BRAVADA
GOLD CORPORATION

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Condensed Consolidated Interim Financial Statements
Nine Months Ended April 30, 2012
Expressed in Canadian Dollars
(Prepared by Management)
(Unaudited)

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NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed consolidated interim financial statements of the Company for the nine months ended April 30, 2012 and comparatives for the nine months ended April 30, 2011 were prepared by management and have not been reviewed or audited by the Company's auditors.

Bravada Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Comprehensive Loss
(Unaudited)

	Note	Three Months Ended April 30, 2012	Three Months Ended April 30, 2011	Nine Months Ended April 30, 2012	Nine Months Ended April 30, 2011
			(Note 11)		(Note 11)
Operating Expenses					
Administration	9	$ 24,000	$ 20,175	$ 72,000	$ 72,000
Consulting	9	45,430	52,255	137,342	169,516
Exploration and evaluation	7 (s)	132,319	214,447	631,346	590,250
Investor relations	9	41,607	54,571	129,047	128,158
Office and general	9	24,982	35,601	78,900	80,557
Professional fees	9	42,253	43,156	131,943	174,175
Regulatory fees and taxes		11,939	9,405	18,152	15,652
Share-based payments	10(e)	2,642	-	3,562	292,603
Shareholders' communications		7,058	4,584	12,414	34,986
Transfer agent		14,903	2,345	27,584	57,861
Travel and promotion		10,639	43,772	25,492	74,723
Total Operating Expenses		**357,772**	**480,311**	**1,267,782**	**1,690,481**
Other Items					
Foreign exchange (gain) loss		3,484	8,393	(2,009)	15,497
Interest and other income		(134)	(3,610)	(2,490)	(5,008)
Modification of share purchase warrants	10(e)	15,482	-	51,362	-
Write-off of mineral properties	7	47,728	-	54,413	-
Total Other Items		**66,560**	**4,783**	**101,276**	**10,489**
Net Loss for the Period		**424,332**	**485,094**	**1,369,058**	**1,700,970**
Other Comprehensive Loss					
Unrealized loss on fair value of marketable securities		1,500	-	-	(1,735)
Net Loss and Comprehensive Loss for the Period		**$ 425,832**	**$ 485,094**	**$ 1,369,058**	**$ 1,699,235**
Loss per share - basic and diluted		$ 0.00	$ 0.01	$ 0.01	$ 0.05
Weighted average number of common shares outstanding		**114,264,282**	**70,743,478**	**107,229,246**	**36,528,929**

See notes to the condensed consolidated interim financial statements

Bravada Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)

As at	Note		April 30, 2012		July 31, 2011
Current Assets					
Cash		$	33,670	$	692,672
Receivables			18,789		29,107
Marketable securities	6		10,000		10,000
Prepaid expenses			27,326		20,481
			89,785		**752,260**
Non-Current Assets					
Mineral properties	7		9,994,848		9,780,441
Reclamation bonds	8		160,854		204,866
		$	**10,245,487**	**$**	**10,737,567**
Current Liabilities					
Accounts payable and accrued liabilities		$	111,061	$	262,781
Due to related parties	9		70,428		8,035
			181,489		**270,816**
Shareholders' Equity					
Share capital	10		12,120,010		11,215,886
Share-based payment reserve			6,253,567		6,212,312
Accumulated other comprehensive loss			(2,500)		(2,500)
Deficit			(8,307,079)		(6,958,947)
			10,063,998		**10,466,751**
		$	**10,245,487**	**$**	**10,737,567**

Approved on behalf of the Board

"Joseph A. Kizis"	*"G. Ross McDonald"*
Joseph A. Kizis	G. Ross McDonald
Director	Director

Bravada Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Changes in Equity
Nine Months Ended April 30, 2012 and 2011
(Unaudited)

Common Shares	Share Capital Number of Shares	Share Capital Amount	Share Subscriptions Received	Share-based Payment Reserve	Accumulated Other Comprehensive Loss	Deficit	Total Shareholders' Equity
Balance as at August 1, 2010	**25,619,218**	**$ 1,500,001**	**$ 651,250**	**$ 4,650,203**	**$ -**	**$ (3,644,057)**	**$ 3,157,397**
Shares issued - private placement	27,150,000	3,060,000	(230,855)	-	-	-	2,829,145
Shares issued - as per 'Amalgamation Agreement'	32,951,114	6,260,712	-	-	-	-	6,260,712
Shares issued - options exercised	40,000	10,407	-	(4,407)	-	-	6,000
Share issue costs	-	(425,176)	-	183,555	-	-	(241,621)
Fair value of options - per 'Amalgamation Agreement'	-	-	-	287,679	-	-	287,679
Fair value of warrants - per 'Amalgamation Agreement'	-	-	-	671,560	-	-	671,560
Fair value of options and warrants expired	-	-	-	(29,611)	-	29,611	-
Unrealized gain on marketable securities	-	-	-	-	1,735	-	1,735
Net loss for the period	-	-	-	-	-	(1,700,970)	(1,700,970)
Balance as at April 30, 2011 (Note 11)	**85,760,332**	**$ 10,405,944**	**$ 420,395**	**$ 5,758,979**	**$ 1,735**	**$ (5,315,416)**	**$ 11,271,637**
Balance as at July 31, 2011	**95,464,282**	**$ 11,215,886**	**$ -**	**$ 6,212,312**	**$ (2,500)**	**$ (6,958,947)**	**$ 10,466,751**
Shares issued - private placement	18,800,000	940,000	-	-	-	-	940,000
Share issue costs	-	(35,876)	-	7,257	-	-	(28,619)
Fair value of warrants modified	-	-	-	51,362	-	-	51,362
Fair value of options and warrants expired	-	-	-	(20,926)	-	20,926	-
Share-based payments	-	-	-	3,562	-	-	3,562
Net loss for the period	-	-	-	-	-	(1,369,058)	(1,369,058)
Balance as at April 30, 2012	**114,264,282**	**$ 12,120,010**	**$ -**	**$ 6,253,567**	**$ (2,500)**	**$ (8,307,079)**	**$ 10,063,998**

Bravada Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
Nine Months Ended April 30,
(Unaudited)

	2012	2011
		(Note 11)
Operating Activities		
Net loss for the period	**$ (1,369,058)**	**$ (1,700,970)**
Items not involving cash:		
Unrealized foreign exchange loss	6,306	8,172
Share-based payments	3,562	292,603
Modification of share purchase warrants	51,362	-
Write-off of mineral properties	54,413	-
	(1,253,415)	**(1,400,195)**
Change in non-cash working capital items:		
Receivables	10,318	(20,732)
Prepaid expenses	(6,845)	22,345
Accounts payable and accrued liabilities	(151,720)	(112,397)
Due to related parties	62,393	(515,433)
	(85,854)	**(626,217)**
Cash Used in Operating Activities	**(1,339,269)**	**(2,026,412)**
Investing Activities		
Expenditures on mineral properties	(268,820)	(151,537)
Reclamation bonds refunded (purchased)	44,012	(8,622)
Cash Used in Investing Activities	**(224,808)**	**(160,159)**
Financing Activities		
Shares issued for cash, net of issuance costs	911,381	2,167,129
Share subscriptions received	-	420,395
Stock options exercised	-	6,000
Cash acquired on Amalgamation	-	23,923
Cash Provided by Financing Activities	**911,381**	**2,617,447**
Foreign Exchange Effect on Cash	**(6,306)**	**-**
Increase (Decrease) in Cash During the Period	**(659,002)**	**430,876**
Cash, Beginning of Period	**692,672**	**1,280,975**
Cash, End of Period	**$ 33,670**	**$ 1,711,851**

Supplemental cash flow information (Note 13)

See notes to the condensed consolidated interim financial statements

1. Nature of Operations and Going Concern

Bravada Gold Corporation (the "Company" or "BVA") is an exploration stage company incorporated under the laws of British Columbia on September 4, 2009. The Company's shares are listed on the TSX Venture Exchange. The Company and its subsidiaries are engaged in the acquisition and exploration of mineral properties and do not have any mineral properties in production. The Company's registered office is 950 - 1199 West Hastings Street, Vancouver, Canada, V6E 4E6.

During 2009, as part of an agreement entered into with Bravo Gold Corp. ("BVG"), BVG transferred its shares held in its wholly-owned subsidiary, Bravo Alaska Inc. ("BA"), to the Company. As at April 30, 2012, BVG holds 11,147,687 (July 31, 2011 - 11,147,687) or 9.76% (July 31, 2011 – 11.68%) of the outstanding common shares of the Company.

On January 7, 2011, the Company and Fortune River Resource Corp. ("FRX") entered into an amalgamation agreement ("Amalgamation") and formed a new entity under the same name, Bravada Gold Corporation (Note 3).

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale. The carrying value of the Company's mineral properties does not reflect present or future value.

These condensed consolidated interim financial statements are prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at April 30, 2012, the Company had a working capital deficiency of $91,704 (July 31, 2011 - surplus of $481,444). The Company does not hold any revenue generating properties and has incurred a loss of $1,369,058 for the nine months ended April 30, 2012 (April 30, 2011 - $1,700,970). The Company has an accumulated deficit of $8,307,079 as at April 30, 2012 (July 31, 2011 - $6,958,947).

The Company has relied mainly upon the issuance of share capital to finance its activities. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of share capital to finance its future activities, but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. Inability to secure future financing would have a material adverse effect on the Company's business, results of operations and financial condition.

These condensed consolidated interim financial statements do not include the adjustments to assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

The Company previously prepared its condensed consolidated interim financial statements in accordance with Canadian generally accepted accounting principles ("GAAP") as set out in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards ("IFRS"), and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, the Company commenced reporting on this basis in its condensed consolidated interim financial statements for the three months ended October 31, 2011. All references to the term "Canadian GAAP" refers to Canadian GAAP before the adoption of IFRS.

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned integrated subsidiaries, Bravo Alaska Inc., incorporated in Alaska, USA and Rio Fortuna Exploration (U.S.), Inc., incorporated in Nevada, USA., and have been prepared in accordance with International Accounting Standards 34: *Interim Financial Reporting* ("IAS 34") and IFRS 1: *First-time Adoption of International Financial Reporting Standards* ("IFRS 1") on a historical cost basis using the accrual basis of accounting, except for cash flow information. All intercompany accounts and transactions have been eliminated upon consolidation.

These condensed consolidated interim financial statements do not include all the information and notes required by IFRS for complete consolidated financial statements for year-end reporting purposes. The accounting principles applied in the preparation of these condensed consolidated interim financial statements included herein have been applied consistently for each of the periods presented and are based on IFRS issued and outstanding as of June 19, 2012, the date the Board of Directors approved the condensed consolidated interim financial statements. Any subsequent changes to IFRS that are reflected in the Company's consolidated financial statements for the year ending July 31, 2012 could result in restatement of these condensed consolidated interim financial statements, including the transition adjustments recognized on change-over to IFRS.

Note 11 includes information on the provisions of IFRS 1, the exemptions that the Company elected to apply, and reconciliations of equity, comprehensive loss and cash flows for comparative periods. The condensed consolidated interim financial statements should be read in conjunction with the Company's Canadian GAAP annual consolidated financial statements for the year ended July 31, 2011.

The Company's functional and presentation currency is the Canadian dollar and all dollar amounts are presented in Canadian dollars, unless otherwise indicated.

(b) Mineral Properties

All expenditures related to the acquisition of mineral properties are capitalized on a property-by-property basis, net of recoveries, until such time as these mineral properties are placed into commercial production, sold or abandoned. If commercial production is achieved from a mineral property, the related capitalized costs will be tested for impairment and reclassified to mineral property in production. If a mineral property is sold or abandoned, the related capitalized costs will be expensed to the consolidated statement of comprehensive loss in that period.

2. Summary of Significant Accounting Policies, continued

(b) Mineral Properties, continued

All expenditures related to the exploration and development of mineral properties are expensed to the consolidated statement of comprehensive loss in the period in which they are incurred.

From time to time, the Company may acquire or dispose of all or part of its mineral property interests under the terms of property option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, option payments are capitalized as part of acquisition costs. If recoveries are received and exceed the capitalized expenditures, the excess is reflected in the consolidated statement of comprehensive loss.

All capitalized mineral property acquisition costs are reviewed at each reporting date, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the carrying value, a provision is made for the impairment in value. The amounts capitalized for mineral properties represent costs incurred to date less write-downs, and are not intended to reflect present or future values.

(c) Reclamation Bonds

Reclamation bonds are recorded at amortized cost and held in US dollars by US government agencies.

(d) Foreign Currency Translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

(i) Monetary assets and liabilities, at the rate of exchange in effect as at each reporting date;
(ii) Non-monetary assets and liabilities, at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
(iii) Expenses (excluding amortization, which is translated at the same rate as the related asset), at the exchange rate in effect on the date of the transaction.

Gains and losses arising from this translation of foreign currency are included in the determination of net loss.

(e) Unit Offerings and Non-monetary Considerations

The Company uses the residual value method with respect to the measurement of common shares and share purchase warrants issued as private placement units. Proceeds from the issue of units is allocated between common shares and share purchase warrants on a residual value basis, wherein the fair value of the common shares is based on the market value at the time the units are priced and the balance, if any, is allocated to the attached warrants. Share issue costs are netted against share proceeds.

2. Summary of Significant Accounting Policies, continued

(e) Unit Offerings and Non-monetary Considerations, continued

Shares issued for non-monetary consideration are recorded at fair value based on the quoted market value of the Company's shares on the date of share issuance. Shares to be issued, which are contingent upon future events or actions, are recorded by the Company when it is reasonably determinable that the shares will be issued.

(f) Share-Based Payments

Share-based payments for employees are measured at fair value of the instruments issued and amortized over the vesting period. Share-based payments for non-employees are measured at either the fair value of the goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded on the date the goods or services are received. The fair value of the options is charged to profit and loss using the graded vesting method, with the offset credit to share-based payment reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related fair value calculated is transferred from share-based payment reserve to share capital. Upon expiry, related fair value calculated is transferred from share-based payment reserve to deficit.

(g) Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities, and their respective tax basis. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the enactment date. Deferred tax assets also result from unused loss carried forward, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(h) Loss per Share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options, warrants and similar instruments that would be anti-dilutive.

2. Summary of Significant Accounting Policies, continued

(i) Financial Instruments

The Company classifies its financial assets in the following categories: at fair value through profit or loss, available-for-sale ("AFS") or loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

Fair value through profit or loss

Financial assets at fair value through profit or loss are initially recognized at fair value with changes in fair value recorded through profit or loss. Cash is included in this category of financial assets.

AFS

AFS financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other financial asset categories and are recognized at fair value and subsequently carried at fair value. Changes in the fair value of AFS financial assets other than impairment losses are recognized as other comprehensive loss and classified as a component of equity. AFS assets include investments in listed equity of other entities.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. Loans and receivables are initially recognized at fair value and subsequently carried at amortized cost less any impairment. Loans and receivables are comprised of reclamation bonds.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities in the following categories: other financial liabilities and derivative financial liabilities.

2. Summary of Significant Accounting Policies, continued

(i) Financial Instruments, continued

Financial liabilities, continued

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method. Other financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities include accounts payable and accrued liabilities and due to related parties.

The Company has no derivative financial liabilities.

(j) Significant Accounting Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated statement of financial position, and the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain.

The impacts of such estimates appear throughout the consolidated financial statements and may require adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other relevant factors that are believed to be reasonable under the circumstances.

Critical Accounting Estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, which could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- restoration, rehabilitation and environmental provisions;
- accrued liabilities;
- the recognition of deferred income tax assets; and
- the assumptions used in the calculation of the fair value assigned to share-based payments.

2. Summary of Significant Accounting Policies, continued

(j) Significant Accounting Estimates and Judgments, continued

Critical Accounting Judgments

Management must make judgments given the various options available as per accounting standards for items included in the financial statements. Judgments involve a degree of uncertainty and could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual events differ from a judgment made. A summary of items involving management judgment include, but are not limited to:

- the determination of the categories in which financial assets and financial liabilities are classified;
- the determination of environmental obligations; and
- the impairment and recoverability of capitalized mineral property acquisition costs.

(k) Revenue Recognition

Interest income earned is accrued on a time-apportioned basis by reference to the principal outstanding using the effective interest method.

(l) Restoration, Rehabilitation and Environmental Obligations

The Company recognizes an estimate of the liability associated with statutory, contractual, constructive, or legal obligations associated with site closure and property retirement costs in the period in which the liability is incurred if a reasonable estimate of fair value can be made. The estimated fair value or present value of future cash flows is capitalized to the related mining acquisition assets with a corresponding increase in the rehabilitation provision in the period incurred. The capitalized amount will be depreciated on a unit-of-production basis over the estimated life of the ore reserve.

The amount of the provision will be increased each reporting period due to the passage of time and the amount of accretion is charged to profit and loss. The provision can also increase or decrease due to changes in regulatory requirements, discount rates, and assumptions regarding the amount and timing of future rehabilitation expenditures. Any changes are recorded directly to the related mining assets with a corresponding change to the rehabilitation provision.

Actual rehabilitation expenditures incurred are charged against the rehabilitation provision to the extent of the liability recorded. The Company has determined that it has no material obligations of this nature to record.

2. Summary of Significant Accounting Policies, continued

(m) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risk and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

3. Amalgamation with Fortune River Resource Corp.

On January 7, 2011, the Company and FRX amalgamated and formed a new entity under the same name, Bravada Gold Corporation. The securities of the two companies that were issued and outstanding immediately before the Amalgamation were converted into securities of the Company as follows:

(a) the common shares of FRX were exchanged for common shares of the Company on the basis of one common share of the Company for every 1.1765 common share of FRX (ratio 0.85:1). Stock options and share purchase warrants were exchanged at the same ratio. The exercise price and all other terms and conditions for all options and warrants issued by the Company remained the same as the original FRX options and warrants.

(b) the issued and outstanding common shares held by shareholders before the Amalgamation were exchanged for common shares of the Company on the basis of one common share of the Company for every one share previously held. Stock options and share purchase warrants were exchanged at the same ratio. All terms and conditions of the stock options and share purchase warrants remain unchanged.

The Amalgamation resulted in the Company issuing common shares, stock options, and share purchase warrants to FRX shareholders, option holders, and warrant holders as follows:

	FRX Outstanding Pre-Amalgamation	Issued by BVA
Common Shares	38,766,012	32,951,114
Stock Options	3,690,500	3,136,925
Share Purchase Warrants	6,556,876	5,573,345

3. Amalgamation with Fortune River Resource Corp., continued

The Amalgamation has been accounted for using the acquisition method, with BVA as the acquirer, whereby all the FRX assets acquired and liabilities assumed were recorded at fair value. The purchase price allocation is summarized as follows:

Purchase Price Consideration		
Common shares issued	$	6,260,712
Fair value of FRX replacement stock options		210,897
Fair value of FRX replacement share purchase warrants		455,739
Total Purchase Price Consideration	$	**6,927,348**

The Company stock options granted and warrants issued in exchange for the FRX options and warrants were assigned a fair value based on the following weighted average assumptions used in the Black-Scholes option pricing model:

	Options	**Warrants**
Risk-free interest rate	1.81%	1.15%
Expected share price volatility	92.35%	100.28%
Expected option/warrant life in years	2.34	1.02
Expected dividend yield	0.00%	0.00%

The fair values of the acquired identifiable net assets were allocated as follows:

Cash	$	23,923
Receivables		11,239
Prepaid and deposits		3,906
Reclamation bonds		42,860
Mineral properties		7,857,306
Accounts payable and accrued liabilities		(144,340)
Due to related parties		(867,546)
Net Assets Acquired	$	**6,927,348**

4. Financial Instruments

The Company's financial instruments comprise cash, marketable securities, reclamation bonds, accounts payable and accrued liabilities, and amounts due to related parties. The Company has classified its financial instruments into the following categories:

Financial Instrument	Category	Carrying Value
Cash	Fair Value Through Profit or Loss	Fair Value
Marketable Securities	Available-for-sale	Fair Value
Reclamation Bonds	Loans and Receivables	Amortized Cost
Accounts Payable and Accrued Liabilities	Other Financial Liabilities	Amortized Cost
Due to Related Parties	Other Financial Liabilities	Amortized Cost

Fair Value

The carrying values of cash, accounts payable and accrued liabilities and due to related parties are a reasonable estimate of their fair values due to the relatively short time period to maturity. The carrying values of the reclamation bonds approximate their fair values as these balances are non-interest-bearing and redeemable on demand. The marketable securities measured at fair value were categorized in Level 1.

Financial Risk Management

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

(a) Credit Risk

The Company is exposed to credit risk with respect to managing its cash position. This risk is mitigated by risk management policies that require deposits or short-term investments to be invested with Canadian chartered banks rated BBB or better or commercial paper issuers R1/A2/P2 or higher. All investments must be less than one year in duration. The Company has no exposure to asset-backed commercial paper.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations and anticipated investing and financing activities. The Company normally maintains sufficient cash to meet the Company's business requirements. However, at April 30, 2012 the cash balance of $33,670 would be insufficient to meet the cash requirements for the Company's administrative overhead, maintaining its mineral interests and continuing with its exploration program in the coming year. Therefore, the Company will be required to raise additional capital in order to fund its operations. At April 30, 2012, the Company had accounts payable of $111,061, and amounts due to related parties of $70,428, due within 30 days.

4. Financial Instruments, continued

(c) Market Risk

The significant market risks to which the Company is exposed are interest rate risk, currency risk and other price risk:

(i) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's cash consists of cash held in bank accounts that earn interest at variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values.

(ii) Currency Risk

The Company is exposed to currency risk to the extent expenditures incurred or funds received and balances maintained by the Company are denominated in currencies other than the Canadian dollar (primarily US dollars). The Company does not manage currency risks through hedging or other currency management tools.

As at April 30, 2012 and July 31, 2011, the Company's net exposure to foreign currency risk was as follows:

		US $		
		April 30 2012		**July 31, 2011**
Cash	$	19,828	$	214,452
Reclamation bonds		162,824		214,407
Accounts payable and accrued liabilities		(97,972)		(218,476)
Due to related parties		(9,002)		(7,566)
Net exposure to foreign currency risk	$	**75,678**	$	**202,817**
Canadian dollar equivalent		**74,762**		**193,792**

Based on the above net foreign currency exposure, and assuming all other variables remain constant, a 10% weakening or strengthening of the Canadian dollar against the US dollar would not have a material effect on the Company's net loss and comprehensive loss.

(iii) Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risk with regard to the marketable securities the Company holds as disclosed in Note 6. Assuming all other variables remain constant, a 25% decrease or increase in the market price of the marketable securities would not have a material effect on the Company's net loss and comprehensive loss.

5. Capital Management

The Company's objective in managing its capital is to maintain the ability to continue as a going concern and to continue to explore the Company's mineral properties for the benefit of its stakeholders.

The Company's capital includes components of shareholders' equity. Capital requirements are driven by the Company's exploration activities on its mineral property interests. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place setting out the expenditures required to meet its strategic goals. The Company compares actual expenses to budget on all exploration projects and overhead to manage costs, commitments and exploration activities.

As the Company is in the exploration stage, its operations have been funded by the issuance of common shares. The Company will continue with this financing method in the future depending upon market and economic conditions at the time. There were no changes in the Company's approach to capital management during the nine months ended April 30, 2012. The Company is not subject to externally imposed capital requirements.

6. Marketable Securities

On January 1, 2010, the Company entered into an agreement and granted NuLegacy Gold Corporation ("NuLegacy") an option to acquire a 70% interest in the Half Ounce property, located in Nevada, USA (agreement terminated on April 19, 2011). As per the agreement, NuLegacy issued 50,000 common shares to the Company. As at April 30, 2012, the Company held 50,000 (July 31, 2011 – 50,000) common shares of NuLegacy which represents less than 1% of the total number of outstanding common shares of NuLegacy.

7. Mineral Properties

Deferred mineral property acquisition costs by property for the period ended April 30, 2012 were as follows:

Mineral Properties	Wind Mountain $	Signal $	Pete Hanson $	Other $	Total $
Acquisition costs					
Balance as at August 1, 2010	-	394,450	53,706	1,445,987	1,894,143
Additions from Amalgamation (Note 3)	5,300,452	-	-	2,556,854	7,857,306
Additions during the year	45,382	30,533	18,674	340,427	435,016
Write-offs	-	-	-	(406,024)	(406,024)
Balance as at July 31, 2011	5,345,834	424,983	72,380	3,937,244	9,780,441
Additions (recoveries) during the period	88,591	(22,429)	458	202,200	268,820
Write-offs	-	-	-	(54,413)	(54,413)
Balance as at April 30, 2012	**5,434,425**	**402,554**	**72,838**	**4,085,031**	**9,994,848**

7. Mineral Properties, continued

Terms of the agreements for these properties are described below:

(a) Wind Mountain

Pursuant to an option agreement dated February 27, 2006, the Company earned a 100% interest in certain mineral claims located in northwestern Nevada. These claims are subject to a 2% net smelter royalty ("NSR") of which the Company may purchase 1% for US $1,000,000 before commencement of commercial production.

On February 15, 2007, the Company signed a lease agreement, as amended, with a private vendor for the lease of an additional ten mineral claims located in Washoe County, Nevada, contiguous to the Company's Wind Mountain project.

Pursuant to the lease agreement for the ten claims, the Company is required to make remaining advance minimum royalty ("AMR") payments of:

- US $25,000 on February 15, 2013 and annually thereafter.

These claims are subject to a 3% NSR on all production from the leased claims on the commencement of commercial production, of which 2% may be purchased at the rate of US $1,000,000 per percentage point.

In addition, the Company staked additional claims southeast and northwest of the project.

(b) Mountain Boy (Signal and Temple)

Pursuant to an option agreement dated April 22, 2005, as amended, the Company has the right to earn a 100% undivided interest in a group of claims in Eureka County, Nevada.

To earn a 100% interest in the Signal Claims the Company is required to make remaining AMR payments of:

- US $30,000 on or before June 20, 2013 and on every anniversary date thereafter.

To earn a 100% interest in the Temple Claims the Company is required to make remaining AMR payments of:

- US $10,000 on or before August 20, 2012; and
- US $30,000 on or before June 20, 2013 and on every anniversary date thereafter.

The claims are subject to a 2% NSR, of which the Company may reduce to 1% by paying US $1,000,000 prior to the commencement of commercial production.

7. Mineral Properties, continued

(b) Mountain Boy (Signal and Temple), continued

On July 25, 2011 the Company signed an earn-in option agreement with respect to the Signal claims whereby the optionee can earn an initial 51% interest by incurring expenditures and issuing shares as follows:

- US $250,000 between July 25, 2011 and July 23, 2012 (US $217,159 incurred to December 31, 2011) and issue to the Company 50,000 common shares;
- US $250,000 between July 24, 2012 and July 23, 2013;
- US $250,000 between July 24, 2013 and July 23, 2014 and issue to the Company 100,000 common shares; and
- US $1,400,000 between July 24, 2014 and July 23, 2015 and issue to the Company 100,000 common shares.

Having completed the above, the parties will form a joint venture in which the optionee can earn an additional 19% interest by incurring expenditures and issuing shares as follows:

- US $1,400,000 between July 24, 2015 and July 23, 2016 and issue to the Company 100,000 common shares;
- US $1,450,000 between July 24, 2016 and July 23, 2017 and issue to the Company 100,000 common shares; and
- US $1,000,000 between July 24, 2017 and July 23, 2018.

(c) Battle Mountain - Pete Hanson, Three Bar, South Lone Mountain, South Gold Bar, North Lone Mountain and Gabel Canyon

Pursuant to a finder's agreement dated November 1, 2003, the Company has the right to acquire certain groups of mineral claims located in Eureka and Lander Counties, Nevada. Certain proprietary research data was provided to the Company over the term of the agreement.

The Company acquired a 100% interest in the properties introduced, subject to a 1% NSR. The NSR may be reduced from 1% to 0.5% by paying US $3,000,000 at any time. In addition, any property that is staked or otherwise acquired directly by the Company within the area of interest is subject to a 0.5% NSR.

The Company is seeking a joint-venture partner to further evaluate the Gabel Canyon, North Lone Mountain and South Gold Bar properties. However, in accordance with accounting standards, the Company recorded an impairment provision against all capitalized costs relating to these properties as at July 31, 2011 and April 30, 2012.

In addition, certain historic Battle Mountain geological data were deemed impaired and an impairment provision was recorded against all capitalized costs as at July 31, 2011.

7. Mineral Properties, continued

(d) Battle Mountain - SF

Pursuant to an agreement dated April 1, 2004, as amended, the Company acquired the right to earn a 100% interest in certain mineral claims located in Eureka County, Nevada. To earn its interest, the Company is required to make remaining AMR payments of:

- US $30,000 on or before December 11, 2012;
- US $30,000 on or before December 11, 2013; and
- US $30,000 on or before December 11, 2013.

The claims are subject to a 1% NSR, which the Company may reduce to 0.5% by paying US $3,000,000 prior to the commencement of commercial production.

(e) Battle Mountain - Granite Mountain

Pursuant to an agreement dated June 28, 2004, the Company leased certain patented fee land in Lander County, Nevada. The Company paid a finder's fee of US $1,500, and granted an NSR of 0.5%, to an independent third party to acquire the option to this property.

The Company is required to make remaining AMR payments, until either the commencement of commercial production or the Company forfeits its interest, of:

- Annual payments on a monthly basis that will increase annually by 5%. The annual amount to be paid monthly for the current year is US $13,784.

The land is subject to 2% NSR on the commencement of commercial production, which the Company may reduce to 1% by paying US $1,000,000 prior to the commencement of commercial production.

(f) Battle Mountain - Half Ounce

Pursuant to an option agreement dated January 12, 2005, as amended, the Company had the right to acquire a 100% interest in certain unpatented mineral claims located in Eureka County, Nevada.

On January 1, 2010, the Company entered into an agreement and granted NuLegacy an option to acquire a 70% interest in the claims. Effective June 1, 2011 the Company received notice from NuLegacy that it exercised its termination clause and ended the option agreement.

On October 30, 2011 the Company notified the original optionors that it exercised its termination clause and ended the option agreement. The Company recorded an impairment provision against all capitalized costs relating to this property as at July 31, 2011 and April 30, 2012.

7. Mineral Properties, continued

(g) Battle Mountain - Shoshone Pediment

On April 8, 2009, the Company entered into a six year lease / option purchase agreement with respect to certain of its 100% owned unpatented mining claims in Lander County, Nevada whereby the optionee leased, with an option to purchase, the barite rights at the property. Payments of US $25,000 (2009 to 2012 received) are due from the optionee on each anniversary date and the optionee will pay all claim fees during the option period. The optionee can exercise the option for a lump sum payment of US $150,000, after which the Company will receive a royalty of US $1.00 per ton of barite ore in excess of 150,000 tons.

(h) Battle Mountain – NSR Project

Pursuant to an option agreement dated January 1, 2010, the Company has the right to acquire certain unpatented mining claims in Lander County, Nevada and the immediate transfer of ownership of a logistical base in nearby Crescent Valley, which includes a work shop and double-wide trailer for personnel.

The Company can earn a 100% interest in the claims by spending US $2,000,000 over a maximum of six years and by issuing 300,000 common shares to the optionor (issued by BVG).

Within 60 days after the Company completes the earn-in, the optionor can either:

- establish a joint venture and elect to participate at 60% by spending US $4,000,000 over a four-year period, with a minimum expenditure of US $1,000,000 annually and producing a bankable-quality feasibility document;
- establish a joint venture and elect to earn a further 10%, for a total of 70%. At the Company's option the optionor will finance the Company's portion of mine development costs at market rates to be recovered from 80% of the Company's share of proceeds of production, or
- elect to reduce to a 2% NSR of which 1% can be purchased for US $1,000,000 within six months of commercial production.

(i) Battle Mountain - Colorback

Pursuant to a minerals lease agreement dated December 8, 2010, the Company has the right to lease certain lands and unpatented mining claims located in the Cortez Mining district in Nevada, USA.

The Company must incur remaining property expenditures (of which 50% must be spent on exploration drilling during the second anniversary year) as follows:

- US $150,000 on or before December 8, 2012 (firm commitment not affected by termination);
- an additional US $300,000 on or before December 8, 2013;
- an additional US $500,000 on or before December 8, 2014;
- an additional US $750,000 on or before December 8, 2015; and
- an additional US $1,250,000 on or before December 8, 2016.

7. Mineral Properties, continued

(i) Battle Mountain - Colorback, continued

The Company will be liable for annual rental payments of US $20 per acre beginning December 8, 2017, and thereafter increasing by 5%, should the Company have not spent US $100,000 in the preceding anniversary year. Prior to mine construction, the Company must also deliver a positive feasibility study on a deposit containing at least 500,000 ounces of gold.

Once the Company has completed these requirements, the optionor can either:

(i) elect to form a joint venture and contribute US $4,000,000 to earn 51% with an option to spend an additional US $4,000,000 to earn an additional 19%, with further expenditures being spent according to the relative percentage of the venture ownership or,
(ii) elect to receive US $2,000,000 from the Company as payment for the property, subject to a 3% NSR which the Company can buy down to 1% at the rate of US $1,000,000 per percentage point.

(j) Highland

Pursuant to an option agreement dated June 12, 2002, as amended, the Company acquired the right to earn a 100% interest in certain mineral claims located in Lander County, Nevada. The Company subsequently staked additional claims, all of which are subject to the same terms and conditions.

To earn its interest the Company is required to make remaining AMR payments of:

- US $30,000 on or before the earlier of completion of a private placement, or within 2 weeks of executing a joint venture agreement; and
- US $50,000 on or before May 13, 2013.

The claims are subject to a 3% NSR which the Company may reduce to 2% by paying US $1,000,000 prior to the commencement of commercial production.

The President of the Company holds a right to 20% of all property lease, purchase, advanced royalty or production royalty payments received by the optionors under the terms of the underlying agreement. To April 30, 2012, the President has received aggregate payments of US $51,000.

Effective July 15, 2009, the Company signed an option and joint-venture agreement with Christopher James Gold Corp (“CJG”). Pursuant to the agreement, CJG may have earned a 51% interest in the property. Also, pursuant to the agreement, the Company was entitled to charge a 10% fee on all exploration expenditures incurred on the property.

Effective March 3, 2011 the Company received notice from CJG that it intended to exercise its termination clause and end the joint venture agreement.

7. Mineral Properties, continued

(k) Drayton

In January 2007, the Company exercised its option pursuant to an option agreement made in August 2002, as amended, and earned a 100% interest in certain mineral claims located in the Patricia Mining Division of Ontario.

The claims are subject to a 3% NSR, which the Company may reduce to 2% by paying $1,500,000 and may be reduced further to 1.5% by payment of a further $1,500,000 prior to the commencement of commercial production.

(l) Baxter

Pursuant to an option agreement dated February 24, 2003, as amended, the Company has the right to acquire a 100% interest in certain mineral claims located in Churchill and Nye Counties, Nevada.

To earn its interest, the Company is required to pay remaining AMR payments of US $25,000 annually commencing on March 1, 2008 (2008 to 2011 - paid; 2012 - reduced to US $20,000 and deferred until on or before the earlier of completion of a private placement or September 1, 2012).

The claims are subject to a 3% NSR, which the Company may reduce to 2% by paying US $1,000,000 prior to the commencement of commercial production.

The President of the Company holds a right to 50% of all property leases, purchase, advanced royalty or production royalty payments under the terms of the option agreement. To April 30, 2012, the President has received aggregate payments of US $100,000 in cash and 21,250 common shares of the Company (adjusted from 25,000 as per the Amalgamation).

(m) Mud Springs

In April 2004, the Company staked certain mineral claims within the area-of-interest of the Baxter property, which are subject to the same terms and conditions as the Baxter property option agreement. No additional payments are due. The President of the Company holds a 50% beneficial interest in the mineral claims.

(n) Buz

Pursuant to a property option agreement dated April 29, 2004, as amended, the Company acquired the right to earn an undivided 100% interest in certain lode mineral claims located in Lander County, Nevada.

To earn its interest the Company is required to make remaining AMR payments of:

- US $3,000 on or before the earlier of completion of a private placement, or within 2 weeks of executing a joint venture agreement; and
- US $30,000 each year with the first payment due on or before May 1, 2013.

7. Mineral Properties, continued

(n) Buz, continued

The claims are subject to a 3% NSR which the Company may reduce to 1.5% by paying US $1,500,000 prior to the commencement of commercial production.

The President of the Company holds a one-third beneficial interest in the option agreement. To April 30, 2012, the President has received aggregate payments of US $25,000 in cash and 17,000 common shares of the Company (adjusted from 20,000 as per the Amalgamation), which represented one-third of the AMR payments made and one-third of the shares issued in respect to this property since execution of the agreement.

Effective July 15, 2009, the Company signed an option and joint-venture agreement with CJG. Pursuant to the agreement, CJG may have earned a 51% interest in the property. Also, pursuant to the agreement, the Company was entitled to charge a 10% fee on all exploration expenditures incurred on the property.

Effective March 3, 2011 the Company received notice from CJG that it intended to exercise its termination clause and end the joint venture agreement.

(o) East Manhattan

Pursuant to an option agreement dated October 25, 2007, the Company has the right to acquire a 100% interest in certain mineral claims located in Nye County, Nevada in consideration for a one-time payment of US $45,000 (paid) and a commitment for 4,000 feet (approximately 1,200 meters) of drilling within 12 months (completed during 2008). The optionor retains a 3% NSR, of which 1% can be purchased for US $1,000,000 any time prior to commencement of commercial production.

(p) Zebra

Pursuant to an option agreement dated August 13, 2009, the Company had the right to acquire a 100% undivided interest in certain lode mineral claims located in Elko County, Nevada.

Effective August 31, 2009, the Company signed a letter of intent ("LOI") with CJG. Pursuant to the agreement, each company would contribute equally to each earn a 50% interest in the Zebra property. Also, pursuant to the agreement, the Company was entitled to charge a 10% fee on 50% of all exploration expenditures incurred on the property.

Effective May 29, 2012 the Company received notice from American Gold Capital US Inc. (successor in interest to CJG) that it exercised the termination clause and ended the agreement.

On May 29, 2012 the Company notified the original optionors that it exercised its termination clause and ended the option agreement. The Company recorded an impairment provision against all capitalized costs relating to this property as at April 30, 2012.

7. Mineral Properties, continued

(q) Millie

Pursuant to an option agreement dated November 30, 2010, the Company has the right to acquire a 100% interest in certain mining claims near Mill City, Nevada.

The agreement requires payment of claim-filing fees and remaining escalating AMR payments of:

- US $15,000 on or before November 30, 2012;
- US $20,000 on or before November 30, 2013; and
- US $25,000 on or before November 30, 2014 and each year the agreement is in effect.

The claims are subject to an NSR of 2%, with an option to purchase 1% for $500,000 any time prior to commercial production, and a 0.5% NSR on any additional land acquired within a defined area-of-interest.

Pursuant to a lease with option to purchase agreement dated January 5, 2011, the Company has the right to acquire a parcel of land near Mill City, Nevada.

The Company is required to make remaining annual lease payments of:

- US $3,000 on or before January 5, 2013;
- US $4,000 on or before January 5, 2014;
- US $5,000 on or before January 5, 2015;
- US $6,000 on or before January 5, 2016;
- US $7,000 on or before January 5, 2017;
- US $8,000 on or before January 5, 2018;
- US $9,000 on or before January 5, 2019; and
- US $10,000 on or before January 5, 2020; and each year until the option to purchase is exercised.

The Company is entitled to drill on the property for twelve month periods upon a payment of a bonus amount of $1,000 prior to commencement of drilling.

The Company may purchase the land at a price of US $700 per acre up until January 5, 2016 after which the purchase price shall be adjusted annually for inflation.

The land is subject to an NSR of 1% payable upon commencement of commercial production.

(r) Quito

Pursuant to an option agreement dated May 27, 2011, as amended November 29, 2011, the Company has the right to acquire certain unpatented mining claims in Lander County, Nevada.

7. Mineral Properties, continued

(r) Quito, continued

The Company can earn a 70% interest in the property by spending US $2,500,000 over five years as follows:

- complete an initial drill program by December 31, 2011 (amended to December 31, 2012 on November 29, 2011);
- incur not less than an aggregate US $500,000 of expenditures on or before November 1, 2012;
- incur not less than an aggregate US $1,000,000 of expenditures on or before November 1, 2013;
- incur not less than an aggregate US $1,500,000 of expenditures on or before November 1, 2014;
- incur not less than an aggregate US $2,000,000 of expenditures on or before November 1, 2015;
- incur not less than an aggregate US $2,500,000 of expenditures and deliver a final report to the optionor on or before November 1, 2016.

If the option is terminated prior to November 1, 2012, and an aggregate expenditure of US $500,000 has not been incurred, any difference between actual and aggregate expenditures will become payable in cash in thirty days from termination.

Within 60 days after the Company completes the earn-in, the optionor can either:

- establish a joint venture and elect to participate at 30%;
- establish a joint venture and elect to participate at 51%, should a gold deposit of greater than 2,000,000 ounces be discovered, by paying the Company three times the Company's exploration expenditures. The optionor will finance the Company's 49% portion of mine development costs as a Libor plus 1.5% interest loan to be recovered from 80% of the Company's share of proceeds of production, or
- elect to reduce to a 2% NSR and receive either US $500,000 of the Company's shares or US $500,000 cash at the Company's option.

(s) Mineral Property Exploration Expenses

Exploration expenditures incurred for the nine month period ended April 30, 2012 were as follows:

Mineral Properties	Wind Mountain $	Signal $	Pete Hanson $	Other $	Total $
Assays and geochemistry	130,561	-	-	16,862	147,423
Camp, utilities and supplies	2,677	-	164	2,966	5,807
Drilling services	123,499	-	-	2,813	126,312
Equipment, rentals and supplies	15,207	-	270	5,778	21,255
Geological and geophysics	233,242	150	210	84,916	318,518
Other	73	-	72	(24,826)	(24,681)
Project supervision	17,309	253	2,316	16,512	36,390
	522,568	**403**	**3,032**	**105,021**	631,024
General exploration					**322**
					631,346

7. Mineral Properties, continued

(s) Mineral Property Exploration Expenses, continued

Exploration expenditures incurred for the nine month period ended April 30, 2011 were as follows:

Mineral Properties	Wind Mountain $	Signal $	Pete Hanson $	Other $	Total $
Assays and geochemistry	25,797	12,856	9,893	(9,418)	39,128
Camp, utilities and supplies	1,544	1,427	4,340	4,292	11,603
Drilling services	48,699	39,386	168,578	79,739	336,402
Equipment, rentals and supplies	4,353	3,201	5,672	6,864	20,090
Geological and geophysics	38,846	12,353	27,040	40,750	118,989
Other	-	-	-	662	662
Project supervision	9,635	6,697	5,479	12,852	34,663
	128,874	**75,920**	**221,002**	**135,741**	561,537
General exploration					**28,713**
					590,250

(t) Title to Mineral Properties

Title to mineral 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 conveyance history of many mineral properties. The Company has investigated title to its mineral property interests in accordance with industry standards for the current stage of exploration of such properties and, to the best of its knowledge, title to its properties are in good standing; however, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

(u) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

7. Mineral Properties, continued

(v) Realization of Assets

Realization of the Company's investment in mineral properties is dependent upon the establishment of legal ownership, the obtaining of permits, the satisfaction of governmental requirements, the attainment of successful production from the properties, or from the proceeds of their disposal. The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from the sale of the mineral properties. The carrying value of the Company's mineral properties may not reflect present or future values.

8. Reclamation Bonds

The Company has posted reclamation bonds against any potential land restoration costs that may be incurred in the future on certain properties. The monies are held in trust and may be released after required reclamation is satisfactorily completed. As at April 30, 2012, the amount on deposit was $160,854 (US $162,824) (July 31, 2011 - $204,866 (US $214,407)).

9. Related Party Transactions

In addition to the transactions disclosed elsewhere in the condensed consolidated interim financial statements, the Company entered into the following related party transactions during the nine months ended April 30, 2012 and 2011:

(a) Under the service agreement, as amended, between the Company and a company privately held by a director and an officer of the Company, the Company was charged as follows:

- $72,900 (2011: $72,000) for office space and administration services;
- $59,500 (2011: $50,724) for professional services;
- $11,430 (2011: $11,100) for consulting services;
- $59,925 (2011: $52,255) for investor relations services;
- $298 (2011: $5,332) for geological consulting services;
- $7,889 (2011: $4,995) in respect of the mark-up on out-of-pocket expenses.

As at April 30, 2012, amounts payable under the agreement were $24,021 (July 31, 2011: $nil) and prepaid rent of $6,080 (July 31, 2011: $1,996) is included in prepaid expenses.

(b) Fees relating to legal services in the amount of $36,300 (2011: $51,913) were charged by a law firm controlled by a director and an officer of the Company and included in investor relations, professional fees, mineral property expenditures and share issue costs. Amounts payable as at April 30, 2012 were $5,594 (July 31, 2011: $nil).

(c) Fees relating to professional services in the amount of $60,750 (2011: $81,000) were charged by a director and an officer of the Company. Amounts payable as at April 30, 2012 were $15,120 (July 31, 2011: $nil).

9. Related Party Transactions, continued

(d) Fees relating to office administration of $nil (2011: $4,000) were charged by a private company controlled by a director and an officer of the Company (resigned as an officer effective September 30, 2010).

(e) Fees relating to professional services of $22,500 (2011: $22,500) were charged by a private company controlled by an officer of the Company. Amounts payable as at April 30, 2012 were $8,400 (July 31, 2011: $5,000).

(f) Fees relating to investor relations and corporate development of $nil (2011: $1,300) were charged by a director of the Company.

(g) Fees relating to investor relations and corporate development of $20,000 (2011: $nil) were charged by a private company controlled by a former director and officer of BA's former parent Company. Amounts payable as at April 30, 2012 were $8,400 (July 31, 2011: $5,600).

(h) Fees charged for management, geological and mining consulting services of US $56,250 (2011: US $56,250) were charged by a director and an officer of the Company. The charges are expensed or capitalized to mineral properties as appropriate. Amounts payable as at April 30, 2012 were $8,893 (US $9,002) (July 31, 2011: advance of $2,565 (US $2,684)).

These transactions are in the normal course of operations and amounts due to related parties are unsecured, non-interest-bearing and have no formal terms of repayment.

The key management personnel of the Company are the directors and officers of the Company. Other than consulting fees paid to directors and other members of key management personnel (disclosed in (b), (c), (d), (e), (f) and (h) above), the Company paid no other fees nor granted any share-based payments during the nine months ended April 30, 2012 or 2011.

Certain executive officers are entitled to termination benefits in the event of a change of control equal to one hundred percent of the compensation that would have been paid during the unexpired term of their agreements. The remaining balance payable under the agreements as at April 30, 2012 was $450,000. The Company has no other employee or post-employment benefits.

10. Share Capital

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

(b) Equity Financings

On November 14, 2011, a non-brokered private placement of 18,800,000 common shares at a price of $0.05 per common share was completed for gross proceeds of $940,000. The Company also issued 530,000 finders' warrants with each warrant exercisable into one common share at a price of $0.20 per common share for a period of two years. Finders also received a 6% fee payable in cash.

10. Share Capital, continued

(c) Stock Options

The Company has a rolling stock option plan (the "Plan") that allows for the reservation of common shares issuable under the Plan to a maximum 10% of the number of issued and outstanding common shares of the Company at any given time. The term of stock options granted under the Plan may not exceed ten years and the exercise price may not be less than the closing price of the Company's shares on the last business day immediately preceding the date of grant, less any permitted discount. On an annual basis, the Plan requires approval by the Company's shareholders and submission for regulatory review and acceptance.

A summary of the stock options outstanding and exercisable as at April 30, 2012 is provided below:

Exercise Price	Fair Value at Grant Date	Expiry Date	Balance July 31, 2011	Granted	Expired	Balance April 30, 2012
$0.45	$0.09	May 22, 2012	263,500	-	-	263,500
$0.45	$0.10	October 19, 2012	21,250	-	-	21,250
$0.45	$0.10	October 30, 2012	25,500	-	-	25,500
$0.31	$0.13	February 20, 2013	246,500	-	-	246,500
$0.42	$0.13	May 2, 2013	136,000	-	-	136,000
$0.10	$0.17	April 23, 2015	1,011,500	-	17,000	994,500
$0.12	$0.08	May 11, 2015	170,000	-	-	170,000
$0.15	$0.11	May 27, 2015	2,135,000	-	50,000	2,085,000
$0.13	$0.08	December 31, 2015	100,300	-	-	100,300
$0.10	$0.09	June 16, 2016	4,800,000	-	50,000	4,750,000
$0.10	$0.09	June 29, 2016	200,000	-	-	200,000
$0.10	$0.06	January 4, 2017	-	100,000	-	100,000
Options outstanding			**9,109,550**	**100,000**	**117,000**	**9,092,550**
Options exercisable			**9,059,400**			**9,017,550**
Weighted average exercise price, options outstanding			$0.13		$0.08	$0.13
Weighted average contractual life, options outstanding (years)			4.21			3.47
Weighted average exercise price, options exercisable			$0.13			$0.13
Weighted average contractual life, options exercisable (years)			4.21			3.46

On January 4, 2012 the Company granted a consultant 100,000 stock options exercisable at $0.10 for a period of five years. These options vest on April 4, 2012 (25%), July 4, 2012 (25%), October 4, 2012 (25%) and January 4, 2013 (25%). As at April 30, 2012, 25,000 options had vested and were fully exercisable and 75,000 options remained unvested.

10. Share Capital, continued

(c) Stock Options, continued

A summary of the stock options outstanding and exercisable as at April 30, 2011 is provided below:

Exercise Price	Fair Value at Grant Date	Expiry Date	Balance July 31, 2010	Issued on Amalgamation	Expired	Exercised	Balance April 30, 2011
$0.44	-	January 16, 2011	-	293,250	293,250	-	-
$0.58	-	January 31, 2011	-	352,750	352,750	-	-
$0.89	-	March 27, 2011	-	106,250	106,250	-	-
$1.00	-	March 30, 2011	-	208,250	208,250	-	-
$0.50	-	June 1, 2011	-	108,375	6,375	-	102,000
$0.45	-	May 22, 2012	-	280,500	17,000	-	263,500
$0.45	-	October 19, 2012	-	21,250	-	-	21,250
$0.45	-	October 30, 2012	-	25,500	-	-	25,500
$0.31	-	February 20, 2013	-	259,250	8,500	-	250,750
$0.42	-	May 2, 2013	-	136,000	-	-	136,000
$0.10	-	April 23, 2015	-	1,075,250	42,500	-	1,032,750
$0.12	-	May 11, 2015	-	170,000	-	-	170,000
$0.15	$0.11	May 27, 2015	2,375,000	-	175,000	40,000	2,160,000
$0.13	-	December 31, 2015	-	100,300	-	-	100,300
Options outstanding			**2,375,000**	**3,136,925**	**1,209,875**	**40,000**	**4,262,050**
Options exercisable			**2,375,000**				**4,144,325**
Weighted average exercise price, options outstanding			$0.15	$0.36	$0.56	$0.15	$0.18
Weighted average remaining contractual life, options outstanding (years)			4.83				3.56
Weighted average exercise price, options exercisable			$0.15				$0.18
Weighted average remaining contractual life, options exercisable (years)			4.83				3.53

Options issued on amalgamation originally granted on May 11, 2010 vest 25% every quarter beginning August 11, 2010. As at April 30, 2011, 127,500 options had vested and were fully exercisable and 42,500 options remained unvested.

Options issued on amalgamation originally granted on December 31, 2010, vest 25% every quarter beginning March 31, 2011. As at April 30, 2011, 25,075 options had vested and were fully exercisable and 75,225 options remained unvested.

10. Share Capital, continued

(d) Share Purchase Warrants

A summary of the common share purchase warrants outstanding as at April 30, 2012 is provided below:

Exercise Price	Expiry Date	Balance July 31, 2011	Granted	Expired	Balance April 30, 2012
$0.10	October 15, 2012	5,504,495	-	-	5,504,495
$0.10	January 15, 2012	68,850	-	68,850	-
$0.20	August 6, 2012	3,000,000	-	-	3,000,000
$0.20	August 6, 2012	361,667	-	-	361,667
$0.20	August 20, 2012	450,000	-	-	450,000
$0.20	August 20, 2012	87,000	-	-	87,000
$0.20	April 6, 2013	10,125,000	-	-	10,125,000
$0.20	April 6, 2013	1,605,000	-	-	1,605,000
$0.20	May 6, 2013	4,851,975	-	-	4,851,975
$0.20	May 6, 2013	505,000	-	-	505,000
$0.20	November 14, 2013	-	330,000	-	330,000
$0.20	November 16, 2013	-	200,000	-	200,000
		26,558,987	**530,000**	**68,850**	**27,020,137**
Weighted average exercise price		$0.18	$0.20	$0.10	$0.18
Weighted average contractual life (years)		1.35			0.77

On January 12, 2012, the expiry date of 5,504,495 share purchase warrants exercisable at $0.10 was extended from January 15, 2012 to April 15, 2012. On April 10, 2012 the expiry date was extended from April 15, 2012 to October 15, 2012.

A summary of the common share purchase warrants outstanding as at April 30, 2011 is provided below:

Exercise Price	Expiry Date	Balance July 31, 2010	Granted	Balance April 30, 2011
$0.10	January 15, 2012	-	5,504,495	5,504,495
$0.10	January 15, 2012	-	68,850	68,850
$0.20	August 6, 2012	-	3,000,000	3,000,000
$0.20	August 6, 2012	-	361,667	361,667
$0.20	August 20, 2012	-	450,000	450,000
$0.20	August 20, 2012	-	87,000	87,000
$0.20	April 6, 2013	-	10,125,000	10,125,000
$0.20	April 6, 2013	-	1,605,000	1,605,000
		-	**21,202,012**	**21,202,012**
Weighted average exercise price		-	$0.17	$0.17
Weighted average contractual life (years)		-		1.49

10. Share Capital, continued

(e) Fair Value Determination

The fair value of stock options and share purchase warrants granted and share purchase warrants modified were calculated using the Black-Scholes option pricing model with the following weighted average assumptions (not including options and warrants issued as part of the Amalgamation - Note 3):

	April 30, 2012			April 30, 2011	
	Options	Warrants	Modified Warrants	Options	Warrants
Risk-free interest rate	1.30%	0.90%	1.08%	N/A	1.32%
Expected share price volatility	106.11%	101.37%	61.67%	N/A	102.95%
Expected option/warrant life (years)	5.00	2.00	0.39	N/A	2.00
Expected dividend yield	0.00%	0.00%	0.00%	N/A	0.00%

The total calculated fair value of share-based payments for the nine months ended April 30, 2012 and 2011 were included in the respective condensed consolidated statements of operations or equity as follows:

	April 30, 2012	April 30, 2011
Statements of Comprehensive Loss		
Directors, Officers and Employees	$ 3,562	$ -
Amalgamation options and warrants granted (incremental value)	-	292,603
Modification of share purchase warrants	51,362	-
	54,924	292,603
Statements of Changes in Equity (Agent Warrants)	7,257	183,555
Total	$ 62,181	$ 476,158

11. Transition to IFRS

As stated in Note 2 (a), these are the Company's third condensed consolidated interim financial statements prepared in accordance with IFRS. The accounting policies described in Note 2 have been consistently applied in preparing these condensed consolidated interim financial statements for the nine months ended April 30, 2012, the comparative information presented in these condensed consolidated interim financial statements for the nine months ended April 30, 2011 and the consolidated statement of financial position as at July 31, 2011. An explanation of IFRS 1, first-time adoption of IFRS exemptions, and the required reconciliations between IFRS and Canadian GAAP are described below.

11. Transition to IFRS, continued

In preparing these condensed consolidated interim financial statements, the Company has applied IFRS 1, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 gives entities adopting IFRS for the first time a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS.

The following are the optional exemptions available under IFRS 1 that the Company has elected to apply:

Share-based Payments

The Company elected to not apply IFRS 2: *Share-based Payments*, to equity instruments granted before November 7, 2002 and those granted but fully vested before the date of transition to IFRS.

Business Combinations

The Company elected to not apply IFRS 3: *Business Combinations*, with respect to business combinations that occurred before the date of transition to IFRS. As a result of this election, no adjustments were required to the Company's statement of financial position as at August 1, 2010.

The following accounting policy amendments and other recognition adjustments have been made on the transition to and adoption of IFRS:

(a) Exploration expenditures

On transition to IFRS the Company elected to retrospectively change its accounting policy for the treatment of exploration expenditures to a policy of expensing all exploration expenditures, so as to align itself with policies applied by other comparable companies at a similar stage in the mining industry.

(b) Share-based payments

On transition to IFRS the Company elected to retrospectively change its accounting policy for the treatment of share-based payments whereby amounts recorded for expired unexercised stock options, finders' options, and warrants are transferred from share-based payment reserve to deficit. Previously, the Company's Canadian GAAP policy was to leave such amounts in share-based payment reserve.

(c) Deferred Income Tax

On transition to IFRS, deferred income tax recognized on Amalgamation was reversed in accordance with International Accounting Standard 12: *Income Taxes*, which prohibits recognition of a deferred tax liability if it arises from the initial recognition of specified assets or liabilities in a transaction that is not a business combination and does not affect accounting or taxable income at the time.

11. Transition to IFRS, continued

Reconciliation of Statement of Financial Position

The table below provides a summary of the adjustments to the consolidated statement of financial position as at April 30, 2011:

	Note		April 30, 2011
Total Assets per GAAP		$	16,498,001
Decrease in mineral properties	11(a)		(3,217,059)
Decrease in deferred income tax	11(c)		(1,428,726)
Total assets per IFRS		$	**11,852,216**
Total Liabilities per GAAP		$	2,009,305
Decrease in deferred income tax	11(c)		(1,428,726)
Total Liabilities per IFRS		$	**580,579**
Total Equity per GAAP		$	14,488,696
Decrease in mineral properties	11(a)		(3,217,059)
Decrease in share-based payment reserve	11(b)		(29,611)
Decrease in deficit	11(b)		29,611
Total Equity per IFRS			**11,271,637**
Total Liabilities and Equity per IFRS		$	**11,852,216**

Reconciliation of Comprehensive Loss

The table below provides a summary of the adjustments to the consolidated statements of comprehensive loss for the three and nine month periods ended April 30, 2011:

	Note		Three months ended April 30, 2011	Nine months ended April 30, 2011
Comprehensive Loss per GAAP		$	242,301	1,090,690
Increase in exploration expenditures	11(a)		242,793	608,545
Comprehensive Loss per IFRS		$	**485,094**	**1,699,235**

Reconciliation of Cash Flows

The only material adjustments to cash flows arose due to the change in accounting policy for the treatment of exploration expenditures. Under IFRS, such expenditures are now treated as operating activities as opposed to investing activities under Canadian GAAP. Total cash balances remained unchanged on adoption of IFRS.

12. Segmented Information

The Company operates in one business segment, the acquisition and exploration of mineral properties, and its consolidated assets are distributed by geographic location as follows:

	April 30, 2012		July 31, 2011	
	$	%	$	%
Canada	774,818	8%	965,191	9%
USA	9,470,669	92%	9,772,376	91%
	10,245,487	**100%**	**10,737,567**	**100%**

The Company's mineral properties are located in Nevada, USA and Ontario, Canada.

13. Supplemental Cash Flow Information

	Nine months ended April 30, 2012	2011
Cash Items		
Income tax paid	$ -	$ -
Interest paid	-	-
Interest received	2,490	5,008
Non-Cash Items		
Financing Activities		
Fair value of stock options exercised	$ -	$ 4,407
Fair value of agent warrants	7,257	183,555

14. Commitment

Under a service agreement, as amended, between the Company and a company privately held by a director and officer of the Company, the Company is charged $8,000 monthly for office space and general administration services. On March 21, 2012, the agreement was amended, with an effective date of June 30, 2012. The current remaining fee commitment as at April 30, 2012 is $16,000 all due within one year.

Under the amended agreement the Company will be charged $12,250 monthly for office accommodation. The Company may terminate the agreement through written notice at any time by paying the monthly charge for office accommodation for the lesser of twenty-four months or the remainder of the term. The amended agreement expires on August 31, 2017.

15. Events after the Reporting Period

Other than the transactions disclosed elsewhere in these condensed consolidated interim financial statements, the following events occurred subsequent to April 30, 2012:

- On May 22, 2012, 263,500 stock options with an exercise price of $0.45 expired unexercised.
- On June 5, 2012, 170,000 stock options with an exercise price of $0.12 were cancelled as part of termination of an investor relations agreement.
- On June 6, 2012, 2,730,000 stock options were granted with an exercise price of $0.10 exercisable for a period of five years.

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Management's Discussion and Analysis
For the Nine Months Ended April 30, 2012
Dated: June 19, 2012

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A. Introduction

The following Management's Discussion and Analysis ("MD&A") of the operating results and financial condition of Bravada Gold Corporation (the "Company" or "BVA") is for the nine months ended April 30, 2012 and is dated June 19, 2012. This MD&A was prepared to conform to National Instrument 52-102 and was approved by the Board of Directors prior to its release. This MD&A should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the nine months ended April 30, 2012; the audited annual consolidated financial statements for the year ended July 31, 2011 and the accompanying notes.

The Company's shares trade on both the TSX Venture Exchange ("TSX-V") under the symbol "BVA" and on the Frankfurt Stock Exchange under the symbol "BRT.F".

The Company's functional and reporting currency is the Canadian dollar and all dollar amounts are in Canadian dollars, unless otherwise indicated.

Additional information relating to the Company is available on the Company's website at www.bravadagold.com and on SEDAR at www.sedar.com

B. Qualified Person

Joseph A. Kizis, Jr., AIPG Certified Professional Geologist No. CPG-11513, is the qualified person under National Instrument 43-101 ("NI 43-101") responsible for the technical information included in this MD&A. Mr. Kizis graduated from University of Colorado (M.S. in Geology) and Kent State University (B.S. in Geology), and has more than 36 years of experience in minerals exploration both with major mining and junior exploration companies.

C. Exchange Information and Conversion Tables

For ease of reference, the following information is provided:

Canadian Dollars per US Dollar [(1)]	**Nine months ended April 30 2012**	**Nine months ended April 30 2011**	**Year ended July 31 2011**
Rate at end of period	0.9879	0.9464	0.9555
Average rate for period	0.9929	1.0035	0.9941
High for period	1.0549	1.0665	1.0642
Low for period	0.9428	0.9464	0.9449

Conversion Table [(2)] **Imperial**		**Metric**	
1 Acre	=	0.404686	Hectares
1 Foot	=	0.304800	Meters
1 Mile	=	1.609344	Kilometres
1 Ton	=	0.907185	Tonnes
1 Ounce (troy)/ton	=	34.285700	Grams/Tonne

C. Exchange Information and Conversion Tables, continued

Precious metal units and conversion factors [2]

ppb	- Part per billion	1	ppb	=	0.0010	ppm	=	0.000030	oz/t
ppm	- Part per million	100	ppb	=	0.1000	ppm	=	0.002920	oz/t
oz	- Ounce (troy)	10,000	ppb	=	10.0000	ppm	=	0.291670	oz/t
oz/t	- Ounce per ton (avdp.)	1	ppm	=	1.0000	ug/g	=	1.000000	g/tonne
g	- Gram								
g/tonne	- gram per metric ton	1	oz/t	=	34.2857	ppm			
mg	- milligram	1	Carat	=	41.6660	mg/g			
kg	- kilogram	1	ton (avdp.)	=	907.1848	kg			
ug	- microgram	1	oz (troy)	=	31.1035	g			

(1) www.bankofcanada.ca
(2) www.onlineconversion.com

D. Summary of Mineral Properties

The Company is exploring for precious metals in well-established gold trends in Nevada, one of the world's best gold jurisdictions. The Company has a large portfolio of properties covering a range of development stages from early-stage exploration to advanced-stage exploration and pre-development. The Company holds 20 Nevada properties, approximately 18,000 hectares, located in the Battle Mountain-Eureka, Walker Lane, Northern Nevada Rift, Austin, and Kings River Rift gold trends. The Company also owns the Drayton project, an Achaean gold property located in Ontario.

The Wind Mountain property is at the pre-development stage, with a NI 43-101 compliant resource and positive Preliminary Economic Assessment ("PEA"), which was recently updated, and has the potential to become a near-term producer. The Quito, East Manhattan, NSR and Colorback properties are the Company's most advanced exploration-stage properties. In addition to these sole-funded projects, the Company works with partners to explore certain properties. The Company is currently seeking qualified partners to advance select properties, several of which have drill-ready targets identified.

Wind Mountain

Wind Mountain is a low-sulphidation-type gold and silver property consisting of 157 claims (approximately 1,250 hectares) located within the highly prospective Walker Lane Gold trend approximately 160 kilometres northeast of Reno, Nevada with good road access and power.

The Company completed 50 drill holes for a total of 4,108.50 metres during 2011. The drilling significantly extended mineralization at the property, and an updated resource estimate and PEA was initiated in late 2011 and completed in May 2012. Metallurgical, geological, and archaeological studies were also conducted in 2011.

D. Summary of Mineral Properties, continued

Wind Mountain, continued

The geologic model that constrains mineralization also has been significantly refined. The base-case IRR is nearly double the 2010 base-case IRR, and the number of ounces produced from near-surface oxide mineralization has greatly increased. The PEA considers only a portion of the property and new resources contained within the North Hill deposit and the South End deposit, and previously mined "waste rock" were not included in the PEA. In addition, the company has identified large areas on the property where significant new resources could be discovered.

In addition, US Geothermal Inc. ("HTM", "GTH.TO") plans to drill five deep holes to the west of the Company's resource. The Company will receive a split of the samples for study and assay as part of a data-sharing agreement. Valuable stratigraphic and geochemical data will be obtained from these holes, which should assist with deep exploration targeting beneath existing resources. The timing of this program is expected to begin during summer of 2012.

Mountain Boy (Signal and Temple)

Signal consists of 129 claims located in the northwestern portion of the Eureka Mining District in Eureka County, Nevada.

The Company's 2010 deep drilling program and 3D modeling showed that targets remain and the Company signed an earn-in option agreement with a joint-venture partner to conduct further exploration and drilling. The partner has permitted several holes and is constructing drill sites for a core-drilling program that is expected to begin during June 2012.

Temple consists of 54 claims located in the western portion of the Eureka Mining District in Eureka County, Nevada.

Historic drilling at Temple encountered Carlin-style gold mineralization and targets have been identified adjacent to previously drilled areas based on mapping and soil geochemistry. The Company is seeking a joint-venture partner to further test the property.

Battle Mountain - Pete Hanson

Pete Hanson consists of 113 claims and is situated approximately 56 kilometres northwest of Eureka, Nevada and is in the heart of the Battle Mountain – Eureka Gold trend.

Silicification and widespread anomalous gold and pathfinder geochemistry establish the presence of a strong Carlin-type gold system hosted by Lower Plate carbonate rocks. The Company drilled one deep core hole in 2010 and intersected the highly favorable Roberts Mountain Formation with anomalous gold concentrations at moderate depth.

Several prominent faults host strong gold anomalies, several of which are more than 1g/t (high value 3.39g/t Au), and associated alteration consisting of strong hematite staining and silicification. Several favorable targets have yet to be drill tested and the Company is seeking a joint-venture partner to conduct the additional drilling.

D. Summary of Mineral Properties, continued

Battle Mountain - South Lone Mountain Claims ("SoLM")

SoLM consists of 136 claims and is a gravel-covered project located along a regionally significant geophysical "gravity break" underlain by favorable Lower Plate Paleozoic host rocks. Data generated or purchased by the Company and its previous partners include: geology and geochemistry from historic oil wells in Kobeh Valley and exposures at Lone Mountain, detailed gravity geophysics, 48 line kilometers of seismic geophysics, soil and gas geochemistry, and limited reverse-circulation and mud-rotary drilling. Samples from one of the historic oil wells contained significant gold mineralization at the base of Tertiary gravel, although the source of the gold remains unknown.

Claims were staked in 2010 to extend coverage of projections of Mississippi-Valley-type zinc/lead mineralization exposed nearby and identified on the South Lone Mountain property in soil samples. The Company is seeking a joint-venture partner to evaluate that mineralization.

Battle Mountain - SF

SF consists of 102 claims and is located in Eureka County, Nevada in the Cortez Mountains.

Several large Carlin deposits show evidence of overprinting by younger gold systems, an indication that their plumbing systems are deeply rooted. Both Carlin-type and low-sulphidation-type alteration are present, with narrow zones of Carlin-style geochemistry intersected in a drill hole directly east of the property. The target at SF is favorable Devonian-age Wenban limestone and Horse Canyon formation host rocks, which are both exposed in the western portion of the property and adjacent to a major fault projected beneath thin gravel cover on the eastern portion of the property.

The Company is seeking a partner to further explore this property.

Battle Mountain - Granite Mountain

Granite Mountain covers 129 hectares and is located in Lander County, Nevada in the Cortez district along the Battle Mountain-Eureka Gold trend.

Previous drilling identified a large halo of anomalous gold and pathfinder elements. In addition, anomalous gold and pathfinder elements occur in rock and soil samples. The Company acquired the adjacent Colorback property and speculates that Carlin-type gold mineralization may underlie both properties.

Battle Mountain - Shoshone Pediment

Shoshone Pediment consists of 70 claims located in Lander County, Nevada.

The rights to barite at the property are currently leased, for which the Company will receive an advanced minimum royalty and a royalty for any barite produced. The leasee must also pay federal and county fees to maintain the claims and provide the Company with a split of any drill samples that they collect. The Company reserves the rights to explore for and mine gold and other metals.

D. Summary of Mineral Properties, continued

Battle Mountain - Shoshone Pediment, continued

Although there are no immediate plans to drill the property in search of gold, the Company believes that the best potential lies in the more prospective Lower Plate rocks at depth. Gold and pathfinder geochemistry on samples drilled by the barite company in Upper Plate rocks may provide vectors that will allow targeting for gold in Lower Plate rocks.

Battle Mountain - NSR

NSR consists of 206 claims in located in Lander County, Nevada.

Much historic data has been obtained for the NSR project and adjacent properties, and that data is being compiled. Gold occurs in surface samples and in several historic drill holes, generally in the range of 0.5g/t, in Upper Plate rocks around an intrusion. An attractive target is the contact of the intrusion with Lower Plate rocks at depth.

Battle Mountain - Colorback

Colorback consists of private fee land and lode claims, a total of 1,420 hectares, and is located in the Cortez Mining district along the Battle Mountain-Eureka gold trend. The property partially surrounds the Granite Mountain property, a small parcel of fee land that the Company has held for several years as part of its strategy to acquire prospective property positions in this prolific gold district.

Carlin-type gold mineralization is exposed on the property at surface, in trenches, and in numerous historic drill holes. Mineralization occurs in Upper Plate Paleozoic sediments and Eocene intrusions; however, the Company believes highly productive Lower Plate Paleozoic carbonates provide a more attractive target for a large, high-grade gold deposit. Geologic 3D modeling has been completed and has identified several drill targets. One core hole is planned for 2012 to test the most attractive exploration target.

Battle Mountain – Other

Gabel Canyon consists of 63 claims located along the northern portion of the Roberts Mountains in Eureka County, Nevada. Alteration and geochemistry of Lower Plate carbonates is suggestive of Carlin-style gold mineralization. The Company is seeking a joint-venture partner to further evaluate this property's potential. However, in accordance with accounting standards, an impairment was recognized and all costs capitalized in the nine month period ended April 30, 2012 were written off.

North Lone Mountain consists of 81 claims located in Kobeh Valley. Prospective altered Lower Plate carbonates have been intersected beneath shallow gravel cover (30 to +100 meters thick) adjacent to the southern portion of the property, with altered and weakly gold-mineralized Upper Plate rocks intersected in and adjacent to the northern portion of the property. The Company is seeking a joint-venture partner to further evaluate this property's potential. However, in accordance with accounting standards, an impairment was recognized and all costs capitalized in the nine month period ended April 30, 2012 were written off.

D. Summary of Mineral Properties, continued

Battle Mountain – Other, continued

Three Bar consists of 85 claims located in the heart of the Battle Mountain Gold Trend approximately 55 kilometres northwest of Eureka, Nevada. Potential for shallow to deep deposits of gold and a possible northern extension of the Gold Bar feeder zone are indicated by regional gravity data. The Company is seeking a joint-venture partner to further evaluate this property's potential.

In addition, in accordance with accounting standards, an impairment was recognized and all costs capitalized in the nine month period ended April 30, 2012 with respect to the South Gold Bar property were written off.

Highland

Highland consists of 141 claims located in the southwestern corner of Lander County, Nevada at the southern end of the Desatoya Mountains.

Drilling by the Company and other exploration companies intersected attractive gold and silver values in this largely gravel-covered, low-sulphidation gold and silver vein system.

The Company is seeking a joint-venture partner to drill targets newly identified by geophysics.

Drayton

Drayton consists of 7 claims located in the Patricia Mining Division of Ontario, near Sioux Lookout.

Geochemical and geological characteristics suggest a prospect for Archean gold vein mineralization.

The Company is seeking a joint-venture partner to further explore this property.

Baxter

Baxter consists of 86 claims located in the Walker Lane Gold trend, Nevada and is approximately 5 kilometres southwest of the Company's Highland Property.

Geochemical and geological characteristics suggest the property is prospective for low-sulphidation gold and silver vein mineralization.

The Company is seeking a joint-venture partner to conduct an IP geophysical survey to further test the Chugiak and Last Chance structures at the property.

Mud Springs

Mud Springs consists of 55 claims located in Churchill County, Nevada within the area of interest of the Baxter property.

The Company is seeking a joint-venture partner to evaluate the potential for precious metal and molybdenum mineralization at the property.

D. Summary of Mineral Properties, continued

Buz

Buz consists of 30 claims located in Lander County, Nevada approximately 7 kilometres to the northeast of the Company's Highland Property.

The property is a low-sulphidation epithermal gold/silver system. Surface samples of veins and historic small mine dumps contain gold and low concentrations of silver and base metals. Vein textures, geochemistry, and geologic setting indicate minimal erosion and suggest that the main zone of boiling and gold mineralization should lie at depth.

The Company is seeking a joint-venture partner to further develop the property.

East Manhattan

East Manhattan consists of 84 claims located in Nye County, Nevada at the eastern edge of the Manhattan Mining district.

Grades of mineralization encountered during the 2011 core program are similar to those intersected during the 2008 reverse-circulation drilling program, indicating that less-expensive reverse circulation drilling is adequate to further test shallow portions of the property in potential subsequent drill programs. Encouraging gold intercepts suggest mineralization extends under shallow gravel cover, where IP/resistivity geophysics could delineate drill targets.

The Company is seeking a joint-venture partner to drill these targets.

Zebra

During the period, the previous joint-venture partner agreement was cancelled and the Company terminated its underlying property acquisition option agreement.

In accordance with accounting standards, an impairment was recognized and all costs capitalized to date were written off.

Millie

Millie consist of 42 claims and two parcels of private land located approximately 40 kilometres southwest of Winnemucca in Pershing County, Nevada on the Kings River Rift gold trend, a region with high magnetic signature and epithermal gold deposits, parallel to the prolific Northern Nevada Rift gold trend.

The property lies in an area of hot-spring alteration hosting anomalous gold mineralization in Tertiary volcanic and lacustrine rocks and presents the opportunity for discovery of bonanza-style, low-sulphidation, and volcanic-hosted gold mineralization in an area with excellent access and logistical support. The Company intends to map and sample surface outcrops and float, and possibly conduct soil sampling and also attempt to acquire historic drill and other data. Geophysics and drilling will depend on the results of this work.

D. Summary of Mineral Properties, continued

Quito

Quito consists of 462 claims located on the Austin gold trend in Lander County, Nevada.

Modern 3D computer modelling has been completed, which has identified structural and stratigraphic controls that can be targeted for drilling on this large Carlin-style gold property. The property is a past producer with very attractive gold grades. An existing Plan of Operation was transferred from the property optionor to the Company, which will allow initial drill testing.

One core hole is planned to test the most attractive exploration target during the summer of 2012.

Acquisition costs

The Company's accounting policy related to expenditures incurred for the acquisition of mineral properties is to capitalize on a property-by-property basis, net of recoveries. During the nine months ended April 30, 2012 the Company incurred acquisition costs on its mineral properties as follows:

	Balance July 31, 2011 $	Q1 $	Q2 $	Q3 $	Write-offs $	Balance April 30, 2012 $
Wind Mountain	5,345,834	32,171	14,096	42,324	-	5,434,425
Signal	424,983	(19,570)	(2,859)	-	-	402,554
Pete Hanson	72,380	17,031	(16,573)	-	-	72,838
Other	3,937,244	247,615	(42,221)	(3,194)	(54,413)	4,085,031
Total	**9,780,441**	**277,247**	**(47,557)**	**39,130**	**(54,413)**	**9,994,848**

Exploration costs

The Company's accounting policy related to expenditures incurred for the exploration and development of mineral properties is expense to the consolidated statement of comprehensive loss in the period in which they are incurred. During the nine months ended April 30, 2012 the Company incurred exploration costs on its mineral properties as follows:

	Incurred to July 31, 2011 $	Q1 $	Q2 $	Q3 $	Incurred to April 30, 2012 $
Wind Mountain	550,773	309,520	78,829	134,219	1,073,341
Signal	1,021,014	275	128	-	1,021,417
Pete Hanson	288,944	1,185	383	1,464	291,976
Other	1,795,227	50,214	58,169	(3,362)	1,900,248
General Exploration		211	113	(2)	
		361,405	**137,622**	**132,319**	

E. Results of Operations

During the nine months ended April 30, 2012, the Company reported a net loss and comprehensive loss of $1,369,058 (2011: $1,699,235) as follows:

	2012	2011	Variance	
	$	$	$	%
Operating Expenses				
Administration	72,000	72,000	-	0%
Consulting	137,342	169,516	(32,174)	(19%)
Exploration and evaluation	631,346	590,250	41,096	7%
Investor relations	129,047	128,158	889	1%
Office and general	78,900	80,557	(1,657)	(2%)
Professional fees	131,943	174,175	(42,232)	(24%)
Regulatory fees and taxes	18,152	15,652	2,500	16%
Share-based payments	3,562	292,603	(289,041)	(99%)
Shareholders' communications	12,414	34,986	(22,572)	(65%)
Transfer agent	27,584	57,861	(30,277)	(52%)
Travel and promotion	25,492	74,723	(49,231)	(66%)
Other Items				
Foreign exchange (gain) loss	(2,009)	15,497	(17,506)	(113%)
Interest and other income	(2,490)	(5,008)	2,518	(50%)
Share purchase warrant modification	51,362	-	51,362	N/A
Write-off of mineral properties	54,413	-	54,413	N/A
Comprehensive Loss				
Unrealized gain on marketable securities	-	(1,735)	1,735	(100%)

Consulting expenses decreased as a result of a fewer consultants employed during the current period.

As per the Company's mandate to acquire, explore, and develop mineral resource properties, the Company has steadily invested in its mineral properties and expenditure incurred has increased accordingly.

Investor relations and travel and promotion expenses fluctuate based on the number of conferences and trade shows attended and other work performed in preparation of financing activities.

Professional fees, shareholders' communications and transfer agent expenses all decreased due to additional expenses that were incurred in the prior period relating to the Amalgamation.

Non-cash share-based payments were recorded in 2011 with respect to the Amalgamation, and non-cash amounts were recognized in the current period with respect to the fair value of modified share purchase warrants and vesting of stock options.

A foreign exchange gain arose due to a strengthening of US dollar during the current period.

Mineral property write-offs fluctuate based on quarterly assessments. During the current period, the Zebra property acquisition agreement was terminated and all capitalized costs relating to this property were written off.

F. Summary of Quarterly Results

The Company earned no revenue during the periods presented other than minimal interest income due to the nature of the industry and its current operations.

The Company's operating costs have increased over the periods presented due to the Plan of Arrangement that took place during September 2009 and the Amalgamation which took place during January 2011. Other quarterly fluctuations mainly relate to foreign exchange gains and losses which vary with market rates, on-cash share-based payments which vary as stock options are granted and other equity instruments are amended, and mineral property exploration costs and impairment charges which arise as exploration programs are undertaken, results are analyzed and properties are assessed. A significant impairment charge was recognized in the three months ended July 31, 2011.

The following financial data was derived from the Company's consolidated financial statements for the eight previous quarters:

	IFRS							Canadian GAAP
	Apr 30, 2012 $	Jan 31, 2012 $	Oct 31, 2011 $	July 31, 2011 $	Apr 30, 2011 $	Jan 31, 2011 $	Oct 31, 2010 $	July 31, 2010 $
Net loss and comprehensive loss	425,832	390,416	552,810	1,647,047	485,094	693,108	521,033	494,945
Loss per share - basic and diluted	$0.00	$0.00	$0.01	$0.02	$0.01	$0.02	$0.02	$0.02

G. Related Party Transactions

The Company entered into the following related party transactions during the nine months ended April 30, 2012 and 2011:

(a) Under the service agreement, as amended, between the Company and a company privately held by a director and an officer of the Company, the Company was charged as follows:

- $72,900 (2011: $72,000) for office space and administration services;
- $59,500 (2011: $50,724) for professional services;
- $11,430 (2011: $11,100) for consulting services;
- $59,925 (2011: $52,255) for investor relations services;
- $298 (2011: $5,332) for geological consulting services;
- $7,889 (2011: $4,995) in respect of the mark-up on out-of-pocket expenses.

As at April 30, 2012, amounts payable under the agreement were $24,021 (July 31, 2011: $nil) and prepaid rent of $6,080 (July 31, 2011: $1,996) is included in prepaid expenses.

G. Related Party Transactions, continued

(b) Fees relating to legal services in the amount of $36,300 (2011: $51,913) were charged by a law firm controlled by a director and an officer of the Company and included in investor relations, professional fees, mineral property expenditures and share issue costs. Amounts payable as at April 30, 2012 were $5,594 (July 31, 2011: $nil).

(c) Fees relating to professional services in the amount of $60,750 (2011: $81,000) were charged by a director and an officer of the Company. Amounts payable as at April 30, 2012 were $15,120 (July 31, 2011: $nil).

(d) Fees relating to office administration of $nil (2011: $4,000) were charged by a private company controlled by a director and an officer of the Company (resigned as an officer effective September 30, 2010).

(e) Fees relating to professional services of $22,500 (2011: $22,500) were charged by a private company controlled by an officer of the Company. Amounts payable as at April 30, 2012 were $8,400 (July 31, 2011: $5,000).

(f) Fees relating to investor relations and corporate development of $nil (2011: $1,300) were charged by a director of the Company.

(g) Fees relating to investor relations and corporate development of $20,000 (2011: $nil) were charged by a private company controlled by a former director and officer of BA's former parent Company. Amounts payable as at April 30, 2012 were $8,400 (July 31, 2011: $5,600).

(h) Fees charged for management, geological and mining consulting services of US $56,250 (2011: US $56,250) were charged by a director and an officer of the Company. The charges are expensed or capitalized to mineral properties as appropriate. Amounts payable as at April 30, 2012 were $8,893 (US $9,002) (July 31, 2011: advance of $2,565 (US $2,684)).

These transactions are in the normal course of operations and amounts due to related parties are unsecured, non-interest-bearing and have no formal terms of repayment.

The key management personnel of the Company are the directors and officers of the Company. Other than consulting fees paid to directors and other members of key management personnel (disclosed in (b), (c), (d), (e), (f) and (h) above), the Company paid no other fees nor granted any share-based payments during the nine months ended April 30, 2012 or 2011.

Certain executive officers are entitled to termination benefits in the event of a change of control equal to one hundred percent of the compensation that would have been paid during the unexpired term of their agreements. The remaining balance payable under the agreements as at April 30, 2012 was $450,000. The Company has no other employee or post-employment benefits.

H. Financial Conditions, Liquidity and Capital Resources

The Company has limited financial resources and finances its operations by raising capital in the equity markets. For the near future, the Company will need to rely on the sale of such securities and/or enter into joint-venture agreements with third parties to provide working capital and to finance its mineral property acquisition and exploration activities.

Since the Company does not generate any revenue from operations, its long-term profitability will be directly related to the success of its mineral property acquisition and exploration activities.

Although the Company has been successful in obtaining financing through sale of its securities, there can be no assurance that the Company will be able to obtain adequate financing in the future in light of factors such as the market demand for its securities, the general state of financial markets and other relevant factors. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with a possible loss of some properties and reduction or termination of operations.

As at April 30, 2012, the Company had a working capital deficiency of $91,704 (July 31, 2011 - surplus of $481,444). In addition, the cash balance as at April 30, 2012 of $33,670 would be insufficient to meet the cash requirements for the Company's administrative overhead, maintaining its mineral interests and continuing with its exploration program in the coming year. Management is actively seeking to raise the necessary capital to meet its funding requirements but there can be no assurance that management's plan will be successful.

i) Commitments

Mineral Properties

In accordance with the Quito property option agreements, if the option is terminated prior to November 1, 2012, and an aggregate expenditure of US $500,000 has not been incurred, any difference between actual and aggregate expenditures will become payable in cash in thirty days from termination.

In accordance with the Colorback option agreements the Company must incur exploration expenditures of US $50,000, on or before December 8, 2011 (incurred), and an additional US $150,000, on or before December 8, 2012, which are firm commitments not affected by agreement termination.

Service Agreement

Under a service agreement, as amended, between the Company and a company privately held by a director and officer of the Company, the Company is charged $8,000 monthly for office space and general administration services. On March 21, 2012, the agreement was amended, with an effective date of June 30, 2012. The current remaining fee commitment as at April 30, 2012 is $16,000 all due within one year.

Under the amended agreement the Company will be charged $12,250 monthly for office accommodation. The Company may terminate the agreement through written notice at any time by paying the monthly charge for office accommodation for the lesser of twenty-four months or the remainder of the term. The amended agreement expires on August 31, 2017.

I. Outstanding Equity and Convertible Securities

i) Issued and Outstanding Shares

As at April 30, 2012 and June 19, 2012, the Company had 114,264,282 common shares issued and outstanding. No shares have been issued, cancelled or re-issued since April 30, 2012.

ii) Stock Options

As at June 19, 2012, the Company had stock options outstanding and exercisable as follows:

Exercise Price		Expiry Date	Balance April 30, 2012	Granted	Expired	Balance June 19, 2012
$0.45		May 22, 2012	263,500	-	263,500	-
$0.45		October 19, 2012	21,250	-	-	21,250
$0.45		October 30, 2012	25,500	-	-	25,500
$0.31		February 20, 2013	246,500	-	-	246,500
$0.42		May 2, 2013	136,000	-	-	136,000
$0.10		April 23, 2015	994,500	-	-	994,500
$0.12		May 11, 2015	170,000	-	170,000	-
$0.15		May 27, 2015	2,085,000	-	-	2,085,000
$0.13		December 31, 2015	100,300	-	-	100,300
$0.10		June 16, 2016	4,750,000	-	-	4,750,000
$0.10		June 29, 2016	200,000	-	-	200,000
$0.10	*	January 4, 2017	100,000	-	-	100,000
$0.10		June 6, 2017	-	2,730,000	-	2,730,000
Options outstanding			**9,092,550**	**2,730,000**	**433,500**	**11,389,050**
Options exercisable			**9,017,550**			**11,314,050**
Weighted average exercise price, options outstanding			$0.13	$0.10	$0.32	$0.12
Weighted average remaining life, options outstanding (years)			3.47			3.81
Weighted average exercise price, options exercisable			$0.13			$0.12
Weighted average remaining life, options exercisable (years)			3.46			3.81

* Options vest 25% every quarter beginning April 4, 2012. As at April 30, 2012, 25,000 options had vested and were fully exercisable and 75,000 options remained unvested.

I. Outstanding Equity and Convertible Securities, continued

iii) Share Purchase Warrants

As at June 19, 2012, the Company had share purchase warrants outstanding as follows:

Exercise Price	Expiry Date	Balance April 30, 2012	Balance June 19, 2012
$0.10	* October 15, 2012	5,504,495	5,504,495
$0.20	August 6, 2012	3,000,000	3,000,000
$0.20	August 6, 2012	361,667	361,667
$0.20	August 20, 2012	450,000	450,000
$0.20	August 20, 2012	87,000	87,000
$0.20	April 6, 2013	10,125,000	10,125,000
$0.20	April 6, 2013	1,605,000	1,605,000
$0.20	May 6, 2013	4,851,975	4,851,975
$0.20	May 6, 2013	505,000	505,000
$0.20	November 14, 2013	330,000	330,000
$0.20	November 16, 2013	200,000	200,000
		27,020,137	**27,020,137**
Weighted average exercise price		$0.18	$0.18
Weighted average contractual life (years)		0.77	0.63

* Extended from April 15, 2012 to October 15, 2012 on April 15, 2012.

J. Subsequent Events and Outlook

There are no material events subsequent to the date of this document.

The Company is confident that its existing group of properties has potential warranting continued exploration. Activities over the ensuing year will focus on these assets. The Company expects to continue its strategy of collaborating with experienced mining companies to develop its properties and to advance them to production.

K. Financial Instruments

The Company's financial instruments include cash, marketable securities, reclamation bonds, accounts payable and accrued liabilities, and amounts due to related parties which are classified into the following categories:

Cash	Fair value through profit or loss
Marketable securities	Available-for-sale
Reclamation bonds	Loans and receivables
Accounts payable and accrued liabilities	Other financial liabilities
Amounts due to related parties	Other financial liabilities

K. Financial Instruments, continued

The carrying values of cash, accounts payable and accrued liabilities and due to related parties are a reasonable estimate of their fair values due to the relatively short time period to maturity. The carrying values of the reclamation bonds approximate their fair values as these balances are non-interest-bearing and redeemable on demand. The marketable securities measured at fair value were categorized in Level 1.

Other than cash, the Company's financial instruments have no material risk exposure. Risk is managed with respect to cash by risk management policies that require cash deposits or short-term investments be invested with Canadian chartered banks rated BBB or better, or commercial paper issuers R1/A2/P2 or higher. In addition, all investments must be less than one year in duration.

L. Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements and does not contemplate having them in the foreseeable future.

M. Disclosure Controls and Procedures

The Board of Directors, through its Audit Committee, is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Audit Committee is composed of three directors, who meet at least quarterly with management and, at least annually with the external auditors to review accounting, internal control, financial reporting, and audit matters. There have been no significant changes to the Company's internal control over financial reporting that occurred during the period that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

The Audit Committee has established procedures for complaints received regarding accounting, internal controls or auditing matters, and for a confidential, anonymous submission procedure for employees who have concerns regarding questionable accounting or auditing matters. The whistleblower policy is in accordance with National Instrument 52-110 Audit Committees, National Policy 58-201 Corporate Governance Guidelines and National Instrument 58-101 Disclosure of Corporate Governance Practice.

Being a venture issuer, the Company is exempted from the certification on Disclosure Controls and Procedures and Internal Control Over Financial Reporting. The Company is required to file Form 52-109FV2 for interim reporting.

Risks and Uncertainties

The principal business of the Company is the exploration and development of mineral properties. Given the nature of the mining business, the limited extent of the Company's assets and the present stage of development, the following risk factors, among others, should be considered.

Exploration Stage Company

The Company does not hold any known mineral reserves of any kind and does not generate any revenues from production. The Company's success will depend largely upon its ability to locate commercially productive mineral reserves. Mineral exploration is highly speculative in nature, involves many risks, and frequently is non-productive.

N. Risks and Uncertainties, continued

Exploration Stage Company, continued

There is no assurance that exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality of management, the level of geological and technical expertise, and the quality of property available for exploration.

Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling and bulk sampling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities.

Because of these uncertainties, no assurance can be given that our exploration programs will result in the establishment or expansion of resources or reserves.

No Operating History and Availability of Financial Resources

The Company does not have an operating history and does not generate significant revenues and is unlikely to do so in the foreseeable future. Hence, it may not have sufficient financial resources to undertake by itself all of its planned mineral property acquisition and exploration activities. Operations will continue to be financed primarily through the sale of securities.

The Company will need to continue its reliance on the sale of such securities for future financing, which may result in dilution to existing shareholders. Furthermore, the amount of additional funds required may not be available under favorable terms, if 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 the Company to forfeit its interests in some or all of its properties or to reduce or discontinue its operations.

Price Volatility and Lack of Active Market

In recent months, 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 the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly. If an active market does not develop, the liquidity of the investment may be limited and the market price of such securities may decline below the subscription price.

Competition

The resource industry is intensively competitive in all of its phases, and the Company competes with many other companies possessing much greater financial and technical resources. Competition is particularly intense with respect to the acquisition of desirable undeveloped properties. The principal competitive factors in the acquisition of prospective properties include the staff and data necessary to identify and investigate such properties, and the financial resources necessary to acquire and develop the projects. Competition could adversely affect the Company's ability to acquire suitable prospects for exploration.

N. Risks and Uncertainties, continued

Government Regulations and Environmental Risks and Hazards

The Company conducts exploration activities in the United States and Canada, and is subject to various federal, provincial, state laws, rules and regulations, including environmental legislation. Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.

The Company has adopted environmental practices designed to ensure that it continues to comply with environmental regulations currently applicable to it. All of the Company's activities are in compliance in all material respects with applicable environmental legislation. Environmental hazards may exist on the Company's properties, hazards that are unknown to the Company at present, which have been caused by previous or existing owners or operators of the properties. The Company is not aware of any existing environmental hazards related to any of its current or former property interests that may result in material liability to the Company.

Title to Property

Although the Company has exercised the usual due diligence with respect to title to properties in which it has a material interest, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interest may be subject to prior unregistered agreements or transfers, aboriginal land claims, government expropriation and title may be affected by undetected defects. In addition, certain mining claims in which the Company has an interest are not recorded in the name of the Company and cannot be recorded until certain steps are taken by other parties.

Dependence on Key Personnel

The Company is dependent on a relatively small number of key directors, officers and senior personnel. Loss of any one of those persons could have an adverse effect on the Company. The Company does not currently maintain "key-man" insurance in respect of any of its management.

Licenses and Permits

The operations of the Company require licenses and permits from various government authorities. The Company believes that it holds all necessary licenses and permits under applicable laws and regulations for work in progress and believes it is presently complying in all material respects with the terms of such licenses and permits.

However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities or to maintain continued operations that economically justify the cost.

O. Changes in Accounting Policies, Including Initial Adoption

International Financial Reporting Standards ("IFRS")

The condensed consolidated interim financial statements for the nine months ended April 30, 2012 are the Company's third condensed consolidated interim financial statements prepared in accordance with IFRS as stated in the accounting policies described in note 2 in those statements.

The following are the optional exemptions available under IFRS 1 that the Company has elected to apply:

Share-based Payments

The Company elected to not apply IFRS 2: *Share-based Payments*, to equity instruments granted before November 7, 2002 and those granted but fully vested before the date of transition to IFRS.

Business Combinations

The Company elected to not apply IFRS 3: *Business Combinations*, with respect to business combinations that occurred before the date of transition to IFRS. As a result of this election, no adjustments were required to the Company's statement of financial position as at August 1, 2010.

The following accounting policy amendments and other recognition adjustments have been made on the transition to and adoption of IFRS:

(a) Exploration expenditures

On transition to IFRS the Company elected to retrospectively change its accounting policy for the treatment of exploration expenditures to a policy of expensing all exploration expenditures, so as to align itself with policies applied by other comparable companies at a similar stage in the mining industry.

(b) Share-based payments

On transition to IFRS the Company elected to retrospectively change its accounting policy for the treatment of share-based payments whereby amounts recorded for expired unexercised stock options, finders' options, and warrants are transferred from share-based payment reserve to deficit. Previously, the Company's Canadian GAAP policy was to leave such amounts in share-based payment reserve.

(c) Deferred Income Tax

On transition to IFRS, deferred income tax recognized on Amalgamation was reversed in accordance with International Accounting Standard 12: *Income Taxes*, which prohibits recognition of a deferred tax liability if it arises from the initial recognition of specified assets or liabilities in a transaction that is not a business combination and does not affect accounting or taxable income at the time.

O. Changes in Accounting Policies, Including Initial Adoption, continued

International Financial Reporting Standards ("IFRS"), continued

Reconciliation of Statement of Financial Position

The table below provides a summary of the adjustments to the consolidated statement of financial position as at April 30, 2011:

	Note		April 30, 2011
Total Assets per GAAP		$	16,498,001
Decrease in mineral properties	(a)		(3,217,059)
Decrease in deferred income tax	(c)		(1,428,726)
Total assets per IFRS		$	**11,852,216**
Total Liabilities per GAAP		$	2,009,305
Decrease in deferred income tax	(c)		(1,428,726)
Total Liabilities per IFRS		$	**580,579**
Total Equity per GAAP		$	14,488,696
Decrease in mineral properties	(a)		(3,217,059)
Decrease in share-based payment reserve	(b)		(29,611)
Decrease in deficit	(b)		29,611
Total Equity per IFRS			**11,271,637**
Total Liabilities and Equity per IFRS		$	**11,852,216**

Reconciliation of Comprehensive Loss

The table below provides a summary of the adjustments to the consolidated statements of comprehensive loss for the three and nine month periods ended April 30, 2011:

	Note		Three months ended April 30, 2011	Nine months ended April 30, 2011
Comprehensive Loss per GAAP		$	242,301	1,090,690
Increase in exploration expenditures	(a)		242,793	608,545
Comprehensive Loss per IFRS		$	**485,094**	**1,699,235**

Reconciliation of Cash Flows

The only material adjustments to cash flows arose due to the change in accounting policy for the treatment of exploration expenditures. Under IFRS, such expenditures are now treated as operating activities as opposed to investing activities under Canadian GAAP. Total cash balances remained unchanged on adoption of IFRS.

P. Proposed Transactions

Other than normal course review of monthly submittals, there are no other new acquisitions or proposed transactions contemplated as at the date of this report.

Q. Forward-Looking Statements

Some of the statements contained in this MD&A may be deemed "forward-looking statements." These include estimates and statements that describe the Company's future plans, objectives or goals, and expectations of a stated condition or occurrence. Forward-looking statements may be identified by the use of words such as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties.

Actual results relating to, among other things, results of exploration, reclamation, capital costs, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as but not limited to; changes in general economic conditions and conditions in the financial markets; changes in demand and prices for the minerals the Company expects to produce; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with the Company's activities; and changing foreign exchange rates and other matters discussed in this MD&A.

Readers should not place undue reliance on the Company's forward-looking statements. Further information regarding these and other factors, which may cause results to differ materially from those projected in forward-looking statements, are included in the filings by the Company with securities regulatory authorities. The Company does not assume any obligation to update or revise any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws, whether as a result of new information, future events or otherwise.