

EDGEMONT GOLD CORP.

Management Discussion and Analysis of Financial Condition and Results of Operation For the Three-month period ended January 31, 2024

This Management Discussion and Analysis (“MD&A”) of Edgemont Gold Corp. (the “Company”) provides analysis of the Company’s financial results for the three-month period ended January 31, 2024 and should be read in conjunction with the accompanying unaudited interim financial statements and notes thereto for the three-month period ended January 31, 2024, all of which are available at www.sedarplus.ca. This MD&A is based on information available as at March 20, 2024.

The accompanying January 31, 2024 unaudited interim financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) applicable to the preparation of the financial statements. All amounts are expressed in Canadian dollars, unless otherwise stated.

On March 2, 2023, the Company consolidated its share capital one (1) new common share without par value for every two (2) existing common shares without par value. All common share and per share amounts have been restated to give retroactive effect to the share consolidation.

Certain statements made may constitute forward-looking statements. Such statements involve a number of known and unknown risks, uncertainties and other factors. Actual results, performance and achievements may be materially different from those expressed or implied by these forward-looking statements. Additional information about Edgemont Gold Corp. is available at www.sedarplus.ca.

Edgemont Gold Corp. 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 9th Floor - 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A may contain certain statements that may be deemed “forward-looking statements”. All statements in this document, other than statements of historical fact, which address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential”, “interprets” and similar expressions, or events or conditions that “will”, “would”, “may”, “could” or “should” occur. Forward-looking statements in this document include statements regarding future exploration programs, joint venture partner participation, liquidity and effects of accounting policy changes.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals and general economic, market or business conditions. Readers are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Forward-looking statements are based on the beliefs, estimates and opinions of the Company’s management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management’s beliefs, estimates, opinions or other factors should change except as required by law.

These statements are based on a number of assumptions including, among others, assumptions regarding general business and economic conditions, the timing of the receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Company and other relevant parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for the Company’s proposed transactions and exploration and development programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause results to differ materially.

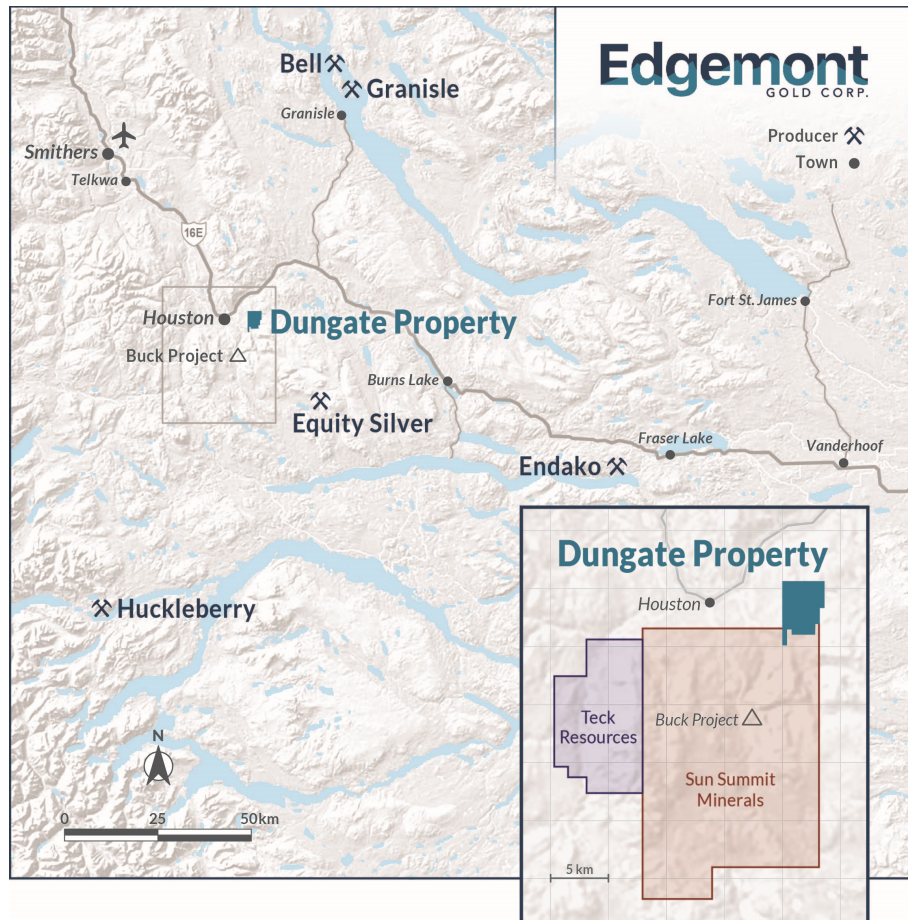
Overview

The Company is focused entirely on mineral exploration in British Columbia. Since incorporation, the Company has entered into two option agreements, the Dungate and Mike Option Agreements (the “Dungate Project”), expanded the Dungate Project by staking adjacent claims and begun exploration activities in preparation for drilling that was conducted in the summer of 2021 and spring 2022 .

On March 17, 2020 the Company’s Prospectus for an IPO was received by the B.C. Securities Commission and the IPO was completed on May 29, 2020. The Company commenced trading on the Canadian Securities Exchange (“CSE”) on June 1, 2020 under the symbol “EDGM”. Edgemont began its Phase 1 exploration program on the Dungate project in July 2020.

DUNGATE PROJECT

In 2019 the Company acquired interests in two mineral claims covering 546.4 hectares 6 km south of the town Houston B.C., a region with a history of successful mining projects including the Equity Silver Mine, Imperial Metals' Huckleberry Mine, and the more recent gold-silver discovery at Sun Summit Minerals' Buck Project which sits just 7 km to the south. These claims, and additional claims staked in July 2020, jointly comprise the “Dungate Project” which now consists of five mineral tenures covering 1,582.2 hectares. The property covers a Quartz Feldspar Porphyry (“QFP”) intrusive underlying the property which has Cu, Au, Mo, Ag mineralization associated with quartz veining and potassic alteration.



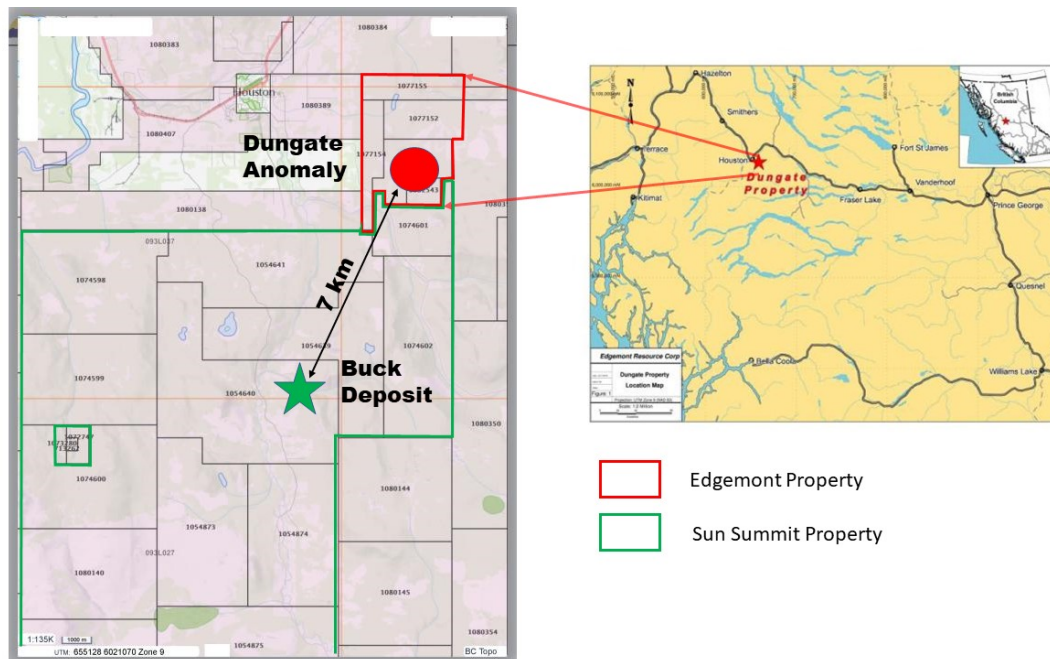
For more information on the Dungate Project, please refer to the NI 43-101 Technical Report on the Dungate Project, Omica Mining Division, British Columbia” prepared by B.L. Laird P. Geo with an effective date of November 12, 2019, (the “**Dungate Technical Report**”) and available at www.sedarplus.ca.

Exploration Activities 2019-2020

Initial mapping in 2019 discovered mineralized QFP trenches, A magnetic survey conducted in 2019 identified the size and location of the outcropping QFP, and a possible additional buried QFP intrusive to the north. Work in 2020 comprised additional geological mapping of the property area. Rock sampling produced assays up to 0.11% Cu, 0.033% Mo, and 69 ppb gold (in separate samples) within quartz feldspar porphyry and QFP breccias. In September 2020 sixteen line kilometers of cut line were established and an induced polarization (“IP”) survey completed in October. The IP response indicates a strong cohesive circular chargeable anomaly approximately 1,200 meters in diameter (chargeability response varies from 15mv/v to greater than 60 mv/v) that is coincident with a total magnetic high. Please see our news release of October 26, 2020 for more details.

Phase I Drill Program (fall 2021) at Dungate Project

In December of 2020 the Company filed a Notice of Work application for a drill permit for the Dungate project. The initial drill targets at Dungate were 7 km north of the high-grade gold/silver discovery announced by Sun Summit Minerals Corp. on their adjacent Buck property. A map showing the location of the Dungate property in relation to Sun Summit’s property is available below:



The Company’s Notice of Work was reviewed and accepted by the B.C. Ministry of Mines and a Multi-Year Area-Based Permit to allow drilling at Dungate was issued in early June 2021.

Drilling commencing in late August 2021 designed to broadly test several large high chargeability IP anomalies with coincident high magnetic anomalies. On March 28, 2022 the Company announced assay results from the Phase I drill program. A total of seven holes totaling 3,427m were drilled at Dungate in 2021. Highlights included:

- gold intersections up to 0.44 g/t Au over 27m; and
- Anomalous widespread gold (>0.10 g/t Au) intercepted in a halo forming a shell along the edges of the quartz feldspar porphyry (“QFP”) intrusive and into the contact host rocks.

Phase II Drill Program – Spring 2022

In April 2022 Edgemont commenced a Phase II drill program at Dungate to follow up on structurally controlled gold zones discovered in the 2021 Phase 1 drill program. The drill program was completed on May 31, 2022, with five holes having been drilled totaling 2,063 metres. Drill results were announced September 15, 2022; highlights included:

Hole DG22-09: 146m @ 0.14 g/t Au; incl. 6m @ 0.50 g/t Au & 7m @ 0.46 g/t Au
(this intersection was at end of hole)

Hole DG22-10: 61m @ 0.08% Cu, 0.008% Mo; incl. 12m @ 0.10% Cu, 0.012% Mo
12m @ 0.33 g/t Au (this intersection was at end of hole)

Hole DG22-11: 42m @ 0.12 g/t Au; incl. 18m @ 0.14 g/t Au, 0.78 g/t Ag, 0.07% Cu, 0.012% Mo
34m @ 0.015% Mo; incl. 8m @ 0.023% Mo

In addition, additional assaying of Hole 2021-04, drilled in 2021, returned an interval of 55 m @ 0.20 g/t Au (previously reported as 27m @ 0.24 g/t Au). Gold mineralization was encountered both in the host volcanics adjacent to the QFP and within the QFP intrusive (2-10% sulphides). Broad anomalous copper and molybdenum intervals were intersected in the heart of the QFP indicating pervasive mineralization, but with no higher grade concentrations (>0.20% Cu) encountered.

Drill results from 2022 have confirmed the structurally controlled gold mineralization indicated in the 2021 program with gold deposition on the periphery of the QFP and into the adjacent volcanic host rocks. In the opinion of Edgemont management, economic intersections of gold have not yet been encountered, but potential for higher concentrations of gold exists lateral to the currently intersected zones.

The technical information above has been approved by Joseph Campbell, P. Geo, a Director of Edgemont, who is a Qualified Person as defined in "National Instrument 43-101, Standards of Disclosure for Mineral Projects."

RESULTS OF OPERATIONS

Three-month period ended January 31, 2024

During the three-month period ended January 31, 2024 (the "current period") the Company reported a net loss of \$19,338. This compares to a net loss for the three-month period ended January 31, 2023 (the "prior period") of \$56,416. The significant variations in expenditures were as follows:

Professional fees decreased \$3,936 from \$8,586 in the prior period to \$4,650 in the current period.

During the prior period, the Company granted 475,000 stock options at an exercise price of \$0.10 for a period of up to three years which resulted in \$19,086 for share-based payments expense (a non-cash expense) as compared to \$Nil incurred in the current period.

Shareholder relations expense decreased \$9,622 from \$10,415 in the prior period to \$793 in the current period as the Company disseminated news and attended an investment conference in North America during the prior period.

Interest income increased \$3,319 from \$4,635 in the prior period to \$7,954 in the current period due to higher interest rates paid on deposits.

During the three-month period ended January 31, 2024, the Company incurred acquisition and exploration and evaluation property expenditures as follows:

	Dungate Creek Property
Acquisition costs	
Balance, October 31, 2023 and January 31, 2024	\$ 203,100
Exploration and evaluation costs	
Balance, October 31, 2023	\$ 1,244,419
Field expenses	2,480
Total incurred during the three-month period ended January 31, 2024	\$ 2,480
Balance, January 31, 2024	\$ 1,246,899
Total	\$ 1,449,999

Summary of Quarterly Results

	Q1-2024	Q4-2023	Q3-2023	Q2-2023	Q1-2023	Q4-2022	Q3-2022	Q2-2022
Net income (loss) (\$)	(19,338)	(36,320)	(15,442)	(39,866)	(56,416)	(87,116)	(80,853)	(130,865)
Per Share (\$)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

The Company had a net loss of \$130,865 during the second quarter of fiscal 2022 compared to a loss of \$207,215 in the first quarter of fiscal 2022. Operating expenses during the second quarter of fiscal 2022 were primarily comprised of \$15,000 for consulting fees and \$77,661 for shareholder relation expenses as the Company anticipated the release of news from its recent exploration program. The loss was offset by income mainly comprised of \$10,529 from the reduction of the flow-through share premium liability incurred on the issuance of flow-through shares in June 2021. This was the result of incurring eligible exploration expenditures during the second quarter.

The Company had a net loss of \$80,853 during the third quarter of fiscal 2022 compared to a loss of \$130,865 in the second quarter of fiscal 2022. Operating expenses during the third quarter of fiscal 2022 were primarily comprised of \$15,000 for consulting fees, \$15,000 for management fees and \$42,088 for shareholder relation expenses as the Company anticipated the release of news from its recent exploration program.

The Company had a net loss of \$87,116 during the fourth quarter of fiscal 2022 compared to a loss of \$80,853 in the third quarter of fiscal 2022. Operating expenses during the fourth quarter of fiscal 2022 were primarily comprised of \$15,000 for management fees, \$25,500 for professional fees and \$45,149 for shareholder relation expenses.

The Company had a net loss of \$56,416 during the first quarter of fiscal 2023 compared to a loss of \$87,116 in the fourth quarter of fiscal 2022. Operating expenses during the first quarter of fiscal 2023 were primarily comprised of \$15,000 for management fees, \$19,086 for share-based payments and \$10,415 for shareholder relation expenses.

The Company had a net loss of \$39,866 during the second quarter of fiscal 2023 compared to a loss of \$56,416 in the first quarter of fiscal 2023. Operating expenses during the second quarter of fiscal 2023 were primarily comprised of \$15,000 for management fees and \$17,588 for professional fees.

The Company had a net loss of \$15,442 during the third quarter of fiscal 2023 compared to a loss of \$39,866 in the second quarter of fiscal 2023. Operating expenses during the third quarter of fiscal 2023 were primarily comprised of \$15,000 for management fees and \$4,500 for professional fees.

The Company had a net loss of \$36,320 during the fourth quarter of fiscal 2023 compared to a loss of \$15,442 in the third quarter of fiscal 2023. Operating expenses during the fourth quarter of fiscal 2023 were primarily comprised of \$15,000 for management fees and \$21,134 for professional fees.

The Company had a net loss of \$19,338 during the first quarter of fiscal 2024 compared to a loss of \$36,320 in the fourth quarter of fiscal 2023. Operating expenses during the first quarter of fiscal 2024 were primarily comprised of \$15,000 for management fees and \$4,650 for professional fees.

LIQUIDITY AND CAPITAL RESOURCES

Edgemont is in the development stage and therefore has no regular cash flow. As of January 31, 2024, the Company had working capital of \$867,170 (October 31, 2023 – working capital of \$888,988), inclusive of cash on hand of \$876,008 (October 31, 2023 - \$903,174).

At January 31, 2024 the Company had current assets of \$880,341, total assets of \$2,346,340 and total liabilities of \$13,171. The Company has no long-term debt. There are no known trends in the Company’s liquidity or capital resources.

Cash flow to date has not satisfied the Company’s operational requirements. The development of the Company in the future will depend on the Company’s ability to obtain additional financings. In the past, the Company has relied on the sale of equity securities to meet its cash requirements. Future developments, in excess of funds on hand, will depend on the Company’s ability to obtain financing through joint venturing of projects, debt financing, equity financing or other means. There can be no assurances that the Company will be successful in obtaining any such financing or in joint venturing its property; failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Company’s properties.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

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. 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.

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

	Three-month period ended January 31, 2024	Three-month period ended January 31, 2023
	\$	\$
Management fees	15,000	15,000
Professional fees	4,500	4,500
Share-based payments	-	16,072
Total	19,500	35,572

During the three-month period ended January 31, 2024 the Company paid \$15,000 (2023 - \$15,000) to West Oak Capital Group, Inc., a private company controlled by Stuart Rogers, a director and officer of the Company, for his services as Chief Executive Officer of the Company.

During the three-month period ended January 31, 2024 the Company paid \$4,500 (2023 - \$4,500) to Goring Development Corp., a private company controlled by Gord Steblin, for his services as Chief Financial Officer of the Company.

During the three-month period ended January 31, 2024 the Company recognized share-based payments expense totaling \$Nil (2023 - \$16,072) relating to stock options granted to directors and officers of the Company.

COMMITMENTS

In the prior year, the Company was committed to certain cash payments, share issuances and exploration expenditures in connection with the acquisition of its mineral property claims. During the year ended October 31, 2022, the Company satisfied all commitments under its mineral property option agreements and completed the acquisition of a 100% interest in the related mineral titles.

CRITICAL ACCOUNTING POLICIES

Share-based Payments

The Company has a stock option plan, which is described in the notes to the financial statements. 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.

Risk, Uncertainties and Outlook

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. Other risks facing the Company include competition for mineral properties, environmental and insurance risks, fluctuations in metal prices, fluctuations in exchange rates, share price volatility and uncertainty of additional financing.

Going Concern

The Company is in the exploration stage and has no revenue or income from operations. The Company has limited capital resources and has to rely upon the sale of equity and/or debt securities for cash required for exploration and development purposes, for acquisitions and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity or debt securities or joint venture agreements to raise capital. It follows that there can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company.

The Company's financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its ongoing commitments and further its mineral exploration programs.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. The current financial equity market conditions and the inhospitable funding environment make it difficult to raise capital through the private placements of shares. The junior resource industry has been severely affected by the world economic situation as it is considered speculative and high-risk in nature, making it even more difficult to fund.

While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with any financing ventures.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its amounts receivable. This risk is minimal as receivables consist primarily of refundable government goods and services taxes owing from the Government of Canada and exploration tax credits owing from the Government of British Columbia.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company's liquidity risk is high.

Foreign exchange 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 acquisition and exploration of mineral properties. As the Company's exploration and evaluation assets are located in British Columbia, Canada, the Company is not exposed to significant foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has positive cash balances at January 31, 2024 and no-interest bearing debt, therefore, interest rate risk is nominal.

Capital Management

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 properties. 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.

Equity Securities Issued and Outstanding

The Company had 17,088,294 common shares issued and outstanding as of March 20, 2024. On March 20, 2024 there were also 3,800,000 share purchase warrants exercisable at \$0.08 along with 475,000 incentive stock options exercisable at \$0.10.