Crown Minerals Inc.

MANAGEMENT DISCUSSION AND ANALYSIS OF OPERATING RESULTS FOR THE YEAR ENDED DECEMBER 31, 2009

This Management Discussion and Analysis ("MD&A") of the financial condition and results of operations of Crown Minerals Inc. ("Crown Minerals" or the "Company") (formerly Pocono Capital Inc.) should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2009 and 2008, including the related notes thereto. These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). This MD&A is presented as of April 29th, 2010. Unless otherwise noted, the currency used is Canadian dollars. This MD&A contains "forward-looking" statements that are subject to risk factors set out in a cautionary note contained herein.

Cautionary Note Regarding Forward Looking Statements

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of the Company to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of the Company to fund the capital and operating expenses necessary to achieve the business objectives of the Company, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by the Company. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this management discussion and analysis are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

OVERVIEW

Company Highlights

- On February 11, 2009, Pocono Capital Inc. completed its Qualifying Transaction with Rykala Resources Inc. and changed its name to Crown Minerals Inc.

- Signed an option to purchase agreement (mining rights) on patented claims covering 3 gold exploration properties near Timmins, Ontario and 1 gold exploration property near Red Lake, Ontario.

- Signed an option to purchase agreement (mining rights) on 18 mining leases totaling 338 hectares, which includes the former Stairs gold mine, near Matachewan, Ontario.

- Signed an option to purchase agreement (mining rights) on 5 patented claims in Whitney Township near Timmins, Ontario.

- Closed two private placement financings for gross proceeds of $959,600.

- Signed an option to purchase agreement (mining rights) on 3 unpatened claims in Yeo and Chester Townships near Timmins. These claims are adjacent to the eastern border of the Chester Project owned by Trelawney Mining and Exploration Inc. Trelawney recently reported intersecting 107.1 meters of 8.2 grams per tonne of gold (uncut), including 313.5 grams per tonne of gold over 2.56 meters from drilling on its Chester Project (*see Trelawney news release dated March 3, 2010)*

- On April 15, 2010, the Company signed a letter of intent on a business combination with Gold Summit Corporation. This is an "all share" business combination, which would give the original holders of GSM a 42% stake in the combined company, while the Company's original shareholders would retain a 58% stake in the combined company.

On February 11, 2009, Pocono Capital Inc. ("Pocono") completed its Qualifying Transaction with Rykala Resources Inc. ("Rykala") and changed its name to Crown Minerals Inc. The Company then issued one common share for each of Rykala's 19,456,635 outstanding common shares and exchanged each of Rykala's 5,659,412 outstanding warrants for a Crown warrant having substantially the same terms. Rykala became a legal subsidiary of the Company. Following the completion of the amalgamation, the Company issued 525,000 common shares valued at $105,000 to a consultant who assisted in the amalgamation, representing approximately 2% of the issued and outstanding common shares of the Company.

After completion of the Qualifying Transaction, amalgamation and name change, there were 23,531,635 Crown common shares issued and outstanding on a non-diluted basis. Those shareholders who held Pocono shares received approximately 15% and the Rykala shareholders received approximately 83% of the issued and outstanding Crown shares. On a fully-diluted basis, there were 30,281,047 Crown common shares outstanding. As such, the transaction was accounted for as a reverse takeover.

The Company does not currently have a producing property. Recovery of the cost of mining assets is subject to the discovery of economically recoverable reserves, the ability to obtain the financing required to pursue the exploration and development of its properties, and profitable future production or the proceeds from the sale of its properties. The Company must periodically obtain new funds in order to pursue its activities. While it has always succeeded in doing so to date, it is not possible to predict whether financing efforts will be successful and management cannot provide assurance that it will be able to obtain the required financing.

The shares of the Company are listed on the TSX Venture Exchange and are traded under the symbol CWM.

OVERALL PERFORMANCE

Over the past twelve months, the Company took significant steps to advance its business. These steps included the completion of two non-brokered financings for gross proceeds of $959,600. The Company continued to focus on advancing its major exploration projects, mainly the Warren Whiteside, Byers, Stairs and Gowest (Whitney Township) Properties.

Throughout most of 2008, and continuing in 2009, the global financial and commodity markets were characterized by extreme volatility and falling prices as market participants reacted and responded to growing uncertainty and pessimism over the depressed North American and international economies. These circumstances have had a significant impact on the Company's operations and, in particular, on the economics of its existing exploration and development projects, its strategy to evaluate and, if attractive, complete potential acquisitions and otherwise its ability to pursue growth opportunities. In the short-term, the Company expects to focus its exploration on its newly acquired Timore Properties, specifically its Red Lake property.

In addition, the Company continues to evaluate potential transactions with a company with an advanced gold projects in Nevada that, if completed, would increase the Company's value. As part of this strategy, on April 15, 2010, the Company signed a letter of intent to pursue a business combination with Gold Summit Corporation. Gold Summit Corporation announced a new 43-101 Mineral Resource Estimate in February 2010. At a 0.5 g/t gold cut-off, the inferred resource known as the McLean Lode amounts to 313,335 ounces of gold contained in 3,481,500 tonnes at a grade of 3.14 g/t gold. At a 2.0 g/t gold cut-off, the inferred resource amounts to 237,000 ounces of gold contained in 1,025,700 tonnes at a grade of 7.2 g/t gold. In addition, the study shows a separate inferred resource of 1,507,000 ounces of silver contained in 1,124,000 tonnes at a grade of 42 g/t silver using a 9 g/t silver cut-off. At a 35 g/t silver cut-off the separate inferred resource is 1,025,000 ounces of silver contained in 396,000 tonnes at a grade of 80 g/t silver.

The Company will continue to evaluate its strategic options and may, if conditions are favourable, seek to raise additional funds through a private or public offering of securities or debt as required.

Trends

- The future performance of the Company is largely tied to the exploration and development of its Red Lake property and the proposed business combination with Gold Summit Corporation

- Financial markets were volatile in Canada at the beginning of fiscal 2010, reflecting ongoing concerns about the stability of the global economy and weakening global growth prospects. However, there appears to be steady improvement in the markets and, with the gold spot price being particularly buoyant, the Company does not foresee any difficulties in raising equity for the purposes of carrying out exploration and development activities on its current properties or acquiring new assets. See “Risk Factors”.

SELECTED ANNUAL INFORMATION

The following tables summarize selected annual and quarterly financial data of the Company for the years ended December 31, 2009 and 2008. The information set forth below should be read in conjunction with the audited financial statements for the years ended December 31, 2009 and 2008.

RESULTS OF OPERATIONS

	Unaudited				**Audited**
	Q4 Dec 2009	**Q3 Sept 2009**	**Q2 Jun 2009**	**Q1 Mar 2009**	**Annual Dec 2009**
				$	**$**
Expenses	(14,624)	45,255	65,274	81,809	177,714
Net income (loss)	20,798	(44,444)	(63,149)	(80,757)	(167,552)
Net income (loss) per share (basic and diluted) $	.001	(.002)	(.003)	(.003)	(0.007)

	Unaudited				**Audited**
	Q4 Dec 2008	**Q3 Sept 2008**	**Q2 Jun 2008**	**Q1 Mar 2008**	**Annual Dec 2008**
	$	**$**	**$**	**$**	**$**
Expenses	143,604	65,774	69,761	88,256	367,395
Net loss	(169,251)	(65,800)	(68,730)	(75,543)	(379,324)
Net loss per share (basic and diluted) $	(.013)	(0.005)	(.006)	(.008)	(0.032)

	Audited	**Unaudited**		
	Q4 Dec 2009	**Q3 Sept 2009**	**Q2 Jun 2009**	**Q1 Mar 2009**
	$	**$**	**$**	**$**
Mineral properties and deferred costs	**2,353,795**	**1,414,269**	**1,409,075**	**1,305,350**
Total liabilities	**366,570**	**263,288**	**229,147**	**354,973**
Total assets	**2,861,657**	**1,707,296**	**1,717,599**	**1,938,236**

	Audited	**Unaudited**		
	Q4 Dec 2008	**Q3 Sept 2008**	**Q2 Jun 2008**	**Q1 Mar 2008**
	$	**$**	**$**	**$**
Mineral properties and deferred costs	**930,247**	**685,370**	**567,670**	**448,129**
Total liabilities	**330,670**	**268,460**	**97,571**	**90,387**
Total assets	**1,899,932**	**877,928**	**672,584**	**568,017**

OPERATIONAL REVIEW & RESULTS OF OPERATIONS

THREE MONTHS ENDED DECEMBER 31, 2009

Net income for the three month period ended December 31, 2009 was $20,798 as compared to a loss of $169,251 in 2008. The increase in net income is attributable to future income tax recoveries in Q4 2009 and the elimination of one-time costs in the fourth quarter of 2008 due to the Qualifying Transaction.

Professional fees were $(5,604) in the period as compared to $22,419 in 2008. Professional fees were higher in 2008 primarily in connection with the accounting relating to the Qualifying Transaction.

The Company's consulting fees for the three month period ended December 31, 2009 were $7,500, approximately one half of the salary of the President. The balance of his salary was allocated to mineral exploration costs. This compares to consulting fees of $96,400 in the three month period ended December 31, 2008. This decrease is a result of the Company no longer using the services of the consultants used in 2008.

The Company incurred $(12,942) of Part XII.6 tax with respect to flow-through renunciation during the three month period ended December 31, 2009 as compared to $286 in 2008, due to the reversal of an over-accruals in the prior quarter. These costs are expected to increase in the next quarter as the Company is committed to spending approximately $456,000 on Canadian exploration costs as part of its 2009 flow-through funding agreements.

The Company spent cash of $601,775 on mineral properties in the fourth quarter of 2009 as compared to $25,526 during 2008. These expenditures should remain constant in the next few quarters as the Company proceeds to meets its flow-through share issuance obligations.

The changes to capital stock, and contributed surplus are all non cash items and the changes relate to accounting charges.

YEAR ENDED DECEMBER 31, 2009

Net loss for the year ended December 31, 2009 was $167,552 as compared to a loss of $379,324 in 2008. The decrease in net loss is mainly attributable to the reduction in consulting fees over the year.

Professional fees were $58,766 in the year ended December 31, 2009 as compared to $58,163 in 2008. Professional fees have been consistent year to year. The Company will continue to try to decrease these fees in the next few quarters.

The Company's consulting fees for the year ended December 31, 2009 were $30,000, approximately one half of the salary of the President. The balance of his salary was allocated to mineral exploration costs. This compares to consulting fees of $265,400 in the year ended December 31, 2008. This decrease is a result of the Company no longer using the consultants used in 2008.

The Company incurred $10,266 of Part XII.6 tax with respect to flow-through renunciation during the year ended December 31, 2009 as compared to $286 in 2008, due to a flow-through financing of $848,750 on December 30, 2008. These costs are expected to be consistent in the next year as the Company is committed to spend approximately $456,000 on Canadian exploration costs as part of its 2009 flow-through funding agreements.

The Company spent cash of $1,085,797 on its mineral properties in the ended December 31, 2009 as compared to $337,001 during 2008. These expenditures are expected to remain high in the next few quarters as the Company proceeds to meets its flow-through share issuance obligations.

The changes to capital stock, and contributed surplus are all non cash items and the changes relate to accounting charges.

FINANCINGS

Private Placements – 2009

On December 18, 2009, the Company completed a private placement of 3,333,331 units at a price of $0.15 per unit for proceeds of $500,000. Each unit consisted of one common share issued on a flow-through basis under the Income Tax Act (Canada) and one half common share purchase warrant, each whole warrant entitling the holder to purchase one common share for $0.25 until June 18, 2011.

On November 30, 2009, the Company completed a private placement of 3,830,000 units at a price of $0.12 per unit for proceeds of $459,600. Each unit consists of one common share and one half common share purchase warrant, each whole warrant entitling the holder to purchase one common share for $0.18 until May 31, 2011.

Private Placements – 2008

On December 30, 2008, the Company completed a private placement of 4,850,000 units at a price of $0.175 per unit for gross proceeds of $848,750. Each unit consists of one flow-through common share and one common share purchase warrant entitling the holder to purchase one common share for $0.40 until December 30, 2010, subject to the right of the Company to call for an earlier expiry date on 30 days notice in the event that the common shares are listed on a Canadian stock exchange and trade at or above $0.60 per common share for 20 consecutive trading days any time after April 30, 2009.

On June 30, 2008, the Company completed a private placement of 304,412 units at a price of $0.34 per unit for gross proceeds of $103,500. Each unit consisted of one common share issued on a flow-through basis under the Income Tax Act (Canada) and one common share purchase warrant entitling the holder to purchase one common share at price of $0.50 per common share until June 30, 2010, subject to the right of the Company to call for an earlier expiry date on 30 days notice in the event that the common shares are listed on a Canadian stock exchange and trade at or above $0.60 per common share for 20 consecutive trading days.

On February 14, 2008, the Company completed a private placement of 100,000 common shares issued on a flow-through basis under the Income Tax Act (Canada) at a price of $0.18 per common share for proceeds of $18,000.

On January 18, 2008, the Company completed a private placement of 200,000 common shares at a price of $0.12 per common share for proceeds of $24,000.

MINERAL EXPLORATION PROPERTIES

None of the Company's properties are at or near production. As at December 31, 2009, the Company had the following mineral properties under exploration:

Black Warrior
On March 14, 2008, the Company staked 14 claims in Esmeralda County, Nevada (the "Black Warrior Property") for $7,961.

On May 20, 2008, the Company acquired a 100% interest in 2 patented claims for US$25,000. Under the terms of the agreement, the Company entered into a consulting agreement for prospecting, exploration and development services at the rate of US$5,000 per year for 3 years from the closing date of the agreement.

On December 31, 2008, the Company acquired a 100% interest in 35 unpatented claims for 1,200,000 common shares of the Company valued at $240,000. The vendors retained a 2% net smelter royalty ("NSR") on the property, of which the Company has the option to purchase half for US$1,000,000.

Byers
On December 17, 2007, the Company acquired a 100% interest in 19 unpatented mining claims in the Byers, Thorburn and Moberly Townships in Ontario for $100,000 by the issuance of 1,666,667 common shares of the Company. The vendors retain a 2% NSR on the property, of which the Company has the option to purchase half for $1,000,000.

On January 30, 2008, the Company acquired a 100% interest in 2 unpatented mining claims in Byers Township in Ontario by the issuance of 300,000 common shares of the Company valued at $18,000. The vendors retain a 2% NSR on the properties, of which the Company has the option to purchase half for $1,000,000.

101-English-Bartlett
On February 14, 2008, the Company acquired a 100% interest in 8 unpatented mining claims Bartlett and English Townships in Ontario by the issuance of 400,000 common shares of the Company valued at $24,000. The vendors retained a 2% NSR on the property, of which, the Company had the option to purchase half for $1,000,000. The Company abandoned the property and wrote off all costs associated with the property.

Gowest
On November 25, 2009, the Company entered into an option agreement to acquire a 100% interest in 5 patented claims in Whitney Township near Timmins, Ontario for $20,000, payable $10,000 on signing (paid) and $10,000 within 90 days of signing the agreement (paid), 750,000 shares of the Company valued at $101,250 and 750,000 warrants of the Company valued at $51,000. Each warrant entitles the holder to purchase one common share of the Company for a period of two years as follows; $0.15 for a period of six months from the date of issue, $0.20 for the next six months from the date of issue and $0.25 for a the remaining twelve months. Under the terms of the agreement, the Company must incur $400,000 in exploration expenditures prior to December 31, 2010. The vendors retain a 2% NSR on the property when the gold price is $950 per ounce or less, and 3% when the price of gold is greater than $950 per ounce. The Company has the right to purchase 1% of this royalty for $1,000,000 and a further right to reduce the royalty to 1% by paying another $1,000,000.

Stairs

On November 16, 2009, the Company entered into an option agreement to acquire a 100% interest in 18 mining leases totaling 338 hectares, which includes the former Stairs gold mine near Matachewan, for $10,000 (paid), 500,000 shares of the Company valued at $60,000 and 500,000 warrants of the Company valued at $28,000. Each warrant entitles the holder to purchase one common share of the Company at $0.15 for a period of two years from the date of issue. Under the terms of the agreement, the Company must incur $1,500,000 in exploration expenditures as follows; $300,000 by October 31, 2010 and the remaining $1,200,000 by October 31, 2012. If the Company fails to meet the $300,000 commitment due October 31, 2010, then the Company will be required to remit the shortfall to the vendor with interest at 4%, from October 31st, unless paid before November 30, 2010 in which case the interest will be waived. As at December 31, 2009, the Company had completed its minimum commitment of $300,000. The vendor retains a 1.5% NSR on the property.

The vendor has reserved the right to earn back a 51% interest in the property by spending two times the amount spent by the Company up to $3,000,000 on the property and an additional 14% by spending an additional $1,500,000. The vendor will retain a 1.5% net smelter royalty if it elects not to earn back an interest in the property.

Timore

On October 8, 2009, the Company entered into an option agreement to acquire a 100% interest in patented claims covering 3 gold exploration properties near Timmins, Ontario and 1 gold exploration property near Red Lake, Ontario, for $20,000 plus legal fees in cash (paid) and 1,500,000 shares of the Company valued at $97,500. Under the terms of the agreement, the Company must incur $1,000,000 in exploration expenditures in annual stages of $300,000, $300,000 and $400,000 respectively over a three year period ending October 15, 2012. The vendor will retain a 3% NSR, one half of which can be purchased for $1,000,000. The Company must spend at least $250,000 on the Red Lake property or can disclaim that property, reduce the aggregate exploration expenditures to $750,000 and complete the expenditures on the Timmins properties only.

Warren Whiteside

On January 29, 2008, the Company acquired a 100% interest in 14 mining claims in Whiteside Township in Ontario (the “Warren Properties”) by a payment of a deposit of $5,000 on December 18, 2007, the payment of $45,000 and the issuance of 500,000 common shares of the Company valued at $100,000. The vendors retain a 1.5% NSR on the Warren Properties, of which the Company has the option to purchase half for $1,000,000.

On January 30, 2008, the Company acquired a 100% interest in 2 unpatented mining claims in Whiteside/Massey Township in Ontario (the “Lalonde-Whiteside Properties”) by issuance of 500,000 common shares of the Company valued at $30,000. The vendors retain a 2% NSR on the Lalonde-Whiteside properties, of which the Company has the option to purchase half for $1,000,000.

On July 31, 2008, the Company acquired 3 unpatented mining claims adjoining the Warren Whiteside Property (the “Warren Add-on Property”) for 240,000 common shares of the Company valued at $81,600. The vendors retain a 2% NSR on the Warren Add-on Property, of which the Company has the option to purchase half for $1,000,000.

Other
On April 24, 2009, the Company entered into an option agreement to acquire a 100% interest on several lots in the Goldfield Mining District of Esmeralda County, Nevada for US$40,000, payable US$7,000 on signing (paid) and US$11,000 on or before April 24, 2010, US$11,000 on or before April 24, 2011, and US$11,000 on or before April 24, 2012.

OBJECTIVES AND MILESTONES

The objectives of the Company are to (i) enhance its geological knowledge of all its properties, most importantly Red Lake, and develop targets on the properties for future drilling programs; and (iii) aggressively target, review and, if desirable, acquire and develop advanced gold assets in Ontario and in Nevada in order to augment and strengthen its current mineral property portfolio and to achieve mid-tier gold producer status in the near future.

The Company believes that all of its properties have excellent potential. Nonetheless, the Company intends to continue to seek, evaluate and, if desirable, complete potential acquisitions with a view to enhancing the Company's value.

In conducting its search for additional mineral properties, the Company may consider acquiring properties that it considers prospective based on criteria such as the exploration history or location of the properties, or a combination of these and other factors. Risk factors to be considered in connection with the Company's search for and acquisition of additional mineral properties include the significant expenses required to locate and establish mineral reserves; the fact that expenditures made by the Company may not result in discoveries of commercial quantities of minerals; environmental issues; land title; competition; and, the potential failure of the Company to generate adequate funding for any such acquisitions. See "Risk Factors".

LIQUIDITY

As at December 31, 2009, the Company had working capital of $320,292. This is in contrast to working capital of $729,015 at December 31, 2008.

Notwithstanding success to date in acquiring equity financing on acceptable terms, there is no guarantee of obtaining future equity financings or on what terms any such equity capital may be available to the Company and, as such, alternative funding programs are also being pursued by the Company.

The Company must utilize its current cash reserves, funds obtained from the exercise of warrants, if any, and other financing transactions to maintain the Company's capacity to meet working capital requirements, and ongoing discretionary and committed exploration programs, and to fund any further development activities. The Company anticipates that it will raise additional capital when and if the opportunity arises. See "Risk Factors".

The Company believes that it will be able to raise funds in the short-term. Management will monitor the current market situation and make prudent business decisions as they are required. See "Risk Factors".

On the date of this MD&A, the cash resources of the Company are held in cash with a major Canadian financial institution.

Accounts receivable are comprised of sales tax receivables from the Government of Canada.

OFF BALANCE SHEET TRANSACTIONS

During the year ended December 31, 2009, there were no off-balance sheet transactions. The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk.

CONTINGENCIES AND COMMITMENTS

The Company has made the following commitments as of the date of this MD&A:

- To one officer of the Company for management fees payable of $60,000;
- To subscribers of flow-through shares, qualifying exploration expenditures of $456,000 ($278,000 spent to date) by December 31, 2010;
- Under the terms of the Gowest agreement, the Company must incur $400,000 ($164,000 spent to date) in exploration expenditures prior to December 31, 2010.
- Under the terms of the Stairs agreement, the Company must incur $1,200,000 ($77,000 spent to date) in exploration expenditures by October 31, 2012
- Under the Timore agreement, the Company must incur $1,000,000 in exploration expenditures in annual stages of $300,000 ($161,000 spent to date), $300,000 and $400,000 respectively over a three year period ending October 15, 2012. Crown must spend at least $250,000 ($31,000 spent to date) on the Red Lake property or can disclaim that property, reduce the aggregate exploration expenditures to $750,000.

RELATED PARTY TRANSACTIONS

Certain corporate entities and consultants that are related to the Company's officers and directors or persons holding more than 10% of the issued and outstanding shares of the Company provide consulting and other services to Crown.

During the year ended December 31, 2009, $193,000 (2008 - $207,000) was charged by a law firm for legal fees where an officer of Crown is an employee. A company controlled by an officer and director of the Company charged $60,000 (2008 - $30,000) in management fees and $Nil (2008 - $12,000) for premise costs. Of these amounts, $119,000 (2008 – $325,000) is in accounts payable and accrued liabilities and long-term liabilities at the end of the year.

Amounts due to companies controlled by directors and officers are non-interest bearing, have no set terms of repayment and are due on demand , except for the amount in long-term liabilities, which is due in full on January 1, 2011. During the year, the Company settled long-term accounts payable and accrued liabilities of $120,000 as part of the proceeds on the November private placement by issuing 1,000,000 units.

All transactions were conducted in the normal course of operations and are measured at the exchange amounts.

DIVIDENDS
The Corporation has neither declared nor paid any dividends on its common shares. The Corporation intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

These consolidated financial statements include the accounts of the Company's wholly-owned subsidiaries.

Deferred Transaction Costs

Costs related directly to the amalgamation are deferred until completion, and then accounted for as transaction costs once complete.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Areas where management uses subjective judgment include, but are not limited to, recoverability of mineral properties and related deferred costs, future income taxes, the valuation of common shares issued for the acquisition of mineral resource properties and debt settlements and the valuation of warrants and options. Management believes that these estimates are reasonable.

Mineral Properties and Related Deferred Costs

The Company records its interest in mineral properties at cost. Direct costs relating to the acquisition, exploration and development of mineral properties, less recoveries, are deferred until such time as the properties are either put into commercial production, sold, determined not to be economically viable or abandoned. If the property is placed into production, deferred costs will be amortized and depleted using the straight line method over the estimated economic life of the mine. The deferred costs would be written off if the property is sold or abandoned.

The amounts shown for mineral properties and related deferred costs represent costs incurred to date, less write-offs and recoveries, and do not necessarily reflect present or future values of the particular properties.

The Company reviews its mineral properties and related deferred costs on an annual basis to determine if events or changes in circumstances have transpired which indicate that its carrying value may not be recoverable. The recoverability of costs incurred on the mineral properties and deferred related costs is dependant upon numerous factors including exploration results, environmental risks, commodity risks, political risks, and the Company's ability to attain profitable production. It is possible that conditions in the near-term could change the Company's assessment of the carrying value.

Asset Retirement Obligations

The Company follows CICA 3110, "Asset Retirement Obligations" which requires that the estimated fair value of liabilities for asset retirement obligations be recognized in the period in which they are incurred. A corresponding increase to the carrying amount of the related asset is recorded and depreciated over the life of the asset. The estimates used in the valuations are based primarily on legal and regulatory requirements. It is possible that the Company's estimates of its ultimate reclamation and closure liabilities could change as a result of changes in regulations, the extent of environmental remediation required, the means of reclamation or cost estimates. Changes in estimates are accounted for prospectively from the period the estimate is revised.

An obligation has not been recorded with respect to asset retirement obligations (i.e. environmental remediation) for the Company's exploration and development properties. This is based on the fact that the mining and processing activities that give rise to the legal obligation have not yet occurred and/or the environmental disturbance which has occurred is not yet significant.

As at December 31, 2009 and 2008, the Company has not incurred or committed any asset retirement obligations.

Flow-through Shares

Canadian tax legislation permits a company to issue flow-through shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. Recording these expenditures for accounting purposes gives rise to taxable temporary differences.

The Emerging Issues Committee of the Canadian Institute of Chartered Accountants issued EIC 146 under which the Company is required to recognize the future income tax liability upon filing renunciation documents with the tax authorities and to treat it as a cost of issuing the flow-through shares.

Revenue Recognition

Interest income is recognized when earned over the passage of time.

Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on the differences between the carrying amount of assets and liabilities on the balance sheet and their corresponding tax values, using the substantively enacted tax rates expected to apply when these temporary differences are expected to reverse. Future income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is more likely than not that they will be realized.

Stock-based Compensation

The Company applies the fair-value based method to all stock options granted and warrants issued. Accordingly, compensation cost is measured at fair value at the date of grant and is expensed on a straight line basis over the vesting period, with the related credit included in contributed surplus. The applicable contributed surplus is transferred to share capital, if and when stock options are exercised. Any consideration paid on the exercise of stock options and warrants are credited to capital stock.

The Company uses the Black-Scholes option pricing model to determine the value of all issued options and warrants. The table in note 7 summarizes the assumptions used with the Black-Scholes model for determining the value of the stock-based costs for the stock options and warrants issued in 2009 and 2008.

Other Stock-based Payments

The Company accounts for other stock-based payments based on the fair value of services granted or the equity instruments issued in exchange for the receipt of goods and services from non-employees by using the stock price and other measurement assumptions at the measurement date, whichever is the more reliably measured.

Financial Instruments

All financial assets and liabilities are initially recognized at fair value. In subsequent periods, financial assets and liabilities which are held for trading are recorded at fair value with gains and losses recognized in net income; financial assets which are loans and receivables or held to maturity are recorded at amortized cost using the effective interest rate method and gains and losses recognized in net income; financial assets which are available for sale are recorded at fair value with gains and losses recognized (net of applicable taxes) in other comprehensive income; financial liabilities that are not held for trading are recorded at amortized cost using the effective interest rate method and gains and losses recognized in net income.

Effective January 1, 2009, Crown adopted the amendment to CICA Handbook Section 3862, financial instruments, which requires disclosure about inputs to fair value measurements within fair value measurement hierarchy as follows:

- i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- ii) Level 3: inputs for the asset or liability that are not based on observable market data.

Loss Per Share

Loss per share and is calculated based on the weighted average number of shares issued and outstanding during the year. In the years when the Company reports a net loss, the effect of potential issuances of shares under options and warrants would be anti-dilutive and, therefore, basic and diluted loss per share is the same.

Foreign Exchange

Monetary assets and liabilities have been translated at the exchange rate prevailing at the balance sheet dates. Income and expenses are translated at rates prevailing at the dates of the related transactions. Non-monetary assets, liabilities are translated at historic rates. Gains or losses on foreign exchange for the year are included in the statements of operations.

Comparative Amounts

Comparative amounts in the consolidated financial statements shown for 2008 are those of Rykala only (note 5). Certain prior year amounts have been reclassified to conform to account presentation in the current year. The net loss stated in prior year has not been affected by these changes.

Newly-Adopted Accounting Changes

Goodwill and Intangible Assets

Effective January 1, 2009 the Company adopted *Section 3064 - Goodwill and Intangible Assets,* which replace CICA Handbook sections 3062 and 3450, EIC 27 and part of Accounting Guideline 11. Under previous Canadian standards, more items were recognized as assets than under International Financial Reporting Standards ("IFRS"). The objectives of CICA 3064 are to reinforce the principle based approach to the recognition of assets only in accordance with the definition of an asset and the criteria for asset recognition and to clarify the application of the concept of matching revenues and expenses such that the current practice of recognizing asset items that do not meet the definition and recognition criteria is eliminated. The portions in the new standard with respect to Goodwill remain unchanged. The provisions relating to the definition and initial recognition of intangible assets intend to reduce the differences with IFRS in the accounting for intangible assets. The new standard also provides guidance for the recognition of internally developed intangible assets (including research and development activities), ensuring consistent treatment of all intangible assets. The adoption of this standard did not have an impact on the consolidated financial statements as at, or for the year ended December 31, 2009.

Future Accounting Pronouncements

The Canadian Accounting Standards Board has confirmed that International Financial Reporting Standards (IFRS) will replace current GAAP for publicly accountable enterprises, effective for fiscal years beginning on or after January 1, 2011. Accordingly, the Company will report interim and annual financial statements (with comparatives) in accordance with IFRS beginning with the quarter ended March 31, 2011.

The Company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives. While an analysis will be required for all current accounting policies, the initial key areas of assessment will include:

- Exploration and development expenditures;
- Property, plant and equipment (measurement and valuation);
- Provisions, including asset retirement obligations;
- Stock-based compensation;
- Accounting for joint ventures;
- Accounting for income taxes; and
- First-time adoption of International Financial Reporting Standards (IFRS 1).

As the analysis of each of the key areas progresses, other elements of the Company's IFRS implementation plan will also be addressed, including: the implication of changes to accounting policies and processes; financial statement note disclosures on information technology; internal controls; contractual arrangements; and employee training. The table below summarizes the expected timing of activities related to the Company's transition to IFRS.

Initial analysis of key areas for which changes to accounting policies may be required.	Completed
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives.	In progress, expected to be complete during Q1 2010
Assessment of first-time adoption (IFRS 1) requirements and alternatives.	Q1 2010
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives	Q1 2010
Resolution of the accounting policy change implications on information technology, internal controls and contractual arrangements	Q1 2010
Management and employee education and training	Throughout the transition process
Quantification of the Financial Statement impact of changes in accounting policies	Throughout 2010

Financial Instruments and other Instruments

Fair Value of Financial Assets and Liabilities
The Company's financial instruments comprise cash, accounts receivable and accounts payable and accrued liabilities.

The Company has, designated its cash as held-for-trading, which are measured at fair value. Accounts receivable are classified for accounting purposes as loans and receivables, which are measured at amortized cost which equals fair value. Accounts payable and accrued liabilities are classified for accounting purposes as other financial liabilities, which are measured at amortized cost which also equals fair value. Fair values of accounts receivable, and accounts payable and accrued liabilities are determined from transaction values which were derived from observable market inputs. Fair values of these financial instruments are based on Level 2 measurements.

As at December 31, 2009, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent.

The Company has made the following classifications:

Cash	Held for trading
Accounts payable and accrued liabilities	Other liabilities

Financial Instrument Risk Exposures
It is management's opinion that the Company is not exposed to significant interest or credit risks arising from its financial instruments and that their fair values approximate their carrying value unless otherwise noted. Fluctuation in currency exchange rates, principally the Canadian/US dollar exchange rate can impact the Company's earnings and cash flows.

Accounting policies to be implemented effective January 1, 2011

In October 2008, the CICA issued three new accounting standards: Section 1582, *Business Combinations*, Section 1601, *Consolidated Financial Statements* and Section 1602, *Non-Controlling interests.*

Section 1582 replaces Section 1581 and establishes standards for the accounting of a business combination. It provides the Canadian equivalent to IFRS 3 – *Business Combinations.* The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

Sections 1601 and 1602 together replace section 1600, *Consolidated Financial Statements.* Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

Section 1602 establishes standards for accounting of a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27 - C*onsolidated and Separate Financial Statements* and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

Early adoption of these sections is permitted, but requires that all three sections be adopted at the same time. The Company does not anticipate that the adoption of these new sections will impact have a material impact to its financial results.

Risks and Uncertainties

Political Risk
All of the Company's properties are located in Canada and the United States of America. Accordingly, the Company is subject to risks normally associated with exploration for and development of mineral properties in these countries. The Company's mineral exploration activities could be affected in varying degrees by such political instability and government regulation relating to foreign investment and the mining business. Operations may also be affected in varying degrees by terrorism, military conflict or repression, crime, extreme fluctuations in currency rates and high inflation.

Business Risk
There are numerous business risks involved in the mineral exploration industry, some of which are outlined below. The Company may not always own 100% of the mineral concessions. Similarly, any non-compliance with or non-satisfaction of the terms of the Option by the Company could affect its ability to exercise the Option and earn its interest in the mining concessions and assets relating to properties.

Mining concessions may not include surface rights and there can be no assurance that the Company will be successful in negotiating long term surface rights access agreements in respect of the properties. Failure to obtain surface rights could have an adverse impact on the Company's future operations.

The Company current or future operations, including development activities, are subject to environmental regulations which may make operations not economically viable or prohibit them altogether.

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgement, as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company operations and financial performance.

Interest Rate Risk
The Company invests cash surplus to its operational needs in investment-grade short term deposits certificates issued by the bank where it keeps its Canadian bank accounts. The Company periodically assesses the quality of its investments with this bank and is satisfied with the credit rating of the bank and the investment grade of its short term deposits certificates.

Foreign Currency Risk
The Company's exploration and evaluation activities are substantially denominated in Canadian dollars. The Company's funds are predominantly kept in Canadian dollars, with a major Canadian financial institution.

Commodity Price Risk
The price of the common shares in the capital the Company, its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control, such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious and base metals or interests related thereto. The effect of these factors on the price of precious and base metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Environmental and Permitting

All aspects of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

Competition

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 the Company. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Internal Control over Financial Reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

DISCLOSURE OF OUTSTANDING SHARE DATA

SHARE CAPITAL

The following table sets forth information concerning the outstanding securities of the Company as at April 29, 2010:

Common Shares of no par value	Number
Shares	33,774,966
Warrants	11,895,577
Options	900,000

See note 7 to the audited December 31, 2009 financial statements for more detailed disclosure of outstanding shares data.

OTHER INFORMATION

This MD&A of the financial position and results of operations as at December 31, 2009, should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2009 and 2008. Additional information will be accessible at the Company's website www.crownmin.com or through the Company's public filings at www.sedar.com.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's financial statements are the responsibility of the Company's management, and have been approved by the Board. The consolidated financial statements were prepared by the Company's management in accordance with GAAP. The consolidated financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the consolidated financial statements are presented fairly in all material respects.

The Company has designed appropriate internal controls over financial reporting ("ICFR") for the nature and size of the Company's business, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with GAAP.

The Company's ICFR are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with applicable Canadian GAAP. ICFR should include those policies and procedures that establish the following inter-related, non-discrete results:

- maintenance of records in reasonable detail, that accurately and fairly reflect the transactions and dispositions of the Company's assets;
- reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with GAAP;

- receipts and expenditures are only being made in accordance with authorizations of management and the Board ; and
- reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

There have been no changes in ICFR during the year ended December 31, 2009 that have materially affected, or are reasonably likely to materially affect the Company's ICFR.

Stephen Dunn
President
April 29, 2010