

GOLDHILLS HOLDING LTD.

**REPORT TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS
OF THE FINANCIAL POSITION AND RESULTS OF OPERATIONS**

FOR THE YEARS ENDED JULY 31, 2022 and 2021

Dated: November 28, 2022

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Canadian Dollars

MANAGEMENT DISCUSSION AND ANALYSIS

TO OUR SHAREHOLDERS:

This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the consolidated financial statements of Goldhills Holding Ltd. ("Goldhills" or the "Company") and the notes thereto for the year ended July 31, 2022. Consequently, the following discussion and analysis of the financial condition and results of operations for the Company should be read in conjunction with the audited consolidated financial statements for the year ended July 31, 2022, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), consistently applied.

Discussion of the Company, its operations and associated risks is further described in the Company's filings, available for viewing at www.sedar.com. A copy of this MD&A will be provided to any applicant upon request.

Forward-looking statements

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth in the Company's filings and herein.

The table below sets forth the significant forward-looking information included in this MD&A:

Forward-Looking Information	Key Assumptions	Most Relevant Risk Factors
Future funding for ongoing operations.	The Company will be able to raise these funds.	Failure to raise these funds will materially impact the Company's ability to continue as a going concern.

General

The Company was incorporated in the Province of British Columbia on December 20, 1996. The Company's Registered and Records Office is at 400 - 837 West Hastings, Vancouver, British Columbia, V6C 3N6.

Highlights, significant events and transactions

On February 24, 2022, the Company closed a private placement of 2,850,000 units at a price of \$0.25 for total proceeds of \$712,500. Each unit consists of one common share and one-half share purchase warrant. In connection with this issuance, the Company incurred \$40,888 in share issuance costs related to this financing.

On April 25, 2022, the Company issued 18,142,838 common shares with a fair value of \$4,172,853 for the acquisition of Sun & Sand Mining & Metals Guinea ("SS Guinea"). Upon completion of the Transaction, SS Guinea became a wholly owned subsidiary of the Company.

On April 29, 2022, the Company granted a total of 3,950,000 stock options to its directors and officers, exercisable at \$0.25 per share. The stock options have an expiry of 5 years from the date of issuance and vest immediately.

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Event subsequent to July 31, 2022

Subsequent to year ended July 31, 2022, 12,742,838 of the 18,142,838 common shares issued to acquire Sun and Sand have been returned to treasury for cancellation. The shares were returned to treasury as the Company did not have full access to the Siguiiri Gold Property and the renewal of the license was affected by the lack of access. The Company may seek to re-issue those cancelled common shares upon resolution of its license status and confirmation that the Company will have the necessary access to the Siguiiri Gold Property. Alternatively, the Company may seek the return of the balance of shares for cancellation in exchange for surrendering its ownership of Sun & Sand. Either course of action would be subject to necessary corporate and regulatory approvals including TSX-V approval.

EXPLORATION AND EVALUATION ASSETS

The continuity of the Company's exploration and evaluation assets is as follows:

	Siguiiri Property
Acquisition costs:	
Balance, July 31, 2021	\$ -
Addition	4,172,853
Transaction cost	63,050
Balance, at July 31, 2022	\$ 4,235,903
Exploration costs:	
Balance, at July 31, 2021	\$ -
Consulting fees	58,986
General and administration expenses	6,238
Geologist	74
Transportation	7,398
Professional fees	2,980
Balance, at July 31, 2022	\$ 75,676
Impairment:	
Charge for the year	(4,311,578)
Balance, at July 31, 2022	(4,311,578)
Total exploration and evaluation assets, at July 31, 2022	\$ 1

Siguiiri Property

On April 25, 2022, the Company completed its acquisition of Sun & Sand Mining & Metals Guinea SA ("Sun and Sand"), a corporation based in Guinea, West Africa, that holds a 100% interest in the Siguiiri Property, a gold exploration property consisting of two contiguous blocks covering a total area of 175 square kilometres located in Siguiiri.

In connection with the transaction, the Company acquired all of the issued and outstanding shares of Sun & Sand. On closing, the Company issued a total of 18,142,838 common shares of Goldhills. As of July 31, 2022, the Company incurred a total of \$63,050 costs related to the Transaction. Upon completion of the Transaction, Sun & Sand became a wholly owned subsidiary of the Company.

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The Company has accounted for the purchase of Sun & Sand as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combinations". The following table summarizes the total consideration, the fair value of the identifiable assets acquired and liabilities assumed as of the date of the acquisition:

Fair value of common shares issued (18,142,838 shares*) (Note 9)	\$	4,172,853
Cash		63,050
Total consideration paid		4,235,903
Allocated as follow:		
Exploration and evaluation assets		4,235,903

* The fair value of 18,142,838 common shares issued was determined to be \$0.23 per share using the market price at acquisition date.

*Subsequent to the year ended July 31, 2022, 12,742,838 of the 18,142,838 common shares issued under the Transaction have been returned to treasury for cancellation.

The Company had issues with obtaining access to the Siguirí Gold Property to conduct the necessary exploration to maintain its license. As a result, its license was not in good standing as at September 2022. Given the current status of the license claims, the Company recognized an impairment of \$4,311,578 for the year ended July 31, 2022.

CHANGE IN MANAGEMENT

On August 2, 2018, the Company appointed Sergei Stetsenko as the chief executive officer of the Company and Anthony Jackson was reappointed as chief financial officer. On the same day, the Company re-elected Lindsay Wu, Sergei Stetsenko and Andri Stytsenko to the board of directors.

On November 30, 2018, the Company appointed Oksana Gumenyak to the board of directors. The Company also announced the resignation of D. Lindsay Wu from the board of directors.

On January 30, 2019, the Company appointed Yuying Liang as the chief financial officer of the Company. On the same day, Anthony Jackson has resigned as chief financial officer, effective immediately.

On February 21, 2020, the Company appointed Rupert Williams to the board of directors. On the same date, Oksana Gumenyak resigned from the board of directors.

On October 13, 2020, the Company appointed Andrew Lee Smith to the board of directors. On the same date, Andri Stytsenko resigned from the board of directors.

RESULTS OF OPERATIONS

Selected annual information

Fiscal Years Ended (Rounded)	July 2022	July 2021	July 2020
	\$	\$	\$
Administrative expenditures, net	1,232,000	476,000	477,000
Stock-based compensation	760,000	46,000	143,000
Comprehensive loss	5,544,000	272,000	421,000
Loss per share	0.21	0.02	0.03
Total assets	202,000	178,000	39,000

The increased loss for the year ended July 31, 2022 is due to the impairment of Siguirí Property, increase in office

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and general expenses, share-based compensation, investor relations, and foreign exchange loss, offset by the decrease in management fees, consulting fees, professional fees, transfer agent and filing fees, and bank interest, and other expenses.

The decreased loss for the year ended July 31, 2021 is due to the gain on settlement of debts, reversal of previous accruals, foreign exchange gain and decrease in share-based compensation, offset by the increase in management fees, consulting fees, professional fees, transfer agent and filing fees, office and general expenses and bank interest and other expenses.

The decreased loss for the year ended July 31, 2020 is due to the decrease in management fees, transfer agent and filing fees, investor relations, office and general expenses and recovery of bank interest and other expenses offset by the increase in share-based compensation, professional fees, and foreign exchange loss.

Results of operations

For the twelve months ended July 31, 2022

The comprehensive loss for the year ended July 31, 2022 was \$5,543,640, which compares to a comprehensive loss of \$272,154 during the fiscal year ended July 31, 2021.

The main fluctuations in costs are as follows:

	Twelve Months 2022	Twelve Months 2021
Consulting fees (rounded)	\$ -	\$ 5,000
Variances - decrease	\$ 5,000	\$

The decrease in consulting fees compared to the previous year is due to no consulting fees incurred during the current year.

	Twelve Months 2022	Twelve Months 2021
Professional fees (rounded)	\$ 25,000	\$ 39,000
Variances - decrease	\$ 14,000	

The decrease in professional fees is a result of lower legal fees incurred during the current year.

	Twelve Months 2022	Twelve Months 2021
Transfer agent and filing fees (rounded)	\$ 30,000	\$ 44,000
Variances - decrease	\$ 14,000	

The decrease in transfer agent and filing fees is due to lower regulatory fees associated with the Company's filings in the current year.

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		Twelve Months 2022	Twelve Months 2021
Office and general expenses (rounded)	\$	16,000	\$ 5,000
Variances - increase	\$	11,000	

The increase in office and general expenses is a result of increased corporate activity during the current year.

		Twelve Months 2022	Twelve Months 2021
Investor relations (rounded)	\$	50,000	\$ -
Variances - increase	\$	50,000	

The increase in investor relations is due to fees paid for company's advertising campaign during the current year.

		Twelve Months 2022	Twelve Months 2021
Share-based compensation (rounded)	\$	760,000	\$ 46,000
Variances - increase	\$	714,000	

The increase in share-based compensation is due to 3,950,000 stock options granted by the Company to key management personnel during the current year compared to 301,000 stock options granted in the prior year.

		Twelve Months 2022	Twelve Months 2021
Impairment loss (rounded)	\$	4,312,000	\$ -
Variances - increase	\$	4,312,000	

The increase in impairment loss is due to impairment of Siguri Property.

For the three months ended July 31, 2022

The comprehensive loss for the three months ended July 31, 2022 was \$4,403,195, which compares to a comprehensive loss of \$28,291 during the same period in 2021.

The main fluctuations in costs are as follows:

		Three Months 2022	Three Months 2021
Management fees (rounded)	\$	86,000	\$ 83,000
Variances - increase	\$	3,000	

The increase in management fees compared to the previous period is due to foreign exchange from translation of

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fees paid in USD.

		Three Months 2022		Three Months 2021
Professional fees (rounded)	\$	14,000	\$	23,000
Variances - decrease	\$	9,000		

The decrease in professional fees is a result of lower legal fees incurred during the current period.

		Three Months 2022		Three Months 2021
Transfer agent and filing fees (rounded)	\$	8,000	\$	13,000
Variances - decrease	\$	5,000		

The decrease in transfer agent and filing fees is due to lower regulatory fees associated with the Company's filings in the current period.

		Three Months 2022		Three Months 2021
Transaction costs (rounded)	\$	(41,000)	\$	12,000
Variances - decrease	\$	(53,000)		

The decrease in transaction costs is due to capitalization of transactions costs incurred in relation to Siguri Property in the current period.

		Three Months 2022		Three Months 2021
Investor relations (rounded)	\$	25,000	\$	-
Variances - increase	\$	25,000	\$	

The increase in investor relations is due to fees paid for company's advertising campaign during the current period.

		Three Months 2022		Three Months 2021
Impairment loss (rounded)	\$	4,312,000	\$	-
Variances - increase	\$	4,312,000		

The increase in impairment loss is due to impairment of Siguri Property.

Summary of quarterly results

The following table sets out selected unaudited quarterly financial information of the Company and is derived from the unaudited condensed consolidated interim financial statements prepared by management. The Company's condensed consolidated interim financial statements are prepared in accordance with Canadian generally accepted

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accounting principles and are expressed in Canadian dollars.

Financial data for last eight quarters

Three months ended	Jul-22	Apr-22	Jan-22	Oct-21
	\$	\$	\$	\$
Total revenues	-	-	-	-
Loss and comprehensive loss	(4,403,195)	(895,161)	(118,230)	(127,054)
Loss per share	(0.11)	(0.04)	(0.01)	(0.01)

Three months ended	Jul-21	Apr-21	Jan-21	Oct-20
	\$	\$	\$	\$
Total revenues	-	-	-	-
Loss and comprehensive loss	(28,291)	(23,499)	(112,028)	(108,336)
Loss per share	(0.00)	(0.00)	(0.01)	(0.01)

Fiscal 2022

During the fourth quarter of fiscal 2022, the Company recorded a net loss of \$4,403,195 compared to a net loss of \$895,161 in the third quarter of fiscal 2022. The significant change is mainly due to impairment loss incurred during the fourth quarter.

During the third quarter of fiscal 2022, the Company recorded a net loss of \$895,161 compared to a net loss of \$118,230 in the second quarter of fiscal 2022. The change is mainly due to higher share-based compensation and investor relations incurred during the third quarter.

During the second quarter of fiscal 2022, the Company recorded a net loss of \$118,230 compared to a net loss of \$127,054 in the first quarter of fiscal 2022. The change is mainly due to higher office and general expenses and foreign exchange loss incurred during the second quarter.

During the first quarter of fiscal 2022, the Company recorded a net loss of \$127,054 compared to a net loss of \$28,291 in the fourth quarter of fiscal 2021. The change is mainly due to higher transaction costs incurred during the first quarter in relation to the proposed acquisition of Siguiiri Property and forgiveness of debt recognized during the fourth quarter of 2021.

Fiscal 2021

During the fourth quarter of fiscal 2021, the Company recorded a net loss of \$28,291 compared to a net loss of \$23,499 in the third quarter of fiscal 2021. The change is mainly due to higher professional fees and transaction costs incurred during the fourth quarter in relation to the proposed acquisition of Siguiiri Property.

During the third quarter of fiscal 2021, the Company recorded a net loss of \$23,499 compared to a net loss of \$112,028 in the second quarter of fiscal 2021. The change is mainly due to reversal of previous years accrual of \$43,867 recognized during the third quarter.

During the second quarter of fiscal 2021, the Company recorded a net loss of \$112,028 compared to a net loss of \$108,336 in the first quarter of fiscal 2021. The change is mainly due to higher transfer agent and filing fees and foreign exchange gain incurred during the second quarter.

During the first quarter of fiscal 2021, the Company recorded a net loss of \$108,336 compared to a net loss of \$91,260

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in the fourth quarter of fiscal 2020. The change is mainly due to forgiveness of debt recognized during the fourth quarter of 2020.

Outstanding shares

As at July 31, 2022, the Company had 41,311,503 and 28,568,665 shares outstanding as at the date of the MD&A. As at July 31, 2022 and as at the date of the MD&A, the Company had 3,995,000 stock options outstanding. As at July 31, 2022 and as at the date of the MD&A, the Company had 1,425,000 share purchase warrants outstanding. As at July 31, 2022, the Company had a total of 46,731,503 and 33,988,665 fully diluted shares as at the date of the MD&A.

Liquidity and capital resources

The Company's working capital at July 31, 2022 was \$42,009, compared with \$28,090 working capital deficit at July 31, 2021.

Cash used in operating activities during the year ended July 31, 2022 totaled \$663,968 (2021 - \$498,146) which was attributed to the loss during the year of \$5,543,640 (2021 - \$272,154), unrealized foreign exchange loss of \$1,290 (2021 - gain of \$4,859), share-based compensation of \$759,652 (2021 - \$46,180), impairment loss of \$4,311,578 (2021 - \$Nil), gain on settlement of debts of \$Nil (2021 - \$171,351), reversal of previous year accruals of \$Nil (2021 - \$43,867), increase in receivables of \$105,134 (2021 - decrease of \$1,302), increase in prepaid expenses of \$40,604 (2021 - \$9,030), and decrease in trade and other payables of \$47,110 (2021 - \$44,367).

Cash used in investing activity during the year ended July 31, 2022 was \$138,726 (2021 - \$Nil) which was attributed to acquisition and exploration costs of Siguirí property.

Cash provided by financing activities during the year ended July 31, 2022 was \$681,235 (2021 - \$629,164) which was attributed to shares issued for cash of \$712,500 (2021 - \$520,001), shares issued for exercise of options of \$Nil (2021 - \$146,656), and additional paid-in capital of \$9,623 (2021 - \$Nil), partially offset by share issuance costs of \$40,888 (2021 - \$37,493).

The Company has no recent history of profitable operations. Therefore, it is subject to many risks common to comparable companies, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources as well as a lack of adequate revenues. It will be necessary for the Company to arrange for additional financing to meet its ongoing requirements.

Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto. Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing may be favorable.

The following table summarizes the Company's significant remaining contractual maturities for financial liabilities as at July 31, 2022 and 2021:

	Less than 3 months	Between 3 and 12 months	Over 12 months	Total
July 31, 2022				
Trade and other payables	\$ 160,488	\$ -	\$ -	\$ 160,488
July 31, 2021				
Trade and other payables	\$ 206,308	\$ -	\$ -	\$ 206,308

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CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is in the business of exploration and evaluation and has no source of operating revenue. Operations are financed through the issuance of capital stock. Capital raised is held in cash in an interest-bearing bank account and in guaranteed investment certificates until such time as it is required to pay operating expenses or exploration and evaluation costs. The Company is not subject to any externally imposed capital restrictions. Its objectives in managing its capital are to safeguard its cash and its ability to continue as a going concern, and to utilize as much of its available capital as possible for exploration activities. The Company is not subject to any externally imposed capital requirements and the Company's objectives have not changed during the year ended July 31, 2022.

RISK FACTORS

Companies face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical. Following is the risk factor most applicable to the Company.

Environmental

Exploration and development projects are subject to the environmental laws and regulations of the jurisdictions within which the Company is conducting its operations. As such laws are subject to change, the Company carefully monitors proposed and potential changes, and ensures that it is and will be in strict compliance.

Various non-governmental organizations dedicated to environmental protection monitors, amongst others, the mining industry. These organizations have in the past commenced actions with the regulatory agencies or the courts to prevent or delay resource extraction activities.

COVID-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

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RELATED PARTY TRANSACTIONS

Related party transactions and balances at July 31, 2022 and for the year then ended not disclosed elsewhere in the consolidated financial statements are as follows:

Name and Principal Position		Remuneration of Fees ⁽¹⁾	Share-Based Awards	Included in Accounts Payable
		\$	\$	\$
A company controlled by the current CEO and director - Management fees	2022	152,203	365,402	12,824
	2021	152,656	18,624	24,924
A company controlled by the current CFO - Management fees	2022	36,000	9,616	12,600
	2021	36,000	-	9,450
Current directors of the Company - Management fees	2022	152,203	384,634	12,824
	2021	152,656	27,556	24,924

⁽¹⁾ Amounts disclosed were paid or accrued to the related parties during the years ended July 31, 2022 and 2021. The amounts are due on demand, unsecured and non-interest bearing.

During the year ended July 31, 2022, aggregate remuneration of \$340,406 (2021 - \$341,312) was paid or accrued to key management personnel.

During the year ended July 31, 2022, 3,950,000 stock options were granted to key management personnel with fair value of \$759,652.

During the year ended July 31, 2021, a total of 301,000 stock options were granted to key management personnel with a fair value of \$46,180.

There were no payments during the year for short-term employee benefits, post-employment benefits, long-term benefits and termination benefits.

On May 5, 2021, the Company settled through cash its balance owing to a former director and CEO of the Company for \$8,604 (US\$7,000). The settlement resulted in a gain on related party debt settlement of \$82,512 and was recorded in the Consolidated Statements of Loss and Comprehensive Loss.

On June 1, 2021, the Company settled through cash its balance owing to a former director and President of the Company for \$10,000. The settlement resulted in a gain on related party debt settlement of \$79,189 and was recorded in the Consolidated Statements of Loss and Comprehensive Loss.

During the year ended July 31, 2021, the Company reversed an accrual for previous year services never billed by the former CFO and Corporate Secretary of the Company for amount of \$24,000 and was recorded in the Consolidated Statements of Loss and Comprehensive Loss.

As at July 31, 2022, \$38,248 (2021 - \$59,298) is included in trade and other payables owing to current directors and officers of the Company for management fees.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

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CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amount and classification of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revisions affect only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The following critical judgments and areas involving estimates, that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognized are described in Note 4 of the Company's consolidated financial statements.

INVESTOR RELATIONS ACTIVITIES

With respect to public relations, the Company's policy is to provide information from its corporate offices to investors and brokers directly.

APPROVAL

The Board of Directors of Goldhills has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Goldhills' general and administrative expenses is provided in the Company's Consolidated Statements of Loss and Comprehensive Loss, contained in its Consolidated Financial Statements for July 31, 2022 and 2021. This information is available on its SEDAR page site accessed through www.sedar.com.

A Cautionary Tale

This document contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company, its subsidiaries and its projects, the future supply, demand, inventory, production and price of mineral resources, the estimation of reserves and resources, the realization of reserve estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of resources; failure of plant, equipment

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or processes to operate as anticipated; accidents, labour disputes and other risks of the resource industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Respectfully submitted

On Behalf of the Board of Directors

“Sergei Stetsenko”

Sergei Stetsenko, CEO