiary Primeform, acquired two exploration licenses to cover the targets, E80/5029 and E80/5030 (the “Exploration Licenses”), covering a total of 100,803.77 hectares in the King George River region of Western Australia. The Exploration Licenses were granted on January 17, 2017 for a term of five-years. Primeform has made a further application to the Western Australia Department of Mines and Petroleum (the “Mines Department”) for a third exploration license covering 47,791.48 hectares.

The North Kimberley Diamond Province, covering an estimated area of some 4,000 km², was the first kimberlite province to be discovered in Western Australia. Despite early encouragement from the discovery of diamondiferous kimberlite dykes in the mid 1970’s, it was not until the 1990’s during the second phase of exploration that significant diamondiferous kimberlite pipes were discovered. The diamondiferous discoveries proved not to be economically viable and exploration ceased by 2005.

The benefit of this historic exploration is that it has provided insights on the preferential regional structures influencing the emplacement of the known pipes, as well as the exploration challenges posed by deep weathering and the development of post emplacement ‘infill’ sediments. Bulk testing of alluvial deposits, kimberlites pipes and dykes has demonstrated that a variety of diamond populations are present in the Province. Although many of the explorers have reported the occurrence of alluvial diamonds, no potential placer deposits have been identified. Large diamonds were confirmed when +10 ct sized diamonds were reported from bulk testing of the Ashmore cluster of pipes. The largest pipe discovered in the region is the weakly diamondiferous Pteropus 2 pipe which has a surface area of 10 ha.

The Property covers the underexplored northwest portion of a prospective kimberlite corridor and is considered an early to intermediate stage exploration project. Very limited reconnaissance inspections and sampling of geomorphic features undertaken in this area in 2007, and again in 2017, have highlighted two targets which could potentially represent kimberlite bodies based on the recovery of high priority kimberlite indicator minerals and textures observed in hand specimens that are typical of weathered kimberlite in the area.

The size of the North Kimberley Diamond Province, the range in size of the kimberlite bodies, the demonstrated variability of the diamond populations and the occurrence of large diamonds, are characteristics that when considered together support the potential for the region to host an economic diamond deposit.

Private Placement

In August of 2017, the Company issued an aggregate 2,362,500 Units for gross proceeds of \$945,000. Each Unit consisted of one common share and one-half purchase warrant. Each purchase warrant entitles the holder to purchase a common share for \$0.60 per share for 24 months from the date when the Company's shares start trading on the TSX Venture Exchange ("Listing Date"). In connection with the private placement, the Company paid a finder's fee of \$29,400 in cash and issued 6,000 finder's warrants. The finder's warrants are exercisable at \$0.40 per share for 24 months from the Listing Date.

Overall Performance

Lithoquest is in the process of exploring its properties for mineral resources and has not determined whether the properties contain economically recoverable reserves. The Company has no operating revenue to date. The Company relies on the issuance of common shares to finance exploration and to provide working capital. The business of mining and exploration for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations.

Selected Annual Information

The following table summarizes audited financial data for operations reported by the Company for the years ended March 31, 2017, 2016, and 2015:

	Mar 31, 2017	Mar 31, 2016	Mar 31, 2015
Current assets (\$)	215,540	16	16
Capitalized exploration and evaluation expenditures (\$)	171,964	-	-
Current liabilities (\$)	117,397	3,608	3,608
Net loss (\$)	301,301	-	3,592
Basic and diluted loss per common share (\$)	(0.06)	-	(3,592)
Weighted average number of common shares outstanding	5,052,056	1	1

Summary of Quarterly Results

The following table summarizes financial data for the eight most recently completed quarters:

Quarter ended	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015
Net loss (\$)	(135,544)	(57,034)	(171,146)	(12,062)	(61,059)	-	-	-
Basic and diluted net loss per common share (\$)	(0.02)	(0.01)	(0.01)	(0.00)	(0.04)	-	-	-

Results of Operations

Year ended March 31, 2017

During the year ended March 31, 2017 (“the current year”), the Company incurred a net loss of \$301,301 compared to a net loss of \$nil during the year ended March 31, 2016 (“2016” or “the comparative year”). General and administrative expenses for the current year include the following:

- Office and miscellaneous expenses of \$3,677 (2016 - \$nil) include office supplies, expenses and bank fees;
- Professional fees of \$26,636 (2016 –\$nil) were incurred for accounting and legal fees;
- Advertising and promotion expenses of \$4,848 (2016 - \$nil) include online shareholder communication expenses;
- Management fees of \$184,250 (2016 –\$nil) include management services rendered in connection with corporate activity and project management and evaluation;
- Travel expenses of \$11,806 (2016 - \$nil) were incurred for expenses incurred by management while traveling for conferences and general business;
- Exploration and evaluation costs were expensed in the amount of \$70,084 (2016 - \$nil) as the Company was awaiting title documents, and therefore did not capitalize the periods’ expenditures.

Three months ended June 30, 2017

During the three months ended June 30, 2017 (“the current quarter”), the Company incurred a net loss of \$135,544 compared to a net loss of \$61,059 during the three months ended June 30, 2016 (“2016” or “the comparative quarter”). General and administrative expenses for the current quarter include the following:

- Office and administrative expenses of \$1,215 (2016 - \$198) include office supplies, expenses and bank fees;
- Professional fees of \$20,424 (2016 –\$861) were incurred for accounting and legal fees;
- Investor relations expenses of \$15,470 (2016 - \$nil) include conference registration fees and online shareholder communication expenses;
- Management fees of \$88,250 (2016 –\$nil) include management services rendered in connection with corporate activity and project management and evaluation;
- Travel expenses of \$10,185 (2016 - \$nil) were incurred for expenses incurred by management while traveling for conferences and general business;
- In the comparative quarter, exploration and evaluation costs were expensed in the amount of \$60,000 as the Company was awaiting title documents, and therefore did not capitalize the periods’ expenditures.

Financial Instruments

International Financial Reporting Standards 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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).

Fair Value of Financial Instruments

The Company’s financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company’s condensed interim consolidated statements of financial position as at June 30, 2017 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	\$	\$	\$	\$
Cash	80,702	-	-	80,702

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at June 30, 2017 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) Currency risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel receive compensation in the form of short-term employee benefits. Key management personnel include the directors and officers of the Company. The remuneration of key management during the three months ended June 30, 2017 and 2016 is as follows:

For the three months ended	June 30 2017	June 30 2016
Management fees paid to key management and directors	\$ 88,250	\$ -

Included in the Company's accounts payable and accrued was \$79,375 owing to related parties as of June 30, 2017.

Liquidity and Capital Resources

The financial statements have been prepared on a going concern basis which assumes that 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 obtain adequate financing in the future.

Working capital at June 30, 2017 was \$319 compared to \$98,143 at March 31, 2017. As of the date of this MD&A, the Company has working capital of approximately \$740,000.

Outstanding Share Capital Data

The following table summarizes the Company's outstanding share capital:

	September 30, 2017
Common shares outstanding:	10,695,834
Warrants (weighted average exercise price of \$0.60)	1,187,250
Fully diluted common shares outstanding	11,883,084

Mineral Properties

Australia Diamonds Project

The following MD&A information on the property and works of the North Kimberly Diamond Project (the "Project") has been excerpted from the North Kimberly Report, but does not include certain integral History, Figures, Tables, Security of Samples and the Analysis of Targets and Samples Taken. Consequently, this section should be read in conjunction with the North Kimberly Report.

North Kimberley Report

The North Kimberley Report was prepared by Thomas Reddicliffe. Mr. Reddicliffe is a qualified person as defined in NI-43-101 (a "Qualified Person") who is independent of Lithoquest and will be independent of the Resulting Issuer. Mr. Reddicliffe has reviewed and verified the scientific and technical mining disclosure contained in this MD&A.

A copy of the North Kimberley Report can be obtained at Lithoquest's registered office at Suite 910 – 800 West Pender Street, Vancouver British Columbia V6C 2V6. The North Kimberley Report is available under CWS's public disclosure documents on SEDAR and will be available under the Resulting Issuer's public disclosure documents on SEDAR upon completion of the Acquisition.

Property Description and Location

The Project is located within the Kimberley region of northern Western Australia with centroids of approximately 14.13° S and 127.22° E (Universal Transvers Mercator coordinates 300000E and 8440000N, Zone 52L – Ellipsoid GDA94). It is approximately 225 km northwest of the town of Kununurra and 430 km southwest of the city of Darwin, Northern Territory.

The Project comprises 2 Exploration Licenses consisting of 306 graticular blocks covering an area of 100,803.77 ha. The Exploration Licenses are 100% held by Primeform, a wholly owned subsidiary of Lithoquest. The Exploration Licenses were granted on January 17, 2017 and have an expiry date of January 18, 2022. A third exploration licence, consisting of 144 graticular blocks covering an area of 47,791.58 ha, is an application pending grant. The tenements are managed by McMahons Mining Titles Service ("MMTS"), a Western Australia based professional tenement management company, on behalf of Primeform.

Exploration licenses in Western Australia are acquired by paper staking, based on the graticular block system. An exploration licence is initially granted for 5 years, is extendable for a second 5 year term and thereafter for 2 year terms. Annual maintenance costs including rent fees and exploration expenditures increase over time. Rents to the Government of Western Australia and local Shire are due on an annual basis. Rents and Rates, as well as 20% administration costs, are part of the allowable annual exploration expenditure. In general, Rents and Rates along with the allowable administration costs make up about 30% of the annual expenditure requirement in the case of the Exploration Licenses, thereby reducing the actual physical exploration expenditure required on an annual basis. At the end of the sixth year, the licensee is required to compulsorily surrender 40% of the licence. The holder of an exploration licence may in accordance with the licence conditions, extract or disturb up to 1,000 tonnes of material from the ground, including overburden. Bulk testing and limited trial mining requiring the excavation of tonnages greater than 1000 tonnes may be conducted under an exploration license upon receiving written authority from the Mines Department. However, a granted mining licence is required before a project can proceed to the mining phase.

The Project lies partially within the Forrest River Aboriginal Reserve Area (areas east of the King George River), but a majority of the Project is located on the Carson River Pastoral Lease which is subject to Native Title. In both instances the affected peoples are the Balangarra Indigenous Community. However, land access negotiations are conducted through the Kimberley Land Council (the "KLC") that has administrative oversight for the majority of the Kimberley Aboriginal communities.

Primeform has signed a Native Title and Heritage Protection Agreement titled “Native Title, Heritage Protection and Mineral Exploration Agreement for Balanggarra Lands” dated December 12, 2016 (the “HPA”) with the KCL governing access to and exploration on the Project. In addition to managing the tenements, MMTS assisted Primeform with the KLC negotiations to obtain the HPA. Additional work permits for geophysical surveys and drilling will need to be obtained once specific target areas are identified. Under the terms of the HPA, all sites selected for such exploration work require an archaeological survey to be completed before work can proceed.

There are no registered environmentally sensitive areas within the Project tenements, however ground disturbing activities require approval through the Program of Work approvals process managed by the Mines Department. Areas planned to be disturbed attract a rehabilitation bond if rehabilitation costs are estimated to be greater than AUS\$50,000 for all areas disturbed by the company.

The property has not been legally surveyed and is considered an early to intermediate stage exploration property.

Royalties and Taxes

Royalty rates in Western Australia are prescribed under the Mining Regulations 1981 or individual State Agreement Acts. The Mining Regulations 1981 specify an ad valorem royalty rate of 7.5% for diamonds, however royalty rates for both the Argyle diamond mine and Ellendale diamond mine are administered under individual State Agreement whose ad valorem rates are set at 5%. Company tax in Australia is charged at a rate of 30% of profits. Payroll tax is charged by the State of Western Australia at a rate of 5.5% to companies whose annual wages exceed AUS\$750,000.

Regional Geology

Geologically the Project is located near the northeastern margin of the Kimberley Block which is comprised of platform unmetamorphosed sedimentary and mafic volcanic rocks belonging to the Kimberley Group. The Kimberley Group formations were deposited between 1.9 and 1.6 Ga ago (Thom, 1975) and are seen to outcrop throughout the Project area.

Physiologically the Project is located within the broad, dissected Kimberley Plateau which is characterized by escarpments and isolated mesas. The Kimberley Plateau has experienced at least three cycles of planation ranging in age from Cretaceous to Tertiary. The Tertiary planation events largely destroyed the effects of a widespread Tertiary 49 aged intense weathering event which resulted in laterization of the landforms. Subsequent erosion of the landform has cumulated in the current sporadic cover of ferricrete, thin pisolitic soils, sands, muds and alluvium throughout the area.

Property Geology

Exposed rocks within the Project are dominated by the Carson Volcanics and Warton Sandstone, which are both Formations of the Proterozoic aged Kimberley Group. Minor occurrences of Tertiary and Quaternary aged cover have been recognized in low-lying areas and along water courses (Plumb and Perry, 1971).

The Carson Volcanics consist predominantly of fine to medium grained tholeiitic basalt (commonly altered to spillite), feldspathic sandstone, siltstone and chert. Overlying the Carson Volcanics is the Warton Sandstone which forms a flat lying plateau and consists predominantly of white, cream and pale purple-grey, coarse to medium grained, well sorted, blocky to massive, quartz and feldspathic siltstone and sandstone (Griffin and Grey, 1990).

Exploration

In 2016, Lithoquest recognized that the rock samples collected in 2007 yielding Kimberlite Indicator Minerals with high-interest chemical compositions were coincident with circular to ovoid topographic features located along the

northeast-southwest structures that are predominant in the Project area. Based on this observation, Lithoquest considered the North Kimberley Diamond Province to be a high priority area for the discovery of additional diamondiferous kimberlites.

In 2016 and 2017, Lithoquest acquired data, researched historical exploration data aimed at understanding the known kimberlite discoveries, developed a new exploration model for the region and completed a reconnaissance field visit. Total costs incurred by Lithoquest for the period August 2016 to June 2017 totaled \$219,135, of which \$120,839.91 are considered to be Approved Expenditures as per the definition for Initial Listing Requirements: Tier 2 Mining Issuer Policy 1.1 (costs such as land maintenance, property payments, public affairs, international flights, tax and general and administration are not included in the Approved Expenditure total). This work is outlined below.

During 2016 and 2017, historical data from assessment reports, government reports and other publically available datasets was compiled and reviewed. The compilation included digitizing and rectifying available data including sample locations, indicator mineral results, drill holes, and airborne and ground geophysical surveys. The compilation highlighted the presence of numerous unexplained anomalous concentrations of diamonds and indicator minerals, as well as anomalies detected by geophysical techniques and/or recognised on aerial photographs.

In late 2016, Lithoquest acquired high resolution satellite imagery including 15 m resolution Landsat and Aster imagery, 10 m resolution Sentinel 2 imagery and 50 cm resolution Worldview imagery. Lithoquest also purchased and reprocessed high-resolution airborne magnetic and radiometric data collected in 2008 that covers a majority of the current tenements.

A preliminary assessment of the airborne magnetic data and Worldview satellite imagery was conducted for the purposes of identifying kimberlite targets for follow-up in the field. The data review focused on the area of the property where high-interest rock grab samples were collected in 2007.

It was immediately noted that the topographic features coincident with the 2007 samples had little to no discernible magnetic response. As a result, emphasis was placed on identifying topographic features in the satellite imagery. Ten targets characterised by anomalous topographic features were then identified for follow-up. The targets were coincident with or adjacent to one of the predominant northwest-southeast structures.

The primary objectives of the property visit conducted by the author on the 5th and 6th of April, 2017 were:

- 1) Confirm Prospect and investigate for the presence of evidence of kimberlites on/near the Project; and
- 2) Confirm the presence of anomalous kimberlite indicator minerals in order to evaluate the overall diamond potential of the area.

The site visit was conducted from the nearby settlement of Kalumburu to efficiently locate the selected sites. The sites were initially located by use of GPS using predetermined AMG coordinate positions. Confirmation of the selected features was enabled by comparison with satellite imagery. A thorough ground inspection was made at each site with the aim of identifying rock outcrop and rock float that could potentially represent weathered kimberlite. The ground inspections varied from 1 to 4 hours per site.

With the exception of site 1701, the location of the KGB2 kimberlite dyke, all of the sites are associated with very prominent northeast trending structural/magnetic lineaments. Rock grab samples were collected over these physiographical anomalies identified during the 2016/2017 compilation and satellite imagery interpretation exercise.

The sampling was not systematic in that samples were taken of rock float and outcrop (where possible). In addition, there was a conscious sampling bias towards rocks which were considered to have weathering and

textural characteristics reminiscent of kimberlite. In all instances, the exposed areal extent of specific outcrop and float was limited so that it could not be confirmed if these rock occurrences were representative of the entire feature being inspected. The sporadic occurrence of like material within the bounds of the feature was the only evidence linking the outcrop to the feature itself.

Mineralization

The North Kimberley Kimberlite Province comprises 15 kimberlite pipes and numerous kimberlite dykes. A total of six kimberlite pipes, eight defined kimberlite dykes and numerous small inferred kimberlite dykes are located on the Project. The Ashmore kimberlite pipes are located on a mining lease that is wholly enclosed by the Property. The Seppelt and Pteropus kimberlite pipes are located 23 km and 45 km southeast of the Property, respectively. Both the Ashmore and Seppelt kimberlite pipe clusters are within mining titles currently owned by Merlin Diamonds Limited and in which Lithoquest has no beneficial interests or entitlements.

The Jump-up, Wishy Washy, KGB2, Skerring and Hadfields kimberlite dykes were discovered by the Kalumburu JV in the 1970's. However these initial kimberlite discoveries were predominantly non-diamondiferous, ilmenite-rich, narrow kimberlite dykes. The subsequent discovery of the diamondiferous Seppelt kimberlite pipes by Stockdale Prospecting (De Beers) in 1993, and the diamondiferous Ashmore kimberlite pipes in 1996 by Striker Resources, led to renewed exploration in the area.

As a consequence of both planation landform development and subsequent erosion, the significant kimberlite discoveries are found within different geological settings. The Skerring Pipe and Lower Bulgurri Fissure are exposed within the Carson Volcanics, Ashmore and Pteropus within the Warton Sandstone, and the Seppelt Pipes within the Pentecost Sandstone. Notwithstanding the different associated local stratigraphy, with the exception of the Skerring Pipe, the pipes display evidence of deep weathering and have associated mudstones and clay, sand and cobble gravels ('infill material') associated with the near surface portions of the pipes. Silicified kimberlite cobbles can also be observed in most of the preserved upper portions of the pipes, as well as silicification of some portions of the associated kimberlite dykes, suggesting that these pipes have had associated silicified capping prior to the development of the 'infill material'. The sand and clay cobble gravels also report indicator minerals and occasional cobbles of silicified kimberlite material. The thickness of this infill material, which does not occur outside the bounds of the pipe, is usually in the order of 20 m to 30 m. The combined effects of differing local stratigraphy, the development of infill sedimentary material and silicification can diminish the surface expression of the pipes. For the known pipes, associated kimberlite dykes and unexplained surface indicator mineral dispersions are often the only physical evidence of a kimberlite occurrence. Historic exploration efforts have been severely impeded by the regolith development resulting in numerous indicator mineral occurrences remaining unresolved.

Structurally the various kimberlite occurrences present as an 'en echelon' style array within a north northwest regional trend. The northwest trending Barton Fault appears to form a boundary to the southwest and is arguably a controlling fault to the development of the en echelon array. The known individual kimberlite occurrences are all associated with northeast trending lineaments. The spatial periodicity of the kimberlite occurrences is in the order of 23 km. The trend remains open to both the north northwest and the south southeast with unsourced indicator minerals having reported to historic samples taken in both of these areas.

The Project tenements cover the Ashmore Field (outside of the Ashmore Pipes) and the KGB2 kimberlite dyke located 23 km to the north northwest, which along with a number of reported indicator mineral anomalies in the area, suggests the potential presence of another kimberlite field. The Project tenements also extend beyond the KGB2 area along the north northwest projection of the kimberlite province. A brief description of the kimberlite occurrences located on the Project is included in The North Kimberley Report.

Drilling - No drilling has been completed on the Project by Lithoquest.

Mineral Processing and Metallurgical Testing – No mineral processing or metallurgical testing has been completed.

Mineral Resources and Mineral Reserves - No mineral Resource Estimates have been completed.

Risks and Uncertainties

Mining Risks

The Company is subject to the risks typical in the mining business including uncertainty of success in exploration and development; operational risks including unusual and unexpected geological formations, rock bursts, particularly as mining moves into deeper levels, cave-ins, flooding and other conditions involved in the drilling and removal of material as well as environmental damage and other hazards; risks that intended drilling schedules or estimated costs will not be achieved; and risks of fluctuations in the price of commodities and currency exchange rates. Metal prices are subject to volatile price movements over short periods of time and are affected by numerous factors, all of which are beyond the Company's control, including expectations of inflation, levels of interest rates, sale of gold by central banks, the demand for commodities, global or regional political, economic and banking crises and production rates in major producing regions. The aggregate effect of these factors is impossible to predict with any degree of certainty.

Business Risks

Natural resources exploration, development, production and processing involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental law and regulation, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations. Financial risks include commodity prices, interest rates and foreign exchange rates, all of which are beyond the Company's control.

Regulatory risks include possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings as well as the introduction of ever more complex reporting requirements, the cost of which the Company must meet in order to maintain its exchange listing.

Competition

The mineral exploration and mining business is competitive in all of its phases. The Company will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive exploration and evaluation properties. The Company's ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects.

No Operating History and Financial Resources

The Company does not have an operating history and has no operating revenues and is unlikely to generate any in the foreseeable future. It anticipates that its cash resources will be sufficient to cover its projected funding requirements for the ensuing year. If its exploration program is successful, additional funds will be required for further exploration to prove economic deposits and to bring such deposits to production. Additional funds will

also be required for the Company to acquire and explore other mineral interests. The Company has limited financial resources and there is no assurance that sufficient additional funding will be available to it fulfill its obligations or for further exploration and development, on acceptable terms or at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of its properties or to reduce or terminate its operations.

Price Volatility and Lack of Active Market

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly.

Key Executives

The Company is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of the Company are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. The Company does not currently carry any key man life insurance on any of its executives.

Potential Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of the Company and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

Nature of the Securities

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

Outlook

Based on a review of the historic exploration data, property site visits and samples collected on the North Kimberley Diamond Property in 2008 and 2017, the potential for the discovery of diamondiferous kimberlite is considered high. A two phase program consisting of target generation and target investigation is recommended by the North Kimberley Report. The budget for the two-phase proposed program is \$3.5M: Phase 1 is \$1.2M and Phase 2 is \$2.3M.

The proposed program incorporates activities over the next 18 months, including both field and office components. The exploration strategy employed on the program will acknowledge that structural controls are preferential for the emplacement of kimberlites and that the camouflaging effects of deep weathering and regolith development dictate a practical and direct approach to the generation of kimberlite targets and the follow-up of indicator minerals.

Upon completion of its RTO transaction with Westview and the concurrent equity financing, Lithoquest intends to carry out the Phase 1 field program of drill testing, ground geophysical surveying and prospecting on high priority targets. In addition to the field program, desktop studies of the available historic indicator mineral sampling results, airborne geophysical datasets and remote sensing imagery will be undertaken. The results of the desktop work will be integrated with the targets identified by Lithoquest to date, to produce a ranked list of priority targets for follow up. The design of the Phase 2 exploration program will largely be dependent upon the results of the Phase 1 work.

Phase 1 Program

Office work consisting of desktop studies to develop and identify priority targets for follow-up is proposed.

The work will include the following:

- Reassessment of historic magnetic, electromagnetic and gravity datasets that are available, including the aeromagnetic survey completed in 2008 that was acquired by Primeform;
- Undertake landform and structural analysis using the latest satellite imagery and drone acquired detailed photo imagery to identify geomorphological targets and areas of interest; and
- Review the historical data in the public archive, including the extensive indicator mineral occurrence datasets, to identify high priority targets and target areas of interest.

The results of the desktop work will be integrated to produce a list of targets based on priority.

A field program including ground geophysics, prospecting, drilling and heritage studies is recommended. It should be noted that, while access to the property is available year round, field activities in the area are generally performed between April and November when ground access conditions are optimal. Given the seasonal time constraints, a limited field program is proposed for 2017.

The primary objective of the limited field program would be to test high priority targets for the presence of kimberlitic material. Time permitting, core drilling will be undertaken on one or two targets to recover fresh rock for lithologic identification and to provide initial indications of the morphology and size of any bodies intersected. Core samples of fresh rock should provide important geological information such as mineralogical composition, texture, age and the occurrence of differing geologic units. If kimberlite is intersected, samples for diamond testing will also be collected, as required.

Ground based geophysical orientation surveys consisting of gravity, magnetics and electromagnetics are proposed for targets of interest. If the orientation surveys are successful in identifying a geophysical signature indicative of kimberlite, the target generation process will be focused on features with similar characteristics. In addition to ground geophysical surveys, prospecting will be conducted in areas where kimberlite is suspected. Prospecting will include outcrop/subcrop investigation and sampling focused on the northern plateau of Warton Sandstone.

A Heritage Survey to identify any Aboriginal historical and archeological sites will be completed over the areas of interest.

Phase 2 Program

The scope of the Phase 2 field program will largely be dictated by the results of the Phase 1 work. It is anticipated that the following work will be considered:

- Ground geophysical surveys on targets of interest generated from the Phase 1 desktop studies;
- Prospecting of targets identified in Phase 1;
- The acquisition of further airborne geophysical data. Data could include: airborne hyperspectral data, airborne magnetic and radiometric data over areas without coverage in the existing exploration licenses and over the exploration license currently under application, and high resolution satellite data over the exploration license currently under application;
- Drilling of high priority targets. The drilling could include mini-bulk sampling for diamonds from any targets of interest identified in the Phase 1 program if diamond results suggest further sampling is warranted; and
- Heritage Surveys on any areas of interest that were not surveyed in Phase 1.

Given the inherent uncertainties associated with exploration programs, budgets are subject to change and are dependent on the results of exploration activities. Hence the proposed expenditures may be refined, as appropriate, to reflect the results of the programs as they progress.

Qualified Person

The disclosures contained in this MD&A regarding the Company's exploration & evaluation properties have been prepared by, or under the supervision of *Thomas Henry Reddcliffe, BSc Hons (Geol), MSc (Geol), FAUSIMM*, a Qualified Person for the purposes of National Instrument 43-101.

Approval

The Board of Directors of the Company approved the disclosures contained in this MD&A.

Other Information

As a non-reporting Issuer, Lithoquest does not maintain corporate documents on SEDAR or a company website. For more information on Lithoquest's North Kimberly Project or the transaction with Westview, please refer to public disclosure documents on Westview's SEDAR profile, which will be available under the Resulting Issuer's public disclosure documents on SEDAR upon completion of the proposed RTO transaction.

SCHEDULE "5" – PRO FORMA FINANCIAL STATEMENTS

See attached.

Consolidated Westview Resource Corp.

PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)
(Expressed in Canadian dollars)

June 30, 2017

Consolidated Westview Resource Corp.

Unaudited Pro-forma Consolidated Statement of Financial Position

As at June 30, 2017

(Expressed in Canadian Dollars)

	Consolidated Westview Resource Corp.	Lithoquest Diamonds Inc.	Note 3	Pro-forma Adjustments	Pro-forma Consolidated
ASSETS					
Current Assets					
Cash	\$ 40,559	\$ 80,702	b d e f g	\$ 43,200 (200,000) 915,600 58,136 4,987,536	\$ 5,925,733
Sales taxes recoverable	8,610	-		-	8,610
Receivables	-	20,730			20,730
Prepaid expenses	1,250	-	c	(1,250)	-
Total current assets	50,419	101,432		5,803,222	5,955,073
Exploration and evaluation asset	-	208,990		-	208,990
Total assets	\$ 50,419	\$ 310,422		\$ 5,803,222	\$ 6,164,063
LIABILITIES AND EQUITY					
Current Liabilities					
Accounts payable and accrued liabilities	\$ 534,439	\$ 101,113	a	\$ (422,825)	\$ 212,727
Advances payable	13,400	-	a	(13,400)	-
Loan payable	50,000	-	a	(50,000)	-
Total liabilities	597,839	101,113		(486,225)	212,727
Equity					
Share capital	6,262,813	707,882	a b d d e g	486,225 70,200 (6,819,238) 1,496,616 913,200 4,890,136	8,007,834
Subscriptions received	27,000	-	b	(27,000)	-
Subscriptions receivable	-	(58,136)	f	58,136	-
Reserves	-	-	e g h	2,400 97,400 614,000	713,800
Deficit	(6,837,233)	(440,437)	c d d h	(1,250) 6,838,483 (1,715,861) (614,000)	(2,770,298)
Total equity	(547,420)	209,309		6,289,447	5,951,336
Total liabilities and equity	\$ 50,419	\$ 310,422		\$ 5,803,222	\$ 6,164,063

The accompanying notes are an integral part of these pro-forma consolidated financial statements

Consolidated Westview Resource Corp.

Notes to the Unaudited Pro-forma Consolidated Financial Statement

As at June 30, 2017

(Expressed in Canadian Dollars)

1. Basis of Presentation

Consolidated Westview Resource Corp. (the "Company" or "Westview") was incorporated on February 25, 1986. In April 2014, the Company continued from the jurisdiction of Alberta to British Columbia where it is governed by the Business Corporations Act (British Columbia).

The accompanying unaudited pro-forma consolidated financial statements have been prepared by the proposed management of the Resulting Issuer, for inclusion in the filing statement dated November 15, 2017 in connection with the transaction detailed in note 2.

These unaudited pro-forma consolidated financial statements are compiled from and include:

- i) the unaudited condensed interim financial statements of Consolidated Westview Resource Corp. as at June 30, 2017;
- ii) the unaudited condensed interim financial statements of Lithoquest Diamonds Inc. ("Lithoquest") as at June 30, 2017 and for the three months then ended; and
- iii) the proposed transactions described in note 2, together with certain transactions that have been entered into subsequent to June 30, 2017 as outlined in note 3.

The unaudited pro-forma consolidated statement of financial position gives effect to the transactions as if they had occurred at June 30, 2017.

The unaudited pro-forma consolidated financial statements have been prepared by management in accordance with policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The functional and presentation currency of all the entities shown is the Canadian dollar.

The unaudited pro-forma consolidated financial statements should be read in conjunction with the financial statements and notes thereto of Westview and Lithoquest as described above as well as the most recently issued audited financial statements of each of the companies. The unaudited pro-forma consolidated financial statements are not intended to reflect the results of operations or the financial position which would have actually resulted had the proposed transactions been effected on the dates indicated. Further, the unaudited pro-forma financial information is not necessarily indicative of the results of operations that may be obtained in the future.

The pro-forma adjustments and allocations of the transaction are based in part on estimates of the fair value of the assets acquired and liabilities assumed. The final allocation will be completed after asset and liability valuations are finalized. The final valuation will be based on the actual assets and liabilities that exist as of the date of completion of the acquisition.

Consolidated Westview Resource Corp.

Notes to the Unaudited Pro-forma Consolidated Financial Statement

As at June 30, 2017

(Expressed in Canadian Dollars)

2. Acquisition

Reverse takeover

On October 17, 2017 Westview entered into a share exchange agreement pursuant to which Westview will acquire 100% of the common shares of Lithoquest (the "Acquisition"). Lithoquest is a non-reporting Canadian company that has acquired, indirectly through a wholly owned Australian subsidiary, exploration licences in Western Australia referred to as the North Kimberley diamond project and has applied for an additional, contiguous exploration licence. In exchange for its ownership of Lithoquest, Lithoquest shareholders will receive 21,391,668 Westview common shares and 5,347,920 share purchase warrants, each full warrant entitling its holder to acquire a Westview share at \$0.30 for a period of 24 months following the closing of the Acquisition. Holders of existing Lithoquest warrants will receive Westview warrants with the same terms in exchange.

In connection with the proposed Acquisition, Westview intends to complete a private placement financing involving the issuance of 18,977,272 units at a price of \$0.27 per unit, for gross proceeds of \$5,123,863 (the "Concurrent Financing"). Each unit will consist of one common share and one half of one share purchase warrant, each whole warrant entitling the holder to acquire one common share for \$0.40 for a period of two years following the closing of the Acquisition.

Closing of the Acquisition is subject to a number of conditions including splitting of Lithoquest's existing share capital on a two for one basis (the "Split"), completion of the Concurrent Financing, receipt of all required shareholder, regulatory and third party consents, including TSX-V approval, and the satisfaction of other customary closing conditions. The Acquisition cannot close until the required approvals are obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

3. Unaudited Pro-Forma Adjustments and Assumptions

The unaudited pro-forma consolidated financial statements incorporate the following pro-forma assumptions:

- a) 1,800,832 common shares of Westview were issued at a price of \$0.27 per share to settle outstanding debt totalling \$486,225 consisting of accounts payable \$422,825, advances payable \$13,400 and loan payable \$50,000.
- b) Westview completed a non-brokered private placement of 260,000 common shares at a price of \$0.27 per share for gross proceeds of \$70,200. \$27,000 of the proceeds were received prior to June 30, 2017 and reflected in subscriptions received.
- c) Prepaid expenses of \$1,250 are expensed.

Consolidated Westview Resource Corp.

Notes to the Unaudited Pro-forma Consolidated Financial Statement

As at June 30, 2017

(Expressed in Canadian Dollars)

3. Unaudited Pro-Forma Adjustments and Assumptions (continued)

- d) Upon closing of the Acquisition, the shareholders of Lithoquest will hold majority of the common shares of Westview, and the transaction will be considered to be a reverse take-over transaction (“RTO”). As Westview is a non-active public shell, it does not meet the definition of a business, as defined in IFRS 3, Business Combinations. The acquisition is accounted for as an asset acquisition. The purchase consideration is determined as an equity-based payment, under IFRS 2, share-based payments, at the fair value of the equity instruments retained by the shareholders of the Company based on the market value of the Company’s common shares on the date of closing of the RTO.

On completion of the Acquisition, the equity of Westview will be eliminated and any excess purchase price will be allocated to a listing expense.

The allocation of the purchase price of the RTO cost is as follows:

Purchase price

Number of shares held by former shareholders of Westview	5,543,023
Share price	\$ 0.27
Total consideration	\$ 1,496,616

Fair value of net assets of Westview prior to the Acquisition

Cash	\$ 83,759
Sales taxes recoverable	8,610
Payables	(111,614)
Net liability assumed	(19,245)

1,515,861

Transaction costs	200,000
Listing expense	\$ 1,715,861

- e) Lithoquest completed a non-brokered private placement of 4,725,000 post-Split units, each unit consisting of one common share and one-half of one share purchase warrant, for gross proceeds of \$945,000 at \$0.20 per unit. Lithoquest paid a finder fee of \$2,400 in cash and issued 12,000 post-Split share purchase warrants to purchase common shares, at a price of \$0.20 per common share of Lithoquest, exercisable for a two year period and paid a corporate advisory fee of \$27,000 in connection with the placement.

The fair value of \$2,400 for the 12,000 post-Split warrants was estimated using Black-Scholes Option Pricing model with the following assumptions: risk-free interest rate 1.10%, expected life of options 2 years, annualized volatility 150%, forfeiture rate 0% and dividend rate 0%.

Consolidated Westview Resource Corp.

Notes to the Unaudited Pro-forma Consolidated Financial Statement

As at June 30, 2017

(Expressed in Canadian Dollars)

3. Unaudited Pro-Forma Adjustments and Assumptions (continued)

- f) Lithoquest received the amounts due from subscriptions receivable.
- g) Westview completed a concurrent financing and issued 18,977,272 units, each unit consisting of one common share and one-half of one share purchase warrant for gross proceeds of \$5,123,863 at \$0.27 per unit. Westview paid finders' fees of \$136,327 in cash and issued 504,914 share purchase warrants exercisable at a price of \$0.27 per common share for a two year period.

The fair value of \$97,400 for the 504,914 warrants was estimated using Black-Scholes Option Pricing model with the following assumptions: risk-free interest rate 1.10%, expected life of options 2 years, annualized volatility 150%, forfeiture rate 0% and dividend rate 0%.

- h) Upon closing of the Acquisition, 2,500,000 options will be issued to new directors, officers, employees and/or consultants of the Resulting Issuer with an exercise price of \$0.27 with a fair market value of \$0.2456 per stock option. All of the new options granted will vest immediately and are exercisable for a five year period.

The share-based payment is valued at \$614,000 based on the following weighted average assumptions: risk-free interest rate 1.32%, expected life of options 5 years, annualized volatility 150%, forfeiture rate 0% and dividend rate 0%.

- i) The pro-forma effective tax rate is estimated to be 26%.

Consolidated Westview Resource Corp.

Notes to the Unaudited Pro-forma Consolidated Financial Statement

As at June 30, 2017

(Expressed in Canadian Dollars)

4. Pro-forma Share Capital

Authorized

Unlimited common shares, without par value

	Note 3	Share Capital		Subscriptions Receivable/ Received	Reserves	Deficit	Total Equity
		Number of Shares	Amount				
Common shares of Westview		3,482,191	\$ 6,262,813	\$ 27,000	\$ -	\$ (6,837,233)	\$ (547,420)
Shares issued for debt settlement	a	1,800,832	486,225	-	-	-	486,225
Private placement of Westview	b	260,000	70,200	(27,000)	-	-	43,200
Effect of RTO	c, d	-	(6,819,238)	-	-	6,837,233	17,995
		5,543,023	-	-	-	-	-
Common shares of Lithoquest		8,333,334	707,882	(58,136)	-	(440,437)	209,309
Effect of 2 for 1 share split		8,333,334	-	-	-	-	-
Private placement of Lithoquest – net of share issuance costs	e	4,725,000	913,200	-	2,400	-	915,600
Receipt of subscription receivable	f	-	-	58,136	-	-	58,136
Concurrent private placement – net of share issuance costs	g	18,977,272	4,890,136	-	97,400	-	4,987,536
RTO – Shares and warrants issued to Lithoquest shareholders	d	-	1,496,616	-	-	-	1,496,616
RTO – Listing expense	d	-	-	-	-	(1,715,861)	(1,715,861)
Share-based payments	h	-	-	-	614,000	(614,000)	-
Balance, June 30, 2017		45,911,963	\$ 8,007,834	\$ -	\$ 713,800	\$ (2,770,298)	\$ 5,951,336