GOLDEN SHIELD RESOURCES INC.
(formerly Goldblock Capital Inc.)

Management's Discussion and Analysis

For the three months ended October 31, 2022 and 2021

(Expressed in Canadian dollars)

The following Management's Discussion & Analysis ("MD&A") has been prepared by management, in accordance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations* as at December 20, 2022 and should be read in conjunction with the condensed interim consolidated financial statements for the three months ended October 31, 2022, and 2021 (the "Financial Statements") of Golden Shield Resources Inc. (formerly Goldblock Capital Inc.) (the "Company"), and the related notes contained therein. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

The Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee, applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. All amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has been prepared by management and is consistent with the information contained in the Financial Statements.

In this MD&A, "Golden Shield", the "Company", or the words "we", "us", or "our", collectively refer to Golden Shield Resources Inc. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The three months ended October 31, 2022 is referred to as "Q1 2023". The year ended July 31, 2022 is referred to as "Fiscal 2022".

Technical Disclosures

All scientific and technical information in this MD&A has been reviewed and approved by Mr. Leo Hathaway, P Geo., Executive Chair of the Company. Mr. Hathaway is a qualified person for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Mr. Hathaway has verified the sampling, analytical, including its quality assurance and quality control procedures, and analytical results underlying the information or opinions contained herein by reviewing original data certificates or reviewing the data collection protocols. For additional information regarding the Company's Marudi Gold Project, please see the technical reports entitled "Independent Technical Report for the Marudi Gold Project, Rupununi Mining District, Guyana" dated effective March 31, 2021 and revised on November 10, 2021 on the Company's profile at www.sedar.com.

The Historical Resource Estimate at the Marudi Gold Project referred to below, was reported by G. Mosher, P. Geo., 2018. "Marudi Property Mazoa Hill Mineral Resource Estimate", NI 43-101 technical report prepared for Guyana Goldstrike Inc.

The Historical Resource Estimate was based on the following assumptions: (a) open pit resources were stated as contained within a conceptual open pit above a 0.50 g/t Au cut-off; (b) pit constraints were based on an assumed gold price of US$1,500/oz., mining cost of US$2.30/t and processing cost of US$16.80/t; (c) assay grades were capped at 30 g/t Au; (d) mineral resource tonnage and contained metal were rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding; (e) mineral resource tonnage and grades were reported as undiluted; and (f) contained Au ounces are in-situ and did not include recovery losses.

Readers are cautioned that the Historical Resource Estimate is considered historical in nature and as such is based on prior data and reports prepared by a previous property owner. A qualified person has not done sufficient work to classify the Historical Resource Estimate as a current resource and the Company is not treating the Historical Resource Estimate as a current resource. Significant data compilation, re-drilling, re-sampling and data verification may be required by a qualified person before the Historical Resource Estimate can be classified as a current resource. There can be no assurance that the historical mineral resource, in-whole or in part, will ever become economically viable. In addition, mineral resources are not mineral reserves and do not have demonstrated economic viability. Even if classified as a current resource, there is no certainty as to whether further exploration will result in any inferred mineral resources being upgraded to an indicated or measured mineral resource category.

BUSINESS OVERVIEW

Nature of Operations

The Company was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on January 29, 2018. The Company completed a reverse takeover transaction on February 15, 2022, as further described below. The Company is in the business of acquiring, exploring, and developing mineral properties, primarily those containing gold and associated base and precious metals. The Company is listed on the Canadian Securities Exchange under the stock symbol "GSRI".

Reverse Takeover

Virgin Gold Corp. ("Virgin Gold") was incorporated under the Business Corporations Act (British Columbia) on November 27, 2020.

On April 19, 2021, the Company entered into a definitive agreement with Virgin Gold, pursuant to which the Company will acquire all of the issued and outstanding shares of Virgin Gold (the "Transaction"). The Transaction was completed by way of a three-cornered amalgamation under the Business Corporations Act (British Columbia), whereby Virgin Gold amalgamated with 1294320 B.C. Ltd., a wholly owned subsidiary of the Company (the "Amalgamation").

On September 15, 2021, pursuant to the Transaction, Virgin Gold consolidated its common shares on a four to three basis.

Pursuant to the Transaction on February 15, 2022, Virgin Gold completed the Amalgamation with 1294320 B.C. Ltd. under the Business Corporations Act (British Columbia) to form 1348135 B.C. Ltd., a wholly owned subsidiary of the Company. In connection with the Transaction, the Company changed its name to "Golden Shield Resources Inc.". As part of the Amalgamation, shareholders of Virgin Gold exchanged their post-consolidation shares for the post-consolidation shares of Golden Shield Resources Inc. on a 1:1 basis, which resulted in the reverse takeover of the Company.

For accounting purposes, Virgin Gold is treated as the accounting acquirer (legal subsidiary). As Virgin Gold was deemed to be the acquirer for accounting purposes, its assets, liabilities, and operations since incorporation are included in the Financial Statements at their historical carrying values. The Company's results of operations are included from the date of the Transaction on February 15, 2022. All comparative figures prior to the Transaction are those of Virgin Gold.

Effective February 15, 2022, any unexercised options and warrants of the Company were cancelled. Prior to closing of the Transaction, the Company consolidated its common shares on a two to one basis. As a result, all information relating to basic and diluted loss per share, issued, and outstanding common shares, and per share amounts in the Financial Statements have been restated retroactively to reflect the share consolidation.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this document constitute forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as "anticipate", "believe", "estimate", "will", "expect", "plan", "intend", or similar words suggesting future outcomes or an outlook. Forward-looking information in this document includes, but is not limited to:

- our business plan and investment strategy; and
- general business strategies and objectives.

Such forward-looking information is based on a number of assumptions which may prove to be incorrect. Assumptions have been made with respect to the following matters, in addition to any other assumptions identified in this document which includes, but is not limited to:

- taxes and capital, operating, general & administrative and other costs;
- general business, economic and market conditions;
- the ability of the Company to obtain the required capital to finance its investment strategy and meet its commitments and financial obligations;
- the ability of the Company to obtain services and personnel in a timely manner and at an acceptable cost to carry out activities; and
- the timely receipt of required regulatory approvals.

Although the Company believes that the expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on them as there can be no assurance that such expectations will prove to be correct. Forward-looking information is based on expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially than anticipated and described in the forward-looking information.

(Expressed in Canadian dollars)

The material risks and uncertainties include, but are not limited to:

- meeting current and future commitments and obligations;
- general business, economic and market conditions;
- the uncertainty of estimates and projections relating to future costs and expenses;
- changes in, or in the interpretation of, laws, regulations or policies;
- the ability to obtain required regulatory approvals in a timely manner;
- the outcome of existing and potential lawsuits, regulatory actions, audits and assessments; and
- other risks and uncertainties described elsewhere in this document.

The foregoing list of risks is not exhaustive. For more information relating to risks, see the section titled "Risk Factors" herein. The forward-looking information contained in this document is made as of the date hereof and, except as required by applicable securities law, the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

SUMMARY OF QUARTER RESULTS

	Q1 2023	Q4 2022	Q3 2022	Q2 2022
	$	$	$	$
Net loss and comprehensive loss	**2,417,009**	1,865,658	4,254,516	1,998,182
Loss per common share - basic and diluted	**(0.06)**	(0.06)	(0.15)	(0.08)

	Q1 2022	Q4 2021	Q3 2021	Period from November 27, 2020 to January 31, 2021
	$	$	$	$
Net loss and comprehensive loss	1,453,047	255,711	174,220	91,954
Loss per common share - basic and diluted	(0.08)	(0.02)	(0.03)	(0.01)

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

The following financial data is derived from the Company's Financial Statements:

	October 31, 2022	July 31, 2022
	$	$
Exploration and evaluation assets	**2,747,508**	2,288,739
Total assets	**6,506,555**	8,454,174
Total liabilities	**289,787**	234,309
Working capital surplus	**3,469,260**	5,931,126

	Three months ended October 31, **2022**	2021
	$	$
Net loss and comprehensive loss	**(2,417,009)**	(1,453,047)
Loss per share – basic and diluted	**(0.06)**	(0.08)

The Company has no revenue and no distributions or cash dividends.

(Expressed in Canadian dollars)

The following table summarizes the results of operations for the three months ended October 31, 2022, and 2021:

	2022	2021
Operating expenses	**$**	$
Bank fees	**2,718**	1,698
Consulting fees	**30,000**	22,491
Director fees	**1,874**	-
Exploration and evaluation expenditures	**1,565,634**	1,256,483
Filing fees	**31,542**	25,551
General and administrative	**57,176**	68,761
Insurance	**14,039**	-
Management fees	**14,475**	-
Marketing	**232,764**	-
Professional fees	**25,416**	76,595
Share-based compensation	**413,912**	-
Total operating expenses	**(2,389,550)**	(1,451,579)
Other expenses		
Change in fair value of securities held for trading	**(7,500)**	-
Foreign exchange loss	**(19,959)**	(1,468)
Loss and comprehensive loss for the period	**(2,417,009)**	(1,453,047)
Loss per common share - basic and diluted	**(0.06)**	(0.08)
Weighted average number of common shares - basic and diluted	**43,028,720**	17,237,418

During the three months ended October 31, 2022, the Company had operating expenses of $2,389,550 (2021 - $1,451,579). The largest drivers of the increase in operating expenses were as follows:

- Exploration and evaluation expenditures of $1,565,634 (2021 - $1,256,483) increased due to increased exploration and evaluation for drilling Phase Two of the Marudi Project; and are set out in the table below
- General and administrative fees of $57,176 (2021 - $68,761) decreased due to decrease operations during the three months ended October 31, 2022;
- Insurance of $14,039 (2021 - $nil) increased due to payments for the Directors and Officers insurance and commercial liability insurance incurred during the three months ended October 31, 2022;
- Marketing of $232,764 (2021 - $nil) increased due to rebranding and website costs incurred during the three months ended October 31, 2022.
- Professional fees of $25,416 (2021 - $76,595) decreased due to less legal, audit and accounting fees associated with the decreased activity levels of the Company during the three months ended October 31, 2022; and
- Share-based compensation of $413,912 (2021 - $nil) relating to the vesting of stock options granted during the three months ended October 31, 2022.

The total other expenses were $27,459 (2021 - $1,468). The other expenses are as follows:

- Change in fair value of securities held for trading of $7,500 (2021 - $nil) decreased due to fluctuations in the fair value of the underlying securities held by the Company during the three months ended October 31, 2022; and
- Foreign exchange loss of $19,959 (2021 - $1,468) due to the weakening in functional currency value of the Company's subsidiary during the three months ended October 31, 2022.

(Expressed in Canadian dollars)

The following table provides a summary of exploration and evaluation expenditures for the three months ended October 31, 2022 and 2021:

	Marudi	Arakaka	Sardine Hill	Fish Creek	Total
	$	$	$	$	**$**
Assaying	68,269	476	-	-	**68,745**
Camp costs	493,879	34,422	-	-	**528,301**
Drilling	578,043	-	-	-	**578,043**
General and administrative	121,582	3,550	-	-	**125,132**
Geological consulting	248,666	2,633	-	-	**251,299**
Property expenses	-	14,114	-	-	**14,114**
Three months ended October 31, 2022	**1,510,439**	**55,195**	**-**	**-**	**1,565,634**

	Marudi	Arakaka	Sardine Hill	Fish Creek	Total
	$	$	$	$	**$**
Camp costs	782,129	-	-	-	**782,129**
Drilling	281,522	-	-	-	**281,522**
General and administrative	20,713	-	-	-	**20,713**
Geological consulting	66,600	41,948	27,764	10,264	**146,576**
Property expenses	25,543	-	-	-	**25,543**
Three months ended October 31, 2021	**1,176,507**	**41,948**	**27,764**	**10,264**	**1,256,483**

COMPANY HIGHLIGHTS

Exploration and Evaluation Assets

Marudi Project

The Marudi Project, located in the Rupununi District of southwestern Guyana, currently covers an area of 5,336 hectares. The "historical" Marudi Project was a Mining License, ML1/2009, covering an area of 5,464 hectares, held by Romanex Guyana Exploration Limited ("Romanex").

A historical mineral resource estimate of mineralization at the Mazoa Hill prospect spoke to an indicated resources of 259,100 ounces of gold and inferred resources of 86,200 ounces of gold (the "Historic Resource").

On March 10, 2021, the Company signed an option agreement with the shareholders of Romanex to acquire 100% of the right, title, and interest in Romanex (the "Romanex Option Agreement"). Romanex owns 100% of the Marudi Project. During the period from November 27, 2020 (incorporation) to July 31, 2021, the Company paid a non-refundable exclusivity payment to Romanex of $154,520 (US$120,000) in consideration for a twelve-month due diligence period and capitalized it as part of the acquisition costs.

Under the terms of the agreement, the Company paid Romanex US$10,000 per month beginning April 1, 2021 until the satisfactory completion of the due diligence process as property maintenance fees. The Company has paid a total of $75,190 (US$60,000) to Romanex. These amounts are expensed as exploration and evaluation expenditures in the statements of loss and comprehensive loss.

Upon satisfactory completion of the due diligence process, the Company elected to satisfy the option agreement for 100% of right, title, and interest in Romanex through the option payment of US$800,000 in a combination of cash and shares as follows:

- $516,374 (US$400,000) in cash (paid on December 23, 2021), and;
- US$400,000 as consideration shares of the resulting issuer following an initial public offering or a reverse takeover transaction, with the number of consideration shares issued to be calculated based on the pricing terms of the resulting issuer's shares on the date of the final payment. An additional US$400,000 consideration shares of the resulting issuer were issued (issued 1,212,074 common shares at a price of $0.716 per common share with the fair value of $867,845 on March 22, 2022).

Geological Exploration

In early 2022, the Company's geologists undertook an extensive data compilation of all available historical exploration data. Some drill core is preserved at the core shack on site at the Marudi camp; some of these cores were examined and or relogged. The data compilation exercise was also supplemented by a selective field mapping and sampling program, involving a series of traverses across prospective areas identified from the interpretation of geophysical data.

The Marudi Project is geologically located within the Southern Guyana regional greenstone belt, more specifically within the Marudi Formation of metavolcanics and metasediments. At the property scale the historical Marudi gold mineralization appears to be hosted predominantly within a metasedimentary unit locally called Quartz Meta-Chert or QMC; the gold is associated with zones of more intense silicification, with pyrite and pyrrhotite present, within the QMC.

Phase One Drilling

During the year ended July 31, 2022 the Company completed an initial, mostly confirmatory but some new target testing, diamond drill program at Marudi, consisting of 13 drill holes, totaling 2,364 metres (the "Phase One Drill Program") at Mazoa Hill and Toucan Creek.

As part of the Phase One drilling program, seven holes (1,516 metres) were drilled at the Mazoa Hill zone of the Marudi Project ("Mazoa Hill"). The Company's geologists interpret mineralization at Mazoa Hill to occur in a series of en-echelon zones and recent drilling infilled areas of sparse drilling within these zones, as well as stepping out into the footwall to the east. In addition, six holes (848 metres) were drilled at the Toucan Creek zone (Toucan Creek), in the Marudi Prospecting License, where no previous drilling had taken place.

The Phase One drilling resulted in the extension of mineralized zones outside of the historical resource at Mazoa Hill; significant mineralized drill intersections included 50m at 9.10g/t, 12m at 5.47g/t, 18m at 4.20g/t, 9.75 metres at 11.9 g/t gold, 5m at 8.79g/t and 43 metres at 1.39 g/t. Exploratory, first time ever, diamond drilling at Toucan Creek intersected multiple gold mineralized intervals in four of the six holes; highlight intersections include 6 metres at 4.84 g/t gold and 7 metres at 2.58 g/t gold. All reported intervals are hosted within QMC, similar to the QMC host rock to gold mineralization at Mazoa Hill. Golden Shield geologists were drawn to the Toucan Creek area by outcrops of QMC that are visibly mineralized with free gold panned from outcrops and oxidized pyrite samples returning anomalous gold values in surface grab sampling.

Phase Two Drilling

On March 29, 2022, the Company recommenced drilling at Mazoa Hill; this Phase Two drilling campaign consisted of 12 holes, totaling 3,100 metres, which focused on expanding the new areas of mineralization discovered outside of the existing historical resource. Additionally, the Phase Two drilling aimed to increase the Company geologist's understanding of the geometry of the high-grade zones encountered in the Phase One drilling.

Drilling successfully intersected extensions of the known mineralized zones. Results highlights include 15m at 3.27g/t, 33.2m at 3.45g/t, 10m at 4.95g/t, 10m at 3.00g/t and 31m at 7.58 g/t gold.

Phase One Trenching Program

In the first quarter of 2022, during the above-mentioned geological traversing of prospective areas identified from the airborne magnetic survey data, the Company discovered previously many undocumented Mazoa-like QMC outcrops and sub-crops. Four areas named prospects were prioritized and selected for further exploration by way of mechanized trenching. Phase one trenching consisted of 840 metres trenching in eleven trenches over the four highest priority targets: six trenches at the Toucan Creek target, two trenches at each of the Throne and Kimberley targets, and one trench at Success Creek. Surface exposures have been subjected to intense tropical weathering; it is to be noted that during surface leaching, significant amounts of gold are likely to have been remobilized. It would not be unreasonable therefore, to expect unweathered bedrock underlying and rooted into oxidized and weathered surface rock, to return a higher tenor of gold mineralization; this postulate will be tested by future drilling.

Future Plans

Following the completion of the Phase Two drill program, the Company's geologists and field crews will focus on advancement of the existing prospects to drill stage, if merited, and exploration for additional prospects. Once all Phase Two drill results are received, additional drilling will be planned at Mazoa Hill based on updated 3D interpretations.

(Expressed in Canadian dollars)

Arakaka Project

On May 26, 2021, the Company signed an agreement to acquire StrataGold Guyana Inc. and Manticore Resources Inc., which are 100% owned entities of Alicanto Minerals Limited ("Alicanto"). These two entities make up the Arakaka Gold Project in Guyana ("Arakaka Project").

In consideration for the purchase of the Arakaka Project the Company has agreed to the following terms:

(i) To pay $50,000 in cash within 5 business days of execution of the agreement (paid on June 6, 2021);

(ii) To pay $700,000 in cash on completion of the listing capital raise (paid on February 15, 2022);

(iii) To issue common shares of the Company with a value of $1,000,000 value upon the satisfaction of every resource target set out in the table below (which amounts to the sum of any resources issued by the Canadian Securities Administrator national instrument 43-101) delineated on the tenements, the designated area or a combination of the tenements and the designated area in the two years (the "Deferred Consideration Shares").

The Deferred Consideration Shares will be issued upon achieving the following resource targets:

Resources targets - Million ounces of gold ("Moz Au")	Shares equivalent
	$
0.50 Moz Au	1,000,000
0.75 Moz Au	1,000,000
1.00 Moz Au	1,000,000
2.00 Moz Au	1,000,000
Total	**4,000,000**

(iv) the Deferred Consideration Shares will be issued by the Company to Alicanto within 60 days of the date that the Company announces the relevant resource to the market (not met);

(v) the Deferred Consideration Shares will be issued at the price equal to the volume weighted average price of the listed entity's common shares as traded on the Canadian Securities Exchange in the ordinary course of trade over the 30 trading days following the release of a new resource estimate to the market by the listed entity; and

(vi) In the event that there is a consolidation or share split of listed entity's shares prior to completion, the number of Deferred Consideration Shares will be adjusted by the same ratio.

Copper Canyon Property

On April 25, 2018, the Company entered into an option agreement to acquire a 100% interest in the Copper Canyon Property, located in the Nicola Mining Division of British Columbia, Canada, for the following consideration:

Date	Option payments	Exploration expenditures
April 25, 2018	Payment of $22,500 (paid)	N/A
April 25, 2020	Payment of an additional $20,000 (paid)	Incur $100,000 (met)
April 25, 2021	Payment of an additional $150,000 (paid)	Incur an additional $100,000 (met)
April 25, 2022	N/A	Incur an additional $250,000 (not met)

Exploration expenditures in excess of the minimum amount in any period will be applied towards the next period's minimum required amount.

The vendors will retain a 1.5% Net Smelter Royalty ("NSR"). The Company has the option to purchase 0.5% of the NSR for $1,000,000.

The Company entered into an option agreement with Bullet Exploration Inc. (previously 2294253 Alberta Ltd.) (the "Optionee"), a private company, providing for it to acquire a 75% interest in the Company's Copper Canyon project. The Optionee is required to pay to the Company a total of $245,000 in cash, issue a total of 1,300,000 common shares, and spend a total of $575,000 in qualified expenditures on the Copper Canyon property, all over a three-year period.

(Expressed in Canadian dollars)

During the period ended July 31, 2021, the Company amended the option agreement, providing for an extension of the work commitment of $90,273 from April 25, 2021 to July 25, 2021 and allowing for the Optionee to assume the exploration expenditure requirement. With regards to the $250,000 in exploration expenditures that are to be incurred on the property on or before April 25, 2022, this will be partially funded by the Optionee by incurring a minimum of $200,000 on the property on or before July 25, 2022.

Under the terms of the various option agreements related to Copper Canyon Project, the $250,000 work commitment requirement by April 25, 2022 was not met. As a result, during the year ended July 31, 2022, it was determined that the value in use of the property was $nil and the Company impaired all of the costs incurred on the property in the amount of $nil in accordance with level 3 of the fair value hierarchy.

Fish Creek Joint Venture & Option Agreement

On December 29, 2020, the Company and its subsidiary Aurous Guyana Inc. ("AGI") entered into a joint venture and option agreement with Guiana Shield Resources ("GSR") ("Fish Creek Agreement"), a related party private company controlled by a director of the Company with regards to the Fish Creek prospecting license, which is owned and controlled by GSR. There are no liens, mortgages, or encumbrances on or conflicting claims of ownership or right to ownership of the property or the mineral rights. The mineral rights are in good standing.

The Company, through its subsidiary AGI, will be responsible for paying all rentals or other fees that become due during the term of the agreement to keep the mineral rights in good standing with the Guyana Geology and Mines Commission. The term of the agreement is for five years with possible extensions.

If the Company provides payment of such amount indicated in the table below, the term of the agreement is automatically extended for an additional year:

Year (to be paid on or before the anniversary date of the date of the initial payment)	Amounts
	US$
Within 6 months of effective date	150,000
1st anniversary	200,000
2nd anniversary	200,000
3rd anniversary	200,000
4th anniversary	300,000
Total	**1,050,000**

During the year ended July 31, 2022, the Company and GSR agreed to defer the payments to a mutually agreeable schedule. During the three months October 31, 2022, the Company made payments of $193,146 (US$150,000) and $265,622 (US$200,000) to GSR in connection to the Fish Creek Agreement.

Sardine Hill Option Agreement

On May 24, 2021, the Company, through its subsidiary AGI, signed an Exclusive Right and Option Agreement ("Letter of Agreement") with the property owners of the Mariwa Property ("Sardine Hill"). AGI has paid an exclusivity payment of US$1 to begin the due diligence process and will enter into a definitive agreement with the property owners within 60 days of the letter of agreement. As of October 31, 2022, the Company has not entered into a definitive agreement.

AGI will assume responsibility of ensuring all rents and renewal fees are remitted on a timely basis to maintain the property in good standing. AGI will also cover all costs of the transfer of permits upon completion of all payments to the property owners. The property owners will retain all surface mining rights until all remaining payments of US$4,500,000 are completed.

Share Capital Highlights

Effective February 15, 2022, any unexercised options and warrants of the Company have been cancelled. Prior to closing of the Transaction, the Goldblock Capital Corp. consolidated its common shares on a two to one basis and Virgin Gold Corp. consolidated its common shares on a four to three basis. As a result, all information relating to basic and diluted loss per share, issued, and outstanding common shares, and per share amounts in MD&A for the three months ended October 31, 2022 and 2021 have been adjusted retroactively to reflect the share consolidation.

During the three months ended October 31, 2022, the Company did not have any share capital transactions.

<u>During the year ended July 31, 2022, the Company completed the following share capital transactions</u>:

On September 16, 2021, the Company completed a private placement for gross proceeds of $4,106,423 through the issuance of 4,831,086 units at $0.85 per unit. Each unit consists of one common share and one half of a share purchase warrant. Each whole share purchase warrant entitles the holder to acquire one common share in the capital of the Company for a period of two years at a price of $1.35. As a result, $712,590 was recorded in reserves for the fair value of the warrants.

On December 23, 2021, the Company completed a private placement for gross proceeds of $2,583,476 through the issuance of 3,039,383 units at $0.85 per unit. Each unit consists of one common share and one half of a share purchase warrant. Each whole share purchase warrant entitles the holder to acquire one common share in the capital of the Company for a period of two years at a price of $1.35. As a result, $450,108 was recorded in reserves for the fair value of the warrants.

On February 15, 2022, as consideration in the Transaction, the Company issued 4,500,000 common shares with a fair value of $0.709 per share resulting in an increase to share capital of $3,192,009 and was included in listing expense in the condensed interim consolidated statements of loss and comprehensive loss.

On February 15, 2022, the Company granted 2,525,000 incentive stock options to certain directors, officers, and consultants of the Company. The options are exercisable at a price of $0.85 per share, have a term of five years, and will vest over a period of 24 months, with a total grant date fair value of $1,500,013. As a result, the Company recognized share-based compensation of $716,152 relating to the vesting of stock options during the year ended July 31, 2022. The remaining $783,861 will be recognized as share-based compensation in future reporting periods.

On February 18, 2022, an escrow agreement (the "Escrow Agreement") between the Company and certain shareholders of the Company has been completed resulting in 7,586,250 common shares being deposited in escrow. Pursuant to the Escrow Agreement, 10% of the Escrowed Shares were released from escrow on the Escrow Agreement date (the "Initial Release") and an additional 15% is to be released every six months thereafter following the Initial Release. These Escrowed Shares may not be transferred, assigned, or otherwise dealt without the consent of the regulatory authorities.

On March 22, 2022, pursuant to option agreement with Romanex, Golden Shield issued 1,212,074 common shares at the fair value of $0.716 per share to the shareholders of Romanex for a total fair value of $867,845.

On July 5, 2022, the Company completed a private placement for gross proceeds of $6,288,450 through the issuance of 14,624,302 units at $0.43 per unit. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to acquire one common share in the capital of the Company for a period of 2 years at a price of $0.60. As a result, $731,215 was recorded in reserves for the fair value of the warrants. In connection with the issuance, the Company paid cash share issuance costs of $453,452 and issued 691,412 broker warrants with a fair value of $169,015. Each broker warrant allows the holder to acquire 691,412 shares of the Company at an exercise price of $0.43 per share for a 2-year period.

HIGHLIGHTS SUBSEQUENT TO OCTOBER 31, 2022

On November 7, 2022, the Company announced results of the first three holes its Phase Three drilling program at the Marudi project targeting extensions of the Mazoa Hill deposit. Highlights include intervals of 13.40 metres grading 12.24 g/t gold and 19.6 m at 1.06 g/t Au from hole MH-22-28 as well as 4.3 m grading 8.68 g/t gold and 13.40 metres grading 2.54 g/t gold including 6.0 grading 4.93 g/t gold from hole MH-22-29. Assay results from three remaining holes drilled at Mazoa Hill remain to be received and drilling is currently focused on July and Throne Prospects. Ongoing exploration at the Marudi Mountain property includes auger sampling, an Induced Polarization (IP) Survey across approximately 25 square kilometres covering the Mazoa-Throne-July trend, and on-site consulting work by Specialized Geological Mapping. The Company also announced receipt of The Depository Trust Company (the "DTC") full-service eligibility in the United States.

The IP survey was completed in November 2022. The survey aims to provide better definition of geology at depth. A 3D model has been produced and interpretations are in progress.

On December 7, 2022, the Company announced the results of the three outstanding drill holes at Mazoa Hill. It also reported that all three drilling campaigns this year at Mazoa Hill have all been rewarded with high grade and width intersections in the quartz metachert (QMC), the host lithology at Mazoa Hill. The Company has both extended the Mazoa gold mineralization and successfully tracked the QMC down plunge and used its increased understanding of the lithological and structural controls at Mazoa to map, sample and exploratory drill, two "Mazoa Type" targets within an almost 2 km prospective exploration corridor.

LIQUIDITY AND CAPITAL RESOURCES

As at October 31, 2022, the Company had cash of $3,346,752 (July 31, 2022 - $5,712,597) and a net working capital of $3,469,260 (July 31, 2022 - $5,931,126).

The Company's cash flows from operations are negative as it is an exploration stage company. The Company's net cash used in operating activities for the three months ended October 31, 2022 was $1,907,076 (2021 - $1,444,361).

During the three months ended October 31, 2022, the Company had net cash used in investing activities of $458,769 (2021 - $nil) related to the acquisition of Fish Creek Project.

During the three months ended October 31, 2022, the Company had net cash provided by financing activities of $nil from private placements (2021 - $4,106,423).

The Company is actively looking to acquire an interest in a business or assets, and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavors and does not generate cash flows from operations.

The Company's primary source of funds comes from the issuance of common shares. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid.

This outlook is based on the Company's current financial position and is subject to change if opportunities become available based on exploration program results and/or external opportunities. At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company will need to raise funds through equity sales, from the exercise of convertible securities, debt, deferral of payments to related parties, or other forms of raising capital. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the short and long term however; recognizes that there will be risks involved which may be beyond its control.

GOING CONCERN

The Company's Financial Statements are 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. As at October 31, 2022, the Company has not yet achieved profitable operations. This condition indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in the properties and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values. The Financial Statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

As of the date of this MD&A, COVID-19 has had no impact on the Company's ability to access and explore its current properties but may impact the Company's ability to raise funding or explore its properties should travel restrictions related to COVID-19 be extended or expanded in scope.

(Expressed in Canadian dollars)

CONTRACTUAL OBLIGATIONS

The Company has certain remaining contractual obligations with respect to the Fish Creek Joint Venture & Option Agreement, Romanex Guyana Option Agreement, and the purchase of the Arakaka Project. For more information relating to contractual obligations, see the section titled "Company Highlights", sub-section "Exploration and Evaluation Assets".

RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and Corporate Officers.

On December 29, 2020, the Company and its subsidiary AGI entered into a joint venture and option agreement with GSR relating to Fish Creek Project, a related party controlled by a director of the Company. During the three months ended October 31, 2022, the Company paid $458,769 in option payments relating to Fish Creek Project (2022 - $nil).

As at October 31, 2022, there was $13,225 (July 31, 2022 - $105,033) due to related parties included in accounts payable and accrued liabilities. The amounts due are unsecured, due on demand and are non-interest bearing.

During the three months ended October 31, 2022 and, 2021, the Company had the following transactions with related parties:

	2022	2021
	$	$
Consulting fees	**30,000**	20,000
Director fees	**1,874**	-
Exploration and evaluation assets	**458,769**	-
Exploration and evaluation expenses	**208,810**	604,822
Management fees	**14,475**	-
Professional fees	**22,500**	20,000
Share-based compensation	**300,251**	-
Total	**577,910**	644,822

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at October 31, 2022 or at the date of this MD&A.

PROPOSED TRANSACTIONS

The Company has no undisclosed proposed transactions as at October 31, 2022 or at the date of this MD&A.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting year. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The indicators of impairment of exploration and evaluation assets

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.

Significant judgment is required when determining whether facts and circumstances suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The retention of regulatory permits and licenses; the Company's ability to obtain financing for exploration and development activities and its future plans on the resource properties; current and future metal prices; and market sentiment are all factors considered by the Company.

Valuation of share-based compensation

The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, risk-free interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Recovery of deferred tax assets

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

Accounting for reverse takeover

The determination of the acquirer in the reverse takeover transaction with Virgin Gold requires significant judgment assessing the relative voting rights, composition of the governing body, and composition of senior management of the combined entity, amongst other factors. The Company concluded Virgin Gold to be the accounting acquirer, and its acquisition of all of the outstanding shares of the Company has been determined to be an asset acquisition as the Company does not meet the definition of a business under IFRS 3 *Business Combinations*. As a result, the transaction has been accounted for as a reverse takeover by Virgin Gold of the Company's net assets in accordance with the guidance under IFRS 2 *Share-based Payment*. The Company bases its estimates and judgments on current facts and various other factors that it believes to be reasonable under the circumstances. The actual results experienced by the Company may differ materially and adversely from the Company's estimates and could affect future results of operations.

The determination of the Company and its subsidiaries' functional currency

The determination of the functional currency for the Company and each of its subsidiaries was based on management's judgment of the underlying transactions, events and conditions relevant to each entity.

Restoration, rehabilitation, and environmental obligations

An obligation to incur restoration, rehabilitation, and environmental costs arise when an environmental disturbance is caused by the exploration, development, or ongoing production 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, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect 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 unit-of-production or the straight-line method. The related liability is adjusted each period for the unwinding of the discount rate and for changes to the current market-based discount rate, and amount or timing of the underlying cash flows needed to settle the obligation. Costs for the restoration of subsequent site damage, which is created on an ongoing basis during production, are provided for at their net present values and charged against profits as extraction progresses.

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

Asset acquisition versus business combination

Management had to apply judgment with respect to whether the acquisitions of Goldblock Capital Inc., Romanex Guyana Exploration Limited, and StrataGold Guyana Inc. and Manticore Resources Inc. were an asset acquisition or business combination. This determination required management to assess the inputs, processes, and outputs of the acquired entities at the time of acquisition. Acquisitions that do not meet the definition of a business combination are accounted for as asset acquisitions. Pursuant to the assessment, the acquisitions were considered to be asset acquisitions.

Purchase price allocations

Estimates are made in determining the fair value of assets and liabilities, including the valuation of separately identifiable intangible assets acquired as part of an acquisition. Consideration paid for an asset acquisition is allocated to the individual identifiable assets acquired and liabilities assumed based on their relative fair values.

FINANCIAL INSTRUMENTS

Fair value

The Company's financial instruments consist of cash, securities held for trading, and accounts payable and accrued liabilities.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy for financial instruments measured at fair value that reflects the significance of inputs used in making fair value measurements as follows:

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

The carrying value of cash and accounts payable and accrued liabilities are measured at amortized cost.

As at October 31, 2022, securities held for trading were measured at fair value using Level 1 inputs. The fair value of securities held for trading was measured based on the quoted market price of the related common shares at each reporting date, and changes in fair value are recognized in profit or loss.

During the three months ended October 31, 2022 and year ended July 31, 2022, there were no transfers between Level 1, Level 2, and Level 3 classified financial assets and liabilities.

(Expressed in Canadian dollars)

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss. The Company's primary exposure to credit risk is on its cash. The Company manages its credit risk relating to cash through the use of a major financial institution which has a high credit quality as determined by rating agencies. As at October 31, 2022, the Company had cash of $3,346,752 (July 31, 2022 - $5,712,597) held with a large Canadian bank. The Company assessed its credit risk as low.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet its obligations under financial instruments. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no sources of revenue and has obligations to meet its exploration and evaluation commitments and to settle amounts payable. As at October 31, 2022, the Company has a working capital surplus of $3,469,260 (July 31, 2022 - $5,931,126). The Company assesses liquidity risk as moderate.

Market risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. Assuming all other variables constant, an increase or a decrease of 10% of the US dollar and Guyanese dollar against the Canadian dollar, the net loss of the Company and the equity for the three months ended October 31, 2022 would have varied by a negligible amount.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has the following securities issued and outstanding:

Type	#
Common shares	43,028,720
Warrants	691,412
Options	4,005,000

RISK FACTORS

An investment in the Company should be considered highly speculative, not only due to the nature of the Company's business and operations, but also because of the uncertainty related to completion of the Transaction. For a detailed listing of the risk factors faced by the Company, please refer to the Company's MD&A for the years ended July 31, 2022 and 2021.