BCGOLD CORP.

(An Exploration Stage Company)

Condensed Interim Financial Statements

For the nine months ended November 30, 2011

Unaudited – Prepared by Management

(Stated in Canadian Funds)

NOTICE TO READER

The attached condensed interim financial report has been prepared by and is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. The Company's independent auditor has not performed a review of this condensed interim financial report.

BCGold Corp.
(An Exploration Stage Company)
Condensed Interim Statements of Financial Position
Unaudited – Prepared by Management
(Stated in Canadian Funds)

ASSETS		As at November 30, 2011		*(Note 4)* As at February 28, 2011
Current assets:				
Cash and cash equivalents *(Note 9e)*	**$**	**1,185,198**	$	1,419,320
Short-term investments *(Note 5)*		**184,500**		234,500
Marketable securities *(Note 6)*		**77,200**		115,000
Sales tax and other receivables		**49,414**		48,462
Prepaid expenses		**73,059**		14,163
		1,569,371		1,831,445
Non-current assets:				
Deposits		**11,247**		20,818
Property and equipment		**40,045**		31,324
Reclamation bonds *(Note 7)*		**50,500**		50,500
Exploration and evaluation assets *(Note 8)*		**1,464,924**		1,439,924
TOTAL ASSETS	**$**	**3,136,087**	$	3,374,011
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable and accrued liabilities	**$**	**38,147**	$	93,069
Flow-through premium liability		**15,850**		-
TOTAL LIABILITIES		**53,997**		93,069
Equity:				
Share capital *(Note 9a)*		**13,405,294**		12,043,029
Share-based payments reserve		**3,715,734**		3,243,346
Accumulated other comprehensive loss		**(206,050)**		(168,250)
Deficit		**(13,832,888)**		(11,837,183)
TOTAL EQUITY		**3,082,090**		3,280,942
TOTAL LIABILITIES AND EQUITY	**$**	**3,136,087**	$	3,374,011

Nature of Operations and Going Concern *(Note 1)*

Subsequent Events *(Note 12)*

Approved by the Board of Directors:

*"Brian Fowler"*________________, Director

*"Guy Le Bel"*__________________, Director

- See Accompanying Notes to the Condensed Interim Financial Statements -

BCGold Corp.
(An Exploration Stage Company)
Condensed Interim Statements of Loss and Comprehensive Loss
Unaudited – Prepared by Management
(Stated in Canadian Funds)

		For the three months ended November 30, 2011		(Note 4) For the three months ended November 30, 2010		For the nine months ended November 30, 2011		(Note 4) For the nine months ended November 30, 2010
Expenses:								
Corporate listing and filing fees	**$**	**1,825**	$	5,025	**$**	**20,802**	$	25,262
Depreciation		**2,959**		2,365		**13,834**		7,094
Exploration and evaluation expenses		**383,563**		575,386		**1,055,844**		996,220
General and administrative costs		**48,341**		53,427		**153,357**		136,083
Professional fees		**637**		12,796		**11,360**		49,727
Share-based compensation *(Note 9d)*		**194,548**		10,973		**329,473**		74,862
Wages and consulting fees		**130,418**		101,166		**409,865**		315,488
Loss from operations		**(762,291)**		(761,138)		**(1,994,535)**		(1,604,736)
Other income (expenses):								
Interest and other income		**33**		-		**2,827**		32,492
Interest expense		**(3,997)**		(387)		**(3,997)**		(387)
Net loss for the period		**(766,255)**		(761,525)		**(1,995,705)**		(1,572,631)
Unrealized gain (loss) on marketable securities		**(36,300)**		104,500		**(37,800)**		95,500
Comprehensive loss for the period	**$**	**(802,555)**	$	(657,025)	**$**	**(2,033,505)**	$	(1,477,131)
Weighted average number of shares outstanding		**96,086,081**		73,884,892		**87,062,535**		63,138,637
Basic and diluted loss per share	**$**	**(0.01)**	$	(0.01)	**$**	**(0.02)**	$	(0.02)

- See Accompanying Notes to the Condensed Interim Financial Statements -

BCGold Corp.

(An Exploration Stage Company)

Condensed Interim Statements of Cash Flows

Unaudited – Prepared by Management

(Stated in Canadian Funds)

		For the nine months ended November 30, 2011		For the nine months ended November 30, 2010
Operating Activities				
Net loss for the period	**$**	**(1,995,705)**	$	(1,572,631)
Adjustment for items which do not involve cash:				
Share-based compensation		**329,473**		74,862
Depreciation		**13,834**		7,094
		(1,652,398)		(1,490,675)
Changes in non-cash working capital components:				
Sales tax and other receivables		**(952)**		(40,122)
Prepaid expenses		**(58,896)**		(11,940)
Accounts payable and accrued liabilities		**(54,922)**		(69,840)
Cash used in operating activities		**(1,767,168)**		(1,612,577)
Investing Activities				
Deposits		**9,571**		-
Short-term investments		**50,000**		(105,500)
Purchase of property and equipment		**(22,555)**		-
Exploration and evaluation assets		**(25,000)**		85,000
Cash provided by (used in) investing activities		**12,016**		(20,500)
Financing Activities				
Issuance of common shares and warrants, net		**1,521,030**		3,122,000
Cash provided by financing activities		**1,521,030**		3,122,000
Net increase (decrease) in cash and cash equivalents		**(234,122)**		1,488,923
Cash and cash equivalents- beginning of the period		**1,419,320**		204,935
Cash and cash equivalents - end of the period	**$**	**1,185,198**	$	1,693,858

Cash and cash equivalents consists of the following:				
Cash	**$**	**1,185,198**	$	1,643,858
Guaranteed investment certificates		**-**		50,000
Total cash and cash equivalents	**$**	**1,185,198**	$	1,693,858

Supplemental Schedule of Non-Cash Investing Activities				
Fair value of shares received – property option payment / marketable securities	**$**	**-**	$	19,500
Shares issued for exploration and evaluation assets	**$**	**-**	$	90,000

- See Accompanying Notes to the Condensed Interim Financial Statements -

BCGold Corp.

(An Exploration Stage Company)

Condensed Interim Statements of Changes in Equity

Unaudited – Prepared by Management

(Stated in Canadian Funds)

	SHARE CAPITAL SHARES	AMOUNT	SHARE-BASED PAYMENTS RESERVE	ACCUMULATED OTHER COMPREHENSIVE LOSS	DEFICIT	TOTAL EQUITY
Balance – March 1, 2010	47,462,590	$ 9,788,447	$ 2,076,857	$ (216,250)	$ (9,461,611)	$ 2,187,443
Flow-through shares issued	15,542,199	1,784,940	-	-	-	1,784,940
Non flow-through shares issued	16,660,000	1,462,800	-	-	-	1,462,800
Fair value of warrants issued	-	(961,336)	961,336	-	-	-
Fair value of broker's warrants	-	(136,393)	136,393	-	-	-
Share issuance costs	-	(172,744)	-	-	-	(172,744)
Warrant issuance costs	-	50,065	(50,065)	-	-	-
Broker's options exercised	430,000	34,400	-	-	-	34,400
Fair value of broker's options exercised	-	27,528	(27,528)	-	-	-
Exercise of warrants	105,014	12,602	-	-	-	12,602
Fair value of warrants exercised	-	4,528	(4,528)	-	-	-
Shares issued for exploration and evaluation assets	800,000	90,000	-	-	-	90,000
Share-based compensation	-	-	74,862	-	-	74,862
Unrealized gain on marketable securities	-	-	-	95,500	-	95,500
Net loss for the nine months	-	-	-	-	(1,572,631)	(1,572,631)
Balance – November 30, 2010	**80,999,803**	**$ 11,984,837**	**$ 3,167,327**	**$ (120,750)**	**$ (11,034,242)**	**$ 3,997,172**
Balance – March 1, 2011	82,599,803	$ 12,043,029	$ 3,243,346	$ (168,250)	$ (11,837,183)	$ 3,280,942
Flow-through shares issued	10,687,663	1,266,670	-	-	-	1,266,670
Non flow-through shares issued	3,160,000	316,000	-	-	-	316,000
Fair value of warrants issued	-	(135,262)	135,262	-	-	-
Fair value of broker's options	-	(15,033)	15,033	-	-	-
Fair value of broker's warrants	-	(595)	595	-	-	-
Share issuance costs	-	(77,490)	-	-	-	(77,490)
Warrant issuance costs	-	7,975	(7,975)	-	-	-
Share-based compensation	-	-	329,473	-	-	329,473
Unrealized loss on marketable securities	-	-	-	(37,800)	-	(37,800)
Net loss for the nine months	-	-	-	-	(1,995,705)	(1,995,705)
Balance – November 30, 2011	**96,447,466**	**$ 13,405,294**	**$ 3,715,734**	**$ (206,050)**	**$ (13,832,888)**	**$ 3,082,090**

- See Accompanying Notes to the Condensed Interim Financial Statements -

1. Nature of Operations and Going Concern

BCGold Corp. (the "Company" or "BCGold") is an exploration stage enterprise focusing on the acquisition, exploration and development of economic gold and other precious and base metal properties. Currently, the Company's principal mineral properties are the Engineer Mine Property, located near Atlin, B.C. and the Minto/Carmacks Copper-Gold Properties located in the Yukon.

BCGold Corp. is a publicly listed company incorporated under the Business Corporations Act of British Columbia on February 10, 2006 as 0748496 B.C. Ltd. On March 1, 2006, the Company changed its name to BCGold Corp. The Company is listed on the TSX Venture Exchange ("TSX.V") under the symbol "BCG".

The head office, principal address and records office of the Company are located at Suite 520 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6. The Company's registered address is 595 Howe Street, 10th Floor, Vancouver, British Columbia, Canada, V6C 2T5.

While these condensed interim financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future, there are events and conditions that cast significant doubt on the validity of that assumption. The Company has incurred losses since inception and has an accumulated deficit of $13,832,888 at November 30, 2011. The Company will need to raise sufficient funds in order to finance ongoing exploration and administrative expenses. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company's performance, the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets. If successful, the Company would obtain additional financing through, but not limited to, the issuance of additional equity.

These condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

2. Summary of Significant Accounting Policies

Basis of Presentation and Adoption of International Financial Reporting Standards ("IFRS")

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles as set out in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate IFRS, and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, the Company has commenced reporting on this basis in these condensed interim financial statements. In these condensed interim financial statements, the term "Canadian GAAP" refers to Canadian GAAP before the adoption of IFRS.

These condensed interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34 and IFRS 1. Subject to certain transition elections disclosed in Note 4, the Company has consistently applied the same accounting policies in its opening IFRS statement of financial position at March 1, 2010 and throughout all periods presented, as if these policies had always been in effect. Note 4 discloses the impact of the transition to IFRS on the Company's reported financial position, financial performance and cash flows, including the nature and effect

2. Summary of Significant Accounting Policies – *Continued*

Basis of Presentation and Adoption of International Financial Reporting Standards ("IFRS") – *Continued*

of significant changes in accounting policies from those used in the Company's financial statements for the year ended February 28, 2011.

These condensed interim financial statements follow the same accounting policies and methods of application as the Company's condensed interim financial statements for the three months ended May 31, 2011. The policies applied in these condensed interim financial statements are based on IFRS issued and outstanding as of January 25, 2012, the date the Board of Directors approved these statements. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending February 28, 2012 could result in restatement of these interim financial statements, including the transition adjustments recognized on change-over to IFRS.

These condensed interim financial statements should be read in conjunction with the Company's Canadian GAAP annual financial statements for the year ended February 28, 2011 and the Company's condensed interim financial statements for the three months ended May 31, 2011 prepared in accordance with IFRS applicable to interim financial statements.

3. New IFRS Pronouncements

a) Financial Instruments

In November 2009, the International Accounting Standards Board ("IASB") issued IFRS 9, Financial Instruments, which addresses the classification and measurement of financial assets as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. Requirements for financial liabilities were added in October 2010. IFRS 9 must be applied starting January 1, 2013, with early adoption permitted. The Company has not early adopted IFRS 9 and is currently assessing the impact of this standard on its financial statements.

b) Fair Value Measurement

In May 2011, the IASB issued IFRS 13, Fair Value Measurement. This standard defines fair value, sets out a single IFRS framework for measuring fair value and outlines disclosure requirements about fair value measurements. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement so assumptions that market participants would use should be applied in measuring fair value.

IFRS 13 is effective for annual periods on or after January 1, 2013, with earlier application permitted. This IFRS is to be applied prospectively as of the beginning of the annual period in which it is initially applied and the disclosure requirements do not need to be applied in comparative periods before initial application. The Company has not early adopted IFRS 13 and is currently assessing the impact of this standard on its financial statements.

4. First-time Adoption of IFRS

The effect of the Company's transition to IFRS, described in Note 2, is summarized in this Note as follows:

a) Mandatory Exemptions and Transition Elections

IFRS 1, which governs the first-time adoption of IFRS, generally requires accounting policies to be applied retrospectively to determine the opening statement of financial position on the Company's transition date of March 1, 2010 (the "Transition Date"), with the application of certain mandatory exemptions and also allows certain exemptions on transition to IFRS. The mandatory exemption applicable to and the transition election the Company has chosen, respectively, are as follows:

(i) Under IFRS 1, there are four mandatory exemptions from full retrospective application of IFRS. Of these, the only applicable election relates to estimates. An entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP, unless there is objective evidence that those estimates were in error. The Company's IFRS estimates as at March 1, 2010 are consistent with its previous estimates under Canadian GAAP for the same date.

(ii) Share-based payments – IFRS 1 provides the option to not apply IFRS 2, Share-based Payments, to equity instruments granted after November 7, 2002 and vested before the Transition Date. The Company has elected to take the exemption and, as a result, was only required to recalculate the impact on any share-based payments that had not vested at the Transition Date.

b) Reconciliation of Previously Reported Financial Statements

Reconciliations of the IFRS adjustments on transition are included in these following Statements of Financial Position and Statements of Loss and Comprehensive Loss for the dates noted below.

- Condensed Interim Statement of Financial Position Reconciliation – November 30, 2010

- Condensed Interim Statement of Loss and Comprehensive Loss Reconciliation – for the three months ended November 30, 2010

- Condensed Interim Statement of Loss and Comprehensive Loss Reconciliation – for the nine months ended November 30, 2010

The adoption of IFRS had no impact on the net cash flows of the Company. The transition adjustments made to the Statements of Financial Position and Statements of Loss and Comprehensive Loss have resulted in reclassification of various amounts on the Statement of Cash Flows; however, as there have been no changes to the net cash flows, no reconciliations have been prepared.

(Stated in Canadian Funds)

4. First-time Adoption of IFRS – *Continued*

b) Reconciliation of Previously Reported Financial Statements – *Continued*

The November 30, 2010 Canadian GAAP Condensed Interim Statement of Financial Position has been reconciled to IFRS as follows:

		November 30, 2010		
	Note	**Canadian GAAP**	**Effect of Transition to IFRS**	**IFRS**
ASSETS				
Current assets:				
Cash and cash equivalents		$ 1,693,858	$ -	$ 1,693,858
Short-term investments		234,500	-	234,500
Marketable securities		177,500	-	177,500
Sales tax and other receivables		73,118	-	73,118
Prepaid expenses		23,015	-	23,015
		2,201,991	-	2,201,991
Non-current assets:				
Deposits		-	-	-
Property and equipment		33,688	-	33,688
Reclamation bonds		50,500	-	50,500
Resource property costs / Exploration and evaluation assets		1,807,089	-	1,807,089
TOTAL ASSETS		$ 4,093,268	$ -	$ 4,093,268
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable and accrued liabilities		$ 96,096	$ -	$ 96,096
TOTAL LIABILITIES		96,096	-	96,096
Equity:				
Share capital	4(b)(i)	11,693,043	291,794	11,984,837
Share-based payments reserve *	4(b)(ii)	3,146,279	21,048	3,167,327
Accumulated other comprehensive loss		(120,750)	-	(120,750)
Deficit	4(b)(i) - (ii)	(10,721,400)	(312,842)	(11,034,242)
TOTAL EQUITY	4(b)(i)	3,997,172	-	3,997,172
TOTAL LIABILITIES AND EQUITY		$ 4,093,268	$ -	$ 4,093,268

** Under Canadian GAAP, share-based payments reserve consisted of contributed surplus of $2,093,001 and share purchase warrants of $1,053,278.*

(Stated in Canadian Funds)

4. First-time Adoption of IFRS – *Continued*

b) Reconciliation of Previously Reported Financial Statements – *Continued*

The Canadian GAAP Condensed Interim Statement of Loss and Comprehensive Loss for the three month period ended November 30, 2010 has been reconciled to IFRS as follows:

		Three Months Ended November 30, 2010		
	Note	**Canadian GAAP**	**Effect of Transition to IFRS**	**IFRS**
Expenses:				
Amortization / Depreciation		$ 2,365	$ -	$ 2,365
Corporate listing and filing fees		5,025	-	5,025
Exploration and evaluation expenses		575,386	-	575,386
General and administrative costs		53,427	-	53,427
Professional fees		12,796	-	12,796
Stock-based compensation / Share-based compensation	4(b)(ii)	29,144	(18,171)	10,973
Wages and consulting fees		101,166	-	101,166
Loss from operations	4(b)(ii)	(779,309)	18,171	(761,138)
Other expenses:				
Interest expense		(387)	-	(387)
Net loss for the period	4(b)(ii)	$ (779,696)	$ 18,171	$ (761,525)
Unrealized gain on marketable securities		104,500	-	104,500
Comprehensive loss for the period	4(b)(ii)	$ (675,196)	$ 18,171	$ (657,025)
Weighted average number of shares outstanding		73,884,892		73,884,892
Basic and diluted loss per share		$ (0.01)		$ (0.01)

(Stated in Canadian Funds)

4. First-time Adoption of IFRS – *Continued*

b) Reconciliation of Previously Reported Financial Statements – *Continued*

The Canadian GAAP Condensed Interim Statement of Loss and Comprehensive Loss for the nine month period ended November 30, 2010 has been reconciled to IFRS as follows:

		Nine Months Ended November 30, 2010		
	Note	**Canadian GAAP**	**Effect of Transition to IFRS**	**IFRS**
Expenses:				
Amortization / Depreciation		$ 7,094	$ -	$ 7,094
Corporate listing and filing fees		25,262	-	25,262
Exploration and evaluation expenses		996,220	-	996,220
General and administrative costs		136,083	-	136,083
Professional fees		49,727	-	49,727
Stock-based compensation / Share-based compensation	4(b)(ii)	87,432	(12,570)	74,862
Wages and consulting fees		315,488	-	315,488
Loss from operations	4(b)(ii)	(1,617,306)	12,570	(1,604,736)
Other income (expenses):				
Interest and other income		32,492	-	32,492
Interest expense		(387)	-	(387)
Net loss for the period	4(b)(ii)	$ (1,585,201)	$ 12,570	$ (1,572,631)
Unrealized gain on marketable securities		95,500	-	95,500
Comprehensive loss for the period	4(b)(ii)	$ (1,489,701)	$ 12,570	$ (1,477,131)
Weighted average number of shares outstanding		63,138,637		63,138,637
Basic and diluted loss per share		$ (0.03)		$ (0.02)

(Stated in Canadian Funds)

4. First-time Adoption of IFRS – *Continued*

b) Reconciliation of Previously Reported Financial Statements – *Continued*

Notes to the reconciliations of previously reported financial statements:

(i) Flow-through Share Accounting

Under Canadian GAAP, the Company would record the gross proceeds relating to the flow-through shares to share capital at the time of issuance. It would then record a charge (reduction) to share capital at the time the tax benefits of the flow-through shares were renounced to the subscribers. The charge was calculated by multiplying the amount of the renounced tax benefits (which are equal to the proceeds of the flow-through share issuance) by the effective tax rate at the time. The offset would go to the deferred tax liability to reflect the fact that the Company could no longer use the tax attributes for its benefit.

Under IFRS, the proceeds from issuing flow-through shares are allocated between the offering of the shares and the sale of tax benefits. The allocation is based on the difference ("premium") between the quoted price of the Company's existing shares, at the date of closing, and the amount the investor pays for the actual flow-through shares. A liability is recognized for the premium, and is extinguished when the tax effect of the temporary differences, resulting from the renunciation, is recorded. The difference between the liability and the value of the tax assets renounced is recorded as a deferred tax expense. There is no subsequent reduction in share capital.

Impact on Statements of Financial Position:

	November 30, 2010	February 28, 2011
Share capital	$ 291,794	$ 601,041
Adjustment to deficit	$ (291,794)	$ (601,041)

Impact on Statements of Loss and Comprehensive Loss:

	Three Months Ended November 30, 2010	Nine Months Ended November 30, 2010	Year Ended February 28, 2011
Deferred income tax recovery	$ -	$ -	$ (309,247)
Adjustment to net loss and comprehensive loss	$ -	$ -	$ (309,247)

(ii) IFRS 2 – Share-based Payments and Share-based Payments Reserve

Under Canadian GAAP, the Company calculated the fair value of share-based awards with graded vesting as one grant and used the straight-line method of calculating share-based payments over the vesting period.

Under IFRS, each tranche of a share-based award with different vesting dates is considered a separate grant for the fair value calculation. The resulting fair value of the share-based payment is recognized over the vesting period of the respective tranche using the graded vesting method.

(Stated in Canadian Funds)

4. First-time Adoption of IFRS – *Continued*

b) Reconciliation of Previously Reported Financial Statements – *Continued*

Notes to the reconciliations of previously reported financial statements: – *Continued*

(ii) IFRS 2 – Share-based Payments and Share-based Payments Reserve – *Continued*

Impact on Statements of Financial Position:

	November 30, 2010	February 28, 2011
Share based-payments reserve	$ 21,048	$ 29,474
Adjustment to deficit	$ (21,048)	$ (29,474)

Impact on Statements of Loss and Comprehensive Loss:

	Three Months Ended November 30, 2010	Nine Months Ended November 30, 2010	Year Ended February 28, 2011
Share-based compensation	$ 18,171	$ 12,570	$ 4,144
Adjustment to net loss and comprehensive loss	$ 18,171	$ 12,570	$ 4,144

5. Short-term Investments

As of November 30, 2011, the Company has invested $184,500 (February 28, 2011 - $234,500) into Guaranteed Investment Certificates ("GICs") with a Canadian financial institution. These GICs are yielding interest at rates ranging from 0.45% to 1% per annum and have maturity dates greater than four months.

6. Marketable Securities

Marketable securities have been classified as available-for-sale investments and consist of various common shares held by the Company of other public companies. A summary of the above details is as follows:

	November 30, 2011		February 28, 2011	
	Market Value	**Cost**	Market Value	Cost
Common shares of public companies, not subject to significant influence	**$ 77,200**	**$ 283,250**	$ 115,000	$ 283,250

(Stated in Canadian Funds)

7. Reclamation Bonds

As of November 30, 2011, the Company has invested a total $50,500 (February 28, 2011 - $50,500) into various GICs with a Canadian financial institution as part of various Safe-Keeping Agreements entered into by the Company for its various properties. These funds are being held to the order of the Ministry of Energy, Mines and Petroleum Resources. These GICs are yielding interest at rates ranging from 0.2% to 1.15%.

8. Exploration and Evaluation Assets

Details of the Company's exploration and evaluation acquisition costs are as follows:

	Minto/Carmacks Copper-Gold Properties (Yukon)	Engineer (B.C.)	Gold Hill (B.C.)	Voigtberg (B.C.)	Other Properties (B.C.)	Total
Balance, March 1, 2010	$ 653,834	$ 436,263	$ -	$ 151,944	$ 579,548	$ 1,821,589
Acquisition costs - cash	50,000	10,000	10,000	-	-	70,000
Acquisition costs - shares and warrants	12,000	250,000	12,000	18,000	-	292,000
Property option payments received – cash and shares	(164,500)	-	-	-	-	(164,500)
Write-down of exploration and evaluation costs	-	-	-	-	(579,165)	(579,165)
Balance, February 28, 2011	$ 551,334	$ 696,263	$ 22,000	$ 169,944	$ 383	$ 1,439,924
Acquisition costs - cash	-	-	25,000	-	-	25,000
Balance, November 30, 2011	**$ 551,334**	**$ 696,263**	**$ 47,000**	**$ 169,944**	**$ 383**	**$ 1,464,924**

Details of the Company's exploration and evaluation expenses, which have been cumulatively expensed in the Statements of Loss and Comprehensive Loss and Deficit, are as follows:

	Minto/Carmacks Copper-Gold Properties (Yukon)	Engineer (B.C.)	Gold Hill (B.C.)	Voigtberg (B.C.) *	Other Properties (B.C.)	Total
Balance, March 1, 2010	$ 3,621,041	$ 1,456,830	$ -	$ 793,669	$ 1,097,808	$ 6,969,348
Exploration and evaluation expenses	301,781	528,676	-	81,366	70,035	981,858
Balance, February 28, 2011	3,922,822	1,985,506	-	875,035	1,167,843	7,951,206
Exploration and evaluation expenses (recovery) **	(71,408)	806,802	210,647	12,184	21,245	979,470
Balance, November 30, 2011	**$ 3,851,414**	**$ 2,792,308**	**$ 210,647**	**$ 887,219**	**$ 1,189,088**	**$ 8,930,676**

** As of November 30, 2011, the Company incurred $1,057,163 in exploration and evaluation on the Voigtberg property. This amount has been offset by $128,208 in BC METC ("British Columbia Mining Exploration Tax Credit").*

*** As per the Statement of Loss and Comprehensive Loss, the Company incurred $1,055,844 (February 28, 2011 – $1,187,283) in exploration and evaluation expenses. Of this amount, $979,470 (February 28, 2011 - $981,858) was incurred as a result of exploration on the Company's respective properties as per the table above and $76,374 (February 28, 2011 - $205,425) was incurred as a result of general exploration.*

8. Exploration and Evaluation Assets – *Continued*

a) Engineer, B.C.

On January 16, 2007, the Company entered into an option agreement, which was subsequently amended in 2007, 2009 and January 12, 2010, to acquire up to a 100% interest in the Engineer Mine Property. The Company acquired a 49% interest by:

- Paying $125,000 by January 16, 2008 *(paid)*;

- Issuing an aggregate of 250,000 common shares *(issued – fair value of $147,500)* and 250,000 warrants *(issued – fair value of $79,763 – expired);*

- Making a rental payment of $30,000 on January 16, 2010 *(paid)* and thereafter annual rental payments of $10,000 per year *(2011 and 2012 payment made)* when the mine property is not in production and $50,000 per year when the mine property is in production. Such rent payments shall cease upon the Company earning a 100% interest in the property or purchasing the surface rights;

- Issuing 1,200,000 common shares of which 400,000 shares will be issued upon approval from the TSX-V *(issued – fair value of $24,000)* and 400,000 shares will be released every six months thereafter; *(second tranche issued – fair value of $48,000; third tranche issued – fair value of $52,000)*

- Granting a 30% net proceeds interest from the sale of gold from the Double Decker Vein; and

- Either evaluating and completing an underground de-watering program or evaluating and carrying out a drilling program *(completed drill program)*.

Since earning the 49% interest, the Company can earn a further 51% interest in stages as follows:

- An additional 11% interest *(earned)* by issuing $150,000 of value in shares and 75,000 warrants by January 16, 2011; *(issued 1,200,000 shares – fair value of $150,000 for the shares and $7,108 for the warrants)*

- An additional 15% interest *(earned)* by paying $200,000 or issuing $200,000 of value in shares and 100,000 warrants by January 16, 2012; *(issued 2,105,263 shares – fair value of $194,875 for the shares and $5,125 for the warrants)* and

- An additional 25% interest by paying $400,000 or issuing $400,000 of value in shares and 100,000 warrants by January 16, 2013.

Since earning the 49% interest, the Company may now purchase the remaining interest in the surface rights at fair value subject to a maximum of $500,000 on the earlier of January 17, 2017 or the date the Company has ceased mining work, as defined in the agreements.

All payments and issuances may be accelerated at the Company's option.

Each share purchase warrant noted above will be exercisable to purchase one common share of the Company for two years following the date of issuance at a price to be determined by taking the weighted average closing price of the common shares for the twenty consecutive trading days immediately prior to the date of issuance, plus 25%.

(Stated in Canadian Funds)

8. Exploration and Evaluation Assets – *Continued*

b) Gold Hill Property, B.C.

On September 30, 2010, the Company entered into an option agreement with Guardsmen Resources Inc. ("Guardsmen"), a private company, to earn a 100% interest in Guardsmen's Gold Hill property. The Company can earn a 100% interest in the Gold Hill property over the next four years by meeting the following contractual commitments:

- Making $110,000 in staged cash payments (*paid - $35,000)*;
- Issuing 100,000 common shares to Guardsmen within 5 days of TSX-V Exchange approval *(issued – fair value of $12,000);* and
- Incurring $500,000 in exploration work on the Gold Hill property as follows:

		Amount	Date
i)	$	100,000	to September 30, 2011 *(incurred)*
ii)		133,333	to September 30, 2012
iii)		133,333	to September 30, 2013
iv)		133,334	to September 30, 2014
	$	500,000	

Guardsmen will retain a 2.5% Net Smelter Return ("NSR") on the Gold Hill property, which can be reduced to 0.5% by the Company at a cost of $1,500,000.

9. Equity

a) Share Capital

The Company's authorized share capital consists of an unlimited number of common voting shares without par value.

b) Private Placements

Private Placement August 2011

On August 31, 2011, the Company closed a non-brokered private placement of 10,053,663 flow-through units at a price of $0.12 per flow-through unit and 2,660,000 non flow-through units at a price of $0.10 per non flow-through unit for aggregate gross proceeds of $1,472,440. Each flow-through unit comprises of one flow-through or one BC super flow-through common share and one-half of one non flow-through common share purchase warrant, each whole warrant exercisable to purchase one additional non flow-through common share at $0.30 per share for a period of one year from the date of issuance.

Each non flow-through unit comprises of one non flow-through common share and one-half of one non flow-through common share purchase warrant, each whole warrant exercisable to purchase one additional non flow-through common share at $0.20 per share for a period of one year from the date of issuance. Finder's fees of $60,390 were paid in cash.

(Stated in Canadian Funds)

9. Equity – *Continued*

b) Private Placements – *Continued*

Private Placement August 2011– Continued

The warrants attached to this private placement have been valued at $118,865 ($126,112 net of warrant issuance costs of $7,247) based upon the Black-Scholes Method using the following assumptions noted below.

Assumptions	
Risk-free interest rate	1.47%
Expected stock price volatility	113.52%
Expected dividend yield	0.00%
Expected life of warrants	1 year

In connection with this private placement, the Company issued 333,333 broker's options and 24,000 broker's warrants. Each broker's option entitles the holder to purchase one additional unit comprised of one non flow-through common share at a price of $0.12 per share and one-half of one non flow-through common share purchase warrant, each whole warrant exercisable at a price of $0.30 per share for a period of one year from the date of issuance. The broker's warrants are exercisable as follows: 12,000 at a price of $0.20 per share for a period of one year from the date of issuance and 12,000 at a price of $0.30 per share for a period of one year from the date of issuance. The broker's options have been valued at $15,033 and the broker's warrants have been valued at $595 based upon the Black-Scholes Method using the same assumptions noted above. The Company has recorded the fair value of these broker's options and warrants as share issuance costs.

Private Placement September 2011

On September 29, 2011, the Company closed a non-brokered private placement of 634,000 flow-through units at a price of $0.12 per flow-through unit and 500,000 non flow-through units at a price of $0.10 per non flow-through unit for aggregate gross proceeds of $126,080. Each flow-through unit comprises of one flow-through or one BC super flow-through common share and one-half of one non flow-through common share purchase warrant, each whole warrant exercisable to purchase one additional non flow-through common share at $0.30 per share for a period of one year from the date of issuance.

Each non flow-through unit comprises of one non flow-through common share and one-half of one non flow-through common share purchase warrant, each whole warrant exercisable to purchase one additional non flow-through common share at $0.20 per share for a period of one year from the date of issuance.

The warrants attached to this private placement have been valued at $8,422 ($9,150 net of warrant issuance costs of $728) based upon the Black-Scholes Method using the following assumptions noted below.

Assumptions	
Risk-free interest rate	1.20%
Expected stock price volatility	112.96%
Expected dividend yield	0.00%
Expected life of warrants	1 year

(Stated in Canadian Funds)

9. Equity – *Continued*

c) Share Purchase and Agents Warrants

Details of outstanding warrants are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance March 1, 2011	18,018,619	$0.21
Issued	6,947,831	$0.28
Expired	(11,523,100)	$0.16
Balance November 30, 2011	**13,443,350**	**$0.29**

At November 30, 2011, the following warrants were outstanding:

Expiry Date	Exercise Price	Number of Warrants	Warrant Valuation
July 5, 2012	$0.50	50,000	$ 4,858
August 19, 2012	$0.30	3,897,500	223,998
August 31, 2012	$0.20	1,342,000	33,645
August 31, 2012	$0.30	5,038,831	85,815
September 28, 2012	$0.20	250,000	4,579
September 28, 2012	$0.30	317,000	3,843
October 28,2012	$0.30	2,473,019	157,650
January 16, 2013	$0.14	75,000	7,108
Weighted Average	**$0.29**	**13,443,350**	**$ 521,496**

The above noted fair value of $521,496 is included in share-based payments reserve in the Company's Statement of Financial Position at November 30, 2011.

d) Stock Options

Period ended November 30, 2011 - Grants

On October 28, 2011, the Company granted 2,000,000 incentive stock options to certain directors, officers, employees and consultants. The options are exercisable at $0.10 per share and expire on October 28, 2016. Of these options, 1,770,000 vested immediately and 230,000 are subject to vesting criteria such that 25% shall vest every three months from the date of grant. The corresponding share-based compensation expense amounted to $188,400, which was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Assumptions	
Risk-free interest rate	1.30%
Expected stock price volatility	168%
Expected dividend yield	0.00%
Expected life of options	5 years

Of the $188,400 in share-based compensation expense, $170,894 has been recognized during the nine month period ended November 30, 2011 and the remaining $17,506 will be recognized during future reporting periods. The weighted average fair value of these options was $0.09.

(Stated in Canadian Funds)

9. Equity - *Continued*

d) Stock Options - *Continued*

Fiscal year ended February 28, 2011 - Grants

On January 11, 2011, the Company granted 1,960,000 incentive stock options to certain directors, officers, employees and consultants. The options are exercisable at $0.15 per share and expire on January 11, 2016. These options are subject to vesting criteria such that 25% shall vest every three months from the date of grant. The corresponding share-based compensation expense amounted to $229,931, which was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Assumptions	
Risk-free interest rate	2.23%
Expected stock price volatility	173%
Expected dividend yield	0.00%
Expected life of options	5 years

Of the $229,931 in share-based compensation expense, $65,824 has been recognized during the fiscal year ended February 28, 2011, $158,579 has been recognized during the nine month period ended November 30, 2011 and the remainder will be recognized during the remaining three months of the fiscal year ended February 29, 2012. The weighted average fair value of these options was $0.12.

Fiscal year ended February 28, 2010 - Grants

On January 11, 2010, the Company granted 1,745,000 incentive stock options to certain directors, officers, employees and consultants. The options are exercisable at $0.10 per share and expire on January 11, 2015. These options are subject to vesting criteria such that 25% shall vest every three months from the date of grant. The corresponding share-based compensation expense amounted to $111,566, which was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Assumptions	
Risk-free interest rate	2.48%
Expected stock price volatility	183%
Expected dividend yield	0.00%
Expected life of options	5 years

Of the $111,566 in share-based compensation expense, $33,618 has been recognized during the fiscal year ended February 28, 2010, $74,862 has been recognized during the nine month period ended November 30, 2010 and the remaining $3,086 has been recognized during the remaining three months of the fiscal year ended February 28, 2011. The weighted average fair value of these options was $0.06.

(Stated in Canadian Funds)

9. Equity - *Continued*

d) Stock Options - *Continued*

At November 30, 2011, the following options were outstanding and exercisable:

Expiry Date	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining in Years	Number of Options Exercisable
June 19, 2012	$0.70	100,000	0.55	100,000
August 22, 2012	$0.70	446,000	0.73	446,000
October 24, 2013	$0.20	755,000	1.90	755,000
January 11, 2015	$0.10	1,645,000	3.12	1,645,000
January 11, 2016	$0.15	1,960,000	4.12	1,470,000
October 28, 2016	$0.10	2,000,000	4.92	1,770,000
	$0.17	**6,906,000**	**3.60**	**6,186,000**

During the nine month period ended November 30, 2011, 310,000 incentive stock options with an exercise price of $0.11 and 190,000 incentive stock options with an exercise price of $0.45 expired without exercise; 110,000 incentive stock options with an exercise price of $0.70 and 60,000 incentive stock options with an exercise price of $0.20 were forfeited.

e) Flow-Through Shares

Period Ended November 30, 2011

During the period ended November 30, 2011, the Company issued 10,687,663 flow-through common shares for total proceeds of $1,281,451. These funds must be used for qualifying exploration expenditures and will be renounced to the flow-through shareholders effective December 31, 2011. The unspent balance of this flow-through issuance as at November 30, 2011 was $882,292 which must be spent by December 31, 2012.

Fiscal Year Ended February 28, 2011

During the year ended February 28, 2011, the Company issued 15,542,199 flow-through common shares for total proceeds of $1,784,940. These funds must be used for qualifying exploration expenditures and have been renounced to the flow-through shareholders effective December 31, 2010. The total proceeds of these flow-through issuances have been spent as at November 30, 2011.

(Stated in Canadian Funds)

10. Related Party Transactions

Details of transactions between the Company and related parties are disclosed below:

a) Trading Transactions

The Company's related parties consist of its President and Chief Executive Officer, a company owned by the Vice President of Exploration of the Company and a company owned by the Chief Financial Officer of the Company. The nature of transactions and relationships is as follows:

	Nature of Transactions
President and CEO	Management
O'Brien Geological Consulting Inc.	Management
Larry M. Okada Inc.	Management

The Company incurred fees and expenses in the normal course of operations in connection with its President and CEO, and companies owned by key management. Details are as follows:

	Note	**November 30, 2011**	November 30, 2010
Management fees	(i)	**$ 303,750**	$ 177,583
Total Amount Included in Wages and Consulting Fees		**$ 303,750**	$ 177,583

(i) During the nine month period ended November 30, 2011, the Company paid $131,250 (November 30, 2010 - $129,583) to its President and Chief Executive Officer for consulting services. The Company paid fees to a private company controlled by its Vice President of Exploration for consulting services. The total amount paid during the nine months ended November 30, 2011 was $127,500 (November 30, 2010 - $Nil). The Company also paid fees to a private company controlled by its Chief Financial Officer for consulting services. The total amount paid during the nine months ended November 30, 2011 was $45,000 (November 30, 2010 - $48,000).

(ii) Amounts due to related parties are unsecured, non-interest bearing and due on demand.

b) Compensation of Key Management Personnel

The remuneration of directors and other members of key management personnel during the nine months ended November 30, 2011 and November 30, 2010 were as follows:

	Note	**November 30, 2011**	November 30, 2010
Management fees	(i)	**$ 303,750**	$ 177,583
Share-based compensation	(ii)	**209,075**	35,128
		$ 512,825	$ 212,711

(i) Management fees include the management fees disclosed in Note 10(a) above.

10. Related Party Transactions - *Continued*

b) Compensation of Key Management Personnel - *Continued*

(ii) Share-based compensation is the fair value of options granted and vested to key management personnel.

(iii) Key management personnel were not paid post-employment benefits, termination benefits or other long-term benefits during the nine months ended November 30, 2011 and November 30, 2010.

11. Segmented Information

The Company conducts its business in a single operating segment being the mining business in Canada. All mineral properties and property and equipment are situated in Canada. Any investment revenues were earned principally from Canadian sources.

12. Subsequent Events

a) Subsequent to the period ended, the Company signed an option agreement (the "Agreement") to acquire a 100% interest in the Off-White Gold property (the "Property") in central Yukon. The Company agreed to make a $47,000 cash payment *(paid)* to the Property vendor upon signing the Agreement and to issue 3,000,000 common shares to the Property vendor and incur $600,000 in exploration work on the Property, in stages and over a four year option period, to earn its 100% interest. The Company issued 150,000 common shares to the Property vendor upon signing the Agreement and agrees to incur $75,000 in exploration work and issue 300,000 common shares by the first anniversary date of the Agreement.

The Property vendor retains a 2% Net Smelter Royalty ("NSR"). The Company can acquire 50% of the NSR and reduce it to 1% by making a $1,000,000 cash payment. The Company agrees to make annual advanced royalty payments of $60,000 commencing on the seventh anniversary date of the Agreement.

b) Subsequent to the period end and in accordance with its previously signed option agreement for the Company's Engineer Mine property (the "Property"), the Company earned a 75% interest in the Property by issuing 2,105,263 common shares and 100,000 share purchase warrants *(fair value of $194,875 for the shares and $5,125 for the warrants)*.