

**Alert:** **Aggressive stock promotion exploits fears of coronavirus recession**

**Date Added:** **April 9, 2020**

The Financial and Consumer Affairs Authority (FCAA) is warning the public to exercise extreme caution about aggressive promotion of Crestview Exploration Inc., a B.C. gold mining company.

A mailing sent in early April from a “stock analyst and geologist” to residents of B.C., Alberta, Manitoba and Saskatchewan makes exaggerated claims about Crestview, predicting that its stock price “will soar as the recession hits.” The letter comes in an envelope, without a return address, that says in bold red letters, “CORONAVIRUS AFFECTING MARKETS: READ NOW.” “The short-term upside potential for investors buying shares of Crestview Exploration today is around 500% while long-term shareholders (12+ months) could see gains exceeding 2,400%,” the letter says.

Crestview, listed on the Canadian Securities Exchange and the Frankfurt Stock Exchange, issued a statement April 8 stating that it was not responsible for the promotion, and said the letter contained “unfounded forward-looking statements.” The company urged investors and potential investors to verify any statements, and the source of such statements, contained in buy recommendations.

**UPDATE MAY 25, 2020:** A very similar letter headlined, “A RECESSION IS AROUND THE CORNER,” was sent to Canadian households last week. The letter refers to the “irreparable financial damage” caused by the lockdown, and then goes on to make the same recommendation of Crestview.

The FCAA reminds investors to exercise caution when considering aggressive promotions as a basis for investment decisions, as these promotions may make false claims of large profits and baseless stock price projections. Most aggressive stock promotions in recent years have been done through unsolicited email or social media, but promotions delivered through the mail carry the same risks.

The FCAA encourages anyone who is considering buying or selling an investment to do research or talk to their registered investment advisor to ensure it is an appropriate decision.

For information on how to become a better informed investor visit <https://fcaa.gov.sk.ca/consumers-investors-pension-plan-members/investors>