GOLDEN SHIELD RESOURCES INC.

Management's Discussion and Analysis

For the three and six months ended January 31, 2023 and 2022

(Expressed in Canadian dollars)

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") of Golden Shield Resources Inc. (the "Company") supplements but does not form part of the unaudited condensed interim consolidated financial statements and the notes thereto for the three and six months ended January 31, 2023 and 2022 (collectively referred to hereafter as the "financial statements").

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 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.

The Company's certifying officers are responsible for ensuring that the financial statements and MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated, or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's certifying officers certify that the financial statements together with the other financial information included in the filings fairly present, in all material respects, the financial condition, financial performance and cash flows of the Company as of the date of, and for the periods presented in the filings.

In this MD&A, 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 Company's Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Company. The Board of Directors approves the financial statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

The following MD&A has been prepared by management, in accordance with the requirements of NI 51-102 as of March 23, 2023.

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.

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.

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.

BUSINESS OVERVIEW

a) 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 ("CSE") under the stock symbol "GSRI".

b) Reverse takeover

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

(Expressed in Canadian dollars)

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").

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 shares of Golden Shield Resources Inc. on a one-to-one 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.

Effective February 15, 2022, any unexercised stock 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.

SUMMARY OF QUARTERLY RESULTS

A summary of the Company's quarterly results is as follows:

	Q2 2023	Q1 2023	Q4 2022	Q3 2022
	$	$	$	$
Net loss and comprehensive loss	**1,267,168**	2,417,009	1,865,658	4,254,516
Basic and diluted loss per common share	**(0.03)**	(0.06)	(0.06)	(0.15)

	Q2 2022	Q1 2022	Q4 2021	Q3 2021
	$	$	$	$
Net loss and comprehensive loss	1,998,182	1,453,047	255,711	174,220
Basic and diluted loss per common share	(0.10)	(0.08)	(0.02)	(0.03)

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

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

	January 31, 2023	July 31, 2022
	$	$
Exploration and evaluation assets	**2,747,508**	2,288,739
Total assets	**5,235,994**	8,454,174
Total liabilities	**117,001**	234,309
Working capital surplus	**2,371,485**	5,931,126

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

(Expressed in Canadian dollars)

A summary of the Company's results of operations for the three and six months ended January 31, 2023 and 2022 is as follows:

	Three months ended	January 31,	Six months ended	January 31,
	2023	2022	**2023**	2022
Operating expenses	**$**	$	**$**	$
Bank fees	**994**	1,347	**3,712**	3,045
Consulting fees	**10,000**	32,333	**40,000**	54,824
Director fees	**8,281**	-	**10,155**	-
Exploration and evaluation expenditures	**857,519**	1,546,862	**2,423,153**	2,803,345
Filing fees	**4,508**	10,025	**36,050**	35,576
General and administrative	**37,918**	46,519	**95,094**	115,280
Insurance	**23,974**	112,118	**38,013**	112,118
Management fees	**22,480**	-	**36,955**	-
Marketing	**41,431**	93,036	**274,195**	93,036
Professional fees	**82,909**	155,942	**108,325**	232,537
Share-based compensation	**169,393**	-	**583,305**	-
Total operating expenses	**1,259,407**	1,998,182	**3,648,957**	3,449,761
Other expenses (income)				
Change in fair value of securities held for trading	**(15,000)**	-	**(7,500)**	-
Foreign exchange loss	**22,761**	-	**42,720**	1,468
Loss and comprehensive loss	**(1,267,168)**	(1,998,182)	**(3,684,177)**	(3,451,229)
Loss per common share - basic and diluted	**(0.03)**	(0.10)	**(0.09)**	(0.18)
Weighted average number of common shares - basic and diluted	**43,028,720**	20,955,554	**43,028,720**	19,086,327

Three months ended January 31, 2023 and 2022:

The Company reported a net loss and comprehensive loss of $1,267,168 compared to $1,998,182 in the prior year comparable period. The primary drivers of this decrease in the net loss were as follows:

- Consulting fees decreased to $10,000 compared to $32,333 in the prior year comparable period related to the termination of the consulting contract with a consultant during the current period.
- Exploration and evaluation expenditures decreased to $857,519 compared to $1,546,862 in the prior year comparable period due to decreased exploration and evaluation activities conducted on the Marudi Project during the current period to assess the geometry of the high-grade zones encountered in the Phase One drilling.
- Insurance decreased to $23,974 compared to $112,118 in the prior year comparable period due to a full year's insurance being recognized in the prior year comparable period compared to the current period.
- Marketing decreased to $41,431 compared to $93,036 in the prior year comparable period related to increased investor relations activities associated with private placements in the prior year.
- Professional fees decreased to $82,909 compared to $155,942 in the prior year comparable period related to legal costs associated with the Transaction in the prior year.

Partially offsetting the decrease in the net loss and comprehensive loss were increases to expenses as follows:

- Director fees increased to $8,281 compared to $nil in the prior year comparable period related to recurring director fees associated with the addition of new directors to the board.
- Management fees increased to $22,480 compared to $nil in the prior year comparable period related to recurring management costs associated with the addition of new management roles as they are required to support the operating activities during the current period.
- Share-based compensation increased to $169,393 compared to $nil in the comparative period attributable to the vesting of stock options granted to officers and employees of the Company in the current period.

(Expressed in Canadian dollars)

Six months ended January 31, 2023 and 2022:

The Company reported a net loss and comprehensive loss of $3,684,177 compared to $3,451,229 in the prior year comparable period. The primary drivers of this increase in the net loss and comprehensive loss were as follows:

- Director fees increased to $10,155 compared to $nil in the prior year comparable period related to recurring director fees associated with the addition of new directors to the board.
- Insurance decreased to $38,013 compared to $112,118 in the prior year comparable period due to a full year's insurance being recognized in the prior year comparable period compared to the current period.
- Management fees increased to $36,955 compared to $nil in the prior year comparable period related to recurring management costs associated with the addition of new management roles as they are required to support the operating activities during the current period.
- Marketing increased to $274,195 compared to $93,036 in the prior year comparable period related to increased investor relations activities in Q1 of the Company's fiscal year.
- Share-based compensation increased to $583,305 compared to $nil in the comparative period attributable to the vesting of stock options granted to officers and employees of the Company in the current period.

Partially offsetting the increase in the net loss and comprehensive loss were decreases to expenses as follows:

- Consulting fees decreased to $40,000 compared to $54,824 in the prior year comparable period related to the termination of the consulting contract with a consultant.
- Exploration and evaluation expenditures decreased to $2,423,153 compared to $2,803,345 in the prior year comparable period due to decreased exploration and evaluation activities conducted on the Marudi Project during the current period.
- Professional fees decreased to $108,325 compared to $232,537 in the prior year comparable period related to legal costs associated with the Transaction in the prior year.

A summary of the Company's exploration and evaluation expenditures for the three months ended January 31, 2023 is as follows:

	Marudi Project	**Arakaka Project**	**Fish Creek Project**	**Sardine Hill Project**	**Total**
	$	$	$	$	$
Assaying	15,357	-	-	-	15,357
Camp costs	68,796	-	-	-	68,796
Drilling	49,868	39	-	-	49,907
General and administrative	304,890	39,353	-	-	344,243
Geological consulting	340,807	3,226	-	-	344,033
Property expenses	22,635	12,548	-	-	35,183
	802,353	**55,166**	**-**	**-**	**857,519**

A summary of the Company's exploration and evaluation expenditures for the three months ended January 31, 2022 is as follows:

	Marudi Project	**Arakaka Project**	**Fish Creek Project**	**Sardine Hill Project**	**Total**
	$	$	$	$	$
Camp costs	629,872	-	-	-	629,872
Drilling	640,209	-	-	-	640,209
General and administrative	10,343	-	-	-	10,343
Geological consulting	243,395	22,652	72	319	266,438
	1,523,819	**22,652**	**72**	**319**	**1,546,862**

(Expressed in Canadian dollars)

A summary of the Company's exploration and evaluation expenditures for the six months ended January 31, 2023 is as follows:

	Marudi Project	Arakaka Project	Fish Creek Project	Sardine Hill Project	Total
	$	$	$	$	$
Assaying	83,626	-	-	-	83,626
Camp costs	562,675	31,930	-	-	594,605
Drilling	627,911	39	-	-	627,950
General and administrative	426,472	45,871	-	-	472,343
Geological consulting	589,473	5,859	-	-	595,332
Property expenses	22,635	26,662	-	-	49,297
	2,312,792	**110,361**	**-**	**-**	**2,423,153**

A summary of the Company's exploration and evaluation expenditures for the six months ended January 31, 2022 is as follows:

	Marudi Project	Arakaka Project	Fish Creek Project	Sardine Hill Project	Total
	$	$	$	$	$
Camp costs	1,412,001	-	-	-	1,412,001
Drilling	921,731	-	-	-	921,731
General and administrative	31,056	-	-	-	31,056
Geological consulting	309,995	64,600	10,336	28,083	413,014
Property expenses	25,543	-	-	-	25,543
	2,700,326	**64,600**	**10,336**	**28,083**	**2,803,345**

EXPLORATION AND EVALUATION ASSETS

a) 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.

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 Romanex Option 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 cores are 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 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 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 drilling 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. Work programs for the Company's two other projects, Arakaka and Fish Creek, are being finalized and are expected to start in the second half of 2023.

(Expressed in Canadian dollars)

b) 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:

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

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

- 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**

- 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);

- 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 CSE 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

- 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.

c) 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.

(Expressed in Canadian dollars)

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.

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.

d) Fish Creek Project

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:

Date (to be paid on or before the anniversary of the initial payment date)	Payment
	US$
Within 6 months of effective date (paid)	150,000
First anniversary (paid)	200,000
Second anniversary	200,000
Third anniversary	200,000
Fourth anniversary	300,000
	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 six months January 31, 2023, the Company made payments in total of $458,769 (US$350,000) to GSR in connection to the Fish Creek Agreement.

e) 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 January 31, 2023, 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 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, 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 and six months ended January 31, 2023 and 2022 have been adjusted retroactively to reflect the share consolidation.

During the six months ended January 31, 2023, the Company completed the following share capital transactions:

- On January 27, 2023, the Company granted 779,000 incentive stock options to certain directors, officers, and consultants of the Company. The stock options are exercisable at a price of $0.265 per share, having a term of five years, and will vest in four equal tranches with the first 25% on the grant date and 25% every twelve months thereafter.

- During the six months ended January 31, 2023, 487,500 stock options with a weighted average exercise price of $0.67 were forfeited. These options were not fully vested by the time of cancellation and as a result, the share-based compensation recognized associated with the options was reversed.

During the year ended July 31, 2022, the Company completed the following share capital transactions:

- 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 approximately $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 stock 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 two years at a price of $0.60. As a result, $731,215 was recorded in reserves for the fair value of the share purchase 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 period of two years.

(Expressed in Canadian dollars)

USE OF PROCEEDS AND MILESTONES

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.

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.

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.

	July 5, 2022	December 23, 2021	September 16, 2021
	$	$	$
Total proceeds	6,288,450	2,583,476	4,106,423
Allocation of proceeds:			
Acquisition of Arakaka Project	-	700,000	-
Acquisition of Marudi Project	-	-	1,384,219
Exploration and evaluation expenditures	5,660,000	1,625,000	2,310,000
General working capital expenses	628,450	258,476	412,204

The Company achieved its business objectives and milestones through the use of proceeds raised from the private placements to identify exploration and evaluation opportunities and perform due diligence testing on potential mineral exploration properties. In addition, the Company was able to maintain liquidity while meeting operating expenditure obligations and adequate levels of funding to continue as a going concern and support its exploration of mineral claims.

Considering the current uncertainty as to the general market and competitive conditions, the Company continues to maintain its fiscally responsible approach to its mineral exploration activities. In particular, the Company continues to evaluate market conditions on an ongoing basis, with the goal of, among other things: (i) identifying the appropriate time to initiate certain business objectives; and (ii) exploring potential alternative, viable opportunities to further develop and expand the Company's business.

As such, the Company notes that there may be circumstances where, for sound business reasons, the Company may be required to reallocate funds, including due to demands for shifting focus or investment in mining exploration and/or development activities, requirements for accelerating, increasing, reducing, or eliminating initiatives in response to changes in market, regulations and/or developments in the mining sector generally and in the price of copper, unexpected setbacks, and strategic opportunities, such as partnerships, strategic partners, joint ventures, mergers, acquisitions, and other opportunities.

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2023, the Company had cash of $2,023,187 (July 31, 2022 - $5,712,597) and a net working capital of $2,371,485 (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 six months ended January 31, 2023 was $3,219,441 (2022 - $3,447,446) primarily relating to exploration and evaluation expenditures, marketing fees, professional fees, general and administrative expenses, and changes in non-cash working capital.

During the six months ended January 31, 2023, the Company had net cash used in investing activities of $458,769 (2021 - $nil) related to the acquisition of Fish Creek Project.

During the six months ended January 31, 2023, the Company had net cash provided by financing activities of $11,200 primarily relating to loan proceeds (2022 - $6,689,899).

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

These financial statements have been prepared based on accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company is a resource exploration stage company, which does not generate any revenue and has been relying on equity-based financing to fund its operations. The Company has recurring losses since inception and had an accumulated deficit of $13,777,465 as at January 31, 2023 (July 31, 2022 - $10,093,288). As at January 31, 2023 the Company had cash of $2,023,187 (July 31, 2022 - $5,712,597) and working capital of $2,371,485 (July 31, 2022 - $5,931,126). The Company will require additional financing, either through equity or debt financing, sale of assets, joint venture arrangements, or a combination thereof to meet its administrative costs and to continue to explore and develop its exploration and evaluation assets. There is no assurance that sufficient future funding will be available on a timely basis or on terms acceptable to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt on the Company's ability to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern is in significant doubt. Accordingly, these financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern, and these adjustments may 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.

CONTRACTUAL OBLIGATIONS

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

(Expressed in Canadian dollars)

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 six months ended January 31, 2023, the Company paid $458,769 in option payments relating to Fish Creek Project (2022 - $nil).

As at January 31, 2023, there was $24,238 (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.

A summary of the Company's related party transactions in profit or loss is as follows:

	Three months ended January 31,		Six months ended January 31,	
	2023	2022	**2023**	2022
	$	$	**$**	$
Consulting fees	**10,000**	32,083	**40,000**	52,083
Director fees	**8,281**	-	**10,155**	-
Exploration and evaluation expenditures	**245,184**	304,899	**453,994**	952,883
Management fees	**17,478**	-	**31,954**	-
Professional fees	**27,500**	22,500	**50,000**	42,500
Share-based compensation	**154,459**	-	**454,710**	-
	462,902	359,482	**1,040,813**	1,047,466

SUBSEQUENT EVENTS

On February 18, 2023 and March 3, 2023, additional 1,137,938 and 378,956 shares were released from escrow, respectively. As a result, the remaining balance of escrowed shares is 4,551,750.

On March 2, 2023, the Company announced that Leonard Clough has joined the Company as a Strategic Advisor. Mr. Clough will be a key addition to the Golden Shield team in effectively communicating to the market the value of the company as it continues to advance and grow its three high grade gold projects in Guyana.

On March 22, 2023, the Company announced that it has entered into an agreement with Canaccord Genuity Corp. for a private placement of up to 20,000,000 units of the Company at a price of $0.175 per unit for gross proceeds to the Company of up to $3,500,000 (the "Offering"). Each unit will consist of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one common share of the Company for a period of twenty-four months following the closing date of the Offering at an exercise price of $0.25 for the twelve-month period following the closing date of the Offering and thereafter the exercise price will increase to $0.35 for the remaining term of the warrants.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at January 31, 2023 or at the date of this MD&A.

PROPOSED TRANSACTIONS

The Company has no undisclosed proposed transactions as at January 31, 2023 or at the date of this MD&A.

SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND JUDGEMENTS

All significant accounting policies, estimates, and judgements are fully disclosed in the notes of the financial statements and the annual financial statements for the year ended July 31, 2022 and the period from November 27, 2020 (incorporation) to July 31, 2021.

FINANCIAL INSTRUMENTS

Fair value

The Company's financial instruments consist of cash, securities held for trading, loan receivable, 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 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

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

As at January 31, 2023, 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.

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

a) 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 and loan receivable. 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 January 31, 2023, the Company had cash of $2,023,187 (July 31, 2022 - $5,712,597) held with a large Canadian bank. The Company assessed its credit risk as low.

b) 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 January 31, 2023, the Company has a working capital surplus of $2,371,485 (July 31, 2022 - $5,931,126). The Company assesses liquidity risk as moderate.

c) 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 and six months ended January 31, 2023 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	19,250,949
Stock options	4,296,500

RISK FACTORS

An investment in the Company should be considered highly speculative due to the nature of the Company's business, operations, and 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 year ended July 31, 2022 and the period from November 27, 2020 (incorporation) to July 31, 2021.