

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the Nine Month Period Ended April 30, 2008

### **CRESTON MOLY CORP.**

**(Formerly Georgia Ventures Inc.)**

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**for the nine-month period ended April 30, 2008**

**Background**

This discussion and analysis of financial position and results of operation is prepared as at June 27, 2008 and should be read in conjunction with the unaudited financial statements for the periods ending April 30, 2008 and 2007 and the audited financial statements and the management discussion and analysis for the years ending July 31, 2007 and 2006 of Creston Moly Corp. (the "Company" or "Creston") where necessary. Those financial statements have been prepared in accordance with Canadian generally accepted accounting policies. All dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated. Additional information relevant to the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

As at April 30, 2008 the Company's business activity was the evaluation, exploration and development of the Creston Molybdenum Deposit in Sonora, Mexico. The Company is a reporting issuer in British Columbia, Alberta and Manitoba, and is a Tier 1 issuer trading on the TSX Venture Exchange under the symbol "CMS".

**Exploration/Development activities at the El Creston Molybdenum Deposit, Sonora, Mexico**

The Company has now completed its infill drill program on the Main Zone of the El Creston Deposit. The program consisted of 52 diamond drill holes totalling 15,646 metres, and was designed to upgrade inferred resources to the indicated category. The infill drill program originally contemplated a 40 hole program, but was augmented to investigate previously unidentified mineralized areas, especially along the northern and eastern sectors of the deposit.

Drill results and drill hole locations for results received to date from this program are available on the Company's website at [www.crestonmoly.com](http://www.crestonmoly.com).

Work by previous operators outlined an indicated resource of 92,873,000 tonnes grading 0.083% molybdenum ("Mo") containing 169.9 millions lbs. of molybdenum and an inferred resource of 84,221,000 tonnes grading 0.076% Mo containing 141.1 million lbs. of molybdenum (P & E Mining Consultants Inc., January 2008).

A new resource calculation will be undertaken by Mine Development Associates (MDA) of Reno, Nevada and it is expected to be completed by September 2008.

Drilling, utilizing one diamond drill rig, has now commenced on the Red Hill Zone located approximately 300 metres southwest of the Main Zone. The Red Hill Zone has been interpreted as a possible faulted extension of the Main Zone, and will be tested initially by 10 widely spaced diamond drill holes to an average depth of 200 metres.

The drill program at El Creston is being supervised by Fabrizio Colombo, PhD, P. Geo.

At the newly discovered Alejandra Zone, situated two kilometres northeast of the Main Zone, a program of detailed mapping and sampling is underway in preparation for future drill testing. Numerous molybdenum bearing outcrops have been discovered on the northeast flank of the Alejandra Zone.

**Sampling and QA/QC**

Drilling at El Creston is carried out by Layne Drilling employing two wireline rigs that recover HQ core. Where necessary the core is reduced to NQ size. The core is transported to a secure facility at the nearby

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Opodepe camp where it undergoes geotechnical and geological logging. Prior to delivering the core to ALS Chemex preparation lab in Hermosillo, the core is photographed and all mineralized zones are photographed in detail. Blanks, standards, field and coarse reject duplicates, and pulp duplicates are inserted in the stream of samples prior to delivery to the preparation lab.

Based on recommendations by Mine Development Associates (“MDA”) of Reno Nevada, the entire core is sent to the preparation lab in Hermosillo. MDA is the independent consulting firm that has been retained to oversee QA/QC procedures and to carry out the updated resource estimate of the El Creston Main Zone following the completion of the ongoing drill program.

The rationale for not sawing the core and retaining half of the sample is based on two considerations: 1) portions of the molybdenite mineralization at El Creston occur as loosely bound coarse flakes and clusters and 2) there is evidence of a nugget effect in parts of the deposit. Thus, the sampling of the entire core prevents or minimizes the loss of molybdenite due to core handling, sawing, and washing. In addition, keeping the entire core maximizes the sample volume, which should minimize any nugget effect and more accurately represent the mean grade of the deposit.

Sample preparation in Hermosillo consists of crushing the whole interval to minimum of > 70% of the crushed sample passing a 2 mm screen and then splitting the -2mm crushed sample to produce a representative split of 1,000 grams. Each 1,000 gram sample is then pulverized to at least 85% passing -75 microns.

The pulps are then shipped to ALS-Chemex in North Vancouver to be analyzed for total Mo% and Cu% using a four acid digestion and ICP-AES (Atomic Emission Spectroscopy) finish. Samples from the oxide zone will be sent to Skyline Labs in Tucson to be analyzed for MO<sub>3</sub> and copper oxide.

The Company has engaged M3 Engineering & Technology Corporation (“M3”) for the provision of a bankable feasibility study on the El Creston Molybdenum Deposit in Sonora, Mexico.

The study will be conducted in three phases consisting of scoping, pre-feasibility engineering and feasibility engineering.

M3 has offices in Tucson Arizona, Chandler Arizona and most importantly for Creston, in Hermosillo, Mexico, where their associates have an intimate knowledge of all aspects of the Mexican Mine permitting process.

M3 is a full-service international engineering firm providing engineering, procurement and construction management services to the minerals industry. Founded in 1986 and with a current staff of over 400 employees, M3 has engineered and managed over \$2.0 billion in mining projects, and notably, has won numerous recognitions including the prestigious 2005 AISC Engineering Award for Excellence and the American Mining Hall of Fame’s 2007 Mining Foundation of the Southwest Industry Partnership Award.

Luca Riccio, PhD., P. Geo, a Qualified Person as defined by National Instrument 43-101, has reviewed the information contained herein.

**Corporate**

The Company has received the required approvals from the government of Mexico for its acquisition of surface rights covering 1,200 hectares (3,000 acres) from the Ejido of Opodepe, Sonora, Mexico. The

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surface rights cover the Main El Creston deposit and the surrounding area, which will be used to accommodate future development.

As part of its ongoing commitment to the people of Opodepe, the Company will assist in establishing water reservoirs for livestock, maintain and upgrade medical facilities and has recently “adopted” the community school. Talks with owners of nearby water rights have also been initiated and are ongoing.

The Company has received confirmation of title from the government of Mexico for the Metzli 3 claim. The Metzli 3 claim was acquired by staking and covers approximately 475 hectares (1,200 acres). This new claim covers developmentally strategic ground and brings the Company’s total land position at El Creston to over 18,000 hectares (45,000 acres).

On May 12, 2008 the Company appointed Mr. Richard Godfrey to its board of directors. Mr. Godfrey brings a wealth of experience to Creston, having started his mining career as mine site controller at the Faro and Sa Dena Hes zinc mines in the Yukon, progressing to corporate controller with Royal Oak Mines, then to CFO of Triton Mining Corporation, followed by a position as financial adviser to Ma'aden, the Saudi Arabian State Mining Company. In June 2003, he became VP Finance and CFO of Breakwater Resources, a multi-mine base metal producer and, subsequent to this, was appointed VP Finance for EuroZinc Mining, prior to the merger with Lundin Mining Corporation. Mr. Godfrey is presently CFO of Sherwood Copper Corp. and is a member and Audit Committee Chairman of the board of directors of Goldhawk Resources Inc.

Mr. Godfrey will sit as an independent member of Creston’s board of directors and he has also been appointed as a member of Creston’s Audit Committee.

During the period, the Company also made two significant additions to its management team. It appointed Dr. Sadek E. El-Alfy, D.I.C., B.Sc., ARSM as its Chief Operating Officer. Dr. El-Alfy will be responsible for the ongoing development of the El Creston Molybdenum Deposit as well as building an operations management team to direct the development of El Creston.

Dr. El-Alfy served as a member of Creston’s advisory board since May of 2007. Dr. El-Alfy was, most recently, Vice President of Operations for Crystallex International Corporation for over 10 years. A 34 year mining veteran, Dr. El-Alfy has extensive experience in the design and operation of both open pit and underground mining operations including holding the position of General Manager, Mining and Concentrating at the Carol Lake operation of the Iron Ore Company of Canada, in Labrador city, from 1990 until 1995, and Chief Mining Engineer with Giant Yellowknife Mines Limited in both Yellowknife and Timmins from 1984 until 1990.

Dr. El-Alfy is a member of the Canadian Institute of Mining, Metallurgy and Petroleum, the Institute of Materials, Minerals and Mining, London, United Kingdom and the American Institute of Mining, Metallurgy and Petroleum Engineers and was ex chairman of the Association of Professional Engineers of Newfoundland.

In addition, the Company hired Mr. John Harman as its Manager of Engineering Studies. Mr. Harman will be responsible on behalf of Creston for overseeing pre-feasibility and feasibility studies to be conducted on the El Creston Molybdenum Deposit.

Mr. Harman has a B.Sc. (Hons) degree in Mining Engineering from the Royal School of Mines, Imperial College, London, UK, (1973) and an M.Sc. in Hydrogeology from the University of Birmingham, UK,

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(1981). He is a Fellow of the Australasian Institute of Mining and Metallurgy, and a Member of the International Association of Hydrogeologists, and of the International Mine Water Association.

Mr. Harman is currently an independent consultant specializing in mining environmental issues and operational planning. From 2001 to 2007 Mr. Harman was employed by SRK Consulting and was a director and Principal Consultant and leader of the Water Group based in its Santiago, Chile office. While with SRK he was responsible for developing and executing projects in hydrogeology and water resources and was involved with mine dewatering, water supply, leach pad, tailings dam and waste dump water management and associated geotechnical issues. He worked on key mining studies involving project feasibility study, due diligence studies and NI 43-101 assessments.

From 1998 to 2000 he was a Senior Project Manager for Water Management Consultants in Chile and Peru. He was responsible for the management of key mining water management, water supply and dewatering projects for BHP Tintaya, Antamina and Yanacocha among others.

Prior to working in South America Mr. Harman worked in Australia and in many countries in South East Asia and Africa as a consulting engineer on a broad spectrum of mining-related water and environmental projects. He has set up and managed large work programs involving cost control, financial and technical reporting, and associated public consultation processes.

The Company agreed, subject to the acceptance of the TSX Venture Exchange (the "TSX"), to pay a Finders' Fee (the "Fee") in connection with the acquisition of Creston Mining Corp. The TSX has approved the payment of US\$1,500,000 (\$1,659,450) as the finder's fee, which, at the option of the Finder, may be paid in any combination of cash or shares. The TSX has determined that a price of \$0.70 per share shall be used in determining the number of shares to be issued as payment of the Fee or a portion of the Fee. The Company has made a provision in its financial statements for the fee US\$1,500,000 (\$1,659,450). The Finder has not, as yet, accepted the consideration as approved by the TSX and the parties have commenced arbitration proceedings to resolve the matter.

At the Company's Annual Meeting held on April 10, 2008, shareholders voted to adopt a Shareholder Rights Plan and "10% rolling" Stock Option Plan.

## **Operating Results**

### *Operations and Financial Results*

The Company incurred an operating loss before write-offs of \$2,687,664 (2007 - \$925,544) during the nine months ended April 30, 2008 and has also incurred operating losses for some time previously. As at April 30, 2008 the Company had working capital of \$7,653,499 included cash of \$10,119,787 (2007 - working capital deficiency of \$340,173 included cash of \$171,453). As at July 31, 2007 the Company had working capital of \$12,953,264 included cash of \$14,930,859.

The following tables set out selected quarterly information of the Company, derived from the Financial Statements of the Company:

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	<u>04/30/2008</u>	<u>01/31/2008</u>	<u>10/31/2007</u>	<u>07/31/2007</u>
	\$	\$	\$	\$
Revenue	0	0	0	0
Net (Loss) before extra-ordinary items or discontinued operations	(1,400,963)	(626,212)	(660,489)	(571,070)
Net (Loss) before extra-ordinary items or discontinued operations per share (basic and fully diluted)	(0.01)	(0.01)	(0.01)	(0.00)
Net (Loss)	(1,400,963)	(626,212)	(660,489)	(571,070)
Net (Loss) per share (basic and fully diluted)	(0.01)	(0.01)	(0.01)	(0.00)

	<u>04/30/2007</u>	<u>01/31/2007</u>	<u>10/31/2006</u>	<u>07/31/2006</u>
	\$	\$	\$	\$
Revenue	0	0	0	0
Net (Loss) before extra-ordinary items or discontinued operations	(1,261,227)	(2,806,850)	(270,345)	(292,107)
Net (Loss) before extra-ordinary items or discontinued operations per share (basic and fully diluted)	(0.03)	(0.07)	(0.01)	(0.01)
Net (Loss)	(1,261,227)	(2,806,850)	(270,345)	(292,107)
Net (Loss) per share (basic and fully diluted)	(0.03)	(0.07)	(0.01)	(0.01)

***Financial Condition, Liquidity and Solvency, and Capital Resources***

*Operating Activities*

The Company incurred an operating loss before write-offs of \$2,687,664 (2007 - \$925,544) during the nine months ended April 30, 2008 and has also incurred operating losses for some time previously. As at April 30, 2008 the Company had working capital of \$7,653,499 included cash of \$10,119,787 (2007 - working capital deficiency of \$340,173 included cash of \$171,453). As at July 31, 2007 the Company had working capital of \$12,953,264 included cash of \$14,930,859.

The Company may be dependent in the future on completing additional equity financing to be able to continue to meet its obligations as they become due.

The Company's liquidity remains in a strong position due to the Company's completion of an offer and sale of 57,160,000 subscription receipts (the "Subscription Receipts") at a price of \$0.70 per Subscription Receipt for aggregate gross proceeds of \$40,012,000 during the fourth quarter of fiscal 2007.

A total of 57,160,000 common shares of the Company and 28,580,000 transferable share purchase warrants were issued upon conversion of the Subscription Receipts. Each Warrant will entitle the holder to purchase one common share at a price of \$0.90 per share until May 9, 2010.

The Underwriters were paid a commission equal to 6% of the proceeds received from the sale of the Subscription Receipts and were issued 3,429,600 broker warrants (the "Broker Warrants"). Each Broker Warrant will entitle the holder to purchase one common share at a price of \$0.90 per share until May 9, 2010.

The Company's operating activities used cash of \$2,341,324 (2007 - \$452,439) during the nine months ended April 30, 2008, arising from a net loss of \$2,687,664 (2007 - \$4,338,422), adjusted for add-back of non-cash items for amortization of \$18,191 (2007 - amortization of \$19,278), stock based compensation

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expense of \$1,105,779 (2007 – \$347,362) and from changes in non-cash working capital items of (\$777,630) (2007 – \$106,465). In 2007 the Company wrote-off \$3,412,878 in expenditures related to the Towerstone Project (2008 – nil).

*Investing Activities*

During the nine months ended April 30, 2008 the Company invested a total of \$2,922,249. A total of \$2,885,811 was invested in mineral property expenditures on the Creston Project and \$36,438 on the acquisition of equipment.

During the nine months ended April 30, 2007 the Company invested a total of \$600,041 on exploration expenditures on the Towerstone Project and \$51,911 on the acquisition of equipment. All expenditures on the Towerstone Project were written-off.

*Financing Activities*

During the nine months ended April 30, 2008, the Company's financing activities generated a total of \$413,500 upon the exercise of 2,067,501 warrants and \$39,000 upon the exercise of 260,000 stock options.

During the nine months ended April 30, 2007 the Company raised cash of \$1,042,500.

*Expenses*

Overall expenses were \$3,038,458 during the nine months ended April 30, 2008 as compared to \$926,632 in the same period in 2007. Expenses increased during 2008 in line with the Company's increased level of activity, increased level of supervision and increased staffing levels required to manage the ongoing development of the El Creston Molybdenum Project. These expenses will continue to increase as the Company assembles the necessary assets to further the development of the Creston Molybdenum Deposit. The Company has set-up, equipped and staffed field and administrative offices in Mexico.

The most significant contributors to the increased expenses are Stock-based compensation expense of \$1,105,779 (2007 – \$347,362), Office expenses of \$252,878 (2007 - \$54,709), Consulting fees of \$413,420 (2007 - \$95,322), Management fees of \$283,500 (2007 - \$63,382), Professional fees of \$195,042 (2007 - \$77,060) and Travel and promotion expenses of \$611,802 (2007 - \$229,391).

During the nine-month period ended April 30, 2008 the Company granted options to acquire 50,000 shares at \$0.70 per share exercisable to September 4, 2012, 500,000 shares at \$0.40 per share exercisable to January 17, 2010 under the terms of its former stock option plan.

On January 22, 2008 the Company adopted, subject to regulatory and shareholder approval, a "10% rolling" stock option plan. Options to acquire 2,235,000 shares at \$0.40 per share exercisable to January 21, 2013, options to acquire 350,000 shares at \$0.40 per share exercisable to February 10, 2013, options to acquire 100,000 shares at \$0.48 per share exercisable to February 26, 2013, and option to acquire 350,000 shares at \$0.31 per share exercisable to May 11, 2013 have been granted under the new plan.

*Financial Instruments and Other Instruments*

The Company's financial instruments consist of cash and cash equivalents, receivables, accounts payable and accrued liabilities and accounts payable – related parties. Unless otherwise noted, it is management's

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opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted. The Company is subject to financial risk arising from fluctuations in foreign currency exchange rates. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency exchange rates.

*Outstanding Share Data*

The following information is provided as at June 27, 2008

Authorized: Unlimited  
Issued and Outstanding: 121,168,147  
Held in Escrow: Nil

Stock Options

<b>Number</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
360,000	\$0.15	18/02/2009
25,000	\$0.17	1/12/2009
600,000	\$0.165	18/03/2010
50,000	\$0.20	10/05/2010
100,000	\$0.18	14/06/2010
50,000	\$0.20	16/08/2010
125,000	\$0.165	21/09/2010
100,000	\$0.25	14/10/2010
150,000	\$0.26	02/12/2010
25,000	\$0.25	14/12/2010
100,000	\$0.25	11/02/2011
25,000	\$0.25	27/03/2011
175,000	\$0.18	13/08/2011
100,000	\$0.16	14/12/2011
2,455,000	\$0.40	27/03/2012
100,000	\$0.70	30/04/2012
300,000	\$1.05	15/05/2012
100,000	\$0.82	04/06/2012
50,000	\$0.70	04/09/2012
500,000	\$0.40	17/01/2010
2,235,000	\$0.40	21/01/2013
350,000	\$0.40	10/02/2013
100,000	\$0.48	26/02/2013
350,000	\$0.31	11/05/2013
<b>8,525,000</b>	<b>\$0.38</b>	

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Warrants

<b>Number</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
28,580,000 <sup>1</sup>	\$0.90	09/05/2010
3,429,600	\$0.90	09/05/2010
7,932,143	\$0.90	15/05/2012
<b>39,941,743</b>	<b>\$0.90</b>	

<sup>1</sup> TSX Venture Exchange has approved the listing of 28,580,000 common share purchase warrants (the "Warrants") previously issued pursuant to the bought deal private placement of 57,160,000 subscription receipts that closed on May 9, 2007. The Warrants were posted for trading on the TSX Venture Exchange at market open on December 18, 2007 under the symbol CMS.WT. Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.90 per share at any time up to 5:00 p.m. (Toronto time) on May 9, 2010,

**Trends**

The Company's area of business is the identification, acquisition, evaluation and exploration of mineral properties, especially those with the potential to host base metals. The Company has one project, the El Creston Molybdenum Deposit located in Sonora, Mexico. The price of those commodities sought by the Company has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new well developments and improved production methods. The effect of these factors on the price of base metals and therefore the economic viability of any of the Company's project, cannot accurately be predicted.

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than it. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

**Risks and Uncertainties**

For full details on the risks and uncertainties please refer to the Company's management discussion and analysis and audited consolidated financial statements and notes for the period ended July 31, 2007.

As at the date of this report the Company's directors and officers are as follows:

**Directors**

Jonathan George  
Kim Phillips  
John McCleery  
Wayne Johnstone  
Richard Godfrey

**Officers**

Jonathan George, President and CEO  
Kim Phillips, CFO and Secretary  
Dr. Sadek El-Alfy, COO

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**Related Party Transactions**

During the period ended April 30, 2008, the Company entered into the following transactions with related parties not disclosed elsewhere in these consolidated financial statements:

- a. Paid or accrued management and consulting fees of \$337,500 (2007 - \$108,382) to directors and officers or their companies;
- b. Paid or accrued office expenses of \$56,243 (2007 - \$Nil) to a company with a common director; and
- c. Paid or accrued professional fees of \$22,500 (2007 - \$6,750) to a director of the Company.
- d. Accounts payable – related parties are due to a director and a former director of the Company.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Related parties included directors and officers and companies with common management and directorships.

The Company has entered into management and consulting agreements, with its directors and officers requiring minimum payments of \$702,000 per annum. The agreements have initial contract periods of forty-eight months and contain clauses which provide for termination payments of the remaining contractual monthly amounts.

**Other Contracts**

The Company has entered into consulting and advisory agreements requiring minimum payments of \$470,000 per annum. The agreements are for contract periods ranging from twenty-four to forty-eight months from May 1, 2007. The agreements contain clauses which provide for termination payments from twelve to twenty-four months of the monthly contract amounts.

**Changes in Accounting Policies**

*Accounting policies implemented effective August 1, 2007*

Effective August 1, 2007, the Company prospectively adopted the CICA Handbook Section 3855, Financial Instruments (“Section 3855”), which establish standards for the recognition, measurement, disclosure and presentation of financial assets, financial liabilities and non-financial derivatives. These recommendations require that fair value be used to measure financial assets that are held for trading or available for sale, financial liabilities that are held for trading and all derivative financial instruments. Other financial assets, such as loans and receivables and investments that are held to maturity and other financial liabilities are measured at their carrying value. The Company’s accounting policies for financial instruments are described in Note 9 of the Interim Financial Statements for the period ended April 30, 2008.

Effective August 1, 2007, the Company prospectively adopted the CICA Handbook Section 3865, Hedges, which establish standards for the identification, designation, documentation and effectiveness of hedging relationships for the purpose of applying hedge accounting. The purpose of hedge accounting is to ensure that gains, losses, revenues and expenses from effective hedging relationships are recorded in earnings in

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the same period. This change in accounting policy had no effect on the consolidated financial statements for the nine-month period ended April 30, 2008 as the Company does not apply hedge accounting.

Effective August 1, 2007, the Company prospectively adopted the CICA Handbook Section 1530, Comprehensive Income. Comprehensive income consists of changes in the equity of the Company from sources other than the Corporation's share owners, and includes earnings of the Company, the foreign currency translation adjustment relating to self-sustaining foreign operations and unrealized gains and losses on changes in fair values of available for sale assets and effective cash flow hedging instruments. Other comprehensive income comprises revenues, expenses and gains and losses that are recognized in comprehensive income but are excluded from earnings for the period.

Effective August 1, 2007, the Company prospectively adopted the CICA recommendations regarding the presentation of equity and changes in equity. These recommendations require separate presentation of the components of equity, including retained earnings, accumulated other comprehensive income, contributed surplus, share capital and reserves, and the changes therein.

**Recent Accounting Pronouncements**

*Accounting policies to be implemented effective August 1, 2008*

In March 2007, the CICA issued Section 3862, Financial Instruments – Disclosures (“Section 3862”) and Section 3863, Financial Instruments – Presentation (“Section 3863”), which together comprise a complete set of disclosure and presentation requirements that revise and enhance current disclosure requirements. Section 3862 requires disclosure of additional detail by financial asset and liability categories. Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives. The standard deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset. These sections are effective August 1, 2008. The Company is currently evaluating the impact on its financial statement disclosure and presentation.

In December 2006, the CICA issued Section 1535, Capital Disclosures. This section establishes standards for disclosing information about an entity's objectives, policies, and processes for managing capital. This section is effective August 1, 2008, and the Company is currently evaluating the impact on the Company's disclosure and presentation.

In June 2007, the CICA issued Section 3031, Inventories, which provides more guidance on the measurement and disclosure requirements for inventories. Specifically the new pronouncement requires inventories to be measured at the lower of cost and net realizable value, and provides guidance on the determination of cost and its subsequent recognition as an expense, including any write-down to net realizable value. The new pronouncement is effective March 1, 2008, and the Company is currently evaluating the impact on its accounting and disclosure for inventories.

*Accounting policies to be implemented effective August 1, 2009*

In February 2008, the CICA issued Section 3064, Goodwill and Intangible Assets (“Section 3064”), which replaces Section 3062, Goodwill and Other Intangible Assets (“Section 3062”) and Section 3450, Research and Development Costs. Various changes have been made to other sections of the CICA Handbook for consistency purposes. Section 3064 establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The new section will be applicable to the Company's financial statements for its fiscal year beginning August 1, 2009. The Company is currently evaluating the impact of the adoption of this new section on its consolidated financial statements.

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**Statement on Climate Change and Other Environmental Issues**

At the current time, the impact of climate change on the Company's operations is unknown. Given that the Company's mineral exploration properties are at an early stage of development, climate change is not likely to have an immediate impact on the Company's operations. With regard to Environmental issues, it is Company policy to meet or exceed environmental standards set by relevant legislation by the application of technically proven and economically feasible measures.

**Internal Controls over Financial Reporting**

The Company's Certifying Officers are responsible for establishing and maintaining internal controls over financial reporting ("Internal Controls") and have designed such Internal Controls, or caused them to be designed under their supervision, which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP.

**Additional Disclosure for Venture Issuers without Significant Revenue**

Additional disclosure concerning Creston's general and administrative expenses and resource property costs is provided in the Company's Consolidated Statement of Loss and Deficit and the Consolidated Schedule of Resource Property Costs contained in its Consolidated Financial Statements for April 30, 2008 and April 30, 2007 that is available on the Company's website at [www.crestonmoly.com](http://www.crestonmoly.com) or on its SEDAR Page Site accessed through [www.sedar.com](http://www.sedar.com)

**Approval**

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

**Additional Information**

Additional information relating to the Company, is on SEDAR at [www.sedar.com](http://www.sedar.com)

**Cautionary Statement**

This MD&A may contain "forward looking statements" that reflect Creston's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of Creston's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause Creston's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and factors may include, but are not limited to: unavailability of financing, failure to identify commercially viable precious or base metal reserves, fluctuations in the market valuation for precious or base metals, difficulties in obtaining required approvals for the development of a precious or base metal project and other factors.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicate herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. Creston disclaims any intention or obligation to

**CRESTON MOLY CORP.**  
**(formerly Georgia Ventures Inc.)**

**Management Discussion and Analysis**  
**for the nine-month period ended April 30, 2008**

update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.