



**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**

This Management’s Discussion and Analysis (“MD&A”) should be read in conjunction with CVW CleanTech Inc.’s (“CVW CleanTech”, “we”, “us”, “our” or the “Company”) condensed interim financial statements and notes thereto for the three and nine months ended September 30, 2023. This MD&A has been prepared as of November 14, 2023. CVW CleanTech is a development stage company whose common shares are listed on the TSX Venture Exchange under the symbol “CVW”. This MD&A and the condensed interim financial statements and comparative information have been prepared and approved by the Board of Directors of the Company in accordance with International Financial Reporting Standards (“IFRS”). All financial measures presented in this MD&A are expressed in Canadian dollars.

Additional information and the above referenced material is available on CVW CleanTech Inc.’s website at [www.CVWCleanTech.com](http://www.CVWCleanTech.com) or on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com)

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## Nature of Business

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CVW CleanTech is a clean technology innovator developing sustainable environmental solutions. We have developed a suite of technologies to serve the oil sands mining industry. The Creating Value from Waste™ (“CVW™”) technology allows oil sands mining operators to extract valuable commodities from froth treatment tailings, reduce greenhouse gas (“GHG”) emissions, and enhance tailings management. Recovering additional bitumen, solvents, and water from the existing froth treatment tailings stream provides incremental revenue, increasing oil sands mining profitability. Critical minerals, such as titanium and zircon, may also be recovered from froth treatment tailings, providing a new source of revenue for operators. These minerals have been highlighted by the Alberta and Canadian governments as crucial to the development of Canada’s low carbon economy.<sup>1,2</sup>

The recovery of valuable products from waste streams will also result in important and timely environmental and economic benefits for the oil sands mining industry. Environmental benefits include a reduction in GHG emissions at the host oil sands mining operator site. When residual amounts of hydrocarbons biodegrade in a tailings pond, GHG emissions (primarily methane) are released. Methane is known to have a global warming potential 28-36 times as potent as carbon dioxide when considering its impact over 100 years<sup>3</sup>. By recovering bitumen and solvents that otherwise would be lost in tailings waste, methane emissions from tailings ponds can be significantly reduced. Remediation of oil sands mining tailings is a priority for all stakeholders, including industry, community members, Indigenous groups, government, regulators, and investors. CVW CleanTech’s technology enhances tailings management and delivers environmental benefits by producing a lower volume of tailings with a cleaner composition for deposition. Canada’s oil and gas industry has set ambitious targets to address these issues and the CVW™ technology can help them achieve these goals.

When implemented at a representative oil sands mining site which produces 250,000 barrels of synthetic crude oil equivalents per day, the CVW™ technology could provide the following economic and environmental benefits:

- Recover 2.2 million barrels per annum of hydrocarbons (1.9 million barrels per annum of bitumen and 0.3 million barrels per annum of solvent);
- Produce 243,000 tonnes per year of critical mineral (titanium, zircon) concentrates;
- Abate between 380 – 850 thousand tonnes of CO<sub>2</sub>e annually;
- Abate up to 5,000 tonnes of volatile organic compounds annually;
- Recover and re-use over 2.8 million m<sup>3</sup> water and 1.9 million GJ of heat annually;

- Reduce land-use impacts by over 19 hectares per annum, and
- Enables the oil sands mining industry to potentially eliminate the use of tailings ponds for froth treatment tailings consistent with the Alberta Energy Regulator’s (“AER”) Directive 85.

CVW CleanTech is also actively reviewing diversification opportunities to enhance our technology portfolio and identify additional value-add opportunities. These include examining how the Company’s resources could be applied more broadly within the clean technology industry to create a diversified platform. Diversifying in this manner, while retaining a focus on clean technology and the role it plays within decarbonization and the circular economy, has the potential to accelerate the growth of the business across multiple sectors and geographies while transforming the Company into a leader in the clean technology space.

## Selected Quarterly and Year-to-Date Highlights

The following table summarizes the Company’s financial results for most recently completed quarterly periods in accordance with IFRS:

	Q3 September 30, 2023	Q2 June 30, 2023	Q1 March 31, 2023	Q4 December 31, 2022
Net Loss	\$1,165,000	\$1,052,000	\$1,047,000	\$1,224,000
Net loss per share (basic and diluted)	\$0.01	\$0.01	\$0.01	\$0.01

	Q3 September 30, 2022	Q2 June 30, 2022	Q1 March 31, 2022	Q4 December 31, 2021
Net Loss	\$517,000	\$1,828,000	\$836,000	\$555,000
Net loss per share (basic and diluted)	\$0.01	\$0.02	\$0.01	\$0.01

All figures rounded to the nearest \$1,000, except per share amounts

For the three month period ended September 30, 2023, the Company reported a net loss of \$1.16 million. This compares to a net loss of \$0.52 million for the quarter ended September 30, 2022. The net loss per share was \$0.01 for both Q3 2023 and Q3 2022.

For the nine month period ended September 30, 2023, the Company reported a net loss of \$3.26 million. This compares to a net loss of \$3.18 million for the nine months ended September 30, 2022. The net loss per share was \$0.03 for both the nine month periods ended September 30, 2023 and 2022.

During 2023, our team completed significant outreach and business development activities. As the future development of a CVW™ oil sands facility will require strategic partners, it is essential that these relationships are established and advanced. As a result, developing these key networks is a priority for the business today. We are targeting partners which include financial institutions, institutional investors, Indigenous groups, engineering, procurement and construction firms, and government funding agencies.

In order to advance the commercial development of the CVW™ technology, we are focused on demonstrating that the Company has both credible and willing sources of capital for the project. We believe this is a key factor that will influence oil sands mining operators to advance a CVW™ oil sands project in the future. Outreach with investment banks, private equity funds, corporate lenders and government funding agencies has been prioritized.

During the first quarter of 2023, a refresh of the Company's publicly available material was undertaken, which included an update of the corporate website, revisions to marketing presentations and an 'explainer' video. The video provides a simplified overview of how the CVW™ technology works within an oilsands operation and can be accessed at: <https://cvwcleantech.com/investors/investor-overview/#videos>.

In Q3 2023 the Company published a comprehensive Process and Technology Overview detailing potential commodity recoveries, environmental benefits, and financial benefits which could be generated through commercial implementation of the CVW™ technology at a generic oil sands mining site. The Process and Technology Overview is available on SEDAR+ and can be accessed on our website using the following link: <https://cvwcleantech.com/technology/process-and-technology-overview/>

On September 12, 2023 the Company held a virtual Annual and Special Meeting of Shareholders. Both the presentation and webcast are available on our website using the following link:

<https://cvwcleantech.com/investors/investor-overview/#presentations>

Our business development activities have also continued with the major oil sands mining operators. We are pleased to report that we have had ongoing engagement with all the oil sands mining operators to highlight our technology's alignment with their business and ESG objectives, with a goal of pursuing a commercial project. Recent meetings have also taken place with the Pathways Alliance - a collaboration of oil sands operators whose aim is to reduce the industry's GHG emissions intensity. We have highlighted the meaningful role that the CVW™ technology can play in the fight to reduce GHG emissions and to be a key contributor on the path to net zero.

## Operating Expenditures

*Three months ended September 30, 2023 and 2022*

Operating Expenses	September 30, 2023	September 30, 2022	Increase (decrease)
	\$	\$	\$
Compensation and benefits	311,000	201,000	110,000
Consulting fees	74,000	32,000	42,000
Director fees	57,000	70,000	(13,000)
Professional fees	45,000	72,000	(27,000)
Investor communications and marketing	42,000	7,000	35,000
Office and administration	35,000	43,000	(8,000)
Transfer agent and regulatory fees	12,000	6,000	6,000
Engineering and analysis	-	38,000	(38,000)
Stock-based compensation	666,000	76,000	590,000
Amortization	1,000	-	1,000
Total operating expenses	1,243,000	545,000	698,000

Rounded to the nearest \$1,000

The largest components of net loss for the third quarter of 2023 were the stock-based compensation expense of \$666,000 and compensation and benefits expense of \$311,000. The net loss for the three months ended September 30, 2022 included stock-based compensation expense of \$76,000 and compensation and benefits expense of \$201,000.

Compensation and benefits expense increased by \$110,000 compared to Q3 2022. For most of Q3 2022 the Company's Executive Chairman was acting as Interim CEO and did not receive compensation for these additional responsibilities. The Company hired a permanent CEO in September 2022 which has contributed to the increased compensation and benefit costs when comparing Q3 2023 to Q3 2022. In late Q2 2023 the Company hired a Vice President, Corporate Development and a Vice President, Engineering. Cumulatively these hires increased the Company's headcount by one person as compared to Q3 2022. This headcount increase also contributed to the increase in compensation and benefits expense in Q3 2023 as compared to Q3 2022.

Consulting fees in Q3 2023 were \$42,000 higher compared to Q3 2022. In Q3 2023 the Company continued building relationships with Indigenous communities. The Company has partnered with a firm dedicated to bridging the gap between industry and Indigenous communities. This resulted in increased costs of \$25,000 as compared to Q3 2022. The Company has also retained the services of a government relations firm which increased costs by \$7,000 compared to Q3 2022.

Professional fees decreased by \$27,000 as compared to Q3 2022 resulting mostly from a \$24,000 decrease in legal and tax fees.

Investor communications and marketing expenses increased by \$35,000 in Q3 2023 compared to Q3 2022. The Company and its executive team are increasingly engaged with investors and other stakeholders, building strong relationships in an effort to commercialize the CVW™ technologies. Compared to Q3 2022, the Company had an additional \$17,000 for the participation in investor and industry conferences and \$14,000 in additional travel costs. These events build awareness of our CVW™ technology and our stakeholder network towards the goal of commercialization of the CVW™ technology. In addition, it provides an avenue for the origination of potential diversification opportunities.

Office and administration expenses decreased by \$8,000 as compared to Q3 2022. The decrease resulted from a \$12,000 reduction in Director travel as compared to Q3 2022, offset by higher administrative costs.

On June 19, 2023 the Company granted 1.15 million stock options to certain officers. The stock-based compensation expense in Q3 2023 relates to the 5 million stock options granted in Q3 2022 and the 1.15 million stock options granted in Q2 2023. The options granted in June 2023 and September 2022 have a variety of performance criteria that must be satisfied before vesting can occur. These vesting conditions help to ensure that shareholder interests are directly aligned with these long-term incentive instruments.

### *Nine months ended September 30, 2023 and 2022*

Operating Expenses	September 30, 2023	September 30, 2022	Increase (decrease)
	\$	\$	\$
Compensation and benefits	803,000	892,000	(89,000)
Consulting fees	163,000	65,000	98,000
Director fees	170,000	190,000	(20,000)
Professional fees	211,000	220,000	(9,000)
Investor communications and marketing	132,000	14,000	118,000
Office and administration	107,000	136,000	(29,000)
Transfer agent and regulatory fees	96,000	99,000	(3,000)
Engineering and analysis	2,000	71,000	(69,000)
Stock-based compensation	1,799,000	1,534,000	265,000
Amortization	3,000	-	3,000
Total operating expenses	3,486,000	3,221,000	265,000

The largest components of net loss for the nine months ended September 30, 2023 were stock-based compensation expense of \$1,799,000 and compensation and benefits expense of \$803,000. The net loss for the nine months ended September 30, 2022 included stock-based compensation expense of \$1,534,000 and compensation and benefits expense of \$892,000.

Compensation and benefits expenses decreased by \$89,000 compared to the nine months ended September 30, 2022. For much of the nine months ended September 2022 the Company's Executive Chairman was acting as Interim CEO and did not receive compensation for these additional responsibilities. The Company hired a permanent CEO in September 2022. This decrease in costs is offset by a one-time retiring allowance payment of \$200,000 to the Company's former CEO who retired in March 2022.

Consulting fees for the nine months ended September 30, 2023 increased by \$98,000 as compared to the same period in 2022. Under the terms of a consulting agreement, a Company controlled by the former CEO continues to provide services to the Company at a quarterly rate of \$29,000. Due to timing differences, an additional \$29,000 was incurred in 2023 with respect to this agreement compared to the same period of 2022. In 2023 the Company continued building relationships with Indigenous communities. The Company has partnered with a firm dedicated to bridging the gap between industry and Indigenous communities. This resulted in increased costs of \$25,000 as compared to the same period in 2022. The Company also retained the services of a government relations firm which increased costs by \$7,000 compared to the nine months ended September 30, 2022. The remainder of the increase relates to accounting services costs.

Professional fees for the nine months ended September 30, 2023 were \$9,000 lower compared to the nine months ended September 30, 2022. Legal fees have decreased by \$33,000 compared to the nine months ended September 30, 2022. In Q1 2022 the Company experienced changes within its Board of Directors and its former CEO retired effective March 31, 2022. These changes resulted in increased legal costs during 2022. This decrease is partially offset by an increase in audit fees of \$24,000.

Investor communications and marketing expenses increased by \$118,000 for the nine months ended September 30, 2023 compared to 2022. The Company and its executive team are increasingly engaged with investors and other stakeholders, building strong relationships in an effort to commercialize the CVW™ technology. The Company incurred \$44,000 in additional travel costs and \$23,000 for the participation in investor and industry conferences. These events build our stakeholder network towards the goals of commercialization of the CVW™ technology and capitalization of potential diversification opportunities.

Additionally the Company incurred \$23,500 for the redesign of the Company's website and \$10,000 for a professional video overview of the CVW™ technology.

In the nine months ended September 30, 2023 office and administration expenses decreased by \$29,000 as compared to the same period in 2022. The decrease was primarily a result of reduced Director travel which decreased by \$32,000 compared to the same period in 2022.

Engineering and analysis costs have decreased \$69,000 when comparing the nine months ended September 30, 2023 to the same period in 2022. Engineering and analysis costs have decreased as a result of the completion of various analytical testing and engineering projects.

On June 19, 2023 the Company granted 1.15 million stock options to certain officers. The stock-based compensation expense for the nine months ended September 30, 2023 relates to the 5 million stock options granted in Q3 2022 and the 1.15 million stock options granted in Q2 2023. The options granted in June 2023 and September 2022 have a variety of performance criteria that must be satisfied before vesting can occur. These vesting conditions help to ensure that shareholder interests are directly aligned with these long-term incentive instruments.

## Liquidity and Capital Resources

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CVW CleanTech held cash and cash equivalents of \$6.2 million as at September 30, 2023 (December 31, 2022: \$7.0 million). During the first nine months of 2023, several equity instruments were converted, which yielded cash proceeds of \$897,000. In comparison, during Q4 2022, a private placement of equity units (shares and warrants) was completed which provided \$1.4 million in additional cash. The conversion of certain warrants yielded a further \$450,000 in cash during December 2022.

Due to the increasing interest rate environment and the relative accumulation of cash in our accounts, interest income of \$79,000 and \$224,000 was earned for the three and nine month periods ended September 30, 2023 respectively. Our cash balances are held in major Canadian financial institutions with credit ratings of Aa or higher and are available upon demand.

Based on internal forecasting and considering day-to-day operating needs, our liquidity position is strong and will meet day-to-day operating needs for the forthcoming year. Amounts in excess of day-to-day operating needs will be preserved for capital and growth-related expenditures. The stable base of cash-on-hand can help provide a ready source of early-stage capital where upfront spending may be required at the outset of a commercial endeavor with an oil sands mining operator, or where other diversification

opportunities arise. Initial expenditures may be required in areas such as detailed engineering, project assessments and/or for due diligence exercises.

When CVW CleanTech has agreements in place to commercially deploy its technologies, additional sources of capital will be required. Sources of capital to fund that stage of development are anticipated to come from a variety of sources, including, but not limited to, government grants, commercial debt, strategic partnerships, and future equity placements.

## Market Opportunity

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The Company believes that market, political, social, and regulatory forces favouring the adoption of our technology are intensifying as industry and various levels of government position the country for a net zero goal by 2050. Widely accepted science-based studies describe the importance of moving to a carbon neutral society and the risks of failing to achieve globally agreed 2050 targets. Oil sands mining operators have been proactively adopting more sustainable and environmentally friendly approaches, including collaborative efforts, such as their Pathways Alliance, as they seek to demonstrate their commitment to reducing their environmental footprint.

Based on our research, pilot programs, and studies, key economic drivers that support the adoption of CVW CleanTech's technology include: the commodity value of recovered bitumen and solvents currently lost to tailings ponds; the value of recovered critical minerals including titanium and zircon concentrates; the value of emissions abatement under current and future regulatory regimes; energy cost reductions due to hot process water recapture and reuse; potential cost reductions related to enhanced tailings remediation; and potential cost savings related to acid rock drainage mitigation. In addition, our studies suggest that tailings that have been processed through the CVW™ technology dewater more effectively in subsequent tailings management operations, which meets the Government of Alberta regulations requiring reductions in the volume of tailings. The removal of bitumen and solvents could also enable the direct reuse of hot froth treatment tailings water in other mineable oil sands services, reducing energy costs, river water usage and GHGs related to reheating cold water used in the bitumen extraction process.

Tailings management remains one of the more difficult environmental challenges for the oil sands mining sector. The Company believes that its CVW™ technology can assist the industry in meeting certain regulatory requirements of the AER's Directive 85. This legislation has been in place since 2017 and requires oil sands mining operators to minimize fluid tailings accumulation through ongoing treatment and progressive reclamation. CVW™ technology can eliminate the need for tailings ponds for froth treatment

tailings and meet the ready-to-reclaim criteria outlined in Directive 85. In particular, the Company's technology has the potential to address a number of aspects of the AER's Directive 85 sub-objective 2 by mitigating risks associated with treated froth fluid fine tailings helping move the industry away from the use of tailings ponds.

The Government of Canada, in its announcements in March 2022, provided guidelines to address climate change for various sectors of the economy, with stringent targets for the oil and gas sector. In particular, the current federal government has set targets for the oil and gas industry in Canada to reduce its GHG emissions by 42% of 2019 levels by 2030.<sup>4</sup> The federal government has established a number of mechanisms to support the transition to cleaner energy, including up to \$8 billion for the Strategic Innovation Fund's Net Zero Accelerator. This fund aims to support projects that reduce GHG emissions including through the scale-up of cleantech businesses which reduce the environmental footprint of current production by utilizing new technologies. In November 2022, the federal government announced the establishment of the \$15 billion Canada Growth Fund to accelerate the deployment of technologies required to decarbonize and grow the economy which includes direct equity and debt investments as well as a contract for differences structures related to factors such as carbon pricing<sup>5</sup>.

The oil sands industry is taking an active approach in transitioning its operations to greener technologies, including strategies to assist in reducing GHG emissions. In particular, the members of the Pathways Alliance believe the most effective way to address climate change is by developing and advancing new technologies and that this unprecedented challenge can and will be solved by Canadian ingenuity, leadership, and collaboration. The commitment by the consortium to achieve net zero GHG emissions aligns directly with the benefits that can be provided by our technology.

Additional government initiatives which may be favorable to the commercialization of our technology include the Canadian Minerals and Metals Plan ("CMMP"), which aims to position Canada as a global supplier for strategic and critical minerals. The Province of Alberta introduced a similar strategy and action plan with legislation in November 2021. Alberta's Bill 82 aligns the province's mineral development policies with the CMMP. These critical minerals, which include titanium and zircon, are seen as vital to make the transition to net zero.

There is widespread acceptance that innovation and new technologies will be the principal source of solutions for reducing both environmental impacts and operating costs in Canada's oil sands industry. Through a disciplined collaborative approach, with the cooperation of industry and governments, the Company believes that it has successfully developed unique, practical technology solutions for oil sands

froth treatment tailings that offer significant improvements to technologies currently used, and address environmental, operational, and economic challenges. There is optimism that CVW CleanTech, other clean technology companies, along with industry partners and government can collaborate to meaningfully address climate change.

## Financial Instruments and Financial Risk Factors

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The Company has, for accounting purposes, designated its cash and cash equivalents and accounts receivable as financial assets. Accounts payable and accrued liabilities, along with the deferred compensation liability (for which there is a balance as at December 31, 2022 but no balance as at September 30, 2023), are classified for accounting purposes as other financial liabilities.

As at September 30, 2023 and December 31, 2022, the Company estimates that both the carrying and fair value amounts of the Company's financial instruments are approximately equivalent because of the short-term nature of the assets and liabilities.

### *a. Financial risk*

The Company's activities expose it to a variety of financial, credit, liquidity, and market risks, including interest rate and foreign exchange rate risks. Financial risk management is carried out by the Company's management team with guidance from the Audit Committee and the Board of Directors. The Board of Directors also provides guidance for enterprise risk management.

### *b. Credit risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and recovery of project costs and related holdbacks receivable. Cash and cash equivalents are held with major Canadian financial institutions with a credit rating of Aa or higher. Management believes that the credit risk concentration with respect to cash is minimal. The recovery of project costs and related holdbacks receivable is dependent on the Company meeting milestone obligations under contribution agreements. Management believes that credit risk associated with funding commitments from government grant programs is low due to the project governance, credit quality of participants, reporting requirements to achieve milestones and the fact that associated contributions have previously been fully collected.

*c. Liquidity risk*

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due by monitoring actual and projected cash flows. The Board of Directors review and approve the operating plan as well as any material transactions outside the ordinary course of business. This oversight process is also supplemented by ongoing detailed cash forecasting processes. The Company is dependent on raising funds through the issuance of shares, loan facilities, government grants and/or attracting partners to undertake further development and commercialization of its technology. As at September 30, 2023, the Company had a cash balance of \$6.2 million to settle current liabilities of \$188,000 (December 31, 2022 - cash \$7.0 million to settle current liabilities \$327,000). Most of the Company's financial liabilities have contractual terms of 30 days or less.

*d. Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates. CVW CleanTech has no current liabilities that are subject to interest rate risk. The balance of cash and cash equivalents are exclusively denominated in Canadian dollars.

*I. Interest rate risk*

The Company's current policy is to invest excess cash in interest bearing cash accounts, bankers' acceptances and guaranteed investment certificates issued by major Canadian financial institutions with a credit rating of Aa or higher. The Company periodically monitors its cash equivalent investments and the creditworthiness of the banks it holds investments in.

*II. ii. Foreign exchange currency risk*

The Company's reporting and functional currency is the Canadian dollar and most purchases are transacted in Canadian dollars. Any impact on the Company's existing financial instruments due to foreign exchange rate fluctuations are not expected to be of significance. The Company does not presently enter into hedge instruments in respect of its foreign currency exchange risk.

*e. Capital management*

The Company considers its equity as its capital. At September 30, 2023, the Company had total equity of \$6,173,000 (December 31, 2022 – \$6,742,000). The Company does not have any bank debt or externally imposed capital requirements. The Company's capital management objectives are to manage its cash and

cash equivalents prudently; to minimize the expenditures on general and administrative costs to ensure funds are available to continue to advance the commercialization of CVW™ projects; and to access available government funding for research and development and commercialization. Management reviews its capital management approach on an ongoing basis and believes that its current approach, given the relative size and stage of the Company, is appropriate.

## Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of CVW CleanTech as a whole. Compensation to directors and officers of the Company is summarized below.

### *Three months ended September 30, 2023 and 2022*

Corporate Officers	September 30, 2023 \$	September 30, 2022 \$	Increase (decrease) \$
Compensation and benefits	311,000	201,000	110,000
Stock-based compensation	666,000	75,000	591,000
Total	977,000	276,000	701,000

Board of Directors	September 30, 2023 \$	September 30, 2022 \$	Increase (decrease) \$
Director fees	57,000	70,000	(13,000)
Stock-based compensation	-	-	-
Total	57,000	70,000	(13,000)

### *Nine months ended September 30, 2023 and 2022*

Corporate Officers	September 30, 2023 \$	September 30, 2022 \$	Increase (decrease) \$
Compensation and benefits	803,000	892,000	(89,000)
Stock-based compensation	1,799,000	248,000	1,551,000
Total	2,602,000	1,140,000	1,462,000

Board of Directors	September 30, 2023 \$	September 30, 2022 \$	Increase (decrease) \$
Director fees	170,000	190,000	(20,000)
Stock-based compensation	-	1,286,000	(1,286,000)
Total	170,000	1,476,000	(1,306,000)

Accounts payable and accrued liabilities as at September 30, 2023 included \$92,000 due to directors and officers (December 31, 2022: \$44,000).

One member of the Board of Directors is a partner in a law firm which provides legal services to the Company. Legal fees charged by this law firm during the nine months ended September 30, 2023 were \$115,000 (nine months ended September 30, 2022 - \$256,000). Of the \$256,000 charged during the nine months ended September 30, 2022, \$139,000 was captured on the Condensed Interim Statements of Financial Position as part of share issue costs, and the remainder was classified within professional fees.

A retention bonus payable to two corporate officers, for \$100,000 each, is included in the Company's December 31, 2022 liabilities. The commitment to pay a retention bonus to these corporate officers was agreed to as part of the terms of the January 2022 private placement. There remains a commitment to pay \$100,000 to one corporate officer on December 31, 2023, to the extent the officer is still employed by the Company at that time.

On March 31, 2022, the previous CEO announced his retirement. Under the terms of a consulting agreement that commenced April 1, 2022, a company controlled by him will continue to provide services to the Company at an annual fee of \$115,000 per annum. The contract is in place until February 2025.

## Off Balance Sheet Arrangements

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As of the date of this MD&A the Company does not have any off-balance sheet arrangements.

## Additional Disclosure for Venture Issuers Without Significant Revenue

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During the nine month periods ended September 30, 2023 and 2022, CVW CleanTech has not capitalized any research and development costs. All amounts that have been expensed as general and administrative expenses, along with research and development costs are disclosed in the Company's annual audited financial statements and in this MD&A. The Company has not established any deferred development costs and has not incurred any costs related to exploration activities.

## Discussion of Risks

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Current and prospective shareholders should specifically consider various risk factors including but not limited to the risks outlined in our December 31, 2022 Annual Information Form. Should one or more of those risks or uncertainties, including the risks listed within this MD&A, or a risk that is not currently known to us materialize, or should assumptions underlying those forward-looking statements prove incorrect, actual results may vary materially from those described herein.

## Critical Accounting Estimates and Judgements

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The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions concerning the future. It also requires management to exercise judgment in applying the Company's accounting policies and the reported amounts of assets and liabilities, revenue and expenses, and related disclosures. Estimates and judgments are continually evaluated and are based on current facts, historical experience, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the December 31, 2022 annual audited financial statements.

## Outstanding Share Data

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Outstanding Share Data - as of November 14, 2023	
Common shares issued and outstanding:	124,943,563
Common share awards granted and outstanding:	
Options	8,082,500
DSUs	1,018,811
RSUs	741,248
Number of warrants outstanding:	11,824,164

## Forward Looking Information or Statements and Cautionary Factors That May Affect Future Results

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Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as “expects”, “anticipates”, “believes”, “intends”, “estimates”, “potential”, “possible” and similar expressions, or statements that events, conditions, or results “will”, “may”, “could” or “should” occur or be achieved. The forward-looking statements may include statements regarding the anticipated benefits of the adoption of CVW™ technologies, including the results of the adoption thereof, potential diversification strategies and the implementation thereof, expectations regarding future development, funding (including necessity and sources of the same) and contracted work, expectation as to the timeline on which certain performance criteria will be met, expectations regarding the key economic drivers supporting the adoption of CVW CleanTech’s technology, of CVW CleanTech's research and development and commercialization plans under the heading, the advantages of the Company's technology, the timing expectations for completion of the optimization and validation engineering project activities; the scope of activities that will be undertaken, the Company's ongoing engagement with stakeholders; the Company's ongoing evaluation of financing opportunities, including grant and financing opportunities from applicable government programs and entering into funding agreements related thereto; the expected next steps for the Company, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties, and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company’s expectations include uncertainties involved in disputes and litigation, fluctuations in interest rates, commodity prices and currency exchange rates; changes in the availability, and cost, of technical labour required for our Project; price escalation and/ or inflationary pressures affecting the cost of equipment and material required to commercialize the Project; the uncertainty of estimates of capital and operating costs; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; the duration and full impact of COVID-19; the impact on the Company of increasing inflation; and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

All forward looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. In addition to other assumptions as set out in this MD&A, the Company has made the following assumptions in relation to the forward-looking statements in this MD&A: the expected environmental and economic benefits to be achieved from CVW™ technologies; the ability of the Company to successfully access various government funding programs; the details of government funding programs and that such programs will be implemented (and not change) as expected; that the Company will continue to be able to protect its intellectual property; that counterparties will continue to satisfy their contractual obligations to the Company; assumptions as to commodity prices and exchange rates and the impacts on the Company; assumptions as to various market and commercial opportunities for the Company and its technologies; and the ability of the Company to continue to develop and commercialize its technologies.

Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to early stage of technology and product development; uncertainties as to fluctuation of the stock market; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws. The forward-looking statements contained herein are as of November 14, 2023 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

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<sup>1</sup> Retrieved from the Government of Canada’s Critical Mineral Strategy.

<https://www.canada.ca/en/campaign/critical-minerals-in-canada/canadian-critical-minerals-strategy.html>

<sup>2</sup> Retrieved from the Government of Alberta’s Minerals Strategy and Action Plan. <https://www.alberta.ca/minerals-strategy-and-action-plan.aspx>

<sup>3</sup> Retrieved from the International Panel on Climate Change 6<sup>th</sup> assessment report. <https://www.ipcc.ch/assessment-report/ar6/>

<sup>4</sup> Retrieved from Government of Canada website, Emissions Reduction Plan.

<https://www.canada.ca/en/environment-climate-change/news/2022/03/2030-emissions-reduction-plan--canadas-next-steps-for-clean-air-and-a-strong-economy.html>

<sup>5</sup> Retrieved from Government of Canada website, Budget 2023, Canada Growth Fund Technical Explainer.

<https://www.budget.canada.ca/fes-eea/2022/doc/gf-fc-en.pdf>