

## **BCGold Corp. (“BCGold” or the “Company”)**

### **Management Discussion and Analysis (“MD&A”)**

**For the Year Ended February 28, 2011**

Containing information up to and including June 23, 2011

### **Note to Reader**

The following information should be read in conjunction with the Company’s Audited Financial Statements for the Year Ended February 28, 2011, together with the notes thereto, prepared by management in accordance with Canadian Generally Accepted Accounting Principles and expressed in Canadian Dollars.

### **Forward-Looking Statements**

When used in this document, words like “anticipate,” “believe,” “estimate,” “expect” and similar expressions are intended to identify forward-looking statements. Such statements are used to describe management’s future plans, objectives and goals for the Company and therefore, involve inherent risks and uncertainties. The reader is cautioned that actual results, performance, or achievements may be materially different from those implied or expressed in such statements.

### **Overall Performance**

**Highlights of the Company’s activities during the year ended February 28, 2011:**

#### **Financing and Corporate Activities**

- On April 30, 2010 the Company closed a non-brokered private placement of 4,006,200 flow-through units and 10,160,000 non flow-through units for gross proceeds of \$1,213,420. \$50,630 in finder’s fees and 560,000 broker’s warrants were issued in connection with this private placement (*see full details in News Release dated April 30, 2010*).
- On August 19, 2010, the Company closed a non-brokered private placement of 6,835,000 flow-through units for gross proceeds of \$820,200. \$43,200 in finder’s fees were paid and 480,000 broker’s warrants were issued in connection with this private placement (*see full details in news release dated August 24, 2010*).
- On October 28, 2010 the Company closed a non-brokered private placement of 4,700,999 flow-through units and 6,500,000 non flow-through units for gross proceeds of \$1,214,120. Finder’s fees of \$59,702 were paid and 602,520 broker’s warrants were issued in connection with this private placement (*for full details see news release dated November 1, 2010*).
- Augmented management team by appointing Mr. Darren O’Brien, P.Geo., as Vice President – Exploration.
- On January 11, 2011, the Company granted 1,960,000 incentive stock options to certain directors, officers, employees and consultants exercisable at \$0.15 per share and expiring on January 11, 2016.

### Exploration Activities

- Conducted four drill programs on three properties (Engineer Mine Property, Toe Property and Apex East Property) for a total of 3,072 metres;
- Successfully demonstrated continuity of the high-grade shoots at the Engineer Mine. Drill hole BCGE10-11 intersected 129.0 g/t Au, 121.6 g/t Ag over 1.00 metre and drill hole BCGE10-01 intersected 22.32 g/t Au, 17.6 g/t Ag over 0.96 metres within the Engineer and Double Decker veins, respectively;
- Fulfilled option requirements to vest 60% interest in the Engineer Mine Property with an option to earn 100%;
- Engaged Snowden Mining Industry Consultants Ltd. "Snowden" to conduct the initial NI 43-101 compliant mineral resource estimate for the Engineer Mine Property. Subsequent to the year-end Snowden reported that Engineer and Double Decker veins have a Inferred Mineral Resource of 41,000 tonnes grading 19.0 g/t Au for 25,000 ounces of contained gold;
- Consolidated its land position around Engineer Mine by optioning Gold Hill Property from Guardsman Resources Inc;
- Earned a 50% interest in the Voigtberg Property; and
- Acquired, by staking, 7 road-accessible porphyry copper-gold properties in southern B.C.

### Significant Exploration Properties

Below is a table summarizing the Company's current interest held and any remaining required or optional commitments on each of its exploration properties. Please refer to Note 7 of the Company's financial statements for the year ended February 28, 2011 for further disclosure on the Company's properties.

	Current Interest Held	Remaining Required Commitments	Optional Commitments
Minto/Carmacks Copper-Gold Properties, Yukon	100%	None	None
Engineer, British Columbia	60%	\$10,000 annual rental payment (\$50,000 if mine is in production)	\$200,000 cash or \$200,000 of value in shares and 100,000 warrants by January 16, 2012 <b>(75% interest)</b> plus \$400,000 cash or \$400,000 of value in shares and 100,000 warrants by January 16, 2013 <b>(100% interest)</b>
Sickle-Sofia, British Columbia	51%	None	None
Voigtberg, British Columbia	50%	None	incurring \$1,000,000 in exploration <b>(60% interest)</b>
Gold Hill, British Columbia	0%	None	\$90,000 staged cash payments plus incurring \$500,000 in exploration <b>(100% interest)</b>
South Quesnel Properties, British Columbia	100%	None	None

### **Minto/Carmacks Copper-Gold Properties, Central Yukon**

BCGold Corp. owns 100% of 17 Minto/Carmacks Copper-Gold properties which are strategically situated in the Minto/Carmacks Copper-Gold Belt, a rapidly emerging, significant high-grade copper-gold district centered some 220 kilometres northwest of Whitehorse, Yukon. The properties are strategically located proximal and adjacent to Capstone Mining Corp.'s Minto Mine, currently in production, and Western Copper Corp.'s Carmacks Copper Project, which is in the advanced permitting stage. All of the Company's properties were staked over areas with certain geological, geochemical and geophysical characteristics known to indicate near surface, high-grade copper-gold mineralization in the district.

BCGold Corp. has spent over \$3.8 million in exploration expenditures since acquiring the properties. As a result, the Company has discovered seven significant copper zones and has advanced seven properties with "Minto-type" exploration targets to the drill-ready stage.

#### **2010 Exploration Programs – Minto/Carmacks Copper-Gold Properties**

The Company optioned its Toe and Pepper properties, located north of the Minto Mine, to Kestrel Gold Inc. ("Kestrel") and Goldbard Capital Corp. ("Goldbard"), respectively (*for full details of the option terms and conditions for the Toe and Pepper properties, see the Company's MD&A for the year ended February 28, 2011*).

On July 27, 2010, in return for a one-time cash payment of \$100,000, BCGold Corp. consented to allow Goldbard to defer the first year exploration commitment of \$350,000 on the Pepper property by 6 months. Under the revised terms of the option agreement, Goldbard would need to incur these expenditures prior to January 19, 2011, however Goldbard later gave the Company notice that they would allow the option agreement to lapse and therefore the property has been returned to the Company.

In August, 2010, the Company completed a four-hole, 1,058 metre diamond drill program on the Toe property, situated 7 kilometres northwest of and along trend with Capstone Mining Corp.'s Minto Mine, in Yukon. Although no significant copper or gold intersections were returned, a number of intervals of biotite alteration and magnetite enrichment in Granite Mountain granodiorite (the geological setting of Minto-type copper-gold mineralization) were encountered in two of the four drill holes. Subsequent to the year-end Kestrel provided notice to the Company that they would allow the option agreement to lapse and therefore the property has been returned to the Company.

On September 13, 2010 the Company announced that diamond drilling had commenced on the Company's 100% owned Apex East property, situated immediately north of Capstone Mining's high grade copper-gold Minto Mine in south-central Yukon. A shallow, three-hole, 796 metre diamond drill program tested three parallel, coincidental copper (+/- gold) soil geochemical and geophysical anomalies, which measure up to 800 metres in length and width, for near surface, "Minto-type" high-grade copper and gold mineralization. No significant copper or gold mineralization was intersected however the Company remains very optimistic about the exploration potential of the Property.

### **Engineer Mine Property, Atlin, British Columbia**

On January 16, 2007, the Company entered into an option agreement to acquire up to a 100% interest in the Engineer Mine property, situated 32 kilometres west of Atlin, British Columbia and 140 kilometres south of Whitehorse, Yukon (*for full details of the agreement terms see financial statements for the year ended February 28, 2011*). BCGold Corp. currently holds a 60% interest in the Engineer Mine property and has spent in excess of \$1.8 million in exploration on the property since acquisition.

The Engineer Mine was a high-grade gold-silver producer with peak production in the mid-1920s which ceased commercial operation in the early 1930s, primarily due to water ingress issues. More than 560 kilograms of gold and 278 kilograms of silver were officially produced at realized grades exceeding 39 g/t gold and 20 g/t silver, respectively, from high-grade epithermal quartz-carbonate veins on six of eight mine levels.

There are more than 25 known veins on the property and only four have undergone limited production and exploration to date. All veins remain open at depth and little exploration has been conducted deeper than 200 metres below surface. The presence of visible gold was the primary method of identifying and following ore shoots in veins at Engineer Mine.

In addition to high-grade gold, significant potential also exists for a bulk tonnage, lower grade gold resource associated with the Shear Zone "A" hydrothermal breccia system, partially drill tested by BCGold Corp. in 2008 (*see news release dated December 2, 2008*). The Shear Zone "A" hydrothermal breccia zone is up to 40 metres wide at its southern end, and branches out to the north into several fingering bodies and individual breccia lenses ranging from 20 centimetres to 30 metres wide. The strongly sheared and silicified zone that hosts the veins and breccia bodies is 80 metres wide. It is localized along the northern boundary of a deformation zone approximately 150 metres wide that makes up the older Shear Zone "A" corridor. Mineralization in Shear Zone "A" remains open along strike and at depth.

#### 2010 Drill Programs

In 2010, BCGold Corp. conducted 2 phases of underground diamond drilling at Engineer Mine, targeting high-grade gold shoots partially defined by historic mining and recent sampling along strike and dip extensions of the Engineer and Double Decker veins, below Level 5 of the mine.

Phase I drilling entailed a total of five holes (640 metres) and clearly demonstrated that the high-grade gold system at Engineer Mine remains open at depth and that high-grade gold shoots are predictable and more or less continuous. Drill hole BCGE10-01 targeted the depth extent of a 24.7 metre long vein segment of the Double Decker vein which was partially mined in the 1920s and averaged 38.0 g/t gold, including a 10.0 metre interval averaging 84.3 g/t gold, across the width of the drift (Brinker Report, 1927). Drill-hole BCGE 10-01 intersected coarse visible gold in two stringer veins, 21 metres below the deepest mine level, which averaged 22.32 g/t gold and 7.94 g/t silver over 0.96 metres.

Phase II drilling entailed 578 metres in eight short HQ holes that further defined the geometry and depth potential of high-grade gold shoots in the Engineer and Double Decker veins. The best assay results were obtained from drill hole BCGE10-11, which intersected coarse visible electrum in a quartz-calcite breccia vein that assayed 344 g/t gold (10.03 oz/ton) and 328.0 g/t silver (9.57 oz/ton) over a core length of 0.35 metres and 19.1 g/t gold (0.56 oz/ton) and 14.9 g/t silver (0.43 oz/ton) over 0.45 metres. These intercepts average 129.0 g/t (3.76 oz/ton) gold and 121.63 g/t (3.54 oz/ton) silver over a 1.00 metre (3.28 feet) minimum mining width and are located 17 metres vertically below Level 5 of the mine.

BCGold Corp.'s underground diamond drilling at Engineer Mine demonstrates that the Engineer and Double Decker veins are continuous structures along strike and dip that host shoots and pockets of erratically distributed high-grade, multi-ounce gold and silver mineralization, outside previously mined areas. The Company attributes the erratic distribution of gold values in drill core, in conjunction with a consistent vein mineralogy and morphology, to be a manifestation of the "nugget effect", inherent to narrow vein, high-grade gold systems such as Engineer Mine.

### Mineral Resource Estimate

The results of BCGold Corp.'s 2010 drill programs substantiate, for the first time, the gold and silver grades of historic chip and channel samples from Engineer Mine, thus providing BCGold Corp. the required confidence to incorporate these historic assay results into a National Instrument 43-101 compliant mineral resource estimate.

The Company engaged Snowden Mining Industry Consultants Ltd. ("Snowden") to estimate a National Instrument 43-101 compliant resource estimate. Subsequent to the year-end Snowden reported that Engineer and Double Decker veins have an Inferred Mineral Resource of 41,000 tonnes grading 19.0 g/t Au for 25,000 ounces of contained gold from surface to 15 metres below 8 Level. BCGold Corp. anticipates that the resource estimate will provide the basis for additional drilling, underground rehabilitation, bulk sampling and at least partial dewatering of the underground workings of Engineer Mine in early 2011.

### Near Term Production Potential

The Engineer Mine property offers excellent potential for near-term, small-scale gold production from existing underground headings on the formerly producing Engineer, Double Decker and Boulder veins. The Company believes that the 2010 underground drill results and the National Instrument 43-101 resource estimate provide the necessary impetus to continue exploring and developing the Engineer Mine vein system. BCGold Corp. holds a valid permit to dewater the mine until September 30, 2011. Dewatering the lower levels of the Mine would provide access for rehabilitation, geological mapping, sampling and exploration followed by resource definition drilling, bulk sampling and test mining. A fully operational and permitted 30 tonne per day gravity separation mill at the Mine allows the Company to process bulk sample material immediately and on site.

### Gold Hill Property Option

In October, 2010 the Company consolidated its land position around Engineer Mine by signing an option agreement with Guardsmen Resources Inc. ("Guardsmen") to acquire a 100% interest in the Gold Hill property, situated adjacent and partially surrounding the Engineer Mine property. The Gold Hill property consists of 5 mineral claims (2,104 hectares), which include the Happy Sullivan high-grade gold epithermal prospect and a 2.2 kilometre-long segment of the highly prospective Shear Zone "B" structure. BCGold Corp. intends to conduct a property-wide airborne geophysics, mapping, and prospecting survey on the Gold Hill property in 2011 to target narrow-vein and bulk tonnage, shear-related gold mineralization.

### **Voigtberg Property, British Columbia**

The Voigtberg property is situated in the Galore Creek Camp in north-western British Columbia. The exploration target is a bulk tonnage "porphyry system" that can host gold, copper and other base metals. On September 21, 2010, BCGold Corp. announced an amendment to the Voigtberg Property option agreement, entered into on August 18, 2006 with Kaminak Gold Corp (*For terms of this option agreement see news releases dated September 15, 2006 and September 21, 2010*).

BCGold Corp. has incurred in excess of \$1,000,000 in eligible exploration expenditures on the Voigtberg property to date by conducting geological mapping, sampling, soil geochemical and airborne geophysical surveys, and limited diamond drill programs in 2006, 2007 and 2010. The Company's past exploration focus at Voigtberg was the "Gold Zone," a northeast elongated area measuring 400 by 650 metres coincident with a > 300 parts per billion (ppb) gold in soil anomaly and an induced polarization (IP) chargeability high.

In 2006 BCGold Corp. drill-hole VGT06-05 returned a near-surface intercept of 51.15 metres grading 1.03 g/t gold, including 18.17 metres grading 1.87 g/t gold. Step-out drill hole VGT07-10, drilled in 2007 by the Company 75 metres east of VGT06-05, intersected 76.40 metres that averaged 0.40 g/t gold. The Gold Zone is believed to represent a gold-rich halo located on the periphery of a porphyry copper-molybdenum system. It has been partially defined by six drill holes over a strike length of 300 metres and remains open along strike and at depth.

In September, 2010 the Company conducted a \$100,000 geological mapping, sampling and prospecting program on the Voigtberg property. The work program entailed geological mapping, sampling and prospecting, which focused on a number of geophysical and geochemical copper, gold and molybdenum anomalies defined by previous work. A total of 160 rock samples and 12 soil samples were collected from these anomalies. This work program vested the Company's 50% interest in the property.

### **Sickle-Sofia Property, B.C.**

BCGold Corp. owns a 51% interest in the Sickle-Sofia Property, in the Toadogone district in North-Central British Columbia north of the Kemess South Mine, with project partner Stealth Minerals Ltd. (TSX-V: SML) owning the remaining 49%.

The Toadogone district has excellent mineral exploration potential; it hosts a number of developed and undeveloped epithermal gold-silver and porphyry copper-gold deposits, as well as Northgate Minerals' 50,000 tonne per day Kemess South mine.

In 2007 BCGold completed a \$1.3 million, 1,500 metre exploration drilling and geophysical program on the Sickle-Sofia property, resulting in a significant porphyry copper-gold discovery at the Sofia Zone. Drill-hole BCG07-01 intersected 47.0 metres that averaged 0.13% copper and 0.08 g/t gold. Drill-hole BCG07-03 was drilled 2.6 kilometres to the south and intersected significant low-grade, high-sulphidation gold mineralization at the Alexandra Zone.

BCGold Corp. has no immediate plans to advance the Sickle-Sofia property and is seeking an interested major partner.

### **Generative Exploration, British Columbia and Yukon**

A significant component of BCGold Corp.'s South Quesnel generative exploration strategy in 2010 was to screen the recent releases of Geoscience BC QUEST-South geophysical and geochemical data files and aggressively stake open watersheds with anomalous silt sample values and geophysical signatures. The data reviewed by the Company pertain to a recently commissioned airborne gravity geophysical survey of B.C.'s southern interior and the reanalysis of some 9,000 archived and new infill regional geochemical samples.

The QUEST-South Project was initiated in 2007 to attract mineral exploration to an under-explored region of the Quesnel Terrane. The region has excellent potential for copper and gold porphyry deposits, but is covered by extensive blankets of post mineralization Tertiary volcanic flows and thick layers of glacial sand and gravel deposits.

In late summer of 2010, the Company staked 7 properties in Central B.C. targeting blind porphyry copper-gold deposits. In the Fall of 2010, BCGold Corp. conducted grid-scale MMI soil surveys on all 7 properties. Several copper and gold soil anomalies were defined on a number of properties that the Company plans to follow-up with additional work in 2011.

## Outlook

With the addition of Mr. Darren O'Brien, P. Geo., as the Company's new Vice President of Exploration at the helm, BCGold Corp. is very well positioned for the upcoming 2011 exploration season. The Company expects to continue with an aggressive exploration effort at the Engineer Mine property and surrounding Gold Hill property option. Subsequent to the year-end the Company announced a \$1.5 million exploration budget for the 2011 Engineer/Gold Hill program. The Company will also continue its efforts to seek a major partner or partners to advance the Minto/Carmacks Copper-Gold properties, the South Quesnel Porphyry Copper-Gold properties, the Voigtberg property and the Sickie-Sofia property. Generative copper-gold exploration efforts in both B.C. and Yukon will also be continued.

Brian P. Fowler, President and Chief Executive Officer of BCGold Corp., a member of the Professional Engineers and Geoscientists of British Columbia ("APEGBC") and a Qualified Person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, is responsible for the preparation of, and has verified, the technical information in this MD&A.

## **Selected Annual Financial Information**

The table below sets forth selected audited financial data relating to the Company for the years ended February 28, 2011, February 28, 2010 and February 28, 2009:

<b>Year ended</b>	<b>February 28, 2011</b>	<b>February 28, 2010</b>	<b>(Restated) February 28, 2009</b>
Current assets	\$ 1,902,763	\$ 491,006	\$ 926,220
Resource properties	\$ 1,439,924	\$ 1,821,589	\$ 1,644,089
Property and equipment	\$ 31,324	\$ 40,782	\$ 46,302
Total assets	\$ 3,374,011	\$ 2,353,377	\$ 2,616,611
Liabilities	\$ 93,069	\$ 165,934	\$ 155,291
Total revenue	Nil	Nil	Nil
Net loss	\$(2,070,469)	\$(1,222,811)	\$(2,359,961)
Basic loss per share	\$ (0.03)	\$ (0.03)	\$ (0.09)
Weighted Avg. shares	67,745,500	40,299,850	26,148,919

- *Audited financial data for the fiscal year ended February 28, 2009 was restated as a result of the change in accounting policy which took place during the fiscal year ended February 28, 2010. For further discussion on the change in accounting policy, please refer to the annual MD&A for the fiscal year ended February 28, 2010.*

## **Results of Operations**

As BCGold Corp. is in the exploration phase and its properties are in the early stages of exploration, none of the Company's properties are in production. Therefore, mineral exploration expenditures and administrative expenses relating to the operation of the Company's business are being expensed as incurred. Consequently the Company's net loss is not a meaningful indicator of its performance or potential.

The key performance driver for the Company is the acquisition and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases its chances of finding and developing an economic deposit.

At this time, the Company is not anticipating profit from operations. Until such time as the Company is able to realize profits from the production and marketing of commodities from its

mineral interest, the Company will report an annual deficit and will rely on its ability to obtain equity or debt financing to fund on-going operations.

Additional financing is required for additional exploration and administration costs. Due to the inherent nature of the junior mineral exploration industry, the Company will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities, as well as its share of obligations relating to mineral properties.

**Exploration**

Cumulative Spending to February 28, 2011 was as follows:

	Acquisition Costs	Exploration Expenditures	Total Spending February 28, 2011
Minto/Carmacks Copper-Gold Properties, Yukon	\$ 551,334	\$ 3,922,822	\$ 4,474,156
Engineer, British Columbia	696,263	1,985,506	2,681,769
Sickle-Sofia, British Columbia	-	1,007,508	1,007,508
Voigtberg, British Columbia	169,944	875,035	1,044,979
Other Properties, British Columbia	22,383	160,335	182,718
	<b>\$ 1,439,924</b>	<b>\$ 7,951,206</b>	<b>\$ 9,391,130</b>

For the year ended February 28, 2011 compared to the year ended February 28, 2010

The net loss for the year ended February 28, 2011 was \$2,070,469 or \$(0.03) per share as compared to the net loss for the year ended February 28, 2010 of \$1,222,811 or \$(0.03) per share.

Operating expenses for the year ended February 28, 2011 totalled \$2,074,030 (February 28, 2010 - \$1,385,871) an increase of \$688,159. The increase in operating expenses was mainly a result of the following significant operating expenditures:

- General exploration expenses of \$205,425 (February 28, 2010 - \$50,564) resulting from exploration expenditures incurred by the Company in its attempt to identify outside potential projects/properties which merit further exploration. The increase in general exploration expenses was a direct result of the Company investing more funds to identify potential projects/properties.
- Investor relations costs of \$34,563 (February 28, 2010 - \$14,093), resulting from costs incurred for the Company's investor relations activities to expand its profile through attendance at various trade and investor relations shows during the year, as well as the dissemination of information relating to the Company's corporate, financing and exploration activities. The increase in investor relations costs is due to more promotional costs being incurred as well as more news releases being disseminated as a result of the various private placements which occurred during the year.
- Professional fees of \$71,873 (February 28, 2010 - \$50,315), for the ongoing legal and accounting fees incurred in the day-to-day operations of the Company. The increase in professional fees is due to the fact that the Company incurred significant legal fees in connection with maintaining property agreements and other day-to-day corporate matters.

- Resource property exploration expenses of \$981,858 (February 28, 2010 - \$769,885), resulting from exploration expenditures incurred on the Company's Minto/Carmacks Copper-Gold properties, the Engineer Mine Property, the Sickie-Sofia Property and the Voigtberg Property. The increase in resource property exploration expenses was a direct result of the Company spending significant amounts on its Minto/Carmacks Copper-Gold and Engineer Mine properties during the year including two drill programs at its Engineer Mine property and one drill program at its Minto/Carmacks Copper-Gold property.
- Stock-based compensation expense of \$147,916 (February 28, 2010 - \$Nil), resulting from the fair value assigned to options granted and vested during the year. The increase in stock-based compensation expense is due to the fact that 1,645,000 options vested during the year and therefore the fair value assigned to these options has been recognized in the statement of loss and deficit.
- Wages and consulting fees of \$447,818 (February 28, 2010 - \$326,594). The increase in wages and consulting fees is due to the Company hiring two temporary consultants to assist with the Company's investor relations activities on a short-term basis and the hiring of Mr. Darren O'Brien as the Company's VP of Exploration.

Other operating costs during the year ended February 28, 2011 totalled \$184,577 (February 28, 2010 - \$174,420) representing 9% (February 28, 2010 - 13%) of total operating expenses including amortization, conferences and meetings, corporate listing and filing fees, office and administration, rent and transfer agency fees.

Other expenses for the year ended February 28, 2011 amounted to \$442,386 as compared to other income of \$6,310 for the year ended February 28, 2010. Other expenses for the year ended February 28, 2011 consisted of a gain on sale of marketable securities of \$105,130, interest and other income of \$32,518, interest and penalties expense of \$869 and a write-down of mineral interest in the amount of \$579,165. Other income for the year ended February 28, 2010 consisted of interest and other income of \$7,734 and interest and penalties expense of \$1,424.

#### Fourth quarter results – fiscal year ended February 28, 2011 compared to February 28, 2010

The Company's largest expenditures during the fourth quarter were resource property exploration expenditures of \$160,027 (February 28, 2010 - \$55,661), general exploration expenditures of \$31,036 (February 28, 2010 - \$21,034), wages and consulting fees of \$132,330 (February 28, 2010 - \$76,297), investor relations costs of \$11,835 (February 28, 2010 - \$5,233), professional fees of \$22,146 (February 28, 2010 - \$28,537), stock based compensation expense of \$60,484 (February 28, 2010 - \$Nil) and rent of \$13,083 (February 28, 2010 - \$10,469). As a result of the increase in the Company's net loss during the fourth quarter of \$485,268 (February 28, 2010 - \$71,482), the accumulated deficit increased from \$10,721,400 to \$11,206,668 (February 28, 2010 - from \$9,064,717 to \$9,136,199).

### **Summary of Quarterly Results**

The following table summarizes selected financial data reported by the Company for the quarter ended February 28, 2011 and the previous seven quarters in Canadian dollars. Fiscal quarters prior to the quarter ended February 28, 2010 have all been restated to conform to the change in accounting policy which took place during the prior fiscal year end. *(Please refer to the annual MD&A for the fiscal year ended February 28, 2010 for further discussion on the change in accounting policy which took place)*

	February 28, 2011 \$	November 30, 2010 \$	August 31, 2010 \$	May 31, 2010 \$	February 28, 2010 \$	(Restated) November 30, 2009 \$	(Restated) August 31, 2009 \$	(Restated) May 31, 2009 \$
Net income (loss)	(485,268)	(779,696)	(573,305)	(232,200)	(71,482)	(432,255)	(550,070)	(169,004)
Income (loss) per share	(0.01)	(0.01)	(0.01)	(0.00)	(0.00)	(0.01)	(0.02)	(0.01)

## Liquidity and Capital Resources

As of February 28, 2011 the Company had approximately \$1.6 million in cash and cash equivalents and short-term investments. This amount excludes \$50,500 of short-term investments held under a safekeeping agreement and \$34,500 being held in a variable rate GIC as collateral for the Company's two corporate credit cards. The Company does not have any cash flow from operations due to the fact that it is an exploration stage company therefore financings have been the sole source of funds in the past few years.

Short term investments are invested in highly liquid, low risk, interest bearing instruments with maturities extending anywhere from 4 to 12 months. The surplus funds are invested only with approved commercial banks.

At February 28, 2011 the Company had working capital of \$1,809,694. In the opinion of management this working capital is sufficient to support the Company's general administrative and corporate operating requirements on an ongoing basis for the next 6 months and should the Company wish to continue fieldwork on its exploration projects in 2011, further financing will be required and the Company will likely have to go to the market to achieve this.

Given volatility in equity markets, global uncertainty in economic conditions, cost pressures and results of exploration activities, management constantly reviews expenditures and exploration programs and equity markets such that the company has sufficient liquidity to support its growth strategy.

During the year ended February 28, 2011, the main cash operating expenditures, which include the company's exploration activities, amounted to \$1,916,656. Of this amount, administrative costs were \$729,373 and the balance was for exploration activities.

## Liquidity Outlook

The Company's cash position is highly dependent on the ability to raise cash through financings and the expenditures on its exploration programs. Capital expenditures are not expected to have any material impact on liquidity.

As results of exploration programs are determined and other opportunities become available to the Company, management may complete an external financing as required.

The outlook is based on the Company's current financial position and is subject to change if opportunities become available based on current 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 raises money through equity sales, from the exercise of convertible securities and from optioning its resource properties. 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 and calibre 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 long term, but recognizes that there will be risks involved which may be beyond its control.

### Going Concern

While these 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 \$11,206,668 at February 28, 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 BCGold's performance (as measured by numerous factors including the progress and results of its various projects), 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.

The financial statements for the year ended February 28, 2011 do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

## **Strategy and Risk Management**

The Company has re-commenced its fieldwork programs in the spring/summer of 2011. Further exploration activities are dependent on the Company obtaining financing to meet its planned exploration activities. The Company has also scaled down on its administrative expenditures. Management believes that it will be able to raise additional capital in order to meet both its planned exploration activities and its administrative expenditures. Although management has been successful in the past when raising additional financing, there can be no assurance they will be successful in the future.

## **Exploration Stage Company**

The Company is engaged in the business of acquiring, exploring and developing mineral properties with the expectation of locating economic deposits of minerals. All of the properties are without proven ore deposits and there is no assurance that the Company's exploration programs will result in proven ore deposits, nor can there be any assurance that economic deposits can be commercially mined. As a consequence, any forward-looking information is subject to known and unknown risks and uncertainties as follows, but not limited thereto:

- Exploration and development of mining properties is highly speculative in nature and involves a high degree of risk.

- Many competitors are in the business, some of which have greater financial, technical and other resources than the Company.
- Mining involves many hazards and risks in the field such as unexpected rock formations, seismic activity, cave-ins, adverse weather conditions, unstable political conditions and many other conditions.
- Timing delays in exploration and development and delays in funding may result in delays and postponement of projects.
- Lack of assurance that: the Company will be able to obtain all necessary permits and approvals to conduct its affairs or that future tax, environmental or other legislation will not cause additional expenses, delays or postponements.
- Operations of the Company are subject to environmental regulation, a breach of which may result in imposition of enforcement actions. Environmental hazards may exist on current properties which are presently unknown to the Company and regulations and laws change over time.
- World prices for metals can be unstable and unpredictable and may materially affect the Company's operations, as well as economic conditions which may change the demand for minerals.
- The securities markets worldwide can experience high price and volume volatility.
- The Company is dependent on the services of several key individuals, the loss of which could significantly affect operations.
- There is potential for officers and directors of the Company to have conflicts of interest with other entities.
- Uncertainties as to the development and implementation of future technologies.
- Changes in accounting policies and methods may affect how the financial condition of the Company is reported.
- Breaches of contracts, such as property agreements, could result in significant loss.

## **Dividends**

BCGold Corp. has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of BCGold Corp. and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

## **Nature of the Securities**

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

## Proposed Transactions

At the present time, there are no proposed transactions that are required to be disclosed.

## Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning BCGold Corp.'s general and administrative expenses and resource property costs is provided in the Company's *Statement of Loss and Deficit* contained in its Audited Financial Statements for the Year Ended February 28, 2011, available on BCGold Corp.'s website at [www.bcgoldcorp.com](http://www.bcgoldcorp.com) or on its SEDAR site page accessed through [www.sedar.com](http://www.sedar.com).

## Transactions with Related Parties

During the year ended February 28, 2011, the Company paid consulting fees of: \$173,333 (February 28, 2010 - \$170,000) to Mr. Brian P. Fowler (President and Chief Executive Officer); \$13,800 (February 28, 2010 - \$8,400) to Ms. Kim Casswell (Officer of the Company) and \$63,000 (February 28, 2010 - \$59,349) to Mr. Larry Okada (Chief Financial Officer).

Related party transactions are in the normal course of business, occur on terms similar to transactions with non-related parties, and are therefore measured at the exchange amount.

## Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at February 28, 2011 or as at the date hereof.

## Outstanding Share Data

BCGold Corp.'s authorized capital is unlimited common shares without par value. As at June 23, 2011, the following common shares, stock options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares at June 23, 2011	82,599,803		
Share Purchase Warrants	50,000	\$0.11	September 14, 2011
	100,000	\$0.50	October 15, 2011
	3,730,000	\$0.15	October 28, 2011
	5,480,000	\$0.15	October 30, 2011
	2,163,100	\$0.20	October 30, 2011
	50,000	\$0.50	July 5, 2012
	3,897,500	\$0.30	August 19, 2012
	2,473,019	\$0.30	October 28, 2012
	75,000	\$0.14	January 16, 2013
Stock Options	310,000	\$0.10	June 5, 2011
	190,000	\$0.45	September 15, 2011
	100,000	\$0.70	June 19, 2012
	556,000	\$0.70	August 22, 2012
	815,000	\$0.20	October 24, 2013
	1,645,000	\$0.10	January 11, 2015
	1,960,000	\$0.15	January 11, 2016
Fully Diluted at June 23, 2011	<b>106,194,422</b>		

## Recent Canadian Accounting Pronouncements

Recent Canadian accounting pronouncements which have been issued but are not yet effective, and which may affect the Company's financial reporting, are as follows:

### International Financial Reporting Standards ("IFRS")

In February 2008 the Accounting Standards Board ("AcSB") announced that publicly accountable enterprises are required to adopt IFRS beginning on or before January 1, 2011. The company will issue its first financial statements prepared under IFRS for the interim periods ending May 31, 2011 and for the fiscal period ending February 28, 2012. Financial statement numbers for comparison purposes will be restated for presentation purposes.

The transition to IFRS will impact the Company's accounting policies, as noted below, and to a lesser extent the information technology and data systems, internal control over financial reporting and disclosure controls and training requirements.

The Company's transition will include the traditional 4 phases being scoping and planning, detailed assessment, implementation and review and post implementation. The scoping and planning established a project leader and team, obtaining organizational approval, identifying key areas affected, and developing a plan to implement and communicate. Phase 2, involved the identification of key accounting differences between IFRS and Canadian GAAP, a selection of the accounting policies under IFRS, transitional exemptions, quantification of financial statement impact and preparation of shell financial statements and impact on the business processes. To date the Company has completed all the items up to transition exemptions and is working on the remaining items of quantification and preparation of shell financial statements. The company has determined that there will be minimal impact on the business processes such as information systems, internal control over financial reporting and disclosure controls and training. Phase 3 includes the implementation of the required changes necessary for IFRS compliance. Final decisions on accounting policies and IFRS 1 exemptions, preparation of the opening balance sheet at March 1, 2010, comparative fiscal 2011 and thereafter, training of personnel, and assessment and monitoring of the effectiveness of internal controls are being conducted throughout 2010. Phase 4 on post implementation will include sustainable IFRS financial information and processes for fiscal 2011 and beyond.

#### IFRS 1 – First time adoption of IFRS

IFRS governs the first time adoption of IFRS, which allows for certain exemptions from retrospective application.

IFRS 1 allows a company to measure property, plant and equipment at transition to fair value, which exemption can be applied on an asset by asset basis. The Company expects to use the exemption to continue to record its property, plant and equipment at cost.

IFRS 1 allows a company to elect not to apply the provisions of IFRIC 1, Changes in Existing Decommission, Restoration and Similar Liabilities, for changes to those liabilities before the date of transition to IFRS. When the Company applies this exemption, it would determine the reclamation obligation at the transition date, discount those back to the dates when they first arose, and depreciate these amounts forward to the transition date to determine the amount to be included in the depreciated cost of assets.

IFRS 1 allows a first time adopter of IFRS to apply IFRS 2 to all equity instruments that were granted before November 7, 2002 or were granted after that date but vested before the Company's transition date. This basically allows the Company to retrospectively apply IFRS 2.

The company plans to elect for this exemption and apply this retrospectively only for share based payments which were granted after November 7, 2002 and had not vested at the transition date. IFRS allows certain other exemptions but the Company expects that these will be immaterial to the Company's financial statements.

### **IFRS and Canadian GAAP Differences**

An analysis of the Company's differences between IFRS and Canadian GAAP has determined a number of differences, some of which will not have a material difference to the Company's financial statements. There may be other differences which could arise over time but have not been determined to be material currently. The differences which could have a material difference are as follows.

#### **Reclamation and Closure Cost Obligations**

Under IFRS the Company's obligation for closure and reclamation is based on management's best estimate of such future expenditures discounted for the country specific risk free rates. Under Canadian GAAP the obligation is determined based on the fair value of future estimated expenses using quoted market prices and discounted using the Company's current credit adjusted risk free rate. The change in accounting policy is not expected to have a material impact on the financial statements.

#### **Impairment of Mining Interests**

Under IFRS impairment is a one-step process whereby the carrying amount is compared to the recoverable amount which is calculated as the estimated discounted future pre-tax cash flows or fair value less costs to sell. Under Canadian GAAP there is a two step process whereby the Company must first compare the net realizable value to the carrying value and if net realizable value is less then carrying value management must discount the cash flows to calculate impairment. The change in accounting policy is not expected to have a material impact on the financial statements.

#### **Share Based Payments (Stock Based Compensation under Canadian GAAP)**

When stock options vest at different periods under IFRS each grant is treated as an individual grant vest on a straight line basis over each individual vesting period. Under Canadian GAAP the entire grant of stock options is currently being treated as a pool and vest on a straight line basis over the vesting period. The Company is currently quantifying the effect of the change in accounting policy on its financial statements.

In addition, under IFRS the Company must make an estimate of stock options that are forfeited before they vest whereas under Canadian GAAP the Company can make estimates of forfeiture. The change in accounting policy is not expected to have a material impact on the financial statements.

## **Financial Instruments**

### **Fair Value**

The Company designated its cash and cash equivalents and short-term investments as held-for-trading, which are measured at fair value. Other receivables have been designated as loans and receivables, which are initially recorded at fair value, net of transaction costs incurred, and subsequently at amortized cost using the effective interest rate method. Marketable securities have been designated as available-for-sale, which are measured at fair value. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

As of February 28, 2011, the balance sheet carrying amounts of these financial instruments closely approximate their fair value, and the Company held no derivative instruments.

Fair value estimates are made at the balance sheet date, based on relevant market information and other information about the financial instruments. Fair values are determined directly by reference to published price quotations in an active market, when available, or by using a valuation technique that uses inputs observed from the markets.

The following provides a comparison of carrying value amounts of each classification of financial instruments as at February 28, 2011 and 2010:

	February 28, 2011		February 28, 2010
Held-for-trading	\$ 1,704,320	\$	384,435
Loans and receivables	\$ 48,462	\$	32,996
Available-for-sale	\$ 115,000	\$	62,500
Other financial liabilities	\$ 93,069	\$	165,934

During the fiscal year ended February 28, 2010, the Company adopted the fair value hierarchy that classifies financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate fair value. The financial instruments from the above schedule, which are covered by the new hierarchy disclosures, are cash and cash equivalents, short-term investments and marketable securities. Cash and cash equivalents and short-term investments have been classified as Level 2 – direct or indirect observable inputs in active markets for similar assets or liabilities, other than Level 1 prices such as quoted interest or currency exchange rates. Marketable securities have been classified as Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.

### **Financial Risk Management**

The Company's activities expose it to a variety of financial risks including credit risk and liquidity risk.

#### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivable. The Company deposits its cash and cash equivalents with high credit quality major Canadian financial institutions as determined by ratings agencies, with original maturities of less than 90 days. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the maximum exposure to credit risk.

#### **Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company attempts to manage liquidity risk by maintaining sufficient cash and cash equivalent balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As of February 28, 2011, the Company had a cash balance of \$1,419,320 (February 28, 2010 - \$204,935) and short-term investments of \$285,000 (February 28, 2010 - \$179,500) to settle current liabilities of \$93,069 (February 28, 2010 - \$165,934). The Company also had flow-through commitments of \$586,709 (February 28, 2010 - \$31,128).

## Capital Management

In the management of capital, the Company considers shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support exploration and development of mineral properties. The Board of Directors has not established quantitative capital structure criteria management, but will review on a regular basis the capital structure of the Company to ensure its appropriateness to the stage of development of the business.

The Company's objectives when managing capital are:

- To maintain and safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds, to support continued evaluation and maintenance at the Company's existing properties, and to acquire, explore, and develop other precious and base metal deposits.
- To invest cash on hand in highly liquid and highly rated financial instruments with high credit quality issuers, thereby minimizing the risk and loss of principal.
- To obtain the necessary financing to complete exploration and development of its properties, if and when it is required.

The properties in which the Company currently holds an interest in are in the exploration stage and the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and development and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

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

In order to facilitate the management of capital and development of its mineral properties, the Company prepares annual expenditure budgets, which are updated as necessary and are reviewed and approved by the Company's Board of Directors. In addition, the Company may issue new equity, incur additional debt, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of certain assets. When applicable, the Company's investment policy is to hold cash in interest bearing accounts at high credit quality financial institutions to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends. The Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.

There were no changes in the Company's approach to capital management during the year ended February 28, 2011 compared to the year ended February 28, 2010. The Company is not subject to externally imposed capital requirements.

## Recent Developments and Outlook

The Company expects to obtain financing in the future primarily through further equity financing, as well as through joint venturing and/or optioning out its properties to qualified mineral exploration companies. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operations and eventually to forfeit or sell its interest in its resource properties.

## Corporate Governance

The Board of Directors of BCGold Corp. comprises of four directors, two of whom are considered to be independent.

## Subsequent Events

- a) Subsequent to the year end, the Company received notice from Goldbard that the Pepper property letter option agreement previously signed with Goldbard has been terminated and the property has reverted 100% to BCGold.
- b) Subsequent to the year end, the Company received notice from Kestrel that the Toe property letter option agreement previously signed with Kestrel has been terminated and the property has reverted 100% to BCGold.

## Forward-Looking Information

Certain statements made and information contained in this MD&A and elsewhere constitutes "forward-looking information" within the meaning of the Ontario Securities Act. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources, the geology, grade and continuity of mineral deposits, the possibility that future exploration and development results will not be consistent with the Company's expectations, accidents, equipment breakdowns, title matters and surface access, labour disputes, the potential for delays in exploration activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain adequate financing on a timely basis and other risks and uncertainties. In addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of gold, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour and that the political environment within British Columbia and the Yukon will continue to support the development of environmentally safe mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements.

## Approval

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

## Additional Information

Additional Information relating to BCGold Corp. is on SEDAR at [www.sedar.com](http://www.sedar.com) or by contacting:

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Attention: Brian Fowler, President and Chief Executive Officer

/s/ "Brian Fowler"  
Brian Fowler  
President and Chief Executive Officer

/s/ "Larry Okada"  
Larry Okada  
Chief Financial Officer