

Crystal Lake Mining Corporation
(Formerly Sierra Iron Ore Corporation)
Management Discussion and Analysis (“MD&A”)
Six Month Period Ended March 31, 2017

The effective date of this report is May 29, 2017.

Management Discussion & Analysis

Management’s discussion and analysis (“MD&A”) provides a detailed analysis of the results and financial condition of Crystal Lake Mining Corporation (formerly Sierra Iron Ore Corporation) for the period ended March 31, 2017. The following MD&A should be read in conjunction with the unaudited consolidated interim financial statements for the period ended March 31, 2017 and 2016, which have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting.

The reader should also refer to the audited consolidated financial statements for the year ended September 30, 2016, which were prepared in accordance with IFRS.

The condensed consolidated interim financial statements were prepared in accordance with IFRS with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The operations of the Company were primarily funded by the issue of share capital.

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financing, or generate profitable operations in the future. The condensed consolidated interim financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue business.

The Company’s continuing operations are dependent upon its ability to identify, evaluate and negotiate an agreement to acquire an interest in a material asset or business. Any acquisition or investment proposed by the Company will be subject to regulatory approval.

News releases and previous filings may be found on SEDAR at www.SEDAR.com.

The Company’s management is responsible for presentation and preparation of the financial statements and the MD&A.

Description of Business

Crystal Lake Mining Corporation (the "Company") was incorporated under the Business Corporations Act (British Columbia) on July 20, 2009 and is publicly listed and traded on the TSX Venture Exchange (“TSX-V”) under the trading symbol “CLM”. The Company is currently engaged in the identification, acquisition and exploration of prospective mineral properties in Canada. The Company’s head office address is 13236 Cliffstone Court, Lake Country, British Columbia, V4V 2R1, Canada. The Company’s registered and records office is located at 1400 – 1125 Howe Street, Vancouver, British Columbia, V6Z 2K8, Canada.

Forward Looking Statements

Certain information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management’s expectations regarding the Company’s future growth, results of operations (including, without limitation to future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate” or “believes” or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

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In making and providing the forward-looking information included in this MD&A the Company’s assumptions may include among other things: (i) assumptions about the price of base metals; (ii) that there are no material delays in the optimization of operations at the exploration and evaluation assets; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A (See “Financial Instruments and Risk Management”) contains information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company’s control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

Overall Performance

- The Company’s loss for the period ended March 31, 2017 was \$334,188.
- Working capital deficit was \$1,083,506 at March 31, 2017.

Mineral Properties

Iron Property, Emo, Ontario

The Company entered into a series of agreements, the last of which was finalized during the year ended September 30, 2016, to acquire the right to earn a 60% interest in the iron mineralization on the Emerald Lake Property located north of the town of Emo, Ontario.

Pursuant to the agreements, the Company paid \$65,000 in fiscal 2014 and issued 2,865,625 common shares valued at \$386,859 in fiscal 2015. In order to complete the acquisition of the 60% interest, the Company is required to pay four additional installments of \$50,000 each commencing April 15, 2016 and continuing every six months to October 17, 2017, plus additional finder’s fees of 115,475 common shares, which were issued during the year ended September 30, 2016 and valued at \$46,190 and an additional 6,392,000 common shares on the earlier of a positive feasibility or the commencement of commercial production. The Company is also required to incur exploration expenditures of \$1,500,000 by October 15, 2017. The Company has the option to acquire an additional 32% interest in the iron ore mineralization present on the property at terms to be negotiated, plus the right of first refusal on future properties acquired by the vendor.

The Company is negotiating an amended agreement.

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EL 5 Property, Emo, Ontario (formerly known as the Farm Property)

The Company entered into a series of agreements, the last of which was finalized during the period ended March 31, 2017, to acquire the right to earn a 50% interest in Iron Property located in Emo, Ontario.

Pursuant to the agreements, the Company paid \$250,000 in fiscal 2015. In order to complete the acquisition of the 50% interest, the Company is required to pay \$10,000 within five days of regulatory approval and an additional \$250,000 within 18 months of the March 18, 2016 regulatory approval. The Company is also required to incur exploration expenditures of \$2,000,000 by October 22, 2018. The Company has the option to acquire an additional 42% interest in the property at terms to be negotiated, plus the right of first refusal on future properties acquired by the vendor. The property is subject to a 3% NSR.

The Company is negotiating an amended agreement.

The property consists primarily of an approximately kilometre long segment of a linear tabular body existing along a strike length of approximately 31 kilometres. The area has been shown by detail ground magnetics to possess width regularity and the mineralized zone is hosted by clastic sediments, representing a portion of the Richardson trough. An anticlinal fold has been decapitated by erosion so as to expose an underlying noritic (laccomorphic) layered complex. Thermal effects attributed to the emplacement of the complex, have yet to be determined. The presence of nearby outcropping of bedrock suggests the presence of variable to manageable thicknesses of overburden.

In June 2015, the Company announced positive results from a geochemical survey conducted on its Emo, Ontario optioned claims. In addition to defining a drill target for gold, targets were located for other metals, including Ni -Cu-PGMs were identified. Significantly all targets align along the apparently same NNE- SSW trend. Additional anomalies will require and expanded geochemical survey to enhance refinement.

In June 2015, the Company announced that it was analyzing its geochemical results for the purpose of confirming suggested mineralization trends. This analysis will assist in the prioritization of its identified anomalies in preparation for planned Q3 diamond drilling. The Company solicited tenders for diamond drilling of previously unidentified anomalies located on its optioned ground in western Ontario. The Ni- Cu – PGM anomalies appear to be supplemented by Fe (magnetite) +Au. The Company fully expects the drilling to commence in Q3.

In September 2016, the Company announced the first exploration results on its optioned property in NW Ontario referred to as the EL5 Farm Property. The Company would like to report the results from a second geochemical (SGH) survey, designated Farm - 2, of a portion of anomaly EL 1 - 5 (aka Farm).The Farm - 2 survey results replace the results, previously reported (Aug 2016) from an earlier SGH survey.

The detailed report authored by the Forensic Scientist, Organics Manager Director of Research of Activation Laboratories Ltd. (Actlabs) located in Ancaster, Ontario states (page 36) that “The overall SGH rating at the Farm-2 survey relative to the presence of CU-Ni- PGE mineralization is 4.5 on a scale of 6.0 in intervals of 0.5 feet”. The author also stated that “The degree of confidence in the SGH Rating only starts to be “good” at a level of 4.0”.

Please refer to the President’s Message for a current discussion of exploration results.

EL1 Property, Emo, Ontario (formerly known as the Allen Property)

The Company entered into a series of agreements, the last of which was finalized during the period ended September 30, 2016, to acquire the right to earn up to a 60% interest in the L1 Property located in Emo, Ontario.

Pursuant to the agreements, the Company paid \$100,000 in fiscal 2015. In order to complete the acquisition of an initial 15% interest, the Company is required to pay \$100,000 upon regulatory approval, \$500,000 within 8 months of regulatory approval, \$1,500,000 within 12 months of the March 14, 2016 regulatory approval and issue 3,500,000 common shares

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(issued at a value of \$980,000) over a period of 12 months after regulatory approval. The Company is also required to incur exploration expenditures of \$1,500,000 within 24 months following regulatory approval.

During the year ended September 30, 2016, the agreement was amended to provide the Company with an option to and the right of first refusal to purchase an additional 45% undivided interest in the L1 Property upon completion of the obligations.

The Company is negotiating an amended agreement.

The L1 Property contains polymetallic Ni – Cu – Co sulphides hosted by basic norites presumed to be the basal layer of a phased layered (lacomorphic) Complex referred to as the Emo Complex. The sulphides describe massive, parallel trending lenses (also referred to as shoots) with historic drilling indicates widths of 14 feet to 40 feet. These widths may be significantly greater but must be tested.

In March 2017, the Company announced exploration results from its EL1 Property in NW Ontario EL1.

The difficulty of finding a massive sulphide source of high-grade nickel-copper-cobalt sulphides on a large mafic-ultramafic body prompted management to employ an interpretative geochemical study referred to as “SGH” (Spatiotemporal Geochemical Hydrocarbons”). This method was selected in order to unravel surface mineralized trends to depth and pinpoint targets for drilling. Following a recent re-interpretation of data with Actlabs geoscientists and Crystal Lake consultants, the Company is confident that it has identified possible deep targets of more massive nickel-copper-cobalt mineralization on its EL1 property though this innovative nano-geochemical process.

SGH is an “organic”, deep-penetrating geochemical survey which targets individual metals. In this instance, Ni, Cu and PGEs were analyzed and presented as separate anomalies. SGH is the only known organic geochemical method that, in spite of the name, uses “non-gaseous” semi-volatile organic compounds interpreted using a forensic signature approach. The analysis involves the testing for 162 hydrocarbon compounds in the C5-C17 carbon series. These hydrocarbons have been shown to be residues from the decomposition of bacteria and microbes that feed on the target commodity as they require inorganic elements to catalyze the reactions necessary to develop hydrocarbons and grow cells in their life cycle. Specific classes of hydrocarbons have been successful in delineating mineral targets found at over 950 meters in depth. SGH is unique and should not be confused with other hydrocarbon tests or traditional analyses that measure C1 (methane) to C5 (pentane) or other gases.

Actlabs SGH analysis has successfully shown the presence of deeply buried mineral deposits for other companies. In a Canadian Mineral Research Organization project (CAMIRO) initiated in 1997, nine of ten mineral deposits were successfully detected at study sites that were specifically chosen where other geochemical methods were previously unsuccessful.

In March 2017, the Company announced that The EL1 Property is one of several optioned by Crystal Lake but is the flagship project that hosts the principal exploration target containing polymetallic Ni–Cu–PGM sulphides hosted within a mafic norite intrusion referred to as the Emo Complex or Dobie Intrusion.

Historical drilling from the period beginning in the 1950's to 1972 outlined a mafic intrusive mineralized zone measuring 335m in N-S strike direction, 275m in width, and 305m explored depth with a predicted plunge of 30 to 45 degrees north. Stratmat Limited (1956) reported a potential resource of 6.4 million tonnes of polymetallic sulphides. Chibtown Copper Corporation (1966) reported "indicated reserves" of 4.8 million tonnes grading 0.28% Cu, 0.24% Ni, 0.05% Co. The mineralized body was defined from historical drilling of 220 short drill holes. Both Stratmat Limited and Chibtown Copper Corporation were well respected junior miners listed on the Toronto Exchange at the time of disclosure and supervised the drill programs. Key assumptions and methods used to prepare the historical estimates are not known but both would likely be categorized today as "inferred" resources. Since those dates there have been no further or more recent estimates. As the original data is no longer available the ground would have to be redrilled should Crystal Lake wish to provide its investors with a resource calculation. No work has been carried out by the Company to classify the historical estimates as current mineral resources nor is the Company treating the historical estimates as a current mineral resource.

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While not considered economic at the time what attracted Crystal Lake is that the disseminated mineralization contains higher-grade parallel north-trending lenses (also referred to as shoots) with historic drilling indicating widths of 4.3m to 12.2m. One such shoot was estimated to contain 204,000 tonnes grading 0.65% Cu and 0.87% Ni. A total of seven such shoots were identified but not similarly documented as to tonnage or grade. Again, no work has been carried out by the Company to classify this historical estimate as current mineral resources nor is the Company treating the historical estimate of one such shoot as a current mineral resource. The exploration model developed by Crystal Mining's partner Emerald Lake Development Corp., is to explore for massive sulphide bodies which may occur below the disseminated low-grade copper-nickel-cobalt mineralization.

In late 2015 the Company drilled in total 6,100 feet (1,860 meters) in 10 holes. One drill hole (A-04-15) confirmed that high-grade copper-nickel shoots do exist and are considerably better than previously recorded in the historical drilling. Hole A-04-15 intersected from surface to 63.75 meters (drilled purposely in a down-plunge direction to confirm continuity), a weighted average of 1.05% nickel and 2.18% copper. Note that intersection of mineralization in hole A-04-15 does not represent the true width of the zone and that, as the hole was purposely down-plunge, the true width of the mineralized zone is materially narrower than the drill hole intersection.

Of significance, the bottom 9.8m section averaged 1.92% nickel, 0.17% copper and 0.132% cobalt.

What is intriguing, and represents the exploration potential of the EL1 deposit, is the depth extent of the mineralization and whether these shoots lead to a massive sulphide zone at depth at better grades. Further deeper drilling would support this model.

The Company is also investigating further into value and recovery of secondary metals such as PGM's, Co., Au, and Ag.

Tom Cat Claims, British Columbia

The Company owns a 100% interest in certain mining claims, known as the Tom Cat Claims, located in the Nicola Mining District, British Columbia. The claims are subject to a 2% Net Smelter Royalty (“NSR”), of which 1% may be purchased for \$2,000,000 for five years from the start of commercial production.

The Tom Cat is located 200 kilometers east-northeast of Vancouver within the historic Aspen Grove copper camp and shares a property boundary with the Big Kidd property that is under exploration. The region is well known to host some of the world's significant copper resources, including those at Copper Mountain and at the Highland Valley.

In October 2012, the Company announced the commencement of an exploration program of geological mapping and sampling program as a prelude to a planned diamond drill program on the property.

In December 2012, the Company staked additional mineral claims adjacent to the Tom Cat property and, with the addition of the newly staked claims, the Tom Cat property is now comprised of ten contiguous mineral claims covering an area of 4013 hectares.

The Aspen Grove area was recognized for its potential in developing economic mineral deposits since the initial discovery of copper mineralization in in the late 1880's. The recognition was later progressively justified with the perseverance of exploration to the development of productive mineral resources at the recently reactivated Copper Mountain mine 50 kilometres to the south and the world class Highland Valley mine 80 kilometres to the north, in addition to other producers, past producers and pending producers within this prime geological porphyry belt. The ground covered by the property has been explored by prospecting and trenching since 1906 resulting in the discovery of nine documented mineral prospects and/or showings. Continued exploration on the Tom Cat showing resulted in a 1965 Pyramid Mining drill intersection of 45.7 meters of 0.32% copper. In 2006 & 2007 exploration by Bold Ventures resulted in the delineation of variable chargeability IP drill targets. Subsequent diamond drilling on the Tom Cat showing returned an intersection of 4.4 metres of 0.54% copper in a 40 metre section of mineralization. In one of the nine holes drilled a -50° drill hole (K07-05) 650 metres north of the Tom Cat was terminated in progressively altered volcanics indicating a potential intrusive contact.

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The degree of mineralization and potential for a copper mineral zones is indicated on the properties adjacent to the Property.

To the north, Minfile records report an inferred 1.8 million tonnes of 1.00% copper on the Paycinci developed prospect and a drill indicated 54,000 tonnes of 0.876% copper on the Cincinnati. To the south at the Par prospect, Minfile records report a historical noncompliant assay from a trench over various samples taken on 116 meters averaged 0.64% copper.

(NOTE: Historic records cannot be relied upon unless verified in accordance with NI 43-101.)

Laurence Sookocoff, P Eng, a Qualified Person (QP) as defined by National Instrument 43-101, is responsible for the technical information contained in this MD&A relating to the Tom Cat property.

Property #6

In January 2017, pursuant to a right of first refusal, the Company entered into a purchase agreement, with Emerald Lake Development Corporation (“ELD”). The purchase agreement will allow the Company to buy a one hundred (100%) percent interest in the mineral rights hosted by the property known as Property #6 near Emo, Ontario

In order to complete the purchase, the Company issued 2,000,000 common shares valued at \$530,000 to ELD. A royalty consisting of 3% of net smelter returns shall be payable to ELD upon the commencement of commercial production.

Property #1, #5, #7 and #8

In May 2017, pursuant to a right of first refusal, the Company entered into a purchase agreement, with Emerald Lake Development Corporation (“ELD”). The purchase agreement will allow the Company to acquire a one hundred (100%) percent interest in the mineral rights hosted by the properties known as Property #1 Property #5, Property #7 and Property #8, located near Emo, Ontario.

The 4 separate prospective claim blocks have similar geological characteristics to the EL1 and EL5 property blocks which the Company currently holds under option, targeting Ni, Cu, Co, and PGM’s massive sulphides.

In order to complete the acquisition of the 4 separate and highly prospective claim blocks (covering approximately 2,000 acres), the Company will issue a total of 7,500,000 common shares to ELDC for 100% interest in the properties. ELDC has agreed to an 18 month voluntary hold period on the CLM shares. The company shall also pay to ELDC the sum of \$50,000 upon closing of its next equity financing.

A royalty consisting of 3% of net smelter returns shall be payable to ELD upon the commencement of commercial production. This acquisition remains subject to TSX-V approval.

Right of First Refusal

In September 2016, the Company engaged in acquiring significant land positions in the Emo, Ontario area. The Company is exploring a large area under the direction of its geological consulting staff who have developed an in-depth understanding of the area through years of rock and soil analysis in the area, extensive research and evolving geological modeling of the formations of interest.

As part of this initiative, the Company has negotiated a key agreement with Emerald Lake Development Corp. (“Emerald Lake”) and has acquired a right of first refusal (“ROFR”) to acquire 100% of eight additional claim blocks in the area; claims which essentially comprise the balance of Emerald Lake’s core property holdings in the area. Any properties purchased will remain subject to a 3% NSR which may be reduced to 2% by a \$1,000,000 payment.

The ROFR Agreement (dated September 27, 2016) requires the Company to pay Emerald Lake the sum of \$50,000 by April 30, 2017 in order to preserve the right to acquire any or all of the subject properties at any time up to September 30, 2017.

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Liquidity, Capital Resources and Capital Expenditures

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financing, or generate profitable operations in the future.

The Company’s continuing operations are dependent upon its ability to identify, evaluate and negotiate an agreement to acquire an interest in a material asset or business.

The Company will take appropriate measures to raise the necessary funding through private placements, exercising of stock options, warrants and/or credit facilities to address its liabilities and to continue operations.

At March 31, 2017, the Company’s working capital deficit, defined as current assets less current liabilities, was \$1,083,506 up from \$1,180,709 at September 30, 2016, primarily due to increased accounts payable.

During the period from October 1, 2016 to May 29, 2017, the Company:

- i) issued 500,000 common shares pursuant to exercise of warrants for gross proceeds of \$100,000. The proceeds were received during the year ended September 30, 2016.
- ii) closed a non-brokered private placement and issued 115,000 units for net proceeds of \$40,250. Each unit consists of one common share, issued at \$0.35 per share, and one-half common share purchase warrant. Each warrant may be exercised by the holder to purchase an additional common share at a price of \$0.50 on or before November 15, 2018. The proceeds were received during the year ended September 30, 2016.
- iii) issued 1,167,000 common shares pursuant to exercise of warrants for gross proceeds of \$233,400.
- iv) issued 2,000,000 shares at a value of \$530,000 pursuant to the acquisition of the Property #6. The Company paid share issuance costs of \$3,200.
- v) closed a debt settlement and issued 1,325,577 common shares (valued at \$371,162, resulting in a gain of \$26,511) to creditors to settle debts aggregating \$397,673 of which 450,000 common shares for debts aggregating \$135,000 were issued to related parties. The Company paid share issuance costs of \$2,489.
- vi) issued 1,500,000 shares at a value of \$405,000 pursuant to the acquisition of the EL1 Property.

The Company’s cash is mainly in Canadian dollars. The Company is subject to only minor exchange rate fluctuations relative to the reporting currency.

The Company has not made any commitments for capital expenditures, for exploration and development expenses, or for mineral property option payments.

The Company has not made any arrangements for sources of financing that remain undrawn.

Contractual Obligations

The Company has no long-term debt outstanding or contractual obligations other than those contained in option agreements respecting its mineral properties.

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Summary of Quarterly Results

The table below provides, for each of the quarters since incorporation, a summary of both property acquisition and exploration costs on a project-by-project basis, and of corporate expenses.

	Loss per quarter	Fully diluted loss per share	Interest income	Property costs – Tom Cat claims	Property costs - Iron Property
Jan. 1, 2015 – Mar. 31, 2015	(209,943)	0.01	-	-	-
Apr. 1, 2015 – Jun. 30, 2015	(174,919)	0.01	-	-	8,800
Jul. 1, 2015 – Sept. 30, 2015 (i)	(870,390)	0.03	-	20,841	149,094
Oct. 1, 2015 – Dec. 31, 2015	(296,580)	0.01	-	41,353	241,584
Jan. 1, 2016 – Mar. 31, 2016	(93,619)	0.00	-	2,835	76,450
Apr. 1, 2016 – Jun. 30, 2016	(309,082)	0.01	-	3,500	21,785
Jul. 1, 2016 – Sept. 30, 2016	(187,217)	0.00	-	28,250	8,882
Oct. 1, 2016 – Dec. 31, 2016	(162,157)	0.00	-	21,000	-
Jan. 1, 2017 – Mar. 31, 2017	(172,031)	0.00	-	24,983	-

(i) Include share based compensation expense of \$412,724 and write-off of due from related party of \$194,793.

Six Months Ended March 31, 2017

Net loss and comprehensive loss for the period ended March 31, 2017 was \$334,188 compared to \$390,199 for the period ended March 31, 2016. During the period ended March 31, 2017:

- i) Consulting fees decreased to \$57,597 (2016 - \$73,518) due to decreased usage of consulting services during the period.
- ii) Directors fees decreased to \$8,914 (2016 - \$17,178) due to a decrease in the number of directors.
- iii) Office and miscellaneous decreased to \$93,375 (2016 - \$137,584) due to a decrease in general activities in the current period.
- iv) Professional fees decreased to \$52,471 (2016 - \$149,528) due to decreased service requirements incurred in the current period.
- v) Travel and promotion decreased to \$27,185 (2016 - \$47,356) due to a decrease in the need to travel to the property by management in the current period.

Three Months Ended March 31, 2017

Net loss and comprehensive loss for the period ended March 31, 2017 was \$172,031 compared to \$93,619 for the period ended March 31, 2016. During the period ended March 31, 2017:

- vi) Consulting fees increased to \$33,000 (2016 - \$22,750) due to increased usage of consulting services during the period.
- vii) Directors fees decreased to \$5,144 (2016 - \$9,953) due to a decrease in the number of directors.
- viii) Office and miscellaneous increased to \$53,704 (2016 - \$35,809) due to an increase in general activities in the current period.
- ix) Professional fees decreased to \$21,652 (2016 - \$57,195) due to decreased service requirements incurred in the current period.
- x) Travel and promotion decreased to \$15,621 (2016 - \$19,940) due to a decrease in the need to travel to the property by management in the current period.

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Financial Risk Factors

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

The carrying value of the Company’s receivables, due from related parties, accounts payable and accrued liabilities, due to related parties, and mortgage payable approximate their fair value because of the short-term nature of these instruments. Cash is carried at a fair value using a level 1 fair value measurement. Loans payable are accounted for using the effective interest rate method.

Credit risk

Credit risk is the risk of loss associated with counterparty’s inability to fulfil its payment obligations. The Company’s management believes it has no significant credit risk.

Liquidity risk

The Company’s approach to managing liquidity risk is to use its best efforts to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2017, the Company had a cash balance of \$19,213 (September 30, 2016 - \$101,983) to settle current liabilities of \$1,135,469 (September 30, 2016 - \$1,304,239). All of the Company’s accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company expects to fund these liabilities through the use of existing cash resources and additional equity financing.

Capital Management

The Company’s primary objectives in capital management are to safeguard its ability to continue as a going concern in order to provide return for shareholders and to maintain sufficient funds to finance the exploration and of its exploration and evaluation interests. Capital is comprised of the Company’s shareholders’ equity. As at March 31, 2017, the Company’s shareholders’ equity was \$2,682,313 (September 30, 2016 – \$1,482,628).

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There were no changes in the Company’s approach to capital management during the period ended March 31, 2017.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company has cash balances held with financial institutions. The Company is satisfied with the credit rating of its bank.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency. As at March 31, 2017, the Company had minimal cash amounts in foreign currencies and considers foreign currency risk insignificant.

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c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company’s earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of commodities, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Off Balance Sheet Arrangements

The Company did not have any off-balance sheet arrangements as at March 31, 2017.

Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company’s executive officers. Other than disclosed below, there was no other compensation paid to key management during the period ended March 31, 2017 and 2016. During the period ended March 31, 2017, the Company paid or accrued:

- (i) general, rent and administration fees of \$Nil (2016 - \$3,000) to a company with a common director of the Company.
- (ii) management fees of \$31,116 (- \$62,349) to the CEO and CFO and companies controlled by CEO and CFO of the Company.
- (iii) directors fees of \$8,914 (2016 - \$17,178) to directors and a former director of the Company.
- (iv) professional fees of \$Nil (2016 - \$103,206) to a law firm managed by a director of the Company for legal services.

Included in due to related parties as at March 31, 2017 is \$184,120 (September 30, 2016 - \$394,971) due to directors, a spouse of a director, former directors and companies controlled by directors.

At March 31, 2017, the Company owed the CEO \$27,780 (September 30, 2016 - \$91,280) for loans received from the CEO.

During the period ended March 31, 2017, the Company issued 450,000 (September 30, 2016 – 510,000) common shares to directors of the Company to settle debts aggregating \$135,000 (September 30, 2016 – 215,000) (Note 6).

Outstanding Share Information at May 29, 2017

Authorized Capital

Unlimited common shares without par value.

Issued and Outstanding Capital

49,082,494 shares outstanding

Crystal Lake Mining Corporation
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Management Discussion and Analysis (“MD&A”)
Six Month Period Ended March 31, 2017

Stock Options and Warrants Outstanding

The following stock options were outstanding May 29, 2017:

Expiry Date	Exercise Price	Number of Options	Number of Options Exercisable
July 21, 2017	\$ 0.35	1,475,000	1,475,000
April 3, 2018	\$ 0.35	650,000	650,000
May 7, 2018	\$ 0.40	400,000	400,000
September 7, 2018	\$ 0.40	132,500	132,500
September 17, 2018	\$ 0.43	117,500	117,500
		2,775,000	2,775,000

The following warrants were outstanding at May 29, 2017:

Number of Warrants	Exercise Price	Expiry Date
200,000	\$0.55	December 21, 2017
396,500	\$0.50	May 3, 2018
57,500	\$0.50	November 15, 2018
654,000		

Uncertainties and Risk Factors

Being in the exploration stage, the Company will face a variety of risks, and while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility, risks related to determining the validity of mineral property title claims, commodities prices, political and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions.

Financial Instruments

Please refer to Note 2 and note 8 in the March 31, 2017 Condensed Consolidated Interim Financial Statements on www.SEDAR.com for financial instrument information.

New Accounting Policies and New Accounting Pronouncements

Please refer to Note 2 in the March 31, 2017 Condensed Consolidated Interim Financial Statements on www.SEDAR.com for newly adopted accounting policies and recent accounting pronouncements.

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Technical Advisory Board

In January 2016, the Company created a technical advisory board (“TAB”) to assist management with its Emo, Ontario exploration and development project.

The TAB is presently comprised of Messrs. Frank Puskas and Peter Fischer; their professional qualifications and major involvements have been summarized in associated press releases.

Presidents Message

On behalf of our Management Team, I would like to thank all stakeholders for their continued support.

During the period ended March r 31, 2017, the Company continued to focus its attention on Canada and exploration initiatives undertaken on its recently acquired Emo, Ontario properties.

Effective July 14, 2016, we changed our company’s name to ‘Crystal Lake Mining Corp.’ to reflect our more recent exploration focus on Canadian properties, primarily in and around the highly prospective Crystal Lake (Emo) area of Ontario. We feel that this historically underexplored, underdeveloped and often misunderstood geological complex has significant potential for hosting numerous commercial scale polymetallic ore bodies.

Our shareholders should be aware that we have recently used considerable resources to acquire significant options on a large land package in this very prospective area of the Canadian Shield, the heart of mining in Canada.

Our reasoning is based on several key notions:

1. Mines are usually found near other mines – subject always to larger macro geological influences over an area;
2. Detailed geological study and scientific modelling is required from top experts at all stages of exploration and development – *with specialized knowledge and specific experience with the formations under exploration;*
3. Risk is largely reduced by following 1 and 2.

Obviously this is an oversimplification but my point is made.

My first point speaks for itself and we are exploring the right area; however, by overlooking or failing to consider and understand the impact of higher level events and their effect on local geology, many clues can be missed.

As to the science, I am proud that we have assembled what we consider to be a very high level group of geologists to assist us at the advisory level.

The Company’s Technical Advisory Committee consists of Mr. Paul Pitman, Dr. Frank Puskas and Dr. Peter Fischer.

In addition to having have extensive and impressive experience (as detailed in our press releases) members have developed crucial area specific proprietary models which we are using to guide and plan our exploration initiatives. Now that we have completed our Phase 1 drilling program on each of the L5 and L1 properties we are analyzing the results and applying them to the models.

Some of the recent findings and methodologies are summarized below.

The EL1 Property hosts the principal exploration target which contains polymetallic Ni–Cu–PGM sulphides hosted by a mafic norite intrusion presumed to be the basal layer of a phased layered (lacomorphic) Complex. This body is referred to as the Emo Complex or Dobie Intrusion.

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Early exploration beginning in the 1950's and ending in 1972 defined a disseminated copper-nickel body averaging about 0.28% Cu and 0.24% Ni and 0.05% Co. The mineralized body was defined by historical drilling from 220 short drill holes. While not considered economic at the time, CLM is attracted by disseminated mineralization containing higher-grade parallel trending lenses (also referred to as shoots) with historic drilling indicates widths of 4.3m to 12.2m.

One such shoot of an estimated 204,000 tonnes graded 0.65% Cu and 0.87% Ni. Other such shoots were identified but not similarly documented as to tonnage or grade in the historical filed records. The exploration model developed by Emerald Lake is to explore for deeper massive sulphide bodies which may occur below the disseminated low-grade copper-nickel mineralization. The above Results are historic only and have not being independently verified in accordance with NI 43-101.

The L5 (Farm) property was acquired to facilitate the exploration of a large and very strong magnetic anomaly. The fee simple title was acquired by CLM to provide local accommodation for Company personnel and to maintain secure storage facilities for core, logs and equipment.

The difficulty of finding a source of high-grade nickel-copper sulphides on a large mafic-ultramafic body prompted management to employ an interpretative study referred to as “SGH” (Spatiotemporal Geochemical Hydrocarbons) in order to unravel surface mineralized trends and pinpoint targets. Crystal Lake is now confident that it has identified possible targets of nickel-copper mineralization on its EL1 property though this innovative nano-geochemical process.

SGH differs from conventional geochemistry as it is an “organic”, deep-penetrating geochemical survey which targets individual metals. In this instance, Ni, Cu and PGEs were analyzed and presented as separate anomalies. SGH is the only known organic geochemical method that, in spite of the name, uses “non-gaseous” semi-volatile organic compounds interpreted using a forensic signature approach. The analysis involves the testing for 162 hydrocarbon compounds in the C5-C17 carbon series. These hydrocarbons have been shown to be residues from the decomposition of bacteria and microbes that feed on the target commodity as they require inorganic elements to catalyze the reactions necessary to develop hydrocarbons and grow cells in their life cycle. Specific classes of hydrocarbons have been successful for delineating mineral targets found at over 950 meters in depth. SGH is unique and should not be confused with other hydrocarbon tests or traditional analyses that measure C1 (methane) to C5 (pentane) or other gases; SGH does not analyze for any hydrocarbons that are actually gaseous at room temperature.

Interpretation, which led to deep targets on the L1 Property, was based solely on SGH data and did not include the consideration from any other geochemistry (inorganic), geology, or geophysics related to the survey area. The interpretation of the SGH data is in reference to a template or group of SGH classes of compounds specific to a chosen type of mineralization (i.e. in this instance copper, nickel, and platinum). The SGH Pathfinder Class maps often illustrate an anomaly that is a vertical projection over mineralization at the shallowest location.

Results of the interpretation of the L1 Property suggest that the identified outstanding nested-segmented halo anomaly of the northern redox zone appears to vector to the source of the mafic intrusion where upwelling of mineralized fluids may have occurred. This is also expected to be the case for the central and southern redox zones however, due to significant larger dispersion patterns, the intrusion as the source of the mineralized fluids is thought to lie at greater depth.

The SGH results at the L1 Property survey illustrate separate anomalies with signatures associated with copper, nickel and PGE's. SGH has often successfully illustrated the zonation that may be present which together describe the possible structure, in this case for a Cu-Ni-PGE type target. Based on the Laboratory SGH rating scale of 0 to 6, the results of the Dobie intrusion study on the patented L1 ground has been rated from 5.0 to 5.5 indicating excellent drill targets. While complex in detail, SGH signatures of copper, nickel and PGE are overlapping zones define the deposit type quite well. However, the interpreter noted that, as platinum or other platinum group elements are far less mobile than copper, nickel, or

gold, any platinum that might be present is probably near the geometric center of the Redox cell and is at a much greater depth. PGE's may thus be at a depth that is not able to be detected with SGH. The SGH signature therefore for PGEs is given a lower rating of 4.0 out of 6.0.

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L5 Property geochemical test appeared to illustrate copper, nickel and PGE anomalies that had dispersion consistent with a copper-nickel-PGE type deposit. The outstanding nested-segmented halo anomaly vectored to the source of the weakness in the basement where upwelling of mineralized fluids may have occurred. Separate anomalies with signatures associated with copper, nickel and with PGEs were discovered, possibly indicating a zonation or structural feature of the mineralization. Note that this interpretation is based only on the analytical results provided by the SGH Nano geochemistry results. Drilling of highly rated anomalies (5.0 of 6.0) are targets at present. But drilling will probably be deferred until SGH results and other testing, analyzing, and interpretations have been completed.

We are very encouraged by the results and scientific interpretations to date and we are looking forward to releasing additional results as they are received from Emerald Lake Development Corp, “the Operator”.

The Company has recently signed an agreement with Emerald Lake Development to obtain “Option of first Refusal” to acquire 100% interest in 8 other prospective properties in the Emo, Ontario area. To date CLM has executed agreements to acquire 6 additional prospective properties totaling almost 3000 acres in the Emo, Ontario area. .

Crystal Lake Mining Corp. has retained the geological services of two top firms of which will commence a work program consisting of gathering work core data, taking samples from the companies various properties and spotting drill holes for the next stage of drilling on the EL-1 property (Flagship) and EL% (Farm property) .

“Wally Boguski”

President & CEO