SHIELD GOLD INC.

MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A) FORM 51-102F1
For the year ended October 31, 2007

This management's discussion and analysis ("MD&A") should be read in conjunction with the audited financial statements for the year ended October 31, 2007 of Shield Gold Inc. ("Shield" or the "Corporation") and Shield's audited financial statements for the period ended October 31, 2006 including notes thereto. The audited financial statements for the Company are posted on SEDAR at www.sedar.com.

The reporting and measurement currency is in Canadian dollars.

This MD&A contains forward-looking statements. Forward-looking statements are based on current expectations that involve a number of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the MD&A. Forward-looking statements are based on the estimates and opinions of Shield's management at the time the statements were made. Shield assumes no obligation to update forward-looking statements should circumstances or management's estimates change.

This MD&A is dated as of February 28, 2008.

OVERVIEW

Shield is a reporting issuer that has filed a prospectus and applied for listing on the TSX Venture Exchange Inc. (the "Exchange").

Shield was incorporated on February 4, 2004 under the *Business Corporation Act* (Ontario). The Corporation is classified as a Capital Pool Company as defined in Policy 2.4 (the "CPC Policy") of the Exchange. The Corporation had not commenced operations as at the balance sheet date.

On November 24, 2004, the Corporation issued 2,200,000 common shares seed investors for cash consideration of $220,000. On October 16, 2006, the Corporation issued 550,000 common shares primarily to its directors and officers for cash consideration of $55,000. On May 29, 2007, the Corporation cancelled 109,791 common shares registered in the names of the directors in connection with a waiver granted by the Exchange.

On June 29, 2007, the Ontario Securities Commission issued a final receipt for the prospectus of the Corporation dated June 26, 2007. Pursuant to the June 26, 2007 prospectus, the Corporation proposed to complete an initial public offering ("IPO"), through Global Securities Corporation (the "Agent"), of a minimum of 2,500,000 Common Shares and a maximum of 3,500,000 Common Shares at a price of $0.20 per Common Share.

In September 2007, the Agent advised the Corporation that due to the state of the capital markets, it would not be able to complete the IPO at the offering price of $0.20 per Common Share.

The Corporation and the Agent agreed to proceed with a revised offering at the offering price of $0.10 per Common Share and in connection therewith entered into an amendment to the Agency Agreement dated November 27, 2007. The amendment extends the term of the Agency Agreement until February 28, 2008 and amends the terms of the IPO by reducing the offering price to $0.10 per Common Share and increases the number of shares to be offered to a minimum of 5,000,000 and a maximum of 7,000,000.

To protect the seed investors who purchased seed shares at $0.10 per share, the directors subsequently determined that it would be in the best interests of the current shareholders to complete a stock spilt on a 2 for 1 basis of the current issued and outstanding Common Shares. At a special meeting of shareholders held on December 14, 2007, the Shareholders approved a 2 for 1 stock split of all existing issued and outstanding Common Shares. On December 19, 2007, articles of amendment were filed subdividing the issued and outstanding Common Shares on a 2 for 1 basis. As a result of this stock split the effective cost base per share for the existing shareholders was cut in half.

To ensure that the Corporation can meet any financial obligations it may incur prior to completion of the IPO, on January 24, 2007 the Corporation raised an additional $30,000 of capital through a private placement of common shares (the "**January Private Placement**"). The common shares were offered at a price of $0.05 per Common Share to existing shareholders of the Corporation. The only subscribers in the January Private Placement were directors of the Corporation.

Following successful completion of the IPO and listing on the Exchange, the Corporation intends to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any potential Qualifying Transaction must be accepted and approved by the Exchange and the shareholders, and in the case of a non-arm's length Qualifying Transaction is also subject to majority of the minority approval in accordance with the CPC Policy. The Qualifying Transaction may include an acquisition of interest in commercially viable businesses or assets, including the mining industry, but there is no assurance that this will in fact be the industry sector of a proposed Qualifying Transaction or of the Corporation following completion of the Qualifying Transaction.

The viability of the Corporation is dependent upon the Corporation finding and completing a Qualifying Transaction within 24 months from the date of listing on the Exchange. To date, the Corporation has not conducted material operations of any kind.

RESULTS OF OPERATIONS

For the year ended October 31, 2007

The Corporation is a Capital Pool Company without any operations. During the year ended October 31, 2007, substantially all the Corporation's activities were involved in the preparation of the prospectus for the IPO and application for listing on the Exchange. All costs associated with these activities are considered financing costs and have been accumulated as deferred charges up to October 31, 2007. These deferred charges will be charged to share capital upon listing and trading of the Corporation's shares on the Exchange.

During the period, the Corporation incurred total expenses of $57,816 ($120,401 for the prior period), of these $43,174 ($112,621 for the prior period) were incurred for professional fees and $14,201 ($6,695 for the prior period) were incurred for registration and transfer agent fees. The professional fees incurred were similar to the professional fees incurred in the prior period and were related to the costs of preparing and filing the Corporation's prospectus for the IPO. Registration and transfer agent fees increased as a result of the Corporation receiving a final receipt for its IPO prospectus and the Corporation becoming a reporting issuer in British Columbia, Alberta and Ontario as a result.

Summary of Quarterly Results

Statement of Operations Data	Quarter Ended July 31, 2007 (unaudited) ($)	Quarter Ended April 30, 2007 (unaudited) ($)	Quarter Ended January 31, 2007 (reviewed) ($)
Total Revenues	-	-	-
Total Expenses	10,785	28,876	8,831
Net Income / (Loss)	(10,785)	(28,876)	(8,831)
Net Income / (Loss) per Share – Basic and Diluted	0.00	(0.01)	(0.00)

The Corporation is a Capital Pool Company without any operations. During the above noted periods, substantially all the Corporation's activities were involved in the preparation of the prospectus for the IPO and application for listing on the Exchange. The expenses incurred by the Corporation were similar in each of the above noted periods and related to the costs of preparing and filing the Corporation's prospectus for the IPO.

WORKING CAPITAL

At October 31, 2007, the Corporation had positive working capital of $63,244 which is to be expended on completing the IPO and application for listing on the Exchange.

FINANCIAL INSTRUMENTS

The Corporation carries financial instruments as detailed on the balance sheet. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise noted.

LIQUIDITY

The Corporation finances its activities mainly through cash generated by share issuances. As of October 31, 2007, the Corporation had cash resources of $70,455.

The Corporation does not have any purchase obligations and has not engaged in any off-balance sheet arrangements as at October 31, 2007.

CAPITAL RESOURCES

The Corporation's balance sheet remains free from long-term debt and leases. The Corporation has been able to raise funds through share issuances.

TRANSACTIONS WITH RELATED PARTIES

Related Parties are defined as individuals owning greater than 10% of the Corporation's issued and outstanding shares, or companies owned or controlled by such individuals. The Corporation has had no transactions with related parties.

OUTSTANDING SHARE DATA

Authorized:

The Corporation is authorized to issue an unlimited number of Common Shares, an unlimited number of preferred shares issuable in series and classes and an unlimited number of special non-voting shares issuable in series and classes, each as may be determined by the directors of the Corporation.

Issued common shares:

	Number of Shares	Amount
Issued for Cash	2,640,209	$259,668

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Corporation's Chief Executive Officer and Chief Financial Officer (the "Certifying Officers") are responsible for the establishment and maintenance of a system of disclosure controls and procedures. This system is designed to provide reasonable assurance that information required to be disclosed by the Corporation under various securities legislation or the rules of regulatory agencies is appropriately reported within the time periods specified.

The Certifying Officers evaluate the system periodically throughout the year. They have concluded that the Corporation's disclosure controls are effective in providing reasonable assurance that material information relating to the Corporation is accumulated, reviewed by management and reported within the time periods specified.

The Certifying Officers are also responsible for the establishment of a system of internal controls over financial reporting. This system is designed to provide reasonable regarding the reliability and timeliness of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principals.

Ultimate responsibility for the financial reporting rests with the Board of Directors. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and is composed of a majority of independent outside directors. It meets periodically with management and the external auditors to review accounting, auditing and internal control matters and regularly reports its findings and recommendations to the Board of Directors.

BUSINESS RISKS

The Corporation has no active business or assets other than cash, cash equivalents, and prepaid expenses. The Corporation does not have a history of earnings, nor has it paid any dividends, and will not be in a position to generate earnings or pay dividends until at least after completion of the Qualifying Transaction. It is possible the Corporation may never generate earnings or be in a position to pay dividends. The directors and officers of the Corporation will only devote part of their time and efforts to the affairs of the Corporation. Certain directors and officers may be subject to potential conflict of interest situations in connection with operations of the Corporation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com.