*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws. Accordingly, these securities may not be offered or sold in the United States (as defined herein) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution".*

# PROSPECTUS

*Initial Public Offering* March 13, 2020

## EDGEMONT GOLD CORP.
## OFFERING: $350,000 (3,500,000 COMMON SHARES)

This prospectus (the "**Prospectus**") qualifies the distribution (the "**Offering**") of 3,500,000 common shares (the "**Offered Shares**") of Edgemont Gold Corp. (the "**Company**" or "**Edgemont**") at a price of $0.10 per Offered Share (the "**Offering Price**").

The Offering is being made pursuant to an agency agreement (the "**Agency Agreement**") dated March 13, 2020 between the Company and Mackie Research Capital Corporation (the "**Agent**") on a commercially reasonable efforts agency basis. The Offering Price was determined by negotiation between the Company and the Agent. See "*Plan of Distribution*".

**Price: $0.10 per Offered Share**

| | **Price to the Public (1)** | **Agent's Fee (2)** | **Net Proceeds (3)** |
|---|---|---|---|
| Per Offered Share | $0.10 | $0.01 per Offered Share | $0.09 per Offered Share |
| Total Offering (4)(5) | $350,000 | $35,000 | $315,000 |

Notes:

(1) The Offering Price has been determined by arm's length negotiation between the Company and the Agent, in accordance with the policies of the CSE.

(2) Pursuant to the terms and conditions of the Agency Agreement, the Agent will receive a cash fee (the "**Agent's Fee**") equal to 10% of the gross proceeds of the Offering. In addition, the Company will pay to the Agent on Closing, a corporate finance fee of $25,000 (plus tax) (the "**CF Fee**") of which $10,000 (plus tax) has been paid and is non-refundable. See below and "*Plan of Distribution*".

(3) Before deducting the remaining expenses of the Offering, estimated to be $35,000. The Company will pay all the expenses associated with the Offering other than the Agent's Fee, which will be paid by the Company based on the number of Offered Shares sold by the Agent pursuant to the Offering. The Company has paid the Agent a retainer of $10,000 to be applied against the Agent's expenses incurred in connection with the Offering. See "*Plan of Distribution*".

(4) The Company will grant at Closing (as defined herein) to the Agent warrants (the "**Broker Warrants**") exercisable to acquire that number of Common Shares as is equal to 10% of the aggregate number of Offered Shares issued pursuant to the Offering at the Offering Price for a period of 36 months following their date of issue. This Prospectus qualifies the grant of the Broker Warrants. See "*Plan of Distribution*".

(5) The Company has also granted to the Agent an option (the "**Agent's Option**") exercisable in whole or in part, up to two days prior to the closing of the Offering, to offer for sale to the public up to an additional 525,000 Common Shares (the "**Agent's Option Shares**") on the same terms as set forth above. This Prospectus qualifies the grant of the Agent's Option and the distribution of the Agent's Option Shares issuable on exercise of the Agent's Option. See "*Plan of Distribution*".

The following table sets out the maximum number of securities issuable to the Agent assuming the Agent's Option is exercised in full.

| Agent's Position | Size or Number of Securities Available | Exercise Period | Exercise Price |
|---|---|---|---|
| Agent's Option | Offering of up to 525,000 Agent's Option Shares for sale to the public | Any time up to 2 days prior to the Closing Date | $0.10 per Agent's Option Share |
| Broker Warrants | Broker Warrants to acquire up to 402,500 Common Shares | For a period of 36 months from their date of issue | $0.10 per Common Share |

Note:
(1) This Prospectus qualifies the distribution of the Broker Warrants, the grant of the Agent's Option and any Agent's Option Shares issued upon exercise of the Agent's Option. See "*Plan of Distribution*".

**Investing in the Offered Shares is speculative, involves significant risks, and should only be made by persons who can afford the total loss of their investment. Prospective investors should carefully review and evaluate certain risk factors contained in this Prospectus before purchasing the Offered Shares. See "*Statement Regarding Forward-Looking Information*" and "*Risk Factors*".**

**There is currently no market through which the Common Shares may be sold and purchasers may not be able to resell the Offered Shares purchased under this Prospectus. This may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares, and the extent of issuer regulation. See "*Risk Factors*".**

**The Canadian Securities Exchange (the "CSE") has conditionally accepted the listing of the Company's Common Shares, including the Offered Shares. Listing is subject to the Company's fulfilling all of the requirements of the CSE.**

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

Subscriptions for the Offered Shares will be received subject to rejection or allotment, in whole or in part, and the Agent reserves the right to close the subscription books at any time without notice. All subscription funds received by the Agent will be held in trust, pending the closing of the Offering (the "**Closing**"). It is expected that the Closing will take place on or about April 30, 2020 or such other date as the Company and the Agent may agree, but in any event, on or before a date that is not later than 90 days after the date of the receipt for the (final) prospectus (the date on which Closing occurs being the "**Closing Date**"), or if a receipt has been issued for an amendment to the final prospectus within 90 days of the issuance of such a receipt and in any event, not later than 180 days from the date of the receipt for the final prospectus.

It is anticipated that the Company will arrange for one or more instant deposits of the Offered Shares issued and sold hereunder with CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee through the non-certificated inventory system administered by CDS on the Closing Date, or will otherwise duly and validly deliver the Offered Shares as directed by the Agent on the Closing Date. Except in limited circumstances, no certificates will be issued to purchasers of the Offered Shares and a purchaser will receive only a customer confirmation from a registered dealer that is a CDS participant and from or through which the Offered Shares are purchased. See "*Plan of Distribution*".

Guido Cloetens, a director of the Company resides outside of Canada. Mr. Cloetens has appointed the following agent for service of process:

| **Name of Person** | **Name and Address of Agent** |
|---|---|
| Guido Cloetens | MLT Aikins LLP<br>2600 – 1066 West Hastings Street<br>Vancouver, British Columbia<br>V6E 3X1 |

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

The Company's head office is located at 3148 Highland Boulevard, North Vancouver, BC V7R 2X6 and its registered office is located at 2600 – 1066 West Hastings Street, Vancouver, BC V6E 3X1.

**AGENT:**

**Mackie Research Capital Corporation**
**1920 – 1075 West Georgia Street**
**Vancouver, BC V6E 3C9**
**Telephone: 604-662-1800**
**Fax: 778-373-4101**

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## GLOSSARY

In this Prospectus, the following capitalized terms have the following meanings, in addition to other terms defined elsewhere in this Prospectus.

"**Agency Agreement**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**Agent**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**Agent's Fee**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**Agent's Option**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**Agent's Option Shares**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**Annual MD&A**" means management's discussion and analysis of the Company for the period from the Company's incorporation on August 2, 2018 to the Company's financial year ended October 31, 2019, contained in this Prospectus.

"**Articles**" means the Articles of the Company under the BCBCA.

"**Audit Committee"** means the Audit Committee of the Board.

"**Author**" has the meaning ascribed to that term under "*Scientific and Technical Information*".

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended.

"**Board**" means the board of directors of the Company.

"**Broker Warrants**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**CDS**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**CF Fee**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**Closing**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**Closing Date**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**Code**" means the Code of Business Conduct and Ethics of the Company adopted by the Board on December 19, 2019.

"**Common Share**" means a common share in the capital of the Company, as currently constituted.

"**CSE**" means the Canadian Securities Exchange.

"**DPSP**" means a deferred profit sharing plan within the meaning of the Tax Act.

"**Dungate Option Agreement**" has the meaning ascribed to it under "*General Development and Business of the Company – General Development of the Company – Property Agreements – Dungate Project*".

"**Dungate Optionors**" means Thomas Setterfield and Lefebure Geologic Ltd., the optionors pursuant to the Dungate Option Agreement.

“**Dungate Project**” has the meaning ascribed to it under “*Scientific and Technical Information*”.

“**Dungate Technical Report**” has the meaning ascribed to such term under “*Scientific and Technical Information*”.

“**Edgemont**” or the “**Company**” means Edgemont Gold Corp., a company formed under the laws of British Columbia.

“**IFRS**” means the International Financial Reporting Standards as issued by the International Accounting Standards Board and the interpretations thereof by the International Financial Reporting Interpretations Committee and the former Standing Interpretations Committee.

“**MD&A**” means management’s discussion and analysis of the Company for the period from the Company’s incorporation on August 2, 2018 to the Company’s financial year ended October 31, 2019, contained in this Prospectus.

**“Mike Option Agreement**” has the meaning ascribed to it under “*General Development and Business of the Company – General Development of the Company – Property Agreements – Dungate Project*”.

“**NEO**” means “named executive officer”, as such term is defined in NI 51-102.

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

“**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*.

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees*.

“**NP 46-201**” means National Policy 46-201 - *Escrow for Initial Public Offerings.*

“**NSR**” means net smelter returns.

“**Offered Share**” has the meaning ascribed to such term on the cover page of this Prospectus.

“**Offering**” has the meaning ascribed to such term on the cover page of this Prospectus.

“**Offering Price**” has the meaning ascribed to such term on the cover page of this Prospectus.

“**Option**” means an option of the Company to purchase a Common Share issued pursuant to the Stock Option Plan.

“**Order**” has the meaning ascribed to such term under “*Directors and Executive Officers – Cease Trade Orders, Bankruptcies, Penalties or Sanctions*”.

“**Qualifying Jurisdictions**” means the securities regulatory authorities in the provinces of British Columbia and Alberta.

“**RDSP**” means a registered disability savings plan within the meaning of the Tax Act.

“**Registered Plan**” means a TFSA, RRSP, RRIF, RESP or DPSP.

“**Regulations**” means the regulations under the Tax Act.

“**RESP**” means a registered education savings plan within the meaning of the Tax Act.

“**RRSP**” means a registered retirement savings plan within the meaning of the Tax Act.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval.

“**Stock Option Plan**” means the stock option plan of the Company adopted by the Board on December 9, 2019, as amended from time to time.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended from time to time.

“**TFSA**” means a tax free savings account within the meaning of the Tax Act.

“**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

“**US dollars**” or “**US$**” means the currency of the United States.

“**U.S. Securities Act**” has the meaning ascribed to such term on the cover page of this Prospectus.

## ABOUT THIS PROSPECTUS

An investor should rely only on the information contained in this Prospectus and is not entitled to rely on parts of the information contained in this Prospectus to the exclusion of others. The Company has not, and the Agent has not, authorized anyone to provide investors with additional, different or inconsistent information. If anyone provides investors with additional, different or inconsistent information, including information or statements in media articles about the Company, investors should not rely on it.

The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus or any sale of the Offered Shares. The Company's business, financial condition, operating results and prospects may have changed since the date of this Prospectus.

The Company and the Agent are not offering to sell the Offered Shares in any jurisdiction where the offer or sale of such securities is not permitted. For investors outside the Qualifying Jurisdictions, neither the Company nor the Agent have done anything that would permit the Offering or possession or distribution of this Prospectus in any jurisdiction where action for that purpose is required, other than in the Qualifying Jurisdictions. Investors are required to inform themselves about, and to observe any restrictions relating to, the Offering and the possession or distribution of this Prospectus.

Any graphs, tables or other information demonstrating the historical performance or current or historical attributes of the Company or any other entity contained in this Prospectus are intended only to illustrate historical performance or current or historical attributes of the Company or such entities and are not necessarily indicative of future performance of the Company or such entities.

This Prospectus includes summary descriptions of certain material agreements of the Company (see "*Material Contracts*"). The summary descriptions disclose provisions that the Company considers to be material, but are not complete and are qualified by reference to the terms of the material agreements, which will be filed with the Canadian securities regulatory authorities and will be available under the Company's profile on SEDAR at www.sedar.com. Investors are encouraged to read the full text of such material agreements.

## MEANING OF CERTAIN REFERENCES

Unless otherwise noted or the context otherwise indicates, "Edgemont" or the "Company" refers to Edgemont Gold Corp. as constituted on the date of this Prospectus. Where the context requires, all references in this Prospectus to "Offered Shares" include the additional shares that may be issued pursuant to the exercise of the Agent's Option. Unless otherwise indicated, all information in this Prospectus assumes that none of the Broker Warrants have been exercised.

## STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains "forward-looking information" within the meaning of applicable Canadian securities laws. Forward-looking information includes statements that use forward-looking terminology such as "may", "could", "would", "will", "should", "intend", "target", "plan", "expect", "budget", "estimate", "forecast", "schedule", "anticipate", "believe", "continue", "potential", "view" or the negative or grammatical variation thereof or other variations thereof or comparable terminology. Such forward-looking information includes, without limitation, statements with respect to the Company's expectations, strategies and plans for the Dungate Project (as defined herein), including the Company's planned exploration; the results of future exploration, estimated completion dates for certain milestones and the Company's plans with respect to the Dungate Project; the costs and timing of future exploration and development; expectations regarding consumption, demand and future price of gold; future financial or operating performance and condition of the Company and its business, operations and properties, including expectations regarding liquidity, capital structure, competitive position and payment of dividends; the Offering and the terms and anticipated timing thereof, including the anticipated Offering Price and gross proceeds; the intended use of the net proceeds of the Offering; the adequacy of funds from the Offering to support the Company's business objectives, including with respect to its exploration, development and production activities; the possibility of entering judgments outside of Canada; the Offered Shares, or the components of the Offered Shares, being "qualified investments" under the Tax Act and the Regulations; plans regarding the Company's compensation policy and practices; plans regarding the future composition of the Board; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Prospectus including, without limitation, assumptions about: favourable equity and debt capital markets; the ability to raise any necessary additional capital on reasonable terms to advance the exploration and development of the Company's properties and assets; future prices of gold and other metal prices; the timing and results of exploration and development programs; the geology of the Dungate Project being as described in the Dungate Technical Report; production costs; the accuracy of budgeted exploration and development costs and expenditures; the price of other commodities such as fuel; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; political and regulatory stability; the receipt of governmental, regulatory and third party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals; requirements under applicable laws; sustained labour stability; stability in financial and capital goods markets; availability of equipment; positive relations with indigenous and local groups and the Company's ability to meet its obligations under its agreements with such groups; the Company's ability to acquire and retain key personnel; and the Company's plans regarding social and environmental policies and practices. While the Company considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking information. Many assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking information. Such risks include, without limitation:

- gold prices are volatile and may be lower than expected;
- mining operations are risky;
- resource exploration and development is a speculative business;
- the successful operation of exploration activities at the Dungate Project depend on the skills of the Company's management and teams;
- operations during mining cycle peaks are more expensive;
- title to the Dungate Project may be disputed;
- the Company's interests in the Dungate Project are held pursuant to option agreements;
- indigenous title claims may impact the Company's interest in the Dungate Project;
- the Company may fail to comply with the law or may fail to obtain or renew necessary permits and licenses;
- compliance with environmental regulations can be costly;
- social and environmental activism can negatively impact exploration, development and mining activities;
- the mining industry is intensely competitive;
- inadequate infrastructure may constrain mining operations;

- the Company may incur losses and experience negative operating cash flow for the foreseeable future;
- the Company's insurance coverage may be inadequate to cover potential losses;
- the directors and officers may have conflicts of interest with the Company;
- future acquisitions may require significant expenditures and may result in inadequate returns;
- the Company may be subject to costly legal proceedings;
- the Company will incur increased costs as a result of complying with the reporting requirements, rules and regulations affecting public issuers;
- the Dungate Project is located in an underdeveloped rural area;
- the Company may not use the proceeds from the Offering as described in this Prospectus;
- the Company may not be able to obtain sufficient capital to pursue all of its intended exploration activities or continue on a going concern basis;
- the Company may be negatively impacted by changes to mining laws and regulations;
- the Company may expand into other geographic areas, which could increase the Company's operational, regulatory and other risks;
- investors may lose their entire investment;
- there is no existing public market for the Common Shares;
- dilution from equity financing could negatively impact holders of Common Shares;
- a purchaser of the Offered Shares under the Offering will purchase such Offered Shares at a premium to the current book value per Offered Share;
- stock exchange listing is not certain;
- equity securities are subject to trading and volatility risks;
- sales by existing shareholders can reduce share prices;
- the Company is not likely to pay dividends for an extended period of time;
- public companies are subject to securities class action litigation risk; and
- global financial conditions can reduce the price of the Common Shares.

Although the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking information, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended. See "*Risk Factors*" for a discussion of certain factors investors should carefully consider before deciding to invest in the Offered Shares.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking information contained herein. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information.

Forward-looking information contained herein is made as of the date of this Prospectus and the Company disclaims any obligation to update or revise any forward-looking information, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

## SCIENTIFIC AND TECHNICAL INFORMATION

Except as otherwise disclosed, scientific and technical information relating to the two mineral claims near Houston, British Columbia (the "**Dungate Project**") contained in this Prospectus is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in, the technical report entitled "NI 43-101 Technical Report on the Dungate Project, Omenica Mining Division, British Columbia" with an effective date of November 12, 2019, (the "**Dungate Technical Report**"). B.L. Laird P.Geo (the "**Author**"), reviewed and approved the scientific and technical information relating to the Dungate Project contained in this Prospectus and is a “qualified person” and “independent” of the Company within the meanings of NI 43-101. Reference should be made to the full text of the Dungate Technical Report, which is available for review under the Company’s profile on SEDAR at www.sedar.com.

## MARKETING MATERIALS

Any “template version” of any “marketing materials” (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements*) that are utilized by the Agent in connection with the Offering will be incorporated by reference into the (final) prospectus to which this Prospectus relates. However, any such “template version” of “marketing materials” will not form part of the (final) prospectus to the extent that the contents of the “template version” of “marketing materials” are modified or superseded by a statement contained in the (final) prospectus. Any “template version” of “marketing materials” filed under the Company’s profile on SEDAR after the date of the (final) prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any “template version” of any “marketing materials”) will be deemed to be incorporated into the (final) prospectus.

## NON-IFRS MEASURES

Financial results of the Company are prepared in accordance with IFRS. The Company utilizes certain non-IFRS measures such as working capital. The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

### Working Capital

Working capital is determined based on current assets and current liabilities as reported in the Company’s financial statements. The Company uses working capital as a measure of the Company’s short-term financial health and operating efficiency. The following table provides a calculation of working capital based on amounts presented in the Company’s annual audited financial statements as at October 31, 2019.

| | **October 31, 2019** |
|---|---|
| Current Assets | $148,079 |
| Less: Current Liabilities | $54,356 |
| Working Capital | $93,723 |

## ELIGIBILITY FOR INVESTMENT

In the opinion of MLT Aikins LLP, legal counsel to the Company, based on the current provisions of the Tax Act and the Regulations, the Common Shares, if issued on the date hereof, would be qualified investments for trusts governed by a Registered Plan or a DPSP, provided that, such shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which currently includes the CSE) or the Company qualifies as a “public corporation” (as defined in the Tax Act).

The Common Shares are not currently listed on a "designated stock exchange" and the Company is not currently a "public corporation", as that term is defined in the Tax Act. The Company intends to apply to list the Common Shares on the CSE as of the day before the Closing of the Offering, followed by an immediate halt in trading of the Common Shares in order to allow the Company to satisfy the conditions of the CSE and to have the Common Shares listed and posted for trading prior to the issuance of the Common Shares on the Closing of the Offering. The Company must rely on the CSE to list the Common Shares on the CSE and have them posted for trading prior to the issuance of the Common Shares on the Closing of the Offering and to otherwise proceed in such manner as may be required to result in the Common Shares being listed on the CSE at the time of their issuance on Closing. If the Common Shares are not listed on the CSE at the time of their issuance on the Closing of the Offering and the Company is not a "public corporation" at that time, the Common Shares will not be qualified investments for the Registered Plans at that time.

Notwithstanding the foregoing, the holder of, subscriber or annuitant under, a Registered Plan (the "**Controlling Individual**") will be subject to a penalty tax in respect of the Common Shares acquired by the Registered Plan if such securities are a prohibited investment for the particular Registered Plan. A Common Share generally will be a "prohibited investment" for a Registered Plan if the Controlling Individual does not deal at arm's length with the Company for the purposes of the Tax Act or the Controlling Individual has a "significant interest" (as defined in subsection 207.01(4) the Tax Act) in the Company. In addition, the Common Shares will not be a prohibited investment if such securities are "excluded property" (as defined in the Tax Act for purposes of the prohibited investment rules) for a Registered Plan.

**Prospective purchasers who intend to invest through a Registered Plan should consult their own tax advisors with respect to whether the Common Shares would be a prohibited investment having regard to their particular circumstances.**

## PRESENTATION OF FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES

The Company presents its financial statements in Canadian dollars. The financial statements of the Company as at October 31, 2019 and for the year then ended have been prepared in accordance with IFRS. Certain financial information set out in this Prospectus is derived from such financial statements. The financial statements are attached as Appendix "B" to this Prospectus.

## PROSPECTUS SUMMARY

***The following is a summary of the principal features of the Offering and is qualified in its entirety by, and should be read together with, the more detailed information, financial data and statements and MD&A contained elsewhere in this Prospectus. This summary does not contain all of the information a potential investor should consider before investing in the Offered Shares. Please refer to the "Glossary" for a list of defined terms used herein.***

## EDGEMONT GOLD CORP.

Edgemont Gold Corp. was incorporated under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") on August 2, 2018 under the name Edgemont Resource Corp. The Company's name was changed to Edgemont Gold Corp. on January 30, 2020. On December 19, 2019, the Company amended its articles. The Company has no subsidiaries.

The Company is focused entirely on gold exploration in British Columbia. Since incorporation, the Company has entered into the Dungate Option Agreement and the Mike Option Agreement, both in respect of the Dungate Project. The Company has also undertaken exploration activities at the Dungate Project.

The Dungate Project is the mineral project material to Edgemont for the purposes of NI 43-101.

See "*Corporate Structure*" and "*General Development and Business of the Company*".

## THE OFFERING

| | |
|---|---|
| **Issuer:** | Edgemont Gold Corp. |
| **Offering:** | 3,500,000 Offered Shares (not including the Agent's Option). |
| **Offering Price:** | $0.10 per Offered Share. |
| **Agent's Fee:** | Pursuant to the terms and conditions of the Agency Agreement, the Company has agreed to pay to the Agent the Agent's Fee equal to 10% of the gross proceeds of those Offered Shares sold pursuant to the Offering. In addition, on Closing, the Agent will be paid the CF Fee of $25,000 (plus tax), of which $10,000 (plus tax) has been paid. |
| **Broker Warrants:** | The Company has granted to the Agent the Broker Warrants exercisable to acquire that number of Common Shares equal to 10% of the aggregate number of Offered Shares issued pursuant to the Offering at the Offering Price for a period of 36 months from the Closing Date. See "Plan of Distribution". |
| **Agent's Option** | The Company has granted to the Agent the Agent's Option, exercisable, in whole or in part, at any time up to two days prior to the closing of the Offering to offer for sale to the public up to an additional 525,000 Agent's Option Shares. This Prospectus qualifies the grant of the Agent's Option and the distribution of the Agent's Option Shares issuable upon exercise of the Agent's Option. See "*Plan of Distribution*". |

**Use of Proceeds:** Assuming the Agent's Option is not exercised, the net proceeds to the Company from the Offering will be $280,000, after deducting the Agent's Fee of $35,000 and estimated remaining expenses of the Offering of $35,000. As of February 29, 2020, the Company had working capital of $43,710. When combined with the net proceeds of the Offering, the Company anticipates having $323,710 in available funds.

The Company intends to use the available funds (i) to fund exploration and development activities on the Dungate Project, (ii) to complete Phase I of the work program recommended pursuant to the Dungate Technical Report (see "*Dungate Project – Recommendations*"), and (iii) for general and administrative purposes, option payments and working capital requirements, as indicated in the following table:

| **Principal Purposes** | **Available funds** |
|---|---|
| Completing Phase I of the work program recommended pursuant to the Dungate Technical Report | $148,830 |
| General and administrative costs | $60,000 |
| Option payments for the next 12 month period | $25,000 |
| Unallocated working Capital | $89,880 |
| **Total** | $323,710 |

While the Company intends to spend the net proceeds from the Offering as stated above, there may be circumstances where, for sound business reasons, funds may be re-allocated at the discretion of the Board or management. See "*Use of Proceeds*".

Proceeds raised pursuant to the exercise of the Agent's Option, if any, are intended to be allocated to general and administrative purposes and working capital requirements.

**Risk Factors**

Edgemont is a mining company and as such is subject to a number of significant risks due to the nature of its business. See "*Risk Factors*" for a discussion of certain factors investors should carefully consider before deciding to invest in the Offered Shares.

Risks related to the Company include, without limitation:

- gold prices are volatile and may be lower than expected;
- mining operations are risky;
- resource exploration and development is a speculative business;
- the successful operation of exploration activities at the Dungate Project depend on the skills of the Company's management and teams;
- operations during mining cycle peaks are more expensive;
- title to the Dungate Project may be disputed;
- the Company's interests in the Dungate Project are held pursuant to option agreements;
- indigenous title claims may impact the Company's interest in the Dungate Project;
- the Company may fail to comply with the law or may fail to obtain or renew necessary permits and licenses;
- compliance with environmental regulations can be costly;
- social and environmental activism can negatively impact exploration, development and mining activities;
- the mining industry is intensely competitive;
- inadequate infrastructure may constrain mining operations;
- the Company may incur losses and experience negative operating cash flow for the foreseeable future;
- the Company's insurance coverage may be inadequate to cover potential losses;
- it may be difficult to enforce judgments and effect service of process on directors and officers;
- the directors and officers may have conflicts of interest with the Company;
- future acquisitions may require significant expenditures and may result in inadequate returns;
- the Company may be subject to costly legal proceedings;
- the Company will incur increased costs as a result of complying with the reporting requirements, rules and regulations affecting public issuers;
- the Dungate Project is located in an underdeveloped rural area;
- product alternatives may reduce demand for the Company's products;
- the Company may not use the proceeds from the Offering as described in this Prospectus;
- the Company may not be able to obtain sufficient capital to pursue all of its intended exploration activities or continue on a going concern basis;
- the Company may be negatively impacted by changes to mining laws and regulations;
- the Company relies on international advisors and consultants;
- disruptions in international and domestic capital markets may lead to reduced liquidity and credit availability for the Company;
- the Company may expand into other geographic areas, which could increase the Company's operational, regulatory and other risks;
- investors may lose their entire investment;
- there is no existing public market for the Common Shares;
- dilution from equity financing could negatively impact holders of Common Shares;
- a purchaser of the Offered Shares under the Offering will purchase such Offered Shares at a premium to the current book value per Offered Share;
- the stock exchange on which the Company proposes to be listed may delist the

Company’s securities from its exchange, which could limit investors’ ability to make transactions in the Company’s securities and subject the Company to additional trading restrictions;

- equity securities are subject to trading and volatility risks;
- sales by existing shareholders can reduce share prices;
- the Company is not likely to pay dividends for an extended period of time;
- public companies are subject to securities class action litigation risk;
- if securities or industry analysts do not publish research or publish inaccurate or unfavourable research about the Company’s business, the price and trading volume of the Common Shares could decline; and
- global financial conditions can reduce the price of the Common Shares.

## SUMMARY OF SELECTED HISTORICAL FINANCIAL INFORMATION

The following table sets out certain selected historical financial information of the Company for the periods and as at the dates indicated. This information has been derived from the audited financial statements and related notes thereto included in this Prospectus. The Company prepares its financial statements in accordance with IFRS. Investors should read the following information in conjunction with those financial statements and related notes thereto, along with the Annual MD&A. See "*Selected Historical Financial Information*".

| . | **As at and for the year ended October 31, 2019 (audited)** |
|---|---|
| Current assets | $148,079 |
| Working capital (1) | $93,723 |
| Exploration and evaluation assets | $97,069 |
| Current liabilities | $54,356 |
| Shareholder's equity | $190,793 |
| Net income (loss) | $7,792 |
| Basic net income (loss) per share | $0 |
| Diluted net income (loss) per share | $0 |

Note:
(1) Working capital is the measure of current assets less current liabilities. See "*Non-IFRS Measures*".

## CORPORATE STRUCTURE

The Company was incorporated under the BCBCA on August 2, 2018 under the name Edgemont Resource Corp. The Company changed its name to Edgemont Gold Corp. on January 30, 2020. The Company's head office is located at 3148 Highland Boulevard, North Vancouver, British Columbia V7R 2X6 and its registered office is located at Suite 2600 – 1066 West Hastings Street, Vancouver, British Columbia, V6E 3X1. On December 19, 2019, the Company amended its articles to add advance notice provisions and make certain administrative changes. The Company has no subsidiaries.

## GENERAL DEVELOPMENT AND BUSINESS OF THE COMPANY

### General Development of the Company

***History***

Edgemont was incorporated in the Province of British Columbia on August 2, 2018.

Since its inception, Edgemont has completed private placement financings, raising a total of $244,500 through the sale of shares. The funds raised have been used to complete the Company's business to date and to cover the costs associated with the Offering.

On December 19, 2018, Edgemont entered into the Dungate Option Agreement with the Dungate Optionors. The Dungate Optionors are arm's length parties to the Company. See "*General Development of the Company – Property Agreements*".

On September 24, 2019, Edgemont entered into the Mike Option Agreement with Blusson. Blusson is an arm's length party to the Company. See "*General Development of the Company – Property Agreements*".

During its year ended October 31, 2019, Edgemont incurred $89,569 in exploration expenditures on the Dungate Project.

***Property Agreements***

*Dungate Option Agreement*

On December 19, 2018, Edgemont entered into the Dungate Option Agreement with the Dungate Optionors. The Dungate Optionors are arm's length parties to the Company. Pursuant to the Dungate Option Agreement, the Dungate Optionors granted the Company exclusive right and option to earn and acquire a 100% interest in British Columbia mineral tenure number 1057771 located near Houston, British Columbia, which mineral tenure comprises part of the Dungate Project. In order to exercise its option, the Company must issue an aggregate of 450,000 Common Shares, pay $75,000 in cash and incur $175,000 in exploration expenditures in accordance with the following schedule:

| Completion Date | Cash [(1)] | Common Shares [(1)] | Expenditures |
|---|---|---|---|
| Date of execution of agreement | $5,000 (paid) | -- | $5,000 (completed) by December 31, 2018 |
| Completion of Offering and listing on the CSE | -- | 30,000 (issued) | $70,000 (completed) |

| Completion Date | Cash [(1)] | Common Shares [(1)] | Expenditures |
|---|---|---|---|
| On or before one-year anniversary of date of agreement | $10,000 (paid) | 60,000 (issued) | - |
| On or before two-year anniversary of date of agreement | $20,000 | 120,000 | - |
| On or before three-year anniversary of date of agreement | $40,000 | 240,000 | $100,000 |
| **Total** | **$75,000** | **450,000** | **$175,000** |

(1) All cash payment amounts and Common Share issuances will be split between the Dungate Optionors equally.

Other than the initial cash payment and initial exploration expenditures, both of which have been completed, all further cash payments, Common Share issuances and exploration expenditure requirements under the Dungate Option Agreement are at the sole option of the Company.

Upon exercise of the option, the Company will acquire a 100% interest in the mineral tenure, subject to:

- a 2% NSR royalty, of which Edgemont may repurchase an aggregate 1% NSR royalty at any time prior to commencement of commercial production, for a cash payment of $1,000,000; and

- a pre-production royalty payment of $20,000 per year beginning on the four-year anniversary of the date of the Dungate Option Agreement until commencement of commercial production, provided that the Company may satisfy the obligation in a given year to make a payment by incurring $200,000 in exploration expenditures.

*Mike Option Agreement*

On September 24, 2019, Edgemont entered into the Mike Option Agreement with Blusson. Blusson is an arm's length party to the Company. Pursuant to the Mike Option Agreement, Blusson granted the Company exclusive right and option to earn and acquire a 100% interest in British Columbia mineral tenure number 1032543 located near Houston, British Columbia, which mineral tenure comprises part of the Dungate Project. In order to exercise its option, the Company must issue an aggregate of 225,000 Common Shares and pay $37,500 in cash in accordance with the following schedule:

| Completion Date | Cash | Common Shares |
|---|---|---|
| Date of execution of agreement | $2,500 (paid) | -- |
| Completion of Offering and listing on the CSE | -- | 15,000 |
| On or before one-year anniversary of date of agreement | $5,000 | 30,000 |

| Completion Date | Cash | Common Shares |
|---|---|---|
| On or before two-year anniversary of date of agreement | $10,000 | 60,000 |
| On or before three-year anniversary of date of agreement | $20,000 | 120,000 |
| **Total** | **$37,500** | **225,000** |

Other than the initial cash payment, which has been completed, all further cash payments and Common Shares issuances under the Mike Option Agreement are at the sole option of the Company.

Upon exercise of the option, the Company will acquire a 100% interest in the mineral tenure, subject to a 2% NSR royalty, of which Edgemont may repurchase an aggregate 1% NSR royalty at any time prior to commencement of commercial production, for a cash payment of $1,000,000.

**Business of the Company**

***Principal Operations***

The principal business of Edgemont is the exploration and development of mineral properties in British Columbia.

The Company has an interest in two mineral claims in British Columbia, which claims comprise the Dungate Project. The Dungate Project is the mineral project material to Edgemont for the purposes of NI 43-101.

***Competitive Conditions***

The Company's primary business is the exploration and development of mineral properties, with a primary focus on gold exploration in British Columbia. Edgemont has made every effort to create a competitive advantage through its selection of management and technical team. In particular, the Company's in-country CEO and technical team provide local geological expertise and a deep understanding of the social, environmental and logistical needs of working in British Columbia.

The exploration industry is competitive, and the Company competes with many exploration and mining companies possessing similar or greater financial and technical resources for the acquisition of mineral claims and other mineral interests. The Company also competes with other exploration and mining companies and other third parties for equipment and supplies in connection with its exploration activities, as well as for skilled and experienced personnel. See "*Risk Factors – Risks Related to the Company - The mining industry is intensely competitive*".

***Specialized Skills and Knowledge***

The nature of the Company's business requires specialized skills, knowledge and technical expertise in the areas of geology, environmental compliance, and mineral resource estimation and economic assessment. In addition to the specialized skills listed above, the Company also relies on staff members, contractors and consultants with specialized knowledge of logistics and operations in British Columbia and local community relations. In order to attract and retain personnel with the specialized skills and knowledge required for the Company's operations, the Company maintains competitive remuneration and compensation packages. To date, the Company has been able to meet its staffing requirements.

***Social and Environmental Policies***

The Company places great emphasis on providing a safe and secure working environment for all of its contractors and consultants, and recognizes the importance of operating in a sustainable manner. The Company has adopted the Code, that sets out the standards which guide the conduct of its business and the behavior of its directors, officers, employees and consultants. The Code, among other things, sets out standards in areas relating to the Company's commitment to health and safety in its business operations and the identification, elimination or control of workplace hazards; promotion and provision of a work environment in which individuals are treated with respect, provided with equal opportunity and is free of all forms of discrimination and abusive and harassing conduct; and ethical business conduct and legal compliance.

## MATERIAL PROPERTY

## DUNGATE PROJECT

Except as otherwise disclosed, scientific and technical information relating to the Dungate Project contained in this Prospectus is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in the Dungate Technical Report entitled "NI 43-101 Technical Report On The Dungate Project, Omenica Mining Division, British Columbia" by the Author with an effective date of November 12, 2019 and an issue date of February 7, 2020. Such assumptions, qualifications and procedures are not fully described in this Prospectus and the following summary does not purport to be a complete summary of the Dungate Technical Report. Reference should be made to the full text of the Dungate Technical Report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

### Property Description and Location

The Dungate Project is located 6 km southeast of the town of Houston in the Omenica Mining Division (*Figure 1*). The property consists of two mineral claims covering 546.4 hectares and is centered at approximately 658500E/6027700N (UTM Co-ordinates) or 54º22'11"N/126º33'54"W (latitude/longitude), in National Topographic System (NTS) 1:50,000 map sheet 093L/07.

Edgemont Gold Corp (Edgemont) has option agreements to earn 100% interest in two separately owned mineral claims. Tenure number 1032543 is owned by Ross Blusson (Blusson) and tenure number 1057771 is owned 50% by David Lefebure (Lefebure) and 50% by Tom Setterfield (Setterfield). Edgemont may exercise its option with Blusson by making aggregate cash payments of $37,500 and the issuance of 250,000 common shares over a three year term to earn a 100% interest, subject to a 2% Net Smelter Return royalty, of which 1% Net Smelter Return royalty may be repurchased by Edgemont for $1,000,000. Edgemont may exercise its agreement with Lefebure and Setterfield by making aggregate cash payments of $75,000, the issuance of 450,000 common shares and incurring expenditures on the property $175,000 over a three year term to earn a 100% interest, subject to a 2% Net Smelter Return royalty, of which 1% Net Smelter Return royalty may be repurchased by Edgemont for $1,000,000. Tenure number 1057771 was optioned to Edgemont Gold Corp. in December, 2018, and tenure 1032543 was optioned in September 2019. The claim details are listed in Table 1.

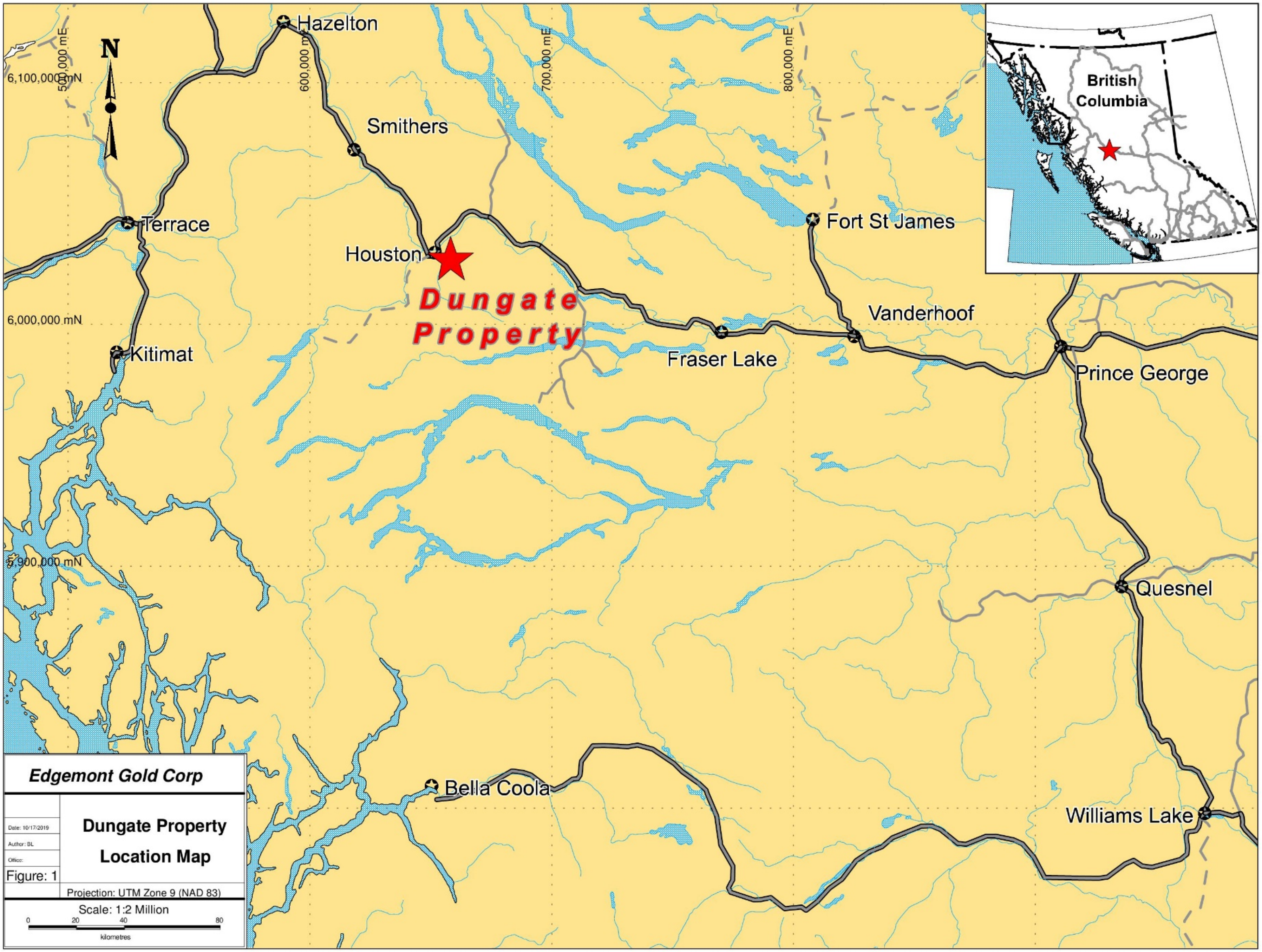

N
Hazelton
Smithers
Terrace
Houston
Dungate Property
Kitimat
Fort St James
Vanderhoof
Fraser Lake
Prince George
Quesnel
Bella Coola
Williams Lake
6,100,000 mN
6,000,000 mN
5,900,000 mN
500,000 mE
600,000 mE
700,000 mE
800,000 mE
British Columbia
Edgemont Gold Corp
Dungate Property
Location Map
Date: 10/17/2019
Author: BL
Office:
Figure: 1
Projection: UTM Zone 9 (NAD 83)
Scale: 1:2 Million
0
20
40
80
kilometres

*Table 1: Dungate Tenures*

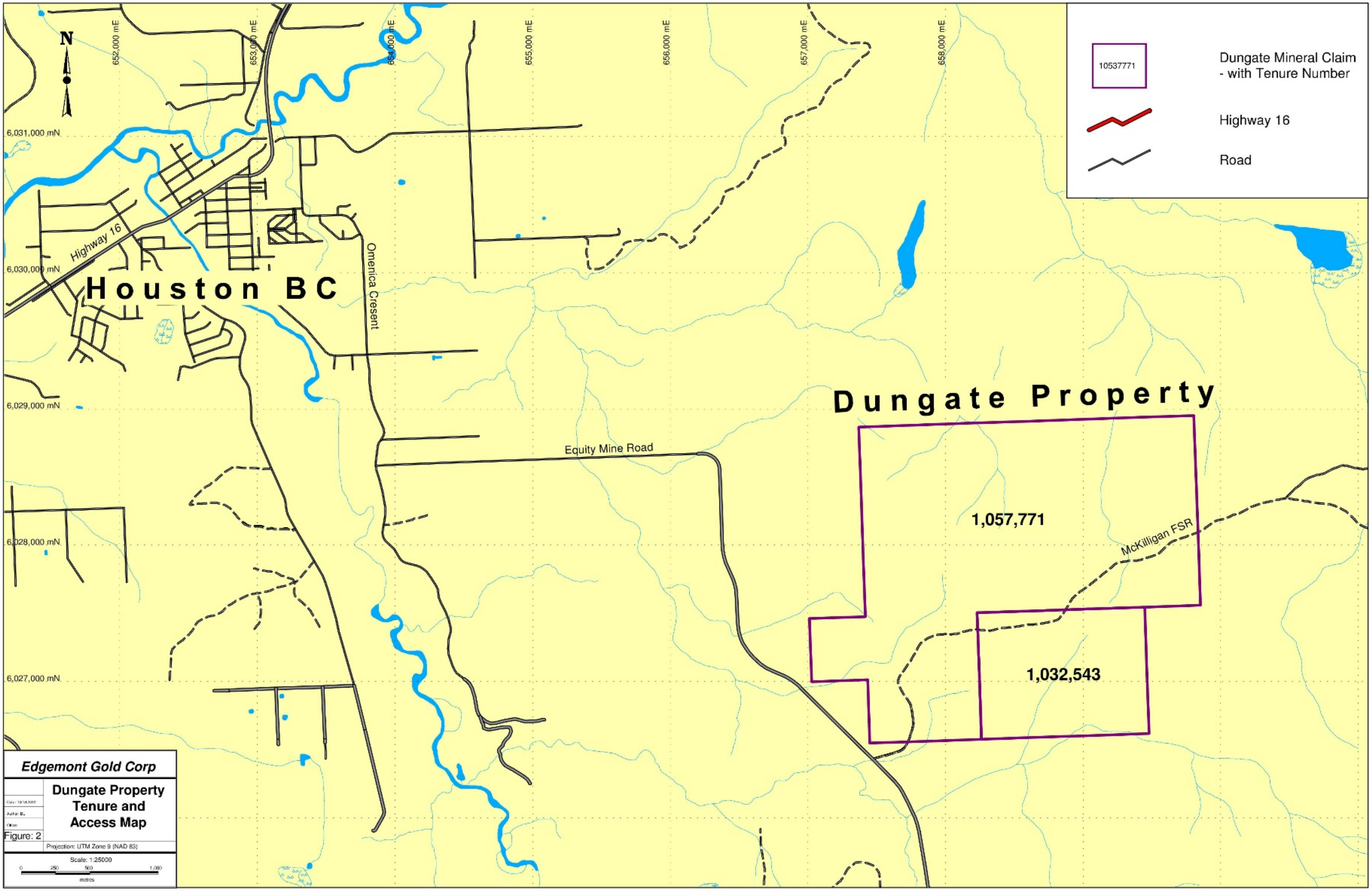
| Tenure # | OWNER | Good To Date | Area (ha) |
|---|---|---|---|
| 1032543 | BLUSSON, RONALD ROSS | OCT/22/2023 | 113.05 |
| 1057771* | LEFEBURE, DAVID VICTOR | JAN/18/2030 | 433.28 |

* The claim is owned 50% by Lefebure GeoLogic Ltd. and 50% by Tom Setterfield as per a Declaration of Trust dated December 3, 2018.

First Nations land claims are still unresolved in this area although no settlements, current or historic, or archaeologically significant sites, are documented on the claims. There are no known environmental issues concerning the claims which are located predominantly on provincially administered Crown Land. In British Colombia Notices of Work authorizations (Exploration Permits) are required when surface disturbance is a consequence of the exploration activity. A valid exploration permit, MX-1-133 (expiring March 31, 2020) exists for an IP survey on tenure 1057771. The Company has applied for and received a two year extension to this permit.

**Accessibility, Climate, Local Resources, Infrastructure and Physiography**

The Dungate Project is easily accessed from Houston by the Buck Flats road, then the Equity Mine Road and finally the McKilligan Forest Service Road which crosses the centre of the mineral claim (Figure 2). There is a powerline that services the now closed Equity mine site that passes near the southwest corner of the property.



Dungate Mineral Claim
- with Tenure Number
10537771
Highway 16
Road
N
652,000 mE
653,000 mE
654,000 mE
655,000 mE
656,000 mE
657,000 mE
658,000 mE
6,031,000 mN
6,030,000 mN
6,029,000 mN
6,028,000 mN
6,027,000 mN
Highway 16
Houston BC
Omenica Cresent
Dungate Property
Equity Mine Road
1,057,771
McKilligan FSR
1,032,543
Edgemont Gold Corp
Dungate Property Tenure and Access Map
Figure: 2
Projection: UTM Zone 9 (NAD 83)
Scale: 1:25000
0
250
500
1,000
metres

The property is situated on a bench at an elevation of about 900 metres. The overburden varies from less than 1 m to more than 21 m in historical drill holes (Blanchflower, 1974). The Dungate Project area features relatively gentle topography typical of the northwestern part of the Nechako Plateau. Prominent bluffs, underlain by Tertiary volcanic rocks, occur to the east and south of the property. There is also an elongate knoll near the northwest corner of the property.

On the claims, the bedrock is almost completely covered by glacial till and outwash sand (Church, 1973). Church interprets the topographic bench which underlies most of the property to be part of an exhumed erosion surface which is roughly coincident in elevation with the base of the adjacent Tertiary pile. He notes that "easterly moving glaciers were probably responsible for stripping away much of the Tertiary cover rocks. The mean glacial striae direction in the area is 083 degrees".

The area is covered by a mixture of smaller spruce, pine, and balsam trees with more open areas that are used at times for grazing cattle. The area has been logged in the past.

A weather station at the now closed Equity Silver Mine, 26 kilometres south, has recorded (1980 to 2010) daily average summer temperatures of 11.6oC, winter averages of -11.8oC. Annual rainfall averages 347mm with annual snow falls of 314cm (Environment and Natural Resources Canada). Work could proceed all year round however snow removal and road maintenance may be required through winter and spring breakup.

The town of Houston provides accommodation for field work and basic supplies. Larger centres of Smithers (65km west via Highway 16) and Prince George (310km east via Highway 16) offer daily flights and more comprehensive supply services.

**History**

The property area, or parts of it, has been held by a number of companies and at least three individuals over the last fifty plus years. The property ownership and mineral exploration on the property is summarized in Table 2 based on BCGS reports. No research was carried out regarding historical mineral tenures.

*Table 2: Exploration History of the Dungate Creek Property Based on BCGS Documents.*

| Year | Operator | Work Done/ Recommendations | Public Reports |
|---|---|---|---|
| 1962 | Ed Westgarde? | Discovery of mineralization during road construction. Claims staked and then allowed to lapse. | Not applicable |
| 1964 | Ed Westgarde | Restaked the showing and added more claims the following year. | Not applicable |
| 1965 | Amax Exploration Inc | Magnetometer survey, a program of soil and rock geochemistry, 3,000 feet (914m) of bulldozer trenching, and geological mapping. | Not applicable |
| 1966 | Normont Copper Ltd. | More work including a geochemical survey and two induced polarization surveys. | ARIS 909, 1181 |
| 1968 | Noranda Exploration Company | Exploration program included seven AQ wireline drill holes, totalling 2,000 feet (610m). | |
| 1970?-2019 | Ross Blusson | Held tenure in the Dungate Creek property area for most or all of this time. Optioned it out to several companies. | Not applicable |
| 1972 | Chinook Resources Ltd | Staked claims in the area. Neil Church of the BCGS mapped the trenches for a government report. | Prop 15452, 15449, BCGS-GEM 1972 |
| 1974 | Canadian Superior | Geological mapping and completed six percussion drill holes totaling approximately | ARIS 4954; Prop 15446, 15447, 15448, 15450, 15451 |

| Year | Operator | Work Done/ Recommendations | Public Reports |
|---|---|---|---|
| | Exploration Limited | 1800 feet (549m). | |
| 1975?-? | Cities Service Minerals Corporation* | The Hot claims covering the main portion of the quartz feldspar (“**QFP**”) stock. Drilled one BQ wireline drill hole to 1107 feet (337m) and ten percussion drill holes for a total of 2900 feet (884m). | ARIS 5759, 5882, 5935 |
| 1975?-? | Mountain Pass* Minerals | Chief claims covering the west portion of the QFP stock. | ARIS 05882 |
| 1985 | Orion Resources* | Rock sampling and analysis of trenches near the QFP plug and off their ground. | ARIS 13733 |
| 1986 -88? | Amanda Resources Ltd.* | Ground magnetic and VLF survey that overlaps with northwest corner of current Dungate Creek claim. | ARIS 15383; Prop 15443, 15444 |
| 1993 | Insular Explorations Ltd. | Geological report by Carter on Mike Property based on his knowledge and a September 1969 field visit. | Prop 830503, 15456 |
| 2018 | Dave Lefebure | Staked a claim covering most of the QFP stock and adjacent to Ross Blusson's claim. | |
| 2018 | Edgemont Gold Corp. | Property optioned to Edgemont Gold Corp. Minor prospecting, geology, soil geochemistry | ARIS 38127 (confidential until Jan 8, 2019) |

* Held claims from north of Mud Lake to near the mapped northern extent of the QFP stock and also a couple of claims west of the western end of the stock.

Ross Blusson has been interested in the area since the 1960s as he was based in Houston when some of the early exploration was done on the property. He has held mineral tenures in the area and optioned them at times to companies.

The early history of the property has been summarized by Church (1973) and is quoted below.

"The Initial discovery of chalcopyrite and molybdenite was made in a shallow excavation on the newly constructed Dungate Creek logging road about 1962. Subsequent trenching parallel to the road failed to reveal any important extension of the mineralization and the owners allowed the claims to lapse.

In July 1964, E. Westgarde of Houston restaked the showing. Additional claims were staked in 1965 and the property was then optioned to Southwest Potash Corporation (Amax Exploration Inc). A period of detailed exploration followed which included a magnetometer survey, a limited program of soil and rock geochemistry, 3,000 feet (914m) of bulldozer trenching, and geological mapping (BCGS, 1965).

Early in 1966 Normont Copper Ltd. gained control of the property and initiated a new phase of investigation. Anco Exploration Ltd. was contracted for general field work including a geochemical survey and in the fall of the same year Huntec Ltd. completed an induced polarization survey (Huntec, 1967). In 1967, Chapman, Wood and Griswold Ltd., under the supervision of Dr. S. W. Ward, ran another detailed induced polarization survey to locate diamond-drill targets (Ward, 1967).

Normont optioned the property to Noranda Exploration Company Limited in December 1967 and by April 1968 drilling began. The program included seven AQ wireline drill holes, totaling 2,000 feet (610m)(BCGS, 1968).

Note, Noranda did not publish their work, reference to it is in the British Columbia Geological Survey Annual Report for 1968 and the work appears on maps by subsequent operators. This includes a drill intersection between 240 feet to 260 feet (73.2m – 79.3m) in DDH-2 of 20 feet (6.1m) of 0.28% copper (Church, 1973 and Canadian Superior, 1974a). Due to the inconsistent reporting of this work it is cited for historical reference only and caution should be exercised interpreting these numbers. This interval is core length, not indicative of true width.

After a period with no exploration in the Dungate Creek area, Ross Blusson staked the area for Chinook Resources Ltd in April 1972. The same year Neil Church of the BCGS mapped the trenches that had been dug in the 1960’s (Church, 1973).

The next recorded work on the Dungate Project area was by Canadian Superior Exploration Limited in 1974 (Property File 15448). They noted that the "alteration zoning, drill intersections, magnetics, geochemistry and I.P. outlined an environment very similar to the Morrison orebody". They drilled six percussion drill holes (548m) all to the depth of 300 feet (91.4 m) in this area (Blanchflower, 1974).
The following year, 1975, Cities Service Minerals Corporation drilled a 1,107 foot (337m) BQ wireline drill hole to test the centre of the area ringed by Canadian Superior's drill holes (Silversides, 1975). The hole intersected interesting mineralization and potassic alteration with magnetite at depth. Unfortunately, the assay results are not available. The following year Cities Service drilled ten percussion drill holes (834m) to depths of 200 - 300 feet (61m - 91.4m) to test the intrusion and wallrocks outside the area of previous drilling (Murton and Silversides, 1976). The results were judged to be not that interesting, except near the better results from previous drill programs. Historical drilling is summarized on Table 3 with significant intersections noted in Table 4. Collar locations are shown with property geology on Figure 4.

*Table 3: Historical Drill Holes*

| Hole ID | Easting | Northing | Elev (m) | Azim | Dip | Depth (m) | Year | Type | Operator |
|---|---|---|---|---|---|---|---|---|---|
| N-1 | 658649 | 6027735 | 950 | 155 | -60 | 76 | 1968 | Core | Noranda |
| N-2 | 658295 | 6027676 | 940 | 155 | -60 | 76 | 1968 | Core | Noranda |
| N-3 | 658822 | 6027605 | 954 | 155 | -50 | 91 | 1968 | Core | Noranda |
| N-4 | 658601 | 6027859 | 944 | 155 | -50 | 91 | 1968 | Core | Noranda |
| N-5 | 658582 | 6027909 | 941 | 155 | -50 | 91 | 1968 | Core | Noranda |
| N-6 | 658622 | 6027485 | 958 | 155 | -50 | 94 | 1968 | Core | Noranda |
| N-7 | 658832 | 6027826 | 950 | 155 | -50 | 91 | 1968 | Core | Noranda |
| PDH74-1 | 658364 | 6027523 | 942 | 0 | -90 | 91.4 | 1974 | RC | Canadian Superior |
| PDH74-2 | 658478 | 6027563 | 946 | 0 | -90 | 91.4 | 1974 | RC | Canadian Superior |
| PDH74-3 | 658555 | 6027533 | 952 | 0 | -90 | 91.4 | 1974 | RC | Canadian Superior |
| PDH74-4 | 658265 | 6027429 | 937 | 0 | -90 | 91.4 | 1974 | RC | Canadian Superior |
| PDH74-5 | 658383 | 6027799 | 941 | 0 | -90 | 91.4 | 1974 | RC | Canadian Superior |
| PDH74-6 | 658491 | 6027854 | 942 | 0 | -90 | 91.4 | 1974 | RC | Canadian Superior |
| DDH75-1 | 658419 | 6027613 | 943 | 300 | -50 | 337.4 | 1975 | Core | Cities Service |
| PDH76-1 | 658830 | 6027343 | 942 | 0 | -90 | 91.4 | 1976 | RC | Cities Service |
| PDH76-2 | 658602 | 6027018 | 944 | 0 | -90 | 91.4 | 1976 | RC | Cities Service |
| PDH76-3 | 658543 | 6027141 | 951 | 0 | -90 | 91.4 | 1976 | RC | Cities Service |
| PDH76-4 | 658183 | 6027065 | 928 | 0 | -90 | 91.4 | 1976 | RC | Cities Service |
| PDH76-5 | 658008 | 6027216 | 920 | 0 | -90 | 91.4 | 1976 | RC | Cities Service |
| PDH76-6 | 658487 | 6028182 | 919 | 0 | -90 | 91.4 | 1976 | RC | Cities Service |

| Hole ID | Easting | Northing | Elev (m) | Azim | Dip | Depth (m) | Year | Type | Operator |
|---|---|---|---|---|---|---|---|---|---|
| PDH76-7 | 658159 | 6028068 | 925 | 0 | -90 | 61 | 1976 | RC | Cities Service |
| PDH76-8 | 658130 | 6027849 | 929 | 0 | -90 | 91.4 | 1976 | RC | Cities Service |
| PDH76-9 | 658250 | 6027757 | 937 | 0 | -90 | 91.4 | 1976 | RC | Cities Service |
| PDH76-10 | 657980 | 6027581 | 918 | 0 | -90 | 91.4 | 1976 | RC | Cities Service |

* Note – Historical drill hole location data is estimated from historical maps (NAD83 Zone 9). Depth and Azimuth for Noranda Holes (N-1 to N-6) interpreted from maps. Dips for the Noranda holes are taken from a historical map (Canadian Superior, 1974a).

*Table 4: Significant Drill Intercept*

| Hole ID | From (m) | To (m) | Interval (m)* | Copper % |
|---|---|---|---|---|
| N-2 | 73.2 | 79.3 | 6.1 | 0.28 |

*Core length, may not be indicative of true thickness from (Canadian Superior, 1974a)

Since that time the Dungate Project area has only seen some surface exploration work to the north and west of the QFP stock coupled by some rock samples taken from the trenches by Orion Resources and Amanda Resources (Whitting 1985, and Salazar, 1986).

The surface mineralization is the Star Klondike Minfile occurrence (BCGS MinFile 093L 010).

An overview report on the Dungate Project was written by Nick Carter (Carter, 1993) for Insular Explorations Ltd. based on his field visit in 1969, assessment reports and possibly other company information.

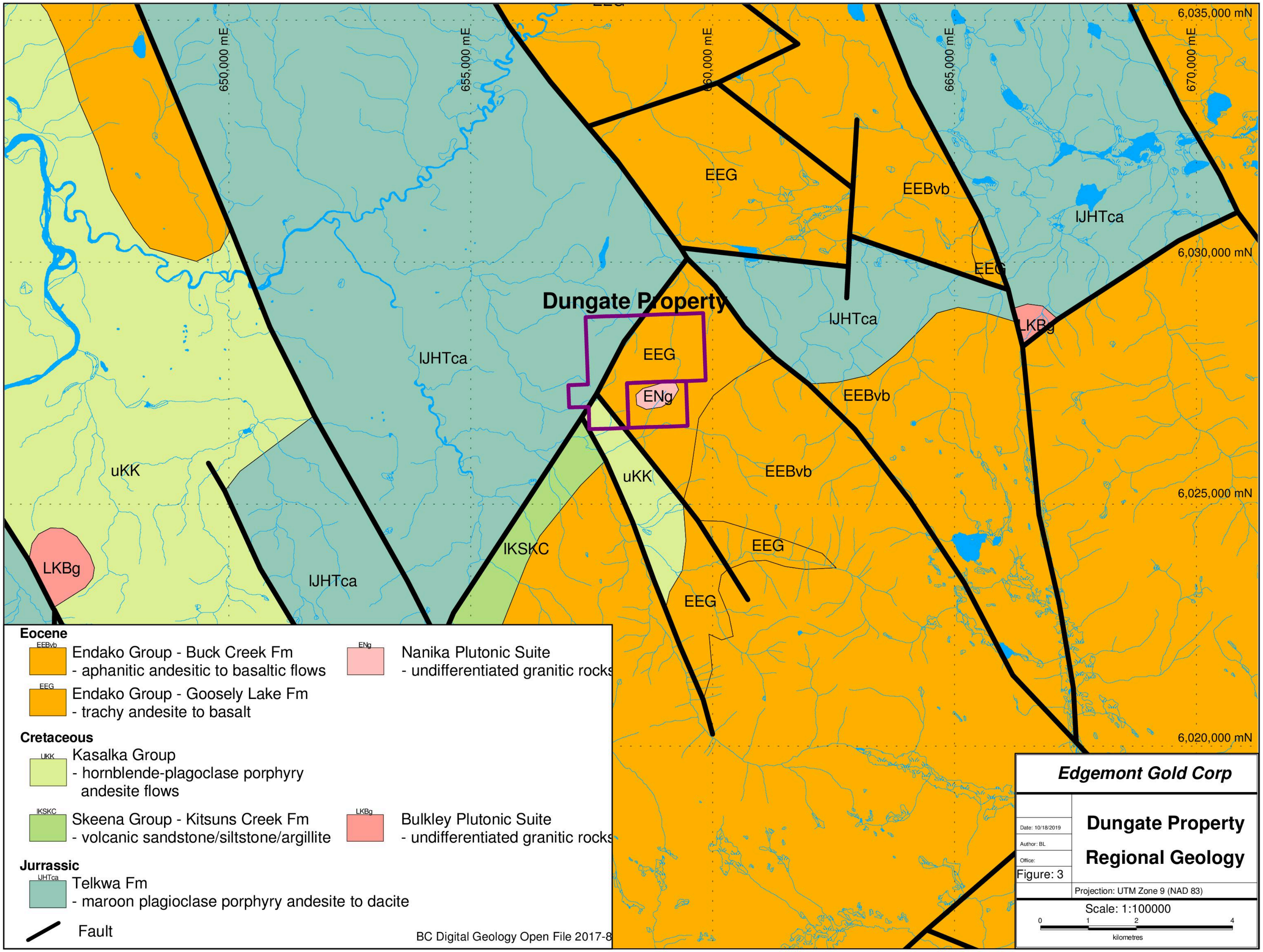
**Geological Setting and Mineralization**

*Regional Geology*

The Dungate Project lies within the Stikine Terrane of the Intermontane geomorphological belt. The Stikine Terrane includes Carboniferous to Middle Jurassic arc volcanic and plutonic rocks that are the oldest rocks in central British Columbia (MacIntyre and Villeneuve, 2001). More specifically the area is underlain by the Skeena Arch, a northeast-trending belt of up-lifted Jurassic and older rocks that transects central British Columbia. Rocks exposed along the Skeena Arch formed in a long-lived magmatic arc (MacIntyre, 2006). The regional geology around the Dungate Creek property is shown on Figure 3.

Telkwa Formation volcanic rocks (maroon plagioclase phyric tuffs) from the Lower Jurassic Hazelton Group underly the northern portion of the property.

Remnants of Late Cretaceous to Early Eocene continental volcanic arc rocks cover the Stikine Terrane and their Late Jurassic to Late Cretaceous sedimentary overlap successions. The Late Cretaceous volcanic rocks belong to the Kasalka Group, while the Early Eocene volcanic rocks belong to either the Ootsa Lake or Endako groups. Cretaceous Kasalka Group volcanic sediments are inferred to underly the western portion of the property with the bulk of the property underlain by Goosley Lake Formation Endako Group volcanics.



650,000 mE
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6,035,000 mN
6,030,000 mN
6,025,000 mN
6,020,000 mN
Dungate Property
EEG
EEBvb
lJHTca
ENg
uKK
lKSKC
LKBg
Eocene
EEBvb
Endako Group - Buck Creek Fm
- aphanitic andesitic to basaltic flows
EEG
Endako Group - Goosely Lake Fm
- trachy andesite to basalt
ENg
Nanika Plutonic Suite
- undifferentiated granitic rocks
Cretaceous
uKK
Kasalka Group
- hornblende-plagoclase porphyry andesite flows
lKSKC
Skeena Group - Kitsuns Creek Fm
- volcanic sandstone/siltstone/argillite
LKBg
Bulkley Plutonic Suite
- undifferentiated granitic rocks
Jurrassic
lJHTca
Telkwa Fm
- maroon plagioclase porphyry andesite to dacite
Fault
BC Digital Geology Open File 2017-8
Edgemont Gold Corp
Date: 10/18/2019
Author: BL
Office:
Figure: 3
Dungate Property
Regional Geology
Projection: UTM Zone 9 (NAD 83)
Scale: 1:100000
0
1
2
4
kilometres

It is likely that the Eocene volcanic rocks covered the area of the current Dungate Project when first formed and have been eroded to expose the older rocks beneath the unconformity. Church (1971) believes that the current land surface on the property is close to the basal unconformity beneath the Eocene volcanics that would have existed prior to erosion.

The Endako Group in this region consists of the Burns Lake, Goosly Lake and Buck Creek formations (Church and Barakso, 1990). In the property area the Eocene volcanic rocks are the Goosly Lake Formation, consisting mainly of feldspathic andesite and trachyandesite lavas, breccias, sills and small stocks which are overlain by the Houston Phase of the Buck Creek Formation, a series of aphanitic andesite and dacite lavas and volcanic breccia with minor basalt flows.

The plutonic roots of these arcs are interpreted to be the Bulkley, Goosly, Babine, and Nanika intrusions.

In the Houston area the British Columbia Geological Survey has identified coarse clastic sedimentary rocks belonging to the Kitsuns Creek Formation of the Lower Cretaceous Skeena Group, volcanic rocks of the Upper Cretaceous Kasalka Group and younger volcanic rocks of the Eocene Endako Group. These conformable units are cut by two main suites of intrusions, the Late Cretaceous Bulkley and the Eocene Nanika plutonic suites. The Babine intrusions are found to the northwest of Houston, primarily in the Babine Lake area.

It should be noted that Church (1971) correlated the Dungate Creek stock with the Goosly Lake intrusion that he mapped to the south of the Equity mine site which is likely why the BCGS have identified it as a Nanika intrusion. Note that the Nanika intrusion shown just to the south of the mineral claim is plotted incorrectly on the BCGS Digital Geology (Cui, et al, 2017). Detailed industry maps show that the intrusion is located largely north of the road.

*Property Geology*

The geological mapping in the immediate area of the Dungate Project is well understood for the Eocene Endako Group volcanic rocks that form the higher elevation areas to the northeast, east and south of the property. These volcanic rocks are flat-lying to gently dipping. They can form bluffs due to erosional contrasts with more weathering resistant rocks overlying less resistant rocks. The Endako Group sits unconformably on older rocks.

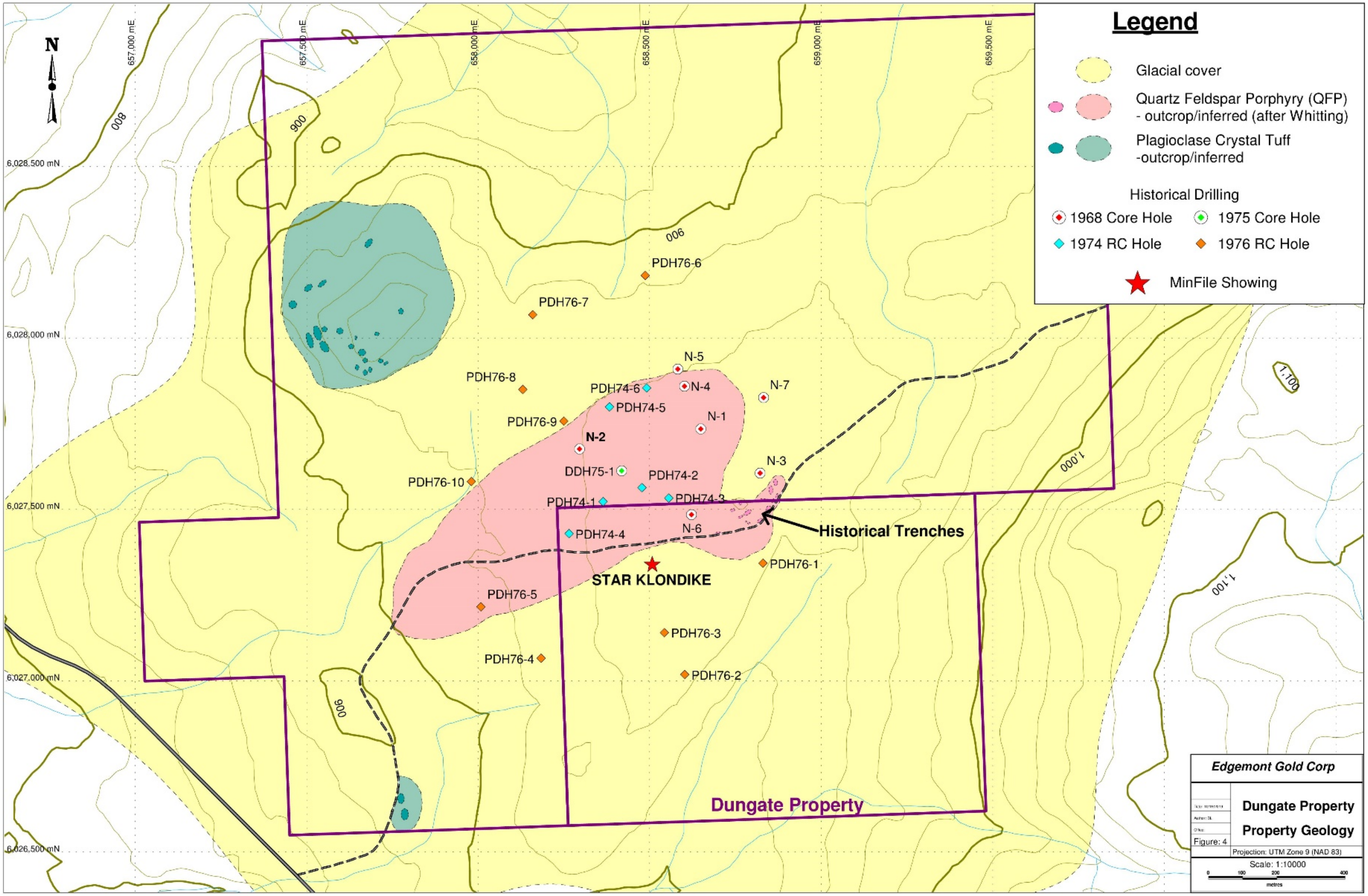
Outcrop is very sparse in the property and restricted to the low bluffs in the northwest corner of the property and small road cuts and historical trenches. The bulk of the property is covered with glacial till. Property geology along with historical drill collars locations are shown on Figure 4. Note, collar locations are interpreted from historical maps, three drill sites were field located in 2019 and their locations are accurate with the 15 metres.

Geological mapping and prospecting in 2019 identified maroon quartz feldspar crystal tuffs forming the bluffs in the northwest portion of the property. These rocks are maroon with 1-3% broken white plagioclase feldspar crystals and lessor glassy quartz eyes. Phenocrysts are 1-3mm in aphanitic matrix. Regional mapping identifies these rocks as Jurassic Telkwa Formation volcanics.

In the central portion of the property, straddling the tenure boundary, occurs a QFP stock that has been variably altered and mineralized. This unit is exposed in historical trenches and small road cuts. Alteration varies from clay altered plagioclase phenocrysts to silicification with all original texture visible to silica-clay-pyrite alteration with destruction of original textures. Mineralization is primarily pyrite; chalcopyrite is often difficult to discern from weakly oxidized pyrite. Trace amounts of bornite and chalcocite were also noted. Molybdenite locally occurs as a very fine dusting. Copper hydroxides were noted in a few of the samples from the historical trenches. A pale yellow-green oxide was also note in a few samples and may be ferrimolybdite or scorodite.

The mapped outline of the QFP unit is taken from maps in reports for Orion Resources (Whitting, 1985).

The QFP stock on the Dungate Project is correlated by Church (1973) with a granitic stock in the Goosly Lake area (20 km SE of the Dungate Project) that has a K-Ar age date on a biotite of 56.2 ± 3.0 Ma. He notes that this date may have been reset by a nearby younger syenomonzonite body. This information has been used to label the Dungate Creek QFP stock as a Nanika intrusive. Note, there is no age date and very limited outcrops of highly altered rock for the Dungate Creek intrusion. While it is believed that the QFP is Nanika age, it may belong to the slightly older Bulkley age intrusions also found in the region. It is also important to note that due to the extensive overburden in the area, the outline for the intrusion is poorly defined as it is only constrained by a number of drill holes and limited outcrop.


Legend
Glacial cover
Quartz Feldspar Porphyry (QFP)
- outcrop/inferred (after Whitting)
Plagioclase Crystal Tuff
-outcrop/inferred
Historical Drilling
1968 Core Hole
1975 Core Hole
1974 RC Hole
1976 RC Hole
MinFile Showing
N
657,000 mE
657,500 mE
658,000 mE
658,500 mE
659,000 mE
659,500 mE
6,028,500 mN
6,028,000 mN
6,027,500 mN
6,027,000 mN
6,026,500 mN
900
1,000
1,100
PDH76-6
PDH76-7
PDH76-8
PDH76-9
PDH76-10
PDH76-5
PDH76-4
PDH76-3
PDH76-2
PDH76-1
N-5
N-4
N-7
N-1
N-2
N-3
N-6
PDH74-6
PDH74-5
PDH74-2
PDH74-3
PDH74-1
PDH74-4
DDH75-1
Historical Trenches
STAR KLONDIKE
Dungate Property
Edgemont Gold Corp
Dungate Property
Property Geology
Figure: 4
Projection: UTM Zone 9 (NAD 83)
Scale: 1:10000
metres

## Deposit Type

Two styles of deposits occur in the area of the Dungate Project and are the focus of historical and current exploration efforts. Mineralization within and around the QFP unit is likely intrusion related and may be either porphyry calc-alkalic or epithermal. The stockwork mineralization noted at the historical trenches resembles porphyry mineralization however the geochemical associations suggest epithermal mineralization.

*Porphyry Calc-alkalic*

Nanika intrusives in the area of the Dungate property, such as the Berg and the Lucky Ship (Carter, 1974) are known hosts for porphyry copper-silver-molybdenum mineralization. The Berg deposit hosts a NI 43-101 measured and indicated resource of 506.0 Mt grading 0.30% Cu, 0.037% Mo and 3.8 g/t Ag (Harris and Labrenz, 2009). The Berg deposit is approximately 70 kilometres southwest of the Dungate Property. This deposit does not indicate the presence or extent of mineralization on the Dungate Property and the author has not been able to verify this resource estimate.

The Lucky Ship deposit is an Eocene porphyry deposit located 45 kilometres south west of the Dungate Property. It hosts a NI 43-101 indicated resource estimate of 65.6 Mt grading 0.064% Mo hosted within a multiphase porphyry and breccia Nanika intrusion, marked by an extensive gossan zone over variable levels of silica-kaolinite alteration (Lee and White, 2008). This deposit does not indicate the presence or extent of mineralization on the Dungate Property and the author has not been able to verify this resource estimate.

These are calc-alkaline porphyry copper/molybdenum/silver deposits where mineralization occurs as disseminations and stockwork veins with and along the margins of Eocene Nanika intrusive rocks. The QFP unit related to mineralization at the Dungate Property is believed to be an Eocene Nanika intrusive.

*Porphyry Related Epithermal*

Epithermal mineralization related to an Eocene Nanika Intrusive formed the past producing Equity Silver Mine. The mine, 20 kilometres from the Dungate Property, ceased production in 1994 after thirteen years of open pit and underground production. Production totalled 2,219,480 kilograms of silver, 15,802 kilograms of gold and 84,086 kilograms of copper, from over 33.8 Million tonnes mined at an average grade of 0.4 per cent copper, 64.9 grams per tonne silver and 0.46 gram per tonne gold (MinFile 93L 001). This production predates NI 43-101 reporting and does not reflect mineralization found to date on the Dungate Project. The author has been unable to verify this mineral production.

The Equity Silver mine was British Columbia's largest producing silver mine. Copper-silver-gold mineralization is epigenetic in origin. Intrusive activity resulted in the introduction of hydrothermal metal-rich solutions into the pyroclastic division of the Goosly sequence. Sulphides introduced into the permeable tuffs formed stringers and disseminations which grade randomly into zones of massive sulphide. In the Southern Tail zone, sulphides formed as veins, fracture-fillings and breccia zones in brittle, less permeable tuff. Emplacement of post-mineral dikes into the sulphide-rich pyroclastic rocks has resulted in remobilization and concentration of sulphides adjacent to the intrusive contacts. Remobilization, concentration and contact metamorphism of sulphides occurs in the Main and Waterline zones at the contact with the post mineral gabbro-monzonite complex.

## Exploration

Edgemont conducted a brief program in 2018, collecting six rock samples and eight soil samples as part of a brief orientation to the property. The rock sampling confirmed the presence of copper-gold mineralization (Lefebure, Setterfield, 2019) on the Dungate Project. Highlights of the 2018 rock sampling are shown in Table 5.

*Table 5: Selected 2018 Grab Sample Results*

| Sample | Easting | Northing | Au (ppb) | Ag (ppm) | Cu (ppm) | Mo (ppm) | Zn (ppm) |
|---|---|---|---|---|---|---|---|
| 3884 | 658862 | 6027993 | 0.008 | 0.25 | 45 | 1 | 539 |
| 3885 | 658579 | 6027583 | 0.102 | 0.7 | 1500 | 81 | 33 |
| 3887 | 658874 | 6027600 | 0.045 | 0.25 | 806 | 3 | 68 |
| 3888 | 658866 | 6027606 | 1.7 | 0.8 | 322 | 3 | 133 |

*Note NAD83 Zone 10

In 2019, Edgemont contracted Peter E. Walcott & Associates Ltd of Coquitlam B.C. to conduct a ground magnetometer survey of Tenure 1057771. Walcott surveyed 84 line kilometres of north-south lines at 50 metre intervals with readings collected at one second intervals (Walcott, 2019).

The magnetic survey was conducted using GSM-19 Overhauser rover magnetometers equipped with GPS guidance along with GSM-19 Overhauser base magnetometers, both manufactured by GEM Instruments of Richmond Hill, Ontario.

The daily data was retrieved from both the rover and base units. The readings were then corrected using the synchronized time stamps to correct for magnetic drift over the course of the data collection. This was carried out using the GemLink software.

The corrected data was then imported into Geosoft where the files were broken up into individual lines. The data was then gridded using a bidirectional algorithm (Bigrid) using a 12.5 meter cell size. The resulting grid was then subjected to two hanning passes.

The final data was then presented as a contoured plan map of TMI (Total Magnetic Intensity (nT)) and Calculated 1st Vertical Derivative of TMI (nT/m).

Mincord Exploration Consultants Ltd of Vancouver B.C. conducted a property wide soil sample survey, geological mapping and prospecting. The three-man crew put in 31.2 line kilometres of soil line, collected 604 soil samples and 80 rock samples. The 2019 geophysical, geological and geochemical program cost $76,382.58.

Soil sampling concentrated over the inferred map area of the Quartz Feldspar Porphyry with lines spaced at 100 metres and samples collected at 50m intervals. Outside of the area mapped QFP, every second line was run northeast, to the claim boundary. The southeastern portion of the Blusson ground was not covered.

Sample lines were emplaced using handheld GPS and soil samples were collected using tree planter shovels. Samples were collected from B horizon were present and the location, depth, colour and horizon noted at each site.

Glaciation, at least one and possibly two of three in some areas of logging as well as cattle grazing may have disturbed and mobilized soils though the limited distribution of the anomalies suggests that is minor.

Eighty rock samples were collected during mapping and prospecting. Locations were note with handheld GPS with descriptions entered electronically using Avenza PDF software. Wherever possible, samples of outcrop were collected or in other cases subcrop or rubble that is likely locally derived was collected. Float samples were collected from areas of sparse outcrop if angular suggesting a local source. Two samples (38818, hole N-4 and 38819, hole N-1) were collected of dirt under the casing at historical drill holes in an effort to capture the cuttings from historical drilling. Samples were collected in poly bags, with an inserted numbered sample tag. The number was also marked on the bag and the station was flagged with a like numbered ribbon.

The 2019 program also featured geological mapping and prospecting which is discussed above in section 7.2. Historical trenches date from the mid 1960's and are heavily slumped an overgrown limiting the extent they can be examined.

The mapped area of the QFP corresponds to a magnetic high in the 2019 survey. Other magnetic highs located north of this are un explained and hidden by glacial cover. Ground magnetics are shown on Figure 5.

The 2019 soil sampling program identified copper and gold soil anomalies within (copper) and around (copper, gold) the inferred area of the QFP. Anomalies are along the eastern and southern boundaries of the map unit. Two correlated sets of results standout, copper-cadmium and gold-arsenic-bismuth-tellurium (Table 6).

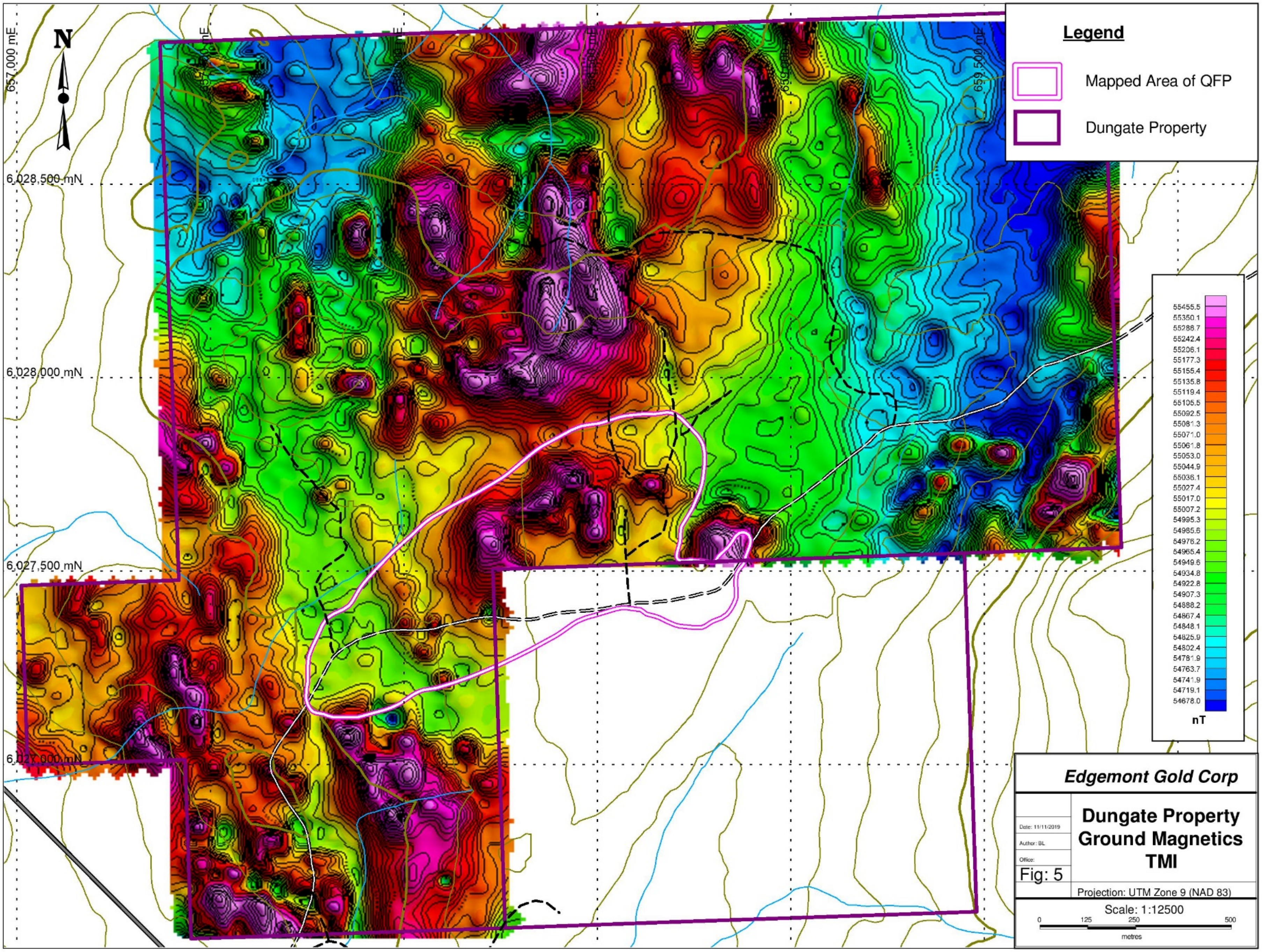
*Table 6: 2019 Soil Sample Correlation Matrix*

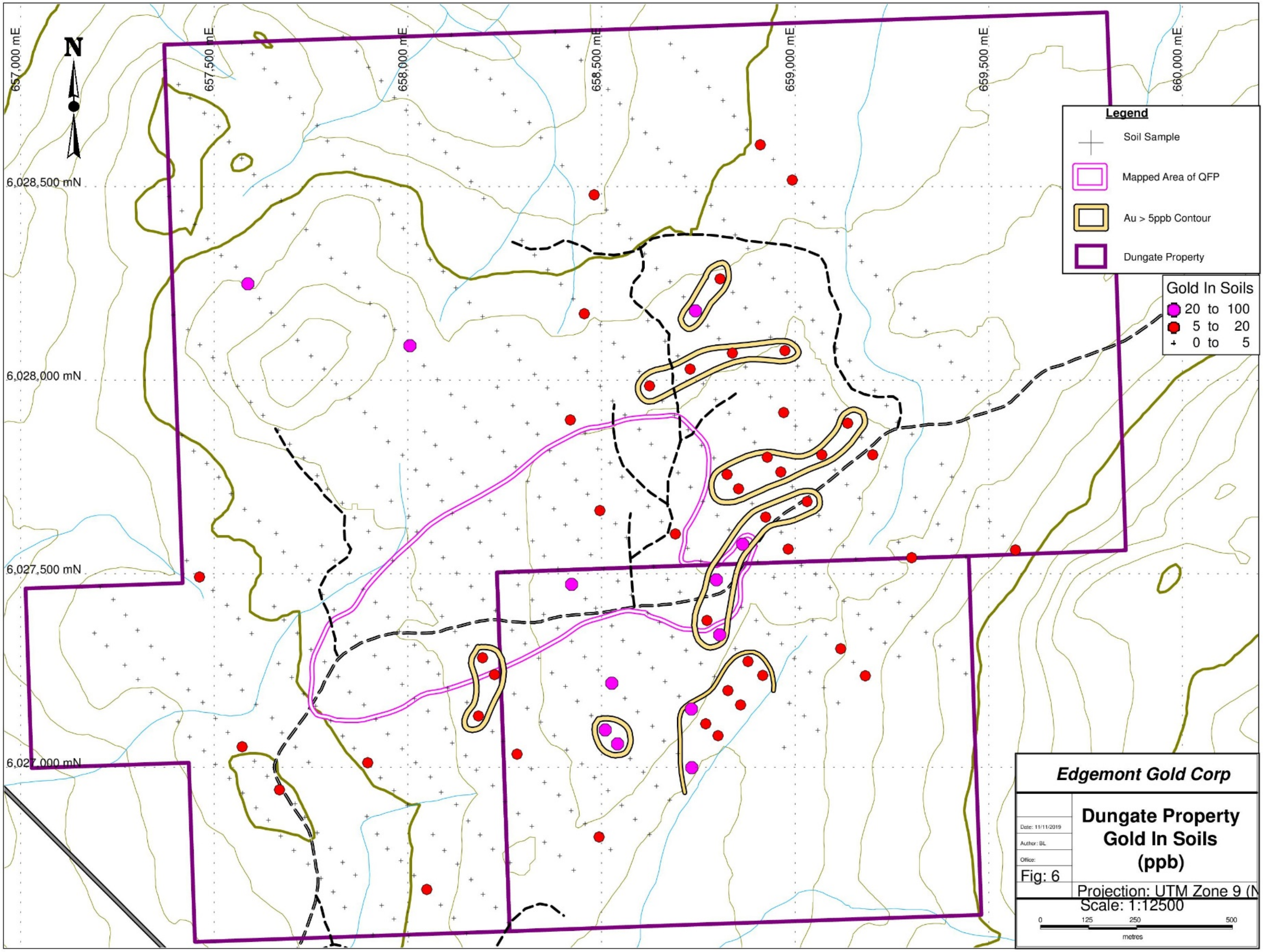
| Field | Mo_PPM | Cu_PPM | As_PPM | Au_PPB | Cd_PPM | Bi_PPM | Te_PPM |
|---|---|---|---|---|---|---|---|
| Mo_PPM | 1 | 0.409297 | 0.555256 | 0.254571 | 0.201717 | 0.311988 | 0.159939 |
| Cu_PPM | 0.409297 | 1 | 0.207542 | 0.246023 | 0.570402 | 0.150007 | 0.043526 |
| As_PPM | 0.555256 | 0.207542 | 1 | 0.513572 | 0.190025 | 0.709239 | 0.701187 |
| Au_PPB | 0.254571 | 0.246023 | 0.513572 | 1 | 0.090916 | 0.607997 | 0.519315 |
| Cd_PPM | 0.201717 | 0.570402 | 0.190025 | 0.090916 | 1 | 0.1978 | 0.060261 |
| Bi_PPM | 0.311988 | 0.150007 | 0.709239 | 0.607997 | 0.1978 | 1 | 0.827831 |
| Te_PPM | 0.159939 | 0.043526 | 0.701187 | 0.519315 | 0.060261 | 0.827831 | 1 |

* Note – highlighted >0.5, copper and gold correlations

Examination of the data shows cadmium, bismuth and tellurium results are very close to the detection limits for these elements. Therefore their results are not plotted. Results for gold, copper and arsenic are plotted on Figures 6 - 8 with results for gold are contoured at 5ppb, copper 100ppm and arsenic at 10ppm. Gold forms discrete anomalous areas around the historical trenches and the eastern portion of the QFP (Figure 6). Copper anomalies are found within the QFP and along it's southern margin (Figure 7). Arsenic shows a very broad zone along the southern and eastern portions of the QFP (Figure 8). These element correlations are consistent with those found in epithermal/mesothermal or a high level porphyry system.

Rock sampling across the property was limited by the sacristy of outcrop. Anomalous samples are limited to the area of historical workings. Results revealed similar associations as with soils copper-lead-arsenic-gold-cadmium-selenium and gold-copper-lead-silver-arsenic-bismuth-murcury-selenium-tellurium (Table 7).


N
657,000 mE
659,500 mE
6,028,500 mN
6,028,000 mN
6,027,500 mN
6,027,000 mN
Legend
Mapped Area of QFP
Dungate Property
55455.5
55350.1
55286.7
55242.4
55206.1
55177.3
55155.4
55135.8
55119.4
55105.5
55092.5
55081.3
55071.0
55061.8
55053.0
55044.9
55036.1
55027.4
55017.0
55007.2
54995.3
54985.6
54976.2
54965.4
54949.6
54934.8
54922.8
54907.3
54888.2
54867.4
54848.1
54825.9
54802.4
54781.9
54763.7
54741.9
54719.1
54678.0
nT
Edgemont Gold Corp
Date: 11/11/2019
Author: BL
Office:
Fig: 5
Dungate Property
Ground Magnetics
TMI
Projection: UTM Zone 9 (NAD 83)
Scale: 1:12500
0
125
250
500
metres



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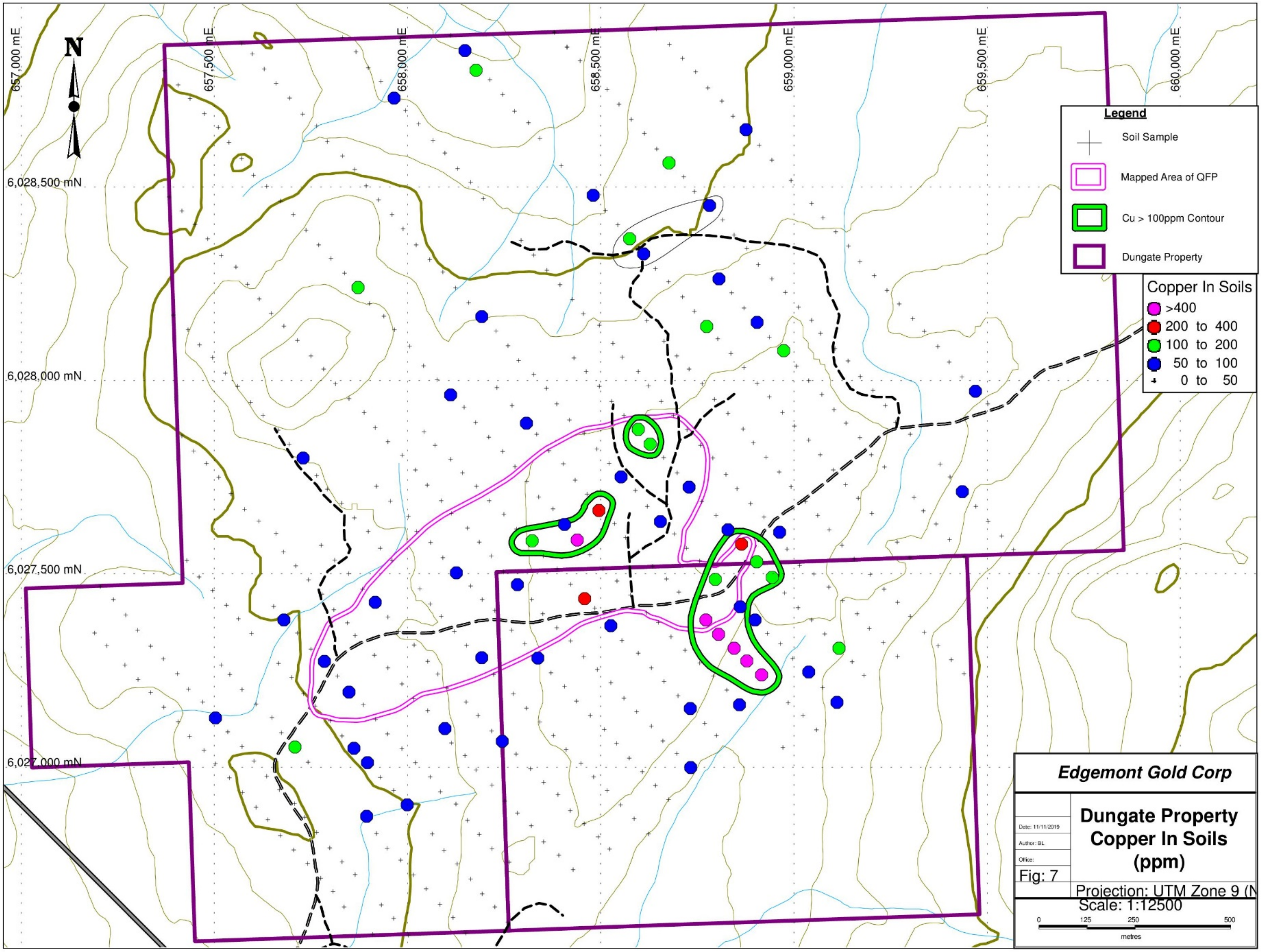
659,500 mE
660,000 mE
N
6,028,500 mN
6,028,000 mN
6,027,500 mN
6,027,000 mN
Legend
Soil Sample
Mapped Area of QFP
Au > 5ppb Contour
Dungate Property
Gold In Soils
20 to 100
5 to 20
0 to 5
Edgemont Gold Corp
Date: 11/11/2019
Author: BL
Office:
Fig: 6
Dungate Property
Gold In Soils
(ppb)
Projection: UTM Zone 9 (N
Scale: 1:12500
0
125
250
500
metres




21132746v4


657,000 mE
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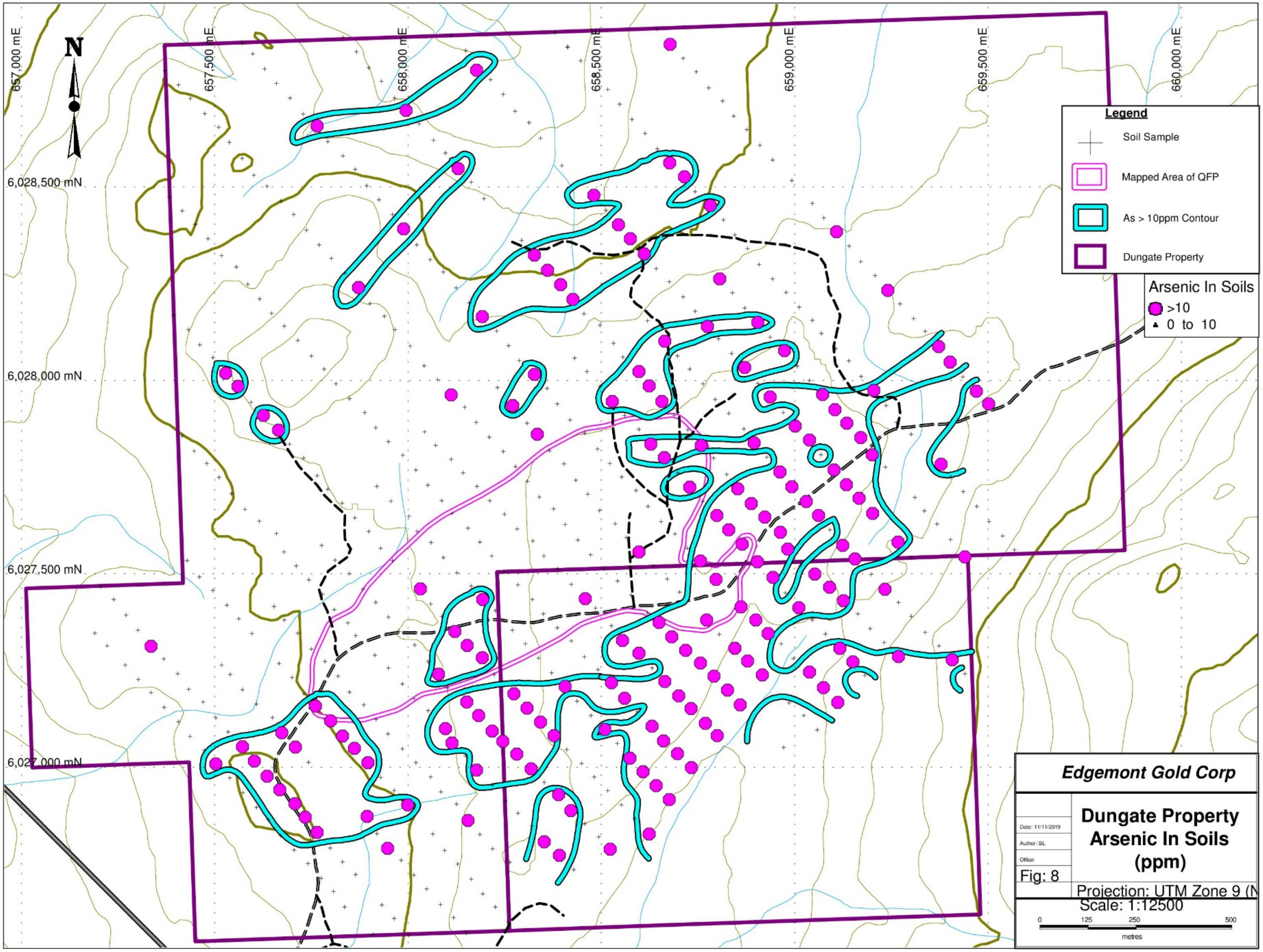
6,028,500 mN
6,028,000 mN
6,027,500 mN
6,027,000 mN
N
Legend
Soil Sample
Mapped Area of QFP
Cu > 100ppm Contour
Dungate Property
Copper In Soils
>400
200 to 400
100 to 200
50 to 100
0 to 50
Edgemont Gold Corp
Dungate Property
Copper In Soils
(ppm)
Date: 11/11/2019
Author: BL
Office:
Fig: 7
Projection: UTM Zone 9 (N
Scale: 1:12500
0
125
250
500
metres



657,000 mE
657,500 mE
658,000 mE
658,500 mE
659,000 mE
659,500 mE
660,000 mE
N
6,028,500 mN
6,028,000 mN
6,027,500 mN
6,027,000 mN
Legend
Soil Sample
Mapped Area of QFP
As > 10ppm Contour
Dungate Property
Arsenic In Soils
>10
0 to 10
Edgemont Gold Corp
Dungate Property
Arsenic In Soils
(ppm)
Date: 11/11/2019
Author: BL
Office:
Fig: 8
Projection: UTM Zone 9 (N
Scale: 1:12500
0
125
250
500
metres




21132746v4

*Table 7: 2019 Rock Result Correlation Matrix*

| Field | Mo ppm | Cu ppm | Pb ppm | Ag PPM | As PPM | Au PPB | Cd PPM | Bi PPM | Hg PPM | Se PPM | Te PPM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Mo ppm | 1 | 0.868 | 0.68 | 0.348 | 0.749 | 0.461 | 0.701 | 0.045 | 0.219 | 0.485 | 0.046 |
| Cu ppm | 0.868 | 1 | 0.611 | 0.331 | 0.688 | 0.525 | 0.595 | 0.05 | 0.147 | 0.614 | 0.04 |
| Pb ppm | 0.68 | 0.611 | 1 | 0.599 | 0.765 | 0.503 | 0.633 | 0.214 | 0.429 | 0.422 | 0.217 |
| Ag ppm | 0.348 | 0.331 | 0.599 | 1 | 0.676 | 0.702 | 0.251 | 0.648 | 0.747 | 0.391 | 0.666 |
| As ppm | 0.749 | 0.688 | 0.765 | 0.676 | 1 | 0.619 | 0.564 | 0.332 | 0.542 | 0.446 | 0.325 |
| Au ppb | 0.461 | 0.525 | 0.503 | 0.702 | 0.619 | 1 | 0.334 | 0.828 | 0.664 | 0.538 | 0.84 |
| Cd ppm | 0.701 | 0.595 | 0.633 | 0.251 | 0.564 | 0.334 | 1 | -0.014 | 0.091 | 0.347 | -0.006 |
| Bi ppm | 0.045 | 0.05 | 0.214 | 0.648 | 0.332 | 0.828 | -0.014 | 1 | 0.7 | 0.31 | 0.982 |
| Hg ppm | 0.219 | 0.147 | 0.429 | 0.747 | 0.542 | 0.664 | 0.091 | 0.7 | 1 | 0.322 | 0.714 |
| Se ppm | 0.485 | 0.614 | 0.422 | 0.391 | 0.446 | 0.538 | 0.347 | 0.31 | 0.322 | 1 | 0.291 |
| Te ppm | 0.046 | 0.04 | 0.217 | 0.666 | 0.325 | 0.84 | -0.006 | 0.982 | 0.714 | 0.291 | 1 |

* Note – highlighted >0.5, copper and gold correlations

The highest 2019 rock copper value in rocks (sample 2596468) returned 5428.8ppm Cu and was collected from a rubble pile at the historical trench site. The rock was strongly oxidized, clay-sericite altered with most sulfides indiscernible due to oxidation. Traces of molybdenite and copper oxide were visible. The highest gold value (sample 2596455) returned 553.8ppb Au and came from QFP on a muck pile adjacent to a historical trench containing 20% quartz stockwork. Highlight results of rock sampling are listed in Table 8. Values for gold (Figure 9), copper (Figure 10) and arsenic (Figure 11) in the area of the historical trenches are plotted on the accompanying maps.

One of the two samples of dirt (analyzed as rock) from historical drill collars, sample 38819 from collar of hole N-1, was weakly anomalous returning 53.8 ppb Au with 88.3ppm As.

*Table 8: Highlighted 2019 Rock Sample Results*

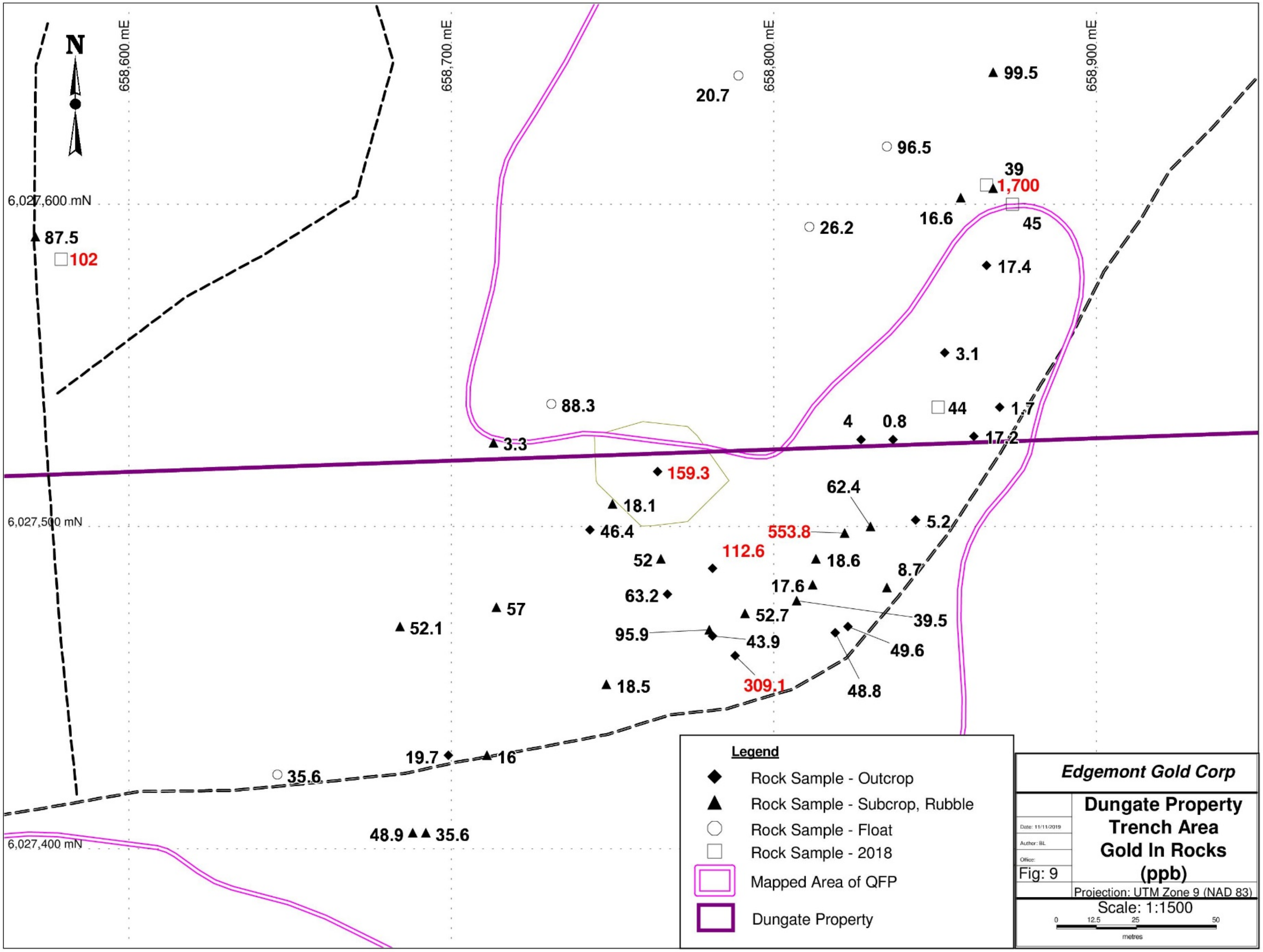
| Sample ID | Mo ppm | Cu ppm | Pb ppm | As ppm | Au ppb |
|---|---|---|---|---|---|
| 38837 | 2.3 | 474.8 | 8.6 | 7.6 | 17.4 |
| 38839 | 5.5 | 838.5 | 3.5 | 6.1 | 39 |
| 38840 | 124.5 | 3116.6 | 6.8 | 127.7 | 99.5 |
| 38841 | 1.9 | 1594.3 | 4.6 | 74.3 | 96.5 |
| 38843 | 55.6 | 654.7 | 13.3 | 186.9 | 88.3 |
| 38845 | 46.2 | 2037.8 | 5.1 | 76.9 | 87.5 |
| 2596454 | 1.8 | 416.8 | 18.3 | 185.3 | 62.4 |
| 2596455 | 15 | 330.9 | 102.1 | 427.1 | 553.8 |
| 2596458 | 27.5 | 574 | 9.5 | 67.3 | 39.5 |
| 2596459 | 22.2 | 763.4 | 6.1 | 40.6 | 48.8 |
| 2596460 | 142.5 | 837 | 9.2 | 250.4 | 49.6 |
| 2596463 | 43.2 | 842.7 | 3.9 | 8.1 | 52.7 |

| Sample ID | Mo ppm | Cu ppm | Pb ppm | As ppm | Au ppb |
|---|---|---|---|---|---|
| 2596464 | 107.5 | 837.3 | 40.1 | 358.5 | 43.9 |
| 2596465 | 167 | 2627.2 | 178.3 | 1009.8 | 95.9 |
| 2596466 | 94.4 | 1535.7 | 285.2 | 773.4 | 112.6 |
| 2596467 | 102.6 | 918.1 | 251.9 | 398 | 63.2 |
| 2596468 | 280.8 | 5428.8 | 407.4 | 927.2 | 309.1 |
| 2596469 | 12.1 | 360.7 | 16.8 | 573 | 159.3 |
| 2596470 | 94.2 | 1132.5 | 18.5 | 120.8 | 52 |
| 2596471 | 25.4 | 658.6 | 3.2 | 362.5 | 18.1 |
| 2596472 | 137.4 | 1073.8 | 54.4 | 156.2 | 46.4 |
| 2596476 | 2.9 | 538.5 | 4.5 | 65.3 | 19.7 |
| 2596478 | 20.8 | 522.8 | 3 | 7 | 18.5 |
| 2596480 | 6.3 | 516.3 | 3 | 3.5 | 35.6 |

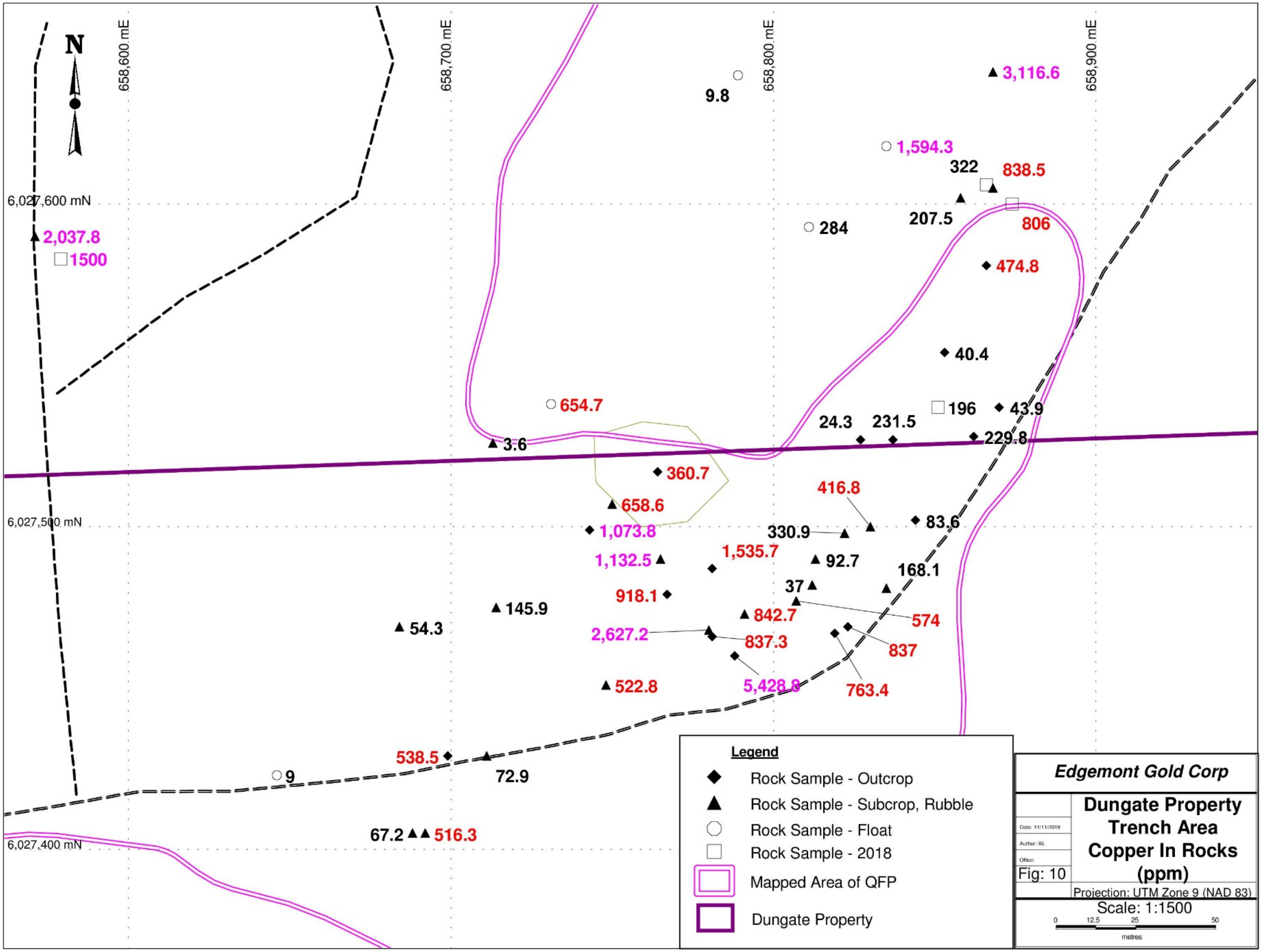
* Note – highlighted Copper >1,000ppm (pink), >400ppm (red), Arsenic >100ppm (red), Gold >100ppb (red)

In the area of the historical trenches, alteration varies from chlorite-pyrite (propylitic) altered to quartz-sericite-clay-pyrite (phyllic) to silica-clay with textural destruction and up to silica replaced with no discernable original textures. Locally small 3mm biotite books were noted in hard silica altered rock suggesting a potassic phase of alteration.

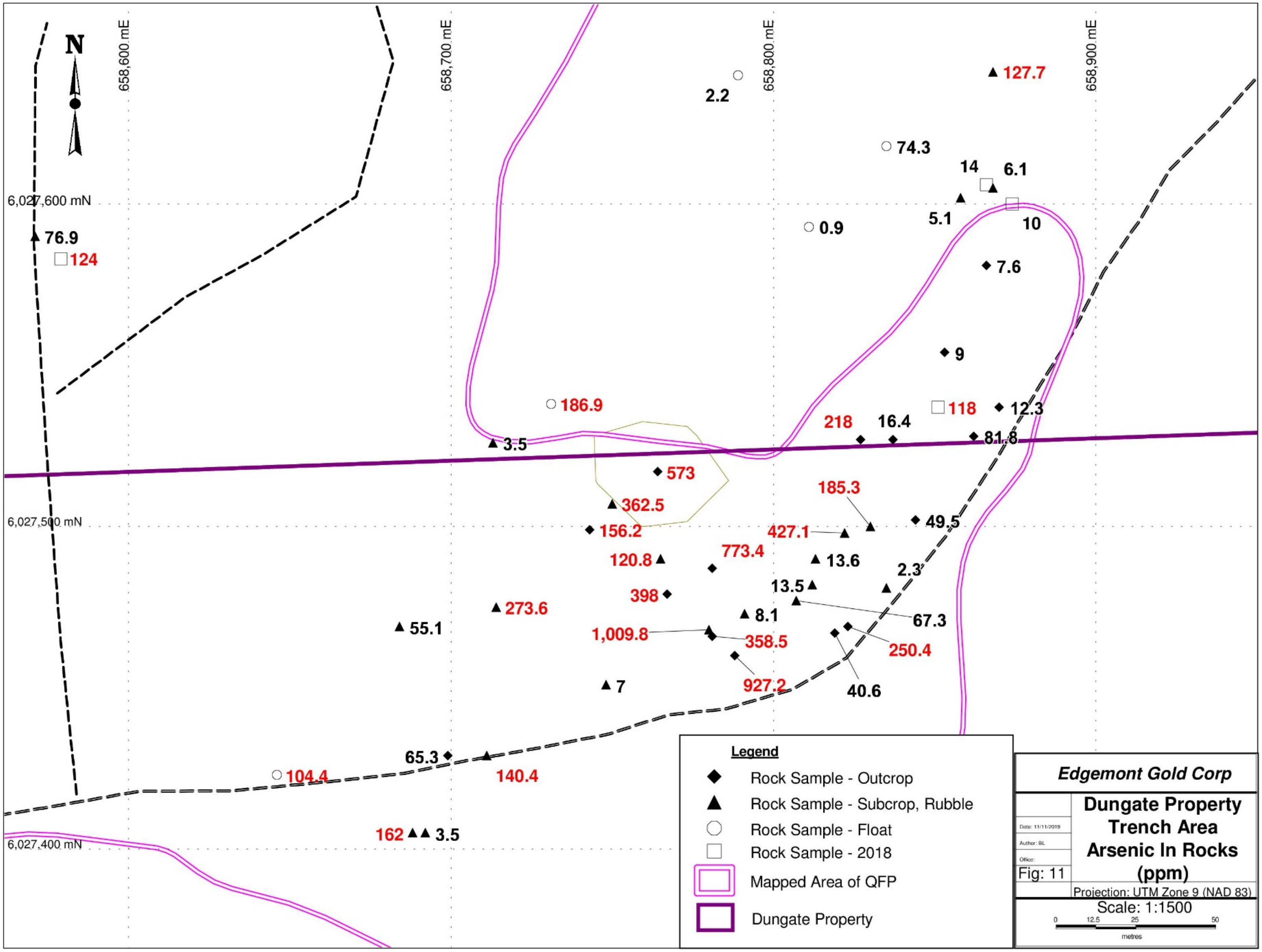
Sulfide mineralization is dominantly pyrite occurring as disseminated masses to 1cm and fracture coatings. Chalcopyrite occurs as fine disseminated masses that are difficult to discern from weathered pyrite. Traces of bornite are also difficult to identify from weathered pyrite but on rare occasions, bornite is obvious. Molybdenite occurs as very fine disseminations on fracture plains. A pale yellow oxide is present and may be ferrimolybdite or scorodite. Copper hydroxides, malachite and azurite are present in the historical trenches. No sulfides were noted in the outcrops in the northwest and southwest of the property.



N
658,600 mE
658,700 mE
658,800 mE
658,900 mE
6,027,600 mN
6,027,500 mN
6,027,400 mN
20.7
99.5
96.5
39
1,700
16.6
45
26.2
87.5
102
17.4
3.1
88.3
44
1.7
4
0.8
17.2
3.3
159.3
18.1
62.4
5.2
46.4
553.8
112.6
52
18.6
8.7
17.6
63.2
57
52.7
39.5
52.1
95.9
43.9
49.6
309.1
18.5
48.8
19.7
16
35.6
48.9
35.6
Legend
Rock Sample - Outcrop
Rock Sample - Subcrop, Rubble
Rock Sample - Float
Rock Sample - 2018
Mapped Area of QFP
Dungate Property
Edgemont Gold Corp
Dungate Property
Trench Area
Gold In Rocks
(ppb)
Fig: 9
Projection: UTM Zone 9 (NAD 83)
Scale: 1:1500
0
12.5
25
50
metres



N
658,600 mE
658,700 mE
658,800 mE
658,900 mE
6,027,600 mN
6,027,500 mN
6,027,400 mN
9.8
3,116.6
1,594.3
322
838.5
207.5
806
284
2,037.8
1500
474.8
40.4
654.7
196
43.9
24.3
231.5
229.8
3.6
360.7
416.8
658.6
83.6
1,073.8
330.9
1,132.5
1,535.7
92.7
168.1
37
918.1
145.9
842.7
574
54.3
2,627.2
837.3
837
5,428.8
763.4
522.8
538.5
72.9
9
67.2
516.3
Legend
Rock Sample - Outcrop
Rock Sample - Subcrop, Rubble
Rock Sample - Float
Rock Sample - 2018
Mapped Area of QFP
Dungate Property
Edgemont Gold Corp
Dungate Property Trench Area Copper In Rocks (ppm)
Fig: 10
Projection: UTM Zone 9 (NAD 83)
Scale: 1:1500
0
12.5
25
50
metres



N
658,600 mE
658,700 mE
658,800 mE
658,900 mE
6,027,600 mN
6,027,500 mN
6,027,400 mN
2.2
127.7
74.3
14
6.1
5.1
10
0.9
76.9
124
7.6
9
186.9
118
12.3
218
16.4
81.8
3.5
573
185.3
362.5
49.5
156.2
427.1
120.8
773.4
13.6
2.3
13.5
398
273.6
8.1
67.3
55.1
1,009.8
358.5
250.4
927.2
40.6
7
65.3
140.4
104.4
162
3.5
Legend
Rock Sample - Outcrop
Rock Sample - Subcrop, Rubble
Rock Sample - Float
Rock Sample - 2018
Mapped Area of QFP
Dungate Property
Edgemont Gold Corp
Dungate Property
Trench Area
Arsenic In Rocks
(ppm)
Date: 11/11/2019
Author: BL
Office:
Fig: 11
Projection: UTM Zone 9 (NAD 83)
Scale: 1:1500
0
12.5
25
50
metres

### Drilling

No drilling has been conducted by the issuer, Edgemont Gold Corp. Previous drilling activities are described in Section 6.

### Sample Preparation and Analysis

The 2018 samples were sent to ALS Global Analytical Laboratory in Vancouver BC. Soil samples were dried and sieved to -80 mesh (Lab code PREP41) prior to a four acid leach with a 0.4 gram sample analyzed for 33 elements by ICP (Lab code ME-ICP61) and a 30 gram split analyzed for gold by fire assay with an ICP finish (Lab code Au-AA22).

The 2018 rocks were crushed to 70% less than 2mm with a 250 gram split pulverized to better than 85% passing 75 microns (Lab code PREP31) prior to a four acid leach with a 0.4 gram sample analyzed for 33 elements by ICP (Lab code ME-ICP61) and a 30 gram split analyzed for gold by fire assay with an atomic absorption finish (Lab code Au-AA23).

ALS Global Analytical Laboratory is ISO/IEC 17025:2005 certified.

For the 2019 soils, each sample site was marked with a ribbon bearing the sample number. Soil samples were collected by shovel in numbered kraft soil sample bags with a like numbered sample tag placed in each bag. Samples were air dried prior to being shipped via Overland Freightways to Bureau Veritas in Vancouver B.C. for drying and sieving to -80 mesh (Lab code SS80) prior to a 0.5 gram sample being digested in a hot aqua regia solution then analyzed via ICP/MS techniques for 36 elements (Lab code AQ200).

The 2019 rock samples were collected in poly bags, with an inserted numbered sample tag. The number was also marked on the bag and the station was flagged with a like numbered ribbon. Samples shipped via Overland Freightways to Bureau Veritas in Vancouver B.C. where samples were crushed to 70% 10 mesh and a 250 gram split was pulverized (Lab code PRP70-250) with a 15 gram sample being analyzed via ICP/MS techniques for 36 elements (Lab code AQ201).

Bureau Veritas is an ISO 9001 and ISO 14001 certified laboratory.

All samples collected during the Edgemont programs completed at the Dungate property in 2018 and 2019 were kept in a chain of continuous custody consisting firstly of project personnel and secondly a reputable freight company until delivered to the laboratory. The laboratory conducting the analysis completed all sample preparation without any other party having any part of the sample preparation procedure.

The author is satisfied that the sample preparation, analytical and security procedures adhered to for the Dungate Project have been professional and satisfactory and the author is not aware of any irregularities in the data.

### Data Verification

In the opinion of the author, the programs run by Edgemont have been professionally managed according to accepted industry standards including acceptable verification of results. The author has examined results for third party and laboratory inserted standards as well as sample re-runs and is satisfied with their consistency. The author is satisfied and verifies that the quality control procedures for work done at the Dungate Project in 2018 and 2019 adhered industry standards and that the data described in this report for those years can be relied upon. Historical data, due to age and inconsistent reporting are only reported as part of the history of work on the Dungate property and should not be relied upon.

## Interpretations and Conclusions

Starting in the late 1960's, exploration at the Dungate Project has predominantly focused on porphyry copper mineralization related to the quartz feldspar porphyry. With the nearby discovery of the Equity Silver mine, focus expanded to the search for epithermal copper-silver-gold. The regional geology of Dungate Project, with the Nanika age QFP intruding Goosly Lake Formation rocks is similar to that of the Equity Silver Mine and the Berg deposit.

Exploration by Edgemont has identified anomalous copper, gold and arsenic in soils within and around the quartz feldspar porphyry unit. Rock samples from historical trenches and their waste piles have strong porphyry style quartz stockwork and alteration mineralization with high copper values of 0.54% copper (2019 rock sample 2596468) and 1.7 g/t gold (2018 rock sample 3888). The metal associations within the geochemical results suggest a high-level porphyry to epithermal affinity. The magnetics survey has outlined the QFP unit and shows other magnetic highs under glacial cover that should be further explored to determine the source of their magnetic signature.

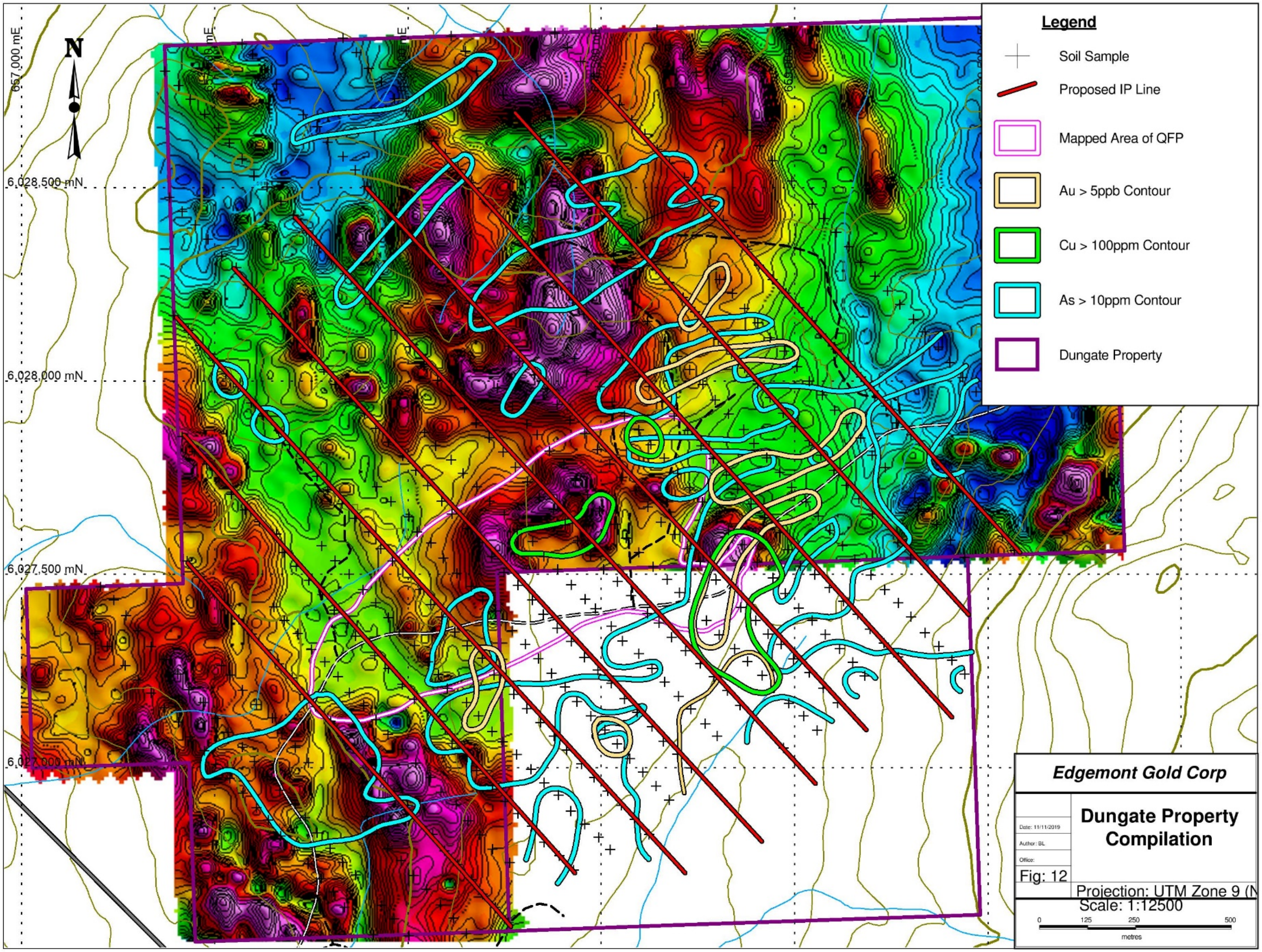
Further work is warranted at the Dungate Project due to the anomalous values discovered to date and the geological and geochemical similarities to nearby deposits.

## Recommendations

The Dungate Project is mostly underlain by volcanic rocks of the Jurassic Hazleton Group, which are intruded in the south-central part of the property by a quartz feldspar porphyry intrusion of possible Eocene age. The Eocene Endako Group and possibly the Upper Cretaceous Kasalka Group also underlie the property. Known mineralization on the property is restricted to the immediate area of the QFP intrusion.

The 2019 fieldwork confirmed the QFP intrusion contains stockwork quartz veins, with local pyrite and lesser chalcopyrite/malachite mineralization, indicating a prospective geological environment. Sampling indicates the mineralization is centred within and around the historical trenches though limited exposure outside this area may cover mineralization. The soil survey indicates a large arsenic anomaly around the southern and eastern margins of the inferred QFP. Arsenic should work as a pathfinder element to copper-gold mineralization. Gold and copper soil anomalies occur within and proximal to the QFP unit. The magnetic survey highlighted the QFP unit and discovered several other anomalies hidden by glacial cover.

Further work should include additional geological mapping, including detailed mapping of the existing trenches. This work would require a small excavator or backhoe to rehabilitate the now sloughed trenches. A 16 line kilometer Induced Polarization (IP) survey covering the inferred area of the QFP and its margins is recommended to attempt to map the three dimensional distribution of sulphides on the property. The proposal would have every second soil line surveyed and is shown on Figure 12. Drill targets should be apparent after these activities have been completed. A proposed budget for the Phase I trenching/geophysical survey program is described in Table 9. A Phase II drill program, which is contingent on results of the Phase I program is also described in Table 9.



Legend
Soil Sample
Proposed IP Line
Mapped Area of QFP
Au > 5ppb Contour
Cu > 100ppm Contour
As > 10ppm Contour
Dungate Property
N
657,000 mE
6,028,500 mN
6,028,000 mN
6,027,500 mN
6,027,000 mN
Edgemont Gold Corp
Dungate Property Compilation
Date: 11/11/2019
Author: BL
Office:
Fig: 12
Projection: UTM Zone 9 (N
Scale: 1:12500
0
125
250
500
metres

*Table 9: Proposed Phase I and Phase II Budgets*

| Phase I | | | | |
|---|---|---|---|---|
| | Unit | | Rate | Amount |
| Trenching | | | | |
| Geologist | 10 | days | $ 850.00 | $ 8,500.00 |
| Field Assistant | 10 | days | $ 450.00 | $ 4,500.00 |
| Truck | 14 | days | $ 100.00 | $ 1,400.00 |
| Room and Board | 20 | man days | $ 150.00 | $ 3,000.00 |
| Excavator | 50 | hours | $ 160.00 | $ 8,000.00 |
| Rock Samples | 200 | samples | $ 33.00 | $ 6,600.00 |
| IP/Resistivety Survey (16 Line km) | | | | |
| Field Assistants (Line establishment) | 7 | days | $ 450.00 | $ 3,150.00 |
| IP Crew (3 man crew) | 18 | days | $ 2,500.00 | $ 45,000.00 |
| Field Assistants (IP Crew 3 men) | 54 | man days | $ 450.00 | $ 24,300.00 |
| Room and Board | 114 | man days | $ 150.00 | $ 17,100.00 |
| Trucks | 45 | days | $ 100.00 | $ 4,500.00 |
| Supervision | 5 | days | $ 850.00 | $ 4,250.00 |
| Reporting | | | | $ 5,000.00 |
| Contingency (10%) | | | | $ 13,530.00 |
| Total Phase I | | | | $ 148,830.00 |
| Phase II - Contingent Upon Phase I | | | | |
| Drilling (1,000 m) | | | | |
| Project Geologist | 21 | days | $ 850.00 | $ 17,850.00 |
| Contract Drilling | 1000 | metres | $ 120.00 | $ 120,000.00 |
| Extra Costs | 20 | metres | $ 1,000.00 | $ 20,000.00 |
| Field Assistants (2) | 42 | man days | $ 450.00 | $ 18,900.00 |
| Room and Board | 147 | man days | $ 150.00 | $ 22,050.00 |
| Truck Costs | 63 | days | $ 100.00 | $ 6,300.00 |
| Drill Samples | 500 | samples | $ 33.00 | $ 16,500.00 |
| Excavator Costs | 50 | hours | $ 160.00 | $ 8,000.00 |
| Consumables including gasoline | | | | $ 5,000.00 |
| Supervising Geologist | 10 | days | $ 850.00 | $ 8,500.00 |
| Reporting | | | | $ 5,000.00 |
| Contingency (10%) | | | | $ 24,810.00 |
| Total Phase II | | | | $ 272,910.00 |

## USE OF PROCEEDS

Assuming the Agent's Option is not exercised, the net proceeds to the Company from the Offering will be $280,000, after deducting the Agent's Fee of $35,000 and estimated remaining expenses of the Offering of $35,000. As of February 29, 2020, the Company has working capital of $43,710. When combined with the net proceeds of the Offering, the Company anticipates having $323,710 in available funds.

The Company intends to use the net proceeds from the Offering (i) to fund exploration and development activities on the Dungate Project; (ii) to complete Phase I of the work program recommended pursuant to the Dungate Technical Report (see "*Dungate Technical Report – Exploration Program*"), and (iii) for general and administrative purposes, option payments and working capital requirements, as indicated in the following table:

| **Principal Purposes** | **Available funds** |
|---|---|
| Completing Phase I of the work program recommended pursuant to the Dungate Technical Report | $148,830 |
| General and administrative costs | $60,000 |
| Option payments for the next 12 month period | $25,000 |
| Unallocated Working Capital | $89,880 |
| **Total** | **$323,710** |

The Company's anticipated general and administrative costs are outlined in the table below.

| **General and Administrative Costs** | **Available funds** |
|---|---|
| Audit Fees | $10,000 |
| Legal Fees | $10,000 |
| Office Costs | $28,000 |
| Management Fees | $12,000(1) |
| **Total** | **$60,000** |

Note:

(1) Management fees of $1,000 per month are expected to be paid to a company controlled and beneficially owned by Stuart Rogers, the Chief Executive Officer of the Company.

Unutilized net proceeds of the Offering, if any, will be invested by the Company in an interest-bearing account with a major Canadian bank and used for working capital requirements. While the Company intends to spend the net proceeds from the Offering as stated above, there may be circumstances where, for sound business reasons, funds may be re-allocated at the discretion of the Board or management. See "*Risk Factors – Risks Related to the Company – The Company may not use the proceeds from the Offering as described in this Prospectus*".

Proceeds raised pursuant to the exercise of the Agent's Option, if any, are intended to be allocated to general and administrative purposes and working capital requirements.

The Company is an exploration stage company and has not generated cash flow from operations. As at October 31, 2019, the Company had negative cash flow from operating activities. The Company expects to continue to incur negative operating cash flow and losses for the foreseeable future. See "*Risk Factors – Risks Related to the Company".*

**Business Objectives and Milestones**

The primary business objectives that the Company expects to accomplish by using the net proceeds from the Offering are to conduct exploration programs on the Dungate Project as set out in the Dungate Technical Report.

The Company expects to begin Phase I of the work program recommended pursuant to the Dungate Technical Report during June 2020. The net proceeds of the Offering allocated to Phase I of the work program are expected to advance Phase I of the work program to completion, which is expected during August 2020, and includes geological mapping and expanded IP surveys on the Dungate Project (see "*Dungate Project – Recommendations*").

Over the next 12 months, the Company must make payments of $20,000 to the Dungate Optionors and $5,000 to Blusson in order to maintain the Dungate Option Agreement and Mike Option Agreement, respectively.

The net proceeds of the Offering will allow the Company to complete Phase I of the recommended exploration program on the Dungate Project. The Dungate Technical Report recommends that, subject to the results of the Phase I work program, a Phase II drilling program be completed. The net proceeds of the Offering will not be sufficient to fund the Phase II work program in its entirety should the Company elect to proceed. In that case, the Company will need to raise further funds. There is no assurance that the Company will elect to proceed with the Phase II program. Should the Company not elect to proceed with the Phase II program, the Company will evaluate its strategic alternatives, including pursuing further activities in mineral exploration and development.

## PLAN OF DISTRIBUTION

The Offering consists of 3,500,000 Offered Shares at a price of $0.10 per Offered Share. In addition, the Offering includes up to an additional 525,000 Offered Shares issuable upon the Agent's exercise of the Agent's Option in full. The Offered Shares will be sold to the public on the Closing Date pursuant to the Agency Agreement. For a summary of the material attributes and characteristics of the Offered Shares and certain rights attaching thereto, see "*Description of Securities Being Distributed*".

Pursuant to the Agency Agreement, the Company has appointed the Agent to offer for sale to the public, on a commercially reasonable efforts basis, an aggregate of up to 3,5000,000 Offered Shares (assuming the Agent's Option is not exercised) at the Offering Price for aggregate gross proceeds to the Company of $350,000, subject to compliance with all legal requirements and the terms and conditions contained in the Agency Agreement.

The Offering Price has been determined by arm's length negotiation between the Company and the Agent, in accordance with the policies of the CSE, and may bear no relationship to the price that will prevail in the public market.

The Company has granted the Agent the Agent's Option, exercisable, in whole or in part, at the sole discretion of the Agent, at any time up to two days prior to the Closing Date, to offer up to 525,000 Agent's Option Shares for sale to the public at a price per Agent's Option Share equal to the Offering Price. If the Agent exercises the Agent's Option in full, the gross proceeds raised under the Offering will be $402,500, the Agent's Fee will be $40,250, and the net proceeds to the Company will be $362,250 (before deducting expenses of the Offering). This Prospectus qualifies the grant of the Agent's Option and the distribution of the Agent's Option Shares.

The obligations of the Agent under the Agency Agreement are subject to certain closing conditions, and may be terminated at the Agent's discretion at any time before Closing on the basis of "material change out", "market out", "disaster out", "regulatory out" "breach out", and "due diligence out" clauses in the Agency Agreement, in addition to termination upon the occurrence of certain other stated events. As the Agent has agreed to use its commercially reasonable efforts to sell the Offered Shares, the Agent is not obligated to purchase any Offered Shares not sold under the Offering. The Company has agreed in the Agency Agreement to indemnify the Agent and its respective affiliates and its respective directors, officers, employees, agents, partners and shareholders against certain liabilities and expenses or will contribute to payments that the Agent or such other parties may be required to make in respect thereof.

In consideration for the Agent's services in connection with the Offering, the Agency Agreement provides that the Company will pay the Agent's Fee to the Agent, which is equal to 10% of the gross proceeds of those Offered Shares sold pursuant to the Offering. In addition, the Agent will receive the CF Fee of $25,000 (plus tax) of which $10,000 (plus tax) has been paid. In addition, the Company has agreed to pay the Agent's legal expenses in connection with the Offering, to a maximum of $17,500 (plus taxes and disbursements). The Company has paid the Agent a retainer of $10,000 to be applied against such expenses.

In connection with the Offering, the Company has agreed to grant the Broker Warrants to the Agent, exercisable to acquire in aggregate that number of Common Shares as is equal to 10% of the aggregate number of Offered Shares issued pursuant to the Offering at the Offering Price for a period of 36 months following their date of issue.

Subscriptions for the Offered Shares will be received subject to rejection or allotment, in whole or in part, and the Agent reserves the right to close the subscription books at any time without notice. All subscription funds received by the Agent will be held in trust, pending the Closing. It is expected that the Closing will take place on or about  or such other date as the Company and the Agent may agree, but in any event, on or before a date that is not later than 90 days after the date of the receipt for the final prospectus, or if a receipt has been issued for an amendment to the final prospectus within 90 days of the issuance of such receipt and in any event, not later than 180 days from the date of the receipt for the final prospectus.

The Offered Shares are being offered for sale to the public in the provinces of British Columbia and Alberta by way of this Prospectus.

There is currently no market through which the Offered Shares may be sold, and purchasers may not be able to resell the Offered Shares purchased under this Prospectus. This may affect the pricing of the Offered Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Offered Shares, and the extent of issuer regulation. See "*Risk Factors*".

The CSE has conditionally accepted the listing of the Company's Common Shares, including the Offered Shares. Listing is subject to the Company's fulfilling all of the requirements of the CSE.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchanged or the PLUS markets operated by PLUS Markets Group PLC).

It is anticipated that the Company will arrange for one or more instant deposits of the Offered Shares issued and sold hereunder with CDS or its nominee through the non-certificated inventory system administered by CDS on the Closing Date, or will otherwise duly and validly deliver the Offered Shares as directed by the Agent on the Closing Date. Except in limited circumstances, no certificates will be issued to purchasers of the Offered Shares and a purchaser will receive only a customer confirmation from a registered dealer that is a CDS participant and from or through which the Offered Shares are purchased.

The Offered Shares have not been and will not be registered under the U.S. Securities Act or any securities laws of any state of the United States, and may not be offered or sold within the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and all applicable state securities laws. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any Offered Shares in the United States.

The minimum funds to be raised in respect of the Offering is $350,000. The Agent will hold in trust all funds received from the subscriptions until the minimum amount of funds of $350,000 has been raised. If this minimum amount of funds is not raised within the distribution period, the Agent must return the funds to the subscribers without any deduction.

## SELECTED HISTORICAL FINANCIAL INFORMATION

The following table sets out certain selected historical financial information of the Company for the periods and as at the dates indicated. This information has been derived from the audited and unaudited financial statements and related notes thereto included in this Prospectus. The Company prepares its financial statements in accordance with IFRS. Investors should read the following information in conjunction with those financial statements and related notes thereto, along with the MD&A.

| . | **As at and for the year ended October 31, 2019 (audited)** |
|---|---|
| Current assets | $148,079 |
| Working capital [(1)] | $93,723 |
| Exploration and evaluation assets | $97,069 |
| Current liabilities | $54,356 |
| Shareholder's equity | $190,793 |
| Gross profit | Nil |
| Net income (loss) | $7,792 |
| Basic net income (loss) per share | $0.00 |
| Diluted net income (loss) per share | $0.00 |

Note:
(1) Working capital is the measure of current assets less current liabilities.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Attached to this Prospectus as Appendix "C" are the management's discussion and analysis for the year ended October 31, 2019.

## DESCRIPTION OF SECURITIES BEING DISTRIBUTED

The Company's authorized share capital consists of an unlimited number of Common Shares without par value. As at the date hereof, there are 9,390,001 Common Shares issued and outstanding and 500,000 Common Shares issuable pursuant to outstanding Options.

### Common Shares

All of the Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of the Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, the holders of the

Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of Common Shares are entitled to receive dividends as and when declared by the Board in respect of the Common Shares on a pro rata basis. The Common Shares do not have pre-emptive rights, conversion rights or exchange rights and are not subject to redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital. For a description of the Company's dividend policy, see "*Dividend Policy*".

## DIVIDEND POLICY

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on the Common Shares, and does not currently have a policy with respect to the payment of dividends or other distributions. The Company does not currently pay dividends and is not likely to pay dividends for an extended period of time as the Company does not have near term prospects of generating revenue. The declaration and payment of any dividends in the future is at the discretion of the Board and will depend on a number of factors, including compliance with applicable laws, financial performance, working capital requirements of the Company and such other factors as its directors consider appropriate. There can be no assurance that the Company will pay dividends under any circumstances. See "*Risk Factors – Risks Related to the Offered Shares – The Company is not likely to pay dividends for an extended period of time*".

## CONSOLIDATED CAPITALIZATION

As at October 31, 2019 had 9,300,001 Common Shares issued and outstanding. As of the date of this Prospectus, the Company had 9,390,001 Common Shares issued and outstanding. On completion of the Offering, the Company will have 12,905,001 Common Shares issued and outstanding, including 15,000 Common Shares issuable pursuant to the Mike Option Agreement (13,430,001 Common Shares issued and outstanding if the Agent's Option is exercised in full).

The following table sets forth the share capitalization of the Company as at the date of this Prospectus on an actual basis and on a pro forma basis as adjusted to give effect to the completion of the Offering. Investors should read the following information in conjunction with the Company's audited financial statements and related notes thereto, along with the associated MD&A, included in this Prospectus.

| | As of October 31, 2019 | As of the Date of Prospectus | After Giving Effect to the Offering(1) | After Giving Effect to the Offering and Agent's Option(1) |
|---|---|---|---|---|
| Common Shares | 9,300,001 ($244,500) | 9,390,001 ($249,000) | 12,905,001 ($600,500) | 13,430,001 ($653,000) |
| Broker Warrants | Nil | Nil | 350,000 | 402,500 |
| Options | Nil | 500,000 | 500,000 | 500,000 |
| Long Term Liabilities | Nil | Nil | Nil | Nil |

Note:
(1) Includes 15,000 Common Shares issuable under the Mike Option Agreement.

## OPTIONS TO PURCHASE SECURITIES

### Options

As at the date of this Prospectus, there are 500,000 Options issued and outstanding under the Stock Option Plan. The Board adopted the Stock Option Plan on December 1, 2019 and the Stock Option Plan was approved by shareholders on December 19, 2019. The purpose of the Stock Option Plan is to provide an incentive to the directors, officers, employees, consultants and other personnel of the Company or any of its subsidiaries to achieve the longer-term objectives of the Company; to give suitable recognition to the ability of such persons who contribute materially to the success of the Company; and to attract to and retain in the employment of the Company or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company.

The Stock Option Plan is summarized in the table below.

| Key Terms | Summary |
|---|---|
| **Administration** | The Stock Option Plan is administered by the Board or by a special committee of directors appointed from time to time by the Board. |
| **Stock Exchange Rules** | All Options granted pursuant to the Stock Option Plan are subject to applicable rules and policies of any stock exchange or exchanges on which the Common Shares are listed and any other regulatory body having jurisdiction. |
| **Common Shares Subject to Plan** | The aggregate number of Common Shares issuable upon the exercise of all Options granted under the Stock Option Plan are not to exceed 10% of the issued and outstanding Common Shares from time to time. If any Option granted under the Stock Option Plan expires for any reason without being exercised, the unpurchased Common Shares are available for the purpose of the Stock Option Plan. |
| **Eligibility** | Directors, officers, consultants and employees of the Company or its subsidiaries, and employees of a person or company which provides management services to the Company or its subsidiaries are eligible to participate in the Stock Option Plan. Subject to compliance with requirements of the applicable regulators, participants may elect to hold Options granted to them in an incorporated entity wholly owned by them and such entity is bound by the Stock Option Plan in the same manner as if the Options were held by the participant. |

| Key Terms | Summary |
|---|---|
| **Number of Optioned Shares** | No single participant may be granted Options to purchase a number of Common Shares equaling more than 5% of the issued Common Shares in any 12 month period unless the Company has obtained disinterested shareholder approval in respect of such grant and meets applicable regulatory requirements.<br><br>Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Common Shares in any 12 month period to a consultant of the Company (or any of its subsidiaries).<br><br>Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Common Shares in any 12 month period to persons employed to provide investor relations activities. Options granted to consultants performing investor relations activities will contain vesting provisions such that vesting occurs over a minimum of 12 months with no more than 1/4 of the Options vesting in any three month period. |
| **Exercise Price** | The exercise price of the Common Shares subject to each Option shall be determined by the Board, subject to approval by the regulators (if applicable), at the time any Option is granted. |
| **Vesting and Exercise Period** | Each Option and all rights thereunder shall expire on the date set out in an Option agreement, provided that in no circumstances shall the duration of an Option exceed 10 years, or such other the maximum term permitted by the applicable regulators.<br><br>If any Options expire during a period when trading of the Company's securities by certain persons as designated by the Company is prohibited or within ten business days after the end of such a period, the term of those Options will be extended to ten business days after the end of the prohibited trading period, unless such extension is prohibited by any applicable law or the policies of the applicable regulators. |
| **Cessation of Employment** | If a participant ceases to be a director, officer, consultant or employee of the Company, or its subsidiaries, or ceases to be a management company employee, for any reason (other than death), such participant may exercise their Option to the extent that the participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the participant ceases to be a director, officer, consultant or employee, or a management company employee, unless such participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the participant's services to the Company. |

| Key Terms | Summary |
|---|---|
| **Death of Participant** | In the event of the death of a participant, the Option previously granted shall be exercisable only within 12 months after such death and only if and to the extent that such participant was entitled to exercise the Option at the date of death. |

The following table sets forth the aggregate number of Options which are anticipated, as at the date of this Prospectus, to be outstanding immediately prior to, and upon completion of the Offering.

| Holder of Options | Number of Optionees | Common Shares Underlying Options | Exercise Price | Expiry Date |
|---|---|---|---|---|
| Executive Officers | 2 | 300,000 | $0.10 | January 10, 2023 |
| Directors (other than those who are also executive officers) | 2 | 200,000 | $0.10 | January 10, 2023 |
| Consultants | None | N/A | N/A | N/A |
| **TOTAL** | **4** | **500,000** | | |

## PRIOR SALES

The following table summarizes the issuances of Common Shares and securities that are convertible or exchangeable into Common Shares since the incorporation of the Company to the date of this Prospectus.

| Issue Date | Type of Security | Number Issued | Issue Price | Exercise Price | Description of Issuance |
|---|---|---|---|---|---|
| August 2, 2018 | Common Shares | 1 | $0.01 | N/A | Incorporation |
| January 31, 2019 | Common Shares | 2,000,000 | $0.005 | N/A | Private placement |
| March 31, 2019 | Flow-Through Shares | 4,350,000 | $0.02 | N/A | Private placement |
| May 15, 2019 | Common Shares | 100,000 | $0.05 | N/A | Private placement |
| June 12, 2019 | Common Shares | 100,000 | $0.05 | N/A | Private placement |
| August 30, 2019 | Common Shares | 2,750,000 | $0.05 | N/A | Private placement |
| December 13, 2019 | Common Shares | 90,000 | $0.05 | N/A | Issuance for property |
| January 10, 2020 | Options | 500,000 | N/A | $0.10 | Option grant |

## ESCROWED SECURITIES

In accordance with NP 46-201, all securities of an issuer owned or controlled by its principals are required to be placed in escrow at the time of the issuer's initial public offering, unless the securities held by the principal or issuable to the principal upon conversion of convertible securities held by the principal collectively represent less than 1% of the voting rights attaching to the total issued and outstanding securities of the issuer after giving effect to the initial public offering. Upon completion of the Offering, the Company anticipates being an "emerging issuer" as defined in NP 46-201.

The following securities of the Company (the "**Escrowed Securities**") are held by, and are subject to the terms of an escrow agreement dated January 31, 2020, among the Company, National Securities Administrators Ltd., as escrow agent, and the holders of the Escrowed Securities, being Stuart Rogers, Guido Cloetens and Joseph Campbell (the "**Escrow Agreement**"):

| Designation of Class | Number of Securities | Percentage of Securities Prior to Completion of the Offering | Percentage of Securities on Completion of the Offering |
|---|---|---|---|
| Common Shares | 4,000,001 | 42.6% | 31.0% |

As the Company anticipates being an "emerging issuer" as defined in NP 46-201, the following automated timed releases will apply to the Common Shares held by its principals who are subject to escrow:

| Date of Automatic Timed Release | Amount of Escrowed Securities Released |
|---|---|
| On the date the Company's securities are listed on a Canadian exchange | 5% of the escrow securities |
| 6 months after the listing date | 5% of the remaining escrow securities |
| 12 months after the listing date | 10% of the remaining escrow securities |
| 18 months after the listing date | 10% of the remaining escrow securities |
| 24 months after the listing date | 15% of the remaining escrow securities |
| 30 months after the listing date | 15% of the remaining escrow securities |
| 36 months after the listing date | The remaining escrow securities |

## PRINCIPAL SHAREHOLDERS

The following table sets forth information regarding ownership of the Common Shares as at the date of this Prospectus by each person or company who, to the Company's knowledge, beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attaching to all issued and outstanding Common Shares.

| | Prior to the Offering | | | | Following the Offering | |
|---|---|---|---|---|---|---|
| **Name** | **Number and Type of Securities Owned** | **Percentage of Outstanding Common Shares** | **Type of Ownership** | **Common Shares to be Sold Pursuant to the Offering** | **Percentage of Outstanding Common Shares (1)** | **Percentage of Outstanding Common Shares on a Fully Diluted Basis (2)** |
| Stuart Rogers | 2,000,001 Common Shares | 21.30% | Beneficial and of Record | Nil | 15.50% | 15.27% |
| Guido Cloetens | 1,000,000 Common Shares | 10.65% | Beneficial and of Record | Nil | 7.75% | 8.0% |
| Joseph Campbell | 1,000,000 Common Shares | 10.65% | Beneficial and of Record | Nil | 7.75% | 8.0% |
| Martin Wurm | 1,000,000 Common Shares | 10.65% | Beneficial and of Record | Nil | 7.75% | 7.27% |
| Gerhard Schieber | 1,000,000 Common Shares | 10.65% | Beneficial and of Record | Nil | 7.75% | 7.27% |

Notes:

(1) Based on 12,905,001 outstanding Common Shares on a non-diluted basis following the completion of the Offering, including 15,000 Common Shares issuable under the Mike Option Agreement and assuming no exercise of the Agent's Option.

(2) Based on 13,755,001 outstanding Common Shares on a fully diluted basis following the completion of the Offering, assuming no exercise of the Agent's Option and the exercise of 500,000 outstanding Options and 350,000 Broker Warrants, each on a one to one basis.

## DIRECTORS AND EXECUTIVE OFFICERS

To the Company's knowledge as at the date of this Prospectus, following completion of the Offering, its directors and executive officers as a group (excluding the purchase of any Offered Shares by any directors and executive officers under the Offering) will beneficially own, or control or direct, directly or indirectly, 4,000,001 Common Shares, representing approximately 42.6% of the outstanding Common Shares on a non-diluted basis as of the date of this Prospectus.

## Director and Executive Officer Profiles

The following table sets forth the name of each director and executive officer of the Company as at the date of this Prospectus, their province or state and country of residence, their position(s) and office(s) held with the Company, their principal occupation(s) during the preceding five years, the date they became a director of the Company, if applicable, and the number and percentage of Common Shares they beneficially own, or control or direct, directly or indirectly. Each director's term will expire immediately prior to the first annual meeting of shareholders of the Company.

| Name and Residence | Position | Principal Occupation(s) During Past Five Years | Director Since | Number and Percentage of Common Shares Held |
|---|---|---|---|---|
| Stuart Rogers [(1)]<br>Coquitlam, British Columbia | Chief Executive Officer, Director | President of West Oak Capital Inc., a management consulting firm | December 6, 2018 | 2,000,001<br>21.51% |
| Guido Cloetens [(1)]<br>Zemst, Belgium | Director | President of La Vérité BBVA, a management consulting firm | December 19, 2019 | 1,000,000<br>10.75% |
| Joseph Campbell [(1)]<br>Ottawa, Ontario | Director | President of GeoVector Management Inc., a geological consulting firm | December 19, 2019 | 1,000,000<br>10.75% |
| Gordon Steblin<br>Richmond, British Columbia | Chief Financial Officer | Accountant | December 19, 2019 | Nil |

Notes:
(1) Member of the Audit Committee

## Executive Officer and Director Biographies

***Stuart Rogers**, Chief Executive Officer and Director*

Stuart Rogers, age 63, has been involved in the venture capital community in Vancouver since 1987. He is the President of West Oak Capital Group, Inc., a privately held investment banking firm specializing in the early stage financing of resource projects through the junior capital markets in Canada and the United States, and has served as an officer or director of client companies listed on the TSX Venture Exchange, Toronto Stock Exchange and NASDAQ Small Cap Market. He currently serves as a Director and Chief Financial Officer of Gold Terra Resource Corp. (formerly TerraX Minerals Inc.) and as the President and a Director of Elysee Development Corp.

Stuart Rogers is an independent contractor of the Company and expects to devote 30% of his time to the Company. He has not entered into a non-competition of non-disclosure agreement with the Company.

***Guido Cloetens**, Director*

Mr. Cloetens, age 54, is a businessman with 29 years of extensive wealth management and institutional investing experience. Mr. Cloetens is currently the President and Chief Executive Officer of La Vérité BVBA, a closely held private consulting company which provides financial advisement services and management services, in addition to holding a portfolio of real estate. Mr. Cloetens also has experience serving as a director of a publicly traded company. He currently serves as Director, Chairman and Chief Executive Officer of Elysee Development Corp., an issuer listed on the TSX Venture Exchange. Mr. Cloetens obtained a degree in Corporate Finance, Investment and Financial Statement Analysis from the EHSAL Management School in Belgium.

Guido Cloetens is an independent contractor of the Company and expects to devote 10% of his time to the Company. He has not entered into a non-competition or non-disclosure agreement with the Company.

***Joseph Campbell****, P. Geo., Director*

Joseph Campbell, age 62, is a professional geologist with 36 years of experience in exploration and mining, including roles as Exploration Manager, Mine Manager and Chief Mine Geologist of various gold and base metal mines, and as Project Manager for advanced mine development projects, both open pit and underground. Much of his career has been with major mining companies, specifically Noranda and Western Mining Corporation. In 2002 he co-founded GeoVector Management Inc., a geoscientific consulting firm based in Ottawa. In 2007, he co-founded TerraX Minerals Inc., now Gold Terra Resource Corp., a gold exploration company where he continues to serve as Chief Operating Officer. Mr. Campbell obtained a degree in Geology from the Acadia University in 1980.

Mr. Campbell was involved in the discovery of the Meliadine gold project in Nunavut while serving as Project Manager for a seven year period from discovery through to pre-feasibility.

Joseph Campbell is an independent contractor of the Company and expects to devote 10% of his time to the Company. He has not entered into a non-competition or non-disclosure agreement with the Company.

***Gordon Steblin,*** *B. Comm., CPA, CGA Chief Financial Officer*

Gordon Steblin, age 59, obtained a Bachelor of Commerce degree in 1983 from the University of British Columbia (UBC), and in 1985 he became a Certified General Accountant. Mr. Steblin has over 25 years of financial experience in the junior mining/exploration sector and also serves as the Chief Financial Officer of Freegold Ventures Ltd. and Elysee Development Corp.

Gordon Steblin is an independent contractor of the Company and expects to devote 20% of his time to the Company. He has not entered into a non-competition of non-disclosure agreement with the Company.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

None of the Company's directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of the Company, is, as at the date hereof, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation, that was in effect for a period or more than 30 consecutive days (an "**Order**") that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such issuer, or (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of the Company's directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of the Company (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

None of the Company's directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of the Company, has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

**Conflicts of Interest**

To the best of the Company's knowledge, there are no existing or potential material conflicts of interest between the Company and any of its directors or officers as of the date hereof. However, certain of the Company's directors and officers are, or may become, directors or officers of other companies with businesses which may conflict with its business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or in generally acting on the Company's behalf. See "*Risk Factors – Risks Related to the Company – The directors and officers may have conflicts of interest with the Company*".

Pursuant to the BCBCA, directors and officers of the Company are required to act honestly and in good faith with a view to the best interests of the Company. As required under the BCBCA and the Company's Articles:

- a director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer of the Company, must promptly disclose the nature and extent of that conflict; and

- a director who holds a disclosable interest (as such term is defined under the BCBCA) in a contract or transaction into which the Company has entered or proposes to enter may generally not vote on any directors' resolution to approve such contract or transaction.

Generally, as a matter of practice, directors who have disclosed a material interest in any contract or transaction that the Board is considering will not take part in any board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will refrain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which directors or officers may have a conflict.

See "*Statement on Corporate Governance – Ethical Business Conduct*" for the steps taken by the Company in monitoring compliance with the Code. See also "*Risk Factors – Risks Related to the Company – The directors and officers may have conflicts of interest with the Company*".

**Directors' and Officers' Liability Insurance and Indemnification**

The Articles provide for the indemnification of each director and officer against all costs, charges and expenses reasonably incurred by him or her in respect of any action or proceeding to which he or she is made a party by reason of being a director or officer of the Company, subject to the limitations contained in the Articles and in the BCBCA.

## DIRECTOR AND EXECUTIVE COMPENSATION

The following section describes the significant elements of the Company's executive and director compensation programs, with particular emphasis on the compensation payable to the Chairman, Chief Executive Officer and Chief Financial Officer, and other officers that were determined to be "Named Executive Officers" or "NEOs" within the meaning of NI 51-102.

## Compensation Governance

*Responsibilities of the Board*

The Board as a whole fulfills its responsibilities pertaining to compensation matters including the Company's compensation policies and practices. The Board is responsible for determining the overall compensation strategy of the Company and administering the Company's executive compensation program. As part of its mandate, the Board approves the appointment and remuneration of the Company's executive officers, including the Company's Named Executive Officers identified in the Summary Compensation Table below. The Board is also responsible for reviewing the Company's compensation policies and guidelines generally.

Each of the members of the Board has business and other experience which is relevant to their work in determining matters relating to compensation. By virtue of their differing professional backgrounds, business experience, knowledge of the Company's industry, knowledge of corporate governance practices and, where appropriate, service on compensation committees of other reporting issuers and experience interacting with external consultants and advisors, the members of the Board are able to make decisions on the suitability of the Company's compensation policies and practices.

*Executive Compensation-Related Fees*

From the date of incorporation of the Company until the financial year ended October 31, 2019, no fees were billed to the Company by any consultant or advisor, or any of its affiliates, for services related to determining compensation for any of the Company's directors and executive officers or for any other services. However, for the financial year ended October 31, 2019, $10,000 was accrued as management fees as compensation for the services provided by the Chief Executive Officer of the Company. Management fees of $1,000 per month are expected to be paid to a company controlled and beneficially owned by Stuart Rogers, the Chief Executive Officer of the Company. The Company has not entered into a management or employment agreement with Mr. Rogers or any company controlled or owned by him.

## Executive Compensation Discussion and Analysis

*Compensation Philosophy*

It is the objective of the Company's executive compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value, while at the same time keeping in mind that the Company currently has limited financial resources. It is the goal of the Board to endeavour to ensure that the compensation of executive officers is sufficiently competitive to achieve the objectives of the executive compensation program. The Board gives consideration to the Company's long-term interests and quantitative financial objectives, as well to the qualitative aspects of the individual's performance and achievements. The Company's primary compensation policy is to pay for performance and accordingly, the performance of the Company and of the executive officers as individuals are both examined by the Board.

When determining compensation, the Board annually assesses the individual performance and development of each executive officer and determines the appropriate consulting fees, annual incentive and long-term incentive for each individual. Due to the early stage of the Company's business, the Board does not consider peer company comparatives.

The Board does not set specific performance objectives in assessing the performance of the Chief Executive Officer and other executive officers; rather the Board uses its experience and judgment in determining an overall compensation package for the Chief Executive Officer and other executive officers. The Board assesses the performance of the Company and its executive officers relative to the Company's goals and objectives.

*Elements of Executive Compensation*

The Company's executive compensation is comprised of three principal components: consulting fees, stock option plan, and incentive bonus compensation which are designed to provide compensation to effectively retain and motivate the executive officers to achieve the corporate goals and objectives. Other components of executive compensation include perquisites and other personal benefits. Each component of the executive compensation program is addressed separately below. The fixed element of compensation provides a competitive base of secure compensation required to attract and retain executive talent. The variable performance-based compensation is designed to encourage both short-term and long-term performance of the Company.

Consulting Fees

The consulting fee component is intended to provide a fixed level of competitive pay that reflects each executive officer's primary duties and responsibilities and the level of skills and experience required to successfully perform his or her role. The Company intends to pay consulting fees to its executive officers, including the Chief Executive Officer, that are competitive with those for similar positions. Consulting fees for executive officers are reviewed annually based on corporate and personal performance and on individual levels of responsibility. Consulting fees of the executive officers are not determined based on benchmarks or a specific formula. The Board determines the consulting fees of the Chief Executive Officer. The Board considers, and, if thought appropriate, approves consulting fees recommended by the Chief Executive Officer for the other executive officers of the Company. Management fees of $1,000 per month are expected to be paid to a company controlled and beneficially owned by Stuart Rogers, the Chief Executive Officer of the Company. The Company has not entered into a management or employment agreement with Mr. Rogers or any company controlled or owned by him.

Incentive Bonus Compensation

In addition to consulting fees, the Company can award discretionary bonuses to executive officers. The bonus element of the Company's executive compensation program is designed to retain top quality talent and reward both corporate and individual performance during the Company's last completed financial year. To determine bonus awards for executive officers, including the Named Executive Officers, the Board considers both the executive's personal performance and the performance of the Company relative to its goals and objectives. Any proposed bonus amounts and targets for executive officers are recommended by the Chief Executive Officer for review, discussion and approval by the Board. Any Named Executive Officer that is also a member of the Board, recuses himself/herself from any discussion of his/her compensation.

Stock Option Plan

The Board has adopted the Stock Option Plan to provide an incentive to the directors, officers, employees, consultants and other personnel of the Company or any of its subsidiaries to achieve the long-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract to and retain in the employ of the Company or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. See "*Options to Purchase Securities – Stock Option Plan*" for a summary of the Stock Option Plan.

The executive compensation policy of the Company is determined with a view to securing the best possible talent to run the Company. Options may be awarded to executive officers in lieu of higher consulting fees. The grant of Stock Options under the Stock Option Plan is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term and to reward employees for both past and future performance. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of his position with and contribution to the Company.

Executive officers, along with all of the Company's officers, directors, employees, contractors and other service providers, are eligible to participate in the Stock Option Plan. The Stock Option Plan provides a long-term incentive designed to focus and reward eligible participants for enhancing total Shareholder return over the long-term both on an absolute and relative basis. Participation in the Stock Option Plan rewards overall corporate performance, as measured through the price of the Common Shares. In addition, the Stock Option Plan enables executives to develop and maintain a significant ownership position in the Company. This results in a significant portion of executive compensation being “at risk” and directly linked to the achievement of business results and long-term value creation.

Options are normally recommended by management and approved by the Board upon the commencement of an individual’s employment with the Company based on the level of their respective responsibility within the Company. Additional grants may be made periodically, generally on an annual basis, to ensure that the number of options granted to any particular individual is commensurate with the individual’s level of ongoing responsibility within the Company. In considering additional grants, a number of factors are considered including the number of options held by such individual, the exercise price and implied value of the options, the term remaining on those options and the total number of options the Company has available for grant under the Stock Option Plan.

Perquisites and Other Components

Other components of compensation include perquisites and personal benefits as determined by the Board that are consistent with the overall compensation strategy. There is no formula for how perquisites or personal benefits are utilized in the total compensation package.

The Company does not provide any pension or retirement benefits to its executive officers.

*Compensation Benchmarking*

Consulting fees of the executive officers are not determined based on benchmarks or a specific formula.

*Managing Compensation Risk*

The oversight and administration of the Company’s compensation program requires the Board to consider risks associated with the Company’s compensation policies and practices. Potential risks associated with compensation policies and compensation awards are considered at such meetings of the Board at which compensation related recommendations are formulated.

The Company’s executive compensation policies and practices are intended to align management incentives with the long-term interests of the Company and its shareholders. In each case, the Company seeks an appropriate balance of risk and reward. Practices that are designed to avoid inappropriate or excessive risks include (i) the Company’s operating strategy and related compensation philosophy, (ii) the effective balance, in each case, between cash and equity mix, near-term and long-term focus, corporate and individual performance, and financial and non-financial performance; and (iii) a multi-faceted approach to performance evaluation and compensation that does not reward an executive for engaging in risky behavior to achieve one objective to the detriment of other objectives.

Based on this review, the Board believes that the Company’s total compensation program does not encourage executive officers to take unnecessary or excessive risk.

The Company does not prohibit the Named Executive Officers (as defined below) or the Directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such person. The Named Executive Officers and Directors have advised the Company that they have not entered into any such arrangements. To the extent that they subsequently enter into an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, their economic exposure to the Company, insider reporting laws in Canada provide that they must file a report disclosing the existence and material terms of the agreement, arrangement or understanding within five days of the event.

*Share-based and Option-based Awards*

The Company does not grant share-based awards. For information on option-based awards, please see "*Options to Purchase Securities".*

**Summary Compensation Table**

The following table contains information about the compensation to, or earned by, individuals who were, as at the financial year ended October 31, 2019, "Named Executive Officers" or "NEOs" within the meaning of NI 51-102. No compensation was awarded to, earned by, paid to, or payable to the Company's officers during the financial year ended October 31, 2017, as the Company was formed during 2018. The NEO of the Company as at October 31, 2019, was Stuart Rogers, the Chief Executive Officer for the Company. Management fees of $1,000 per month are expected to be paid to a company controlled and beneficially owned by Stuart Rogers, the Chief Executive Officer of the Company. The Company has not entered into a management or employment agreement with Mr. Rogers or any company controlled or owned by him.

| Name and Principal Position | Year | Salary, Consulting Fees | Bonus | Committee or meeting fees | Value of Perquisites | Value of All Other Compensation | Total Compensation |
|---|---|---|---|---|---|---|---|
| Stuart Rogers<br>*Chief Executive Officer* | 2019 | $10,000 | Nil | Nil | Nil | Nil | $10,000 |

**Option-Based Awards**

No option-based awards were issued during the Company's financial year ended October 31, 2019.

**Exercise of Compensation Securities by Directors and NEOs**

There have been no securities exercised by directors of the Company or NEOs for the year to the date of the filing of this Prospectus.

**Termination and Change of Control Benefits**

The Company has not entered into any management consulting agreements.

**Director Compensation**

During the financial year ended October 31, 2019, no base annual retainer or fees for attendance at Board and Board committee meetings were awarded to, earned by, paid to, or payable to the directors.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers or employees of the Company or former directors, executive officers or employees of the Company had any indebtedness outstanding to the Company as at the date hereof and no indebtedness of these individuals to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company as at the date hereof. Additionally, no individual who is, or at any time during the Company's last financial year was, a director or executive officer of the Company, proposed management nominee for director of the Company or associate of any such director, executive officer or proposed nominee is as at the date hereof, or at any time since the beginning of the Company's last financial year has been, indebted to the Company or to another entity where the indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, including indebtedness for security purchase or any other programs.

## AUDIT COMMITTEE

The Audit Committee provides assistance to the Board in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Company. The external auditors of the Company report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities include: (i) reviewing and reporting to the Board on the annual audited financial statements (including the auditor's report thereon) and unaudited interim financial statements and any related management's discussion and analysis, if any, and other financial disclosure related thereto that may be required to be reviewed by the Audit Committee pursuant to applicable legal and regulatory requirements; (ii) reviewing material changes in accounting policies and significant changes in accounting practices and their impact on the financial statements; (iii) overseeing the audit function, including engaging in required discussions with the Company's external auditor and reviewing a summary of the annual audit plan at least annually, overseeing the independence of the Company's external auditor, overseeing the Company's internal auditor, and pre-approving any non-audit services to the Company; (iv) reviewing and discussing with management the appointment of key financial executives and recommending qualified candidates to the Board; (v) reviewing with management and the Company's external auditors, at least annually, the integrity of the internal controls over financial reporting and disclosure; (vi) reviewing management reports related to legal or compliance matters that may have a material impact on the Company and the effectiveness of the Company's compliance policies; and (vii) establishing whistleblowing procedures and investigating any complaints or concerns it deems necessary. The full text of the Audit Committee charter is attached to this Prospectus as Appendix "A".

### Composition of the Audit Committee

The Audit Committee is composed of Stuart Rogers, Guido Cloetens (Chair) and Joseph Campbell, two of whom are independent directors and all of whom are financially literate, in each case within the meaning of NI 52-110. Guido Cloetens and Joseph Campbell are independent directors. Stuart Rogers is not considered to be an independent director as he is an executive officer of the Company.

### Relevant Education and Experience

Each of the members of the Audit Committee has extensive education and experience relevant to the performance of their responsibilities as members of the Audit Committee. The following is a summary of their qualifications and experience:

| <u>Name</u> | <u>Summary of Experience</u> |
|---|---|
| Guido Cloetens | • Degree in Corporate Finance, Investment and Financial Statement Analysis from the EHSAL Management School in Belgium.<br>• Officer of a company which provides financial advisement services and management services.<br>• Experience as director and senior officer of public companies |
| Stuart Rogers | • Over 30 years' experience as a director and officer of public companies in Canada.<br>• Current and former Chief Financial Officer of public companies in Canada.<br>• Experience as a member of audit committees of public companies in Canada. |
| Joseph Campbell | • Extensive experience as director and senior officer of public companies in Canada.<br>• Experience as a member of audit committees of public companies in Canada. |

For further information, please see "*Directors and Executive Officers – Executive Officer and Director Biographies*".

### Pre-Approval Policies and Procedures

The Audit Committee charter requires that the Audit Committee pre-approve any retainer of the auditor of the Company to perform any non-audit services to the Company that it deems advisable in accordance with applicable legal and regulatory requirements and policies and procedures of the Board. The Audit Committee is permitted to delegate pre-approval authority to one of its members; however, the decision of any member of the Audit Committee to whom such authority has been delegated must be presented to the full Audit Committee at its next scheduled meeting.

### External Auditor Service Fees

Fees billed by the Company's external auditor, Dale Matheon Carr-Hilton Labonte LLP ("**DMCL**"), during the financial year ended October 31, 2019 were as follows:

| Fiscal Year Ending | Audit Fees (1) | Audit Related Fees(1) | Tax Fees (3) | All Other Fees (4) |
|---|---|---|---|---|
| October 31, 2019 | $12,000 | Nil | Nil | Nil |

Notes:
(1) Fees for audit services.
(2) Fees for assurance and related services not included in audit services above.
(3) Fees for tax compliance, tax advice and tax planning.
(4) All other fees not included above.

### Reliance on Exemptions

The Company is relying upon the exemption in section 6.1 of NI 52-110 for venture issuers which allows for an exemption from Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

## STATEMENT ON CORPORATE GOVERNANCE

The Company and the Board recognize the importance of corporate governance to the effective management of the Company and to the protection of its employees and shareholders. The Company's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or at meetings held as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Company's affairs and in light of opportunities or risks which the Company faces. The directors are kept informed of the Company's business and affairs at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

### The Board

The Board currently consists of three directors, two of whom are independent based upon the test for director independence set out in NI 52-110. As such, two of three directors are independent. Guido Cloetens and Joseph Campbell are the independent directors of the Company. Stuart Rogers is the CEO of the Company and engages in the management of day-to-day operations of the Company. As such, Stuart Rogers is not an independent director.

*Directorships*

Some of the directors of the Company serve on the boards of directors of other reporting issuers (or the equivalent) in Canada or foreign jurisdictions. The following table lists the directors of the Company who serve on boards of directors of other reporting issuers (or the equivalent) and the identities of such reporting issuers (or the equivalent).

| Name of Director | Reporting Issuers (or the Equivalent) |
|---|---|
| Stuart Rogers | Elysee Development Corporation<br>Gold Terra Resource Corp. |
| Guido Cloetens | Elysee Development Corporation |
| Joseph Campbell | Triumph Gold Corp. |

The Board has determined that these directorships do not adversely impact the effectiveness of these directors on the Board or create any potential for unmanageable conflicts of interest.

**Orientation and Continuing Education**

New members of the Board are provided with: (i) information respecting the functioning of the Board and its committees and a copy of the Company's corporate governance documents; (ii) access to all documents of the Company, including those that are confidential; and (iii) access to management.

Each new director participates in the Company's initial orientation program and each director participates in the Company's continuing director development programs, both of which are reviewed annually by the Board.

Board members are encouraged to: (i) communicate with management and auditors; (ii) keep themselves current with industry trends and developments and changes in legislation with management's assistance; (iii) attend related industry seminars; and (iv) visit the Company's operations.

**Ethical Business Conduct**

The Board has adopted the Code for the directors, officers, employees and consultants of the Company and its subsidiaries. All new employees must read the Code when hired and acknowledge that they will abide by the Code.

The Board is responsible for monitoring compliance with the Code. In accordance with the Code, directors, officers, employees and consultants of the Company and its subsidiaries should raise questions regarding the application of any requirement under the Code, and report a possible violation of a law or the Code, promptly to their superior or manager. If reporting a concern or complaint to a superior or manager is not possible or advisable, or if reporting it to such person does not resolve the matter, the matter should be addressed with the Chief Financial Officer of the Company.

The Board monitors compliance with the Code by, among other things, obtaining reports from the Chief Executive Officer regarding breaches of the Code. The Board also reviews investigations and any resolutions of complaints received under the Code. In addition, the Board approves changes to the Code it considers appropriate, at least annually. The Code will be available under the Company's profile on SEDAR at www.sedar.com.

The Board takes steps to ensure that directors, officers and other employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or other employee of the Company has a material interest, which include ensuring that directors, officers and other employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from their superior or manager or the Chief Financial Officer regarding any potential conflicts of interest.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to directors, officers and other employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

**Audit Committee**

See "*Audit Committee*" for further details.

**Director Assessment**

The Board is responsible for ensuring that an appropriate system is in place to evaluate the effectiveness of the Board as a whole, the individual committees of the Board, and the individual members of the Board and such committees with a view of ensuring that they are fulfilling their respective responsibilities and duties. In connection with such evaluations, each director is required to provide his or her assessment of the effectiveness of the Board and each committee as well as the performance of the individual directors, annually. Such evaluations take into account the competencies and skills each director is expected to bring to his or her particular role on the Board or on a committee, as well as any other relevant facts.

## RISK FACTORS

*Investing in the Offered Shares is speculative and involves a high degree of risk due to the nature of the Company's business. An investment in the Offered Shares should only be made by persons who can afford the total loss of their investment. The following risks, as well as risks currently unknown to the Company, could adversely affect the Company's current or future business, properties, operations, results, cash flows, financial condition and prospects and could cause future results, cash flows, financial condition, prospects, events or circumstances to differ materially from those currently expected, including the estimates and projections contained in this Prospectus. Investors should carefully consider the risks described below and elsewhere in this Prospectus. The risks described below and elsewhere in this Prospectus do not purport to be an exhaustive summary of the risks affecting the Company and additional risks and uncertainties not currently known to the Company or not currently perceived as being material may have an adverse effect on the Company. Please see "Management's Discussion and Analysis" for a description of additional risks affecting the Company.*

**Risks Related to the Company**

***Mineral prices are volatile***

Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors cannot be predicted.

***Mining operations are risky***

The Company's current business, and any future development or mining operations, involve various types of risks and hazards typical of companies engaged in the mining industry. Such risks include, but are not limited to: (i) industrial accidents; (ii) unusual or unexpected rock formations; (iii) structural cave-ins or slides and pitfall, ground or slope failures and accidental release of water from surface storage facilities; (iv) fire, flooding and earthquakes; (v) rock bursts; (vi) metal losses in handling and transport; (vii) periodic interruptions due to inclement or hazardous weather conditions; (viii) environmental hazards; (ix) discharge of pollutants or hazardous materials; (x) failure of processing and mechanical equipment and other performance problems; (xi) geotechnical risks, including the stability of the underground hanging walls and unusual and unexpected geological conditions; (xii) unanticipated variations in grade and other geological problems, water, surface or underground conditions; (xiii) labour disputes or slowdowns;

(xiv) work force health issues as a result of working conditions; and (xv) force majeure events, or other unfavourable operating conditions.

These risks, conditions and events could result in: (i) damage to, or destruction of, the value of, the Dungate Project; (ii) personal injury or death; (iii) environmental damage to the Dungate Project, surrounding lands and waters, or the properties of others; (iv) delays or prohibitions on mining or the transportation of minerals; (v) monetary losses; and (vi) potential legal liability and any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operation, cash flows or prospects. In particular, underground refurbishment and exploration activities present inherent risks of injury to people and damage to equipment. Significant accidents could occur, potentially resulting in a complete shutdown of the Company's operations at the Dungate Project which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

There are also risks related to the reliance on the reliability of current and new or developing technology; the reliance on the work performance of outside consultants, contractors, and manufacturers; changes to labour or material costs; unknown or unanticipated or underestimated costs or expenses; unknown or unanticipated or underestimated additions to the scope of work due to changing or adverse conditions encountered; unexpected variances in the geometry or quality of ore zones; unexpected reclamation requirements or expenses; permitting time lines; unexpected or unknown ground conditions; unexpected changes to estimated parameters utilized to estimate past timelines, projections, or costs; and liquidity risks. An adverse change in any one of such factors, hazards and risks may result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***Resource Exploration and Development is a Speculative Business***

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, and government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The majority of exploration projects do not result in the discovery of commercially mineable deposits of ore. There is no known mineral resource on the Dungate Project and there is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial ore.

***The successful exploration and development of the Dungate Project depend on the skills of the Company's management and teams***

The Company's business is dependent on retaining the services of its key management personnel with a variety of skills and experience, including in relation to the exploration and development of mineral projects. The success of the Company is, and will continue to be, dependent to a significant extent on the expertise and experience of its directors and senior management. Failure to retain, or loss of, one or more of these people could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects. The Company's success will also depend to a significant degree upon the contributions of qualified technical personnel and the Company's ability to attract and retain highly skilled personnel. Competition for such personnel is intense, and the Company may not be successful in attracting and retaining qualified personnel, or in obtaining the necessary work permits to hire qualified expatriates. The Company's inability to attract and retain these people could have a material adverse effect on its business, financial condition, results of operations, cash flows or prospects.

***Operations during mining cycle peaks are more expensive***

During times of increased demand for metals and minerals, price increases may encourage expanded mining exploration, development and construction activities. These increased activities may result in escalating demand for and cost of contract exploration, development and construction services and equipment. Increased demand for and cost of services and equipment could cause exploration, development and construction costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increased potential for scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development or construction costs, result in project delays, or increase operating costs.

***Title to the Dungate Project may be disputed***

There is no guarantee that title to the Dungate Project will not be challenged or impugned. The Company's claims may be subject to prior unregistered agreements or transfers and title may be affected by unidentified or unknown defects. The Company has conducted an investigation on the title of properties that it has acquired to confirm that there are no claims or agreements that could affect its title to its mineral tenure or surface rights. There is no guarantee that such title will not be challenged or impaired. If title to the Company's properties is disputed, it may result in the Company paying substantial costs to settle the dispute or clear title and could result in the loss of the property, which events may affect the economic viability of the Company. Title insurance generally is not available for mineral tenure or surface rights and the Company's ability to ensure that it has obtained secure claim to title may be constrained.

The Company's interests in the Dungate Project are held pursuant to option agreements. The Company must expend a total of $175,000 on the Dungate Project in order to acquire such interest in the Property, subject to a 2% NSR. The Company has limited financial resources, and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under the applicable agreements. If the Company is unsuccessful in raising further funds, it may not earn any interest in the Dungate Project.

***Indigenous title claims may impact the Company's interest in the Dungate Project***

First Nations rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's 2014 decision in Tsilhqot'in Nation v. British Columbia marked the first time in Canadian history that a court has declared First Nations' title to lands outside of reserve land. The Dungate Project may now or in the future be the subject of aboriginal or indigenous land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's potential ownership interest in the Dungate Project cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Dungate Project is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of aboriginal interests in order to facilitate exploration and development work on the Dungate Project. There is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Dungate Project.

***The Company may fail to comply with the law or may fail to obtain or renew necessary permits and licenses***

The Company's operations are subject to extensive laws and regulations governing, among other things, such matters as environmental protection, management and use of toxic substances and explosives, health, exploration and development of mines, commercial production and sale of by-products, ongoing and post-closure reclamation, construction and operation of tailings dams, safety and labour, taxation and royalties, maintenance of mineral tenure, and expropriation of property. The activities of the Company require licenses and permits from various governmental authorities.

The costs associated with compliance with these laws and regulations and of obtaining licenses and permits are substantial, and possible future laws and regulations, changes to existing laws and regulations and more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its properties. There is no assurance that future changes in such laws and regulations, if any, will not adversely affect the Company's operations. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety practices of the Company's past and current operations, or possibly even the actions of former property owners, and could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions. The Company may fail to comply with current or future laws and regulations. Such non-compliance can lead to financial restatements, civil or criminal fines, penalties, and other material negative impacts on the Company.

The Company is required to obtain or renew further government permits and licenses for its current and contemplated operations. Obtaining, amending or renewing the necessary governmental permits and licenses can be a time-consuming process potentially involving a number of regulatory agencies, involving public hearings and costly undertakings on the Company's part. The duration and success of the Company's efforts to obtain, amend and renew permits and licenses are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by the relevant permitting or licensing authority. The Company may not be able to obtain, amend or renew permits or licenses that are necessary to its operations, or the cost to obtain, amend or renew permits or licenses may exceed what the Company believes it can ultimately recover from a given property once in production. Any unexpected delays or costs associated with the permitting and licensing process could impede ongoing operations at the Dungate Project. To the extent necessary permits or licenses are not obtained, amended or renewed, or are subsequently suspended or revoked, the Company may be curtailed or prohibited from proceeding with planned development, commercialization, operation and exploration activities. Such curtailment or prohibition may result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***Compliance with environmental regulations can be costly***

The Company's exploration operations at the Dungate Project are subject to environmental regulation. Regulations cover, among other things, water quality standards, land reclamation, the generation, transportation, storage and disposal of hazardous waste, the construction and operation of tailings dams, and general health and safety matters. There is no assurance that the Company has been or will at all times be in full compliance with all environmental laws and regulations or hold, and be in full compliance with, all required environmental and health and safety approvals and permits. The potential costs and delays associated with compliance with such laws, regulations, approvals and permits could prevent the Company from economically operating or proceeding with the further exploration of the Dungate Project, and any non-compliance with such laws, regulations, approvals and permits could result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Environmental approvals and permits are currently, and may in the future be, required in connection with the Company's current and planned operations. To the extent such environmental approvals and permits are required and not obtained, the Company's plans and the operation of mines may be curtailed or it may be prohibited from proceeding with planned exploration or development of additional mineral properties. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

There is no assurance that any future changes in environmental regulation will not adversely affect the Company's operations. Changes in government regulations have the potential to significantly increase compliance costs and thus reduce the profitability of current or future operations.

Environmental hazards may also exist on the properties on which the Company holds interests that are unknown to the Company at present and that have been caused by previous or existing owners or operators of the properties and for which the Company may be liable for remediation. Parties engaged in mining operations, including the Company, may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable environmental laws or regulations, regardless of whether the Company actually caused the loss or damage. The costs of such compensation, fines or penalties could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***Social and environmental activism can negatively impact exploration, development and mining activities***

There is an increasing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***The mining industry is intensely competitive***

The mining industry is intensely competitive. The Company competes with other mining companies, many of which have greater resources and experience. Competition in the mining industry is primarily for: (i) properties which can be developed and can produce economically; (ii) the technical expertise to find, develop, and operate such properties; (iii) labour to operate such properties; and (iv) capital to fund such properties. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees and consultants or to acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***Inadequate infrastructure may constrain exploration and future development operations***

Exploration operations depend on adequate infrastructure. In particular, reliable power sources, water supply, transportation and surface facilities are necessary to explore and develop mineral projects. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***The Company may incur losses and experience negative operating cash flow for the foreseeable future***

For the financial year ended October 31, 2019, the Company had net earnings of approximately $7,792. The Company has incurred various expenses in recent periods and plans to incur further expenses as cash flows allow. The planned increases in expenses may result in losses in future periods.

The exploration, development and operation of the Company's mineral properties will require the commitment of substantial financial resources that may not be available. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners and the acquisition of additional property interests, some of which are beyond the Company's control. The Company's business strategies may not be successful and it may not be profitable in any future period. The Company's operating results have varied in the past and they may continue to fluctuate in the future. In addition, the Company's operating results may not follow any past trends.

***The Company's insurance coverage may be inadequate to cover potential losses***

The Company's business is subject to a number of risks and hazards (as further described in this Prospectus). Although the Company maintains insurance and intends, upon completion of the Offering, to obtain certain additional insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its activities. The Company may also be unable to obtain or maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration, development or production may not be available to the Company on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it is not currently insured against and/or in the future may not insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***The directors and officers may have conflicts of interest with the Company***

Certain directors and officers of the Company are or may become associated with other mining and/or mineral exploration and development companies which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of the Company. Some of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner or to allocate opportunities that they become aware of to the Company could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***Future acquisitions may require significant expenditures and may result in inadequate returns***

The Company may seek to expand through future acquisitions; however, there can be no assurance that the Company will locate attractive acquisition candidates, or that the Company will be able to acquire such candidates on economically acceptable terms, if at all, or that the Company will not be restricted from completing acquisitions pursuant to the terms and conditions from time to time of arrangements with third parties, such as the Company's creditors. Future acquisitions may require the Company to expend significant amounts of cash, resulting in the Company's inability to use these funds for other business or may involve significant issuances of equity or debt. Future acquisitions may also require substantial management time commitments, and the negotiation of potential acquisitions and the integration of acquired operations could disrupt the Company's business by diverting management and employees' attention away from day-to-day operations. The difficulties of integration may be increased by the necessity of coordinating geographically diverse organizations, integrating personnel with disparate backgrounds and combining different corporate cultures.

Any future acquisition involve potential risks, including, among other things: (i) mistaken assumptions and incorrect expectations about mineral properties, existing or potential mineral resources, mineral reserves and costs; (ii) an inability to successfully integrate any operation the Company acquired or acquires, as applicable; (iii) an inability to recruit, hire, train or retain qualified personnel to manage and operate the operations acquired; (iv) the assumption of unknown liabilities; (v) mistaken assumptions about the overall cost of equity or debt; (vi) unforeseen difficulties operating acquired projects, which may be in geographic areas new to the Company; and (vii) the loss of key employees and/or key relationships at the acquired project. In addition, competition for assets sometimes requires that acquisitions be completed on an "as is where is" basis, and therefore the Company would have no rights of recourse and indemnities against the sellers. Future acquisition candidates may have liabilities or adverse operating issues that the Company failed or fails to discover through due diligence prior to the acquisition. If the Company consummates any future acquisitions with, unanticipated liabilities or adverse operating issues or if acquisition-related expectations are not met, the Company's business, results of operations, cash flows, financial condition or prospects may be materially adversely affected. The potential impairment or complete write-off of goodwill and other intangible assets related to any such acquisition may reduce the Company's overall earnings and could negatively affect the Company's balance sheet.

***The Company may be subject to costly legal proceedings***

The Company may be subject to regulatory investigations, civil claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in regulatory actions and litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. Defense and settlement costs of legal disputes can be substantial, even with claims that have no merit. Management is committed to conducting business in an ethical and responsible manner, which it believes will reduce the risk of legal disputes. However, if the Company is subject to legal disputes, there can be no assurances that these matters will not have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***The Company will incur increased costs as a result of complying with the reporting requirements, rules and regulations affecting public issuers***

As a public issuer, the Company will be subject to the reporting requirements and rules and regulations under the applicable Canadian securities laws and rules of any stock exchange on which the Company's securities may be listed from time to time. Additional or new regulatory requirements may be adopted in the future. The requirements of existing and potential future rules and regulations will increase the Company's legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on its personnel, systems and resources, which could adversely affect its business and financial condition.

In particular, as a result of the Offering, the Company will become subject to reporting and other obligations under applicable Canadian securities laws, including National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*. These reporting and other obligations will place significant demands on the Company as well as on the Company's management, administrative, operational and accounting resources.

***The Dungate Project is located in an underdeveloped rural area***

The Dungate Project is located in an underdeveloped rural area, resulting in technical challenges for conducting mineral exploration and development and any potential mining activities at the property. The Company benefits from modern mining transportation skills and technologies for exploring and operating in such areas. Nevertheless, the Company may sometimes be unable to overcome problems related to underdevelopment or unseasonable weather at a commercially reasonable cost, which could negatively affect the Company's mineral exploration and development and any potential mining activities at the property and have a material adverse effect on the Company. The rural location of the Dungate Project also results in increased costs associated with land access and infrastructure, including powerlines, water pipelines and transportation.

***The Company may not use the proceeds from the Offering as described in this Prospectus***

The Company currently intends to use the net proceeds received from the Offering as described under "*Use of Proceeds*". However, the Board and/or management will have discretion in the actual application of the net proceeds, and may elect to allocate net proceeds differently from that described under "*Use of Proceeds*" if they believe it would .be in the Company's best interests to do so. Shareholders may not agree with the manner in which the Board and/or management chooses to allocate and spend the net proceeds. The failure by the Board and/or management to apply these funds effectively could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***The Company may not be able to obtain sufficient financing to pursue all of its intended exploration activities or continue on a going concern basis***

The Company's primary sources of capital resources are comprised of cash and cash equivalents and the issuance of securities. The Company will continuously monitor its capital structure and, based on changes in operations and economic conditions, may adjust the structure by issuing new shares as necessary. The recoverability of the carrying values of the Company's assets is dependent upon the ability of the Company to obtain the necessary financing to complete exploration activities.

While the Company has been successful in securing financing to date, there are no guarantees that it will be able to secure such financing in the future on terms acceptable to the Company, if at all. If the Company is unable to raise sufficient capital to fund all of its intended exploration activities, expenditures may be limited to the recommended work program on the Dungate Project. In the event that the Company is unable to fulfill its commitments under its various option agreements as a result of lack of funds or otherwise, the Company may lose its rights and interests in some or all of its properties. This could, in turn have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***The Company may be negatively impacted by changes to mining laws and regulations***

The Company's activities are subject to various laws governing prospecting, exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Mining, exploration and development activities are also subject to various laws and regulations relating to the protection of the environment. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the Company's properties. Amendments to current laws and regulations governing the Company's operations and activities or more stringent implementation of such laws and regulations could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***The Company may expand into other geographic areas, which could increase the Company's operational, regulatory and other risks***

While currently all of the Company’s mining and exploration activities are in Canada, the Company may in the future expand into other geographic areas, which could increase the Company’s operational, regulatory, compliance, reputational and foreign exchange rate risks. The failure of the Company’s operating infrastructure to support such expansion could result in operational failures and regulatory fines or sanctions. Future international expansion could require the Company to incur a number of up-front expenses, including those associated with obtaining regulatory approvals, as well as additional ongoing expenses, including those associated with infrastructure, staff and regulatory compliance. The Company may not be able to successfully identify suitable acquisition and expansion opportunities, or integrate such operations successfully with the Company's existing operations.

**Risks Related to the Offered Shares**

***Investors may lose their entire investment***

An investment in the Offered Shares is speculative and may result in the loss of an investor’s entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company.

***There is no existing public market for the Common Shares***

There is currently no existing public market for the Offered Shares, the Common Shares. The Common Shares are not currently listed or quoted on any stock exchange or market in Canada or elsewhere. If an active trading market does not develop, the trading price of the Common Shares may decline, and investors may have difficulty selling any of the Offered Shares that they purchase or acquire by way of the Offering.

Prior to the Offering, there has been no public trading market for the Common Shares, and the Company cannot offer assurances that one will develop or be sustained after the Offering. The Company cannot predict the prices at which the Common Shares will trade. The Offering Price has been determined by arm’s length negotiation between the Company and the Agent and may not bear any relationship to the market price at which the Common Shares will trade after the Offering, or to any other established criteria of the Company’s value. Shares of companies often trade at a discount to the initial offering price due to sales loads, underwriting discounts and related offering expenses.

***Dilution from equity financing could negatively impact holders of Offered Shares***

The Company may from time to time raise funds through the issuance of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares. The Company cannot predict the size or price of future issuances of Common Shares or the size or terms of future issuances of debt instruments or other securities convertible into Common Shares, or the effect, if any, that future issuances and sales of the Company’s securities will have on the market price of the Common Shares. Sales or issuances of substantial numbers of Common Shares, or the perception that such sales or issuances could occur, may adversely affect prevailing market prices of the Common Shares. With any additional sale or issuance of Common Shares, or securities convertible into Common Shares, investors will suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

***A purchaser of the Offered Shares under the Offering will purchase such Offered Shares at a substantial premium to the current book value per Offered Share***

The Offering Price of $0.10 per Offered Share is substantially higher than the current book value per share of the Common Shares issued prior to the completion of the Offering. As a result, purchasers of

Offered Shares pursuant to the Offering will experience immediate dilution. Stock exchange listing is not certain.

The Company proposes to list the Common Shares distributed under this Prospectus as well as its existing issued and outstanding Common Shares on the CSE. Such listing will be subject to the Company fulfilling all the listing requirements of the CSE. If the Company fails to list the Common Shares on the CSE, the liquidity for its Common Shares would be significantly impaired, which may substantially decrease the trading price of the Common Shares.

In addition, in the future, Edgemont's securities may fail to meet the continued listing requirements to be listed on the CSE. If the CSE delists the Common Shares from trading on its exchange, the Company could face significant material adverse consequences, including:

- a limited availability of market quotations for the Common Shares;
- a determination that the Common Shares are a "penny stock" which will require brokers trading in the Common Shares to adhere to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary trading market for the Common Shares;
- a limited amount of news and analyst coverage for the Company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

***Equity securities are subject to trading and volatility risks***

The securities of publicly traded companies can experience a high level of price and volume volatility and the value of the Company's securities can be expected to fluctuate depending on various factors, not all of which are directly related to the success of the Company and its operating performance, underlying asset values or prospects. These include the risks described elsewhere in this Prospectus. Factors which may influence the price of the Company's securities, including the Common Shares, include, but are not limited to:

- worldwide economic conditions;
- changes in government policies;
- investor perceptions;
- movements in global interest rates and global stock markets;
- variations in operating costs;
- the cost of capital that the Company may require in the future;
- metals prices;
- the price of commodities necessary for the Company's operations;
- recommendations by securities research analysts;
- issuances of equity securities or debt securities by the Company;
- operating performance and, if applicable, the share price performance of the Company's competitors;
- the addition or departure of key management and other personnel;
- the expiration of lock-up or other transfer restrictions on outstanding Common Shares;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors;
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related industry and market issues affecting the mining sector;
- litigation;
- publicity about the Company, the Company's personnel or others operating in the industry;
- loss of a major funding source; and
- all market conditions that are specific to the mining industry.

There can be no assurance that such fluctuations will not affect the price of the Company's securities, and consequently purchasers of Offered Shares may not be able to sell Offered Shares at prices equal to or greater than the price or value at which they purchased the Offered Shares or acquired them, or their components, by way of the secondary market.

***Sales by existing shareholders can reduce share prices***

Sales of a substantial number of Common Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Common Shares intend to sell, could reduce the market price of the Common Shares. If this occurs and continues, it could impair the Company's ability to raise additional capital through the sale of securities.

It is anticipated that a majority of the Common Shares issued and outstanding prior to completion of the Offering will be subject to post-Closing resale restrictions. See "*Plan of Distribution*" and "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*" for descriptions of these resale restrictions. Upon expiration of the resale restrictions to which they are subject, such Offered Shares will be freely tradable in the public market, subject to the provisions of applicable securities laws.

In addition, the Company has a number of shareholders who have held the Company's securities since August 2, 2018, during which time there has not been a public market for the Company's securities. There is a risk that future sales of Common Shares held by such holders will have an adverse impact on the market price of the Common Shares prevailing from time to time.

***The Company is not likely to pay dividends for an extended period of time***

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its Common Shares. The Company anticipates that, for the foreseeable future, it will retain its cash resources for the operation and development of its business. The declaration and payment of any dividends in the future is at the discretion of the Board and will depend on a number of factors, including compliance with applicable laws, financial performance, working capital requirements of the Company and such other factors as its directors consider appropriate, and the Company may never pay dividends.

***Public companies are subject to securities class action litigation risk***

In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. If the Company faces such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could materially harm its business.

***If securities or industry analysts do not publish research or publish inaccurate or unfavourable research about the Company's business, the price and trading volume of the Common Shares could decline***

The trading market for the Common Shares will depend on the research and reports that securities or industry analysts publish about the Company and its business. The Company does not have any control over these analysts. The Company cannot assure that analysts will cover it or provide favourable coverage. If one or more of the analysts who cover the Company downgrade its stock or reduce their opinion of the value of the Common Shares, the price of Common Shares would likely decline. If one or more of these analysts cease coverage of the Company or fail to regularly publish reports, the Company could lose visibility in the financial markets, which could cause the price and trading volume of the Common Shares to decline.

***Global financial conditions can reduce the price of the Common Shares***

Global financial conditions may be characterized by extreme volatility. While global financial conditions are currently stable, global financial conditions could suddenly and rapidly destabilize in response to future economic shocks, as government authorities may have limited resources to respond to future crises. Future economic shocks may be precipitated by a number of causes, including a rise in the price of oil, geopolitical instability and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact the Company's ability to obtain equity or debt financing in the future on terms favourable to the Company. Additionally, any such occurrence could cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. Further, in such an event, the Company's operations and financial condition could be adversely impacted.

Furthermore, general market, political and economic conditions, including, for example, inflation, interest and currency exchange rates, structural changes in the global mining industry, global supply and demand for commodities, political developments, legislative or regulatory changes, social or labour unrest and stock market trends will affect the Company's operating environment and its operating costs, profit margins and share price. Any negative events in the global economy could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

## PROMOTERS

Stuart Rogers, the Chief Executive Officer and a director of Edgemont, may be considered to be a promoter of the Company in that he took the initiative in organizing the business of the Company. The following table sets out the number and percentage of each class of voting securities and equity securities of Edgemont beneficially owned, or controlled or directed, directly or indirectly by Mr. Rogers.

| Designation of Class | Number of Securities | Percentage of Class |
|---|---|---|
| Common Shares | 2,000,001 | 21.3% |
| Options | 100,000 | 20.0% |

Additional information about Mr. Rogers is disclosed elsewhere in this Prospectus in connection with his capacity as a director of the Company. See "*Directors and Executive Officers*" and "*Director and Executive Compensation*" for further details.

Other than as disclosed in this Prospectus, Mr. Rogers has not received, directly or indirectly, anything of value, including money, property, contracts, options or rights of any kind from Edgemont, and Edgemont have not received any assets, services or other consideration from Mr. Rogers in return.

## LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings or regulatory actions to which the Company is a party, or has been a party to, or of which any of its property is the subject matter of, or was the subject matter of, since its incorporation, and no such proceedings or actions are known by the Company to be contemplated.

There have been no penalties or sanctions imposed against the Company by a court or regulatory authority, and the Company has not entered into any settlement agreements before any court relating to provincial or territorial securities legislation or with any securities regulatory authority, since its incorporation.

## INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed below and elsewhere in this Prospectus, no director, executive officer or shareholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued Common Shares, or any of their respective associates or affiliates, has any material interest, direct or indirect, in any transaction since the incorporation of the Company which has materially affected or is reasonably expected to materially affect the Company or a subsidiary of the Company.

## AUDITOR, TRANSFER AGENT AND REGISTRAR

The Company's auditor is DMCL, having an address at 1140 W Pender St #1500-1700, Vancouver, BC V6E 4G1.

The transfer agent and registrar for the Common Shares is National Securities Administrators Ltd., having an office at 760 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

## MATERIAL CONTRACTS

Except for material contracts entered into in the ordinary course of business, set out below are material contracts to which the Company is a party entered into prior to or since the date of incorporation of the Company and which still remain in effect and are considered to be material to the Company. Copies of such material contracts will be filed with the Canadian securities regulatory authorities and will be available for review under the Company's profile on SEDAR at www.sedar.com.

- Agency Agreement;
- Dungate Option Agreement;
- Mike Option Agreement; and
- Escrow Agreement

## EXPERTS

Information of a scientific or technical nature in respect of the Dungate Project is included in this Prospectus based upon the Dungate technical report on the Dungate Project, with an effective date of November 12, 2019, prepared by B.L. Laird, P.Geo, of Mincord Exploration Consultants Ltd., who is an independent "qualified person" under NI 43-101. To the best of the Company's knowledge, after reasonable inquiry, as of the date hereof, the aforementioned individual and his firm does not beneficially own, directly or indirectly, any Common Shares.

DMCL, the auditor of the annual financial statements of Edgemont included in this Prospectus, has advised the Company that it is independent of the Company in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Certain legal matters related to the Offering will be passed upon on the Company's behalf by MLT Aikins LLP and on behalf of the Agent by Vantage Law Corporation. To the best of the Company's knowledge, after reasonable inquiry, as of the date hereof, the aforementioned partnerships (and their partners and associates) each beneficially own, directly or indirectly, in the aggregate, less than 1% of the outstanding Common Shares.

## PURCHASERS' STATUTORY RIGHTS OF RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

## APPENDIX "A"

## AUDIT COMMITTEE CHARTER

See attached

**EDGEMONT GOLD CORP.**

**AUDIT COMMITTEE CHARTER**

## I. Purpose

The primary objective of the Audit Committee (the "**Committee**") of Edgemont Gold Corp. (the "**Company**") is to act as a liaison between the Company's Board of Directors (the "**Board**") and the Company's independent auditors (the "**Auditors**") and to oversee (a): the accounting and financial reporting processes of the Company, including the financial statements and other financial information provided by the Company to its shareholders, the public and others, (b) the Company's compliance with legal and regulatory requirements, (c) the audit of the Company's financial statements, (d) the qualification, independence and performance of the Auditors, and (e) the Company's risk management policies and procedures and internal financial and accounting controls, and management information systems. For greater certainty, references to the financial statements of the Company will include, where applicable, the financial statements of the Company's subsidiary entities.

Although the Committee has the powers and responsibilities set forth in this Charter, the role of the Committee is oversight. The members of the Committee are not full-time employees of the Company and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing and, in any event, do not serve in such capacity. Consequently, it is not the duty of the Committee to conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditors.

The responsibilities of a member of the Committee are in addition to such member's duties as a member of the Board.

## II. Organization

A majority of the members of the Committee will be non-executive directors of the Company who satisfy, at a minimum, the laws governing the Company and the independence, financial literacy and financial experience requirements under applicable securities laws, rules and regulations, stock exchange and any other regulatory requirements applicable to the Company.

Members of the Committee must be financially literate as the Board interprets such qualification in its business judgment. A majority of the members of the Committee will not have participated in the preparation of the financial statements of the Company or any current subsidiary at any time during the past three years. All members will be able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement.

The Committee will consist of three or more directors of the Company, a majority of whom are not executive officers of the Company. The members of the Committee and the Chair of the Committee will be appointed by the Board. A majority of the members of the Committee will constitute a quorum, provided that if there are only three members, the quorum shall be three. A majority of the members of the Committee will be empowered to act on behalf of the

Committee. Matters decided by the Committee will be decided by majority votes. The chair of the Committee will have an ordinary vote and will not be entitled to exercise a casting vote.

Any member of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a director.

The Committee may form and delegate authority to subcommittees when appropriate.

## III. Meetings

The Committee will meet as frequently as circumstances require, but not less frequently than four times per year. The Committee will meet at least quarterly with management, the Company's financial and accounting officer(s) and the Auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. Meetings may be held telephonically to the extent permitted by the Company's organizational documents and applicable law. A resolution in writing signed by all members who are entitled to vote on the resolution at the meeting of the Committee is as valid as if it had been passed at a meeting.

In the absence of the appointed Chair of the Committee at any meeting, the members will elect a chair from those in attendance at the meeting. The Chair, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each upcoming meeting. Notice of the time and place of every meeting shall be given in writing, either by email, fax or personal delivery to each member of the Committee at least 24 hours in advance of the meeting.

The Committee will appoint a recording secretary who will keep minutes of all meetings. The recording secretary may be any person and does not need to be a member of the Committee. The recording secretary for the Committee can be changed by simple notice from the Chair.

The Chair will ensure that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee as well as the other directors in advance of the meeting.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee. The Company's accounting and financial officer(s) and the Auditors will attend any meeting when requested to do so by the Chair of the Committee.

## IV. Authority and Responsibilities

The Board, after consideration of the recommendation of the Committee, will nominate the Auditors for appointment by the shareholders of the Company in accordance with applicable law. The Auditors report directly to the Audit Committee. The Auditors are ultimately accountable to the Committee and the Board as representatives of the shareholders.

In fulfilling its duties and responsibilities under this Charter, the Committee will be entitled to reasonably rely on (a) the integrity of those persons within the Company and of the professionals and experts (such as the Auditors) from whom it receives information, (b) the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts and (c) the representations made by the Auditors as to any services provided by them to the Company.

The Committee will have the following responsibilities:

**(a) Auditors**

1. Be directly responsible for the appointment, compensation, retention (including termination) and oversight of the work of any independent registered public accounting firm engaged by the Company (including for the purposes of preparing or issuing an audit report or performing other audit, review or attestation services or other work for the Company and including the resolution of disagreements between management and the Company's independent registered public accounting firm regarding financial reporting) and ensure that such firm will report directly to it; recommend to the Board the independent auditors to be nominated for appointment as Auditors of the Company at the Company's annual meeting, the remuneration to be paid to the Auditors for services performed during the preceding year; and recommend to the Board and the shareholders the termination of the appointment of the Auditors, if and when advisable.

2. When there is to be a change of the Auditor, review all issues related to the change, including any notices required under applicable securities law, stock exchange or other regulatory requirements, and the planned steps for an orderly transition.

3. Review the Auditor's audit plan and discuss the Auditor's scope, staffing, materiality, and general audit approach.

4. Review on an annual basis the performance of the Auditors, including the lead audit partner.

5. Take reasonable steps to confirm the independence of the Auditors, which include:

   (a) ensuring receipt from the Auditors of a formal written statement in accordance with applicable regulatory requirements delineating all relationships between the Auditors and the Company;

   (b) considering and discussing with the Auditors any disclosed relationships or services, including non-audit services, that may impact the objectivity and independence of the Auditors;

   (c) approving in advance all auditing services and any non-audit related services provided by the Auditors to the Company, and the fees for such services, with a view to ensuring the independence of the Auditors and, in accordance with applicable regulatory standards, including applicable stock exchange requirements, with respect to approval of non-audit related services performed by the Auditors; and

   (d) as necessary, taking or recommending that the Board take appropriate action to oversee the independence of the Auditors.

6. Review and approve any disclosures required to be included in periodic reports under applicable securities laws, rules and regulations and stock exchange and other regulatory requirements with respect to non-audit services.

7. Confirm with the Auditors and receive written confirmation at least once per year as to (i) the Auditor's internal processes and quality control procedures; and (ii) disclosure of any material issues raised by the most recent internal quality control review, or per review within the preceding five years respecting independent audit carried out by the Auditors or investigations or government or professional enquiries, reviews or investigations of the Auditors within the last five years.

8. Consider the tenure of the lead audit partner on the engagement in light of applicable securities law, stock exchange or applicable regulatory requirements.

9. Review all reports required to be submitted by the Auditors to the Committee under applicable securities laws, rules and regulations and stock exchange or other regulatory requirements.

10. Receive all recommendations and explanations which the Auditors place before the Committee.

**(b) Financial Statements and Financial Information**

11. Review and discuss with management, the financial and accounting officer(s) and the Auditors, the Company's annual audited financial statements, including disclosures made in management's discussion and analysis, prior to filing or distribution of such statements and recommend to the Board, if appropriate, that the Company's audited financial statements be included in the Company's annual reports distributed and filed under applicable laws and regulatory requirements.

12. Review and discuss with management, the financial and accounting officer(s) and the Auditors, the Company's interim financial statements, including management's discussion and analysis, and the Auditor's review of interim financial statements, prior to filing or distribution of such statements.

13. Review any earnings press releases of the Company before the Company publicly discloses this information.

14. Be satisfied that adequate procedures are in place for the review of the Company's disclosure of financial information and extracted or derived from the Company's financial statements and periodically assess the adequacy of these procedures.

15. Discuss with the Auditor the matters required to be discussed by applicable auditing standards requirements relating to the conduct of the audit including:

    (a) the adoption of, or changes to, the Company's significant auditing and accounting principles and practices;

    (b) the management letter provided by the Auditor and the Company's response to that letter; and

    (c) any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, or personnel and any significant disagreements with management.

16. Discuss with management and the Auditors major issues regarding accounting principles used in the preparation of the Company’s financial statements, including any significant changes in the Company’s selection or application of accounting principles. Review and discuss analyses prepared by management and/or the Auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative approaches under generally accepted accounting principles.

17. Prepare, or ensure the preparation of, and review any report under applicable securities law, stock exchange or other regulatory requirements, including any reports required to be included in statutory filings.

**(c) Ongoing Reviews and Discussions with Management and Others**

18. Obtain and review an annual report from management relating to the accounting principles used in the preparation of the Company’s financial statements, including those policies for which management is required to exercise discretion or judgments regarding the implementation thereof.

19. Periodically review separately with each of management, the financial and accounting officer(s) and the Auditors; (a) any significant disagreement between management and the Auditors in connection with the preparation of the financial statements, (b) any difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information and (c) management’s response to each.

20. Periodically discuss with the Auditors, without management being present, (a) their judgments about the quality, integrity and appropriateness of the Company's accounting principles and financial disclosure practices as applied in its financial reporting and (b) the completeness and accuracy of the Company's financial statements.

21. Consider and approve, if appropriate, significant changes to the Company's accounting principles and financial disclosure practices as suggested by the Auditors or management and the resulting financial statement impact. Review with the Auditors or management the extent to which any changes or improvements in accounting or financial practices, as approved by the Committee, have been implemented.

22. Review and discuss with management, the Auditors and the Company's independent counsel, as appropriate, any legal, regulatory or compliance matters that could have a significant impact on the Company's financial statements, including applicable changes in accounting standards or rules, or compliance with applicable laws and regulations, inquiries received from regulators or government agencies and any pending material litigation.

23. Enquire of the Company’s financial and accounting officer(s) and the Auditors on any matters which should be brought to the attention of the Committee concerning accounting, financial and operating practices and controls and accounting practices of the Company.

24. Review the principal control risks to the business of the Company, its subsidiaries and joint ventures; and verify that effective control systems are in place to manage and mitigate these risks.

25. Review and discuss with management any earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as any financial information and earnings guidance provided to analysts and rating agencies. Such discussions may be done generally (i.e. discussion of the types of information to be disclosed and the types of presentations made).

26. Review and discuss with management any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons, that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses. Obtain explanations from management of all significant variances between comparative reporting periods.

27. Review and discuss with management the Company's major risk exposures and the steps management has taken to monitor, control and manage such exposures, including the Company's risk assessment and risk management guidelines and policies.

**(d) Risk Management**

28. Review, based upon the recommendation of the Auditors and management, the scope and plan of the work to be done by the Company's financial and accounting group and the responsibilities, budget and staffing needs of such group.

29. Ensure that management has designed and implemented effective systems of risk management and internal controls and, at least annually, review the effectiveness of the implementation of such systems.

30. Approve and recommend to the Board for adoption policies and procedures on risk oversight and management to establish an effective and efficient system for identifying, assessing, monitoring and managing risk relating to financial management and internal control.

31. Review the appointment of the chief financial officer and any key financial executives involved in the financial reporting process and recommend to the Board any changes in such appointments.

**(e) Other Responsibilities**

32. Create an agenda for the ensuing year.

33. Review and approve related-party transactions if required under applicable securities law, stock exchange or other regulatory requirements.

34. Review and approve (a) any change or waiver in the Company's Code of Business Conduct and Ethics applicable to senior financial officers and (b) any disclosures

made under applicable securities law, stock exchange or other regulatory requirements regarding such change or waiver.

35. Establish, review and approve policies for the hiring of employees, partners, former employees or former partners of the Company's Auditors or former independent auditors.

36. Review and reassess the duties and responsibilities set out in this Charter annually and recommend to the Board any changes deemed appropriate by the Committee.

37. Review its own performance annually, seeking input from management and the Board.

38. Confirm annually that all responsibilities outlined in this Charter have been carried out.

39. Perform any other activities consistent with this Charter, the Company's constating documents and governing law, as the Committee or the Board deems necessary or appropriate.

## V. Reporting

The Committee will report regularly to the Board and will submit the minutes of all meetings of the Audit Committee to the Board. The Committee will also report to the Board on the proceedings and deliberations of the Committee at such times and in such manner as the Board may require. The Committee will review with the full Board any issues that have arisen with respect to quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance or independence of the Auditors or the performance of the Company's financial and accounting group.

## VI. Resources and Access to Information

The Committee will have the authority to retain independent legal, accounting and other advisors or consultants to advise the Committee, as it determines necessary to carry out its duties.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities. The Committee has direct access to anyone in the organization and may request any officer or employee of the Company or the Company's outside counsel or the Auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee with or without the presence of management. In the performance of any of its duties and responsibilities, the Committee will have access to any and all books and records of the Company necessary for the execution of the Committee's obligations.

The Committee will determine the extent of funding necessary for payment of (a) compensation to the Company's independent public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Company, (b) compensation to any independent legal, accounting and other advisors or consultants retained to advise the Committee and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

## APPENDIX “B”

## FINANCIAL STATEMENTS

See attached

# EDGEMONT GOLD CORP.
# (FORMERLY EDGEMONT RESOURCE CORP.)
# FINANCIAL STATEMENTS
# OCTOBER 31, 2019 AND 2018

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

# INDEPENDENT AUDITOR'S REPORT

To the Directors of Edgemont Gold Corp. (formerly Edgemont Resource Corp.)

**Opinion**

We have audited the financial statements of Edgemont Gold Corp. (formerly Edgemont Resource Corp.) (the "Company"), which comprise the statements of financial position as at October 31, 2019 and 2018, and the statements of income and comprehensive income, changes in equity and cash flows for the year ended October 31, 2019 and for the period from inception on August 2, 2018 to October 31, 2018, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2019 and 2018, and its financial performance and its cash flows for the year ended October 31, 2019 and the period of August 2, 2018 to October 31, 2018 in accordance with International Financial Reporting Standards.

**Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1 to the financial statements, which describes events or conditions that indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Other Information**

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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**DALE MATHESON CARR-HILTON LABONTE LLP**
**CHARTERED PROFESSIONAL ACCOUNTANTS**
Vancouver, BC

March 12, 2020

**EDGEMONT GOLD CORP. (FORMERLY EDGEMONT RESOURCE CORP.)**
**STATEMENTS OF FINANCIAL POSITION**
(Expressed in Canadian dollars)

| | | October 31, 2019 | | October 31, 2018 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| CURRENT | | | | |
| Cash | $ | 144,860 | $ | 750 |
| Amounts receivable | | 3,219 | | - |
| TOTAL CURRENT ASSETS | | 148,079 | | 750 |
| DEFERRED FINANCING COSTS | | 1 | | 1 |
| EXPLORATION AND EVALUATION ASSETS (Note 5) | | 97,069 | | - |
| **TOTAL ASSETS** | $ | 245,149 | $ | 751 |
| **LIABILITIES** | | | | |
| CURRENT | | | | |
| Accounts payable and accrued liabilities (Notes 6 and 8) | $ | 43,642 | $ | 750 |
| Deferred income tax liability (Note 11) | | 10,714 | | - |
| TOTAL CURRENT LIABILITIES | | 54,356 | | 750 |
| **SHAREHOLDERS' EQUITY** | | | | |
| SHARE CAPITAL (Note 7) | | 183,001 | | 1 |
| RETAINED EARNINGS | | 7,792 | | - |
| **TOTAL SHAREHOLDERS' EQUITY** | | 190,793 | | 1 |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | $ | 245,149 | $ | 751 |

NATURE OF BUSINESS AND CONTINUANCE OF OPERATIONS (Note 1)
SUBSEQUENT EVENTS (Note 12)

Approved and authorized for issue on behalf of the Board on March 12, 2020.

*"Stuart Rogers"* Director *"Joseph Campbell"* Director

The accompanying notes are an integral part of these financial statements

**EDGEMONT GOLD CORP. (FORMERLY EDGEMONT RESOURCE CORP.)**
**STATEMENTS OF INCOME AND COMPREHENSIVE INCOME**
(Expressed in Canadian dollars)

| | Year ended October 31, 2019 | From inception on August 2, 2018 to October 31, 2018 |
|---|---|---|
| **EXPENSES** | | |
| Bank charges | $ 374 | $ - |
| Management fees (Note 8) | 10,000 | - |
| Professional fees | 31,719 | - |
| Travel and entertainment | 901 | - |
| Total operating expenses | 42,994 | - |
| Other items | | |
| Flow-through share premium (Note 7) | (61,500) | - |
| Net income before income taxes | 18,506 | - |
| Income taxes | | |
| Deferred income tax expense (Note 11) | (10,714) | - |
| NET INCOME AND COMPREHENSIVE INCOME | $ 7,792 | $ - |
| INCOME PER SHARE (basic and diluted) | $ 0.00 | $ 0.00 |
| WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING | 4,598,357 | 1 |

The accompanying notes are an integral part of these financial statements

**EDGEMONT GOLD CORP. (FORMERLY EDGEMONT RESOURCE CORP.)**
**STATEMENTS OF CHANGES IN EQUITY**
(Expressed in Canadian dollars)

| | | Common Shares | | | |
|---|---|---|---|---|---|
| | **Note** | **Number of Shares** | **Amount** | **Deficit** | **Total** |
| | | | $ | $ | $ |
| Incorporation, August 2, 2018 | | 1 | 1 | - | 1 |
| BALANCE, OCTOBER 31, 2018 | | 1 | 1 | - | 1 |
| Shares issued to founders | 7 | 2,000,000 | 10,000 | – | 10,000 |
| Shares issued for cash (flow-through) | 7 | 4,350,000 | 87,000 | – | 87,000 |
| Shares issued for cash | 7 | 2,950,000 | 147,500 | – | 147,500 |
| Flow-through share premium | 7 | – | (61,500) | – | (61,500) |
| Net income for the year | | – | – | 7,792 | 7,792 |
| BALANCE, OCTOBER 31, 2019 | | 9,300,001 | 183,001 | 7,792 | 190,793 |

The accompanying notes are an integral part of these financial statements

**EDGEMONT GOLD CORP. (FORMERLY EDGEMONT RESOURCE CORP.)**
**STATEMENTS OF CASH FLOWS**
(Expressed in Canadian dollars)

| | Year ended October 31, 2019 | From inception on August 2, 2018 to October 31, 2018 |
|---|---|---|
| **OPERATING ACTIVITIES** | | |
| Net income | $ 7,792 | $ - |
| Items not involving cash: | | |
| Deferred income tax expense | 10,714 | - |
| Flow-through share premium | (61,500) | - |
| Changes in non-cash working capital balances: | | |
| Increase in amounts receivable | (3,219) | - |
| Increase in accounts payable and accrued liabilities | 42,892 | 750 |
| Cash provided by (used in) operating activities | (3,321) | 750 |
| **INVESTING ACTIVITIES** | | |
| Exploration and evaluation asset expenditures | (97,069) | - |
| Cash used in investing activities | (97,069) | - |
| **FINANCING ACTIVITIES** | | |
| Issuance of common shares | 244,500 | - |
| Cash provided by financing activities | 244,500 | - |
| CHANGE IN CASH | 144,110 | 750 |
| CASH, BEGINNING OF PERIOD | 750 | – |
| CASH, END OF PERIOD | $ 144,860 | $ 750 |

The accompanying notes are an integral part of these financial statements

## 1. NATURE OF BUSINESS AND CONTINUANCE OF OPERATIONS

Edgemont Gold Corp. (formerly Edgemont Resource Corp.) (the "Company") was incorporated on August 2, 2018 under the laws of British Columbia. On January 30, 2020, the Company changed its name to Edgemont Gold Corp. The address of the Company's corporate office and its principal place of business is 3148 Highland Boulevard, North Vancouver, B.C. V7R 2X6.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at October 31, 2019, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company has not yet begun to generate revenues and its operations have been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These circumstances indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

Subsequent to October 31, 2019, the Company is in the process of filing a non-offering prospectus and applying to list its common shares on the Canadian Securities Exchange ("CSE").

## 2. SIGNIFICANT ACCOUNTING POLICIES

### a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretation Committee (IFRIC") in effect for the year ended October 31, 2019.

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on March 12, 2020.

### b) Basis of presentation

The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Cash equivalents

Cash equivalents include short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As of October 31, 2019, the Company held no cash equivalents.

d) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

e) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss based on a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

g) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates ("the functional currency"), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

h) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Income (loss) per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the income (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted income per share, whereby all “in the money” stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

j) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the period end date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each period end date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

k) Financial instruments

The following is the Company’s accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL.

For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Financial instruments (continued)

(i) Classification (continued)

The Company completed a detailed assessment of its financial assets and liabilities as at November 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

| Financial assets and liabilities | Original classification IAS 39 | New classification IFRS 9 |
|---|---|---|
| Cash | FVTPL | FVTPL |
| Accounts payable | Other financial liabilities | Amortized cost |

The Company adopted IFRS 9 retrospectively without restatement of comparative amounts from reclassification.

(ii) Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise.

Debt investments at FVTOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income (“OCI”). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss

Equity investments at FVTOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Financial instruments (continued)

(iv) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

l) Impairment of non-financial assets

The carrying amount of the Company's non-financial assets (which include exploration and evaluation assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase in the carrying value of the asset to an amount higher than the carrying amount that would have been determined as had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

m) Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

n) New accounting standards adopted during the year

IFRS 9 – Financial Instruments ("IFRS 9")

In July 2014, the IASB issued the final version of IFRS 9 which replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument. IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The Company adopted IFRS 9 on November 1, 2018 retrospectively and no differences have been noted in relation to the adoption of the standard.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

*Significant accounting estimates*

i. the assessment of indications of impairment of the exploration and evaluation assets and related determination of the net realizable value and impairment of the exploration and evaluation assets where applicable; and

ii. the measurement of deferred income tax assets and liabilities.

*Significant accounting judgments*

i. the determination of categories of financial instruments; and

ii. the evaluation of the Company's ability to continue as a going concern.

(Expressed in Canadian dollars)

## 4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

Effective for annual periods beginning on or after January 1, 2019

*New standard IFRS 16 Leases*
IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties of a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The Company has assessed that this standard will not have a material impact on the Company's financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

## 5. EXPLORATION AND EVALUATION ASSETS

| | Dungate Creek Property | Mike Property | Total |
|---|---|---|---|
| *Acquisition costs:* | | | |
| Balance, beginning of the year | $ - | $ - | $ - |
| Additions: | 5,000 | 2,500 | 7,500 |
| Balance, end of year | 5,000 | 2,500 | 7,500 |
| *Deferred exploration costs:* | | | |
| Balance, beginning of the year | - | - | - |
| Additions for the year: | | | |
| Drilling and assay costs | 15,096 | - | 15,096 |
| Field expenses | 10,983 | - | 10,983 |
| Geological services | 42,323 | - | 42,323 |
| Geophysics | 19,517 | - | 19,517 |
| Licensing | 1,650 | - | 1,650 |
| Total additions for the year | 89,569 | - | 89,569 |
| Balance, end of the year | 89,569 | - | 89,569 |
| **Balance, October 31, 2019** | **$ 94,569** | **$ 2,500** | **$ 97,069** |

**Dungate Creek Property**

Pursuant to an option agreement (the "Agreement") dated December 19, 2018, the Company was granted an option to acquire a 100% undivided interest in the Dungate Creek Property (the "Dungate Property") located near Houston, British Columbia.

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSET (continued)

**Dungate Creek Property** (continued)

In accordance with the Agreement, the Company has the option to acquire its 100% undivided interest in the Dungate Property by paying $5,000 (paid) in cash upon execution of the Agreement and by issuing a total of 450,000 common shares of the Company to the Optionors, making further cash payments totaling $70,000, and incurring a total of $175,000 in exploration expenditures as follows:

| | **Number of Common Shares** | **Cash** | **Exploration Expenditures** |
|---|---|---|---|
| On execution of the agreement (completed) | - | $ 5,000 | $ 5,000 |
| On or before the listing of the Company's common shares on a Canadian Stock Exchange (subsequently completed) (Note 12) | 30,000 | - | 70,000 |
| On or before the first anniversary of the Agreement (subsequently completed) (Note 12) | 60,000 | 10,000 | - |
| On or before the second anniversary of the Agreement | 120,000 | 20,000 | - |
| On or before the third anniversary of the Agreement | 240,000 | 40,000 | 100,000 |
| Total | 450,000 | $ 75,000 | $ 175,000 |

The Optionors will retain a 2% Net Smelter Returns royalty on the Dungate Property. The Company has the right to purchase 1% of the royalty for $1,000,000 at any time prior to the commencement of commercial production

**Mike Property**

Pursuant to an option agreement (the "Mike Agreement") dated September 24, 2019, the Company was granted an option to acquire a 100% undivided interest in the Mike Property (the "Mike Property") located near Houston, British Columbia and contiguous to the Dungate Property described above.

In accordance with the Mike Agreement, the Company has the option to acquire its 100% undivided interest in the Mike Property by paying $2,500 (paid) in cash upon execution of the Mike Agreement and by issuing a total of 225,000 common shares of the Company to the Optionor and making further cash payments totaling $35,000. There is no work commitment.

| | **Number of Common Shares** | **Cash** |
|---|---|---|
| On execution of the agreement (completed) | - | $ 2,500 |
| On or before the listing of the Company's common shares on a Canadian Stock Exchange | 15,000 | - |
| On or before the first anniversary of the Mike Agreement | 30,000 | 5,000 |
| On or before the second anniversary of the Mike Agreement | 60,000 | 10,000 |
| On or before the third anniversary of the Mike Agreement | 120,000 | 20,000 |
| Total | 225,000 | $ 37,500 |

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSET (continued)

**Mike Property** (continued)

The Optionor will retain a 2% Net Smelter Returns royalty on the Property. The Company has the right to purchase 1% of the royalty for $1,000,000 at any time prior to the commencement of commercial production.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | October 31, 2019 | October 31, 2018 |
|---|---|---|
| Accounts payable | $ 11,796 | $ 750 |
| Accrued liabilities | 31,846 | - |
| Total | $ 43,642 | $ 750 |

7. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and Outstanding as at October 31, 2019: 9,300,001 common shares.

For the period from inception on August 2, 2018 to October 31, 2018 the Company had the following share capital transactions:

The Company issued an incorporation share for $1.

For the year ended October 31, 2019, the Company had the following share capital transactions:

(i) The Company issued 2,000,000 common shares at a price of $0.005 per share for gross proceeds of $10,000.

(ii) The Company issued 4,350,000 flow-through shares at a price of $0.02 per share for gross proceeds of $87,000.

For the purposes of the calculating the tax effect of any premium related to the issuance of the flow-through shares, the Company reviewed recent financings and compared it to determine if there was a premium paid on the shares. As a result, the Company recognized a premium on the flow-through shares issued of $61,500 which has been recognized as a premium in the statement of comprehensive income as the Company had renounced the related exploration expenditures.

(iii) The Company issued 2,950,000 common shares at a price of $0.05 per share for gross proceeds of $147,500.

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions or is a member of key management. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(Expressed in Canadian dollars)

8. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

The Company has incurred the following key management personnel cost from related parties:

| | **For the year ended October 31, 2019** | **From inception on August 2, 2018 to October 31, 2018** |
|---|---|---|
| Management fees | $ 10,000 | $ - |
| Total | $ 10,000 | $ - |

Management fees were incurred from the Chief Executive Officer of the Company and a company owned by the Chief Executive Officer. Key management includes directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer.

As at October 31, 2019, $10,500 (2018 - $750) due to a related party was included in accounts payable and accrued liabilities.

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at October 31, 2019 are as follows:

| | Fair Value Measurements Using | | | |
|---|---|---|---|---|
| | Quoted Prices in Active Markets For Identical Instruments (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
| Cash | $ 144,860 | $ – | $ – | $ 144,860 |

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at October 31, 2019 because of the demand nature or short - term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities. The Company is not exposed to significant foreign currency risk.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and amounts receivable. To minimize the credit risk the Company places these instruments with a high quality financial institution. The majority of cash is deposited in a bank account held with a major bank in Canada. The Company has secondary exposure to credit risk on its amounts receivable. This risk is minimal as receivables consist primarily of refundable goods and services taxes owing from the Government of Canada.

(Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. The Company's liquidity risk has been assessed as high.

11. INCOME TAXES

The income tax provisions differ from the expected amounts calculated by applying Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

| | | October 31, 2019 | | October 31, 2018 |
|---|---|---|---|---|
| Net income before income taxes | $ | 18,506 | $ | - |
| Statutory tax rate | | 27% | | 27% |
| Expected income tax expense | | 4,997 | | - |
| Permanent differences and other | | 5,717 | | - |
| Deferred income tax expense | $ | 10,714 | $ | - |

The Company's tax-effected deferred income tax assets and liabilities are estimated as follows:

| | | October 31, 2019 | | October 31, 2018 |
|---|---|---|---|---|
| Deferred income tax assets: | | | | |
| Non-capital losses carried forward | $ | 11,426 | $ | - |
| Deferred income tax liability: | | | | |
| Exploration and evaluation assets | | (22,140) | | - |
| Net deferred income tax liability | $ | (10,714) | $ | - |

As at October 31, 2019, the Company had the following non-capital losses that may be applied against future income for Canadian income tax purposes.

| Expiring | | Amount |
|---|---|---|
| 2039 | $ | 42,317 |
| | $ | 42,317 |

As at October 31, 2019, the Company had $15,069 in exploration and evaluation asset pools that may be applied against future income for Canadian income tax purposes.

12. SUBSEQUENT EVENTS

a) On December 1, 2019, the Company approved its Equity Incentive Plan which outlines the terms under which the Company can grant options to officers, directors, employees and consultants of the Company.

12. SUBSEQUENT EVENTS (continued)

b) On December 13, 2019, the Company issued 90,000 common shares to the Optionors of the Dungate Property (Note 5) to satisfy the terms of the agreement relating to the 30,000 common shares required to be issued on or before listing of the Company's common shares on a Canadian Stock Exchange and the 60,000 common shares required to be issued on or before the first anniversary of the option agreement. In addition to the issuance of the common shares, the Company paid the $10,000 cash consideration as required on or before the first anniversary of the agreement.

c) On December 16, 2019, the Company signed an engagement letter with Mackie Research Capital Corporation (the "Agent") to raise up to $350,000 in an initial public offering ("IPO") through the issuance of up to 3,500,000 common shares of the Company at a price of $0.10 per common share.

   Pursuant to the terms of the engagement letter, the Company has agreed to pay to the Agent a commission of 10% of the gross proceeds of the IPO and grant Agent's Warrants which will entitle the Agent to purchase up to 10% of the common shares sold under the IPO, at a purchase price that is equal to the price per share offered in the IPO and exercisable for a period of 36 months from the closing date of the offering. In addition, the Company has agreed to pay a corporate finance fee of $25,000, cover the Agent's legal fees incurred pursuant to the IPO, and any other reasonable expenses of the Agent, and grant the Agent an option to increase the size of the offering by up to 15% by giving written notice of the Agent's exercise of the option at any time up to 48 hours prior to closing of the offering.

d) On January 1, 2020, the Company granted 500,000 stock options under its Equity Incentive Plan to officers and directors of the Company exercisable at $0.10 per common share for a period of three years from the date of grant.

# APPENDIX “C”

## MANAGEMENT DISCUSSION AND ANALYSIS

See attached

**Schedule 'F'**

# MANAGEMENT DISCUSSION AND ANALYSIS

## General

The following discussion and analysis is based on the Company's results of operations and financial position and should be read in conjunction with the financial statements included herein. The Company was incorporated on August 2, 2018 to operate as a resource exploration and development company focused on the acquisition and exploration of mineral properties and therefore has no regular cash flow from operations. The level of operations has been determined by the availability of capital resources. To date, private placements have provided the main source of funding.

## Liquidity and Capital Resources

The Company is in the development stage and therefore has no regular cash flow. The Company's operations and exploration expenditures have been financed through the issuance of equity. As per the Company's audited financial statements, as at October 31, 2019, the Company had working capital of $93,723 (2018- $Nil).

## Results of Operations

### Initial Period from Date of Incorporation (August 2, 2018) to October 31, 2019

The Company was inactive during this period.

### Period from November 1, 2018 to October 31, 2019

Net income for the for the period ended October 31, 2019 was $7,792 ($0.00 per share), of which the significant expenditures were as follows:

- Bank charges of $374;
- Management fees of $10,000;
- Professional fees of $31,719; and
- Travel expenses of $901.

During the year the Company recognized a flow-through share premium liability of $61,500 on the renunciation of eligible exploration expenditures in relation to the flow-through shares issued in February 2019. As the Company incurred all the required exploration expenditures prior to the end of its fiscal year, this liability was recognized in the statement of income and comprehensive income as a gain offsetting the above noted expenses. As a result of the foregoing, the Company reported net income for the year of $7,792.

## Exploration and Evaluation Expenditures

During the year the Company entered into two separate property option agreements to acquire a 100% interest in each of the Dungate Creek and Mike Properties located near Houston, British Columbia.

In accordance with the Dungate Creek Agreement, the Company agreed to the following terms: $5,000 (paid) in cash upon execution of the Dungate Creek Agreement and by issuing a total of 450,000 common shares of the Company to the Optionors, making further cash payments totaling $70,000, and incurring a total of $175,000 in exploration expenditures.

In accordance with the Mike Agreement, the Company agreed to the following terms: $2,500 (paid) in cash upon execution of the Mike Agreement and by issuing a total of 225,000 common shares of the Company to the Optionor and making further cash payments totaling $35,000. There is no work commitment.

During the year ended October 31, 2019, the Company incurred acquisition costs of $7,500 and exploration expenses of $89,569 which were capitalized to the mineral properties pursuant to the agreements.

**Financing Activities**

During the period ended October 31, 2019 the Company issued 9,300,000 Common Shares for gross cash proceeds of $244,500. Of these shares, 4,350,000 shares were issued as flow-through shares for gross proceeds of $87,000, all of which was required to be spent on eligible exploration expenses prior to December 31, 2020 resulting in the flow-through share premium liability of $61,500, as noted above, which was offset against the amounts recorded to share capital. This expenditure requirement was satisfied during the year ended October 31, 2019, resulting in the flow-through share premium being recognized as a gain in the statement of income and comprehensive income.

**Financial Position as at October 31, 2019**

As at October 31, 2019, the Company's current assets totalled $148,079 and current liabilities amounted to $54,356, inclusive of a deferred income tax liability of $10,714. As a result, working capital at October 31, 2019 was $93,723. As at October 31, 2019, the Company had no long-term debt. There are no known trends in the Company's liquidity or capital resources.

As at October 31, 2019 the Company had total assets of $245,149. The principal asset of the Company is its interest in the Dungate Creek and Mike Properties with an aggregate book value of $97,069, GST receivable of $3,219 and cash of $144,860.

Share capital was $183,001 as at October 31, 2019.

**Outlook**

The Company plans to conduct further exploration on the Dungate Creek Property as recommended by the Dungate Technical Report. Further exploration beyond the initial work funded through this Offering and corporate costs beyond the first year are expected to be funded through future equity financing.

**Related Party Transactions**

During the period ended October 31, 2019 the Company entered into the following transactions with related parties:

(a) Accrued $10,000 to West Oak Capital Group, Inc., a private company controlled by the President of the Company (Stuart Rogers) for the provision of administrative services. This amount was outstanding at October 31, 2019 and is non-interest bearing, unsecured and has no fixed terms of payment.

**Subsequent Events**

(a) On December 1, 2019, the Company approved its Equity Incentive Plan which outlines the terms under which the Company can grant options to officers, directors, employees and consultants of the Company.

(b) On December 13, 2019, the Company issued 90,000 common shares to the Optionors of the Dungate Creek Property to satisfy the terms of the agreement relating to the 30,000 common shares required to be issued on or before listing of the Company's common shares on a Canadian Stock Exchange and the 60,000 common shares required to be issued on or before the first anniversary of the option agreement. In addition to the issuance of the common shares, the Company paid the $10,000 cash consideration as required on or before the first anniversary of the agreement.

(c) On December 16, 2019, the Company signed an engagement letter with with Mackie Research Capital Corporation (the "Agent") in relation to this Offering.

Pursuant to the terms of the engagement letter, the Company has agreed to pay to the Agent a commission of 10% of the gross proceeds of the Offering and grant Agent's Warrants which will entitle the Agent to purchase up to 10% of the common shares sold under the Offering, at a purchase price that is equal to the price per share offered in the Offering and exercisable for a period of 36 months from the closing date of the offering. In addition, the Company has agreed to pay a corporate finance fee of $25,000, cover the Agent's legal fees incurred pursuant to the Offering, and any other reasonable expenses of the Agent, and grant the Agent an option to increase the size of the offering by up to 15% by giving written notice of the Agent's exercise of the option at any time up to 48 hours prior to closing of the Offering.

(d) On January 1, 2020, the Company granted 500,000 stock options under its Equity Incentive Plan to officers and directors of the Company exercisable at $0.10 per common share for a period of three years from the date of grant.

## CERTIFICATE OF THE COMPANY

Dated: March 13, 2020

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of the provinces of British Columbia and Alberta.

| | |
|---|---|
| "*Stuart Rogers*" | "*Gordon Steblin*" |
| Stuart Rogers<br>Chief Executive Officer | Gordon Steblin<br>Chief Financial Officer |

On Behalf of the Board of Directors

| | |
|---|---|
| "*Guido Cloetens*" | "*Joseph Campbell*" |
| Guido Cloetens<br>Director | Joseph Campbell<br>Director |

## CERTIFICATE OF THE PROMOTER

Dated: March 13, 2020

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of the provinces of British Columbia and Alberta.

"*Stuart Rogers*"

Stuart Rogers

## CERTIFICATE OF THE AGENT

Dated: March 13, 2020

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of the provinces of British Columbia and Alberta.

MACKIE RESEARCH CAPITAL CORPORATION

"*Jovan Stupar*"

Jovan Stupar
Managing Director