



**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MAY 31, 2012**

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

NOTICE TO READER

The attached condensed interim financial statements have been prepared by the management of BCGold Corp. and have not been reviewed by the auditors of BCGold Corp.

BCGold Corp.
Statements of Financial Position

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

ASSETS	As at May 31, 2012	(Audited) As at February 29, 2012
Current assets:		
Cash and cash equivalents <i>(Note 6e)</i>	\$ 675,670	\$ 959,998
Short-term investments	17,250	34,500
Marketable securities <i>(Note 3)</i>	62,500	99,000
Sales tax and other receivables	32,134	33,980
Prepaid expenses	29,885	12,318
	817,439	1,139,796
Non-current assets:		
Deposits	64,818	64,818
Property and equipment	34,873	37,086
Reclamation bonds <i>(Note 4)</i>	83,800	83,800
Exploration and evaluation assets <i>(Note 5)</i>	1,736,924	1,736,924
TOTAL ASSETS	\$ 2,737,854	\$ 3,062,424
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities <i>(Note 7a)</i>	\$ 86,853	\$ 64,661
TOTAL LIABILITIES	86,853	64,661
Equity:		
Share capital <i>(Note 6a)</i>	13,615,169	13,615,169
Share-based payments reserve	3,742,306	3,737,429
Accumulated other comprehensive loss	(216,250)	(184,250)
Deficit	(14,490,224)	(14,170,585)
TOTAL EQUITY	2,651,001	2,997,763
TOTAL LIABILITIES AND EQUITY	\$ 2,737,854	\$ 3,062,424

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

Commitments *(Notes 6e and 9)*

Subsequent Events *(Note 10)*

Approved by the Board of Directors:

“*Brian Fowler*” _____, Director

“*Guy Le Bel*” _____, Director

- See Accompanying Notes to the Condensed Interim Financial Statements -

BCGold Corp.
Statements of Loss and Comprehensive Loss

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

	For the three months ended May 31, 2012	For the three months ended May 31, 2011
Expenses:		
Corporate listing and filing fees	\$ 1,443	\$ 2,097
Depreciation	2,213	4,846
Exploration and evaluation expenses (Note 5)	174,373	64,511
Investor relations	2,881	13,522
Office expenses	16,158	23,706
Professional fees	318	3,741
Rent	13,016	11,331
Share-based compensation (Note 6c)	4,877	88,049
Travel	11,730	12,803
Wages and consulting fees	125,003	136,108
Loss from operations	(352,012)	(360,714)
Finance income:		
Interest and other income	421	285
Total finance income	421	285
Non-operating income:		
Gain on sale of marketable securities	31,952	-
Total non-operating income	31,952	-
Net loss for the period	(319,639)	(360,429)
Unrealized loss on marketable securities	(32,000)	(1,500)
Comprehensive loss for the period	\$ (351,639)	\$ (361,929)
Weighted average number of shares outstanding	98,702,729	82,599,803
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)

- See Accompanying Notes to the Condensed Interim Financial Statements -

BCGold Corp.
Statements of Cash Flows

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

	For the three months ended May 31, 2012	For the three months ended May 31, 2011
Operating Activities:		
Net loss for the period	\$ (319,639)	\$ (360,429)
Adjustment for items which do not involve cash:		
Depreciation	2,213	4,846
Gain on sale of marketable securities	(31,952)	-
Share-based compensation	4,877	88,049
	(344,501)	(267,534)
Changes in non-cash working capital components:		
Sales tax and other receivables	1,846	(4,182)
Prepaid expenses	(17,567)	(60,485)
Accounts payable and accrued liabilities	22,192	5,042
Cash used in operating activities	(338,030)	(327,159)
Investing Activities:		
Deposits	-	9,571
Short-term investments	17,250	200,000
Proceeds from sale of marketable securities	36,452	-
Purchase of property and equipment	-	(19,485)
Cash provided by investing activities	53,702	190,086
Net decrease in cash and cash equivalents	(284,328)	(137,073)
Cash and cash equivalents - beginning of the period	959,998	1,419,320
Cash and cash equivalents - end of the period	\$ 675,670	\$ 1,282,247
Cash and cash equivalents consist of the following:		
Cash	\$ 675,670	\$ 1,082,247
Guaranteed investment certificates	-	200,000
Total cash and cash equivalents	\$ 675,670	\$ 1,282,247

- See Accompanying Notes to the Condensed Interim Financial Statements -

BCGold Corp.
Statements of Changes in Equity

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

	SHARE CAPITAL		SHARE-BASED	ACCUMULATED	OTHER	DEFICIT	TOTAL
	SHARES	AMOUNT	PAYMENTS	COMPREHENSIVE	LOSS		EQUITY
			RESERVE				
Balance – March 1, 2011	82,599,803	\$ 12,043,029	\$ 3,243,346	\$ (168,250)	\$ (11,837,183)	\$	3,280,942
Share-based compensation	-	-	88,049	-	-		88,049
Unrealized loss on marketable securities	-	-	-	(1,500)	-		(1,500)
Net loss for the period	-	-	-	-	(360,429)		(360,429)
Balance – May 31, 2011	82,599,803	\$ 12,043,029	\$ 3,331,395	\$ (169,750)	\$ (12,197,612)	\$	3,007,062
Balance – March 1, 2012	98,702,729	\$ 13,615,169	\$ 3,737,429	\$ (184,250)	\$ (14,170,585)	\$	2,997,763
Share-based compensation	-	-	4,877	-	-		4,877
Unrealized loss on marketable securities	-	-	-	(32,000)	-		(32,000)
Net loss for the period	-	-	-	-	(319,639)		(319,639)
Balance – May 31, 2012	98,702,729	\$ 13,615,169	\$ 3,742,306	\$ (216,250)	\$ (14,490,224)	\$	2,651,001

- See Accompanying Notes to the Condensed Interim Financial Statements -

BCGold Corp.

Notes to the Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

1. Nature of Operations and Going Concern

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

BCGold Corp. is a publicly listed company incorporated under the Business Corporations Act of British Columbia on February 10, 2006 as 0748496 B.C. Ltd. On March 1, 2006, the Company changed its name to BCGold Corp. The Company is listed on the TSX Venture Exchange (“TSX.V”) under the symbol “BCG”. The head office, principal address and records office of the Company are located at Suite 520 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6. The Company’s registered address is 595 Howe Street, 10th Floor, Vancouver, British Columbia, Canada, V6C 2T5.

While these condensed interim financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future, there are events and conditions that cast significant doubt on the validity of that assumption. The Company has incurred losses since inception and has an accumulated deficit of \$14,490,224 at May 31, 2012. The Company will need to raise sufficient funds in order to finance ongoing exploration and administrative expenses. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company’s performance, the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets. If successful, the Company would obtain additional financing through, but not limited to, the issuance of additional equity.

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

2. Basis of Presentation

The Company prepares its financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”). These condensed interim financial statements follow the same accounting policies and methods of application as the Company’s most recent annual audited financial statements. Accordingly, they should be read in conjunction with the Company’s most recent annual audited financial statements. The policies applied in these condensed interim financial statements are based on IFRS issued and outstanding as of July 30, 2012, the date the Board of Directors approved the financial statements.

3. Marketable Securities

Marketable securities have been classified as available-for-sale investments consisting of various common shares held by the Company of other public companies and are summarized as follows:

	May 31, 2012		February 29, 2012	
	Market Value	Cost	Market Value	Cost
Common shares of public companies, not subject to significant influence	\$ 62,500	\$ 278,750	\$ 99,000	\$ 283,250

BCGold Corp.

Notes to the Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

4. Reclamation Bonds

As of May 31, 2012, the Company has invested a total \$83,800 (February 29, 2012 - \$83,800) into various GICs with a Canadian financial institution as part of various Safe-Keeping Agreements entered into by the Company for its various properties. These funds are being held to the order of the Ministry of Energy, Mines and Petroleum Resources. These GICs are yielding interest at rates ranging from 0.90% to 0.95%.

5. Exploration and Evaluation Assets

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

	Minto/Carmacks Copper-Gold Properties (Yukon)	Engineer (B.C.)	Gold Hill (B.C.)	Voigtberg (B.C.)	Other Properties (B.C. & Yukon)	Total
Balance - March 1, 2011	\$ 551,334	\$ 696,263	\$ 22,000	\$ 169,944	\$ 383	\$ 1,439,924
Acquisition costs - cash	-	10,000	25,000	-	47,000	82,000
Acquisition costs - shares and warrants	-	200,000	-	-	15,000	215,000
Balance – February 29, 2012 and May 31, 2012	\$ 551,334	\$ 906,263	\$ 47,000	\$ 169,944	\$ 62,383	\$ 1,736,924

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

	Minto/Carmacks Copper-Gold Properties (Yukon)	Engineer (B.C.)	Gold Hill (B.C.)	Voigtberg (B.C.) *	Other Properties (B.C. & Yukon)	Total
Balance - March 1, 2011	\$ 3,922,822	\$ 1,985,506	\$ -	\$ 875,035	\$ 1,167,843	\$ 7,951,206
Exploration and evaluation expenses (recovery) **	(90,872)	96,650	-	3,960	10,452	20,190
Balance – May 31, 2011	\$ 3,831,950	\$ 2,082,156	\$ -	\$ 878,995	\$ 1,178,295	\$ 7,971,396
Balance - March 1, 2012	\$ 3,872,870	\$ 2,864,323	\$ 213,985	\$ 880,062	\$ 1,201,481	\$ 9,032,721
Exploration and evaluation expenses	15,880	89,383	17,139	336	50,960	173,698
Balance – May 31, 2012	\$ 3,888,750	\$ 2,953,706	\$ 231,124	\$ 880,398	\$ 1,252,441	\$ 9,206,419

* As of May 31, 2012, the Company incurred \$1,017,234 in exploration and evaluation expenses on the Voigtberg property. This amount has been offset by \$136,836 in BC METC ("British Columbia Mining Exploration Tax Credit").

** As per the Statement of Loss and Comprehensive Loss, the Company incurred \$174,373 (May 31, 2011 – \$64,511) in exploration and evaluation expenses. Of this amount, \$173,698 (May 31, 2011 - \$20,190) was incurred as a result of exploration on the Company's respective properties as per the table above and \$675 (May 31, 2011 - \$44,321) was incurred as a result of general exploration.

a) Engineer Mine Property, B.C.

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

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

BCGold Corp.

Notes to the Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

5. Exploration and Evaluation Assets – *Continued*

a) Engineer Mine Property, B.C. – *Continued*

- Issuing an aggregate of 250,000 common shares (*issued – fair value of \$147,500*) and 250,000 warrants (*issued – fair value of \$79,763 – expired*);
- Making a rental payment of \$30,000 on January 16, 2010 (*paid*) and thereafter annual rental payments of \$10,000 per year (*2011 and 2012 payment made*) when the mine property is not in production and \$50,000 per year when the mine property is in production. Such rent payments shall cease upon the Company earning a 100% interest in the property or purchasing the surface rights;
- Issuing 1,200,000 common shares of which 400,000 shares will be issued upon approval from the TSX-V (*issued – fair value of \$24,000*) and 400,000 shares will be released every six months thereafter (*second tranche issued – fair value of \$48,000; third tranche issued – fair value of \$52,000*);
- Granting a 30% net proceeds interest from the sale of gold from the Double Decker Vein; and
- Either evaluating and completing an underground de-watering program or evaluating and carrying out a drilling program (*completed drill program*).

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

- An additional 11% interest (*earned*) by issuing \$150,000 of value in shares and 75,000 warrants by January 16, 2011 (*issued 1,200,000 shares – fair value of \$150,000 for the shares and \$7,108 for the warrants*);
- An additional 15% interest (*earned*) by paying \$200,000 or issuing \$200,000 of value in shares and 100,000 warrants by January 16, 2012 (*issued 2,105,263 shares – fair value of \$194,875 for the shares and \$5,125 for the warrants*); and
- An additional 25% interest by paying \$400,000 or issuing \$400,000 of value in shares and 100,000 warrants by January 16, 2013.

The Company currently holds a 75% interest and since earning the 49% interest, the Company may now purchase the remaining interest in the surface rights at fair value subject to a maximum of \$500,000 on the earlier of January 17, 2017 or the date the Company has ceased mining work, as defined in the agreements.

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

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

b) Gold Hill Property, B.C.

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

BCGold Corp.

Notes to the Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

5. Exploration and Evaluation Assets – *Continued*

b) Gold Hill Property, B.C. – *Continued*

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

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

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

c) Minto/Carmacks Copper-Gold Properties, Yukon

On November 1, 2006, the Company entered into an option agreement with a third party and has acquired a 100% interest in several mineral properties in the vicinity of the Minto/Carmacks Copper-Gold Belt by making \$300,000 in cash payments, incurring \$900,000 in exploration expenditures and issuing 1,000,000 units between April 2007 and October 2010.

The 1,000,000 units noted above consist of one common share of BCGold and one-half of one common share purchase warrant. Each whole 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 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% and subject to a floor price of not less than \$0.50. For each scheduled share purchase warrant issuance, half of the warrants will be subject to a 4 month hold period with the other half subject to a 12 month hold period. As at May 31, 2012, 450,000 warrants out of the 500,000 warrants issued have expired without exercise.

An NSR of 1.75% applies to the mineral properties of which 1.25% can be purchased by the Company for \$1,500,000.

Toe Property

In March 2012, the Company entered into a letter agreement with Pacific-Link Capital Inc. (“Pacific-Link”) whereby Pacific-Link can earn up to a 70% interest in the Company’s 100% controlled Toe Property in the Yukon.

Pacific-Link can earn a 60% interest in the Toe Property over a four year period by making \$255,000 in cash payments, incurring \$1,900,000 in exploration expenditures and issuing 400,000 common shares of Pacific-Link to the Company. Pacific-Link can earn an additional 10% interest in the Toe Property by completing a feasibility study.

The Toe Property is subject to a 2.5% NSR held by the Company and a third party.

BCGold Corp.

Notes to the Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

5. Exploration and Evaluation Assets – *Continued*

c) Minto/Carmacks Copper-Gold Properties, Yukon – *Continued*

This transaction is subject to regulatory approval and to a definitive agreement being entered into by Pacific-Link and BCGold.

6. Equity

a) Share Capital

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

b) Share Purchase and Agents Warrants

Details of outstanding warrants are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance – March 1, 2011	18,018,619	\$0.21
Issued	7,047,831	\$0.27
Expired	(11,523,100)	\$0.16
Balance – February 29, 2012 and May 31, 2012	13,543,350	\$0.29

At May 31, 2012, the following warrants are outstanding:

Expiry Date	Exercise Price	Number of Warrants	Warrant Valuation
July 5, 2012 *	\$0.50	50,000	\$ 4,858
August 19, 2012	\$0.30	3,897,500	223,998
August 31, 2012	\$0.20	1,342,000	33,645
August 31, 2012	\$0.30	5,038,831	85,815
September 28, 2012	\$0.20	250,000	4,579
September 28, 2012	\$0.30	317,000	3,843
October 28, 2012	\$0.30	2,473,019	157,650
January 16, 2013	\$0.14	75,000	7,108
January 12, 2014	\$0.12	100,000	5,125
Weighted Average	\$0.29	13,543,350	\$ 526,621

* *Expired without exercise subsequent to the three months ended May 31, 2012.*

The above noted fair value of \$526,621 is included in share-based payments reserve in the Company's Statement of Financial Position at May 31, 2012.

c) 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

BCGold Corp.

Notes to the Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

6. Equity – Continued

c) Stock Options – Continued

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 individual 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.

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 Company for reasons other than death. In the case of death, the expiry becomes one year after the death of an optionee. Pursuant to the policies of the TSX Venture Exchange, 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.

Fiscal year ended February 29, 2012 - Grants

On October 28, 2011, the Company granted 2,000,000 incentive stock options to certain directors, officers, employees and consultants. The options are exercisable at \$0.10 per share and expire on October 28, 2016. Of these options, 1,770,000 vested immediately and 230,000 are subject to vesting criteria such that 25% shall vest every three months from the date of grant. The corresponding share-based compensation expense amounted to \$188,434, which was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

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

Of the \$188,434 in share-based compensation expense, \$180,199 was recognized during the fiscal year ended February 29, 2012, \$4,877 has been recognized during the three months ended May 31, 2012 and the remaining \$3,358 will be recognized during the remaining nine months of the fiscal year ended February 28, 2013. The weighted average fair value of these options was \$0.09.

Fiscal year ended February 28, 2011 - Grants

On January 11, 2011, the Company granted 1,960,000 incentive stock options to certain directors, officers, employees and consultants. The options are exercisable at \$0.15 per share and expire on January 11, 2016. These options are subject to vesting criteria such that 25% shall vest every three months from the date of grant. The corresponding share-based compensation expense amounted to \$231,668, which was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

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

BCGold Corp.

Notes to the Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

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6. Equity – Continued

c) Stock Options – Continued

Of the \$231,668 in share-based compensation expense, \$65,824 was recognized during the fiscal year ended February 28, 2011, \$88,049 was recognized during the three months ended May 31, 2011 and the remaining \$77,795 was recognized during the remaining nine months of the fiscal year ended February 29, 2012. The weighted average fair value of these options was \$0.12.

At May 31, 2012, the following options were outstanding and exercisable:

Expiry Date	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining in Years	Number of Options Exercisable
June 19, 2012*	\$0.70	100,000	0.05	100,000
August 22, 2012	\$0.70	446,000	0.23	446,000
October 24, 2013	\$0.20	730,000	1.40	730,000
January 11, 2015	\$0.10	1,310,000	2.62	1,310,000
January 11, 2016	\$0.15	1,960,000	3.62	1,960,000
October 28, 2016	\$0.10	1,960,000	4.41	1,845,000
	\$0.18	6,506,000	3.12	6,391,000

* Expired without exercise subsequent to the three months ended May 31, 2012

During the three months ended May 31, 2012, 25,000 incentive stock options with an exercise price of \$0.20 and 375,000 incentive stock options with an exercise price of \$0.10 were forfeited.

d) Broker's Options and Warrants

As at May 31, 2012, there are 333,333 broker's options outstanding, with an exercise price of \$0.12. Upon the exercise of these broker's options, the holders are entitled to one common share of the Company and one half of one common share purchase warrant, each whole warrant entitling the holders to purchase one additional common share of the Company at an exercise price of \$0.30. These broker's options were granted in connection with the August 2011 private placement. The fair value of these broker's options of \$15,033 was recorded as share issuance costs with the offsetting entry being recorded in share-based payments reserve.

e) Flow-Through Shares

Fiscal Year Ended February 29, 2012

During the fiscal year ended February 29, 2012, the Company issued 10,687,663 flow-through common shares for total proceeds of \$1,281,451. These funds must be used for qualifying exploration expenditures and have been renounced to the flow-through shareholders effective December 31, 2011. The unspent balance of these flow-through issuances as at May 31, 2012 was \$667,765 which must be spent by December 31, 2012. The remaining \$7,905 of the Company's cash and cash equivalents balance of \$675,670 at May 31, 2012 is to be used for corporate and administrative expenses.

Fiscal Year Ended February 28, 2011

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

BCGold Corp.

Notes to the Condensed Interim Financial Statements

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7. Related Party Transactions

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

a) Trading Transactions

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

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

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

	Note	May 31, 2012	May 31, 2011
Management fees	(i)	\$ 101,250	\$ 101,250
Total Management Fees	(ii)	\$ 101,250	\$ 101,250

(i) During the three months ended May 31, 2012, the Company paid \$43,750 (May 31, 2011 - \$43,750) to its President and Chief Executive Officer for consulting services. The Company paid fees to a private company controlled by its Vice President of Exploration for consulting services. The total amount paid during the three months ended May 31, 2012 was \$42,500 (May 31, 2011 - \$42,500). The Company also paid fees to a private company controlled by its Chief Financial Officer for consulting services. The total amount paid during the three months ended May 31, 2012 was \$15,000 (May 31, 2011 - \$15,000).

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

Included in accounts payable and accrued liabilities at May 31, 2012 is \$15,975 (February 29, 2012 - \$17,279) owing to the Company's Vice President of Exploration.

b) Compensation of Key Management Personnel

The remuneration of directors and other members of key management personnel during the three months ended May 31, 2012 and May 31, 2011 were as follows:

	Note	May 31, 2012	May 31, 2011
Management fees	(i)	\$ 101,250	\$ 101,250
Share-based compensation	(ii)	-	60,638
		\$ 101,250	\$ 161,888

BCGold Corp.

Notes to the Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Funds Unless Noted Otherwise)

7. Related Party Transactions – *Continued*

b) Compensation of Key Management Personnel – *Continued*

- (i) Management fees include the fees disclosed in Note 7(a) above. The Company did not pay any director's fees during the three months ended May 31, 2012 and 2011.
- (ii) Share-based compensation is the fair value of options granted and vested to key management personnel.

Key management personnel were not paid post-employment benefits, termination benefits or other long-term benefits during the three months ended May 31, 2012 and 2011.

8. Segmented Information

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

9. Commitments

Effective May 1, 2011, the Company entered into a lease agreement for office space at approximately \$11,500 per month (\$138,000 annually). The Company concurrently subleases a portion of the office space to three other companies resulting in a net rental cost of approximately \$4,000 per month (\$48,000 annually). Two of the three other companies have the right to terminate their sublease agreements with six months written notice and the one other company has the right to terminate its sublease agreement with twelve months written notice. The Company has the right to assign the lease to two of the three other companies at the Company's then cost for the office space. The lease has an expiry date of April 30, 2016.

10. Subsequent Events

- a) On June 20, 2012, the Company received \$107,648 from the sale of gold concentrate which was derived from the Company's bulk sampling program at the Engineer Mine property in the 2011 calendar year.
 - b) All other subsequent events have been disclosed elsewhere in the body of the notes to these condensed interim financial statements, in particular, notes 6b and 6c.
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