

BCGOLD CORP.

(An Exploration Stage Company)

INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MAY 31, 2008

In Canadian Funds

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4.3 (3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management and approved by the Board of Directors of the Company. The Company's independent auditor has not performed a review of these interim financial statements.

BCGold Corp.
(An Exploration Stage Company)
Interim Balance Sheets

(Unaudited – Prepared by Management)
Canadian Funds

Statement 1

	As at May 31, 2008 (Unaudited)	As at February 29, 2008 (Audited)
ASSETS		
Current		
Cash and cash equivalents	\$ 1,716,368	\$ 1,234,966
Short-term investments	5,750	12,000
Marketable securities	125,000	137,500
GST and other receivables	260,601	209,243
Prepaid expenses	102,801	6,301
	2,210,520	1,600,010
Property and Equipment	85,970	63,945
Resource Property Costs <i>(Note 4) – Schedule</i>	5,710,510	5,637,577
	\$ 8,007,000	\$ 7,301,532
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 150,071	\$ 177,026
	150,071	177,026
SHAREHOLDERS' EQUITY		
Share Capital <i>(Note 5a)</i>	7,825,193	7,221,443
Share Purchase Warrants <i>(Note 5c)</i>	945,735	945,735
Contributed Surplus <i>(Note 6)</i>	631,191	566,392
Accumulated Other Comprehensive Income (Loss)	(153,750)	(141,250)
Deficit - <i>Statement 2</i>	(1,391,440)	(1,467,814)
	7,856,929	7,124,506
	\$ 8,007,000	\$ 7,301,532

ON BEHALF OF THE BOARD:

"Brian Fowler", President & CEO, Director

"Peter Kendrick" CFO, Director

- See Accompanying Notes -

BCGold Corp.
(An Exploration Stage Company)
Interim Statements of Income (Loss) and Deficit

Statement 2

(Unaudited – Prepared by Management)
Canadian Funds

	For the three months ended May 31, 2008	For the three months ended May 31, 2007
Expenses		
Amortization	\$ 10,537	\$ 2,213
Conference and meetings	8,482	38,490
Corporate listing and filing fees	6,445	4,928
Investor relations	27,842	16,561
Office and administration	13,727	30,492
Professional fees	14,750	36,947
Rent	13,506	17,799
Stock-based compensation (Note 5d)	64,799	-
Transfer agent fees	1,893	3,880
Wages and consulting fees	148,634	138,543
Loss before the undernoted	(310,615)	(289,853)
Other Income (Expenses)		
Interest and other income	11,413	39,102
Write-off of resource property costs	(7,674)	(4,500)
	3,739	34,602
Loss before income taxes	(306,876)	(255,251)
Future income tax recovery (Note 5e)	383,250	265,608
Net income for the period	76,374	10,357
Transition adjustment to opening balance – other comprehensive income	-	3,750
Deficit - Beginning of Period	(1,467,814)	(508,181)
Deficit - End of Period	\$ (1,391,440)	\$ (494,074)
Basic and Diluted Earnings per Share	\$ 0.00	\$ 0.00
Weighted Average Number of Shares Outstanding	18,504,723	16,218,987

- See Accompanying Notes -

BCGold Corp.
(An Exploration Stage Company)
Interim Statements of Comprehensive Income (Loss)

Statement 3

(Unaudited – Prepared by Management)
Canadian Funds

	For the three months ended May 31, 2008	For the three months ended May 31, 2007
Net income for the period	\$ 76,374	\$ 10,357
Unrealized loss on marketable securities	(12,500)	(32,500)
Comprehensive income (loss)	\$ 63,874	\$ (22,143)

- See Accompanying Notes -

BCGold Corp.
(An Exploration Stage Company)
Interim Statements of Changes in Shareholders' Equity

Statement 4

(Unaudited – Prepared by Management)
Canadian Funds

	For the three months ended May 31, 2008	For the three months ended May 31, 2007
Share capital		
Balance – beginning of period	\$ 7,221,443	\$ 2,150,480
Issued during the period	1,050,000	3,790,158
Share issuance costs	(63,000)	-
Flow-through income tax renunciation	(383,250)	(265,608)
Balance – end of period	7,825,193	5,675,030
Share purchase warrants		
Balance – beginning of period	945,735	274,585
Fair value of share purchase warrants issued	-	581,230
Fair value of share purchase warrants exercised	-	(2,309)
Balance – end of period	945,735	853,506
Contributed surplus		
Balance – beginning of period	566,392	142,529
Fair value of stock-based compensation on options vested	64,799	-
Balance – end of period	631,191	142,529
Deficit		
Balance – beginning of period	(1,467,814)	(508,181)
Transitional adjustment to opening balance of other comprehensive income	-	3,750
Net income for the period	76,374	10,357
Balance – end of period	(1,391,440)	(494,074)
Accumulated other comprehensive income (loss)		
Balance – beginning of period	(141,250)	-
Transitional adjustment to opening balance	-	3,750
Unrealized loss on marketable securities	(12,500)	(36,250)
Balance – end of period	(153,750)	(32,500)
TOTAL SHAREHOLDERS' EQUITY	\$ 7,856,929	\$ 6,144,491

- See Accompanying Notes -

BCGold Corp.
(An Exploration Stage Company)
Interim Statements of Cash Flows

Statement 5

(Unaudited – Prepared by Management)
Canadian Funds

	For the three months ended May 31, 2008	For the three months ended May 31, 2007
Cash Flows from Operating Activities		
Net income for the period	\$ 76,374	\$ 10,357
Items not affected by cash:		
Future income tax recovery	(383,250)	(265,608)
Stock-based compensation	64,799	-
Amortization	10,537	2,213
Write-off of resource property costs	7,674	4,500
	<u>(223,866)</u>	<u>(248,538)</u>
Change in non-cash working capital:		
GST and other receivables	(51,358)	21,572
Prepaid expenses	(96,500)	(285,788)
Accounts payable and accrued liabilities	(26,955)	111,967
	<u>(398,679)</u>	<u>(400,787)</u>
Cash Flows from Investing Activities		
Investment in marketable securities	-	(199,500)
Decrease in short-term investments	6,250	-
Increase in property and equipment, net	(32,562)	(15,697)
Resource property costs	(80,607)	(490,501)
Repayment of due to related parties	-	(13,577)
	<u>(106,919)</u>	<u>(719,275)</u>
Cash Flows from Financing Activities		
Receipt of funds for future issuance of share capital	-	(952,000)
Issuance of share capital and share purchase warrants, net	987,000	4,104,579
	<u>987,000</u>	<u>3,152,579</u>
Net Increase in Cash and Cash Equivalents	481,402	2,032,517
Cash and Cash Equivalents- Beginning of Period	1,234,966	2,174,759
Cash and Cash Equivalents - End of Period	\$ 1,716,368	\$ 4,207,276
Supplemental Schedule of Non-Cash Investing and Financing Activities		
Cash calls receivable, accounts payable and accrued liabilities and amounts due to related parties included in resource property costs	\$ 56,382	\$ 18,500
Issuance of shares and share purchase warrants for property	\$ -	\$ 264,500

- See Accompanying Notes -

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

1. Nature of Operations

BCGold Corp. (“the Company” or “BCGold”) was 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 an exploration stage enterprise focusing on the acquisition, exploration and development of economic gold and other precious and base metal properties. On September 15, 2006, upon acceptance of the Company’s qualifying transaction, the shares commenced trading under the symbol BCG on the TSX-Venture Exchange.

2. Significant Accounting Policies

These interim financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles and follow the same accounting policies and methods of their application as the most recent annual financial statements except that the Company has adopted the following CICA guidelines effective for the Company’s first quarter commencing March 1, 2008. These interim financial statements do not include all disclosures required by Canadian Generally Accepted Accounting Principles for annual financial statements and accordingly, the interim financial statements should be read in conjunction with the audited financial statements and notes thereto of the Company as at February 29, 2008.

New Accounting Policies

a) Section 1535 – Capital Disclosures

Effective March 1, 2008, the Company adopted CICA Section 1535, “Capital Disclosures”. This section requires the Company to include additional information in the notes to the financial statements about its capital and the manner in which it is managed. The additional disclosure includes quantitative and qualitative information regarding an entity’s objectives, policies and procedures for managing capital.

The impact of adopting this section is disclosed in Note 7.

b) Section 3862 – Financial Instruments Disclosures

Effective March 1, 2008, the Company adopted CICA Section 3862, “Financial Instruments Disclosures”. This section requires disclosures of both qualitative and quantitative information that enables users of the financial statements to evaluate the nature and extent of risks from financial instruments to which the Company is exposed.

The impact of adopting this section is disclosed in Note 8.

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

3. Future Accounting and Reporting Changes

a) International Financial Reporting Standards (“IFRS”)

In 2006, the Canadian Accounting Standards Board (“AcSB”) published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for the publicly-listed companies to use IFRS, replacing Canada’s own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended February 28, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

b) Goodwill and Intangible Assets

In February 2008, the AcSB issued Handbook Section 3064, “Goodwill and Intangible Assets”, which will replace Section 3062, “Goodwill and Intangible Assets” and amended Section 1000, “Financial Statement Concepts” clarifying the criteria for the recognition of assets, intangible assets and internally developed intangible assets. Items that no longer meet the definition of an asset are no longer recognized with assets. The new standard also provides guidance for the treatment of preproduction and start-up costs and requires that these costs be expensed as incurred. The new standard is effective for fiscal years beginning on or after October 1, 2008 and early adoption is permitted. The adoption of this new section is not expected to have a material impact on the Company’s financial position.

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

4. Resource Property Costs

Details at May 31, 2008 are as follows:

	Acquisition Costs	Exploration Costs	Balance as at May 31, 2008
Carmacks Copper Gold Project, Yukon	\$ 557,530	\$ 1,514,539	\$ 2,072,069
Engineer, British Columbia	352,273	340,411	692,684
Todoggone, British Columbia	563,923	1,287,938	1,851,861
Voigtberg, British Columbia	125,154	912,230	1,037,384
Other Properties, British Columbia	56,512	-	56,512
	\$ 1,655,392	\$ 4,055,118	\$ 5,710,510

Details at February 29, 2008 are as follows:

	Acquisition Costs	Exploration Costs	Balance as at February 29, 2008
Carmacks Copper Gold Project, Yukon	\$ 557,530	\$ 1,504,019	\$ 2,061,549
Engineer, British Columbia	352,273	281,703	633,976
Todoggone, British Columbia	563,923	1,279,693	1,843,616
Voigtberg, British Columbia	125,154	917,152	1,042,306
Other Properties, British Columbia	56,130	-	56,130
	\$ 1,655,010	\$ 3,982,567	\$ 5,637,577

a) Carmacks, Yukon

On November 1, 2006, the Company entered into an option agreement with a third party to acquire up to a 100% interest in 15 mineral properties in the vicinity of the Minto and Carmacks (Williams Creek) copper gold deposits, by making the following payments, expenditures and Unit issuances:

Payments:

i)	\$ 100,000	on or before April 15, 2007 (paid)
ii)	50,000	on or before October 15, 2007 (paid)
iii)	50,000	on or before October 15, 2008
iv)	50,000	on or before October 15, 2009
v)	50,000	on or before October 15, 2010
	<u>\$ 300,000</u>	

Minimum Expenditures:

\$ 900,000	on or before October 15, 2010 (Incurred)
------------	--

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

4. Resource Property Costs – Continued

a) Carmacks, Yukon – Continued

Unit issuances:

i)	300,000	within 5 days of the acceptance of the agreement by the TSX Venture Exchange (issued – fair value \$273,750)
ii)	200,000	on or before October 15, 2007 (issued - fair value \$145,968)
iii)	200,000	on or before October 15, 2008
iv)	200,000	on or before October 15, 2009
v)	<u>100,000</u>	on or before October 15, 2010
	<u>1,000,000</u>	

Each "Unit" will consist of one common share of BCGold and one-half of one common share purchase warrant, each whole warrant being exercisable to purchase one common share of BCGold for two years following the date of issuance at a price per common share to be determined by taking the weighted average closing price of the common shares of BCGold on the TSX Venture Exchange (or such other stock exchange or quotation system as BCGold's shares may be traded or quoted on) for the twenty consecutive trading days immediately prior to the date of issuance plus 25%. All of the payment, expenditure and Unit obligations may be accelerated at BCGold's option. The agreement was accepted by the TSX Venture Exchange in March 2007.

A Net Smelter Royalty ("NSR") of 1.75% applies to the holdings of which 1.25% can be purchased for \$1,500,000.

b) Engineer, BC

On January 16, 2007, the Company entered into a letter agreement with Engineer Mining Corp. ("EMC") to acquire a 100% interest in the Engineer Mine located west of Atlin, BC. Under the terms of the option, the Company may acquire a 51% interest by paying an aggregate of \$250,000 (\$125,000 on or before January 16, 2008 (paid) and \$125,000 on or before January 16, 2009) and issuing an aggregate of 375,000 common shares and 325,000 share purchase warrants to EMC in the first two years (250,000 common shares (fair value \$147,500) and 250,000 share purchase warrants (fair value \$79,763) were issued on November 1, 2007, with the remaining 125,000 common shares and 75,000 share purchase warrants to be issued on or before January 16, 2009). BCGold may then acquire:

1. an additional 9% interest by issuing \$150,000 in BCGold common shares and 75,000 BCGold common share purchase warrants to EMC in the third year;
2. an additional 15% interest by paying \$200,000 (or issuing \$200,000 in BCGold common shares, at BCGold's option) and issuing 100,000 BCGold common share purchase warrants to EMC in the fourth year; and
3. an additional 25% interest by paying \$400,000 (or issuing \$400,000 in BCGold common shares, at BCGold's option) and issuing 100,000 BCGold common share purchase warrants to EMC in the fifth year.

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

4. Resource Property Costs – Continued

b) Engineer, BC – Continued

All payments and issuances may be accelerated at BCGold's option. Each share purchase warrant will be exercisable to purchase one common share of BCGold for two years following the date of issuance at a price per common share to be determined by taking the weighted average closing price of the common shares of BCGold for the twenty consecutive trading days immediately prior to the date of issuance plus 25%.

BCGold will be entitled to permit EMC to inspect and mine selected ore-shoots within the property following de-watering of the property on terms to be negotiated in good faith between the parties, on the basis that EMC will reimburse BCGold for the costs of the de-watering and will pay BCGold a 12.5% gross return royalty from any ore production.

c) Toodoggone, BC

On September 15, 2006, the Company signed a letter of intent with Stealth Minerals Limited (“Stealth”) to earn up to a 75% interest in three properties from Stealth’s Toodoggone property portfolio in north-central British Columbia. Under the terms of the Option Agreement, Stealth divided its 62,845 hectare Toodoggone land position into eleven properties. The Agreement enabled the Company to review all exploration data for the eleven properties and select any three properties by March 31, 2007, in exchange for the Company purchasing an aggregate of 2,500,000 common shares of Stealth at a price of \$0.20 per share on or before March 31, 2007. The Company acquired 1,750,000 shares in fiscal 2008 (750,000 - 2007). The fair value of these shares at the date of issuance amounting to \$192,500 (2007 - \$86,250) was recorded as marketable securities. The premium paid over the fair value was capitalized to resource property costs in the amount of \$157,500 (2007 - \$63,750).

The Company can then earn a 51% interest in each of the three selected properties by issuing 150,000 BCGold common shares and 75,000 BCGold common share purchase warrants (each exercisable for a one year period at a price equal to 125% of the twenty day average closing price of the common shares of the Company ending on the trading day prior to the date of issuance) to Stealth for each property within ten business days of the date of selection of the three properties and spending \$1 million on each property over a three year period from the election date (March 28, 2007).*

* Per agreement dated March 27, 2008 the election date was extended to March 28, 2008.

On April 2, 2007 the Company selected three properties, Sickie-Sofia, Louis and FogMess and issued 450,000 BCGold common shares (fair value \$265,500) and 225,000 BCGold common share purchase warrants (fair value \$76,663) exercisable at \$0.75 expiring April 2, 2008**. A portion of the three properties chosen is subject to an underlying 3% NSR held by a third party. The Company can reduce the NSR through cash payments.

** Per agreement dated March 27, 2008 the expiry of these warrants was extended to April 2, 2009.

The Company can increase its interest to 60% by spending an additional \$1 million (total of \$2 million) on each property within a four year period from the election date and can further increase its interest to 75% by producing a bankable feasibility study for each property. Notice of the Company’s plans to proceed with the third option must be provided within 6 months of the exercise of the second option and completed within five years of the notice date. The Company will be the operator of the selected properties.

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

4. Resource Property Costs – Continued

d) Voigtberg, BC

On July 10, 2006, the Company signed a letter of intent with Kaminak Gold Corp. (“Kaminak”) to earn an interest in Kaminak’s Voigtberg property located in the Iskut River area, Liard Mining Division, British Columbia.

In order for the Company to earn up to a 60% interest in the Voigtberg property, the Company must, at its option, issue 100,000 units to Kaminak as of the date of closing of the Qualifying Transaction (Issued – September 15, 2006 – fair value \$35,000). Each unit consists of one common share of BCGold and one-half of one common share purchase warrant, each whole warrant being exercisable to purchase one common share of BCGold for one year following the closing date. In addition, the Company must, at its option, issue an additional 100,000 units to Kaminak on each of the first (issued – fair value \$70,000 for the shares and \$16,944 for the warrants), second and third anniversaries of the closing date for a total of 300,000 additional units, each additional unit to consist of one common share of BCGold and one-half of one common share purchase warrant, each whole warrant being exercisable for one year following the date of issuance to purchase one common share of BCGold at an exercise price determined by taking the weighted average closing price of the common shares of the Company for the twenty consecutive trading days immediately prior to the date of issuance plus 25%, and the Company must, at its option, incur minimum exploration expenditures over a four year period as follows:

i)	\$	350,000	to September 15, 2007 (completed)
ii)		350,000	to September 15, 2008 (completed)
iii)		650,000	to September 15, 2009
iv)		650,000	to September 15, 2010
	\$	<u>2,000,000</u>	

Upon incurring \$1 million in exploration expenditures, the Company will have earned a 50% interest in the Voigtberg property and, upon the issuance of all of the initial and additional units, incurring all of the expenditures and operating the exploration program as set out above, the Company will have earned a 60% interest in the Voigtberg property. The Company may then earn an additional 10% interest in the property by completing a bankable feasibility study, for a total 70% interest in the property.

A 2% NSR in favour of Hunter Exploration Group exists on the property.

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

5. Share Capital

a) Details are as follows:

	Number		Amount
Authorized:			
Unlimited number of common voting shares without par value			
Unlimited number of preferred shares			
Issued:			
Balance – February 28, 2006	3,000,000	\$	150,000
Non-flow through shares issued by offering June 2006	2,800,000		280,000
Non-flow through shares issued by private placement September 2006	1,958,747		555,760
Flow-through shares issued by private placement September 2006	759,000		255,521
Flow-through shares issued by private placement December 2006	1,427,999		800,959
Shares issued for resource properties	400,000		199,659
Shares issued from agent warrant exercise	304,500		57,829
Share issuance costs	-		(55,132)
Future income taxes on renoucement of flow-through shares issued (Note 5e)	-		(94,116)
Balance – February 28, 2007	10,650,246		2,150,480
Non-flow through private placement, net of warrant valuation - March 2007	6,125,844		3,699,140
Flow-through private placement, net of warrant valuation – December 2007	2,555,000		1,127,591
Shares issued from share purchase warrants exercised	245,500		151,162
Shares issued for resource properties	1,000,000		599,000
Share issuance costs	-		(240,322)
Future income taxes on renoucement of flow-through shares issued (Note 5e)	-		(265,608)
Balance – February 29, 2008	20,576,590		7,221,443
Non-flow through shares issued by private placement May 2, 2008	3,000,000		1,050,000
Share issuance costs	-		(63,000)
Future income taxes on renoucement of flow-through shares issued (Note 5e)	-		(383,250)
Balance – May 31, 2008	23,576,590	\$	7,825,193

b) **Private Placements**

Private Placement May 2008

On May 2, 2008, the Company closed a non-brokered private placement of 3,000,000 common shares at a price of \$0.35 per share for aggregate gross proceeds of \$1,050,000. A finder's fee of 6% of the proceeds was paid in cash. This is an initial investment by Kinross Gold Corporation ("Kinross") under an agreement signed May 2, 2008 whereby Kinross will have the right to participate in future financings of the Company to maintain its equity interest in the Company at up to 10%, subject to maintaining a minimum 5% equity interest in the Company.

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

5. Share Capital – Continued

b) **Private Placements – Continued**

Private Placement December 2007

On December 28, 2007, the Company closed a non-brokered private placement of 2,555,000 flow-through units at a price of \$0.50 per unit for gross proceeds of \$1,277,500 (Note 5e). Each Unit consists of one flow-through common share of BCGold and one-half of one non-flow-through common share purchase warrant, each whole warrant being exercisable to purchase one common share of BCGold at a price of \$0.75 to December 28, 2008 and thereafter at a price of \$1.00 to December 28, 2009. The warrants attached have been valued at \$140,257 (\$149,909 net of share issuance costs of \$9,652) based upon the average of the residual method and the Black Scholes Method (using the assumptions as follows):

Assumptions

Risk-free interest rate	3.95%
Expected stock price volatility	138%
Expected dividend yield	0.00%
Expected life of warrants	2 years

Private Placement March 2007

On March 13, 2007, the Company closed a non-brokered private placement of 6,125,844 non-flow-through units at a price of \$0.70 per unit for gross proceeds of \$4,288,091 (\$952,000 was received prior to February 28, 2007). Each Unit consists of one non-flow-through common share of BCGold and one-half of one non-flow-through common share purchase warrant, each whole warrant being exercisable to purchase one common share of BCGold at a price of \$1.00, expiring March 15, 2009. The warrants attached have been valued at \$564,413 (\$588,951 net of share issuance costs of \$24,538) based upon the average of the residual method and the Black Scholes Method (using the assumptions as follows):

Assumptions

Risk-free interest rate	3.92%
Expected stock price volatility	82%
Expected dividend yield	0.00%
Expected life of warrants	2 years

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

5. Share Capital – Continued

b) Private Placements – Continued

Private Placement December 2006

On December 28, 2006, the Company closed a non-brokered private placement of 1,427,999 flow-through units at a price of \$0.60 per unit for gross proceeds of \$856,799. Each Unit consists of one flow-through common share of BCGold and one-half of one non-flow-through common share purchase warrant, each whole warrant being exercisable to purchase one common share of BCGold at a price of \$0.80 to December 29, 2007. The Company renounced expenditures in the amount of \$856,799 in the period ended February 28, 2008 and recognized \$265,608 of future income tax recovery (Note 5e). The warrants attached have been valued at \$55,181 (\$55,840 net of share issuance costs of \$659) based upon the average of the residual method and the Black Scholes Method (using the assumptions as follows):

Assumptions

Risk-free interest rate	4.17%
Expected stock price volatility	73%
Expected dividend yield	0.00%
Expected life of warrants	1 year

Private Placement September 2006

On September 15, 2006, the Company closed a non-brokered private placement of 1,958,747 non-flow-through units at a price of \$0.35 per unit for gross proceeds of \$685,561 and 759,000 flow-through units at a price of \$0.40 per unit for gross proceeds of \$303,600. Each non-flow-through "Unit" consists of one common share of BCGold and one-half of one common share purchase warrant, each whole warrant being exercisable to purchase one common share of BCGold at a price of \$0.50, expiring September 15, 2007. These warrants were subsequently extended to November 17, 2007 and the Company renounced expenditures of \$303,600 in the year ended February 28, 2006 and recognized \$94,116 in future income tax recoveries (Note 5e). Each flow-through "Unit" consists of one common share of BCGold and one-half of one common share purchase warrant, each whole warrant being exercisable to purchase one common share of BCGold at a price of \$0.55, expiring September 15, 2007. These warrants were subsequently extended to November 17, 2007.

The warrants attached have been valued at \$174,063 (\$174,633 net of share issuance costs of \$570) based upon the average of the residual method and the Black Scholes Method (using the assumptions as follows):

Assumptions

Risk-free interest rate	4.19
Expected stock price volatility	100%
Expected dividend yield	0.00%
Expected life of warrants	1 year

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

5. Share Capital – Continued

b) Private Placements - Continued

Private Placement June 2006

On June 5, 2006, the Company closed an offering of 2,800,000 non-flow-through common shares at a price of \$0.10 per share for gross proceeds of \$280,000. The agent received 280,000 non-transferable compensation warrants exercisable to acquire 280,000 common shares of BCGold for a period of 24 months from the date of issuance at a price of \$0.10 per unit. The warrants attached have been valued at \$14,332 and charged to share issuance costs, based upon the average of the residual method and the Black Scholes Method (using the assumptions as follows):

Assumptions

Risk-free interest rate	4.01%
Expected stock price volatility	100%
Expected dividend yield	0.00%
Expected life of warrants	2 years

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

5. Share Capital - Continued

c) Share Purchase and Agents Warrants:

Details of outstanding warrants are as follows:

	Number of Warrants	Weighted Average Exercise Price
February 28, 2006	-	-
Issued	2,552,874	\$0.56
Exercised	(304,500)	\$0.13
February 28, 2007	2,248,374	\$0.62
Issued	4,965,422	\$0.88
Exercised	(245,500)	\$0.48
Expired without exercise	(1,852,874)	\$0.63
February 29, 2008 and May 31, 2008	5,115,422	\$0.90

At May 31, 2008, the following warrants were outstanding:

Expiry Date	Exercise Price	Number of Warrants	Warrant Valuation
April 2, 2009 <i>(Note 4c)</i>	\$0.75	225,000	\$ 76,663
September 14, 2008 <i>(Note 4d)</i>	\$0.58	50,000	16,944
February 23, 2009 <i>(Note 4a)</i>	\$0.75	150,000	37,727
March 15, 2009 <i>(Note 5b)</i>	\$1.00	3,062,922	564,413
October 15, 2009 <i>(Note 4a)</i>	\$0.81	100,000	29,968
November 1, 2009 <i>(Note 4b)</i>	\$0.76	250,000	79,763
December 28, 2009 <i>(Note 5b)</i>	\$0.75/\$1.00*	1,277,500	140,257
Weighted Average	\$0.90	5,115,422	\$ 945,735

* exercisable at \$0.75 to December 28, 2008 then \$1.00 to December 28, 2009

d) Stock Options

The Company has established a stock option plan (the "Plan") for directors, employees, and consultants of the Company. From time to time, shares may be reserved by the Board, in its discretion, for options under the Plan, provided that at the time of the grant, the total number of shares so reserved for issuance by the Board shall not exceed the greater of 10% of the issued and outstanding listed shares (on a non-diluted basis) as at the date of grant. No options shall be granted, without regulatory approval, entitling any single individual to purchase in excess of 5% of the then outstanding shares in the Company in any 12 month period and no more than 2% of the optioned shares may be issued to any one consultant in any 12 month period. If the option rights granted under the plan shall expire or terminate for any reason without having been exercised such optioned shares may be made available for other options to be granted under the plan. The shares so reserved by the Board under the Plan shall be authorized but unissued shares.

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

5. Share Capital – Continued

d) **Stock Options - Continued**

The options are non-transferable and will expire, if not exercised, immediately upon dismissal by the Company with cause or 90 days following the date the optionee otherwise ceases to be a director, officer, manager, consultant or employee of the corporation for reasons other than death, or one year after the death of an optionee. Pursuant to the policies of the TSX Venture Exchange ("TSXV"), options granted pursuant to the Plan in excess of 10% of the issued and outstanding common shares at the time of the grant must be subject to vesting.

	Number	Weighted Average Exercise Price
Outstanding February 28, 2006	-	-
Granted	820,000	\$0.23
Outstanding February 28, 2007	820,000	\$0.23
Granted	912,000	\$0.70
Outstanding February 29, 2008 and May 31, 2008	1,732,000	\$0.48

Fiscal year ended February 29, 2008 - Grants

On August 22, 2007, the Company granted 812,000 incentive stock options to directors and officers. The options are exercisable at \$0.70 per share and expire on August 22, 2012. The corresponding stock-based compensation amounts to \$253,942, which was estimated using the Black Scholes Option Pricing Model with the following assumptions:

Assumptions

Average risk-free interest rate	4.31%
Expected dividend yield	0%
Expected stock price volatility	89%
Average expected option life in years	5 years

On June 19, 2007, the Company granted 100,000 incentive stock options to directors and officers. The options are exercisable at \$0.70 per share and expire on June 19, 2012. The corresponding stock-based compensation amounts to \$31,274, which was estimated using the Black Scholes Option Pricing Model with the following assumptions:

Assumptions

Average risk-free interest rate	4.31%
Expected dividend yield	0%
Expected stock price volatility	89%
Average expected option life in years	5 years

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

5. Share Capital- Continued

d) **Stock Options - Continued**

Fiscal year ended February 28, 2007 - Grants

On September 15, 2006, the Company granted 300,000 incentive stock options to directors and officers. The options are exercisable at \$0.45 per share and expire on September 15, 2011. The corresponding stock based compensation amounts to \$102,854, which was estimated using the Black Scholes Option Pricing Model with the following assumptions used for the stock options granted September 15, 2006:

Assumptions

Average risk-free interest rate	4.01%
Expected dividend yield	0%
Expected stock price volatility	100%
Average expected option life in years	5 years

On June 5, 2006, the Company granted 520,000 incentive stock options to directors and officers. The options are exercisable at \$0.10 per share and expire on June 5, 2011. The corresponding stock-based compensation amounts to \$39,675, which was estimated using the Black Scholes Option Pricing Model with the following assumptions used for the stock options granted June 5, 2006:

Assumptions

Average risk-free interest rate	4.19%
Expected dividend yield	0%
Expected stock price volatility	100%
Average expected option life in years	5 years

The associated stock-based compensation expenses for options granted during the year are as follows:

Grant Date	No. of Options Granted	Total Expense	Amount of expense recognized or recognizable		
			2007	2008	2009
June 5, 2006	520,000	\$ 39,675	\$ 39,675	\$ -	\$ -
Sep.15, 2006	300,000	102,854	102,854	-	-
Jun.19, 2007	100,000	31,274	-	31,274	-
Aug.22, 2007	812,000	253,942	-	189,143	64,799
TOTAL	1,732,000	\$ 427,745	\$ 142,529	\$ 220,417	\$ 64,799

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

5. Share Capital - Continued

d) **Stock Options - Continued**

At May 31, 2008, the following options were outstanding:

Expiry Date	Weighted Average Exercise Price	Number of Options	Weighted Average Remaining in Years
June 5, 2011	\$0.10	520,000	3.01
September 15, 2011	\$0.45	300,000	3.29
June 19, 2012	\$0.70	100,000	4.05
September 19, 2012	\$0.70	812,000	4.23
	\$0.47	1,732,000	3.69

e) **Flow-Through Shares**

Fiscal Year Ended February 29, 2008

During the year ended February 29, 2008, the Company issued 2,555,000 flow-through common shares for total proceeds of \$1,277,500, which must be used for qualifying exploration expenditures and has been renounced to the flow-through shareholders effective December 31, 2007. The future income tax liability is estimated to be \$383,250 resulting from the renunciation of these qualifying expenditures and has been recorded in the first quarter of the 2009 fiscal year as the renunciation tax forms were filed after February 29, 2008. The unspent balance of this flow-through issuance at May 31, 2008 was \$925,016 and was included in the Company's cash and cash equivalents.

Fiscal Year Ended February 28, 2007

During the year ended February 28, 2007, the Company issued 2,186,999 flow-through common shares for gross proceeds of \$1,160,399 which must be used for qualifying exploration expenditures and have been renounced to the flow-through shareholders effective December 31, 2006. The future income tax liability was estimated to be \$359,724 resulting from the renunciation of these qualifying expenditures. A liability of \$94,116 was recorded in the 2007 fiscal year and the balance of \$265,608 in the 2008 fiscal year based upon the filing dates of the renunciation tax forms. These future income tax liabilities were then reduced by the recognition of previously unrecorded future income tax assets on unused tax losses and deductions and a future income tax recovery of \$265,608 (2007 - \$94,116) was recognized on the Statements of Loss and Deficit. There was no unspent balance of this flow-through issuance at May 31, 2008.

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

6. Contributed Surplus

Contributed surplus relates to the recognition of the estimated fair value of stock options and agents warrants as follows:

Balance - February 28, 2006	\$	-
Fair value of stock-based compensation on options issued <i>(Note 5d)</i>		142,529
<hr/>		
Balance - February 28, 2007		142,529
Fair value of share purchase warrants expired November 17, 2007		148,265
Fair value of share purchase warrants expired December 29, 2007		55,181
Fair value of stock-based compensation on options vested <i>(Note 5d)</i>		220,417
<hr/>		
Balance – February 29, 2008		566,392
Fair value of stock-based compensation on options vested <i>(Note 5d)</i>		64,799
<hr/>		
Balance – May 31, 2008	\$	631,191

7. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its resource properties and to maintain flexible capital structure for its projects for the benefit of its stakeholders.

In the management of capital, the Company includes the components of shareholders' equity as well as cash and cash equivalents, receivables and current liabilities.

The Company manages the capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

Management reviews the capital structure on a regular basis to ensure that the above-noted objectives are met.

BCGold Corp.
(An Exploration Stage Company)
Notes to Interim Financial Statements

May 31, 2008

(Unaudited – Prepared by Management)

Canadian Funds

8. Financial Instruments

a) Classification of Financial Instruments

The Company designated its cash and cash equivalents and short-term investments as held-for-trading, which are measured at fair value. GST and other receivables have been designated as loans and receivables, which are measured at amortized cost. 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.

b) Fair Value

The fair values of financial assets and liabilities that are included in the balance sheet approximate their carrying values as the financial assets and liabilities have a short-term to maturity.

c) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation and cause the other party to incur a financial loss. At the balance sheet date there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

d) Foreign Currency Exchange Risk

Foreign currency exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has minimal exposure to foreign exchange as presently the majority of its business is in Canadian dollars.

e) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's financial assets and liabilities are not exposed to significant interest rate risk due to either being short-term in nature or not bearing any interest.

The Company's bank accounts earn interest income at variable rates. The Company's future interest income is exposed to changes in short-term rates.

f) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company ensures that it has sufficient capital to meet short-term financial obligations when they become due. The Company prepares cash flow forecasts to ensure it has sufficient funds to fulfill its obligations.

BCGold Corp.
(An Exploration Stage Company)
Interim Schedule of Resource Property Costs

Schedule

(Unaudited – Prepared by Management)
Canadian Funds

	For the three months ended May 31, 2008 (Unaudited – Prepared by Management)			For the year ended February 29, 2008 (Audited)		
	Acquisition Costs	Deferred Exploration	Total	Acquisition Costs	Deferred Exploration	Total
Mineral Interests						
Carmacks, Copper Gold Project, Yukon						
Acquisition costs - cash	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 150,000
Acquisition costs – shares and warrants	-	-	-	145,968	-	145,968
Claims and staking	-	-	-	43,696	-	43,696
Analytical and sampling	-	2,734	2,734	-	181,602	181,602
Fieldwork	-	37,159	37,159	-	1,209,621	1,209,621
Recovery of resource property costs	-	(43,688)	(43,688)	-	-	-
Geological Consulting	-	14,315	14,315	-	97,266	97,266
	-	10,520	10,520	339,664	1,488,489	1,828,153
Engineer Mine, British Columbia						
Acquisition costs - cash	-	-	-	125,000	-	125,000
Acquisition costs – shares and warrants	-	-	-	227,263	-	227,263
Analytical and sampling	-	-	-	-	6,474	6,474
Geological Consulting	-	11,486	11,486	-	79,015	79,015
Fieldwork	-	47,222	47,222	-	190,880	190,880
	-	58,708	58,708	352,263	276,369	628,632
Todoggone, British Columbia						
Acquisition costs - cash	-	-	-	510	-	510
Acquisition costs – shares and warrants	-	-	-	499,663	-	499,663
Analytical and sampling	-	-	-	-	35,160	35,160
Fieldwork	-	-	-	-	1,054,117	1,054,117
Geological Consulting	-	8,244	8,244	-	150,105	150,105
	-	8,244	8,244	500,173	1,239,382	1,739,555
Voigtberg, British Columbia						
Acquisition costs – shares and warrants	-	-	-	86,944	-	86,944
Claims and staking	-	-	-	2,873	-	2,873
Airborne geophysics	-	-	-	-	40,320	40,320
Analytical and sampling	-	179	179	-	-	-
Fieldwork	-	-	-	-	342,730	342,730
Recovery of resource property costs	-	(5,100)	(5,100)	-	-	-
Geological Consulting	-	-	-	-	139,667	139,667
	-	(4,921)	(4,921)	89,817	522,717	612,534
Other Properties, British Columbia						
Acquisition costs - cash	382	-	382	-	-	-
Claims and Staking	-	-	-	33,310	-	33,310
	382	-	382	33,310	-	33,310
Generative						
Consulting	-	1,349	1,349	-	10,195	10,195
Fieldwork	-	6,325	6,325	-	2,425	2,425
	-	7,674	7,674	-	12,620	12,620
Resource Costs for the Period	382	80,225	80,607	1,315,227	3,539,577	4,854,804
Mineral Property Costs Written Off	-	(7,674)	(7,674)	-	(12,620)	(12,620)
Costs, Beginning of the Period	1,655,010	3,982,567	5,637,577	339,783	455,610	795,393
Balance, End of the Period	\$ 1,655,392	\$ 4,055,118	\$ 5,710,510	\$ 1,655,010	\$ 3,982,567	\$ 5,637,577