



MegumaGold Corp.
(Formerly Coronet Metals Inc.)

Management Discussion and Analysis

For the Year Ended March 31, 2018

**MEGUMAGOLD CORP. (FORMERLY CORONET METALS INC.)
MANAGEMENT DISCUSSION & ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2018**

JULY 18, 2018

This management's discussion and analysis provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the year ended March 31, 2018, compared to the year ended March 31, 2017. This report prepared as at July 18, 2018 intends to complement and supplement our consolidated financial statements (the "financial statements") as at March 31, 2018 and should be read in conjunction with the financial statements and the accompanying notes. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Our financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Where we say "we", "us", "our", the "Company" or "MegumaGold", we mean MegumaGold Corp. (formerly Coronet Metals Inc.) and/or its subsidiary, as it may apply.

OVERVIEW AND DESCRIPTION OF BUSINESS

MegumaGold Corp. (formerly Coronet Metals Inc.) ("the Company" or "MegumaGold") was incorporated pursuant to the Business Corporation Act (British Columbia). The Company is a listed issuer on the Canadian Securities Exchange ("CSE") under the symbol "NSAU", the Frankfurt Stock Exchange under the symbol FWB: 2CM and on the United States OTC stock market's OTC Pink, under the symbol NSAUF. The Company's registered office is at 789 West Pender Street, Suite 810, Vancouver, British Columbia, V6C 1H2, Canada and its head office is located at Suite 2630-1075 West Georgia Street, Vancouver, British Columbia, V6E 3C9, Canada.

The Company is engaged in the business of acquiring, exploring and developing natural resource properties, with a focus on precious mineral properties/projects which have the potential for both near-term cash flow and significant exploration upside potential. The Company is considered to be in the exploration stage as it has not placed any mineral properties into production.

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COMPANY HIGHLIGHTS

- On November 22, 2017, the Company announced obtaining the Tay-LP Gold Property Mineral Option, an option to earn a 100% interest subject to a 2% NSR royalty in the Tay-LP Gold Property located approximately 47 kilometers southwest of Ross River, Yukon territory and consists of 413 claims covering approximately 7,880 hectares.

CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS OF OPERATIONS

During the year-ended March 31, 2018, the Company closed the following equity transactions:

- On January 3, 2018, the Company completed a non-brokered private placement of 11,025,000 flow-through shares at a subscription price of \$0.20 per Flow-Through share for gross proceeds of \$2,205,000. In connection with this private placement, the Company paid a regulatory cash filing fee of \$11,775.
- On November 22, 2017, the Company completed a non-brokered private placement of 11,111,112 units at \$0.09 per unit for gross proceeds of \$1,000,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire an additional common share of the Company at an exercise price of \$0.13 for a period of two years.

In connection with this private placement, the Company paid a cash fee of \$5,833 and issued 888,888 finder's fee units. Each Finder's fee unit consists of one common share with a fair value of \$80,000 and one-half of a share purchase warrant, with one whole warrant exercisable into one common share at an exercise price of \$0.13 for a period of two years. The fair value of the finder's fee warrants was determined to be \$64,050 using the Black-Scholes Option Pricing Model using the following assumptions: dividend yield - 0%, risk-free rate - 1.52%, volatility - 191%, forfeiture rate - 0% and expected life - 2 years.

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CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS OF OPERATIONS (CONTINUED)

Use of proceeds

The Company intends to use the net proceeds of the January 2018 flow-through placement on qualifying Canadian Exploration Expenditures pursuant to the Income Tax Act (Canada). The table below provides a breakdown of the intended use, the amounts used to date and any variances.

Intended use of proceeds of January 2018 Flow-through Private Placements	Amount to date March 31, 2018	Variances
Canadian exploration expenditures \$2,205,000	\$60,925	No variances anticipated.
Total \$2,205,000	Total to date \$60,925	

The Company expects that the exploration expenditures to be incurred in fiscal 2019, will exceed the \$2,205,000 flow-through financing raised during fiscal 2018. Intended use will be allocated appropriately to the other Canadian projects the Company entered into subsequent to year-end. See Exploration and Development Strategy section.

The Company also completed a non-brokered private placement in November 2017 for net proceeds of \$994,167. The Company intends to use the net proceeds for exploration and general working capital. The table below provides a breakdown of the intended use, the amounts used to date and any variances.

Intended use of proceeds of November 2017 Private Placements	Amount to date March 31, 2018	Variances
Exploration and evaluation activity (60%) \$596,500	Exploration and evaluation activity (60%) \$36,183	No variances anticipated
General Working Capital (40%) \$397,667	General Working Capital (40%) \$50,000	No variances anticipated
Total \$994,167	Total to date \$86,183	

PROPERTIES

Tay LP Gold Project - Yukon

On November 22, 2017, the Company announced obtaining the Tay-LP Gold Property Mineral Option, an option to earn a 100% interest subject to a 2% NSR royalty in the Tay-LP Gold Property located approximately 47 kilometers southwest of Ross River, Yukon territory and consists of 413 claims covering approximately 7,880 hectares.

White Caps Gold Project - Nevada, USA

On October 31, 2012 the Company acquired 100% of the outstanding shares of White Caps Gold Mining Company, Inc. ("WCGM") for US \$630,000 cash and 6,428,862 of the Company's common shares at a price of \$0.08 per share, the closing price of the Company's shares on the TSX-V on the closing date of the transaction. In addition to the shares purchased, the Company acquired other rights, titles and interests in the Manhattan Mining District for US \$100,000 from a former WCGM shareholder. The transaction was accounted for as an asset acquisition and the cost was allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. The Project currently comprises 121 patented and unpatented mining and mill site claims, and includes the Manhattan Mill.

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**CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS
OF OPERATIONS (CONTINUED)**

PROPERTIES (continued)

White Caps Gold Project - Nevada, USA (continued)

On April 19, 2017 the Company entered into a Joint Venture agreement with Mineworkx Technologies Inc. ("Mineworkx"), a 100% wholly owned subsidiary of Iberian Minerals Ltd. (TSXV: IML) (OTCQB: SLDRF) ("Iberian") to process the estimated 250,000 tonnes gold bearing historic tails and mine dumps* at its wholly-owned White Caps Gold Mining Project ("White Caps" or "The Project") in the Manhattan Mining District of Nevada. Through the Company's wholly-owned subsidiary, "White Caps Mining Company" ("WCMC"), the Company controls the historic tails and mine dumps. Subsequent to the year end the Joint Venture agreement was mutually terminated.

**While the Company believes that the historical information is useful to guide future work on the projects it cautions readers that these historical estimates should not be relied upon. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves nor does the Company treat the historical estimate as current mineral resources or mineral reserves. The Company will have to conduct independent surveying, drilling, sampling and assaying of the tailings and mine dumps to determine the NI 43-101 compliant tonnes and grades of the tailings and mine dumps. In conjunction with that, the Company will have to continue with independent metallurgical analysis to verify recoveries. This work will form the basis to upgrade or verify the historical estimates as NI 43-101 compliant mineral resources or mining reserves.*

During the year ended March 31, 2018, indicators of impairment existed leading to a test of recoverable amounts for the White Caps Gold project. A value in use calculation is not applicable for the Project as the Company does not have any expected cash flows from the property at this stage of operations. In addition, the Company has changed its strategy to focus on its Canadian gold properties. In estimating the fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than \$nil. As such, the project was fully impaired resulting in impairment expense of \$1,491,677 during the year ended March 31, 2018.

OVERALL PERFORMANCE

The Company explores for precious minerals with an emphasis on gold. The Company has no earnings and therefore finances exploration and development activities by the sale of shares. The key determinants of the Company's operating results are the following:

- (a) success of its exploration and development programs and putting these into production;
- (b) the state of capital markets, which affects the ability of the Company to finance its exploration activities;
- (c) the market price of gold and silver; and
- (d) political and social issues which have affected and could further affect the ability of the Company to conduct exploration and mine development activities on its project in the USA and other jurisdictions where the Company might operate in.

EXPLORATION AND DEVELOPMENT STRATEGY

Meguma Gold Property

Subsequent to the year-ended March 31, 2018, the Company announced that it has entered into an agreement that will allow the Company to gain a 100% interest in a large land position in one of Canada's historic gold districts. The Company will acquire 3,888 mineral claims totalling over 62,000 hectares becoming one of the provinces largest single mineral claim holders and a leading gold exploration company in Nova Scotia. These claims were staked along the under-explored trends of known gold producing anticlinal structures and the Company estimates that it will control approximately 242 km (total strike length) of gold-prospective anticlines.

EXPLORATION AND DEVELOPMENT STRATEGY (CONTINUED)

Meguma Gold Property (continued)

Through this acquisition the Company believes it has a unique opportunity to control the largest strike-length share of projected anticlines in the province and will employ state of the art clean technology exploration that will assess the true gold potential. In order to better define these anticlinal trends, and to focus an aggressive Phase 1 exploration program, the company has initiated a 12,342 kilometre aeromagnetic and radiometric survey along with a 1,110 square kilometres of LiDAR survey.

In conjunction with this new project acquisition, the Company has initiated a multi-phase exploration program aimed at defining and drill testing numerous targets moving-forward.

Phase 1 exploration will include:

- A detailed (100 metre line spacing) 12,000 km airborne geophysics and LiDAR program which is one of the largest modern-day airborne initiatives in Nova Scotia.
- Re-interpretation of past geophysical work of known deposits to develop a proprietary “fingerprint” model for identifying new deposits within the project.
- Reprocessing and modeling of new aeromagnetic, radiometrics and LiDAR.
- Development of a 3D prospective model to identify geology, structures and alteration that will be vectors to new gold mineralization.
- The introduction of clean technology field methods and assessment tools to allow geologist to focus exploration on the most prospective ground. The company intends to follow up Phase 1 with a 100,00m comprehensive drill program to be completed prior to the end of calendar 2019. The Nova Scotia exploration team are some of the most experienced geologists within the Nova Scotia gold districts and they will continue to use modern exploration methods and develop new exploration techniques to better define prospective gold targets.

In conjunction with the acquisition, the Company purchased all of the shares from arm’s-length vendor by issuing 15.5 million common shares of the Company. The vendors shall retain a 2% gross royalty on the project. Finders' fees of \$200,000 in cash and 8% common shares was paid to qualified arm's-length parties in connection with the acquisition.

Cariboo Gold Properties

Subsequent to the year-ended March 31, 2018, the Company announced, it has entered into an agreement that will it to enter the historic Cariboo Gold District, which will comprise of the following projects:

- The Cariboo Gold Project comprises multiple tenure blocks totaling more than 4,500 ha, which strategically target the Transitional or Basalt Siltstone of the Barkerville Terrain.
- The Lac La Hache Gold Project represents exposure to a new, emerging gold exploration area of the Cariboo Gold District, located northeast of 100 Mile House. The project comprises approximately 180 hectares of exploration ground situated on the north shore of Spout Lake, in close proximity to the recent discovery on the south shore of the lake by Engold Mines Ltd.
- The Pinto Gold Project is a gold exploration target located in southern British Columbia and is approximately 80.9 hectares in size.

In conjunction with the above, the Company will acquire 100% of the common shares of a privately-held company that owns the Cariboo Gold, Lac la Hache and Pinto gold projects from arm’s-length vendors through the issuance of 17.5M common shares of the Company and a cash payment of \$25,000. The acquisition was be done by way of a three-cornered amalgamation. No finders fees was payable on the transaction.

EXPLORATION AND DEVELOPMENT STRATEGY (CONTINUED)

Tay-LP Gold Property Mineral Option

Pursuant to the Mineral Property Option Agreement (the "Option Agreement"), the Company has the right to explore and develop the Tay-LP Gold Property ("Tay-LP") located approximately 47 kilometers southwest of Ross River, Yukon Territory. The Tay-LP property consists of 413 claims covering a 20 km-long by 4 km-wide belt of gold prospects (7,880 hectares). The property has good road access, favourable gold geology, multiple exploration targets, and strong potential to make new gold discoveries. Several million dollars has been spent on the property since its discovery in 1984, by companies including Cominco, Newmont and most recently Canarc Resource Corp.

A National Instrument 43-101 compliant technical report, prepared by David Dunn P.Geo. and James Moors P.Geo. for Canarc Resource Corp., and available on SEDAR, states that the Tay-LP Property has good potential to host an economic replacement type gold deposit. The Technical Report, dated March 30, 2010 recommended three major phases of work. The first phase consisting of a 470 kilometre helicopter borne VTEM and magnetometer geophysical survey was completed in May 2010 and successfully identified several new EM conductors and magnetic anomalies within prospective geological settings. The Company is currently having an updated NI 43-101 report written, which will include the results of the 2010 airborne geophysical program and recommendations for further work.

The Company issued 37,500 shares as a finder's fee with a fair value of \$7,125 for the Tay-LP Gold Property Mineral Option. To exercise the Option Agreement, the Company must pay a total of up to \$350,000 cash consideration, issue 150,000 shares and incur \$1,900,000 of exploration work as follows:

Cash consideration:

- (i) \$10,000 paid within 5 days of the agreement (paid);
- (ii) a further \$10,000 to be paid on or before February 6, 2018 (paid);
- (iii) a further \$30,000 to be paid on or before December 30, 2018;
- (iv) a further \$60,000 to be paid on or before December 30, 2019;
- (v) a further \$80,000 to be paid on or before December 30, 2020; and
- (vi) a further \$160,000 to be paid on or before December 30, 2021.

Share consideration:

150,000 shares were issued within five days of signing of the agreement (issued with a fair value of \$28,500);

Exploration expenditures:

- (i) \$150,000 work to be incurred on or before December 30, 2018;
- (ii) \$250,000 work to be incurred before December 30, 2019;
- (iii) \$500,000 work to be incurred before December 30, 2020; and
- (iv) \$1,000,000 to be incurred before December 30, 2021.

The Optionor will retain a 2% net smelter return upon completion of all terms to acquire 100% of the property, with a \$20,000 pre-production Royalty payable on or before December 30 of each year.

In the event the option is cancelled, at any time, the optionee must insure all claims will have at least one year's assessment work or will pay cash-in-lieu to the optionor.

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SELECTED ANNUAL INFORMATION FOR THE PAST THREE YEARS

The following table summarizes selected financial data for the Company for each of the three most recently completed financial years. The information set forth below should be read in conjunction with the Financial Statements. Financial Statements for all years presented are prepared in accordance with IFRS.

	Fiscal Years Ended March 31		
	2018	2017	2016
	\$	\$	\$
Total revenue	-	-	-
Total assets	2,981,785	1,843,828	2,024,045
Total non-current liabilities	-	-	-
Total liabilities	478,925	424,456	353,425
Net loss for the year	2,587,796	748,739	110,307
Basic and diluted loss per share	(0.11)	(0.05)	(0.02)

Total assets in 2018 increased as a result of the private placements completed in the current year offset by the impairment recognized on the White Caps property. Net loss has increased from the previous years due to non-cash share-based payment expense and the impairment of exploration and evaluation assets in 2018. In 2017, net loss made up was made up of primarily a loss recognized on the disposal and impairment recognized on the Company's property and equipment.

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CONSOLIDATED RESULTS OF OPERATIONS

All of the balances set out in this and following sections, including the Summary of quarterly results conform to IFRS standards

	Year ended March 31, 2018	Year ended March 31, 2017
	\$	\$
EXPENSES (INCOME)		
Professional fees	73,183	42,609
General and administrative	73,462	29,968
Regulatory, transfer agent and filing fees	50,052	28,084
Management, consulting and director's fees	497,690	198,930
Stock-based compensation	405,392	30,900
Interest expense (income)	-	(18)
Foreign exchange (gain) loss	(3,660)	(160,106)
Loss on impairment of exploration and evaluation assets	1,491,677	-
Loss on disposal of equipment	-	578,372
Net loss and comprehensive loss for the year	(2,587,796)	(748,739)

For the year ended March 31, 2018 compared to the year ended March 31, 2017

The Company recorded net loss of \$2,587,796 for the year ended March 31, 2018 compared to a net loss of \$748,739 for the corresponding period in 2017. Explanations of the nature of costs incurred, along with explanations for those changes in cost are discussed below:

- Professional fees include general corporate legal, audit and accounting for the year. The increase in professional fees relates to increased corporate legal fees during the year for due diligence on the Company's new property acquisitions.
- General and administrative expenses include corporate travel, office expenses and insurance. The increase is due to corporate travel to various conferences and trips to the properties.
- Regulatory, transfer agent and filing fees relates to filing and listing fees for TSX, CSE and transfer agent fees. The increase relates primarily to fees associated with the Company's listing on the CSE that was completed during the year.
- Management and consulting fees relates to consulting fees paid to management and various external consultants to help the Company achieve its goals on all facets of the business. The increase by relates to payments to consultants that helped the Company with strategic planning, targeting potential properties and relationship building with industry partners.
- Stock-based compensation expense relates to options issued to certain directors and officers of the Company. The increase by \$374,492 is a result of 2,500,000 options granted during the year compared to 449,500 in the prior year.
- Loss on impairment of exploration and evaluation assets of \$1,491,677 relates to the Company's impairment assessment of the Whitecaps project discussed in the Company's earlier discussion of Corporate developments and significant transaction and factors affecting results of operations
- Loss on disposal of equipment of \$578,372 in the prior year relates to the sale of Whitecaps equipment.

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SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed quarters, all prepared in accordance with IFRS.

	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2018	2017	2017	2017	2017	2016	2016	2016
	\$	\$	\$	\$	\$	\$	\$	\$
Deficit and Cash Flow								
Net income (loss)	(2,029,235)	(478,922)	(39,490)	(40,149)	(272,162)	(283,353)	(155,679)	(37,545)
Basic and diluted gain (loss) per share	(0.06)	(0.02)	(0.01)	(0.01)	(0.02)	(0.02)	(0.01)	(0.00)
Balance Sheet								
Total Assets	2,981,785	3,304,211	1,812,077	1,812,077	1,843,828	2,114,076	2,328,025	1,224,601

Fluctuations in Assets are mostly due to Cash on financing activities and deployed to property investigation and acquisition and advancement of exploration and evaluation assets. The amount and timing of expenses and availability of capital resources vary substantially from quarter to quarter, depending on the level of exploration activities being undertaken at any time and the availability of funding from investors or collaboration partners. Q4 2018 results in comparison with Q4 2017 is a result of the impairment loss recognized on the White Caps project, share-based payment expenses and additional consulting activity.

LIQUIDITY AND CAPITAL RESOURCES

The financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise exploration and development programs depending on its working capital position.

As at March 31, 2018 the Company had a working capital of \$2,447,560 (2017 - deficit \$43,622) which primarily consisted of cash of \$2,681,156 (2017 - \$335,686), receivables of \$16,393 (2017 - \$15,310) and prepaid expenses of \$228,936 (2017 - \$29,838). Current liabilities, being accounts payable and accrued liabilities as at March 31, 2018 amounted to \$478,925 (2017 - \$424,456). Refer to the Financial Statements for more information on the use of cash in operating, investing and financing activities for the years ended March 31, 2018 and 2017.

Other than the above mentioned current liabilities, the Company has no short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

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LIQUIDITY AND CAPITAL RESOURCES (CONTINUED)

The Company's future revenues, if any, are expected to be from the mining and sale of mineral products or interests related there to. The economics of developing and producing mineral products are affected by many factors including the cost of operations, variations in the grade of ore mined, and the price of metals. Depending on the price of metals, the Company may determine that it is impractical to continue commercial production. The price of metals has fluctuated widely in recent years and is affected by many factors beyond the Company's control including changes in international investment patterns and monetary systems, economic growth rates, political developments, the extent of sales or accumulation of reserves by governments, and shifts in private supplies of and demands for metals. The supply of metals consists of a combination of mine production, recycled material, and existing stocks held by governments, producers, financial institutions and consumers. If the market price for metals falls below the Company's full production costs and remains at such levels for any sustained period of time, the Company will experience losses and may decide to discontinue operations or development of other projects or mining at one or more of its properties at that time.

TRANSACTIONS WITH RELATED PARTIES

The Directors and Executive Officers of the Company are as follows:

Theo van der Linde	Director and President
Regan Isenor	Chief Executive Officer
Peter Nguyen	Chief Financial Officer
Steve Stine	Director
Fred Tejada	Director

The Company incurred the following related party transactions, with associated persons or corporations, which were undertaken in the normal course of operations and were measured at the exchange amount as follows:

- a) Key management includes directors, executive officers and officers which constitutes the management team. The Company paid or accrued compensation in form of consulting fees to companies controlled by directors, executive officers and officers and share based compensation directly to directors, executive officers and officers as follows:

<i>Year-ended</i>	March 31, 2018	March 31, 2017
	\$	\$
Consulting fees – paid to Executive Management Solutions Ltd. a company controlled by the President of the Company	90,000	92,000
Rent – paid to a private company controlled by the President of the Company	34,600	-
Consulting fees – paid to a private company controlled by a Director of the Company	-	30,352

On March 31, 2018, total amounts payable to directors and companies owned thereby in accrued liabilities were \$214,668 (2017 - \$145,938)

FINANCIAL INSTRUMENTS AND RISKS

The Company's financial instruments consist of cash and cash equivalents, receivables, loans payable, contingent consideration and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk includes cash and other receivable. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. Other receivable represents GST/HST due from the Canadian government. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets. The Company has assessed credit risk as low.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient liquidity to meet its financial obligations as they come 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 cautions that there are no cash flows from operations and its holdings of cash may be inadequate to meet its anticipated short-term obligations.

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. As at March 31, 2018, the Company had a cash balance of \$2,681,156 (2017 - \$335,686) to settle current liabilities of \$478,925 (2017 - \$424,456). The Company does not have sufficient working capital to carry out all budgeted programs in fiscal 2018 and must secure additional financing during fiscal 2019 to avoid disruption in planned expenditures. The Company has assessed liquidity risk as moderate.

FINANCIAL INSTRUMENTS AND RISKS (CONTINUED)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign currency and price risk.

a) 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 the market interest rates. The Company has no material exposure at March 31, 2018 to interest rate risk through its financial instruments.

b) Foreign currency risk

The operations of the Company in the USA are subject to currency fluctuations where exploration and administrative expenses are being incurred in the local currency, USD. The Company's ability to advance funds to the USA is subject to changes in the valuation of the US Dollar as well as rules and regulations of the USA government. Fluctuations in the value of the US Dollar may have an adverse effect on the operations and operating costs of the Company. The appreciation of non- Canadian Dollar currencies against the Canadian Dollar can increase the cost of exploration and potential production in Canadian Dollar terms. The Company does not use derivatives to mitigate its exposure to foreign currency risk. The Company's consolidated statement of financial position contains balances of cash, accounts payable in currencies other than its functional currency. The Company is thus exposed to foreign exchange risk. A +/- 5% change on the USD:CAD rate relating to US\$10,236 in assets (cash and prepaid expenses held in USD) could have an approximate impact of \$650. The impact on US Dollar denominated current liabilities of US\$121,582 is approximately \$8,000. Foreign currency risk is assessed as low.

c) Price risk

The Company's exposure to price risk with respect to commodity and equity prices is minimal due to the fact that the Company is still in the exploration stage with no earnings. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company intends to closely monitor commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company when warranted.

OTHER INFORMATION

Off Balance Sheet Items

The Company has no off-balance sheet arrangements.

Going Concern

The consolidated financial statements for the year ended March 31, 2018 have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Several material uncertainties may cast a significant doubt on the validity of this assumption. The Company has incurred losses since inception and has no current source of revenue. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given the volatile and uncertain financial markets. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. At March 31, 2018, the Company had a deficit of \$21,860,537 (2017 - \$19,272,741) and a working capital of \$2,447,560 (2017 - negative working capital of \$43,622).

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to continue as a going-concern, the net realizable values of its assets may be materially less than the amounts recorded on the consolidated statement of financial position.

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 suitable business opportunities and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage and has not achieved commercial operations from its projects, its principal source of funds is from the issuance of common shares.

In the management of capital, the Company includes the components of shareholders' equity (deficiency). 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, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments.

In order to facilitate the management of its capital requirements, the Company prepares monthly and annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities of three months or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations. The Company is uncertain as to whether its current capital resources will be sufficient to carry its exploration and development plans and operations through its current operating period and, accordingly, management is reviewing the timing and scope of current exploration plans and is also pursuing other financing alternatives to fund the Company's operations.

The Company is not currently subject to externally imposed capital requirements. There are no changes in the Company's approach to capital management.

**MEGUMAGOLD CORP. (FORMERLY CORONET METALS INC.)
MANAGEMENT DISCUSSION & ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2018**

OTHER INFORMATION (CONTINUED)

Outstanding Share Data

The table below presents the Company's common share data as of July 18, 2018.

	Number
Common Shares, issued and outstanding	96,530,640
Stock options convertible into common shares	2,749,500
Warrants	23,441,004

RISKS AND UNCERTAINTIES

Early Stage – Need for Additional Funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations. The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable, especially in today's volatile and uncertain financial markets. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Exploration and Development

Exploration for minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures made by the Company and/or its subsidiaries will result in discoveries of commercial metal reserves.

Mining and development risks always accompany anticipated rewards, and uncertainties always exist where mineral properties are concerned. Uncertainties include the size, grade and recovery of naturally occurring mineral deposits. Although exploration and development efforts can outline a mineral deposit with a degree of certainty, ultimate grade and tonnages are never fully known until mining has been completed. Metal prices are also a significant factor in the development decision for a mineral property, as a mine may not be economically feasible in a period of depressed prices. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Pricing is affected by numerous factors such as international economic and political trends, global or regional consumption and demand patterns, and

RISKS AND UNCERTAINTIES (CONTINUED)

increased production by current producers.

Operating Hazards and Risks

Mining operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of metals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Foreign Country and Political Risk

The Company might from time to time pursue mineral properties in unstable political or economic countries. The Company would be subject to certain risks, including currency fluctuations and possible political or economic instability in certain jurisdictions, which may result in the impairment or loss of mineral concessions or other mineral rights. Mineral exploration and mining activities may be affected in varying degrees by political instability and government regulations relating to the mining industry. Any changes in regulations or shifts in political attitudes may also adversely affect the Company's business. Exploration may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and mine and/or site safety. The Company does not presently own/pursue foreign exploration projects.

Title Risks

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health and safety, waste disposal, and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards, and enforcement, and higher fines and penalties for non-responsibility for companies including its directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability for the Company and its directors, officers and employees. The Company intends to fully comply with all environmental regulations.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, 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. Parties engaged in mining operations may be required to compensate those

RISKS AND UNCERTAINTIES (CONTINUED)

suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties, or requirements abandonment, or delays in development of new mining properties.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party, and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers may serve as directors and officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act, British Columbia ("Corporations Act") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and exploration and evaluation costs is provided in the Company's consolidated statement of loss and note disclosures contained in its consolidated financial statements for the year ended March 31, 2018. These statements are available on SEDAR - Site accessed through www.sedar.com and the Company's website at www.megumagold.com.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant

Management's Responsibility for Financial Statements

The information provided in this report, including the consolidated financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements. In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE (CONTINUED)

Proposed Transactions

There are currently no significant proposed transactions except as otherwise disclosed in this MD&A. Confidentiality agreements and non-binding agreements may be entered into from time to time, with independent entities to allow for discussions of the potential acquisition and/or development of certain properties.

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Forward Looking Information

Certain statements in this document constitute "forward-looking statements" and are based on current expectations and involve risks and uncertainties, referred to above and or in MegumaGold's financial statements for the year ended March 31, 2018, that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in the forward-looking statements. Examples of such forward looking statements include statements regarding financial results and expectations for 2018, future anticipated results of exploration programs and development programs (including, without limitations, with respect to the Cariboo Gold Properties, Tay-LP Gold Property, MegumaGold Property, and the White Caps Gold Project), including, but not limited to, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal prices, demand for metals, currency exchange rates, political and operational risks inherent in mining or development activities, legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals, environmental protection, expenditures on property, plant and equipment, increases and decreases in reserves and/or resources and anticipated grades and recovery rates and are or may be based on assumptions and/or estimates related to future economic, market and other conditions. This list is not exhaustive and should be considered carefully by prospective investors, who should not place undue reliance on such forward-looking statements. Factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, the factors described or referred to elsewhere herein including, without limitation, under the heading "Risks and Uncertainties" and/or the financial statements, and include unanticipated and/or unusual events as well as actual results of planned exploration and development programs and associated risk. Many of such factors are beyond the Company's ability to control or predict. Actual results may differ materially from those anticipated. Readers of this MD&A are cautioned not to put undue reliance on forward looking statements due to their inherent uncertainty. Forward-looking statements are made based upon management's beliefs, estimates and opinions on the date the statements are made, which management believes are reasonable, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law. These forward-looking statements should not be relied upon as representing management's views as of any date subsequent to the date of this MD&A. Additional information, including interim and annual consolidated financial statements, the management information circulars and other disclosure documents, may also be examined and/or obtained through the Internet by accessing MegumaGold's website at www.megumagold.com or by accessing the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com.