MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 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") audited financial statements and notes thereto for year ended December 31, 2023. This MD&A has been prepared as of April 18, 2024. CVW CleanTech is a development stage company whose common shares are listed on the TSX Venture Exchange under the symbol "CVW". With effect from February 14, 2024, the Company's shares are also quoted on the OTCQX Best Market under the symbol "CVWFF". This MD&A and the audited 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 as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). Unless otherwise noted, 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's website at www.CVWCleanTech.com or on SEDAR+ at www.sedarplus.com.

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Nature of Business

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. Our proprietary 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 and cost savings, 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 critical to the development of Canada's low carbon economy.[1,2]

The recovery of valuable products from waste streams will 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 and volatile organic compounds) 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[3]. By recovering bitumen and solvents that otherwise would be lost in tailings waste, methane emissions from tailings ponds can be significantly reduced. Canada's oil and gas industry has set ambitious net zero targets to address these issues and the CVW™ technology can help them achieve their objectives. 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 allowing industry to move away from the use of tailings ponds for froth treatment tailings. 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 minerals in titanium and zircon concentrates;
- Abate between 380,000 – 850,000 tonnes of CO_2e, primarily methane, annually;
- Eliminate up to 5,000 tonnes of volatile organic compounds annually (VOCs – considered toxic substances by Environment and Climate Change Canada);

- Recover and re-use over 2.8 million m^3 water and 1.9 million GJ of heat annually;
- Reduce land-use impacts by over 19 hectares per annum, and
- Enable 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.

According to the Company's latest independent economic impact assessment[4] which was published in February 2024, implementation of the CVW™ technologies at a single site could:

- Create up to 16,500 person-years of employment in Alberta and 24,000 person-years of employment Canada wide over a 24-year period;
- Provide the Government of Alberta and the Government of Canada with up to $1.4 and $1.5 billion dollars of revenue respectively in total over a 24-year period, and
- Generate up to $6.9 billion in additional GDP within Alberta, and up to $7.9 billion for Canada as a whole.

CVW CleanTech is also actively reviewing opportunities to diversify our technology portfolio by identifying additional value-add transactions which would enhance shareholder returns. These efforts 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.

Select Annual Information

The following table presents a summary of selected annual financial information in accordance with IFRS Accounting Standards:

	December 31, 2023	December 31, 2022	December 31, 2021
Net Loss	$3,701	$4,405	$2,272
Net loss per share (basic and diluted)	$0.03	$0.04	$0.02
Cash and cash equivalents	$6,003	$6,958	$408
Total assets	$6,291	$7,069	$617

All figures in thousands, except per share amounts.

Cash generated from financing activities totalled $1.0 million for the year ended December 31, 2023 as a result of the exercise and conversion of various equity instruments during the year. Cash generated from financing activities totalled $9.9 million for the year ended December 31, 2022 as the Company closed two private placements during the year and generated cash from the exercise and conversion of various equity instruments.

For the year ended December 31, 2023, CVW CleanTech reported a net loss of $3.7 million or $0.03 per share. Non cash charges recognized for stock-based compensation expense totalled $1.6 million in 2023, whereas the amounts for stock-based compensation expense was $2.1 million in 2022.

2023 Highlights

Over the past year the Company's Executive Team has taken action with new strategies to advance the commercialization of CVW™ technologies. A key priority for the business and a continuing focus is to ensure that commercial scale deployment of CVW™ technologies in the oil sands mining sector moves ahead to deliver value to CVW CleanTech's shareholders. Our business development activities included engagement with the major mining oil sands 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. 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. During these discussions, management has emphasized the proven tailings management benefits including reduction in tailings volume, the improvement of final deposition characteristics, and the improvement of water quality for recycling and/or water treatment processing.

In 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 the Company's website.

Throughout the year, our technical team reviewed a number of commercialization approaches and developed new options for the commercial deployment of CVW™ technologies, such as phasing the development of the hydrocarbon and mineral recovery modules. We have also completed analyses regarding building a centralized mineral separate facility. We have completed internal studies regarding the potential build of multi-user centralized mineral separation facilities to achieve economies of scale and other benefits. This provides additional optionality in the deployment of our mineral separation technologies.

CVW CleanTech has developed potential financing structures for these CVW™ projects, which have been prepared to offer oil sands mining operators alternatives that will meet their corporate financing needs and preferences with a focus on reducing their upfront capital commitments, while utilizing CVW CleanTech Executive Team's experience in capital structuring. These financial proposals are designed to provide CVW CleanTech with long-term cash flow, retention of our CVW™ intellectual property, and maximize returns to oil sands mining operators and CVW CleanTech. Oil sands mining operators could receive robust economic returns from additional commodity recovery coupled with operational and environmental benefits that come with the 'Creating Value from Waste™' technology.

During 2023, the Executive 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 and have developed ongoing dialogues with these key stakeholders.

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. In Q4 2023 the Company announced that it had received multiple support letters for project financing from both Canadian and Global financial institutions. Project financing is expected to be used to support a potential first of its kind CVW™ implementation at a host oil sands mining site. Details regarding the support letters can be found on the Company's website.

In 2023 CVW CleanTech continued engaging with Indigenous groups in the Treaty 8 region. The Company has had the honour of presenting the CVW™ technology to Indigenous communities who rely on the lands and overall natural environment which are most impacted by oil sands operations. We believe our technology can deliver important social, environmental, and economic benefits to communities in the region and hope to build on our relationships to create a strong partnership with Indigenous communities.

We continue to monitor opportunities for government grants and similar funding opportunities that promote development of our commercial applications. Should the Company obtain a commercial agreement in place with an oil sands mining operator, we expect to apply for government funding with the Strategic Innovation Fund, including the Net Zero Accelerator, the Sustainable Technology Development Fund and Emissions Reduction Alberta. The more recently announced Canada Growth Fund and the clean technology fund with the Business Development Bank of Canada are exciting possible future partners which we will be investigating further. We are also exploring how the recently announced Clean Investment Tax Credits proposed by the Government of Canada could apply to future CVW™ projects. Our existing funding and relationships with many of these agencies and the Clean Growth Hub are expected to help streamline future application processes. These agencies are expected to play a role in helping to provide further sources of low cost and/or non repayable capital as we move the CVW™ technologies from development stage to full scale commercial operations. We expect that these government grants will be a material source of capital as we look to develop our first project.

During the year the Company participated in productive and valuable discussions with the Governments of Alberta and Canada. This includes meetings at the federal level with senior representatives at the Deputy Prime Minister and Department of Finance Office, Privy Council Office, Natural Resources Canada, Environment and Climate Change Canada, Innovation, Science, and Economic Development, the House of Commons' Standing Committee on Environment and Sustainable Development and Standing Committee on Natural Resources, and the Tax Policy Branch. We also had the opportunity to meet with senior representatives at the Premier's Office, Alberta Energy and Minerals and Environment and Protected Areas provincially. These discussions serve to raise awareness within government of the Company's ready-to-deploy technology and potentially lead to favourable policy decisions.

On September 12, 2023 the Company held a virtual Annual and Special Meeting of Shareholders. Both the presentation and webcast are available on the Company's website.

During the year the Company commissioned an economic impact assessment report which identified the socio-economic benefits which Albertans and Canadians could expect from the implementation of the Company's CVW™ technologies. The report was published in February 2024 and can be accessed on the Company's website.

On February 14, 2024, the Company completed an upgrade to the OTCQX Best Market. As part of the same process, the Company updated its OTC symbol from "TITUF" to "CVWFF".

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 on the Company's website.

In seeking to diversify and create value for our investors, CVW CleanTech is actively considering diversification strategies that will position us as a leader in the clean tech commodity space. We are evaluating options to achieve this goal, as we seek to identify business opportunities that are complementary to our own Creating Value from Waste™ technologies and branding.

Select Quarterly and Annual Financial Highlights

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

	Q4 December 31, 2023	Q3 September 30, 2023	Q2 June 30, 2023	Q1 March 31, 2023
Net Loss	$437	$1,165	$1,052	$1,047
Net loss per share (basic and diluted)	$0.01	$0.01	$0.01	$0.01

All figures in thousands, except per share amounts. Per share amounts will not total to annual value due to rounding.

	Q4 December 31, 2022	Q3 September 30, 2022	Q2 June 30, 2022	Q1 March 31, 2022
Net Loss	$1,224	$517	$1,828	$836
Net loss per share (basic and diluted)	$0.01	$0.01	$0.02	$0.01

All figures in thousands, except per share amounts. Per share amounts will not total to annual value due to rounding.

For the three month period ended December 31, 2023, the Company reported a net loss of $0.4 million. This compares to a net loss of $1.2 million for the quarter ended December 31, 2022. The net loss per share was $0.01 for Q4 2023 as compared to $0.01 for Q4 2022.

The net loss for the three month period ended December 31, 2023, consisted of an operating loss of $512,000 and interest income of $75,000. This compares to a net loss of $1,224,000 for the three month period ended December 31, 2022, which consisted of operating expenses of $1,283,000 and interest income of $59,000.

	December 31, 2023	December 31, 2022
Net Loss	$3,701	$4,405
Net loss per share (basic and diluted)	$0.03	$0.04

All figures in thousands, except per share amounts.

For the year ended December 31, 2023, the Company reported a net loss of $3.7 million. This compares to a net loss of $4.4 million for the year ended December 31, 2022. The net loss per share was $0.03 for the year ended December 31, 2023 as compared to net loss per share of $0.04 for the year ended December 31, 2022.

For the year ended December 31, 2023, the net loss of $3.7 million was comprised of operating expenses of $3.9 million and interest income of $299,000. This compares to a net loss of $4.4 million for the year ended December 31, 2022. The components of the net loss for the 2022 year end were $4.5 million of operating expenses and $101,000 in interest income.

Operating Expenditures

Three months ended December 31, 2023 and 2022

Operating Expenses	December 31, 2023 $	December 31, 2022 $	Increase (decrease) $
Compensation and benefits	433	478	(45)
Professional fees	79	56	23
Consulting fees	75	45	30
Director fees	48	44	4
Investor communications and marketing	57	28	29
Office and administration	27	37	(10)
Transfer agent and regulatory fees	19	8	11
Engineering and analysis	1	11	(10)
Stock-based compensation	(229)	576	(805)
Amortization	2	-	2
Total operating expenses	**512**	**1,283**	**(771)**

All figures in thousands.

The largest components of operating loss for the fourth quarter of 2023 were compensation and benefits expense of $433,000 which was partially offset by the reversal of previously recorded stock-based compensation expense in the amount of $229,000.

Compensation and benefits expenses decreased by $45,000 compared to the quarter ended December 31, 2022 due to changes in the overall staffing complement year-over-year.

Professional fees increased by $23,000 compared to Q4 2022 resulting mostly from an increase in audit fees year-over-year.

Consulting fees for the quarter ended December 31, 2023 increased by $30,000 as compared to the quarter ended December 31, 2022. The Company retained the services of a government relations firm which increased consulting fees by $34,000 compared to the quarter ended December 31, 2022

Investor communications and marketing expenses increased by $29,000 compared to Q4 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. In Q4 2023 the Company incurred additional travel costs of $17,000 for the participation in investor and industry conferences as compared to Q4 2022. These events build our stakeholder network towards the goals of commercialization of the CVW™ technology and origination of potential diversification opportunities.

Stock-based compensation expense for Q4 2023 reflects a revision in the life to date expense based on revisions to the timeline in achieving certain non-market performance vesting conditions included within stock options issued to certain officers of the Company.

Year ended December 31, 2023 and 2022

Operating Expenses	December 31, 2023 $	December 31, 2022 $	Increase (decrease) $
Compensation and benefits	1,236	1,370	(134)
Professional fees	290	276	14
Consulting fees	238	110	128
Director fees	218	234	(16)
Investor communications and marketing	189	54	135
Office and administration	134	173	(39)
Transfer agent and regulatory fees	115	95	20
Engineering and analysis	3	82	(79)
Stock-based compensation	1,570	2,110	(540)
Amortization	5	-	5
Total operating expenses	**3,998**	**4,504**	**(506)**

All figures in thousands.

The largest components of operating expenses for the year ended December 31, 2023 were stock-based compensation expense of $1,570,000 and compensation and benefits expense of $1,236,000.

Compensation and benefits expenses decreased by $134,000 compared to the year ended December 31, 2022. The decrease is primarily related to a one-time retiring allowance payment of $200,000 in 2022 made to the Company's former CEO who retired in March 2022. This decrease was partially offset by the Company hiring a permanent CEO in September 2022 and paying a full twelve months of compensation in 2023. From April to September 2022, the Company's Executive Chairman was acting as Interim CEO and did not receive compensation for these additional responsibilities.

Professional fees for the year ended December 31, 2023 were $14,000 higher compared to the year ended December 31, 2022. The increase is primarily related to $43,000 in additional audit fees, offset by a reduction of $19,000 in legal fees.

Consulting fees for the year ended December 31, 2023 increased by $128,000 compared to the year ended December 31, 2022. Under the terms of the 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 and partnered with a firm dedicated to bridging the gap between industry and Indigenous communities. This resulted in increased costs of $20,000 compared to the same period in 2022. In 2023 the Company also retained the services of a government relations firm which increased consulting fees by $34,000 compared to the year ended December 31, 2022. The Company incurred an additional $17,000 during the year ended December 31, 2023 to commission an economic impact assessment report on its CVW™ technology.

Investor communications and marketing expenses increased by $135,000 for the year ended December 31, 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 $60,000 in additional travel costs and $35,000 for the participation in investor and industry conferences. These events build the Company's stakeholder network towards the goals of commercialization of the CVW™ technology and capitalization of potential diversification opportunities. The Company incurred an additional $23,500 during the year ended December 31, 2023 for the redesign of the Company's website and $10,000 for a professional video overview of the CVW™ technology.

During the year ended December 31, 2023 office and administration expenses decreased by $39,000 as compared to 2022. The decrease was primarily a result of reduced Director travel which decreased by $32,000.

Engineering and analysis costs have decreased by $79,000 when comparing the year ended December 31, 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 year ended December 31, 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

CVW CleanTech held cash and cash equivalents of $6.0 million as at December 31, 2023 (December 31, 2022: $7.0 million). During the year ended December 31, 2023, several equity instruments were converted or exercised, which yielded cash proceeds of $1.0 million. During 2022, a private placement of equity units (shares and warrants) was completed which provided $6.3 million. Additionally, the conversion or exercise of certain warrants and stock options yielded a further $4.1 million in additional cash.

Due to the increasing interest rate environment and the relative accumulation of cash in our accounts, interest income of $299,000 was earned for the year ended December 31, 2023 (December 31, 2022: $102,000). 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

The Company believes that economic, 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. The scientific community has more actively communicated the climate risks specific to methane, which CVW™ actively abates from the environment. Today, the oil sands industry is focused on the Pathways Alliance’s foundational carbon capture and storage project. This solution has the potential to deliver significant carbon reductions however will require substantial federal and provincial funding for the construction and ongoing operation with a timeline of being operational at the end of the decade.

Oil sands tailings remain one of, if not the largest, environmental liabilities for the industry. 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 several aspects of the AER's Directive 85 sub-objective 2 which focuses on circumstances where oil sands operators may propose management strategies that control specific water movement such as drainage control systems, or management of risks associated with deposit characteristics such as treated froth fluid fine tailings, acidification, specific additives, or gas formation. CVW™ can substantially mitigate these risks through the treatment of 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 75% of 2012 levels by 2030.[5] The Government of Canada has also proposed the introduction of a cap on emissions generated by the oil and gas sector to transition towards lower-carbon sources of fossil fuels.[6]

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 contract for differences structures related to factors such as carbon pricing[7].

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.

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 on site 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.

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

The Company has for accounting purposes, designated its cash and cash equivalents and accounts receivable as loans and receivables. Accounts payable and accrued liabilities are classified as other financial liabilities for accounting purposes.

As of December 31, 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, recovery of project costs, along with related holdbacks and receivables. Cash and cash equivalents are held with Canadian financial institutions with credit rating no lower than As. 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 project governance, credit quality of participants, reporting requirements to achieve milestones and a strong history of collection.

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 reviews and approves the operating plan as well as material transactions outside the ordinary course of business. This oversight process is also supplemented by a continuous and detailed cash forecasting process. 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 December 31, 2023, the Company had an aggregate cash balance of $6.0 million to settle current liabilities of $675,000 (December 31, 2022 - Cash $7.0 million; 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.

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 Canadian banks with Credit ratings of As or higher. The Company periodically monitors its investments and the creditworthiness of the banks it holds investments in.

II. *Foreign exchange currency risk*

The Company's reporting and functional currency is the Canadian dollar, and most purchases are transacted in Canadian dollars. The Company does not hold any significant balances in foreign currencies which may give rise to exposure to foreign exchange risk. Any impact from fluctuations in foreign exchange rates would be minimal and therefore the Company does not hedge its foreign exchange risk.

e. *Capital management*

The Company considers its equity as its capital. At December 31, 2023, the Company had total equity of $5,600,000 (December 31, 2022 – $6,700,000). 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 to ensure funds are available to continue to advance the commercialization of CVW™ projects; and to access available funding for commercialization. The Company 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 December 31, 2023 and 2022

Corporate Officers	December 31, 2023 $	December 31, 2022 $	Increase (decrease) $
Compensation and benefits	433	478	(45)
Consulting fees	29	29	-
Stock-based compensation	(229)	576	(805)
Total	233	1,083	(850)

All figures in thousands.

Board of Directors	December 31, 2023 $	December 31, 2022 $	Increase (decrease) $
Director fees	48	44	4
Stock-based compensation	-	-	-
Total	48	44	4

All figures in thousands.

Year ended December 31, 2023 and 2022

Corporate Officers	December 31, 2023 $	December 31, 2022 $	Increase (decrease) $
Compensation and benefits	1,235	1,370	(135)
Consulting fees	115	86	29
Stock-based compensation	1,570	824	746
Total	2,920	2,280	640

All figures in thousands.

Board of Directors	December 31, 2023 $	December 31, 2022 $	Increase (decrease) $
Director fees	218	234	(16)
Stock-based compensation	-	1,286	(1,286)
Total	218	1,520	(1,302)

All figures in thousands.

Accounts payable and accrued liabilities as at December 31, 2023 included $70,000 due to directors and officers (December 31, 2022: $44,000).

Under the terms of a consulting agreement, a company controlled by the Company's former CEO will continue to provide services to the Company at an annual fee of $115,000 per annum. The contract is until February 2025.

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 year ended December 31, 2023 were $128,000 (year ended December 31, 2022 - $256,000). Of the $256,000 charged during the year ended December 31, 2022, $132,000 was captured on the Statements of Financial Position as part of share issue costs, and the remainder was included within the Statements of Loss and Comprehensive Loss.

A retention bonus payable to a corporate officer in the amount of $100,000 is included in the Company's December 31, 2023 accounts payable and accrued liabilities. The commitment to pay a retention bonus to this corporate officer was agreed to as part of the terms of the January 2022 private placement.

Off Balance Sheet Arrangements

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

During the years ended December 31, 2023 and 2022, CVW CleanTech has not capitalized any research and development costs. All amounts that have been expensed as operating expenses 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

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.

Material Accounting Policies and Changes in Accounting Policies

The preparation of financial statements in conformity with IFRS Accounting Standards 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 are described in the December 31, 2023 annual audited financial statements.

According to IAS 1 – Disclosure of accounting policies, an entity must present an analysis of expenses recognized in profit or loss using a classification based on either their nature or their function within the entity, whichever provides information that is reliable and more relevant. Prior to January 1, 2023, the Company elected to present its operating expenses by function. Effective January 1, 2023, operating expenses have been presented within the Statements of Loss and Comprehensive Loss by nature. This change was implemented to provide more relevant information regarding the Company's operations during each reporting period. Additional details can be found in the Company's December 31, 2023 annual audited financial statements.

Outstanding Share Data

Outstanding Share Data - as of April 18, 2024	
Common shares issued and outstanding:	125,591,635
Common share awards granted and outstanding:	
Options	9,182,192
DSUs	370,739
RSUs	1,767,854
Number of warrants outstanding:	11,824,164

Internal Controls Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Company has controls and procedures in place to ensure that information required to be disclosed by the Company under securities legislation is recorded, processed, summarized, and reported within the appropriate time periods and that required information is accumulated and communicated to the Company's management so that decisions can be made about the timely disclosure of that information.

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

Certain statements contained in the foregoing 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 contained herein may include statements regarding the anticipated benefits of the adoption and commercialization of CVW™ technologies, the chemical, material, financial, economic, operational, environmental and any other anticipated results of the adoption thereof, potential diversification strategies and the implementation and results thereof, expectations regarding future development, funding (including necessity, sources, and expected structure of the same) and contracted work, expectation as to the timeline on which certain performance criteria will be met and any acceleration of the same as a result of any prior criteria being met, expectations regarding the key economic and policy drivers supporting the adoption of CVW CleanTech's technology, CVW CleanTech's research and development and commercialization plans, the advantages of the Company's technology, the Company's ongoing engagement with stakeholders, including business development activities, the development of networks with strategic partners, and the development of Company's relationships with Indigenous communities and any potential benefits for the same, 'potential financing opportunities, including grant and financing opportunities from applicable government programs and non-governmental organizations, entering into funding agreements related thereto, and any expected timeline for the same, any expected next steps for the Company, timelines, strategic plans, the scope of any activities that will be undertaken, the Company's future liquidity situation and the market prices 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 the success of the Company's products and services; price escalation and/ or inflationary pressures affecting the cost of equipment and material required to commercialize the same; 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 impact on the Company of increasing inflation; any change in government policy, programs, and funding opportunities, whether provincial, national, or international which could negatively affect the Company, and any failure of the same to continue to evolve in accordance with Company's expectations; 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 April 18, 2024 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.

[1] Retrieved from the Government of Canada's Critical Mineral Strategy.
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https://www.alberta.ca/minerals-strategy-and-action-plan.aspx

[3] Retrieved from the International Panel on Climate Change as quoted by the International Energy Agency.
https://www.iea.org/reports/methane-tracker-2021/methane-and-climate-change

[4] CVW CleanTech Inc. Independent Economic Impact Assessment Published February 2024.
https://cvwcleantech.com/sustainability/economic-impact/

[5] Retrieved from Government of Canada website, Update on Path Forward for Oil and Gas Sector Methane. Mitigation. https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/reducing-methane-emissions/update-oil-gas-sector-methane-mitigation.html

[6] Retrieved from the Government of Canada website, Oil and Gas Emissions Cap.
https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/oil-gas-emissions-cap.html

[7] 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