

**Interim Management Discussion and Analysis  
For  
BCGold Corp. (“BCGold” or the “Company”)**

Containing information up to and including July 30, 2008

**Note to Reader**

Readers of the following management discussion and analysis should refer to the Company's audited financial statements for the year ended February 29, 2008 and the related Annual Management Discussion and Analysis (“Annual MD&A”) dated June 12, 2008. The following discussion (the “Interim MD&A”) is an update to the Company's Annual MD&A.

This interim MD&A should be read in conjunction with the Company's unaudited financial statements for the three months ended May 31, 2008 together with the notes thereto. The interim financial statements for the three months ended May 31, 2008 have been prepared by management in accordance with Canadian generally accepted accounting principles and all monetary values are expressed in Canadian Dollars.

**Forward-Looking Information**

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, objects 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**

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 completed its Qualifying Transaction on September 15, 2006.

BCGold is an exploration stage enterprise focusing on the acquisition, exploration and development of gold and other precious and base metal properties. Its shares trade under the symbol BCG on the TSX Venture Exchange (“TSXV”).

Highlights of the Company's activities during the three months ended May 31, 2008:

***Financing and Corporate***

- 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 was 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.

### **Property Agreements**

- On March 27, 2008, BCGold announced an amendment to its Toodoggone Option and Joint Venture Agreement entered into with Stealth Minerals Ltd. (“Stealth”) on September 15, 2006. The amendment was subject to TSXV approval and comprised of the following components:
  - the extension of the expiry dates of the 225,000 common share purchase warrants issued by the Company to Stealth on April 2, 2007, each warrant originally exercisable for one common share until April 2, 2008 at a price of \$0.75 per share, by one year to April 2, 2009; and
  - the extension by one year of the dates by which the Company must fulfill certain option terms in order to acquire interests in Stealth’s Sickle-Sofia, FogMess and Louis properties, originally requiring the Company to spend \$1 million on each property over a three year period to earn a 51% interest and \$2 million on each property over a four year period to earn a 60% interest.

### **Exploration**

- *Carmacks Copper-Gold Project, Central Yukon*

The Company received diamond drill hole results from drill hole ICE 07-07, which was drilled in late summer, 2007, targeting the WS Central Area copper MMI anomaly. Two near-surface “Carmacks-style” copper oxide mineralized intervals were intersected averaging 0.67% copper over 1 metre and 0.24% copper over 5.2 metres. The Company also received Induced Polarization (I.P.) geophysical results and interpretations from a 16 line-kilometre survey conducted on the WS and ICE properties.

- *Engineer Mine Property, Atlin, British Columbia*

The Company continued to compile historic mine and property-scale geological data and develop the Engineer Mine Property digital database. A 3-dimensional model has been developed in VULCAN™ using in-house expertise. This model was used both to compile an inferred geological resource as well as narrow targets for further exploration.

In May 2008, BCGold announced its intentions to conduct a \$1.2 million surface and underground exploration program on the Engineer Mine Property. The staged work program commenced in mid-June 2008 and consists of an initial 1,700 metre phase of diamond drilling, targeting the near-surface Shear Zone “A” bulk tonnage gold target. Phase I exploration will also include limited underground rehabilitation, geological mapping on both surface and underground, as well as channel and limited bulk sampling on Engineer Mine Property’s high-grade gold Engineer, Shaft and Boulder veins. Proposed Phase II work, contingent on Phase I results will entail additional diamond drilling, dewatering of the bottom 3 levels of the Engineer Mine, rehabilitation and additional mapping and sampling.

- *Toodoggone Region, Northwestern British Columbia*

The Company’s consultants continued to compile 2007 exploration results and prepare a report with recommendations.

**Subsequent to the quarter ended May 31, 2008:**

Carmacks Copper-Gold Project, Central Yukon

- In June 2008, BCGold commenced field work on the Carmacks Copper-Gold Properties, strategically located near Sherwood Copper Corp.'s Minto Mine and Western Copper Corp.'s Carmacks copper-gold deposits in central Yukon.
- Aurora Geosciences Ltd. has been contracted to conduct I.P. surveys on BCGold's Carmacks Copper-Gold Properties. Mira Geoscience Ltd. is currently performing magnetic inversions to facilitate target definition with data from BCGold's airborne-magnetic and radiometric survey conducted over its Minto and Carmacks blocks in 2007. Kluane Drilling Ltd. has been commissioned to conduct the upcoming diamond drill program.
- The initial phase (Phase I) of exploration will include mapping, sampling and prospecting in addition to 77 line kilometres of induced polarization (I.P.) surveys on 6 properties and 91 line kilometres of Mobile Metal Ion™ (MMI) surveys on 9 properties. The second phase (Phase II) of exploration will be a diamond drill program scheduled to commence in late August, 2008.
- Phase I work in BCGold's Carmacks block is expected to further delineate extensions of Western Copper Corp.'s Carmacks deposit trend, which was demonstrated (by MMI and I.P. surveys performed by BCGold in 2007), to extend onto BCGold's adjoining Copper and WS properties. In the northern Minto block, the Company will conduct additional MMI survey work and carry out 29 kilometres of gradient-array I.P. surveys on 3 properties, over 4 broad MMI copper anomalies defined by BCGold in 2007.

Engineer Mine, Atlin, British Columbia

- In July 2008, BCGold commenced Phase I exploration on the Company's historic Engineer Mine Property situated near Atlin, British Columbia. Kluane Drilling Ltd. has been commissioned to conduct a 7 hole 1,700 metre diamond drill program primarily targeting the Shear Zone "A" bulk-tonnage gold target.
- Phase I exploration will include limited underground rehabilitation, geological mapping on both surface and underground, as well as channel and limited bulk sampling on Engineer Mine Property's high-grade gold Engineer, Shaft and Boulder veins. Proposed Phase II work, contingent on Phase I results will entail additional diamond drilling, dewatering of the bottom 3 levels of the Engineer mine, rehabilitation and additional mapping and sampling.

Sickle-Sofia (Toodoggone), British Columbia

- The Company received the 2007 Sickle-Sofia exploration report from G.N. Lustig Consulting Ltd. on June 9, 2008. A ten-hole diamond drill program has been recommended focusing on the "fringe" zone of the chargeability highs, the area within and adjacent to the deep magnetic susceptibility lows and the areas of elevated soil gold and copper geochemistry. The Company has signed 3 confidentiality agreements with major mining companies in anticipation of acquiring a suitable joint venture partner to advance the property.

The Company is an exploration stage company and engages principally in the acquisition, exploration and development of resource properties. The Company capitalizes all acquisition and exploration costs until the property to which such costs are related is placed into production, sold, or abandoned. The decision to abandon a property is largely determined by exploration results, and the amount and timing of the Company's write-offs of capitalized resource property costs will vary in a fiscal period from one year to the next and typically cannot be predicted in advance.

During the three month period ended May 31, 2008, a total of \$80,607 of resource property costs were capitalized and \$7,674 of resource property costs were written-off.

## Results of Operations

As BCGold is in the exploration phase and its current properties are in the early stages of exploration, none of the Company's current properties are in production. Therefore, mineral exploration expenditures are capitalized and losses are incurred as a result of administrative expenses relating to the operation of the Company's business. Consequently, the Company's net income 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 new exploration and promotional initiatives. 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.

### Three Months Ended May 31, 2008

Net income for the three months ended May 31, 2008 was \$76,374 or \$0.00 per share, after a non-cash future income tax recovery of \$383,250 as compared to the net income for the three months ended May 31, 2007 of \$10,357 or \$0.00 per share, after a non-cash future income tax recovery of \$265,608. The loss before other income (expenses) and future income taxes for the three months ended May 31, 2008 was \$310,615 as compared to a loss \$289,853 for the three months ended May 31, 2007.

Operating expenses for the three months ended May 31, 2008 totalled \$310,615 (2007 - \$289,853) an increase of \$20,762. The increase in operating expenses was mainly a result of the Company maintaining the infrastructure necessary to operate as an exploration company on the TSXV. Significant operating expenditures are as follows:

- Wages and consulting fees of \$148,634 (2007 - \$138,543) resulting from payments to the Company's senior officers for time spent on the Company's operating activities, and other non-property related consulting services.
- Professional fees of \$14,750 (2007 - \$36,947) for the ongoing legal and accounting fees incurred in the day-to-day operations of the Company.
- Investor relations fees \$27,842 (2007 - \$16,561) resulting from fees for the Company's increased investor relations activities to expand its profile through attendance at various trade and investor relations shows during the period, as well as the Company's use of investor relations consultants during the period.
- Office and administration expenses of \$13,727 (2007 - \$30,492). Office and administration expenses have decreased as the Company has not incurred any significant costs related to

computer repairs, office supplies and telephone and has not provided for any uncollectible amounts during the period.

Other operating costs, excluding stock-based compensation and amortization during the period ended May 31, 2008 totalled \$30,326 (2007 - \$65,097) representing 10% (2007 – 22%) of total operating expenses including conference and meetings, corporate listing and filing fees, rent and transfer agency fees.

### **Selected Annual Financial Information**

Selected audited financial data for annual operations of BCGold for the years ended February 29, 2008, February 28, 2007 and the period ended February 28, 2006:

<b>Year ended</b>	<b>February 29, 2008</b>	<b>February 28, 2007</b>	<b>February 28, 2006</b>
Current assets	\$ 1,600,010	\$ 2,313,903	\$ 135,840
Resource properties	\$ 5,637,577	\$ 795,393	Nil
Property and equipment	\$ 63,945	\$ 15,781	Nil
<b>Total Assets</b>	<b>\$ 7,301,532</b>	<b>\$ 3,125,077</b>	<b>\$ 135,840</b>
Current liabilities	\$ 177,026	\$ 1,065,664	Nil
Total revenue	Nil	Nil	Nil
Net loss	\$ (959,633)	\$ (494,021)	\$ (14,160)
Basic loss per share	\$ (0.05)	\$ (0.07)	\$ (0.01)
Weighted Avg. shares	17,738,025	6,687,374	1,285,715

### **Summary of Quarterly Results**

The following table summarizes selected financial data reported by the Company for the quarter ended May 31, 2008 and the previous seven quarters in Canadian dollars.

	<b>May 31, 2008</b>	<b>Feb. 29, 2008</b>	<b>Nov. 30, 2007</b>	<b>Aug. 31, 2007</b>	<b>May 31, 2007</b>	<b>Feb. 28, 2007</b>	<b>Nov. 30, 2006</b>	<b>Aug. 31, 2006</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current assets	2,210,520	1,600,010	1,301,536	3,482,991	4,781,386	2,313,903	705,787	677,096
Resource properties	5,710,510	5,637,577	4,946,127	2,853,484	1,527,343	795,393	437,193	10,455
Current liabilities	150,071	177,026	275,731	534,695	193,503	1,065,664	31,462	Nil
Loss from operations	(310,615)	(334,797)	(313,004)	(356,144)	(289,853)	(211,144)	(255,410)	(76,662)
Write-off of mineral interest	(7,674)	(2,425)	Nil	(5,695)	(4,500)	Nil	(991)	(6,964)
Net income (loss)	76,374	(329,459)	(295,482)	(345,049)	10,357	(48,622)	(323,003)	(80,335)
Basic income (loss) per share	0.00	(0.02)	(0.02)	(0.02)	0.00	(0.00)	(0.04)	(0.01)
Weighted Avg. Shares	18,504,723	17,738,025	17,667,727	17,268,720	16,218,987	6,687,374	8,253,283	5,738,043

## Liquidity and Capital Resources

The Company is in the exploration stage and therefore has no regular cash inflows. At May 31, 2008, the Company had working capital of \$2,060,449 (February 29, 2008 - \$1,422,984).

### Three Months Ended May 31, 2008

Cash and cash equivalents increased by \$481,402 during the three months ended May 31, 2008 from \$1,234,966 to \$1,716,368.

Cash used in operating activities during the three months ended May 31, 2008 was \$223,866 (2007 - \$248,538) before any changes in non-cash working capital. After adjusting for cash flows applied to non-cash working capital, cash used in operating activities was \$398,679 for 2008 (2007 - \$400,787).

Cash used for investing activities during the three months ended May 31, 2008 was \$106,919 (2007 - \$719,275). The investing activities were as follows: investment in marketable securities of \$Nil (2007 - \$199,500), decrease in short-term investments \$6,250 (2007 - \$Nil), acquisition and exploration of resource properties of \$80,607 (2007 - \$490,501), repayment of due to related parties of \$Nil (2007 - \$13,577) and an increase in property and equipment of \$32,562 (2007 - \$15,697).

During the three months ended May 31, 2008, the Company's cash flows from financing activities, being proceeds from share and warrant issuances and receipt of funds for future share issuances totalled \$987,000 (2007 - \$3,152,579).

At May 31, 2008 the Company's investment in resource properties aggregated \$5,710,510 (February 29, 2008 - \$5,637,577) and equipment, net of amortization, totalled \$85,970 (February 29, 2008 - \$63,945).

At May 31, 2008 share capital of \$7,825,193 comprised of 23,576,590 issued and outstanding common shares (February 29, 2008 - \$7,221,443, comprised of 20,576,590 issued and outstanding common shares). Contributed Surplus, which arises from the recognition of the estimated fair value of stock options was \$631,191 (February 29, 2008 - \$566,392) and share purchase warrants totalled \$945,735 (February 29, 2008 - \$945,735).

As a result of net income for the period of \$76,374, the deficit at May 31, 2008 decreased to \$1,391,440 from \$1,467,814 at February 29, 2008. Accordingly, shareholders equity was \$7,856,929 as compared to \$7,124,506 at February 29, 2008.

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. See "Risks and Uncertainties".

The Company currently has sufficient financial resources to meet its administrative overhead and property commitments for at least the next twelve months and is confident that it can raise additional funds to undertake its planned exploration activities.

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.

### Exploration Update

Cumulative Spending to May 31, 2008 was 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
Toodoggone, 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

### Carmacks Copper-Gold Properties, Yukon

On November 1<sup>st</sup>, 2006 the Company entered into an option agreement with a third party (the "Vendor") to acquire up to a 100% interest in 17 mineral properties in the vicinity of the Sherwood Copper Corp.'s Minto Mine and Western Copper Corp.'s Carmacks (Williams Creek) copper gold deposits in central Yukon. This interest can be earned in return for the issuance of 1,000,000 BCGold common shares and 500,000 BCGold warrants, \$300,000 in cash payments and \$900,000 in work commitments over a 4 year period. A Net Smelter Royalty ("NSR") of 1.75% will be retained by the Vendor, of which all but 0.5% may be repurchased by the Company for \$1,500,000.

BCGold conducted a \$1.5 million exploration program in 2007 on the Carmacks Copper-Gold Properties. Exploration work included a 3,295 kilometre airborne magnetic and radiometric survey, 7 property-scale MMI surveys (> 4,500 samples), geological mapping, prospecting, trenching, reconnaissance induced polarization (I.P.) surveys and diamond drilling of 7 holes in 1,360 metres. The Company discovered 4 significant "Carmacks-style" copper-gold mineralized zones on the ICE and WS properties, and identified a number of additional geophysical and copper geochemical targets as a result of this work.

The largest MMI survey was conducted immediately south of Western Copper Corp.'s Carmacks property and defines copper-in-soil anomalies approximately 1 kilometre wide that can be traced southeastward for approximately 4 kilometres. The southern terminus of the most northern anomaly appears to be a narrow, north-trending magnetic low, possibly representing a fault structure that appears to juxtapose the corridor northward for approximately 1.5 kilometres. East of this north-trending linear break the anomalous WS copper anomaly trend can be traced for another 3 kilometres to the end of the Company's survey coverage area and remains open.

In late August 2007, the Company completed a 7 hole, 1,360 metre diamond drill program targeting the ICE Zone and the WS Central Area MMI copper anomaly.

Significant results are tabulated below:

BCGold Corp. – 2007 ICE Zone Diamond Drill Hole Results

Hole	From (m)	To (m)	Length (m)	Copper (%)	Orientation (dip/Az.)
ICE 07-02	3.25	7.94	4.69	0.46	-65°/210°
	109.83	111.48	1.65	0.21	
ICE 07-04	2.78	8.25	5.47	0.39	-75°/240°
	103.82	104.47	0.65	0.26	

BCGold Corp. – 2007 WS Central Area Diamond Drill Hole Results

Hole	From (m)	To (m)	Length (m)	Copper (%)	Orientation (dip/Az.)
ICE 07-07	51.75	52.75	1.00	0.67	-65°/210°
	104.00	111.8	5.20	0.24	

In Q3 of 2007, the Company conducted a 16 line-kilometre I.P. test survey over segments of the North, Central and South Area WS Copper MMI anomalies. A number of I.P. anomalies were partially defined. Results are currently being interpreted in conjunction with MMI results from a broad survey conducted on the WS property in 2007. A number of drill targets have been developed from this work.

BCGold plans to follow-up 2007 exploration results with a comprehensive program of additional I.P. MMI surveys and diamond drilling over a number of the Carmacks Copper-Gold Properties in 2008.

**Engineer Mine Property, British Columbia**

BCGold has the option to earn a 100% interest (with no underlying royalties) in the historic high-grade gold Engineer Mine Property, situated 32 kilometres west of Atlin, British Columbia by making cash payments of up to \$1,000,000 (or \$250,000 in cash, \$125,000 of which has already been paid and the cash equivalent of \$750,000 in BCGold common shares) and issuing 375,000 BCGold common shares and 600,000 BCGold warrants (of which 250,000 common shares and 250,000 warrants have already been issued) over a 5 year period.

In 2007, BCGold completed a \$250,000 exploration program on the Engineer Mine Property. This work program included an environmental scoping study by Golder Associates Ltd., which found no “fatal” environmental flaws.

The 2007 work program also encompassed a comprehensive geological overview, rock sampling, re-logging of select drill core, limited dewatering and underground rehabilitation and underground mapping and sampling of the 5 Level workings. The exploration program was conducted to confirm historic sampling grades and geological interpretations at Engineer Mine and to provide the basis for development of geological and alteration models to be used for exploration targeting

and resource estimation purposes. The Company is in receipt of a technical report documenting the 2007 work program with recommendations for a \$2 million surface and underground exploration program at the Engineer Mine Property.

During the winter months of 2007, BCGold compiled all available historic mine data and developed a 3-dimensional model of the Engineer Mine using VULCAN™ software and in-house technical expertise. This model was used for exploration planning purposes and to facilitate the design of a proposed diamond drill program scheduled to commence in June, 2008.

In February 2008, the Company received results from the Shaft Vein at the Company's historic Engineer Mine Property. A select grab sample taken from a narrow vein exposed in the drift back on the 5th Level assayed 860 g/t gold (25.08 oz/ton) and 1,774 g/t silver (51.74 oz/ton). This sample, retrieved from more than 85 metres below any previous development on the Shaft Vein, demonstrates that the Shaft Vein hosts bonanza-grade gold and silver at depth.

While the exploration potential for more high-grade gold and silver in veins at the Engineer Mine Property is excellent (see BCGold press release, February 27, 2008), BCGold will focus exploration efforts towards defining larger bulk-tonnage gold deposit (2 – 5Mt @ 5 – 10 g/t Au) on Shear Zone "A". This potential quantity is conceptual in nature. There has been insufficient exploration to define a mineral resource on Shear Zone "A" and it is uncertain that further exploration will result in this target being delineated as a mineral resource.

The basis for this potential quantity is predicated upon historical reference to a series of chip samples from a Shear Zone "A" taken from a 45 metre crosscut on the 8<sup>th</sup> Level, the deepest mine level, that averaged 5.1 g/t gold. The sampling was conducted in the early 1930s and was never followed up. At that time the prevailing gold price was \$21 per ounce and bulk tonnage mineralization of such a gold grade was not economic to mine. In the present gold price climate however, such width and gold grade is suggestive of the presence of a potentially economic gold resource.

In May 2008, BCGold announced that a \$1.2 million surface and underground exploration program would commence in mid-June on the Engineer Mine Property. The staged work program, which commenced mid-June 2008, encompasses an initial 1,700 metre phase of diamond drilling, targeting the near-surface Shear Zone "A" bulk tonnage gold target. Phase I exploration will also include underground geological mapping and channel sampling and limited bulk sampling on Engineer Mine's high-grade gold Engineer, Shaft and Boulder veins. Proposed Phase II work will entail additional diamond drilling, dewatering of the bottom 3 levels of the mine, rehabilitation and additional mapping and sampling.

### **Toodoggone Properties, British Columbia**

On March 28, 2007 the Company selected three properties from the portfolio of 11 Toodoggone properties being reviewed under its agreement with Stealth Minerals Ltd. ("Stealth"). This agreement was signed September 15, 2006 and amended on March 25, 2008. The Company purchased 2,500,000 Stealth common shares at a price of \$0.20 per share and issued Stealth 150,000 BCGold common shares and 75,000 BCGold common share purchase warrants, exercisable at a price of \$0.75, expiring April 2, 2009, as per the terms of the agreement in its current form. These payments made by the Company to Stealth were made in consideration for the right to elect for option 3 of Stealth's 11 properties in the Toodoggone district in northern British Columbia. The 3 properties elected were the Sickie-Sofia, FogMess and Louis properties.

To acquire a 51% interest (the "1<sup>st</sup> Option" ) in each property, BCGold must incur expenditures of at least \$1 million on each elected property on or before March 31<sup>st</sup>, 2011 and issue Stealth 150,000 BCGold units (one BCGold common share and one half of a BCGold common share purchase warrant, each whole share purchase warrant being exercisable to purchase one common share of BCGold for a period of 1 year following the date of issuance of such units at a

price per common share equal to 125% of the weighted average closing price of the common shares of BCGold for the 20 consecutive trading days immediately prior to the date of issuance of the units) within 10 business days of the Election Date (March 28, 2008).

To acquire a 60% interest (the "2<sup>nd</sup> Option") in each property, BCGold must provide written notice of intent to proceed with the 2<sup>nd</sup> Option 90 days following the exercise of the 1<sup>st</sup> Option (this notification was provided to Stealth Minerals on May 28, 2008 for the Sickie-Sofia property) and spend \$1 million on or before the end of 4 years following the Election date (for each property). To acquire an additional 15% interest (the "3<sup>rd</sup> Option"), for a total of 75% interest in each property, BCGold must provide notice of intent to proceed with the 3<sup>rd</sup> Option within 6 months of exercising the 2<sup>nd</sup> Option and complete, at BCGold's expense, a bankable feasibility study and deliver it to Stealth with respect to any elected property on or before the 5<sup>th</sup> anniversary of the notice of exercise of the 3<sup>rd</sup> Option.

#### Sickie-Sofia Property

BCGold incurred \$1.1 million in exploration expenditures on the Sickie-Sofia property in 2007. The Company drilled a total of 1,514 metres in 5 holes to test the core and fringe areas of a 5.5 square kilometre Induced Polarization (I.P.) geophysical anomaly and peripheral copper-gold-molybdenum soil anomalies. A significant porphyry copper-gold discovery was made along the eastern margin of the I.P. anomaly at the Sofia Zone, with drill hole BCG07-01 intersecting 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 along the fringe of the same I.P. anomaly and intersected significant low-grade, high-sulphidation gold mineralization at the Alexandra Zone (44 metres averaging 0.17 g/t gold and 20 metres averaging 0.43 g/t gold). The three other holes tested the core area of the broad I.P. anomaly and did not intersect any significant mineralization.

The Company also completed 36 line-kilometres of I.P. geophysical survey to close off a 2.5 kilometre long chargeability high delineated by a previous survey. This chargeability high, referred to as the Sofia target is flanked by peripheral copper and gold soil geochemical anomalies. BCGold awaits a technical report from the Company's consulting geologist which will document completed work and provide recommendations for 2008 exploration.

#### Fogmess and Louis Properties

The FogMess Property is located 3 kilometres east of the Kemess South Mine. Previous exploration focused primarily on shallow, low-sulphidation epithermal gold and silver, vein-type mineralization. The property has made \$412,000 in exploration expenditures to date. Recent sampling on the August 30, 2007 showing from a six metre wide vein returned 25.48 g/t gold and 29.3 g/t silver.

Considerable exploration potential exists for deeper epithermal and porphyry, Kemess-style copper-gold mineralization in the claims area. The Fogmess Property is along trend with, and 5 kilometres distant from, recent deep porphyry copper gold discoveries (441 metres grading 0.38 g/t gold and 0.39% copper at the Ore zone and 238 metres grading 0.177 g/t gold and 0.21% copper at the Altus zone) made by Northgate Exploration Ltd. east of the Kemess North deposit.

The Louis Property is along trend and northwest of the Lawyers (Bishop Gold Inc.), Baker and Shasta (Sable Resources Ltd.) gold-silver epithermal deposits and to the southeast of the AI (Ranch) gold-silver deposit. The Louis Property has the same geological, alteration and structural setting as these mentioned deposits and has been explored for epithermal gold and silver mineralization over the years with \$1 million in past exploration expenditures. The property has never been explored for porphyry copper-gold mineralization even though it has the geophysical and geochemical signatures suggestive of such mineralization.

The Company has prepared NI 43-101 compliant technical reports for the Fogness and Louis properties, thus meeting requirements for both properties to function as qualifying properties for any new publicly listed junior resource company. BCGold is seeking joint venture partners to option and advance these un-tested porphyry copper-gold exploration opportunities.

### **Voigtberg, British Columbia**

On July 10, 2006, the Company signed a letter of intent with Kaminak Gold Corp. ("Kaminak") to earn a 70% interest in Kaminak's Voigtberg Property, located in the Iskut River area, Liard Mining Division, British Columbia. This agreement with respect to the Voigtberg Property served as BCGold's qualifying transaction and thus fulfilled a Capital Pool Company requirement necessary for public listing.

In order for the Company to earn up to a 60% interest in the Voigtberg property, the Company issued 100,000 units to Kaminak on the closing date of the Qualifying Transaction (September 15, 2006 – fair value \$35,000). Each unit consisted of one BCGold common share and one-half of a BCGold 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 BCGold common share and one-half of a BCGold 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)		<u>650,000</u>	to September 15, 2010
	\$	<u>2,000,000</u>	

Upon incurring \$1 million in exploration expenditures, the Company will earn 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 earn 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 earning of 70% interest in the property.

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

BCGold has conducted 2 diamond drill programs on the 2,900 hectare Voigtberg Property over the past 2 years, with total expenditures exceeding \$1 million. The exploration target at Voigtberg is a bulk tonnage "porphyry system" that can host gold, copper and other base metals. In 2007 BCGold conducted a 412 line-kilometre airborne geophysical survey and diamond drilled 587 metres in 4 holes primarily to follow up on the results of drill hole VG06-05, which returned a near-surface intercept of 51.15 metres grading 1.03 g/t gold in the Gold Zone. The Gold Zone is believed to represent a gold-rich halo located on the periphery of a porphyry copper-molybdenum system. An additional two drill holes targeted the un-tested North zone coincidental copper-molybdenum soil geochemical and induced polarization chargeability anomaly.

### 2007 Gold Zone Drilling Results

Drill hole VGT07-10 was collared 75 metres northeastward of 2006 BCGold drill hole VGT06-05, and intersected a series of pyritic andesite/dacite flows and lapilli tuff, cut by a multitude of narrow monzonite dykes. A broad interval of low grade gold mineralization, averaging 0.41 g/t Au over 76.40 m, is associated with this geology. Within this interval a 16.78 metre segment averaged 0.72 g/t gold.

Drill hole VGT07-08 was collared 250 metres south of hole VGT06-05 to test the southern limits of the Gold Zone and this hole intersected similar geology and mineralization with comparably low gold grades (0.16 – 0.22 g/t Au) over appreciable widths (25.65m to 76.62 m).

A Gold Zone step-out hole to the west and a North Zone drillhole (VGT07-11) were cancelled and abandoned respectively, owing to difficult pad building and drilling conditions. The Gold Zone has now been partially defined by 6 drill holes over a strike length of 300 metres and remains open along strike and at depth.

### 2007 North Zone Drilling Results

Drill hole VGT07-09 was collared in the middle of the North Zone copper-molybdenum soil geochemical anomaly and coincident induced polarization chargeability anomaly. This hole intersected mainly pyrite-bearing dacite/andesite flows with rare monzonite dykes. A near-surface interval of 41.34 m averaged 0.18 g/t Au and 0.019% Mo, including 14 m of 0.05% Mo from 4.26 m to 18.26 m. The North Zone I.P. anomaly remains open to the north.

BCGold has elected not to follow up last year's exploration results in 2008. This decision is a result of BCGold's reduced exploration budget for 2008 and intention to focus its exploration priorities. The Company intends to resume exploration at the Voigtberg property in 2009.

### **Other Properties in British Columbia**

BCGold has 100% interest in 4 properties strategically situated in the Mt. Milligan, Revelstoke and Siwash exploration and mining districts in British Columbia. All are available for option.

### **Risks and Uncertainties**

#### ***Exploration Stage Company***

BCGold is engaged in the business of acquiring and exploring mineral properties with the intention of locating economic deposits of minerals. All of its properties are in the early stages of exploration and are without known mineral deposits. Development of BCGold's properties will only follow upon obtaining satisfactory exploration results. There can be no assurance that BCGold's existent or future exploration programs will result in the discovery of commercially viable mineral deposits. Further, there can be no assurance that even if an economic deposit of minerals is located, that it can be commercially mined.

#### ***Mineral Exploration and Development***

The exploration and development of minerals is highly speculative in nature and involves a high degree of financial and other risks over a significant period of time which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a mineral deposit or orebody may result in significant rewards, few properties which are explored are ultimately developed into producing mines. Substantial expenses are required to establish ore reserves by drilling, sampling and other techniques and to design and construct mining and

processing facilities. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit (i.e. size, grade, access and proximity to infrastructure), financing costs, the cyclical nature of commodity prices and government regulations (including those relating to prices, taxes, currency controls, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection). The effect of these factors or a combination thereof cannot be accurately predicted but could have an adverse impact on BCGold.

### ***Mining Operations and Insurance***

Mining operations generally involve a high degree of risk. BCGold's operations are subject to all of the hazards and risks normally encountered in mineral exploration and development. Such risks include unusual and unexpected geological formations, seismic activity, rock bursts, cave-ins, flowing and other conditions involved in the drilling and removal of material, environmental hazards, industrial accidents, periodic interruptions due to adverse weather conditions, labour disputes, and political unrest. The occurrence of any of the foregoing could result in damage to, or destruction of, mineral properties or interests, production facilities, personal injury, damage to life or property, environmental damage, delays or interruption of operations, increases in costs, monetary losses, legal liability and adverse government action. BCGold does not currently carry insurance against these risks and there is no assurance that such insurance will be available in the future, or if available, at economically feasible premiums or acceptable terms. The potential costs associated with liabilities not covered by insurance or excess insurance coverage may cause substantial delays and require significant capital outlays.

### ***No Operating History and Financial Resources***

BCGold does not have an operating history and has no operating revenues and is unlikely to generate any in the foreseeable future. It anticipates that its existing cash resources following the private placements will be sufficient to cover its projected funding requirements for the ensuing year. If its exploration program is successful, additional funds will be required for further exploration to prove economic deposits and to bring such deposits to production. Additional funds will also be required for BCGold to acquire and explore other mineral interests. BCGold has limited financial resources and there is no assurance that sufficient additional funding will be available to the Company so that it may fulfill its obligations or for further exploration and development, on acceptable terms or at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause BCGold to forfeit its interests in some or all of its properties or to reduce or terminate its operations.

### ***Government Regulation***

The current or future operations of BCGold, including exploration and development activities and commencement and continuation of commercial production, require licenses, permits or other approvals from various foreign federal, state and local governmental authorities and such operations are, or will be governed by laws and regulations relating to prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, land claims of indigenous people and other matters. There can be no assurance, however, that BCGold will obtain on reasonable terms, or at all, the permits and approvals, and the renewals thereof, which it may require for the conduct of its current or future operations or that compliance with applicable laws, regulations, permits and approvals will not have an adverse effect on any mining project which BCGold may undertake. Possible future environmental and mineral tax legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays to BCGold's planned exploration and operations, the extent of which cannot be predicted.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities

causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

### ***Competition***

The mineral exploration and mining business is competitive in all of its phases. BCGold will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. BCGold's ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that BCGold will be able to compete successfully with others in acquiring such prospects.

### ***Title to Property***

Many of BCGold's properties are held in the names of third parties. BCGold has taken precautions to ensure that legal titles to its property interests are properly recorded. There can be no assurance that BCGold will be able to secure the grant or the renewal of exploration permits or other tenures on terms satisfactory to it, or that governments in the jurisdictions in which the properties are situated will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned. Third parties may have valid claims underlying portions of BCGold's interests and the permits or tenures may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. If a title defect exists, it is possible that BCGold may lose all or part of its interest in the properties to which such defects relate.

### ***Environmental Risks and Hazards***

All phases of BCGold's operations will be subject to environmental regulation in the jurisdictions in which it intends to operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of such regulation may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the viability or profitability of operations. Environmental hazards may exist on the properties in which BCGold holds interests or on properties that will be acquired which are unknown to BCGold at present and which have been caused by previous or existing owners or operators of the properties.

### ***Commodity Prices***

The price of BCGold's securities, its financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of precious or base minerals. Precious or base minerals prices fluctuate widely and are affected by numerous factors beyond BCGold's control such as the sale or purchase of precious or base metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand; production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes,

royalties, land tenure, land use, importing and exporting of minerals, environmental protection and international political and economic trends, conditions and events. The price of precious or base metals has fluctuated widely in recent years, and future serious price declines could cause continued development of BCGold's properties to be impracticable.

Further, reserve calculations and life-of-mine plans using significantly lower precious or base minerals prices could result in material write-downs of BCGold's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

#### ***Price Volatility and Lack of Active Market***

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for BCGold's securities will be subject to such market trends and that the value of such securities may be affected accordingly.

#### ***Key Executives***

BCGold will be dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of BCGold are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of BCGold, the loss of these persons or BCGold's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. BCGold does not currently carry any keyman life insurance on any of its executives.

#### ***Potential Conflicts of Interest***

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

#### ***Dividends***

BCGold 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 and will depend on BCGold's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of BCGold 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's general and administrative expenses and resource property costs is provided in the Company's Statement of Income (Loss) and Deficit and Schedule of Resource Property Costs contained in its audited Financial Statements for February 29, 2008 that is available on BCGold's website at [www.bcgoldcorp.com](http://www.bcgoldcorp.com) or on its SEDAR Page Site accessed through [www.sedar.com](http://www.sedar.com).

### **Outstanding Share Data**

BCGold's authorized capital is unlimited common shares without par value. As at July 30, 2008, the following common shares, options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares at July 30, 2008	23,576,590		
Warrants			
Share purchase warrants	50,000	\$0.58	September 14, 2008
	150,000	\$0.75	February 23, 2009
	3,062,922	\$1.00	March 15, 2009
	225,000	\$0.75	April 2, 2009
	100,000	\$0.81	October 15, 2009
	250,000	\$0.76	November 1, 2009
	1,277,500	\$0.75/\$1.00*	December 28, 2009
Employee Stock Options	520,000	\$0.10	June 5, 2011
	300,000	\$0.45	September 15, 2011
	812,000	\$0.70	August 22, 2012
	100,000	\$0.70	June 19, 2012
Fully Diluted at July 30, 2008	<b>30,424,012</b>		

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

### **Transactions with Related Parties**

During the period, the Company paid consulting fees of: \$42,500 to the President and CEO of which \$15,196 was capitalized to resource properties; \$26,455 to a Company controlled by its Vice President of Corporate Development of which \$Nil was capitalized to resource properties; and \$6,875 to its Chief Financial Officer.

## **Accounting Policies and Changes to Prior Year:**

Effective March 1, 2008, the Company adopted the following Canadian Institute of Chartered Accountants ("CICA") accounting standards:

### **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 of the first quarter financial statements.

### **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 of the first quarter financial statements.

### ***Future Accounting and Reporting Changes***

#### **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.

#### **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.

## 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 the Company's 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 operation and eventually to forfeit or sell its interest in its resource properties.

## Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, restricted cash, marketable securities, GST receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that BCGold is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity for prompt liquidation.

Foreign exchange risk is the risk arising from changes in foreign currency fluctuations. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency rates. It is the opinion of management, however, that the foreign exchange risk to which the Company is exposed is minimal.

## Critical Accounting Estimates

The Company's accounting policies are presented in note 3 of the February 29, 2008 audited financial statements. The preparation of financial statements in accordance with GAAP principles requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the financial statements. Actual amounts could differ materially from the estimates used and, accordingly, affect the results of the operations. These include:

- the carrying values of mineral properties; and
- the valuation of stock-based compensation expense.

### ***Mineral properties and deferred exploration costs***

The Company records its interest in mineral properties at cost. Resource exploration and development costs are capitalized on an individual area of interest basis until such time as an economic resource body is defined or the prospect is abandoned. Costs for a producing prospect are amortized on a unit-of-production method based on the estimated life of the reserves, while costs for the prospects abandoned are written off.

Management of the Company reviews and evaluates the carrying value of each mineral property for impairment when events or changes in circumstances indicate that the carrying amounts of the related asset may not be recoverable. When it is determined that a mineral property is impaired, it is written down to its estimated fair value.

Management's estimates of mineral prices, mineral resources, and operating, capital and reclamation costs are subject to certain risks and uncertainties that may affect the recoverability of deferred mineral property costs. Although management has made its best estimate of these factors, it is possible that material changes could occur which may adversely affect management's estimate of the net cash flows expected to be generated from its properties.

The recoverability of amounts shown for mineral properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to continue operations and to complete the development and upon future profitable production or proceeds from the disposition thereof. The discovery or establishment of adequate reserves is dependent on successful exploration. Competition for exploration resources at all levels is currently very intense, particularly affecting availability of manpower, drill rigs and helicopters. As a result of this, and other factors inherent in exploration, the Company has uncertainty that it will be able to carry out its planned exploration programs.

### ***Stock-based compensation expense***

From time to time, the Company may grant share purchase options to directors, employees, and service providers. The Company uses the Black-Scholes Option Pricing Model to estimate a value for these options. This model, and other models which are used to value options, require inputs such as expected volatility, expected life to exercise, and interest rates. Changes in any of these inputs could cause a significant change in the stock-based compensation recorded in a period.

### **Approval**

The Board of Directors of BCGold has approved the disclosure contained in this annual MD&A. A copy of this annual 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/ "Peter Kendrick"  
Peter Kendrick  
Chief Financial Officer