

**BCGOLD CORP.**

*(An Exploration Stage Company)*

**INTERIM FINANCIAL STATEMENTS**

**NINE MONTHS ENDED NOVEMBER 30, 2006**

**In Canadian Funds**

**Unaudited - Prepared by Management**

## **Notice of Non-review of Interim Financial Statements**

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The attached interim consolidated financial statements for the nine month period ended November 30, 2006 have not been reviewed by the company's auditors.

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

Statement 1

*Canadian Funds*  
 Unaudited – Prepared by Management

	<b>As at November 30, 2006 (Unaudited)</b>	As at Feb.28, 2006 (Audited)
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 577,422	\$ 135,778
Cash call receivable	8,974	-
Interest receivable	-	62
Marketable securities <i>(Note 5)</i>	82,500	-
GST receivable	36,891	-
	<u>705,787</u>	<u>135,840</u>
<b>Resource Property Costs</b>	<b>437,193</b>	<b>-</b>
<b>Equipment <i>(Note 6)</i></b>	<b>10,345</b>	<b>-</b>
	<u>\$ 1,153,325</u>	<u>\$ 135,840</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accruals	\$ 31,462	-
<b>Continued Operations <i>(Note 2)</i></b>		
<b>SHAREHOLDERS' EQUITY</b>		
<b>Share Capital <i>(Note 8)</i></b>	<b>1,243,906</b>	<b>150,000</b>
<b>Contributed Surplus <i>(Note 9)</i></b>	<b>337,516</b>	<b>-</b>
<b>Deficit - <i>Statement 2</i></b>	<b>(459,559)</b>	<b>(14,160)</b>
	<u>1,121,863</u>	<u>135,840</u>
	<u>\$ 1,153,325</u>	<u>\$ 135,840</u>

ON BEHALF OF THE BOARD:

/s/“Freeman Smith”, President & CEO , Director

/s/“Peter Kendrick”, CFO , Director

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

Statement 2

*Canadian Funds*  
 Unaudited – Prepared by Management

	For the Three Months Ended November 30, 2006 (Unaudited)	For the Nine Months Ended November 30, 2006 (Unaudited)	From Feb. 10, 2006 to Feb. 28, 2006 (Audited)
<b>Expenses</b>			
Amortization	\$ 1,251	\$ 1,295	-
Bank charges and interest	609	867	148
Consulting fees	54,220	54,720	-
Investor relations	9,414	9,414	-
Legal and accounting fees	59,935	106,737	5,000
Listing and filing fees	10,101	39,943	9,012
Office and sundry	2,434	3,071	-
Rent	2,000	2,000	-
Stock-based compensation	102,854	142,529	-
Telephone	2,068	2,301	-
Transfer agent	43	768	-
Travel and conferences	10,481	10,931	-
<b>Loss Before the Following</b>	<b>(255,410)</b>	<b>(374,576)</b>	<b>(14,160)</b>
Interest income	898	4,632	-
Loss on investment in marketable securities	(67,500)	(67,500)	-
Write off of resource property costs	(991)	(7,955)	-
<b>Net Loss for the Period</b>	<b>(323,003)</b>	<b>(445,399)</b>	<b>(14,160)</b>
Deficit – Beginning of Period	(136,556)	(14,160)	-
<b>Deficit – End of Period</b>	<b>\$ (459,559)</b>	<b>\$ (459,559)</b>	<b>\$ (14,160)</b>
<b>Loss per Share – Basic and Diluted</b>	<b>\$ 0.04</b>	<b>\$ 0.08</b>	<b>\$ (0.01)</b>
<b>Weighted Average Number of Common Shares Outstanding</b>	<b>8,253,283</b>	<b>5,654,359</b>	<b>1,285,715</b>

- See Accompanying Notes -

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

Statement 3

Canadian Funds  
 Unaudited – Prepared by Management

<b>Cash Resources Provided By (Used In)</b>	<b>For the Three Months Ended August 31, 2006 (Unaudited)</b>	<b>For the Nine Months Ended November 30, 2006 (Unaudited)</b>	<b>From Feb.10, 2006 to Feb.28, 2006 (Audited)</b>
<b>Operating Activities</b>			
Net loss for the period	\$ (323,003)	\$ (445,399)	\$ (14,160)
Items not affected by cash:			
Amortization	1,251	1,295	-
Write off of resource property costs	991	7,955	-
Write down of investment in marketable Securities	67,500	67,500	-
Stock based compensation	102,854	142,529	-
	(150,407)	(226,120)	(14,160)
Changes in non-cash working capital			
Cash call receivable	(8,974)	(8,974)	-
Interest receivable	3,597	62	(62)
GST receivable	(31,837)	(36,891)	-
Prepaid expenses	350	-	-
Trade payables	11,533	11,533	-
	(175,738)	(260,390)	(14,222)
<b>Investing Activities</b>			
Purchase (Disposition) of short-term Investments	298,355	-	-
Investment in marketable securities	(150,000)	(150,000)	-
Investment in mineral properties	(362,800)	(380,219)	-
Purchase of equipment	(10,931)	(11,640)	-
	(225,376)	(541,859)	-
<b>Financing Activities</b>			
Receipt of funds for future issuance of share capital	(378,301)	-	-
Issuance of share capital, net	807,322	1,064,118	150,000
Issuance of warrants, net	179,775	179,775	-
	608,796	1,243,893	150,000
<b>Net Increase (Decrease) in Cash for the period</b>	<b>207,682</b>	<b>441,644</b>	<b>135,778</b>
Cash and Cash Equivalents – Beginning of the period	369,740	135,778	-
<b>Cash and Cash Equivalents – End of the period</b>	<b>\$ 577,422</b>	<b>\$ 577,422</b>	<b>\$ 135,778</b>
<b>Supplemental Schedule of Non-Cash Investing and Financing Activities</b>			
Resource property costs in accounts payable	\$ 19,929	\$ 19,929	\$ -
Shares issued for property	\$ 37,059	\$ 37,059	\$ -
Fair value of warrants issued for property	\$ 7,941	\$ 7,941	\$ -
Fair value of agents units issued	\$ 11,074	\$ 11,074	\$ -

- See Accompanying Notes -

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

Schedule

*Canadian Funds*  
 Unaudited – Prepared by Management

	<b>For the Period Ended November 30, 2006</b>		
	Acquisition Costs	Deferred Exploration	Total
<b>Mineral Interests</b>			
<b><i>Carmacks, Copper Gold Project, Yukon</i></b>			
Acquisition costs – cash	\$ 4,000	\$ -	\$ 4,000
Field and general	-	3,683	3,683
Geological consulting	-	2,600	2,600
	4,000	6,283	10,283
<b><i>Toodoggone, British Columbia</i></b>			
Geological consulting	-	8,144	8,144
	-	8,144	8,144
<b><i>Voigtberg, British Columbia</i></b>			
Acquisition costs – shares	45,000	-	45,000
Assays	-	10,455	10,455
Field and general	-	7,767	7,767
Geological consulting	-	355,544	355,544
	45,000	373,766	418,766
<b><i>Generative</i></b>			
Travel and accommodation	-	7,955	7,955
	-	7,955	7,955
<b>Resource property costs for the period</b>	49,000	396,148	445,148
<b>Less: write off of resource property costs on property not acquired</b>	-	(7,955)	(7,955)
<b>Balance end of the period</b>	\$ 49,000	\$ 388,193	\$ 437,193

- See Accompanying Notes -

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

**November 30, 2006**

*Canadian Funds*

*Unaudited – Prepared by Management*

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**1. Nature of Operations**

BCGold Corp. ("the Company") was incorporated under the Business Corporations Act of British Columbia on February 10, 2006 as 0748496 B.C. Ltd. On March 1, 2006, the Company changed its name to BCGold Corp. The Company is an exploration stage enterprise focusing on the acquisition, exploration and development of economic gold and other precious and base metal properties. On September 15, 2006 upon acceptance of the companies qualifying transaction, the shares commenced trading under the symbol BCG on the TSX-V.

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**2. Continued Operations**

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles and on the basis of accounting principles applicable to a going concern which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company's continued existence is dependent upon its ability to raise additional financing and to generate profitable operations in the future.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate because management believes that the actions already taken or planned, such as future equity financings, search for optionees on resource properties, will mitigate the adverse conditions and events which raise doubts about the validity of the going concern assumption used in preparing these consolidated financial statements.

If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary in the carrying values of assets and liabilities, the reported revenue and expenses and the balance sheet classifications used.

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**3. Significant Accounting Policies**

**a) Cash and Cash Equivalents**

For purposes of reporting cash flows, the Company considers cash and cash equivalents to include amounts held in banks and highly liquid investments with maturities at point of purchase of 90 days or less. The Company places its cash and cash investments with institutes of high credit worthiness.

**b) Income Taxes**

Income taxes are accounted for using the asset and liability method. Future taxes are recognized for the tax consequences of "temporary differences" by applying enacted or substantively enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and tax basis of existing assets and liabilities. The effect on deferred taxes for a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. In addition, the method requires the recognition of future tax benefits to the extent that realization of such benefits is more likely than not.

**BCGold Corp.**  
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**November 30, 2006**  
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**3. Significant Accounting Policies – Continued**

**c) Resource Property Costs**

The Company records its interest in mineral properties and areas of geological interest at cost. Costs relating to these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or allowed to lapse. These costs will be amortized over the estimated useful life of the property following commencement of production, or written off if the mineral properties or projects are sold or allowed to lapse. It is reasonably possible that economically recoverable reserves may not be discovered and accordingly a material portion of the carrying value of mineral properties and related deferred exploration costs could be written off.

The Company assesses its capitalized resource property costs on a regular basis. A property is written-down or written-off when the Company determines that a permanent impairment of value has occurred or when exploration results indicate that no further work is warranted. The Company will also reduce its capitalized mineral property costs if no active exploration has been conducted on the property for a period of three or more years.

Title to resource properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

**d) Share Capital**

- i) The proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company.
- ii) Share capital issued for non-monetary consideration is recorded at an amount based on fair market value.

**e) Earnings (Loss) per Share**

Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method.

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

November 30, 2006

Canadian Funds

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**3. Significant Accounting Policies – Continued**

**f) Stock-Based Compensation**

All stock-based awards made to employees and non-employees are measured and recognized using a fair value based method. For employees, the fair value of the options is measured at the date of the grant. For non-employees, the fair value of the options is measured on the earlier of the date at which the counterparty performance is complete or the date the performance commitment is reached or the date at which the equity instruments are granted if they are fully vested and non-forfeitable. For employees and non-employees, the fair value of the options is accrued and charged to operations, with the offsetting credit to contributed surplus, on a straight-line basis over the vesting period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital.

During the period, the Company did not grant options to its directors, officers or employees.

**g) Management's Estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates.

**h) Flow-Through Shares**

The Company follows the recommendations of the Emerging Issues Committee relating to flow-through shares effective for all flow-through agreements dated after March 19, 2004. Canadian Income Tax Legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, future income tax liabilities are recognized (renounced expenditures multiplied by the effective tax rate) thereby reducing share capital.

If a company has sufficient unused tax losses and deductions ("losses") to offset all or part of the future income tax liabilities and no future income tax assets have been previously recognized on such losses, a portion of such unrecognized losses (losses multiplied by the effective corporate tax rate) is recorded as income up to the amount of the future income tax liability that was previously recognized on the renounced expenditures.

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**4. Fair Value of Financial Instruments**

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

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**BCGold Corp.**  
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**Notes to the Financial Statements**

**November 30, 2006**

Canadian Funds

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**5. Marketable Securities**

	November 30, 2006		November 30, 2005	
	Market Value	Book Value	Market Value	Book Value
Common shares in a public company, representing less than a 5% interest the company	\$ 82,500	\$ 82,500	\$ -	\$ -

**6. Equipment**

Details are as follows:

	Cost	Accumulated Amortization	Net Book Value November 30, 2006	Net Book Value Feb.28, 2006
Furniture	\$ 4,233	\$ 317	\$ 3,916	\$ -
Computer equipment	6,856	771	6,085	
Computer software	551	207	344	
	\$ 11,640	\$ 1,295	\$ 10,345	\$ -

**7. Resource Property Costs**

Details are as follows:

	Acquisition Costs	Exploration Costs	Balance as at November 30, 2006
Carmacks, Copper Gold Project, Yukon	\$ 4,000	\$ 6,283	\$ 10,283
Toodoggone, British Columbia	-	8,144	8,144
Voigtberg, British Columbia	45,000	373,766	418,766
	\$ 49,000	\$ 388,193	\$ 437,193

**Carmacks, Yukon**

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

Payments:

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



**BCGold Corp.**  
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**Notes to the Financial Statements**

**November 30, 2006**

*Canadian Funds*

*Unaudited – Prepared by Management*

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**7. Resource Property Costs – Continued**

**Carmacks, Yukon - continued**

Minimum Expenditures:

i)	\$	150,000	on or before October 15, 2007
ii)	\$	250,000	on or before October 15, 2008
iii)	\$	250,000	on or before October 15, 2009
iv)	\$	250,000	on or before October 15, 2010
	\$	<u>900,000</u>	

Unit issuances:

i)	300,000	Within 5 days of the acceptance of the agreement by the TSX Venture Exchange
ii)	200,000	on or before October 15, 2007
iii)	200,000	on or before October 15, 2008
iv)	200,000	on or before October 15, 2009
v)	<u>100,000</u>	on or before October 15, 2010
	<u>1,000,000</u>	

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

**Toodoggone, BC**

On September 15, 2006 the Company signed a letter of intent with Stealth Minerals Limited ("Stealth") to earn up to a 75% interest in 3 properties from Stealth's property Toodoggone property portfolio in north-central British Columbia.

Under the terms of the Agreement, Stealth divided its 62,845 hectare Toodoggone land position into eleven properties. The Agreement enables the Company to review all exploration data for the eleven properties and select any three properties by March 31, 2007, in exchange for the company agreeing to subscribe for an aggregate of 2,500,000 common shares of Stealth at a price of \$0.20 per share on or before March 31, 2007 (750,000 purchased by November 30, 2006). The Company can then earn a 51% interest in each of the three selected properties by issuing 150,000 common shares and 75,000 common share purchase warrants (each exercisable for a one year period at a price equal to 125% of the 20 day average closing price of the common shares of the Company ending on the trading day prior to the date of issuance) to Stealth for each property within 10 business days of the date of selection of the three properties and spending \$1 million on each property over a three year period.

**BCGold Corp.**  
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**Notes to the Financial Statements**

**November 30, 2006**

*Canadian Funds*

*Unaudited – Prepared by Management*

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**7. Resource Property Costs – Continued**

**Toodoggone, BC – Continued**

The Company can increase its interest to 60% by spending \$2 million on each property over a four year period and can further increase its interest to 75% by producing a bankable feasibility study for each property. The Company will be the operator of the selected properties.

In order to acquire the right to select the three properties, the Company is making cash payments to subscribe for an aggregate of 2,500,000 common shares of Stealth at a price of \$0.20 per share on or before March 31, 2007.

A portion (13,967 hectares or 22.2%) of the eleven properties are subject to an underlying 3% net smelter royalty held by a third party. The Company can reduce the NSR through cash payments.

**Voigtberg, BC**

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

In order for the Company to earn up to a 60% interest in the Voigtberg Property, the Company must issue 100,000 units to Kaminak as of the date of closing of the Qualifying Transaction (Issued – September 15, 2006). Each unit consists of one common share of the Company and one-half of one common share purchase warrant, each whole warrant being exercisable to purchase one common share at \$0.40 per share for one year following the closing date. In addition, the Company must issue an additional 100,000 units to Kaminak on each of the first, second and third anniversaries of the closing date for a total of 300,000 additional units. Each additional unit to consist of one common share of the Company and one-half of one common share purchase warrant, each whole warrant being exercisable for one year following the date of issuance to purchase one common share at an exercise price determined by taking the weighted average closing price of the common shares of the Company for the 20 consecutive trading days immediately prior to the date of issuance plus 25%, and the Company must incur minimum exploration expenditures over a four-year period as follows:

i)	\$	350,000	in the first year;
ii)	\$	350,000	in the second year;
iii)	\$	650,000	in the third year; and
iv)	\$	650,000	in the fourth year.
	\$	<u>2,000,000</u>	

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

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**BCGold Corp.**  
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**Notes to the Financial Statements**

**November 30, 2006**

*Canadian Funds*

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**8. Share Capital**

a) **Details of share capital are as follows:**

Authorized:

Unlimited common shares without par value

	Shares	Amount	Contributed Surplus
Issued and fully paid:			
Shares issued to officers and directors	3,000,000	150,000	-
Balance – Feb.28, 2006	3,000,000	150,000	-
Shares issued by private placement – June 2006	2,800,000	280,000	-
Shares issued by private placement – September 2006	1,958,747	556,856	128,705
Flow-through shares issued by private placement September 2006	759,000	252,529	51,071
Shares issued for property	100,000	37,059	7,941
Shares issued from agent warrant exercise	100,000	13,804	(3,804)
Share issuance costs	-	(46,342)	-
<b>Balance – November 30, 2006</b>	<b>8,717,747</b>	<b>1,243,906</b>	<b>183,913</b>

b) **Private Placements**

**2007**

On September 15, 2006, the Company closed a non-brokered private placement of 1,958,747 non-flow through units at a price of \$0.35 per unit for gross proceeds of \$685,561 and 759,000 flow-through units at a price of \$0.40 per unit for gross proceeds of \$303,600. Each "Unit" consists of one common share of BCGold and one-half of one common share purchase warrant, each whole warrant being exercisable to purchase one common share of BCGold at a price of \$0.50, expiring September 15, 2007. The warrants attached have been valued at \$186,353 based upon average of the residual method and the black scholes method (using the assumptions as follows):

**Assumption**

Risk-free interest rate	2.93
Expected stock price volatility	100%
Expected dividend yield	0.00%
Expected life of warrants	1 year

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

November 30, 2006

Canadian Funds

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**8. Share Capital - Continued**

On June 5, 2006, the Company closed a private placement of 2,800,000 shares at a price of \$0.10 per share for gross proceeds of \$280,000. The agent received 280,000 non-transferable compensation warrants exercisable to acquire 280,000 shares for a period of 24 months from the date of issuance at a price of \$0.10 per unit. The warrants attached have been valued at \$10,653 based upon average of the residual method and the black scholes method (using the assumptions as follows):

**Assumption**

Risk-free interest rate	4.11%
Expected stock price volatility	100%
Expected dividend yield	0.00%
Expected life of warrants	2 year

**2006**

During the period ended February 28, 2006, the Company issued 3,000,000 common shares at a price of \$0.05 per common share for total proceeds of \$150,000 to directors and officers of the Company. These common shares will be held in escrow.

**c) Escrow Restrictions**

All of the 3,000,000 shares issued during the period ended February 28, 2006 were held in escrow to be released in stages, with 10% to be released upon issuance of notice of final acceptance of a Qualifying Transaction by the TSX-V, September 15, 2006, and the remainder in six equal tranches of 15% every six months thereafter, for a period of 36 months. These escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities. At November 30, 2006, 2,700,000 shares were held, to be released in equal portions on March 15, 2007, September 15, 2007, March 15, 2008, September 15, 2008, March 15, 2009 and September 15, 2009. At November 30, 2006, 100% of the escrow shares were held by officers and directors of the Company.

**d) Share Purchase and Agents Warrants**

At November 30, 2006, the following warrants were outstanding:

Expiry Date	Exercise Price	Number of Warrants
April 11, 2007 – Agents compensation warrants	\$0.10	180,000
September 15, 2007	\$0.40	50,000
September 15, 2007	\$0.50	979,374
September 15, 2007	\$0.55	379,500
Weighted Average	\$0.46	1,588,874

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*Canadian Funds*

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**8. Share Capital - Continued**

**e) Stock Options**

On March 21, 2006, the Company established a share purchase option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. The exercise price of an option shall not be less than the discounted market price on the grant date. During the period ended November 30, 2006, the Company granted the following share purchase options to directors, officers and consultants:

Grant Date	Number of Options	Exercise Price per share	Expiry Date
June 5, 2006	520,000	\$0.10	June 5, 2011
September 15, 2006	300,000	\$0.45	Sept. 15, 2011
Total /Weighted Average	820,000	\$0.23	

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

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Average risk-free interest rate	4.19%
Expected dividend yield	0%
Expected stock price volatility	100.00%
Average expected option life in years	5 years

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

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Average risk-free interest rate	4.19%
Expected dividend yield	0%
Expected stock price volatility	100.00%
Average expected option life in years	5 years

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**BCGold Corp.**  
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**Notes to the Financial Statements**

**November 30, 2006**

Canadian Funds

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**9. Contributed Surplus**

Details as follows:

Balance – February 28, 2006	\$ -
Fair value of stock-based compensation – June 5, 2006 Agents warrants	11,074
Fair value of stock-based compensation – June 5, 2006 Options (Note 8e)	39,675
Fair value of stock-based compensation – Sept. 15, 2006 Options (Note 8e)	102,854
Fair value of stock-based compensation – Sept. 15, 2006 Property purchase warrants	7,941
Fair value of stock-based compensation – Sept. 15, 2006 Warrants	179,776
Agents warrant exercise	(3,804)
Balance – August 31, 2006	<u>\$ 337,516</u>

**10. Income Taxes (rounded to the nearest \$,000)**

a) Reconciliation of accounting and taxable income (rounded to the nearest ,000)

	<b>For the Nine Months Ended November 30, 2006</b>	For the Period Ended Feb. 28, 2006
Net Loss for the period	<u>\$ (445,000)</u>	\$ (56,000)
Add:		
Stock- based compensation	<u>143,000</u>	-
Net Loss for tax purposes	<u>\$ (302,000)</u>	\$ (56,000)

b) To August 31, 2006, the Company has incurred non-capital loss for tax purposes of approximately \$358,000, which may be carried forward to reduce future taxable income.

c) The components of the future income tax asset (liability) balances are as follows: (rounded to the nearest ,000)

	<b>August 31, 2006</b>	Feb. 28, 2006
Future income tax asset (liability)		
Non-capital loss carry-forwards	<u>\$ 56,000</u>	\$ -
Non-capital loss for the period	<u>302,000</u>	56,000
Share issue costs	<u>33,000</u>	-
	<u>391,000</u>	56,000
Effective income tax rate	<u>34.12%</u>	34.12%
Future income tax asset (liability)	<u>133,000</u>	19,000
Allowance for future income tax	<u>(133,000)</u>	(19,000)
Future income tax asset	<u>\$ -</u>	\$ -

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

**November 30, 2006**

*Canadian Funds*

*Unaudited – Prepared by Management*

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**10. Income Taxes - Continued**

The effective income tax rate is the rate that is estimated to be applicable when the timing differences reverse.

The potential future tax benefits of the tax losses and resource expenditures have not been reflected in the accounts of the Company, nor have the resource expenditures been subject to a CRA audit.

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**11. Subsequent Events**

- a) On December 28, 2006, the Company closed a non-brokered private placement of 1,468,000 flow through units at a price of \$0.60 per unit for gross proceeds of \$880,800. Each "Unit" consists of one common share of BCGold and one-half of one non-flow through common share purchase warrant, each whole warrant being exercisable to purchase one common share of BCGold at a price of \$0.80, expiring December 29, 2007.
- b) The Company has entered into a letter of intent with Engineer Mining Corp. to acquire 100% interest in the **Engineer Mine** located west of Atlin, BC.

Under the terms of the option, the Company will acquire a 51% interest by paying an aggregate of \$250,000 and issuing an aggregate of 375,000 common shares and 325,000 share purchase warrants to EMC in the first two years. BCGold will then acquire:

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

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

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

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

EMC currently holds an 80% interest in the property, with the remaining 20% interest being held by Winslow Gold Corp. ("Winslow"). EMC has agreed to use its commercially reasonable best efforts to acquire as soon as possible from Winslow the remaining 20% interest in the property. The agreement between BCGold and EMC will terminate effective June 30, 2007 in the event EMC has not acquired such interest.